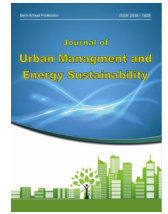


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CASE STUDY RESEARCH PAPER

The Application of Artificial Intelligence in Developing Digital Marketing Strategies

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ABSTRACT

The accelerating expansion of digital technologies and the explosion of big data have compelled organizations to rethink their traditional, intuition-based marketing approaches, and have turned artificial intelligence into a strategic lever for survival and growth in highly dynamic and competitive environments. In terms of purpose the research is applied, and in terms of approach it is qualitative, drawing on the grounded-theory method based on the Strauss and Corbin approach. Data were collected through semi-structured interviews with 22 marketing managers, information-technology specialists, and digital-marketing experts in technology-oriented industries; purposive sampling continued until theoretical saturation, and the data were analyzed through open, axial, and selective coding in MAXQDA software. The findings showed that the application of AI in digital marketing consists of five main dimensions predictive personalization, intelligent content generation, real-time campaign optimization, predictive analysis of customer behavior, and intelligent marketing automation and that the process of applying AI comprises three stages: data collection and integration, predictive analysis and modelling, and continuous execution and optimization, among which predictive analysis and modelling was recognized as the most important capability. The results further indicated that organizational prerequisites provide the ground for the effective deployment of AI, and that the organization's analytical capabilities play an important mediating role in converting AI applications into sustainable competitive advantage. It is concluded that, in the age of digital marketing, AI creates and sustains competitive advantage not directly, but by transforming vast data into actionable insight through the organization's analytical capabilities a finding that can guide managers and policymakers toward the effective and responsible use of AI in marketing.

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INTRODUCTION

The present age has been accompanied by an unprecedented acceleration in the expansion of digital technologies and an explosion of massive data, which has made it inevitable for organizations to reconsider their traditional marketing approaches (Davenport & Harris, 2007). In such an environment, traditional marketing based on intuitive decision-making and limited data can no longer meet organizations' needs for survival and growth in highly dynamic, complex, and competitive settings (Day, 1994). Organizations are therefore compelled to draw on new technologies to analyse data, identify hidden patterns, predict customer behavior, and continuously optimize marketing activities. In this context, AI as one of the most important achievements of the digital age has opened new horizons for marketers and has transformed the ways of interacting with customers, analyzing data, and making strategic decisions (Roy et al., 2025; Lanfranchi et al., 2025). With its ability to simulate human cognitive processes including learning, reasoning, problem-solving, and pattern recognition AI has become a powerful tool for analyzing vast volumes of data, discovering hidden insights, and making intelligent marketing decisions (Xie et al., 2025). By providing advanced tools and insights, AI technologies have raised efficiency, personalization, and strategic decision-making in marketing campaigns to an unprecedented level (Rahman et al., 2022). According to a McKinsey report (McKinsey & Company, 2025), 78 percent of organizations use AI in at least one business area, and the marketing and sales function is at the forefront of adopting this technology. Likewise, according to the Infosys CMO Radar 2024, marketing managers expect AI to deliver measurable gains over the next 18 months including a 15 percent increase in productivity, a 13 percent cost saving, and an 11 percent improvement in time-to-market (Ratterman & Zervas, 2025). Despite this convincing evidence, serious challenges stand in the way of the effective application of AI in digital marketing strategies. Many organiza-

tions face a shortage of specialized knowledge, weak data infrastructure, security and privacy concerns, and the absence of a clear framework for integrating AI into marketing processes. In addition, in the research literature, a comprehensive model explaining the various dimensions of applying AI in developing digital marketing strategies especially in the context of organizations in developing countries has rarely been examined (Roy et al., 2025). According to the Gartner report (Gartner, 2025), the new era of digital marketing is defined by the emergence of AI agents, influential AI, and machine customers, all of which have created fresh opportunities and challenges for marketers. Nevertheless, many marketing leaders still grapple with budgetary challenges, technology integration, and ensuring return on investment (Ratterman & Zervas, 2025). The present study was conducted with the aim of presenting a model for applying AI in the development of digital marketing strategies, and seeks to explain the prerequisites, dimensions, processes, and consequences of this application within a comprehensive model. This research can cover the existing gap in the theoretical literature and provide practical guidance for marketing managers in effectively leveraging the capabilities of AI.

