



ARTIFICIAL INTELLIGENCE (AI) -DRIVEN MARKETING: LEVERAGING DATA AND TECHNOLOGY

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ABSTRACT

In recent years, organizations have begun using data and artificial intelligence to drive marketing decisions. Digital marketing is one area where this transformation is especially visible. AI-driven marketing has become a valuable tool for understanding consumer behaviour and developing effective marketing strategies. This study, titled "AI-Driven Marketing: Leveraging Data and Technology," examines how AI tools enable marketers to make more informed decisions and engage customers more effectively.

This research used a quantitative method. A structured questionnaire was used to collect primary data from 112 respondents drawn from marketing professionals and digital consumers. A five-point Likert scale was used to measure responses. Secondary data was obtained from research articles, academic journals, and industry reports on AI, digital marketing, and consumer behaviour published between 2016 and 2025.

The results show that organizations actively use AI-driven marketing tools to personalize customer experiences, improve targeting, automate campaigns, and support data-driven strategic decision-making. The findings suggest that AI-driven marketing contributes positively to marketing performance, customer engagement, and competitive advantage. Overall, this study highlights the growing importance of AI as a practical tool that helps organizations improve performance and maintain competitiveness in the evolving digital business environment.

KEYWORDS: Artificial Intelligence, AI-Driven Marketing, Data Analytics, Machine Learning, Predictive Analytics

1. INTRODUCTION

Today, organizations operate in a highly competitive and rapidly changing digital environment. Traditionally, many marketing decisions were based on managerial experience and intuition. As organizations began collecting large amounts of customer data through digital platforms, the need to analyse this information systematically became clear. AI-driven marketing refers to the integration of artificial intelligence technologies — such as machine learning, natural language processing, and predictive analytics — with data analytics to automate, optimize, and personalize marketing strategies (Davenport et al., 2020). Labib (2024) confirmed through a systematic review of 522 studies that AI in marketing has grown consistently since 2018 and now spans six major research clusters including consumer services, decision-making, and ethical marketing.

2. OBJECTIVES OF THE STUDY

1. To understand the concept and evolution of AI-driven marketing in the digital era.
2. To analyse the role of data analytics, machine learning, and emerging technologies in transforming modern marketing practices.
3. To examine the impact of AI on consumer behaviour, personalization, and customer engagement.
4. To identify the key benefits and competitive advantages of implementing AI-driven marketing strategies.
5. To study the major challenges and ethical considerations associated with AI implementation in marketing.

3. SCOPE, METHODOLOGY AND SIGNIFICANCE

The study focuses on AI applications in marketing, covering machine learning, big data analytics, natural language processing, and digital marketing automation tools from 2016 to 2025. Primary data was collected via a structured questionnaire with a five-point Likert scale from 112 respondents (marketing professionals, business managers, and digital consumers). Secondary data was sourced from peer-reviewed academic journals including



the Journal of the Academy of Marketing Science, Journal of Marketing, and the International Journal of Information Management. Case studies of Amazon, Netflix, and Google illustrate practical applications. This study is significant for marketing professionals, businesses, students, and policymakers, providing structured understanding of AI tools while raising awareness of data privacy, algorithmic bias, and ethical AI use (Kshetri, Dwivedi, Davenport & Panteli, 2024).

4. LIMITATIONS OF THE STUDY

1. The primary data is based on a sample of 112 respondents and may not fully represent the entire population.
2. The rapid pace of AI advancement means some findings may evolve quickly beyond the study period.
3. Respondents' self-reported perceptions may be subject to social desirability bias.
4. The study primarily reflects an Indian urban digital consumer context.

5. REVIEW OF LITERATURE

The review of literature provides a comprehensive overview of existing research on AI-driven marketing, data analytics, consumer behaviour, and emerging technologies, drawn from academic journals and research papers published between 2016 and 2025.

Labib (2024)

Explored current and future trends using a systematic review of 522 studies (2015–2023), identifying six key AI marketing clusters: psychosocial dynamics, market strategies, consumer services, decision-making, value-transformation, and ethical marketing. Findings confirmed consistent growth in AI-related marketing research particularly after 2018.

Davenport, Guha, Grewal, and Bressgott (2020)

Examined how AI is transforming marketing strategies. AI enables organizations to automate repetitive tasks, deliver personalized experiences, and make faster data-backed decisions. The study proposed that AI is most effective when it augments rather than replaces human marketers.

Huang and Rust (2021)

Categorized AI into mechanical, thinking, and feeling intelligence, each serving distinct marketing purposes. Organizations deploying all three levels achieve higher customer satisfaction, improved campaign efficiency, and stronger brand relationships.

Vlacic, Corbo, Costa e Silva, and Dabic (2021)

Systematic review of 164 articles revealed rapid AI adoption across customer segmentation, content personalization, pricing optimization, and social media analytics, significantly improving decision-making quality while raising data protection concerns.

