

LEVERAGING STARTUPS, USING DIGITAL MARKETING AND AI TOOLS

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Abstract:

Advanced advertising is the act of advancing items utilizing advanced channels to arrive at shopper's destination. This involves many exercises, including site improvement of SEO (Search Engine Optimization), content advertising, virtual entertainment promoting, email showcasing, etc. The objective is to associate with clients inducing them to invest a significant quantum of time and energy on the particular Web. New businesses in the form of Start-ups, need an exhaustive way to deal with overseeing information. The executives in a computerized setting face great difficulty in making the most of the open doors, introduced by advanced technology through man-made brainpower (AI) advancements, which are reshaping product promotion initiatives. Artificial Intelligence (AI) facilitates re-enactment of human knowledge in machines that are modified to think like people and copy their activities. To promote Startups, man-made intelligence plays an extraordinary role, essentially changing how brands collaborate with shoppers and deal with their showcasing exercises as part of —CRM.

Keywords: Digital Marketing, Customer Relationship Management, Artificial Intelligence, Leverage, Startups

1. Introduction:

There is an urgent need for more essential promoting skill to drive business, and computerized change and artificial intelligence innovations offer extraordinary guarantee to assist organizations with conquering deterrents, challenges in down to earth application. In this paper, we investigate a focal inquiry: how could organizations with few assets and scarcely any representatives push computerized change in showcasing and coordinating the strategies for Information dissemination. The Board and Customer Relationship Management (CRM) exercises the virtual signal through AI. The CRM, as in Client Information Broadband can be critical to accomplishing this goal. This study utilizes a subjective methodology to investigate the results. It uncovers that organizations with limited capacities and assets can in any case take on mechanical improvements in leading showcasing. Advertising offices can profit from the enormous information that man-made intelligence gives by mining it to valuable client experiences that can be utilized to reinforce client relationship and the executives procedures. Hierarchical factors, for example, client center, a culture of joint effort and information sharing, technique and backing from top administration, a coordinated construction, and the mix of capabilities are vital to the progress of customer relationship management in the business.

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2. Literature Review:

FinTechs have changed monetary help conveyance by utilizing innovation to execute numerous customary financial capabilities in an unrivaled way. Inside innovation utilization, the reception of troublesome advances like Man-made brainpower (artificial intelligence) has been the most talked about in the FinTech space. Be that as it may, the whole conversation has been either according to the point of view of the utilization of information driven calculations, the advantages of man-made intelligence, or the impact of computer based intelligence on the work market. Not many research have focused on analyzing how executing troublesome advancements, for example, simulated intelligence can influence FinTech new businesses' inside hierarchical assets and outer regular assets including minerals and the unified enterprises. The current review tends to this hole by gathering subjective information from 25 workers of FinTech new businesses in the Assembled Realm to comprehend their effect on assets, especially the regular ones including minerals. The gathered information was broken down to uncover how the execution of troublesome advanced advancements, for example, simulated intelligence in everyday tasks and computerized advertising of FinTech new businesses affected the interior authoritative assets, including workers. They likewise tried to uncover the effect on the outside assets - clients, and the climate including mineral assets and the unified business. The review's discoveries give significant knowledge into how FinTech in new businesses can acquire from simulated intelligence execution in their activities, advanced promoting, and asset use improvement. (Almansour, M. (2023);

New businesses face a huge test with regards to embracing innovation and computerized change. The greatest impediment for youthful

organizations is fostering a complete methodology for computerized Information for the executives. This will permit them to make the most of the open doors introduced by the computerized change. Associations need to foster new capacities to make a fruitful change to computerize. Associations could profit from concentrates on that aide and assess their ongoing mechanical capacities and systems, as well as those that inspect the similarity of IT procedure with other useful and functional parts of the business. (Idrus, S., et.al 2023)

Almansour, M. (2024) states the current review endeavors to overcome this issue by directing a subjective report to gather information from 35 proprietors/workers of food and drink new businesses and utilizing the grounded hypothesis to deal, code it and recognize key topics. The discoveries indicate Content investigation of the 35 reactions uncovered the fundamental topics: the effect of the Coronavirus pandemic on tasks of food and refreshment new businesses.

