

EXECUTIVE PROFESSIONAL COURSE  
IN MACHINE LEARNING AND  
ARTIFICIAL INTELLIGENCE

MARKETING AND ARTIFICIAL INTELLIGENCE

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May 12, 2024



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# MARKETING

Marketing is the **activity, set of institutions, and processes** for **creating, communicating, delivering, and exchanging offerings**

that have

**value**

for **customers, clients, partners, and society at large**

- American Marketing Association (2017)



The aim of marketing is to know and understand the customer so well the product or service fits him and sells itself.

- Peter Drucker



WWW.GARYFOX.CO

This happens when the customer finds value in the product and/or service

# MARKETING

Analyzes the five Cs to deliver superior value compared to the competitors.



Consumers

Company

Competitors

Collaborators

Context/Climate

using

Customer needs and  
wants

Product

Price

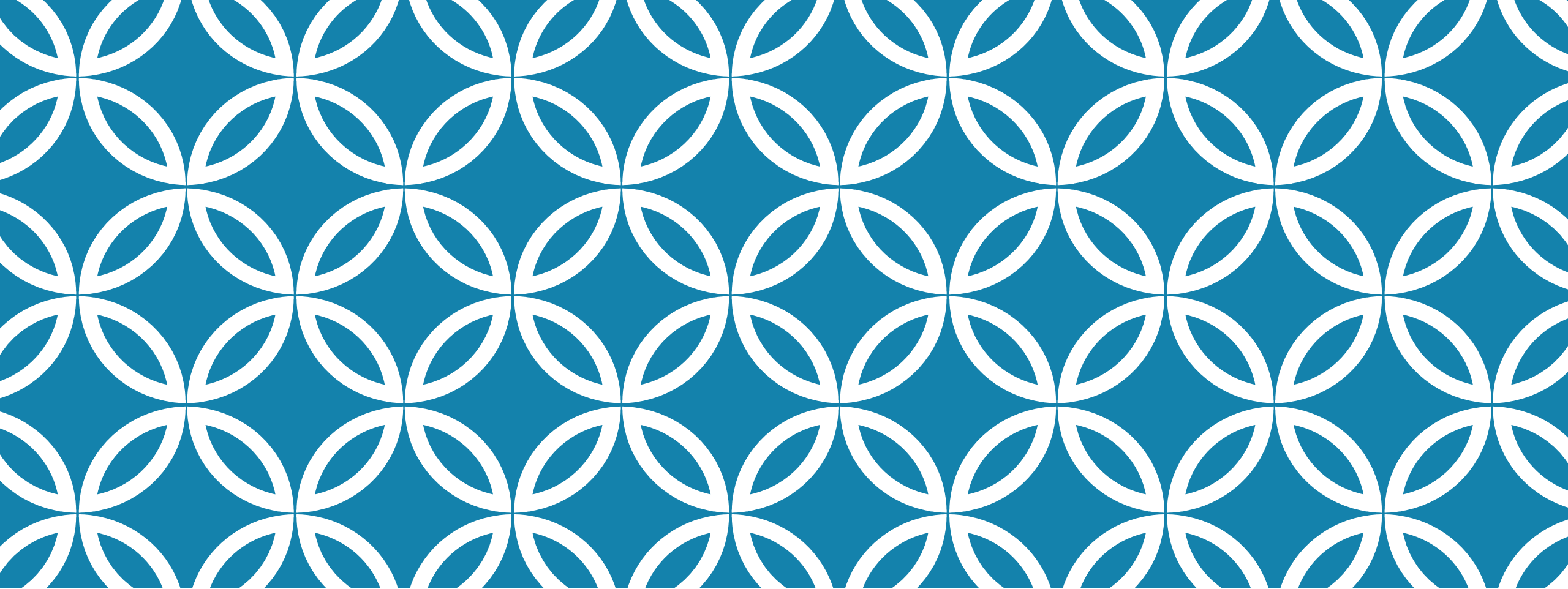
Place

Promotion

Convenience to the  
customer

Cost to the customer

Communication



# ARTIFICIAL INTELLIGENCE STRATEGY IN MARKETING

May 12, 2024

PROF. PREETI VIRDI

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# DIMENSIONS OF AI

- Marketing AI can be categorized according to two dimensions:

- Intelligence level

Task Automation

Machine Learning

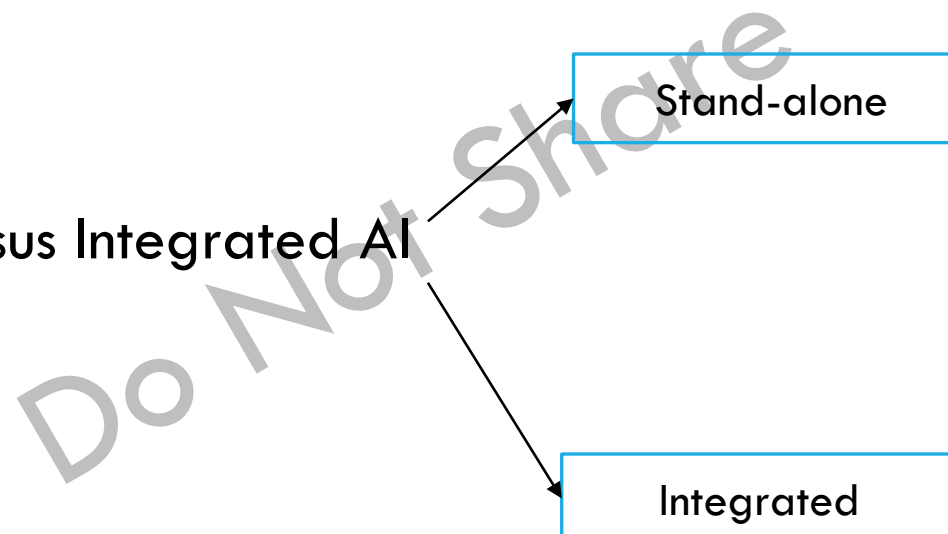
- Applications that can perform repetitive, structured tasks
- Require low levels of intelligence
- Follow set rules
- Example – Simple Chatbots

- Applications that can perform (relatively) complex predictions and decisions
- Recognizes images, text and anticipates how customers respond.
- Example - Recommendation engines