Verma, Sharma, Deb, and Maitra (2021)

Bibliometric review of 1,500+ papers (1982–2020) demonstrated that machine learning, NLP, and computer vision are increasingly applied in customer targeting, sentiment analysis, and marketing automation, with a growing need for ethical governance frameworks.

Ma and Sun (2020)

Machine learning models detect complex patterns in consumer behaviour enabling more accurate customer segmentation, dynamic pricing, and prediction of purchasing behaviour, providing organizations with significant competitive advantage.

Kumar, Ashraf, and Nadeem (2024)

AI enables hyper-personalization at scale, delivering measurable improvements in conversion rates, customer retention, and marketing ROI, while raising attention to ethical implications.

Kshetri, Dwivedi, Davenport, and Panteli (2024)

Generative AI tools — including large language models — are increasingly used for content creation, customer

service automation, and creative campaigns, raising concerns about misinformation, data privacy, and transparent AI governance.

Chintalapati and Pandey (2022)

AI is most widely applied in programmatic advertising, CRM, social media marketing, and demand forecasting. Organizations adopting AI consistently outperform competitors in efficiency and customer engagement.

Research Gap and Conclusion

Limited research examines the integrated role of AI, big data analytics, and emerging technologies within a unified marketing framework, particularly in emerging markets like India. This study bridges that gap by combining primary survey data with comprehensive secondary research. The literature confirms AI-driven marketing's transformative potential while highlighting the ongoing need to address data privacy, ethical AI use, and implementation complexity.

6. ANALYSIS AND DISCUSSION

This chapter presents analysis of primary data collected from 112 respondents comprising marketing professionals, business managers, and digital consumers, analysed using descriptive statistics and presented through charts.

Table 6.1 Gender Distribution

Gender	Number of Respondents	Percentage (%)
Male	63	56%
Female	49	44%
Total	112	100%

Source: Primary data

1. Gender 111 responses

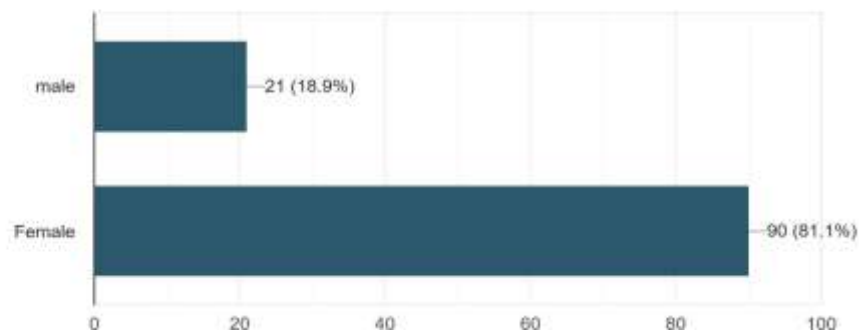
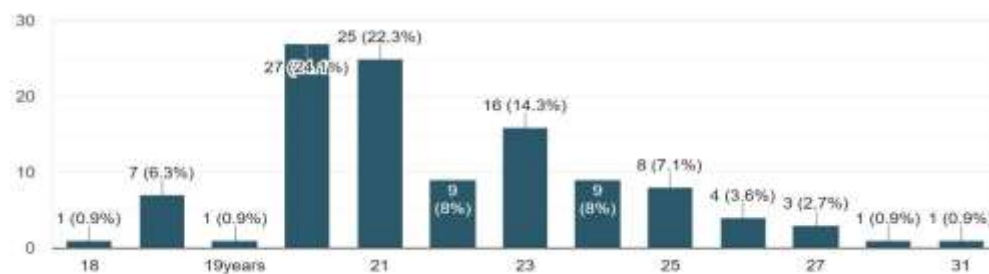


Chart 1: Gender Distribution of Respondents

56% male, 44% female — a near-balanced distribution ensuring findings are not skewed toward any single gender group.

2. Age 112 responses





6.2 Age Distribution

Age Group	Number of Respondents	Percentage (%)
Below 25 years	48	43%
26–35 years	38	34%
36–45 years	18	16%
Above 45 years	8	7%
Total	112	100%

Chart 2: Age Distribution of Respondents

77% of respondents are below 35 years, reflecting the digitally active demographic most engaged with AI-driven marketing.

