

ARTIFICIAL INTELLIGENCE AND DATA-DRIVEN MARKETING STRATEGIES: EXAMINING THEIR INFLUENCE ON BRAND PERFORMANCE IN THE UNITED STATES AND PAKISTAN

Muhammad Tahir Saleem^{*1}, Shehzadi², Dr. Ali Nawaz Khan³, Tahir Mahmood⁴

^{*1}MBA, University of Central Punjab, Lahore, Pakistan

²MPhil Biotechnology, Certified Teacher, University of Malakand

³Assistant Professor of Law, University Law College, University of the Punjab, Lahore

⁴LLM Scholar, University of Lahore (UOL), Lahore, Pakistan

¹tahrsaleem007@gmail.com, ²ahmadbakhtiyar671@gmail.com, ³alinawaz.law@pu.edu.pk

⁴tahirnawaz222@gmail.com

DOI: <https://doi.org/10.5281/zenodo.18780996>

Keywords

Artificial intelligence; Data-driven marketing; Brand performance; Customer analytics; Marketing strategy; Emerging markets; Comparative analysis.

Article History

Received: 27 December 2025

Accepted: 11 February 2026

Published: 26 February 2026

Copyright @Author

Corresponding Author: *
Muhammad Tahir Saleem

Abstract

This paper will analyze how artificial intelligence (AI) and marketing driven by data have had an impact on brand performance, and make a comparative analysis of the companies in the United States and Pakistan until 2024. With organizations becoming more and more dependent on developed analytics, machine learning, and automation in making their marketing decisions, it has been deemed necessary to comprehend their strategic implications on brand outcomes. The key aim of the study is to assess the relationship between AI potential and brand recognition, consumer interaction, and brand loyalty in the context of evaluating whether the forces of the market environment moderate the results.

The research follows a quantitative comparative research design, which relies on survey data gathered on marketing professionals and managers of two countries who are in charge of the brand. The analysis of the relationship between AI adoption, data-driven marketing practices, and brand performance metrics is conducted with the help of structural equation modeling (SEM). The results suggest that AI-enabled marketing is a major way to enhance brand performance through the administration of customer experiences that are customized, maximizing the effectiveness of campaigns, and providing real-time decisions. Moreover, the findings indicate that companies in developed economies can gain better performances because of the increased technological maturity and analytics capacity, and organizations in developing nations experience the advantages of AI and are limited by infrastructure and skills.

The study makes a contribution to the existing body of literature in marketing technology in that it offers cross-national support on the strategic importance of AI. The research presents management implications to the companies aiming at gaining competitive advantage by using smart marketing systems and the need to invest in the data capabilities to support the brands in the long run.

1. Introduction

AI has become a marketing game changer in the new age, as it has undergone a total revamp of the interaction of organizations with consumers and competitive advantage. The spurring pace of AI technology integration in the marketing processes has allowed companies to automatize production of their decisions, huge amounts of customer data analysis, and provide customers with a highly personalized experience. Such developments have changed the marketing process from a practice that relies on intuition to the data-driven operational efficiency and strategic performance (Haleem, 2022; Jain, 2024). With the growing number of businesses being digitally connected, the use of AI is becoming vital to maintain market presence and the long-term growth.

The recent scholarship highlights that AI-powered marketing operations play an important role in shaping marketing brand-related results, such as brand experience, preference, and customer loyalty. Through predictive analytics and intelligent automation, the companies are able to learn more about consumer behavior and customize their products to fulfill the changing expectations (Ahmed, 2025). On the same note, the implementation of AI driven solution makes marketing more efficient and close to the customers, and eventual leads to greater business performance, especially in small and medium-sized businesses (Awad, 2025). Such results indicate that AI is not just a technological improvement but an organizational strategic strength, which will enhance the functioning of the company.

