

Impact of (AI) Artificial Intelligence on Traditional Marketing

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ABSTRACT

Traditional marketing still plays a vital role, especially for reaching demographics that are less active online. It can create a strong local presence and build brand recognition through consistent visibility. While digital marketing grows, many businesses find that a balanced mix of traditional and digital strategies yields the best results. Traditional marketing provides tangible, high-impact methods that complement the precision and reach of digital campaigns. However, Artificial Intelligence (AI) has had a transformative impact on traditional marketing, enhancing its effectiveness and efficiency. Researchers have explored the possible impact of (AI) on traditional marketing. Because (AI) has emerged as a powerful tool and played important role in data analysis, cost efficiency, improved targeting and personalization, automation which further help and excel the strategic decision making of marketers.

The authors have reviewed research papers from research gate and academia that were submitted to Emerald or indexed on Scopus, Web of Science, Elsevier, and Sage. This paper's most important contribution was creating a unique, mixed kind of approach to close a knowledge gap with regard to literature, with an emphasis on opportunities in Traditional marketing. Both industry and academia may benefit from the study's conclusions.

Keywords: Artificial Intelligence (AI), Marketing, Automation, Digital.

Introduction

Like the brains powering computers, artificial intelligence (AI) allows them to carry out activities that normally demand for human intelligence (Verma et al. 2021). This includes problem-solving, learning, pattern recognition, decision-making, and even understanding natural language Russell and Norvig (2010). On the other hand Marketing is the art and science of creating demand for a goods or service (Kotler & Keller, 2009). It entails comprehending client demands and adding value, and delivering that value to consumers in a way that captures

their interest and loyalty. It has components such as marketing research (Collecting information to comprehend consumer needs and market trends), product development (Creating goods or services that meet those needs), Branding (Building a unique identity and image for your product or company), Advertising (Communicating product's benefits to potential customers), Sales Strategy (Developing plans to sell your product effectively), customer Service (Ensuring customers are satisfied with their purchase and experience), Analytics (Measuring the effectiveness of marketing efforts and making adjustments). Now a day's digital marketing (Using online platforms like social media, email, and websites to reach customers), Content marketing (Developing worthwhile content to draw in and keep clients), Email marketing (sending tailored emails to develop relationships), and using social media platforms to engage with audiences relationships with potential and existing customers), Influencer Marketing (Collaborating with influencers to reach their followers), Event Marketing (Hosting or participating in events to promote your brand), Traditional marketing (Using offline methods like print ads, TV commercials, and billboards). However, marketing is all about creativity, strategy, and execution. It's a dynamic field that requires staying updated with trends and constantly innovating to stay ahead of the competition. Artificial Intelligence (AI) has revolutionize the traditional marketing concept because it helps to analyse vast amounts of data to tailor content and recommendations to individual users, leading to more effective marketing campaigns. The objective of researchers is to find out the impact of AI on traditional 4Ps of marketing mix and its comparison.

Theoretical Background

Defining Traditional Marketing & AI

According to (Kotler & Keller, 2009), the fundamental purpose of marketing is to make and sell products and services that are attractive and appropriate to different consumers who have different preferences and incomes. Since AI was founded as an academic discipline in 1956, it used to predict consumer behaviour, search engine optimisation (SEO), targeted advertising (Jasminara 2023; Mariani, Perez-Vega & Wirtz 2021), in contemporary marketing practices (Verma et al. 2021; Vlačić et al. 2021). AI technologies are currently assisting marketers in their ongoing efforts to better understand their customers in order to meet their wants. Once a hot topic in the IT industry, artificial intelligence has now permeated every aspect of our lives and had a significant impact on all aspects of our lives. AI is the aptitude shown by machines, as opposed to the innate intelligence showed by humans. Today's consumers and employees work in an environment where artificial intelligence (AI) is so ubiquitous that many people are not aware of how it affects daily life or how dependent they are on it. Much of what we do is also powered by AI technology. Examples of common applications include the ability of a computer to perform tasks that are thought to require human intellect, such as robotics, language translation, and gaming. Digital computers first appeared in the 1940s marked the beginning of artificial intelligence. It was observed to learn and develop by processing and carrying out a variety of tasks employing human intelligence, creativity, knowledge, experience, and inventiveness.