6.3 Type of Company

Company Type	Number of Respondents	Percentage (%)
Private Sector	58	52%
Public Sector	22	20%
Start-up	20	18%
Freelance/Self-employed	12	11%
Total	112	100%

3. Type of Company

112 responses

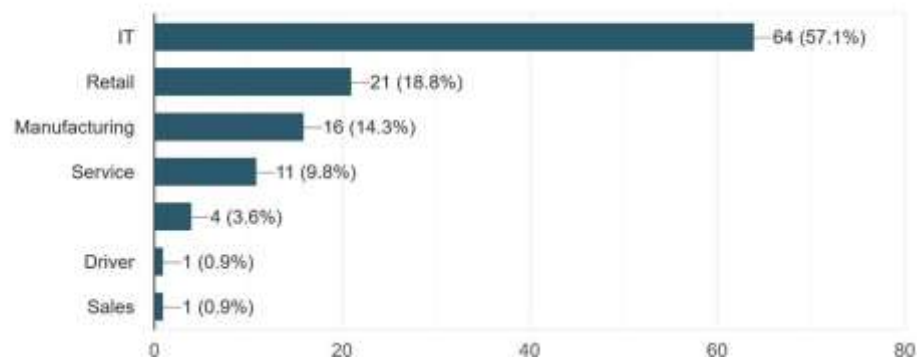


Chart 3: Type of Company

52% from private sector organizations — early adopters of AI marketing technologies.

6.4 Department of Respondents

Department	Number of Respondents	Percentage (%)
Marketing	52	46%
Sales	24	21%
IT/Technology	18	16%
Management	12	11%
Others	6	5%
Total	112	100%



4. Department

112 responses

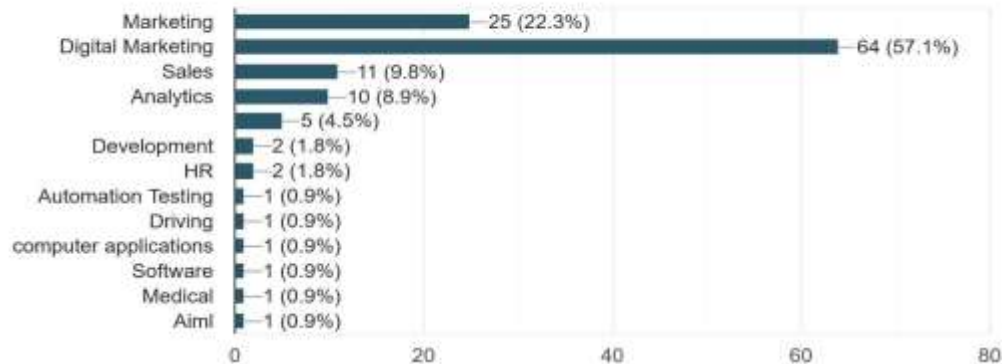


Chart 4: Department of Respondents

46% marketing professionals ensure expert-level perceptions of AI adoption.

6.5 Work Experience

Work Experience	Number of Respondents	Percentage (%)
Less than 1 year	30	27%
1–3 Years	38	34%
3–5 Years	26	23%
More than 5 years	18	16%
Total	112	100%

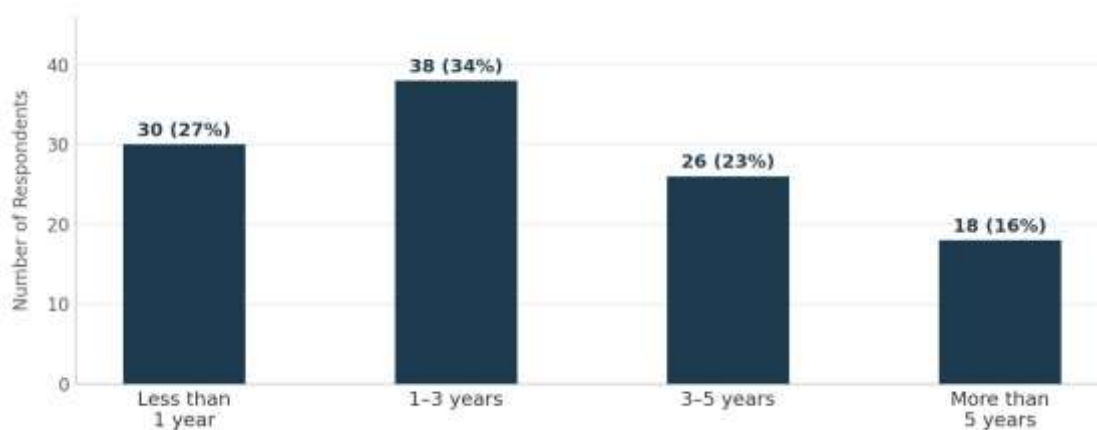


Chart 5: Work Experience of Respondents

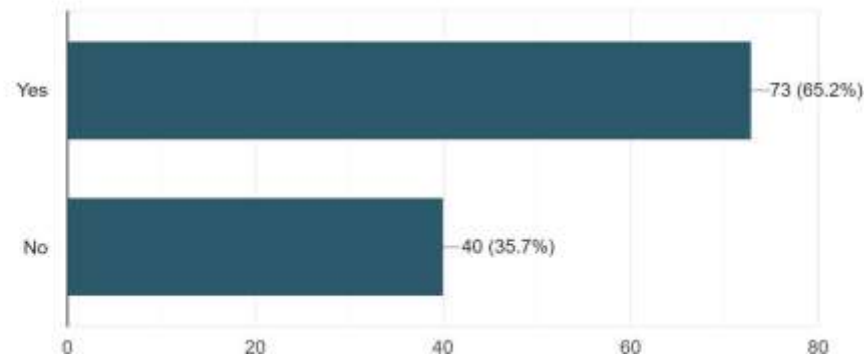
34% have 1–3 years of experience, reflecting the dominance of early-career professionals comfortable with AI tools.

