



ROLE OF ARTIFICIAL INTELLIGENCE IN BUSINESS MARKETING: MERITS
AND CHALLENGES

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Abstract

The following paper delves into artificial intelligence and how it mainly plays a critical role in the business marketing landscape. Different companies use their power to ensure customer retention, focus on target marketing, and make certain of greater business revenue. As marketing has become a key aspect of business for communicating about their products & services to customers, artificial intelligence is being employed to examine what customers require today to remove their challenges in daily life. Nonetheless, risks related to data privacy, employee comprehension of artificial intelligence, and the high costs of implementing it cannot be disregarded. Despite the respective innovations' benefits, the paper discusses some challenges as well that need to be worked up well by the businesses before employing them.

IndexTerms— Artificial intelligence, business marketing, merits, challenges, expectation's, customer requirements, machine learning, customer feedback.

I. INTRODUCTION

As per the understanding, it can be said that artificial intelligence is something that can be portrayed as a computer machine that is capable of doing a wide variety of intricate activities independently. Out there, there are so many tasks that earlier could not be performed without human intervention. As soon as artificial intelligence rose, it was noticed that this technology greatly aided a lot from complex problem-solving to decision-making. Some say that artificial intelligence hinges upon just the algorithms while others say that employs computers to emulate those capabilities or skills that are within humans only [1]. The role of humans in undertaking and governing different and difficult tasks has lessened since the arrival of artificial intelligence.

Particularly coming to the business landscape, which changes with time, it is important to note that the power of artificial intelligence is transforming this sector. From analyzing large amounts of data to managing them and ensuring extremely happening customer service provision in real time, artificial intelligence is paving the business toward triumph [2]. Businesses today are leveraging artificial intelligence's natural language processing alongside machine learning algorithms. The main reason for doing so is to understand in-depth customers' preferences. Subsequently, the behavior of the customers, their expectations, and simply put, how much the customers are attracted to the brand is what artificial intelligence helps define. It can be said that machine learning, neural networks, and sentiment analysis, all



drive businesses to have greater visibility into the customers' requirements. Considering all of them, the paper seeks to explore the part played by artificial intelligence in business marketing.

1.1 ROLE OF ARTIFICIAL INTELLIGENCE IN BUSINESS MARKETING

From social media businesses to big entertainment firms, all leverage artificial intelligence to ensure successful marketing. Marketing strategies need to be set in a way that entices more users and customers towards one's brands. Subsequently, the businesses seek to forecast the marketing trends as well in the future to reap the benefits of competitive lead in the market. Henceforth, they apply artificial intelligence, mainly its sub-powers like machine learning & sentiment analysis. For instance, machine learning algorithms take a few seconds to provide insights into overall users' experience with a particular product or service. Research underlines that artificial intelligence helps businesses to personalize marketing efforts for customer engagement and add more to their satisfaction [3]. On the other hand, one of the key aspects of artificial intelligence is sentiment analysis. It aids businesses in examining customers' feedback and from that, it highlights how customers overall feel about the goods, services, and the brand. As a result of this sub-technique of artificial intelligence, firms make improvements in weak areas within marketing & drive business growth altogether.

From Netflix, and Google, to social media tycoons like Facebook, all put into action the respective technology to offer customers with most personalized content, marketing campaigns, and overall outcomes. The companies also get to categorize customers based on their preferences, behavior, expectations, and more such facets. Various marketing materials are used by companies to advertise their products & services in the target market & platforms. These may include creative videos, posts, emails, and more including in general, content marketing, social media marketing, and influencer marketing. Consequently, all of these help in managing the brand's image, name, and fame in the market, and help them have reduced costs as well. Indeed, the interaction between businesses and their customers is enhanced. The repetitive tasks on the other hand, such as social media posting at regular intervals become more convenient.

II. MERITS

Foremost, the research underlines that artificial intelligence improves user interaction & boosts businesses' overall productivity. There are different types of customers with unique needs & expectations from the businesses. Understanding distinctive customers becomes easier with this technological application in the real world. It is also not necessary that every customer will like to spend a lot on a particular product or service. Therefore, to get deeper visibility into the customers' purchasing & money spending patterns, the use of artificial intelligence seems paramount. Moreover, the quality of content improves, automation strengthens, and personalization to marketing efforts as per consumer needs can be confirmed via businesses. Other advantages of artificial intelligence in business marketing include cost reduction, agility or adaptability across different environments, and innovation.