AI enabled digital marketing is upsetting the manner in which associations make content for crusades, produce leads, lessen client procurement costs, oversee client encounters, market themselves to planned workers, and convert their reachable shopper base by means of web-based entertainment. True instances of associations who are involving computer based intelligence in advanced showcasing flourish. For instance, Red Inflatable and Harley Davidson utilized simulated intelligence to mechanize their advanced promoting efforts. In any case, we are right off the bat during the time spent both the down to earth utilization of artificial intelligence by firms comprehensively and by their showcasing capabilities specifically. One could contend that we are considerably progressed in the exploration cycle of conceptualizing, speculating, and exploring the utilization and effect of artificial intelligence. Similarly as with most advancements

of huge potential, the use of computer based intelligence in promoting causes commonsense contemplations as well as moral inquiries also. The capacity of simulated intelligence to computerize exercises, that in the past individuals did, likewise raises the issue of whether showcasing experts will embrace computer based intelligence as a way to liberate them from additional everyday errands to invest energy on higher worth exercises, or will they view computer based intelligence as a danger to their work. Given the early idea of examination on artificial intelligence, as of now, the full abilities and constraints of computer based intelligence in advertising are obscure. This unique release makes a significant stride in enlightening both what we know and what we yet need to explore. **Van Esch, P., & Stewart Black, J. (2021)**

Campbell, C., (et. al 2020) had mentioned that the Artificial Intelligence (AI) is at the front line of a transformation in business and society. Man-made intelligence bears the cost of organizations to better comprehends, foresee, and connect with clients. Inside showcasing, simulated intelligence's reception is expanding year-on-year and in differed settings, from offering support help during client associations to aiding the ID of ideal advancements. However, as inquiries regarding artificial intelligence stay as to work computerization, morals, and corporate obligation, the promoting area faces its own interests about man-made intelligence. With this article, we try to solidify the developing group of information about computer based intelligence in promoting. We make sense of how simulated intelligence can upgrade the showcasing capability across nine phases of the promoting arranging process. We additionally give instances of current utilizations of artificial intelligence in advertising.

Tung, T. M., Oanh, V. T. K., Cuc, T. T. K., & Lan, D. H. (2024); In their paper investigate the

capability of Computerized reasoning (simulated intelligence) applications in driving business accomplishment for business people. Procedure: A multi-strategic methodology is utilized, including: writing survey, contextual investigations, and master interviews. Discoveries: The paper analyzes key regions where simulated intelligence can be utilized, including mechanization of errands, information driven direction, customized client encounters, and advancement in item improvement. While recognizing the difficulties of cost, mastery, and moral contemplations, the paper points out the significant advantages of simulated intelligence coordination. Genuine contextual analyses show the way that business visionaries can use man-made intelligence instruments and methodologies to accomplish business development. Unique Worth: This examination plans to furnish business visionaries with a complete comprehension of computer based intelligence applications and enable them to embrace this extraordinary innovation to take an upper hand.

The idea of Man-made consciousness (computer based intelligence) as a business-troublesome innovation has created in scholar and expert writing in a turbulent and unstructured way. This study intends to give lucidity over the peculiarity of business initiation of artificial intelligence through a thorough and methodical writing, survey, pointed toward proposing an unmistakable depiction of what Man-made consciousness is today. The review investigations a corpus of 3780 commitments through a unique mix of two laid out AI calculations (LDA and various leveled grouping). The survey delivered an organized characterization of the different floods of momentum research and a rundown of promising arising patterns. Results have revealed insight into six points inferable from three distinct topics, to be specific - Ramifications, Applications and

Strategies (IAM model). Our examination could furnish specialists and experts with a significant outline of the group of information and exploration plan, to take advantage of man-made intelligence as a successful empowering influence to drive business esteem. **Sestino, A., & De Mauro, A. (2022);**

