INNOVATIVE MECHANISM IN THE MARKET -Role of Artificial Intelligence

Dr.T.Lokeswara Rao. Assoc. Professor
Dr. N V J Rao. Professor
School of Management Studies
GIET University, Gunupur, Odisha.
Mail.Ida: drlokesh71@gmail.com

L.Supriya (I MBA)
School of Management Studies
GIET University, Gunupur

Abstract

Now- a-days Artificial Intelligence (AI) marketing uses artificial intelligence technologies to make automated decisions based on data collection, data analysis, and additional observations of audience or economic trends that may impact marketing efforts. AI is one of the most prominent and potentially transformative technologies in society today. Components of A I in marketing, Machine learning, Big Data and Analytics which has provided opportunities for marketers to understand their efforts. AI marketing offers one of the best ways to revolutionize the business world. AI marketing give benefits to social media automation, minimizing human error. increases return on investment on each customer contact.

Key words: Artificial Intelligence, Marketing, customer, computer programs.

Introduction

Today online transactions have become an important and necessary part in marketing and in our life. As frequency of transactions is increasing, number of fraudulent transactions is also increasing quickly. Artificial Intelligence (AI) reducing human involvement and help to reduce the fake transactions. Now-a-day's AI and machine learning, Big data, these are playing key role in every organization and it is also playing important role in marketing.

New technologies came with new implications for marketing activities and opened up many opportunities for better performance. One of them being the use of artificial intelligence. AI marketing uses artificial intelligence technologies to make automated decisions based on data collection, data analysis, and additional observations of audience or economic trends that may impact marketing efforts. AI is often used in marketing efforts where speed is essential. AI tools use data and customer profiles to learn how to best communicate with customers, then serve them tailored

messages at the right time without intervention from marketing team members, ensuring maximum efficiency. AI on marketing is very important in terms of understanding the current technological developments and thinking about their capabilities.

Artificial intelligence

AI have surfaced over the last few decades, John McCarthy offers the following definition in this 2004 (PDF, 106 KB) (link resides outside IBM), " It is the science and engineering of making intelligent machines, especially intelligent computer programs. It is related to the similar task of using computers to understand human intelligence, but AI does not have to confine itself to methods that are biologically observable." AI is one of the most prominent and potentially transformative technologies in society today. How this trend will impact individuals, firms, organizations, and society is still unknown, and depends largely on how individual consumers choose to adopt and use AI.

AI marketing

AI marketing is a method of leveraging intelligence technologies to collect data, customer insights, anticipate customers' next moves, and make automated decisions that impact marketing efforts. In marketing, AI is usually used in which speed is essential. AI, actually, can boost the Return on Investment (ROI) of marketing. With AI, marketers can understand their customers' behaviours deeply, know their actions and indications. Therefore, they can target the right strategy to the right person in a time-saving and effective way.

According to previous studies "When technology works on a personal level, it creates an endearing bond with the users, when marketers tap into such a bond, the potential for customer value creation is enormous" (Kumar et al., 2019, p. 137). Advanced and innovative AI-powered marketing solutions can rapidly adapt to the changing needs of businesses and come up with com-Muni cations and solution packages that are critical and lucrative to relevant stakeholders (Epstein,2018). The CEO of the Marketing Artificial Intelligence Institute proposed a new framework (Roetzer, 2017) for the marketing mix, comprising Planning, Production, Personalization, Promotion, and Performance (the 5Ps)

Components of AI in Marketing

It's clear that artificial intelligence holds a vital role in helping marketers connect with consumers. The following components of AI marketing make up today's leading solutions that are helping to bridge the gap between the expansive amounts of customer data being collected and the actionable next steps that can be applied to future campaigns:

Machine Learning

Machine learning is driven by artificial intelligence, and it involves computer algorithms that can analyse information and improve automatically through experience.

Big Data and Analytics

The emergence of digital media has brought on an influx of big data, which has provided opportunities for marketers to understand their efforts and accurately attribute value across channels.

AI Platform Solutions

Effective AI-powered solutions provide marketers with a central platform for managing the expansive amounts of data being collected. These platforms have the ability to derive insightful marketing intelligence into your target audience so you can make data-driven decisions about how to best reach them.

