

A Study of AI in Marketing: Applications and Tools, Benefits, Challenges, Implementation and future

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Abstract - Artificial Intelligence is a rapidly emerging field that is transforming the business model and way of approaching to the customer. Its involves the high use of Artificial Intelligence, Block Chain, Machine learning and other advance technologies that's automate the business and marketing operations. This technologies will explore the data, analyze the consumer behaviour and business needs that's makes them businesses competitive. This study is highlighting the Importance of AI in modern marketing along with the use it with ethical consideration. It will also focuses on the future of AI in marking and its impact on marketing landscape.

Keywords: - Artificial Intelligence, Marketing, Human Intelligence, Block Chain, Machine Learning, Predictive Analytics

I. INTRODUCTION

A technology is having on-going advancement into it. Business is always trying to find out the innovative ways to apply these innovative technologies into their business operations. In business operations one area is marketing and technology had a significant impact on it. Artificial Intelligence is one of the applications that have taken by the marketing world rapidly. In this study we will highlights what is Artificial Intelligence and its means in marketing, role of Artificial Intelligence, their benefits and difficulties of using it.

1.1. Definition:-

Artificial Intelligence in Marketing is leverages the AI technologies like machine learning, data analytics, and predictive analytics to automate the decisions, analyse the customer trends and deliver the content at scale. It allows the faster data-driven marketing efforts that's improves the operational efficiency return on investment while allowing the marketers to understand and engaging the customer more.

1.2 Importance of Artificial Intelligence in Marketing

Artificial Intelligence plays a significant role in business as they allow businesses to take real time basis data-driven decisions. With the use of Artificial Intelligence businesses can analyse the large amount of data that will provides the gainful insights of consumer behaviour, preferences and needs. Artificial Intelligence is important into businesses as it will deliver the efficiency that would be impossible through manual process. An AI tool helps the businesses to identify the pattern in data that would better understand the customer needs and predict their future behaviour.

AI is also used for personalized content creation, personalized messages and recommendation based on the individual customer preferences from disparate the information from sources like social media, browsing history, past purchases, future inquiries and interactions with the company's website. AI helps in automate the routine task like creation and scheduling on social media post.

The use of Artificial Intelligence technologies will transform the marketing department strategies, real-time data driven decisions, tracking the customer experiences, every time that provide the competitive edge over competitors. This information is crucial in developing effective marketing strategies, targeting right audiences and creating personalized experiences for customer. AI boost the Automations, real time data driven decisions, predictive analytics, saving cost and efforts, enhances personalization and return on investments.

1.3 Overview of Artificial Intelligence in Marketing

Artificial Intelligence is a system that performs the tasks that typically required the human intelligence such as learning, data driven decision making, problem solving etc. In the field of marketing AI can be used for data analysis, prediction of customer

preferences, identification of patterns and automate the process. As today's is a digital world and every aspect of our lives is influenced by the technology. Marketing industry is not exempted from it. Advancement of Technology, Artificial Intelligence has become an integral part of marketing industry. Artificial intelligence is a set of algorithms, blockchain, and intelligent computer systems that can learn, think, reason and perform the task that typically required for human intelligence. The role of Artificial Intelligence is to constantly evolving its potentials to provide the gainful competitive edge insights.

The Significant role of Artificial Intelligence in marketing is the actualization of personalized marketing. AI algorithms can easily track, access and analyze the multilayer customer data like social media activities, search engine activities, purchase history and browsing history. On the basis of this information AI can generate the customer profile and provide the tailored recommendations and advertising messages to customer based on their preferences, interest and behaviour. Personalized marketing ensures customer are served with product and services provided by the business that match their needs and wants.

Another significant role of AI in marketing is effective data management. AI tools can collect and analyze customer data, helping them to discover valuable insights and identify uncover hidden trends, patterns and behaviour's. With the use of AI market researcher can comprehend big data in real-time to make the effective decisions. This real-time analytics helps businesses to stay ahead of the competition, make necessary adjustment and build more effective marketing strategies.

In addition AI-Powered Chatbots are a crucial addition to any business. The Chatbots helps business to interact with their customer 24/7 on real time basis that will provide the immediate response to customer comments, queries or complaints. That also boosts the customer experiences, enhance their sales experience. AI Chatbots provides the prompt and efficient customer services and ideal solutions that are looking for the customers. In addition into it AI is capable to improve web optimization, by optimizing the search result and enhance the SEO practices. AI helps business in identifying search keywords and patterns to boost the website traffic and attract more customers on their website.

AI also helps in predicting the customer behaviour by analysing of consumer behaviour and patterns. AI can predict the future transactions, behaviour and purchase decisions. These insights drastically benefited to businesses as it helps them in refining their advertising, optimizing marketing strategies and pro-actively responding the customer needs. Artificial intelligence is an essential tool for shaping the modern business landscape. By utilizing AI business can give invaluable insights into their customer's behaviour and preference and increase their efficiency and profitability. AI is not going to permanently replace human interaction but it can help in augment and improve it. Artificial Intelligence helps businesses to work smarter not harder.