MATERIALS AND METHODS

Artificial intelligence and the transformation of digital marketing

As one of the transformative technologies of the twenty-first century, AI has reshaped various industries, including marketing (Roy et al., 2025). AI in marketing refers to a set of technologies and algorithms that, by simulating human cognitive abilities, make it possible to collect, analyse, and interpret vast volumes of market and customer data, thereby making marketing decisions more intelligent, more accurate, and more effective (Xie et al., 2025). In fact, by providing advanced tools and insights, AI has elevated efficiency, personalization, and strategic decision-making in marketing campaigns to an unprecedented level

(Davenport & Harris, 2007). According to the systematic study by Xie et al. (Xie et al., 2025), which analyzed 564 articles from the Web of Science database over the period 2019 to May 2025, five main thematic areas were identified in research on AI and marketing: (1) digital transformation and marketing strategy; (2) consumer behavior and experience; (3) business value creation and innovation; (4) machine-learning algorithms and technological applications; and (5) content generated by generative AI and personalization. This finding shows that research in this field enjoys considerable diversity and breadth, and that AI has penetrated all dimensions of marketing, from strategy to execution. The Gartner report (Gartner, 2025) shows that generative AI and large language models continue to be the main driver of advances in digital marketing, empowering technologies such as hyper-personalization, influential AI, and emotional intelligence (Ratterman & Zervas, 2025). Nevertheless, the report warns that the increasing use of AI has created new challenges in the ethics of customer data, transparency, and trust, the management of which appears necessary through “trust-based solutions.”

Dimensions of AI application in digital marketing

Previous studies have introduced various dimensions for the application of AI in digital marketing. In the review study “Artificial intelligence in marketing: what, where, and how,” six key areas in which AI has transformative effects were identified: AI-based customer insights, marketing-performance measurement, automated marketing strategies, ethical implications, enhancement of customer experience, and growth opportunities through AI implementation. Roy et al. (Roy et al., 2025), adopting the lens of dynamic-capabilities theory, also identified six key areas of AI impact in marketing and emphasized the importance of a strategic and deliberate approach to AI integration. In particular, five application areas of AI in digital marketing are of special importance:

- Predictive personalization: by analyzing cus-

tomers’ behavioral data, preferences, and interaction history, machine-learning algorithms make it possible to deliver fully personalized content, products, and experiences in real time (Xie et al., 2025). Technologies such as deep learning, reinforcement learning, and A/B testing have made personalization possible across industries from retail to financial services (Lanfranchi et al., 2025).

- Intelligent content generation: generative AI has made it possible to produce vast volumes of digital content including articles, product descriptions, social-media posts, and marketing emails—at unprecedented speed and scale (Lanfranchi et al., 2025). According to the “State of AI in Marketing 2025” report by CoSchedule, 84 percent of marketers believe that AI improves the speed of delivering high-quality content (McKinsey & Company, 2025).

- Real-time campaign optimization: AI systems automatically adjust advertising budgets and channels based on moment-to-moment performance (Davenport & Harris, 2007). According to Adobe’s 2024 report, AI-based automation reduces the execution time of multichannel campaigns by 35 percent and increases the conversion rate by an average of 28 percent (Ratterman & Zervas, 2025).

- Predictive analysis of customer behavior: by analyzing historical data, AI algorithms make it possible to predict customers’ future behavior, including purchase probability, customer churn, and customer lifetime value (Rahman et al., 2022). Research shows that high-growth organizations use AI 10 to 20 percent more than their low-growth competitors, which has created a significant competitive advantage for them (McKinsey & Company, 2025).

- Intelligent marketing automation: by automating repetitive tasks, managing email campaigns, retargeting, and advanced customer segmentation, AI has dramatically increased the operational efficiency of marketing (Roy et al., 2025).

Theoretical frameworks

To explain the role of AI in developing marketing strategies, several theoretical frameworks have been proposed. Among the most important is the theory of dynamic capabilities. According to this theory, proposed by Teece et al. (Teece et al., 1997), organizations need three main capabilities to survive and grow in dynamic environments: sensing opportunities and threats, seizing opportunities through investment and development, and the continuous transformation of organizational resources and capabilities. By enabling the real-time analysis of market data, the identification of hidden patterns, and the prediction of changes, AI plays an important role in enhancing all three of these capabilities. Recent research shows that AI can be regarded both as “a distinct organizational capability” and as an “enabler of dynamic capabilities” (Lanfranchi et al., 2025). From this perspective, investment in AI is considered not only a technological advantage but also a strategic investment in enhancing the organization’s dynamic capabilities. Likewise, the resource-based view, founded by Barney (Barney, 1991) and Wernerfelt (Wernerfelt, 1984), states that sustainable competitive advantage is achieved when an organization possesses valuable, rare, inimitable, and non-substitutable resources and capabilities. Within this framework, AI and the data derived from it can act as strategic organizational resources that make the creation of sustainable competitive advantage possible (Barney, 1991). Researchers hold that AI capabilities including AI-based market intelligence, AI-based sustainable personalization, and AI governance and ethics capabilities collectively help to enhance sustainable marketing strategies and to achieve competitive advantage (Roy et al., 2025; Lanfranchi et al., 2025).