AI Important to Business

AI marketing is an innovative mechanism to leverage intelligence technologies in order to collect data, customer insights, predict customers' subsequent moves, and make automated decisions. AI marketing offers one of the best ways to revolutionize the business world. AI is important to businesses as this technology benefits both large and small companies by assisting them in rising, ensuring efficient decision-making, and revolutionizing management. IDC predicts that by 2024, the AI market is expected to break the $500 billion and total revenues reaching around $554.3 billion. Moreover, Allied Market Research predicts that the global AI market size is expected to touch $169,411.8 million in the year 2025.

With the help of machine learning, Netflix managed to save USD 1 billion in 2017. When a company is using AI, 34% of customers spend more money on their products and services. Apart from this, 49% are thinking about buying something from the company more often in case it uses AI.

Artificial Intelligence in Marketing Market to Grow at 29.79% CAGR to 2025

Artificial Intelligence in Marketing Market is forecast to reach $40.09 billion by 2025 from $6.46 billion in 2018 at a CAGR of 29.79% during (2018-2025) driven by the growing adoption of customer-centric marketing strategies, increased use of social media for advertising and increase in demand for virtual assistants; while North America is expected to be a major contributor to the growth of the market in 2018. (ReportsnReports.com adds)

Benefits of Leveraging Artificial Intelligence in Marketing

There is a myriad of use cases for AI in marketing efforts, and each of these use cases yields different benefits such as risk reduction, increased speed, greater customer satisfaction, increased revenue, and more. Benefits may be quantifiable (number of sales) or not quantifiable (user satisfaction). There are a few overarching benefits that can be applied across AI use cases:

- **Increased Campaign ROI**

If leveraged correctly, marketers can use AI to transform their entire marketing program by extracting the most valuable insights from their datasets and acting on them in real time. AI platforms can make fast decisions on how to best allocate funds across media channels or analyse the most effective ad placements to more consistently engage customers, getting the most value out of campaigns.

- **Better Customer Relationships & Real-Time Personalization**

AI can help you deliver personalized messages to customers at appropriate points in the consumer lifecycle. AI can also help marketers identify at risk customers and target them with information that will get them to re-engage with the brand.

- **Enhanced Marketing Measurement**

Many organizations have trouble keeping pace with all of the data digital campaigns produce, making it difficult to tie success back to specific campaigns. Dashboards that leverage AI allow for a more comprehensive view into what is working so that it can be replicated across channels and budgets allocated accordingly.

- **Make Decisions Faster**

AI is able to conduct tactical data analysis faster than its human counterparts and use machine learning to come to fast conclusions based on campaign and customer context. This gives team members time to focus on strategic initiatives that can then inform AI-enabled campaigns. With AI, marketers no longer have to wait until the end of a campaign to make decisions, but can use real-time analytics to make better media choices

Future of AI in Marketing

Ultimately, the future of AI's role in marketing technologies will be determined by imagination and innovation. Combining different technologies together can result in businesses outcompeting other leading players in the market for years. At the bare minimum, understanding what's already in use is important for bringing your company up to speed to remain relevant and competitive in the market.

Conclusion

AI is now delivering real value to a market that needs to solve complex problems. AI is often used in marketing efforts that require speed. AI is one of the most popular and potentially transformative

technologies in society today. The benefits of using Artificial Intelligence in marketing and the combination of different technologies will enable businesses to outperform other leading players in the market in the future. AI marketing has a variety of uses, especially to avoid wasting time and to keep customer data safe. Future generations will need to use AI in all fields, not just the market.

References:

1. Dr.T.Lokeswara Rao, Intellectual Profert & Artificial Intelligence -Towards fraud deduction. IJAR DOI: 10.21474/IJAR0, DOI URL: http://dx.doi.org/10.21474/IJAR01.

2. Prof. A.Lakshminath& Dr. Mukunsarda, Digital Revolution and Artificial Intelligence- Challenges to legal education and legal research, CNLU LJ (2) 2011-12.

3. Raquel Acosta, Artificial Intelligence and Authorship Rights, Harvard journal of Law and Technology (Feb. 17, 2012).

4. Practical applications of artificial intelligence techniques include data mining, automated bots, self-managing systems, as well as computer aided design ("CAD") or video games