The use of AI in marketing is also enhanced by the use of data-based decision making. Companies that deliberately gather and process consumer data can be in a better position to detect new trends and optimize campaigns, as well as distribute resources more efficiently (Cruz & Rosario, 2025). The introduction of AI has also been associated with building brand equity whereby smart systems are allowing companies to provide consistent, relevant, and value-based interactions to strengthen positive brand perceptions (Dong, 2025). In addition, it has

been demonstrated that AI-backed marketing can increase financial sustainability through higher accuracy of targeting and minimized inefficiency in operations (Magableh, 2024).

Personalization is one of the biggest contributions of AI to the modern marketing practice. Competent algorithms enable businesses to tailor messages, suggestions, and services on a large scale, which enhances their relationships with customers and the degree of satisfaction (Songur, 2025). An empirical study also suggests that the capabilities of AI are central to the development of marketing strategies and enhancing the performance of the firm due to the ability to make informed decisions faster (Wu, 2023). Applications in machine learning, specifically, can offer predictive insights to marketers that can be used in the formulation of proactive strategies as well as responsive actions based on the dynamic market conditions (Xie, 2025).

Although the advantages of AI-enabled marketing have been highlighted through an ever-increasing literature, some gaps have been identified. Much of the available studies are concentrated on the technologically developed economies, and little comparative evidence is found on how AI affects brand performance in various markets with distinct degrees of digital maturity. Infrastructure differences, analytics abilities, and organizational preparedness can determine how firms can harness value out of AI technologies. This knowledge gap is critical to the clarification of whether strategic benefits that are linked to AI are general or situational.

Thus, this paper is an investigation into how artificial intelligence and data-driven marketing tools affect brand performance by using the countries of the United States and Pakistan to compare them. This study will help shed light on the correlation between brand performance and technological capability by examining how developed and emerging markets use AI to achieve their goals and objectives. The research adds to the growing body of literature into the intelligent marketing field by providing cross-national support and practical implications of organizations that want to become more

competitive in the rapidly growing data-driven business environment.

2. Literature Review

2.1 Artificial Intelligence in Modern-day Marketing.

Artificial intelligence (AI) is quickly becoming an indispensable part of the contemporary marketing strategy, and it can be used to facilitate the transformation of the decision-making process and provide better customer experiences to the targeted audiences. Machine learning, natural language processing, and predictive analytics are two types of AI technologies used by firms to process large amounts of data and deliver actionable insights that can be used to support strategic marketing programs (Haleem, 2022). In two decades, the application of AI in marketing has changed to being an experience of simple automatin to highly analytical skills that enable real-time responsiveness and enhanced customer insights (Jain, 2024). The change has put AI at the centre of competitive advantage in more digital markets.

According to scholars, AI does not only enhance the efficiency of operations but also transforms the way companies think about their marketing strategies and carry them out. Organizations will be able to reduce uncertainties and increase the efficacy of campaigns through the creation of data-interested decisions, which will improve the overall performance of firms (Wu, 2023). The applications of machine learning also enhance marketing intelligence to reflect the patterns of behavior and predict the consumer preferences, enabling companies to predict the market needs and react to them in advance (Xie, 2025). Consequently, the use of AI is becoming a strategic requirement instead of a technology upgrade that is not compulsory.

2.3 Big Data-informed Marketing and Strategic Decision-Making.

The advent of information marketing has essentially transformed the conventional methods of interacting with the customer. Companies have come to use advanced analytics in order to use segmentation, targeting, and positioning

strategies so that marketing activities are carried out considering the needs of the consumers. Cruz and Rosario (2025) indicate that data-based decision making helps organizations to identify latent patterns in the consumer data, streamline their resource allocation, and reinforce their strategic planning. This analytical orientation provides a better sense of agility to the organization and also helps in evidence based marketing.

Artificial intelligence is critical in the operationalization of data-driven marketing in converting unstructured data into valuable information. The AI-based applications have the potential to enhance the efficiency of marketing but also help businesses to become more involved with their customers, resulting in a more robust business performance (Awad, 2025). Incorporating smart analytics also enables companies to more precisely quantify the campaign results, eliminating inefficiencies and enabling sustainable growth. As such, companies that have been effective in instilling data-driven cultures have high chances of being ahead of the game in a competitive dynamic market environment.

