

The Role of AI in Relationship Marketing

Perspectives from six Prominent Researchers

Relationship Marketing is enhanced by Artificial Intelligence (AI), which helps businesses better understand, engage, and retain customers. AI-powered analytics tools enable companies to uncover valuable insights into customer preferences, behaviours, and interests. This Article aims to share the Perspectives of Six Prominent Researchers on the role of AI in Relationship Marketing.

Dr. Nirma Sadamali Jayawardena

AI algorithms can identify patterns and segments within customer data. Businesses can target specific customer segments with personalised messaging and offers by segmenting customers based on their preferences, behaviours, and demographics. AI-powered recommendation engines can analyse customer preferences and behaviours to deliver customised product recommendations, content, and offers. By providing personalised experiences, businesses can enhance customer engagement, loyalty, and satisfaction. For example, Amazon's recommendation engine analyses past purchases, views of products, and search queries to recommend the products likely to interest each customer based on their past purchases, views of products, and searches. Therefore, in my opinion, Through AI, businesses can deliver personalised experiences, optimise engagement strategies, and drive value at every point of contact with customers.

Dr. Park Thaichon

AI can enhance our hospitality experiences by tailoring them to each guest. It's like having a hotel that understands you so well, it feels like a second home. Many customers would be pleased if it didn't replace the human touch. For instance, picture this: You step into a hotel, and immediately, the receptionist greets you by name. How did they know? That's because they use AI to recall your name and preferences. Let's say you have a



fondness for chocolate chip cookies. The hotel remembers this from your last visit. Perhaps you also have a favourite type of music or a preference for a plush pillow – AI can remember all these details, too. So, when you enter your room, a plate of freshly baked chocolate chip cookies is waiting just for you. In this way, AI in hospitality can create personalised and delightful experiences for guests, making their stay more memorable and enjoyable. If it complements rather than replaces human interaction, the integration of AI holds great potential to elevate customer satisfaction in the hospitality industry.

Prof. Richard Nyuur

AI is revolutionising Relationship Marketing locally and globally. Businesses can use AI algorithms to analyse customer data, personalise interactions and communication strategies, and optimise engagement strategies. Moreover, companies can use AI algorithms better to understand customer preferences, behaviours, and purchase history and tailor their marketing campaigns to each customer. This would increase the relevance and effectiveness of their marketing campaigns. It is also possible to predict future customer behaviour based on historical data and patterns through AI-powered predictive analytics. Using predictive modelling, businesses can anticipate customer needs, identify potential opportunities, and proactively engage customers with targeted offers and communications.

Dr. Sara Quach

From my perspective, AI isn't just about algorithms; it's about understanding customers on a deeper level and providing them with personalised experiences that leave a lasting impression. Imagine being greeted by chatbots that offer product recommendations perfectly tailored to our tastes and interests as soon as we enter an online store. This level of personalisation makes the shopping experience more enjoyable and increases the likelihood of finding exactly what we're looking for. I believe AI isn't just a tool for businesses; it's a catalyst for building more robust, meaningful customer relationships. It's about making the interaction feel personalised and memorable, ultimately fostering loyalty and driving success in the competitive world of online retail. With AI, online retailers can connect with customers more profoundly, enhancing satisfaction and driving long-term success.

Prof. Sathyaprakash Balaji Makam

In today's rapidly evolving business landscape, AI presents significant opportunities for enhancing Customer Relationship Management (CRM). AI-centric CRM enables businesses to personalise the customer experience and make customer interactions efficient and seamless, leading to higher business performance. According to the International Data Corporation (IDC), global spending on AI-centric systems is expected to reach US\$ 300 billion in 2026 (IDC, 2023). Furthermore, the latest Annual McKinsey Global Survey (2023) reported that 40% of companies will increase their investments in AI (Chui et al., 2023). However, a significant issue remains at large. Are businesses prepared to adopt, implement, and leverage the power of AI in managing customer experience and relationship management? According to Cisco's AI readiness index, only 14% of organisations globally are fully ready to integrate AI into their businesses



Dr. Nirma Sadamali Jayawardena



Prof. Richard Nyuur



Prof. Sathyaprakash Balaji Makam

(Cisco, n.d.). This underscores the crucial challenge businesses face when navigating the evolving AI landscape.

AI readiness is the ability of firms to effectively adopt and implement AI to improve their operations, customer service, and decision-making. Businesses face several obstacles in their journey towards AI-driven CRM. From technological barriers, cultural shifts, and trust towards AI to organisational resistance, businesses face various challenges in realising the potential of AI in enhancing customer experience. Businesses can adopt several strategies to integrate AI into their CRM practices successfully. First, investing in strong data infrastructure and governance is crucial for ensuring the quality of inputs into AI systems. Second,



Dr. Park Thaichon



Dr. Sara Quach



Dr. Abhishek Behl

fostering a culture of data-driven decision-making can help address the concerns related to trust towards AI. Third, providing comprehensive training programmes and support for employees to develop AI skills and competencies is essential for employees' successful adoption of AI and overcoming resistance. By proactively addressing the challenges through AI readiness, businesses can be leaders in leveraging AI to enhance customer experience and satisfaction and achieve sustainable competitive advantage.

Dr. Abhishek Behl

AI is the buzzword for its use in marketing and, more so, in the Relationship Marketing discipline. The essence of relationship

marketing lies in understanding sentiments and emotions. While AI can generate emotions, there lies a dearth of studies and gaps where AI can induce emotions, which is why the arm of emotional AI is a challenge faced by marketers. A connected piece to that is the impact of creativity and intuitions, which are also missing in the jigsaw puzzle of Relationship Marketing. This also calls for designing, assessing, and transferring intuition-based decisions in developing AI-enabled solutions. It further makes human decision-making and its complexities more difficult. Studies have been progressing in exploring the psychological and sociological aspects as potential data layers AI would use to predict and develop solutions for marketers. At a firm level, it is also seen that AI differently perceives knowledge and know-how, and thus, how to mitigate risks and recover from unforeseen circumstances triggered by AI is still a far-fetched dream. What becomes more sensitive is that with multiple AI solutions available, the choice between what is best and to what degree is still a point of contention and more than producing AI, it is used as a tool that helps improve the decisions but leaves grounds for morality, ethics and cultural sensitivity.

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