1.4 Artificial Intelligence Applications & Tools in Marketing

Chatbots

AI powered Chatbots provide the fast and accurate responses to the customer queries and improve their experience. Chatbots is a most prevalent example of Artificial Intelligence in today's era. These digital assistance providers will minimize then human queries and conversion that improve the customer engagement, customer support and overall business efficiency. The technology used in Chatbots is machine learning, blockchain, natural language processing and other AI principles that enable them to understand the human request and respond them appropriately with pre-programmed responses. This AI enable Chatbots evolve their features day by day, now they can incorporate voice commands, emotional detection and context awareness capabilities to provide the greater accuracy in their responses and make them likable towards users. These technology has minimize the work load of the customer service representative as its provides the instant communication between customer that saves the time and improve overall customer service experience.

Jasper AI/ Copy.ai

These Artificial Intelligence tools used by the companies for the creation of the social media content and creative advertising.

Surfer SEO

These Artificial Intelligence tools used by the businesses for the optimization of the content for search engines by analyzing the top ranking pages.

Google Performance Max

These are leverages predictive AI used for the placing advertising and finding the audience segments. That benefits the businesses for targeting the right customer.

Predictive Analytics

Artificial Intelligence can predict the customer behaviour and identifying the opportunities for businesses to target the specific audiences. Predictive analytics in AI represents the AI algorithms and techniques to analyze the data, identify the patterns and predict future outcomes.

Personalization

Artificial intelligence helps businesses to create a personalized experience to their customers by analyzing their behaviour and preferences. AI algorithms can create the personalized customer profile. That boost the accuracy in providing the right content, recommendation and advertising.

1.5 Benefits of Artificial Intelligence in Marketing

1.5.1 Boost Customer Service

Artificial Intelligence is helping the businesses in providing personalized experience to customer, improved customer satisfaction and retention rate. Artificial Intelligence evolves in the rapid industry shift that focusing on the creation of optimal customer journey. By effectively using the AI algorithms and tools businesses can personalized the buying process of individual customer. AI can helps to customer in product recommendation as per the interest of customers. By carrying the technological approach businesses can create the customer persona, sending them communication messages through email, social media, Chatbots etc. By the use of AI Algorithms, machine learning, block chain, natural language processing they are able to deliver high personalized customer experiences. Better customer services experiences leads to businesses not only for customer satisfaction but also ensure long term loyalty and retention of customers for longer time span.

1.5.2 Enhanced Return on Investment and Profitability

By Using the AI tools to analyze the data and making the real time basis decisions, businesses can develop the more effective marketing campaign that leading to increase the revenue and profitability. AI has revolutionized the way of marketing. By analyzing the data set and customer behaviour AI

algorithms can accurately predict the customer needs and prepare a marketing campaign that match with the customer interest that's significantly increase the revenue and profitability of the business. Automation also minimizes the labour cost and time and helps in increasing ROI. AI advancement allow businesses to access the right customer in real time basis that leading personalized marketing campaigns, enhancing customer experience, increase retention and minimize the churn rate. By using these AI features businesses can increase the revenue as much as 2x compared with traditional marketing approach. AI Powered solutions into marketing landscape allows for improved market penetration, greater operation efficiency, revenue growth and profitability that's leading to a stronger position in today's competitive word.

1.5.3 Enhance Productivity & Efficiency

Artificial Intelligence in Marketing can automate the multiple task and processes, that's allowing businesses to focus on strategic initiatives. That can lead to improve businesses efficiency and productivity as well as its save the time and cost. Advancement into Artificial Intelligence has revolutionized various industries and its impact on enhancing the overall productivity and efficiency. AI powered systems can perform multiple automatic tasks that's would require human intervention, data analysis and customer service management. This system is focusing on to facilitate the customized and personalized products, which increases the customer satisfaction level. That also reduces the manual labour cost for businesses. AI also informed the decisions regarding inventory optimization, forecasting market trends and make informed decisions regarding inventory optimization by analyzing the customer behaviour patterns. By integrating Artificial intelligence in to operational process, businesses can increase their overall productivity and improving the business efficiency. On-going enhancement into AI offers the opportunities for seamless integration in business process to improve performance in all sectors.

1.6 Artificial Intelligence Implementation Challenges in Marketing

1.6.1 Lack of Skills

For implementation of Artificial Intelligence businesses required the skills professionals who can

manage and develop the technology. To find out the skilled personnel is biggest challenge faced by the businesses. For integration of Artificial Intelligence into Marketing required skilled qualified professionals with expertise in machine learning, data analysis, block chain etc. A business needs to invest into training part and certification programmes for their employees to acquire necessary skill sets. In addition a business needs to pay huge amount for attracting qualified personnel. To solve these problems businesses need to have a partnership with academic institutions to train their employees specifically for marketing applications. Until, then businesses need to face difficulty of shortages of skilled professionals for use of Artificial intelligence in marketing.