Consequences of applying AI in digital marketing

Empirical research shows that applying AI in digital marketing has extensive consequences for organizations. At the strategic level, by providing deep insights into the market and customers, AI improves the quality of strategic decisions and helps the organization to identify new opportunities and respond quickly to environmental changes (Teece et al., 1997; Day, 1994). At the customer-centric level, AI makes it possible to deliver personalized experiences, increase engagement, and enhance customer satisfaction and loyalty (Lanfranchi et al., 2025). At the operational and financial level, by automating processes, optimizing campaigns, and reducing costs, AI increases marketing productivity and return on investment (Rahman et al., 2022; Davenport & Harris, 2007). Nevertheless, applying AI is also accompanied by challenges. Concerns about data privacy and security, algorithmic biases, the spread of misinformation, and the ethical implications of using AI in marketing are among the most important challenges to which researchers have pointed; moreover, the digital divide and inequality in access to AI technologies can lead to a deepening of the gap between leading and lagging organizations (Ratterman & Zervas, 2025).

EMPIRICAL RESEARCH LITERATURE

In recent years, numerous researchers have examined the role of AI in enhancing marketing strategies, improving organizational performance, and creating competitive advantage. The results of these studies generally show that organizations equipped with AI capabilities have a greater ability to analyses market data, personalize customer experience, and optimize marketing campaigns (Xie et al., 2025; Roy et al., 2025). Table 1 summarizes the most important recent empirical studies related to the subject of the present research. (Tab. 1)

Table 1: A summary of recent empirical studies on the role of AI in marketing (Source: Authors).

Study	Focus	Method	Key findings
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Chen & Liu (2025)	Optimizing AI-based marketing strategy in the digital economy	Machine learning	ML-based approaches can significantly improve targeting accuracy, conversion rate, and marketing ROI; data quality and the integration of information systems are critical to success.
IEEE (2025)	AI in digital marketing: enhancing customer engagement and personalization	Fuzzy systems + ML classification	Among four digital-marketing strategies, network marketing yields the highest profit (69%) and the highest brand awareness (42%); brand sensitivity reaches 46%.
Rahman et al. (2022)	Does marketing-analytics capability boost competitive performance in data-rich environments?	Empirical (survey)	Marketing-analytics capability significantly affects competitive performance through comprehensive marketing decision-making; AI strengthens this relationship (+35% market performance, +25% customer retention).
Lanfranchi et al. (2025)	Reconfiguring competitive advantage for generative-AI adoption in digital content marketing	RBV; Delphi (expert panel)	Content strategies will increasingly be data-driven, intelligent, and audience-specific; the study offers a dynamic framework for reconfiguring resources to exploit generative-AI potential.
Roy et al. (2025)	AI and 21st-century sustainable marketing	Dynamic-capabilities approach	AI capabilities (AI-based market intelligence, sustainable personalization, and governance & ethics) collectively enhance sustainable marketing strategies and competitive advantage.

Chen and Liu ([Chen & Liu, 2025](#)), in a study entitled “Optimizing AI-based marketing strategy in the digital economy: a machine-learning approach,” examined the effect of machine-learning algorithms on optimizing marketing strategies. The results showed that machine-learning-based approaches can significantly improve targeting accuracy, conversion rate, and marketing return on investment. This research emphasized the vital role of high-quality data and the integration of information systems in the success of AI projects ([Chen & Liu, 2025](#)). In a study entitled “Artificial intelligence in digital marketing: enhancing customer engagement and personalization” ([IEEE, 2025](#)), the researchers examined digital-marketing strategies using fuzzy-systems theory and a machine-learning classification approach. The findings showed that, among four digital-marketing strategies, network marketing brings the greatest profit for the organisation (69 percent) and the highest level of brand awareness (42 percent); furthermore, within the network-market-

ing strategy, customers’ brand sensitivity reaches 46 percent ([IEEE, 2025](#)). Rahman et al. ([Rahman et al., 2022](#)), in a study entitled “Does marketing-analytics capability boost firms’ competitive marketing performance in a data-rich business environment?” examined the role of marketing-analytics capability in manufacturing and service organizations. The results showed that marketing-analytics capability has a significant effect on firms’ competitive performance through comprehensive marketing decision-making, and that the use of AI technologies strengthens this relationship. This research showed that AI-based strategies lead to a 35 percent increase in market performance and a 25 percent increase in customer retention ([Rahman et al., 2022](#)). In a study entitled “Reconfiguring competitive advantage: a resource-dynamic framework for the adoption of generative AI in digital content marketing” ([Lanfranchi et al., 2025](#)), the researchers examined the transformative role of generative AI in digital content marketing from the perspective