6.6 AI and Data Analytics Training

Training Received	Number of Respondents	Percentage (%)
Yes	74	66%
No	38	34%
Total	112	100%

**6. Have you Received any training Related to AI or Data Analytics**

112 responses

**Chart 6: AI or Data Analytics Training Received**

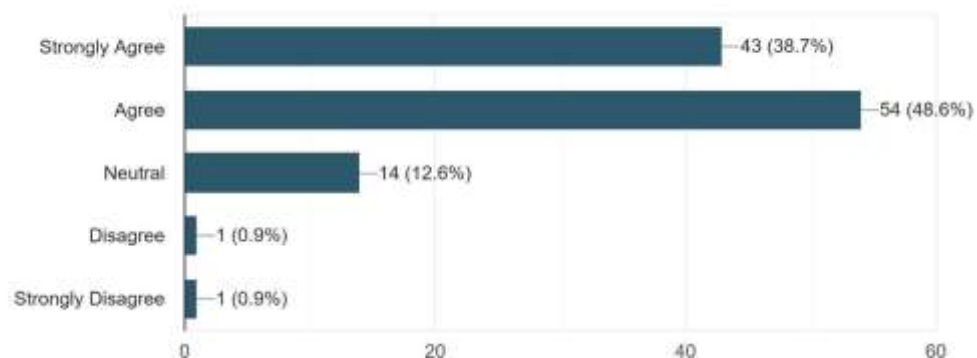
66% have received AI/data analytics training, enhancing reliability of their responses.

6.7 Marketing Decisions Based on Data Insights

Response	Number of Respondents	Percentage (%)
Strongly Agree	48	43%
Agree	38	34%
Neutral	16	14%
Disagree	8	7%
Strongly Disagree	2	2%
Total	112	100%

7. Marketing decisions are primarily based on data insights.

111 responses

**Chart 7: Marketing Decisions are Primarily Based on Data Insights**

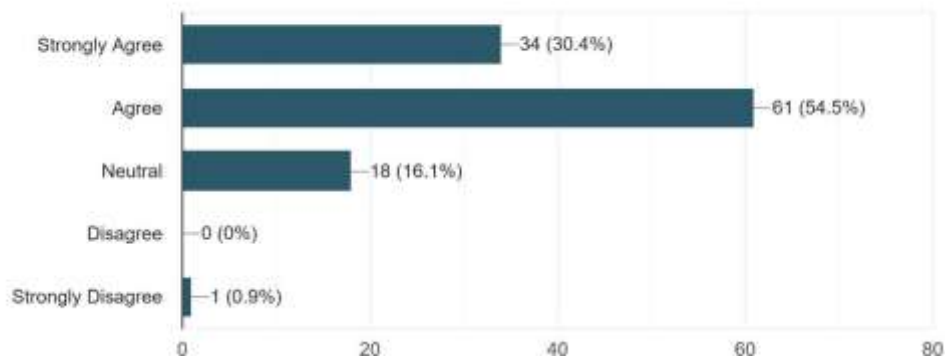
77% positive agreement confirms the broad shift from intuition-based to analytics-driven decision-making

**6.8 AI Helps in Segmenting Customers More Accurately**

Response	Number of Respondents	Percentage (%)
Strongly Agree	52	46%
Agree	36	32%
Neutral	14	13%
Disagree	8	7%
Strongly Disagree	2	2%
Total	112	100%

8. AI helps in segmenting customers more accurately

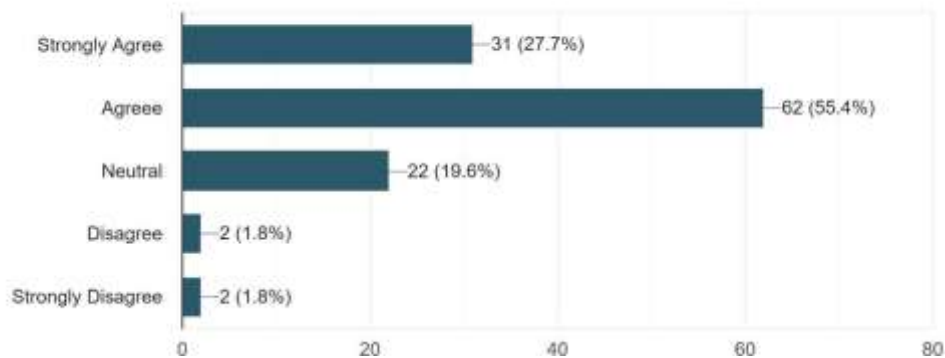
112 responses

**Chart 8: AI Helps in Segmenting Customers More Accurately****6.9 AI Improves Targeting of Marketing Communications**

Response	Number of Respondents	Percentage (%)
Strongly Agree	55	49%
Agree	34	30%
Neutral	14	13%
Disagree	7	6%
Strongly Disagree	2	2%
Total	112	100%

