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ARTIFICIAL INTELLIGENCE VALUE IN MARKETING

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Abstract. The article examines the features of Artificial Intelligence technology in marketing activities. The development of Artificial Intelligence technology is changing traditional marketing methods, increasing modern marketing effectiveness and reducing marketing costs. The use of Artificial Intelligence to influence consumers is an important vector of marketing development, which will allow marketers to attract customers more effectively and determine needs more accurately. Artificial Intelligence makes it easier to work with databases to find potential customers, satisfy their needs and establish good relationships between marketers and consumers. The significance of the synthesis of Artificial Intelligence and cognitive marketing is substantiated.

Key words: artificial intelligence, artificial intelligence tools, marketing digitalization, cognitive marketing.

Introduction

Revolutionary developments in Artificial Intelligence (AI) have caused a boom not only among individual users, but also among specialists in various business sectors. Analysts are trying to predict how artificial intelligence can affect productivity, improve business processes, attract more customers, and increase profits. Whatever the views on artificial intelligence, one thing is clear that both large multinational corporations and small local companies will have to study how AI can affect their operations and be most valuable.

Overview

AI is a relatively new branch of research in Ukrainian economic science. The practical application of AI technologies in business, according to a McKinsey Global Institute survey, showed that in 2023, 50% of companies around the world tried to use artificial intelligence in some

way, compared to only 20% in 2017 [1]. Leading domestic and global companies use AI marketing tools to promote business and make management decisions. These decisions are based on collected data analyzed and interpreted along with market trends and the ability to develop a marketing strategy that anticipates the buyer's next move. In our opinion, one of the potential directions of using AI in business is marketing. AI has already taken its place in digital marketing. Foreign specialists have evaluated the influence of AI on the functionality of marketing companies and note a noticeable impact on increasing return on investment (ROI); improved marketing results; productivity improvement; target audience analysis; competitive advantage [2].

Artificial intelligence in marketing is a method of using customer data and AI concepts, in particular machine learning to predict the next step of consumers and satisfy their needs, even if they have not been formulated yet. The evolution of Bigdata and advanced analytical solutions have enabled marketers to create a clearer picture of their target audience [3, p. 131]. In addition, AI in marketing is considered to be the "tool that helps to increase the effectiveness of marketing communications. With the help of AI, it is possible to control and manage the advertising process, create reviews, analyze the promotion process and give recommendations to users" [4]. AI capabilities make it possible to increase the level of influence on the consumer through the personalization of advertising, that is, to offer buyers a product that will meet preferences, needs, age, season, etc.

According to The AI Marketing Benchmark Report 2023, 61.4% of marketers used AI in their marketing activities, 44.4% used AI for content creation, 19.2% spent more than 40% of their marketing budget on AI-driven campaigns [5]. The appearance of such tools as ChatGPT and DALL-E open new horizons for their use. ChatGPT reached 1 million users in 5 days, surpassing the 2.5 months it took Instagram to reach this milestone. In January 2023, ChatGPT reached approximately 100 million monthly active users, just two months after launch, making it the fastest growing consumer app in history. AI is mostly used in marketing in chat bots creation; recommendations and content creation; automation; social networks; sales and other areas.

AI is being used in retail trade, and allows enterprises to achieve excellent results in many areas:

- analysis of customer behavior in the store;
- automation and improvement of the logistics process;
- improvement of order processing;
- stock and inventory management;

- data analysis on the prices in real time;
- face recognition and identification;
- creation of virtual assistants;
- creating personalized offers for customers [6, p. 37].

The emergence of new AI technologies in retail trade and e-commerce contribute to the acceleration of information exchange, redundant labor reduction, and the improvement of efficiency and effectiveness of activities.

Building a business is increasingly based on the application of cognitive technologies. Let us consider the possibilities of the synthesis of AI and cognitive marketing. A number of authors emphasize that “achieving success or even survival of an individual, organizations, enterprises and entire nations largely depends on their cognitive potential” and note “the cognitive balance between subjects and the addressee of marketing activity” [7, p. 80]. In his research, N. Stebluk emphasizes the “relevance of manufacturers’ use of cognitive tools in marketing for effective interaction between sellers and buyers” and assigns an important place in marketing to AI, which “will make it possible to improve the process of information analysis and determine the scale of influence on consumers without unnecessary marketing costs” [8, p. 463–464].

In our opinion, the synthesis of AI and cognitive marketing can create a powerful tool to increase the effectiveness of marketing campaigns, since cognitive marketing involves understanding buyers’ psychology when making purchase decisions. This can help develop marketing strategies that will be more effective in building engagement with consumers. AI systems can help learn and analyze data related to customer behavior, habits and preferences, which can be used to create personalized marketing strategies. In addition, AI can detect patterns and trends that will help to understand which marketing campaigns and offers work better with certain groups of buyers.

Conclusions

Research results show that the implementation of AI is an effective tool for marketing activities, which expands the possibilities of demand forecasting, inventory management, and increases business profitability. Predicting customer behavior changes is an indispensable function of AI. Systems can analyze data about customers and their buying habits and predict how they will respond to certain marketing efforts. The application of AI and cognitive marketing can help to understand and satisfy the needs of consumers, allowing retailers to increase the effectiveness of marketing campaigns and make them more successful.

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