

TO STUDY ON ARTIFICIAL INTELLIGENCE -DRIVEN TRANSFORMATION IN THE MARKETING MIX

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Abstract:

Artificial Intelligence (AI) is revolutionizing the traditional marketing mix by enabling businesses to optimize their strategies across the 4Ps—Product, Price, Place, and Promotion. This study explores how AI-driven technologies enhance product innovation, dynamic pricing, supply chain efficiency, and personalized promotional campaigns. By leveraging machine learning, big data analytics, and predictive modelling, AI empowers organizations to deliver highly tailored consumer experiences while achieving operational efficiency. The research also examines the challenges associated with AI adoption, including data privacy concerns, ethical dilemmas, and implementation barriers, particularly for small and medium enterprises. Furthermore, it investigates consumer perceptions of AI-driven marketing initiatives and their influence on trust, engagement, and purchase decisions. This research contributes to the growing body of knowledge on AI's transformative potential, highlighting both opportunities and challenges in reshaping the marketing landscape.

Key words: Artificial Intelligence, Marketing Mix, Product Innovation, Dynamic Pricing, Supply chain Management.

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Introduction:

Artificial Intelligence (AI) has emerged as a transformative force in the field of marketing, reshaping how businesses approach the traditional marketing mix: Product, Price, Place, and Promotion. Scholars and practitioners alike have explored how AI technologies such as machine learning, natural language processing, and big data analytics enhance decision-making and customer engagement. This literature review examines the current research and insights on the integration of AI into the marketing mix, focusing on its impacts, challenges, and opportunities. From automating routine processes to providing actionable insights, AI empowers marketers to make data-driven decisions, optimize resource allocation, and enhance customer experiences. However, the adoption of AI also raises ethical and practical concerns, such as data privacy, algorithmic bias, and the challenge of balancing automation with human creativity. Understanding these dynamics is crucial for

businesses seeking to leverage AI in a competitive and responsible manner.

Artificial intelligence in Marketing mix (4ps):

Artificial intelligence (AI) in the marketing mix: It refers to the use of AI in various aspects of the traditional marketing mix called the 4 Ps: Product, Price, Place, and Promotion. With AI in the marketing mix, these four elements can be improved using AI technology.

Artificial intelligence (AI) in product mix: AI can help with product recommendations based on customer data and preferences, product design, and customization. Examples of brands that use AI in product mix (Amazon, Google, Tesla, Netflix)

Artificial intelligence (AI) in price mix: AI can help with adjust the price of a product or service based on market demand and other factors. Examples of brands that use AI in price mix (Uber, walmart, Philips)

Artificial intelligence (AI) in place mix: AI can also help with supply chain optimization, inventory

management, and personalized distribution channels for place Examples of brands that use AI in place mix (Amazon, Walmart, DHL, Domino's Pizza, and Starbucks)

Artificial intelligence (AI) in promotion mix: AI can help with targeted advertising, content optimization, and chatbots for customer service with promotion. Examples of brands that use AI in promotion mix (Coca-Cola, Adidas, Amazon, Netflix and Starbucks)

Objective:

- To Analyse AI's Role in Product Innovation.
- To Evaluate AI-Driven Pricing Strategies.
- To Assess the Impact of AI on Distribution Channels.

Scope of study:

The study on Artificial Intelligence (AI)-Driven Transformation in the Marketing Mix can explore how AI technologies are reshaping traditional marketing strategies. It can be divided into Introduction to AI in Marketing, 4Ps of Marketing Mix.

Limitation of study:

The study focuses on the theoretical aspects of recommendation engines and may not reflect current market approaches. It analyses data from students aged 18-22, meaning the findings are influenced by that demographic's behaviour.

Literature of review:

Organizations recognize that marketing is crucial to achieving their corporate goals, but its success depends on effective strategy implementation rather than just planning (Muhammad & Gang, 2019). Implementation involves resource allocation, capability management, and execution of marketing activities (Sundarman & Lailla, 2023). It also requires managing marketing mix elements—price, product, place, promotion, people, physical evidence, and process—to align with organizational objectives (Yusuf, Astuti, & Ariani, 2022).

Effective marketing strategy implementation directly influences organizational performance (Hailemariam, 2020; Elefachew, 2021). Mustapha (2017) argues that strategy alone is insufficient; execution is key to success.