AI is quickly changing advanced showcasing rehearses. While the surviving writing broadly covers man-made intelligence applications that for the most part benefit organizations and clients, there is meager exploration on simulated intelligence arrangements that worsen issues for monetarily weak clients. These clients have restricted admittance to monetary frameworks, administrations or advancements. To amend this examination shortfall, this paper portrays the difficulties facing organizations as they endeavor to incorporate simulated intelligence into the advanced advertising of their monetary administrations. Eventually, AI-empowered advanced showcasing isn't quite as basic as gathering enormous information and utilizing scientific calculations; the innovation may not necessarily in all cases assist organizations with focusing on their clients all the more. This paper analyzes the connections between man-made intelligence, computerized showcasing, and monetary administrations comparable to weak clients, featuring key ramifications in the assortment, handling, and conveyance of data, as well as the significance of human association for ideal client experience and commitment with monetary administrations suppliers. Grasping moral ramifications, as well as information and demonstrating difficulties, is fundamental for the fruitful use of simulated intelligence. This study gives a hypothetical structure to monetary administrations suppliers, artificial intelligence designers, advertisers, policymakers, and scholastics, helping the comprehension of the

problematic circumstances confronting weak clients, and the manners by which they can all the more really be reached. **Mogaji, E., Soetan, T. O., & Kieu, T. A. (2020).**

Artificial intelligence in a globalized world of living cascades society at unprecedented speed with technical opportunities. Many businesses work on how to align with digital transformation. Every sector and business has been impacted by digital trends. Design thinking became a topic of wide discussion in the last century. The magic and accomplishment that the American design consulting company IDEO managed to achieve was the thing that made Design thinking so popular. This fresh approach is increasingly prevalent to organizations _strategic practices in addressing market issues and creating value innovatively. As an innovation process model, design thinking itself contains stages which can be impacted and enhanced through fresh techniques and digitalization. Artificial intelligence transforms companies, but many people believe that it doesn't blister. In fact, AI is now responsible for making decisions from culture to banking credits, and previously exclusively automated customers. AI can advance technology and gradually available technology such as platform development and extensive information storage and handling capabilities. If an industry, assessment provides a clear test of their competitive dynamics, study by start-ups working in the very same sector often helps us to know what is likely to develop such dynamics over time. This is why in my work I began analyzing the world start-up ecosystem. These new enterprises are versatile, innovative and lean; they can play an important part in the field's growth and can provide us with insight into the future of this domain. Objective of this thesis is to exploit a database of startups to firstly, understand the validity regarding how AI technology would affect and facilitate the process of design thinking

methodology. Secondly, to define how AI can support design thinking and its ecosystem. **(AIBARADARAN, B. (2018);**

The AI is implemented in five stages in the business process. A business model canvas is prepared to understand the whole business process. Digital marketing in the core marketing activities is indulged to supervise the marketing activities. Later on the AI application is applied to the digital marketing content building. The impact AI will continue to be there on companies and also brands are remembered by AI. A holistic process is designed to

help marketing managers leverage AI to design their objective to achieve the goal. **Venkatesan, R., & Lecinski, J. (2021),**

AI in marketing and advertising leverages advanced technologies to make automated decisions based on data collection, analysis, and insights into audience behavior or market trends that could influence marketing strategies. AI is often employed in scenarios where speed is critical, using data and customer profiles to determine the best ways to engage with clients. It then delivers personalized messages without the need for human intervention, ensuring maximum efficiency. For many marketers today, AI enhances marketing teams by handling tactical tasks that require less human nuance. As a field, artificial intelligence involves creating intelligent machines that can think and react like humans. Since the Industrial Revolution, AI has been seen as a potential solution to many global challenges, with the ability to drive innovation, create new industries, and shape favorable business environments.