of the resource-based view. The findings showed that content strategies will increasingly become data-driven, intelligent, and audience-specific. This research presented a dynamic framework for how organizations can reconfigure their resources to exploit the potential of generative AI (Lanfranchi et al., 2025). Roy et al. (Roy et al., 2025), in a study entitled “AI and 21st-century sustainable marketing: a dynamic-capabilities approach to sustainable competitive advantage,” examined the role of AI in sustainable marketing. The results showed that AI capabilities—including AI-based market intelligence, AI-based sustainable personalization, and AI governance and ethics capabilities—collectively help to enhance sustainable marketing strategies and to achieve competitive advantage. This research emphasized the importance of a comprehensive and balanced approach to AI that simultaneously considers the technological, organisational, and ethical dimensions (Roy et al., 2025).

A review of previous studies shows that the positive relationship between AI and market-

ing performance has been widely confirmed across different business areas (Xie et al., 2025; Rahman et al., 2022). However, a major part of the existing studies has focused on measuring the direct relationships among variables and has paid less attention to explaining the mechanisms through which sustainable competitive advantage is formed by applying AI in digital marketing strategies (Lanfranchi et al., 2025). In addition, the role of the organization’s analytical capabilities as a mediator in converting AI applications into competitive advantage has not received sufficient attention in most studies (Roy et al., 2025). Moreover, most studies have been conducted in developed countries, and limited empirical evidence exists concerning the context of organizations in developing countries (Chen & Liu, 2025). Therefore, by focusing on presenting a comprehensive model of applying AI in developing digital marketing strategies, the present research can cover part of the existing gap in the literature and contribute to the development of theoretical and applied knowledge in this field.

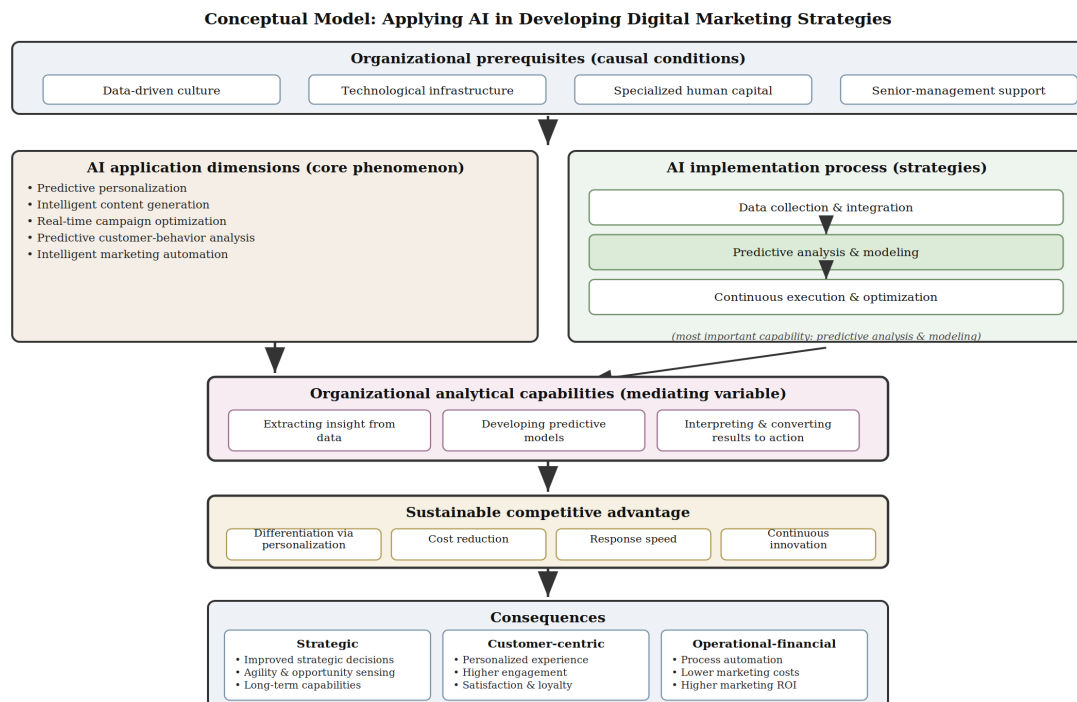


Figure 1: The conceptual model of applying AI in developing digital marketing strategies (Source: Authors).