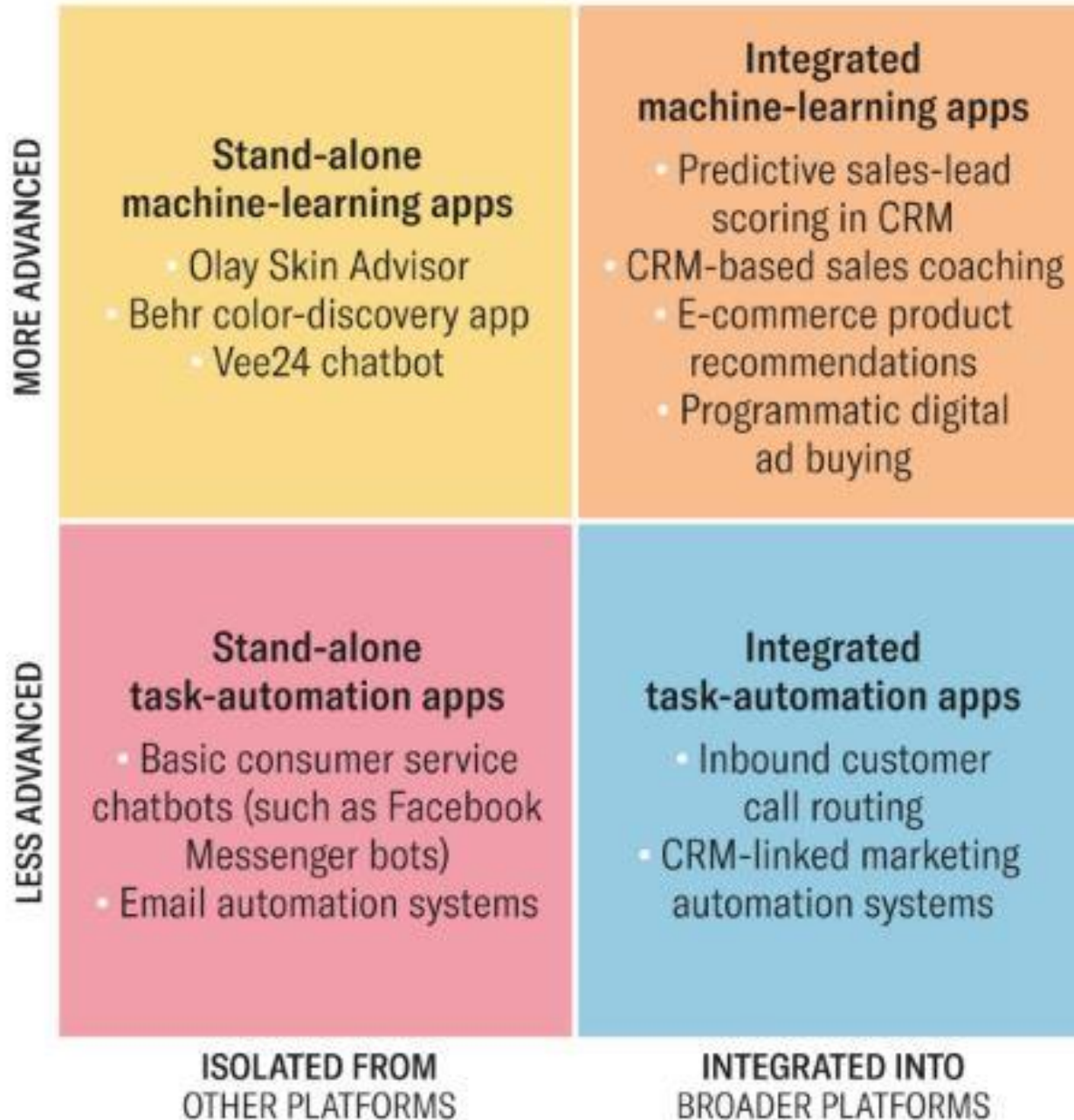
# DIMENSIONS OF AI

- Marketing AI can be categorized according to two dimensions:

## 1. Stand-alone versus Integrated AI



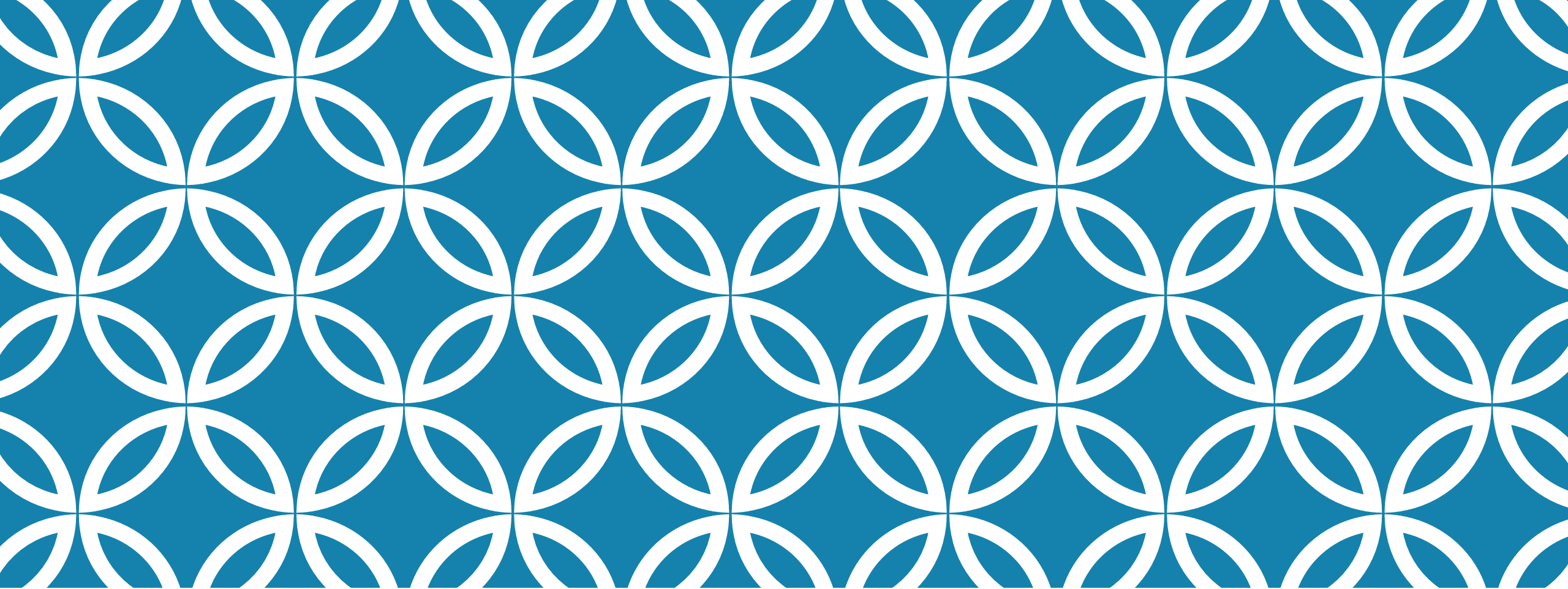
- Isolated AI programs
- Separate from the main content consumers interact with
- Some personalization
- Example – Nerolac ‘Colour My Space’ App
- Embedded within applications
- Less visible to consumers
- Example - Netflix’s recommendations