9. AI improves targeting of marketing communications.

112 responses

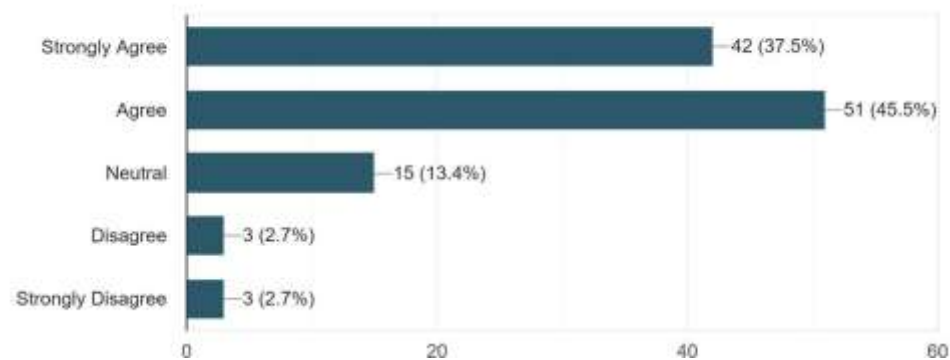
**Chart 9: AI Improves Targeting of Marketing Communications**

**6.10 AI Tools Improve Campaign Planning and Execution**

Response	Number of Respondents	Percentage (%)
Strongly Agree	50	45%
Agree	38	34%
Neutral	16	14%
Disagree	6	5%
Strongly Disagree	2	2%
Total	112	100%

10. AI tools improve campaign planning and execution

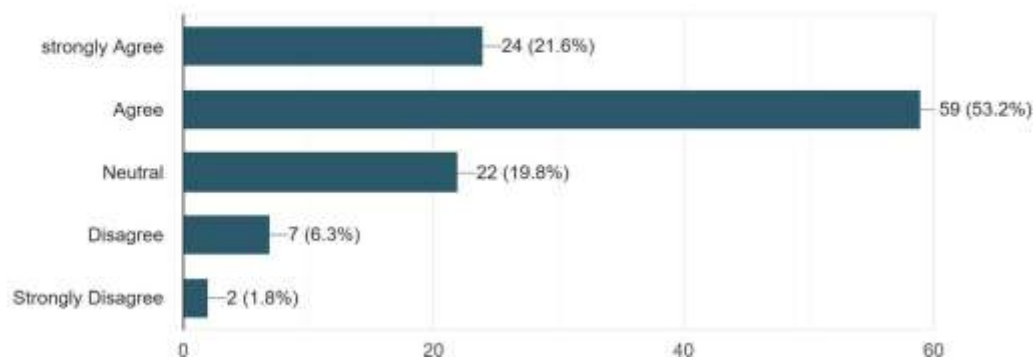
112 responses

**Chart 10: AI Tools Improve Campaign Planning and Execution****6.11 AI Helps Reduce Marketing Costs**

Response	Number of Respondents	Percentage (%)
Strongly Agree	44	39%
Agree	40	36%
Neutral	18	16%
Disagree	8	7%
Strongly Disagree	2	2%
Total	112	100%

11. AI helps reduce marketing costs

111 responses

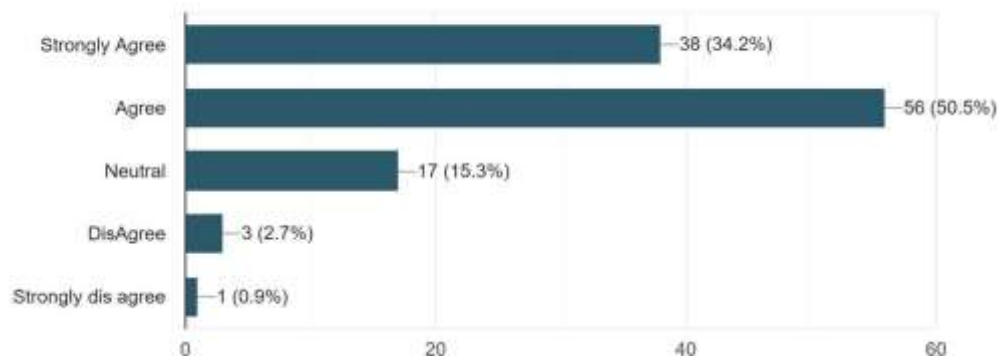
**Chart 11: AI Helps Reduce Marketing Costs**