The conceptual model of the research

Building on the theoretical foundations and the review of the empirical literature, the conceptual model of the research is presented in Figure 1. In this model, organisational prerequisites act as the causal conditions that provide the ground for the effective deployment of AI; the dimensions of AI application form the core phenomenon; and the AI-implementation process comprising data collection and integration, predictive analysis and modelling, and continuous execution and optimization—constitutes the set of strategies. The organization's analytical capabilities play a mediating role in converting these applications into sustainable competitive advantage, which ultimately leads to strategic, customer-centric, and operational-financial consequences. (Fig. 1)

Methodology

In terms of purpose, the present research is applied, and in terms of the nature of its data, it is qualitative. Since the main aim of the research is to present a model for applying AI in developing digital marketing strategies, the use of a qualitative approach makes it possible to gain a deeper understanding of the experiences, perceptions, and interpretations of managers and experts in the fields of digital marketing and information technology (Strauss & Corbin, 1998). In this research, the grounded-theory method based on the Strauss and Corbin approach (Strauss & Corbin, 1998) was used to analyse the data, because this method is suitable for discovering concepts, categories, and the relationships among them in areas that require conceptual modelling based on field data (Strauss & Corbin, 1998). The research population comprised marketing managers, information-technology managers, digital-strategy consultants, and experts active in digital marketing in firms operating in technology-oriented industries (including telecommunications companies, digital platforms, technology start-ups, and digital-marketing agencies), who—because of their direct experience in digital

marketing, data analysis, AI technologies, and strategic decision-making—possessed the information required about the research subject (Day, 1994). Sampling was carried out purposively, and individuals were selected who had sufficient knowledge, experience, and awareness of the application of AI in digital marketing (Strauss & Corbin, 1998). The main criterion for participants' inclusion in the research was having at least five years of managerial or specialized experience related to digital marketing, data analysis, or the implementation of AI projects in marketing. Sampling continued until theoretical saturation was reached, and a total of 22 interviews were conducted with managers and experts.

The data-collection instrument was the in-depth, semi-structured interview. Using semi-structured interviews allowed the researcher to maintain the main framework of the research questions while retaining the freedom to pursue important answers, discover new dimensions, and deepen the participants' experiences (Strauss & Corbin, 1998). The main axes of the interview included the understanding and definition of AI in marketing, the types of AI applications in digital marketing, the process of implementing and integrating AI into marketing strategy, the required prerequisites and infrastructure, the executive challenges, the role of the organization's analytical capabilities, and the consequences of applying AI for creating competitive advantage (Davenport & Harris, 2007; Roy et al., 2025). The data-collection process continued until theoretical saturation was reached. Theoretical saturation was achieved when new interviews added no new concept or category to the analytical structure and the collected data had sufficient conceptual repetition and stability (Strauss & Corbin, 1998). After each interview, the interview text was transcribed and prepared for analysis. MAXQDA software was used to analyse the data. The interview data were first entered into the software and then analyzed in three stages of open coding, axial coding, and selective coding. In the open-coding stage, the initial con-

cepts were extracted from the interview texts. In the axial-coding stage, similar and related codes were organized into main and sub-categories. In the selective-coding stage, the relationships among the categories were examined, and the final model of the research was formed on the basis of the core phenomenon, causal conditions, processes, contextual factors, and consequences (Strauss & Corbin, 1998).

In the analysis process, the main categories of the research were identified as follows: the dimensions of AI application, the implementation process, prerequisites and infrastructure, the organization's analytical capabilities, competitive advantage, consequences and outcomes, and challenges and barriers. In addition, to better understand the relative weight of the concepts and the relationships among them, the analysis of code frequencies, word clouds, and the code co-occurrence matrix was used (Lanfranchi et al., 2025). Several strategies were used to increase the validity and reliability of the findings. First, the participants were selected from among individuals with sufficient experience and awareness in the fields of digital marketing and AI. Second, the interviews were conducted in depth so that rich and detailed data would be obtained. Third, the coding process was carried out in a step-

wise and systematic manner, and the extracted concepts were compared several times with the interview texts (constant comparison). Fourth, MAXQDA software was used to organize the data and increase the accuracy of the analysis. Fifth, the results of the coding were reviewed to ensure conceptual and logical coherence among the categories. Sixth, the participants were asked to review and confirm a summary of the findings (member checking) (Strauss & Corbin, 1998). On this basis, the methodology of the present research makes it possible for the model of applying AI in developing digital marketing strategies to be extracted not on the basis of predetermined assumptions, but on the basis of real data and the lived experiences of managers and experts. This approach can provide a deep and contextual picture of the role of AI in creating sustainable competitive advantage in the age of digital marketing (Teece et al., 1997; Roy et al., 2025).