3. Method of Study:

This study is basically based on the new Start-Ups and their behavior towards Digital Marketing and AI tools adopting in their new venture. Where

these tools is leveraging to their business performance? This is the main objective of the study. The extraordinary force of AI is reshaping ventures and reforming the manner in which companies are working. While monsters like Netflix have prepared with their computer based intelligence manufacturing plants, the improvement of such abilities isn't restricted to tech goliaths alone. The excursion of building a man-made intelligence processing plant is an engaging undertaking that can upset enterprises and drive development. By embracing simulated intelligence, organizations can open additional opportunities, advance innovative work, and make an upper hand in an undeniably simulated intelligence driven world. In this era of fast developing mechanical scene, AI is logically arising as the widespread motor of execution, essentially reshaping the functional underpinnings of organizations across ventures. This groundbreaking power is disturbing conventional working models, deleting constraints on development, and reforming the manner in which organizations contend and work. As man-made intelligence and advanced working models keep on reshaping organisations and the cutthroat scene, pioneers and chiefs should explore this groundbreaking excursion successfully.

This study focuses on the behavior of new startups toward adopting digital marketing and AI tools in their ventures. The primary objective is to understand how these tools enhance business performance. The extraordinary power of AI is reshaping industries and revolutionizing the way companies operate. While giants like Netflix have pioneered AI with their sophisticated systems, the development of such capabilities is not limited to tech behemoths. The journey of building an AI-driven enterprise is a transformative endeavor that can disrupt industries and drive innovation. By embracing AI, businesses can unlock new

opportunities, advance research and development, and create a competitive edge in an increasingly AI-driven world. In this era of rapidly evolving technological landscapes, AI is emerging as a universal engine of performance, fundamentally reshaping the operational foundations of businesses across various sectors. This transformative power is disrupting traditional operating models, removing barriers to innovation, and revolutionizing how companies compete and function.

As AI and digital working models continue to redefine organizations and the competitive landscape, leaders and executives must navigate this transformative journey effectively. Embracing AI can lead to significant advancements in efficiency, innovation, and overall business success, making it a crucial strategy for startups aiming to thrive in the modern market.

By embracing artificial intelligence, investing in digital capabilities, and adapting traditional management systems to new models, both established companies and startups can thrive in the era of AI. As we move into a future where AI and digital networks intersect with the physical world, organizations and individuals must embrace change to create, capture, and deliver value in this exciting new landscape.

The Startups Data AI interceptor is used to set a Digital Start-Ups Ecosystem through Gather, Clean, Normalize, Integrate, Supervise, Reinforce and, Storage and Analyze the data (Figure 1).

The leveraging digital marketing is initially shows dip result, but grows after certain period (Figure2), where it brings more profit than the traditional marketing process.