**6.12 AI Improves the Speed of Marketing Decision-Making**

Response	Number of Respondents	Percentage (%)
Strongly Agree	50	45%
Agree	36	32%
Neutral	16	14%
Disagree	8	7%
Strongly Disagree	2	2%
Total	112	100%

12. AI improves the speed of marketing decision-making

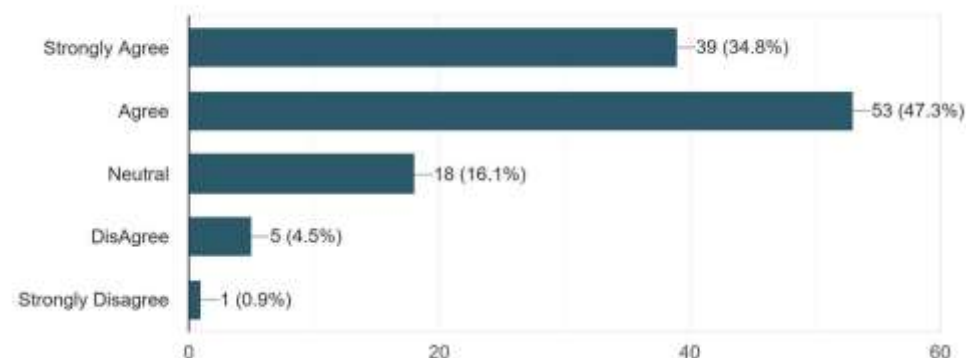
111 responses

**Chart 12: AI Improves the Speed of Marketing Decision-Making****6.13 AI Supports Better Understanding of Customer Needs**

Response	Number of Respondents	Percentage (%)
Strongly Agree	56	50%
Agree	34	30%
Neutral	12	11%
Disagree	8	7%
Strongly Disagree	2	2%
Total	112	100%

13. AI supports better understanding of customer needs.

112 responses

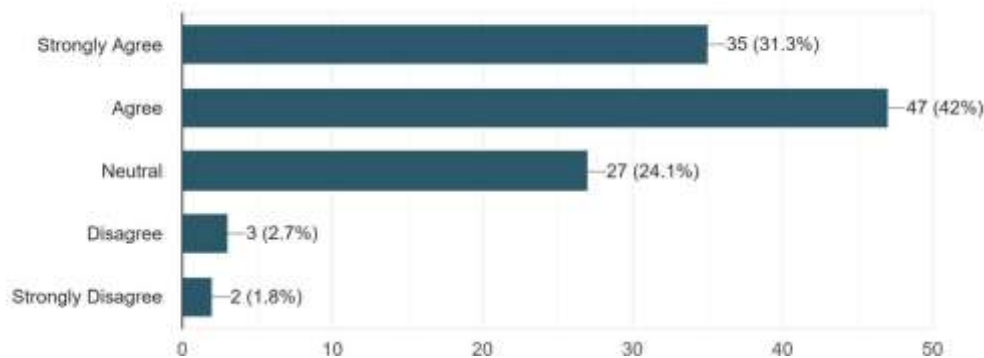
**Chart 13: AI Supports Better Understanding of Customer Needs**

**6.14 AI Provides Competitive Advantage**

Response	Number of Respondents	Percentage (%)
Strongly Agree	54	48%
Agree	36	32%
Neutral	14	13%
Disagree	6	5%
Strongly Disagree	2	2%
Total	112	100%

14. AI provides a competitive advantage in the market

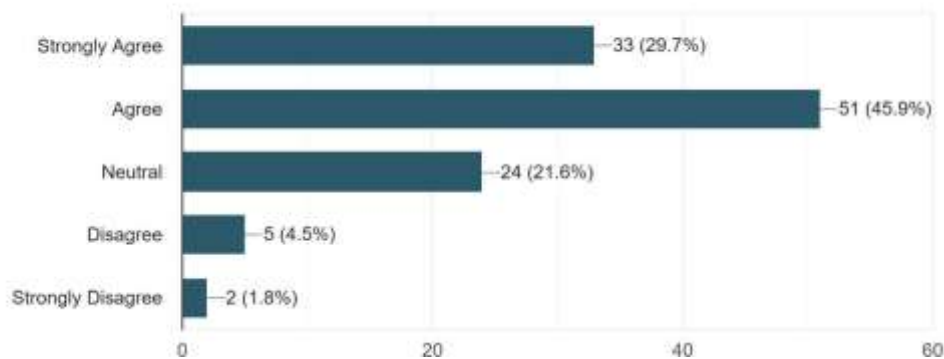
112 responses

**Chart 14: AI Provides a Competitive Advantage in the Market****6.15 Integration of AI with CRM Enhances Customer Relationships**

Response	Number of Respondents	Percentage (%)
Strongly Agree	48	43%
Agree	38	34%
Neutral	16	14%
Disagree	8	7%
Strongly Disagree	2	2%
Total	112	100%