FINDINGS AND DISCUSSION

The data obtained from the interviews were analyzed through open, axial, and selective coding, and the main categories together with their frequencies were extracted. Table 2 shows the main categories extracted from the interviews and their frequencies. (Tab. 2)

Table 2: The main categories extracted from the interviews (Source: Authors).

Main category	Frequency
Dimensions of AI application	72
Sustainable competitive advantage	61
Consequences and outcomes	52
Organisational analytical capabilities	47
AI implementation process	45
Organisational prerequisites	38
Challenges and barriers	28
Perceived patterns and relationships	24
Total	367

The results of Table 2 show that “the dimensions of AI application,” with 72 citations, was the most frequent category among the concepts extracted from the interviews. This finding indicates that

experts and managers regard the diverse applications of AI in digital marketing as the starting point and the pivotal element in the formation of the organization's competitive advantage,

which is consistent with the findings of Xie et al. (Xie et al., 2025) and Roy et al. (Roy et al., 2025). Next, the category “sustainable competitive advantage,” with 61 citations, ranked second, which reflects the position of this concept as the ultimate goal of all activities related to applying AI in marketing (Barney, 1991). Likewise, the high frequency of the category “consequences and outcomes” (52 citations) indicates that, in addition to attending to the conceptual dimensions, the participants placed special emphasis on the tangible results and achievements of applying AI, which is consistent with the findings of Rahman et al. (Rahman et al., 2022) and Lanfranchi et al. (Lanfranchi et al., 2025). The categories “organisational analytical capabilities” (47 citations) and “AI implementation process” (45 citations) also have a considerable frequency. This shows that, from the experts’ point of view, achieving competitive advantage does not depend merely on the existence of AI technologies, but also requires effective processes for collecting, analyzing, and exploiting data, as well as the existence of analytical capabilities in the organization to interpret and convert AI outputs into practical action (Dav-enport & Harris, 2007; Day, 1994). In addition,

the category “organisational prerequisites,” with 38 citations, indicates that success in applying AI depends on the existence of infrastructure, an appropriate organisational culture, specialized human resources, and senior-management support (Barney, 1991; Teece et al., 1997). By contrast, the category “challenges and barriers,” with 28 citations, shows that the participants also attended to the barriers on the path of implementing AI, including a shortage of skills, security concerns, and implementation costs. The lowest frequency belongs to the category “perceived patterns and relationships,” with 24 citations. On the whole, the frequency pattern of the categories shows that, from the experts’ viewpoint, applying AI in digital marketing is a dynamic and multidimensional process that through data analysis, personalization, content generation, and campaign optimization, in interaction with the organization’s analytical capabilities and prerequisites provides the ground for creating sustainable competitive advantage and achieving strategic outcomes. Table 3 shows the main categories, sub-categories, and the frequency of the codes extracted from the interviews. (Tab. 3)

Table 3: The categories, sub-categories, and the frequency of the codes extracted from the interviews (Source: Authors).

Main category	Sub-category	Frequency
Dimensions of AI application	Predictive personalization	28
	Intelligent content generation	18
	Real-time campaign optimization	12
	Predictive analysis of customer behavior	8
	Intelligent marketing automation	6
Organisational prerequisites	Data-driven culture	14
	Technological infrastructure	10
	Specialized human capital	8
	Senior-management support	6
AI implementation process	Predictive analysis and modelling	24
	Data collection and integration	12
	Continuous execution and optimization	9
Organisational analytical capabilities	Ability to extract insight from data	26
	Developing predictive models	13
	Interpreting and converting results into action	8

Sustainable competitive advantage	Sustainable competitive advantage	61
Consequences and outcomes	Strategic consequences	33
	Customer-centric consequences	11
	Operational-financial consequences	8
Challenges and barriers	Shortage of skills and expertise	10
	Security and privacy concerns	8
	Implementation costs	6
	Resistance to change	4
Perceived patterns and relationships	Relationship between AI and analytical capabilities	14
	Mediating role of analytical capabilities	6
	Relationship between analytical capabilities and competitive advantage	4

The results of Table 3 show the conceptual structure and the relative importance of the categories and sub-categories extracted from the experts' interviews. Among the dimensions of AI application, “predictive personalization,” with 28 citations, has the highest frequency, followed by “intelligent content generation” (18 citations), “real-time campaign optimization” (12 citations), “predictive analysis of customer behavior” (8 citations), and “intelligent marketing automation” (6 citations). This finding indicates that managers and experts regard personalization based on behavioral and predictive data as the most important application of AI in digital marketing. At the same time, the diversity and dispersion of citations among the different dimensions show that the effective application of AI requires a comprehensive approach and simultaneous attention to all dimensions.