1.6.2 High Implementation Cost

Initial technology implementation cost is in higher side, businesses need to consider the ROI time before taking the technology implementation. Implementation of Artificial Intelligence into marketing campaign has become increasingly popular as businesses looking for to gain competitive advantages. But however AI technology required the implementation setup like hardware, software, up skilling the employees and maintenance of the technology it's constantly evolving the addition into expenses.

1.6.3 Data Security and Privacy

The use of Artificial Intelligence in marketing raises the concern about data security and privacy. Businesses needs to ensure to secure the customer data base with data protection regulations. One of the biggest challenges faced by the businesses today is ensure the data security and privacy while using AI. AI can use the customer data for creation of customer profile if these data falls into wrong hands or misused, then its can create the serious issue of consumer privacy violations for consumer. Businesses must ensure that AI platforms comply with regulatory laws for data protection and their security against the cyber threats.

1.6.4 Practices for Implementing Artificial Intelligence in Marketing

Artificial Intelligence in marketing is changing the ways for marketing, with the raise of data driven decisions, Artificial intelligence can automate the task, optimize the task, identify the consumer pattern. Implementation of Artificial intelligence

isn't easy task; best practices for implementation of Artificial Intelligence in marketing involved the careful planning and strategies. Needs to identify the areas where Artificial Implementation can improve operation efficiency, improve customer experience and boost revenue growth of the businesses. Utilizing the predictive analytics helps in targeting right customer with personalized messages and advertising campaigns. Prioritize the training and education to employees those are working with the Artificial Intelligence. By doing these activities businesses can effectively leverages the AI technology.

II. LITERATURE REVIEW

- 2.1 Michael Haenlein, Matthew J. Schneider, Abhijit Guha (2021) have evaluated the effect of AI adoption in retail industry. Researchers suggested adopting AI for retail managers for the purpose of value creation, ethical perspective, effective retailing etc.
- 2.2 Dan Dumitriu, Mirona³ (2020) has made a four stage sequential model. It helps to find deceivability of the site through different key words. These means were comprised with make pertinent subjects and topics for making site more accessible, use of online techniques for looking through the key words, words search in web, and check of those catchphrases and so on.
- 2.3 Piyush Jain, Keshav Aggarwal (2020) Specialist have outlined about the need of artificial intelligence in promoting, drivers of man-made intelligence in advertising through certifiable business cases. Concentrate on involved different man-made intelligence techniques that can carry out in market. Area wise and district wise job of computer based intelligence has been involved in the review. Client life cycle stages and job of artificial intelligence in each stage was made sense of by the creator
- 2.4 Tiago Ribeiro and José Luís Reis (2020) Specialists underline that a significant number of our everyday undertakings are now be supplanted by man-made brainpower and presumably a considerable lot of us may not know about this. Specialist inspected that utilization of man-made intelligence through machines with people will give improved

results. Analyst referenced one of the significant deterrents that people are as yet not sure about innovation and they are yet prepared for this mechanical change. Subsequently scientist proposed that supervisors and organizations ought to make themselves and their representatives for execution of man-made brainpower in advertising rehearse.

III. FUTURE OF ARTIFICIAL INTELLIGENCE IN MARKETING

Chatbots

AI Powered Chatbots provide the instant service and boost the customer engagement

Predictive Analytics

Predictive Analytics can analyze the large amount data and predict the consumer behaviour and future trends.

Personalization

Deliver the personalized messages to individual customers based on their performance and behaviour

Transparency and Accountability

AI can maintain the transparency of the transactions and ensuring the accountability of the each transaction.

Privacy of Data

AI Technology is maintaining the privacy of the customer as data is protected with the multilayer security walls.

Improve ROI

AI can minimize the human efforts, targeting the right customer and providing the personalized services to the customer that will boost the customer satisfaction and retention that's directly enhanced the customer satisfaction level.

IV. CONCLUSION

Artificial Intelligence in Marketing includes the use of machine learning, natural language processing, blockchain, predictive analytics, AI applications and advance technologies that optimize the various marketing processes. The main of AI in marketing is Improve efficiency, productivity, and enhance the performance of marketing activities. AI in marketing carries the lots many advantages likes improves productivity and efficiency, customer experiences, customer satisfaction and revenue growth. It's also helps to businesses in making data driven decisions,

personalized marketing messages, automate repetitive tasks.

In implementation of Artificial Intelligence is having some challenges like lack of Skilled professional, required huge amount in initial phase, data privacy and security.

Businesses must ensure that use of Artificial Intelligence aligned with the ethical and legal standards. Implementation of Artificial Intelligence includes the smart planning and strategy building, training to employees and use of predictive analytics.

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