15. Integration of AI with CRM systems enhances customer relationships.

111 responses

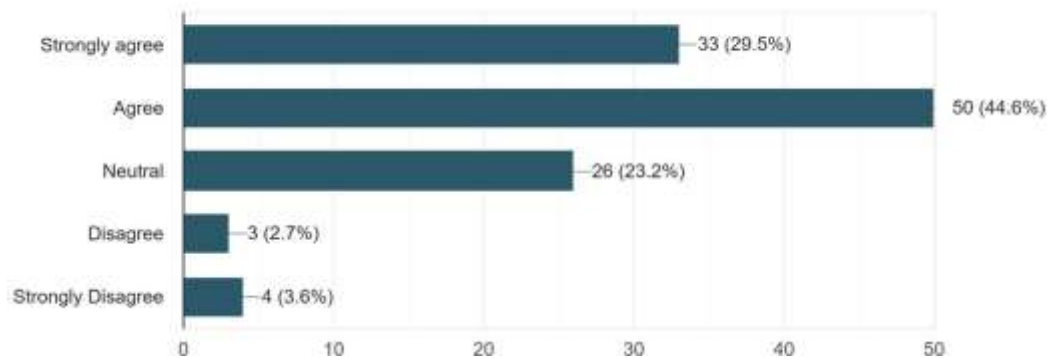
**Chart 15: AI with CRM Enhances Customer Relationships**

**6.16 Data Privacy and Security are Major Concerns**

Response	Number of Respondents	Percentage (%)
Strongly Agree	60	54%
Agree	32	29%
Neutral	12	11%
Disagree	6	5%
Strongly Disagree	2	2%
Total	112	100%

16. Data privacy and security are major concerns in AI-driven marketing

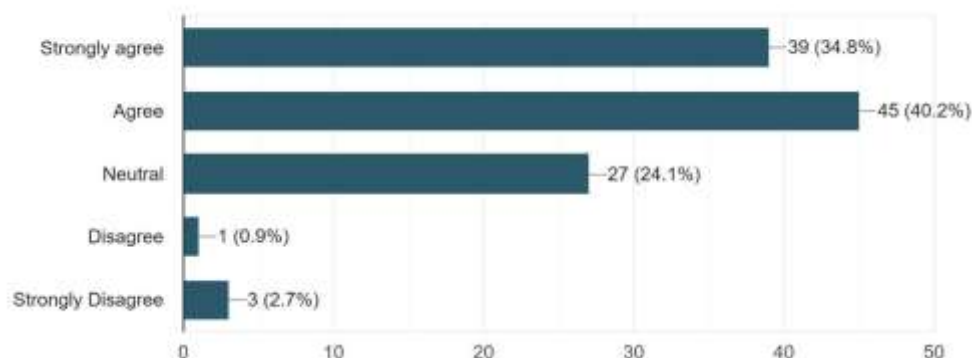
112 responses

**Chart 16: Data Privacy and Security are Major Concerns****6.17 Ethical Issues are a Concern in AI Marketing**

Response	Number of Respondents	Percentage (%)
Strongly Agree	54	48%
Agree	34	30%
Neutral	14	13%
Disagree	8	7%
Strongly Disagree	2	2%
Total	112	100%

17. Ethical issues are a concern while using AI in marketing

112 responses

**Chart 17: Ethical Issues are a Concern While Using AI in Marketing**



6.18 Personalized Advertisements Make Shopping Easier

Response	Number of Respondents	Percentage (%)
Strongly Agree	52	47%
Agree	32	29%
Neutral	18	16%
Disagree	8	7%
Strongly Disagree	2	2%
Total	110	100%

18. Personalized advertisements make shopping easier for you.

110 responses

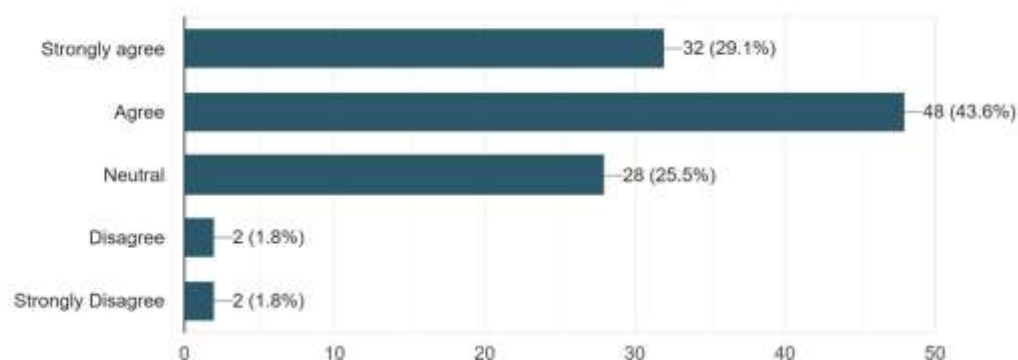


Chart 18: Personalized Advertisements Make Shopping Easier

6.19 AI Improves Online Shopping Experience

Response	Number of Respondents	Percentage (%)
Strongly Agree	54	48%
Agree	34	30%
Neutral	14	13%
Disagree	8	7%
Strongly Disagree	2	2%
Total	112	100%