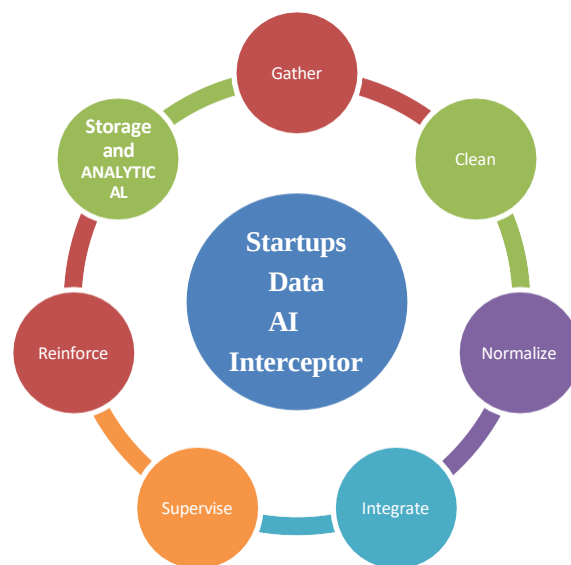


FIGURE 1 AI-DIGITAL DATA DRIVEN PROCESS

Source: Author's own compilation

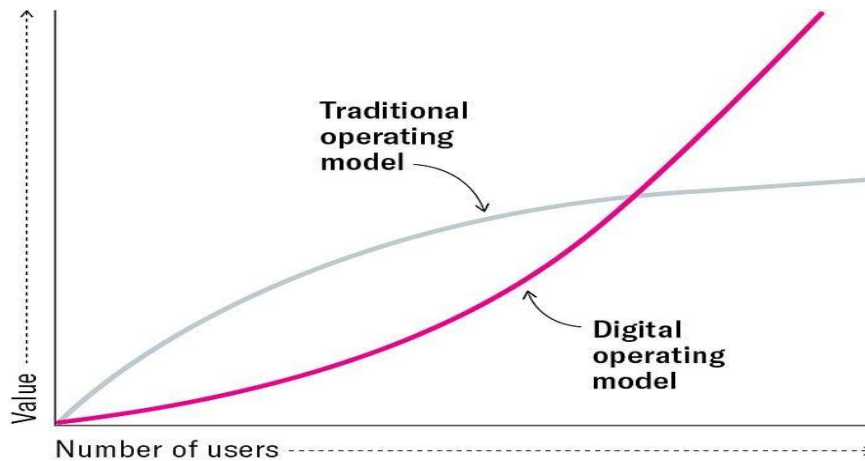


FIGURE 2 LEVERAGING DIGITAL MARKETING

Source: Author's own compilation

Although the ecosystem provides positive result, it has some challenges and ethical considerations.

Challenges:

1. **Data Privacy-** there's a heightened risk of data breaches and privacy violations
2. **Learning Curve-** Startups must invest time and resources into training their teams to effectively use these tools.
3. **Strategic Approach-** AI is not a one-size-fits-all solution.

Ethical Considerations:

1. **Algorithmic Bias-** AI systems can inadvertently perpetuate biases if they're trained on skewed datasets.
2. **Transparency and Consent-** Users should be informed about how their data is being used and given the option to opt-out.
3. **Manipulation and Persuasion-** There's a fine line between personalized marketing and manipulation.

3.1 Data Collection Process and Sample Size:

The primary data were collected from 20 StartUps from Pune City; WhizAI, Digi Mkey, Quytech, Merkle Sokrati ,ApptWare, Infeedo , Active M E D I, TechSpeed, Harley Davidson, IDEO, Mad Sense, Mindbowser Global, Solicitious, Nirmeete,

Dataeaze, Mobisoft, Kreedalabs, Rede, Prolinecure. Focused Group Discussion is arranged in all above companies, where minimum 8 numbers of managers from each Start- ups have participated and give their responses through the structured questionnaire. The main research question is pertaining to that whether Digital Marketing and AI tools will leverage their business or not. How such technologies are helping in their business. Finally 163 respondents have given their responses, which are used in further study.

3.2 Objectives of Study:

- (1) To study the leverage of the Digital Marketing AI tools in Start-Ups Business.
- (2) To identify the factors related to digital marketing AI tools that influence the performance of start-up businesses.

3.3 Hypotheses:

1. **H₀:** Digital Marketing AI tools insignificantly influence the Start-Ups Business.
H₁: Digital Marketing AI tools significantly influence the Start-Ups Business.
2. **H₀:** Digital Marketing AI tools has insignificant leveraging factors of Start-Ups Business

H₁: Digital Marketing AI tools have significant leveraging factors of Start-Ups Business.

Table 1: Leveraging the Start-Ups

Items	N	Minimum	Maximum	Mean	Std. Deviation
Digital Platform	163	1.000	5.000	3.016	0.428
Leverage Profit	163	-0.211	0.302	0.042	0.101
CRM- Value Creation	163	0.044	17.53	2.312	3.098
AI Interceptors	163	0.087	0.561	0.239	0.981

Source: Author's Own Compilation

Table 2: Reliability and Construct Validity

Construct	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
1. Emotional Intention-Gather	0.889	0.889	0.911	0.801
2. Image Processing-Clean	0.847	0.953	0.912	0.768
3. Digital security- Normalize	0.816	0.878	0.886	0.721
4. Convenience-Integrate	0.833	0.874	0.884	0.683
5. External Control-Supervise	0.841	0.864	0.902	0.724
6. Easy Adoption-Reinforce	0.901	0.907	0.915	0.739
7. Liveliness-Digital	0.751	0.766	0.852	0.667
8. Outcome- Profit leverage	0.812	0.824	0.869	0.733
9. Efficacy-CRM- Storage	1.000	1.000	1.000	1.000
10.Customer Influence-Analytical	0.815	0.966	0.934	0.829
11.System Capability-Performance	0.813	0.857	0.883	0.614
12. Innovation- IT change	0.749	0.762	0.842	0.677
13.Simulated-AI	0.823	0.864	0.874	0.766
14. AI-Advertisement	0.812	0.874	0.883	0.711
15. StartUps- AI ecosystem	0.811	0.854	0.872	0.619