AI has impact on Marketing Mix as mentioned above in introductory paragraph. It basically has revolutionize the four Ps of the marketing mix are product, price, place, and promotion (Jarek & Mazurek; 2019). In case of product AI personalize products and services based on consumer preferences and behavior. For example, streaming services like Amazon use AI to recommend product tailored to individual users. Additionally, it aids in product creation by examining user input and market trends to inform product development, ensuring that new products meet customer needs and preferences (Kumar et al., 2019). AI algorithms have the ability to instantly modify prices in response to demand, competition, and other variables. AI also analyze historical sales data and market conditions to determine the optimal price for maximizing revenue and

profitability. This is commonly used in industries like e-commerce such as flip kart, Amazon, and hospitality industry. In the third P of marketing mix 'Place', AI improves logistics, optimizes inventory levels, and forecasts demand to streamline supply chain operations. This ensures that products are available where and when customers need them. It also helps to identify the most effective distribution channels for reaching target customers, whether through online platforms, physical stores, or a combination of both. Last P of marketing mix is 'Promotion'. AI aids in the analysis of customer data to produce highly customized and targeted advertising campaigns. This increases the relevance and effectiveness of promotional efforts (Shah et al., 2020; Kaput, 2022). Further it also helps in content creation such as social media posts, blog articles, and ad copy, tailored to specific audiences (Nalini et al., 2021; Blewminds, 2023). This saves time and ensures consistency in messaging. Chatbots and virtual assistants driven by AI can interact with clients in real time, offering prompt assistance and tailored suggestions (Cheng & Jiang, 2022; IBM, 2023).

Traditional Marketing	Product	Artificial Intelligence for Marketing	AI personalize products and services based on consumer preferences and behaviour.	Strategy & Planning	Product Management : Efficiency & Customer centric Approach
	Price		Instantly modify prices in response to demand, competition, and other variables.		Pricing Strategy : Real time pricing
	Place		AI improves logistics, optimizes inventory levels, and forecasts demand to streamline supply chain operations.		Boundary less: wide network
	Promotion		AI aids in the analysis of customer data to produce highly customized and targeted advertising campaigns.		Targeting & Positioning Strategy

Source: Authors

Finding& Discussion

Using sophisticated algorithms and machine learning to analyze data, automate processes, and customize marketing campaigns is known as AI in marketing. It enhances the efficiency and effectiveness of marketing strategies. The reach of traditional marketing is broad but less targeted on the other side AI has highly targeted and personalized aspect. In terms of 'cost' traditional marketing is often higher because of print media and broadcast on TV etc. on the other hand AI makes it cost effective. From the Adaptability aspects, traditional marketing is less flexible and slower to adjust but with the implementation of AI in marketing its highly adaptable and real time adjustments. The Interaction through traditional marketing is personal and face to face and AI makes it more digital and data driven. At last, AI in marketing has precise ROI because it is data driven. Under the traditional marketing ROI was difficult to measure. Both traditional marketing and AI have their unique strengths and can complement each other to create a comprehensive marketing strategy. Traditional methods provide a personal touch and broad reach, while AI offers precision, efficiency, and adaptability. Combining both can lead to more effective and impactful marketing campaigns.

Conclusion

AI enhances the marketing mix by making it more data-driven, efficient, and customer-centric. It allows businesses to respond quickly to market changes, optimize their strategies, and deliver a better customer experience. By integrating AI into the marketing mix, companies can stay competitive and meet the changing client needs. Traditional marketing and marketing techniques have been revolutionized by AI. The wisest course of action for marketing scholars and practitioners is to steer clear of rigidly compartmentalized thinking, as fields such as computer and data science are driving the development of AI. They will gain from experimenting with and implementing cutting-edge AI-enhanced technologies that will transform how businesses think about and how customers perceive marketing.

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