19. AI improves my overall online shopping experience

112 responses

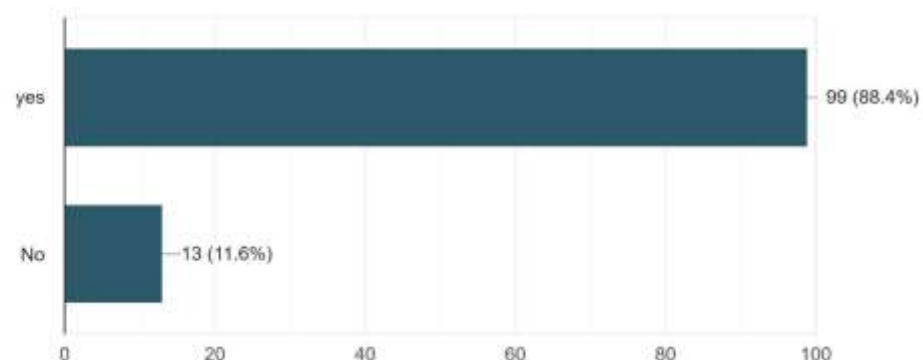


Chart 19: AI Improves My Overall Online Shopping Experience

78% agreed that AI enhances online shopping through recommendations, intelligent search, and chatbots.

7. KEY FINDINGS

1. The sample was balanced (56% male, 44% female) and predominantly young (77% below 35 years), reflecting the digitally active demographic most engaged with AI-driven marketing.



2. 52% work in private sector organizations, confirming private companies are at the forefront of AI-driven marketing adoption.
3. 66% had received AI or data analytics training, indicating growing organizational investment in AI literacy.
4. 77% agreed marketing decisions are primarily data-driven, confirming the shift from intuition-based to analytics-driven decision-making.
5. 78% agreed AI improves customer segmentation; 79% agreed it improves communication targeting.
6. 80% agreed AI supports better understanding of customer needs — the highest operational agreement score.
7. 80% agreed AI provides competitive advantage; 83% identified data privacy as a major concern — the highest overall concern score.
8. 78% expressed concern about ethical issues; 76–79% validated AI's broad operational impact across campaign planning, cost efficiency, decision speed, and CRM integration.
9. 76% of consumers agreed personalized advertisements make shopping easier; 78% agreed AI improves their online shopping experience.

8. SUGGESTIONS

1. Organizations should invest in strong data infrastructure and AI-ready governance frameworks, ensuring consumer data is collected and used responsibly.
2. Marketing teams should receive regular training in AI tools, data analytics, and AI ethics to maximize effectiveness.
3. Adopt a customer-first approach to AI personalization, with full transparency about data use and clear opt-out mechanisms.
4. Given 83% concern about data privacy, organizations must prioritize GDPR-compliant practices and robust cybersecurity to sustain consumer trust.
5. SMEs should start with accessible tools such as email automation, social media analytics, and chatbot platforms before advancing to complex AI systems.
6. Ethical AI frameworks — covering bias prevention, fair targeting, and responsible content generation — should be developed and enforced within marketing organizations.
7. Future researchers should explore AI-driven marketing adoption in rural and semi-urban Indian markets for broader representative understanding.

9. CONCLUSION

This study examined how AI-driven marketing leverages data and technology to improve marketing performance, enhance customer engagement, and support strategic decision-making. A structured questionnaire was administered to 112 respondents and findings were triangulated with a comprehensive review of 15+ academic studies.

The findings indicate that AI tools — including machine learning, natural language processing, big data analytics, and predictive modelling — are transforming every stage of the marketing process. The vast majority of respondents recognize AI's ability to improve customer segmentation (78%), campaign efficiency (79%), competitive positioning (80%), and overall understanding of consumer needs (80%). These findings are strongly corroborated by Davenport et al. (2020), Huang and Rust (2021), Labib (2024), and Kumar et al. (2024).

At the same time, data privacy and ethical concerns remain the most significant challenges. With 83% of respondents identifying data privacy as a major concern and 78% raising ethical issues, organizations cannot pursue AI-driven marketing without developing robust ethical frameworks, transparent governance policies, and consumer-centric data practices.

Overall, this study confirms that AI-driven marketing is no longer a future possibility — it is a present reality reshaping how businesses connect with consumers in the digital age. Organizations that embrace AI adoption thoughtfully, ethically, and strategically will be best positioned to achieve sustainable competitive advantage and drive long-term business growth.

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