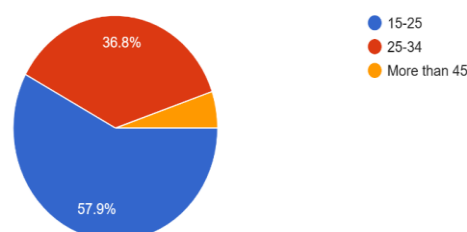
AI has transformed marketing by enhancing product development, digital marketing, and strategic outcomes (Gonzales, 2023). Studies confirm AI's positive impact on social media marketing and customer experience optimization (Singh et al., 2023; Chintalapati & Pandey, 2022). However, there remains a gap in understanding how AI specifically contributes to marketing strategy implementation. Critical success factors include clear objectives, customer segmentation, digital integration, and continuous improvement (Khanna, Ahuja & Popli, 2020; Micu, Capatina & Micu, 2018).

Research methodology:

In this research work both the primary as well as secondary data are essential. Here also the research data was collected from primary and secondary sources. The primary research data is collected from Students, Teachers.

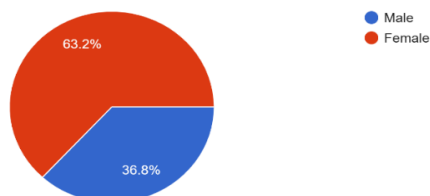
Data Analysis:

Age: From below chart shows 57.9% are in age group of 15-25, 36.6% are in age group of 25-34 & remaining in age group of more than

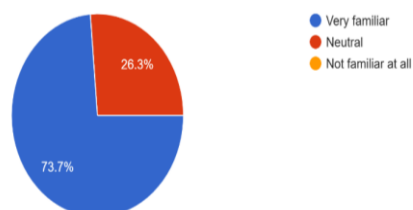


Gender:

From below chart shows that 36.8% are male & 63.2% are female.

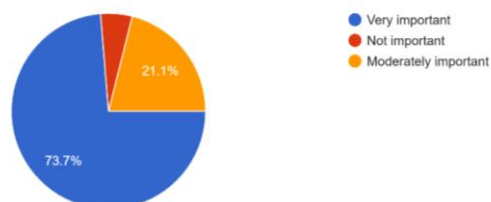


1.How familiar are you with the use of Artificial Intelligence in marketing strategies?



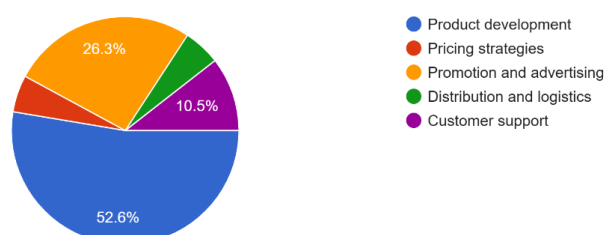
From above data analysis 73.7% are people are familiar with AI & 26.3% are neutral

2.How important do you think AI is in improving personalized customer experiences?



AI is in improving personalized customer experiences 73.7% people are said its very important AI is in improving personalized customer experiences 21.1% Moderately important. Remining said not important.

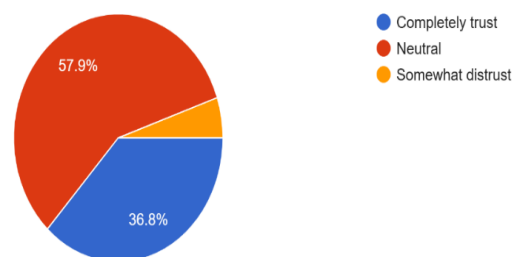
3.Which area of the marketing mix do you think benefits the most from AI-driven solutions?



Product development area of marketing covered 52.6%, Pricing strategy covered 5.3%, Promotion &

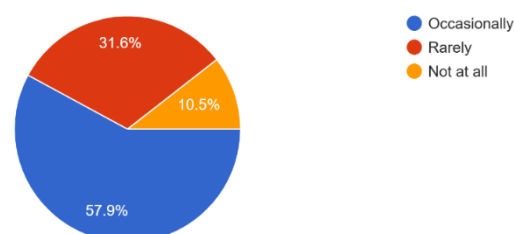
Advertising covered 26.3%, Distribution & logistics covered 5.3% & Customer support covered 10.5%.

4.How much do you trust companies that use AI in their marketing strategies?