In the area of the AI-implementation process, the sub-category “predictive analysis and modelling,” with 24 citations, had the greatest importance. This result shows that the real value of AI lies not in collecting data, but in the organization's ability to develop predictive models, extract hidden patterns, and convert raw data into insights usable in strategic decision-making. In the section on organisational prerequisites, “data-driven culture,” with 14 citations, had the largest share, followed by “technological infra-

structure” (10 citations), “specialized human capital” (8 citations), and “senior-management support” (6 citations). This finding shows that success in applying AI in digital marketing depends, above all, on the organisational culture and a data-driven attitude at all levels of the organization. Regarding the category “organisational analytical capabilities,” the high frequency of “the ability to extract insight from data” (26 citations) indicates that the participants regard the capability of analyzing and interpreting data as the most important factor in converting AI applications into competitive advantage. This finding shows that mere access to advanced AI technologies is not sufficient, and that the organization must also have the ability to understand, interpret, and exploit the outputs of these technologies. The findings related to consequences and outcomes also show that “strategic consequences,” with 33 citations, is regarded as the most important achievement of applying AI in digital marketing, with a considerable gap from “customer-centric consequences” (11 citations) and “operational-financial consequences” (8 citations). This indicates that managers regard AI as a tool for creating fundamental changes in competitive position, increasing innovation, enhancing organisational agility, and developing long-term capabilities, and place short-term financial benefits at a lower level of importance.

In the section on challenges and barriers, “the shortage of skills and expertise,” with 10 citations, had the highest frequency, followed by “security and privacy concerns” (8 citations), “implementation costs” (6 citations), and “resistance to change” (4 citations). This finding shows that the most important barrier on the path of applying AI in digital marketing is the shortage of skilled and specialized human resources in the field of data mining and machine learning. Likewise, in the section on perceived patterns and relationships, “the relationship between AI and analytical capabilities,” with 14 citations, had the highest frequency, whereas “the relationship between analytical capabilities and competitive advantage” received only 4 citations. This finding shows that, from the experts' point of view, analytical capabilities are the connecting link between AI technologies and competitive advantage, and that without these capabilities, investment in AI cannot lead to sustainable competitive advantage. On the whole, the findings of Table 3 indicate that the model of applying AI in developing digital marketing strategies rests on an interconnected cycle in which the data derived from customers and the market are processed through the process of predictive analysis and modelling, are converted into sustainable competitive advantage by relying on organisational prerequisites and analytical capabilities, and ultimately bring considerable strategic, customer-centric, and operational-financial consequences for organizations.

The analysis of the relationships among the categories showed that the different dimensions of AI application especially predictive personalization and the predictive analysis of customer behavior are closely related to the process of predictive analysis and modelling. The findings also indicate that the organization's analytical capabilities play an important mediating role in converting AI applications into sustainable competitive advantage. On the other hand, the competitive advantage created appears mainly in

the form of differentiation through personalization, cost reduction, response speed, and continuous innovation, and ultimately leads to strategic, customer-centric, and operational-financial consequences. These relationships show that AI provides the ground for achieving sustainable competitive advantage not directly, but through the process of data analysis, the development of predictive models, and the enhancement of the organization's analytical capabilities.

RESULTS AND CONCLUSION

The present research was conducted with the aim of presenting a model for applying AI in developing digital marketing strategies. To achieve this aim, a qualitative approach and the grounded-theory method based on the Strauss and Corbin approach were used, and the required data were collected through semi-structured interviews with 22 managers, specialists, and experts active in the fields of digital marketing and information technology. The data obtained from the interviews were analyzed using MAXQDA software through open, axial, and selective coding, and the conceptual model of the research was ultimately extracted. The findings of the research showed that AI in digital marketing is more than a technological tool or a support activity, and acts as a strategic and dynamic capability that can provide the ground for creating and sustaining competitive advantage. The results showed that predictive personalization, intelligent content generation, real-time campaign optimization, predictive analysis of customer behavior, and intelligent marketing automation constitute the five main pillars of applying AI in digital marketing, and that organizations, in order to gain sustainable competitive advantage, inevitably need to draw on these five areas simultaneously. In fact, a deep understanding of customers' needs and behavior through data analysis, the delivery of personalized content, the real-time optimization of campaigns, the prediction of customers' future behavior, and the automation of repetitive processes are five complementary dimensions

that, together, make possible a comprehensive understanding of the market and an effective response to it.