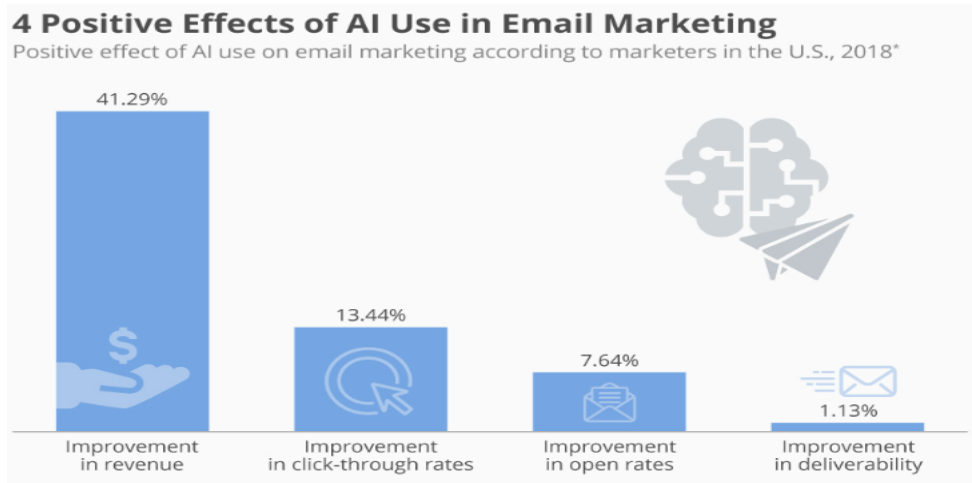


Figure 1. Benefits of Artificial Intelligence in Business Marketing
(Source:[7])

In light of these, it is worth mentioning that artificial intelligence makes businesses proactive in adding more to the customers' experience. Furthermore, the attached graphical representation also highlights that when artificial intelligence was employed in email marketing, it helped US-based companies reap several benefits (Refer to Figure 1). The revenue indeed was increased, and all the marketing & customer services were delivered effectively. Also, the email opening rates by customers increased up to 7.64%, and on the other hand, the click-through rates strengthened by 13.44%. Of course, the given facts are a bit older, but they underline the important role of artificial intelligence in transforming business marketing. Indeed, for smoother marketing actions and building solid marketing strategies, applications of artificial intelligence are essential [4]. Eventually, the technology ensures that only the right audience is targeted for business purposes. With real-time marketing analytics and comprehending the evolving customers' preferences, the technology indeed has made business operations smoother than ever.

III. CHALLENGES

There is no doubt that artificial intelligence has provided businesses with the utmost benefits. It has helped to ensure business reputation, manage customers' expectations, and enhance business development opportunities. Meanwhile, artificial intelligence has posed various risks to business marketing. First of all, it is gathered from research that artificial intelligence is not completely safe. It can pose various ethical concerns as well regarding businesses that just collect huge quantities of customers' data and analyze it without end-users' permission. Notably, artificial intelligence can manipulate the data, becoming a challenge for ensuring its privacy ultimately [5]. So, businesses need to be adhering to all the laws defined by the GDPR. As a result, situations of data privacy breaches and other cyber-crimes concerning artificial intelligence may be prevented. Other than this, it is noted that as artificial intelligence has become more of a skill that needs to be learned by all in a firm, it is not an easy job to provide training for it in a cost-friendly manner. The employees at times resist changes due to privacy concerns and like to do



manual work. In contrast, some may want to learn the advanced use of artificial intelligence for better business marketing, but the companies do not have enough funds.



Figure 2. Challenges of Artificial Intelligence in Business Marketing
(Source:[8])

Moving forward, even the sources that offer data to businesses for marketing & advertising are full of faults. Indeed, these sources help provide needful information but not all the time as the quality of the facts & figures mentioned within such sources may not be completely reliable. So such an issue can pose serious damage to a company's reputation if it uses wrong data for product marketing, content generation, and competitor analysis. As per research, if companies are seeking high-quality data, they need to pay a hefty amount as well and if technical errors come up, then this may also hinder the successful application of artificial intelligence in the business world[6]. Henceforth, businesses need to make certain that if they are using artificial intelligence to drive efficient marketing, then they have a plan of action& best practices in hand when it comes to dealing with these challenges.

IV. CONCLUSION

In final words, it is noteworthy that the paper has shed light on a critical contribution of artificial intelligence in shaping business marketing. On one hand, it supports operational efficiency but at the same time, it poses various security dangers. Also, as artificial intelligence helps companies in making and communicating customized marketing content, it somehow is not easy to learn all of it. It is understood that artificial intelligence in business marketing has both its pros and cons and both cannot be ignored at any cost. Proper expert advice is required by firms to enforce the technology successfully. Enhancing revenue, innovation, and customer experience is one thing,



but at the same time, making infallible of the confidentiality, ethics, and integrity of the business is also imperative when it comes to using artificial intelligence for marketing purposes.

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