Source: Author's Own Compilation

Table 3: (rho_A) Rank

Rank	Composite Reliability	Construct
1	1.000	Efficacy-CRM- Storage

2	0.934	Customer Influence-Analytical
3	0.915	Easy Adoption-Reinforce
4	0.912	Image Processing-Clean
5	0.911	Emotional Intention-Gather
6	0.902	Easy Adoption-Reinforce

Source: Author's Own Compilation

4. Findings and Conclusion:

The study demonstrates that leveraging AI and digital marketing tools significantly impacts startup business performance. Descriptive statistics reveal that while the initial performance of digital marketing AI tools is not satisfactory ($\bar{X} = 0.042$, $\sigma = 0.101$, with a minimum value of -0.211), long-term use supports substantial business growth. As illustrated in Figure 2, digital marketing outperforms traditional marketing methods over time.

Reliability tests and construct validity analyses using SPSS 21.0 confirm the significant influence of digital marketing AI tools on startup performance. With a Cronbach's Alpha (α) greater than 0.80 for 12 out of 15 parameters, the alternative hypothesis (H1) is accepted, validating the positive impact of these tools. The composite reliability figures in Table 2 and the rank orders in Table 3 identify key factors contributing to this influence, such as Efficacy-CRM- Storage (Rank 1), Customer Influence-Analytical (Rank 2), Easy Adoption-Reinforce (Rank 3), Image Processing-Clean (Rank 4), Emotional Intention-Gather (Rank 5), and Easy Adoption-Reinforce (Rank 6).

Six factors with composite validity exceeding 0.90 are considered the most reliable and influential on startup business performance. The null hypothesis is rejected, affirming that digital marketing AI tools significantly leverage startup success.

The integration of AI in the digital ecosystem not only streamlines operations but also provides startups with a competitive edge in a rapidly evolving digital landscape. Investing in technology leads to substantial growth and innovation for

startups, positioning them to make a significant impact.

5. Future Trends:

The future of AI in digital marketing is poised to be transformative, with several developments on the horizon that could significantly impact how brands engage with consumers:

1. **Generative AI:** AI now able to produce text, visual, and video content from prompts.
2. **Autonomous AI:** AI that can operate independently will enable more sophisticated and Self-optimizing marketing campaigns.
3. **Causal AI:** Understanding cause and effect relationships in consumer behavior.
4. **Conversational AI:** Chatbots and virtual assistants will become more advanced.
5. **Predictive Analytics:** AI's ability to process vast amounts of data will continue to improve, offering even more detailed insights into consumer behavior and market trends

Ways to Integrate AI into Marketing Strategies Creatively:

These trends present exciting opportunities to innovate in the field of digital marketing:

- **AI-Driven Campaigns:** Design marketing campaigns that use AI to adapt messaging and delivery channels.
- **Interactive Content:** Develop AI-powered interactive content that changes based on user interactions.

- Voice Search Optimization: With the rise of voice assistants, optimize content for voice search.
- Ethical AI Use: Ensuring that marketing practices respect consumer privacy and promote trust.
- AI in Analytics: Utilize AI to analyze social media trends and consumer feedback.
- Enhancing Personalization: AI algorithms analyze customer data to deliver personalized marketing messages
- Optimizing Campaigns: Through predictive analytics.
- Improving Customer Insights: AI tools process vast amounts of data.
- Automating Repetitive Tasks: email marketing and social media posts can be automated, saving time and resources.
- Increasing Efficiency: AI-driven tools provide real-time adjustments to marketing strategies

The integration of AI in digital marketing not only streamlines operations but also provides startups with a competitive edge in a rapidly evolving digital landscape. It's an investment in technology that can lead to significant growth and innovation for startups looking to make their mark.

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