One of the most important results of the research was the prominence of the role of “the organization’s analytical capabilities” as a mediator in converting AI applications into sustainable competitive advantage. The findings showed that the real value of AI lies not in access to a high volume of data or advanced algorithms, but in the organization’s ability to extract insight from data, develop predictive models, interpret results, and convert them into practical marketing decisions. Therefore, organizations that enjoy higher analytical power, more specialized human resources, and a stronger data-driven culture will have a greater capacity to exploit AI capabilities and convert them into competitive advantage. This finding shows that, in the age of digital marketing, sustainable advantage is, more than being the product of investment in technology, the result of analytical capabilities, organisational learning, and a data-driven culture, which is fully consistent with the theory of dynamic capabilities and the resource-based view. The results of the research also showed that organisational prerequisites play a fundamental role in the effective deployment of AI in digital marketing. Unlike many previous studies, which have focused mainly on the technological aspects of AI, the findings of this research indicate that success in applying AI depends to a large extent on the existence of appropriate organisational grounds. A data-driven culture, senior-management support, appropriate technological infrastructure, specialized human capital, and a flexible organisational structure are factors that make the effective exploitation of AI capabilities possible. Therefore, mere investment in technology, without attention to these prerequisites, cannot lead to the desired results.

The findings also showed that the competitive advantage arising from applying AI in digital marketing appears mainly in the form of differentiation through advanced personalization, the

reduction of marketing costs, greater speed in responding to market changes, and continuous innovation in marketing approaches and channels. In other words, successful organizations strengthen their competitive position by delivering personalized experiences, continuously optimizing campaigns, reducing operational costs, and responding more quickly to customers’ changing needs. This shows that, in the age of digital marketing, sustainable competitive advantage has a dynamic and data-driven nature and rests on the organization’s capability to learn, analyses, predict, and adapt to environmental changes. From a theoretical standpoint, the most important achievement of the present research is the presentation of an integrated model that explains the relationship among organisational prerequisites, the various dimensions of AI application, the process of analysis and modelling, the organization’s analytical capabilities, sustainable competitive advantage, and organisational consequences. This model shows that AI can lead to strategic, customer-centric, and operational-financial results when it is used within a continuous process of data collection, predictive analysis, and continuous execution and optimization. In fact, the main innovation of the present research lies in explaining the role of “the organization’s analytical capabilities” as the mechanism linking AI applications to sustainable competitive advantage in the age of digital marketing, which has received less attention in previous research.

On the whole, it can be concluded that the success of organizations in today’s competitive and highly dynamic environment depends, more than anything, on their ability to create an integrated AI-based marketing system. Organizations that can convert vast, scattered data into practical insights, use their analytical capabilities to develop predictive models, and continuously optimize their marketing processes will have a greater capacity to create sustainable competitive advantage, increase customer satisfaction, reduce costs, and maintain their market position. Based on the findings of the research, the follow-

ing policy recommendations are offered:

1.Organizations should create or strengthen specialized data-analysis and AI units, focusing on the development of predictive models, content personalization, and campaign optimization, so that the marketing decision-making process is based on evidence and up-to-date data.

2.Investment in data infrastructure, customer-data platforms (CDP), advanced analytics tools, and AI technologies should be placed among the strategic priorities of organizations, so that the capability of converting data into practical insight is increased.

3.Senior managers should develop a data-driven and continuous-learning organisational culture and make the use of predictive analytics a part of the formal decision-making processes.

4.Policymakers in the field of information and communication technology should provide the necessary ground for enhancing the competitiveness of various industries through the application of AI in marketing, by developing digital infrastructure, supporting technological innovations, and facilitating organizations' access to new technologies.

5.Organizations should design regular mechanisms for collecting and integrating customer data from various sources (including transactional, behavioral, social-media, and external data), so that they can identify hidden patterns and provide more accurate predictions of customer behavior.

6.The development of training programmers for managers and employees in the fields of data mining, machine learning, predictive analytics, and AI applications in marketing can play an important role in enhancing the organization's analytical capabilities and increasing the effectiveness of AI-based marketing systems.

7.Organizations should pay special attention to the ethical, privacy, and data-security challenges of applying AI, and should formulate and implement frameworks for data governance and the responsible use of AI.

8.Given the mediating role of analytical ca-

pabilities, organizations should, in addition to investing in technology, also attend to the development of their human resources' analytical competencies, thereby bridging the gap between technology and organisational capabilities.

On the whole, the results of the research show that achieving sustainable competitive advantage in the age of digital marketing requires the simultaneous combination of AI, analytical capabilities, organisational prerequisites, and a comprehensive approach to data. Organizations that can manage these elements in an integrated manner will have a greater ability to create differentiation, increase customer satisfaction, reduce costs, and maintain competitive advantage in the dynamic environment of the digital market.

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