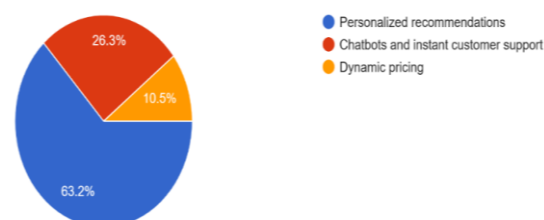
57.9% companies that use AI in their marketing strategies but they are neutral, 36.8% companies are completely use AI in their marketing strategies & 5.3% are somewhat trust on AI marketing strategies.

5.Has AI-driven marketing ever influenced your purchase decisions?



AI-driven marketing ever influenced your purchase decisions 57.95% occasionally, AI-driven marketing ever influenced your purchase decisions 10.5% not at all & AI-driven marketing ever influenced your purchase decisions 31.6% rarely.

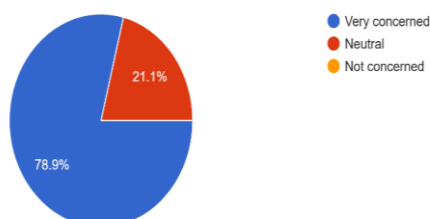
6.Which AI-driven feature is most likely to enhance your satisfaction with a brand?



63.2% from personalized recommendations, 26.3%

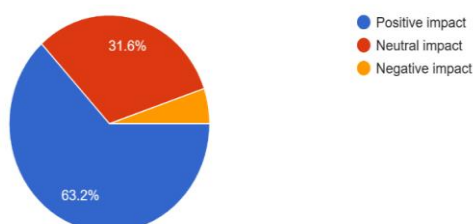
from catboats and instant customer support & 10.5% from dynamic pricing.

7. Do you feel concerned about your data being used by AI for marketing purposes?



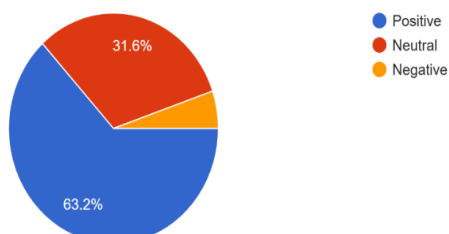
78.9% concerned about data, 21.1% are neutrally concerned with AI data.

8. What is your expectation for AI in transforming marketing strategies over the next five years?



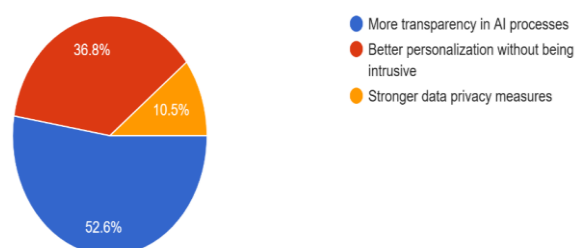
63.2% people are expected AI transformation positively, 31.6% are neutrally & others said it has negative impact.

9. How do you prefer interacting with AI-driven marketing tools (e.g., chatbots, personalized ads)?



62.2% prefer interacting with AI-driven marketing tools, 31.6% negatively prefer interacting with AI-driven marketing tools & others has responded negatively.

10. What improvements would you like to see in AI-driven marketing?



52.6% has said more transparency in AI process, 36.8% has said better personalization without being intrusive & 10.5% said stronger data privacy measures.

Conclusion:

Artificial Intelligence (AI) has significantly transformed the marketing mix, reshaping how businesses approach product, price, place, and promotion. AI-driven technologies, such as machine learning, predictive analytics, and automation, have enabled marketers to deliver personalized experiences, optimize pricing strategies, enhance distribution channels, and improve promotional effectiveness. The integration of AI in marketing enhances efficiency, reduces costs, and improves decision-making by leveraging data-driven insights. AI-powered chatbots, recommendation engines, and programmatic advertising have revolutionized customer engagement and brand positioning. However, challenges such as data privacy concerns, ethical considerations, and the need for skilled professionals must be addressed to maximize AI's potential. In conclusion, AI-driven transformation in the marketing mix is not just a trend but a necessity for businesses seeking competitive advantage. Organizations that embrace AI strategically will be better positioned to adapt to evolving consumer preferences, optimize marketing efforts, and drive long-term success in the digital era.

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Cite This Article:

Mrs. Mahamunkar D.B. (2025). *To Study on Artificial Intelligence -Driven Transformation in the Marketing Mix.* In **Aarhat Multidisciplinary International Education Research Journal**: Vol. XIV (Number I, pp. 30–34).