How to Design an AI Marketing Strategy (2021)

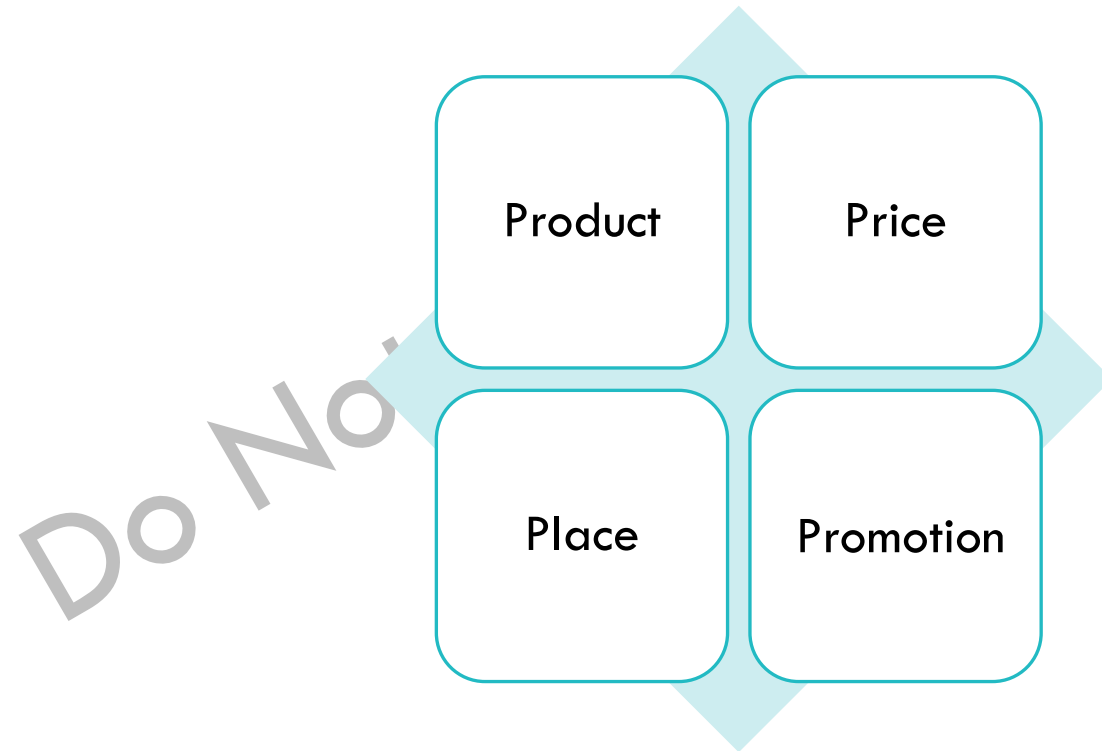
Davenport, Guha, and Grewal

<https://hbr.org/2021/07/how-to-design-an-ai-marketing-strategy>



# USE OF ARTIFICIAL INTELLIGENCE IN MARKETING

# 4PS OF MARKETING



Product

Price

Place

Promotion

# AI IN NEW PRODUCT DEVELOPMENT

## Identify user needs

Identification of user needs by analyzing data to recognize common patterns and preferences among target audiences. Helps building buyer profiles and user stories.

- Natural language processing algorithms to process large volumes of focus group transcripts, survey responses, social media posts and reviews to identify trends, patterns and sentiment shifts.
- Predictive analytics techniques to analyze structured and unstructured customer data and find correlations between attributes and behaviors indicating high-value segments.

Product

Price

Place

Promotion

# AI IN NEW PRODUCT DEVELOPMENT

## Design

Identification of user needs by analyzing data to recognize common  
Exploring a multitude of design possibilities and enabling the  
creation of unique products.

AI can analyze user feedback and assist in tailoring designs to meet  
customer expectations and enhance the user experience.

Product

Price

Place

Promotion

# AI IN PRICING

## Dynamic Pricing

Adjusting prices in real time based on market demand, inventory levels, and other factors. AI tools can analyze real-time data to forecast demand, identify pricing trends, and adjust prices in real time.

- Manufacturing company uses AI-powered predictive analytics to adjust prices in real time based on supply chain disruptions and market demand for competitive pricing.

Product

Price

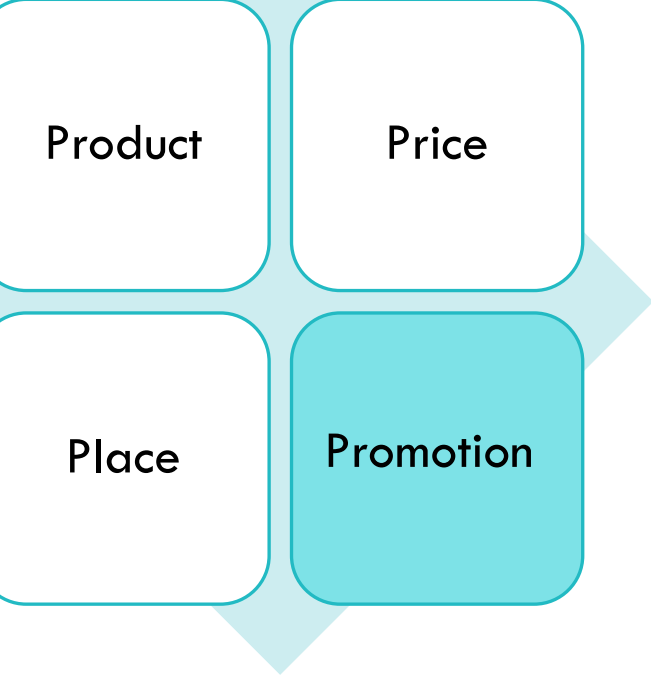
Place

Promotion

# AI IN PRICING

## Personalized Pricing

Individualized pricing based on their preferences, spending habits, and purchasing power. Analysis of consumers' past data such as purchase history, demographics, and online behavior to create a personalized pricing strategy.



# AI IN PROMOTION

## Advertising

AI can help generate marketing content along with multimedia like images, audio, and even video.

Do Not Share

Product

Price

Place

Promotion

# AI IN PROMOTION

## Programmatic Advertising/Buying

Algorithms enable the automation of buying and selling of ad inventory. Advertisers can bid on ad space and optimize digital marketing campaigns (Display Ads, Video Ads, native Ads, Connected TV, Digital OOH) in real-time thereby, enhancing efficiency and maximizing return on ad spend (ROAS).

Product

Price

Place

Promotion

# AI IN PROMOTION

## Sentiment Analysis

Gauging public sentiment toward brand, products or campaigns. Analyzing user comments and interactions to know how audience understands the content.

Product

Price

Place

Promotion

# AI IN PROMOTION

## Influencer Identification

Identification of potential influencers for the brand by analyzing engagement rates, follower counts and content quality. This can help marketers identify if an influencer's followers match the brand's target demographic.

Product

Price

Place

Promotion

# AI IN PLACE

## **Demand forecasting**

Understanding which customers want specific products and where they want them helps retailers manage supply chain and avoid markdowns.

Product

Price

Place

Promotion

# AI IN PLACE

## Customer Experience

-Customer experience using AI technology—such as machine learning, chatbots, and digital agents—to deliver fast, efficient, personalized, and proactive experiences to enhance the efficiency of every customer touchpoint.



**HOWEVER, WHILE USING ARTIFICIAL INTELLIGENCE  
NEVER LOOSE SIGHT OF THE KINGS AND QUEENS...**

**YOUR CUSTOMERS!!**



TOM FISH BURNE