2.4 AI and Brand Performance

Brand performance is a multidimensional construct that involves the brand equity, customer loyalty, perceived value, and the brand experience. The new studies suggest that the marketing practices that are initiated with the AI can contribute to the improvement of these dimensions significantly as it allows firms to provide consistent and personalized interactions. According to Ahmed (2025), AI marketing programs influence brand experience and consumer preference in a positive direction, and this ultimately leads to long-term loyalty. The findings highlight how AI is strategically significant in building long-term customer relations.

Likewise, AI technologies have been linked to increasing brand equity because smart algorithms have increased the number of timely and relevant messages with consumers (Dong, 2025). With the predictive insights, companies can use this to

shape their messages to the expectations of their customers and this, in turn, supports the positive brand perceptions. Moreover, marketing AI has been demonstrated to bring financial sustainability by enhancing the accuracy of targeting and minimizing the operational waste, which shows the direct correlation between the technological capacity and the performance of the organization (Magableh, 2024).

2.5 Personalization, as a Competitive Advantage Mechanism.

Personalization has become among the most powerful AI practices in the field of marketing. State-of-the-art algorithms provide companies with a chance to tailor the product suggestions, promotion communications, and service encounters at the scale, improving customer satisfaction and engagement. According to Songur (2025) the personalization that is driven by AI enhances the relationship between brands and customers by providing relevant and timely experiences to the customers. This increased topicality does not only enhance immediate purchasing behavior, but also helps in brand loyalty.

In addition, customized marketing helps organizations to stand out in the saturated markets. Trust and emotional attachment is more probable when consumers feel that a brand comprehends what they desire, and this strengthens the bond that the consumers have on the brand. Individualized experience is the talent to offer, thus, a key channel by which AI leads to better brand performance.

2.6 Artificial intelligence adoption and company performance.

In addition to the benefits that face customers, the application of AI has additional implications on organizational effectiveness. Companies that incorporate AI into their marketing have a faster decision-making process, more precise forecasts, and more flexibility to respond to environmental dynamics (Wu, 2023). These abilities can help organizations to move through uncertainty in a better way as well as maintain competitive standing.

Also, machine learning technologies facilitate the constant optimization predicting after studying the past data and improving future proposals (Xie, 2025). This process of continued improvement makes sure that the marketing strategies are in the process of responding to the changes in consumer behavior. The higher the amount of data a firm has been collected through the years, the more accurate the AI systems predict and this further enhances performance increases.

2.7 Research Gap and Justification of the Study.

Nevertheless, although the amount of literature on AI-based marketing is growing, there are still a number of gaps which are apparent. Current literature focuses on the technologically advanced economies where the infrastructure and analytical abilities are well developed. There have been relatively focused efforts to comprehend the way AI-based marketing can impact on brand performance in markets of varying digital maturity. The differences in technological maturity, access to resources, and organizational competence can have a strong influence on the results of AI implementation.

Moreover, although the previous works affirm that AI capabilities and marketing effectiveness positively correlate with each other, there is little research on how the data-driven approach mediates the application of technological investments into the actual brand performance. These gaps should be tackled to create a more wholesome insight into the strategic value of AI in different economic settings.

In this regard, the proposed research aims at filling the gap in the literature by analyzing how artificial intelligence and data-driven marketing policies affect brand performance using the United States and Pakistan as a comparative study. The study seeks to impact the area of intelligent marketing by incorporating the previous research findings as well as exploring the differences between cross-marketing, which is a source of contribution, both theoretically and managerially.



Figure 1 shows the major themes that were found in the literature on AI-driven marketing. The most significant technological force that dictates the current marketing practices is artificial intelligence in marketing, which is placed at the center. The figure illustrates the role of AI in facilitating data-driven marketing by means of improved analytics and strategic decisions and, at the same time, enhancing the brand performance by augmenting brand equity, customer loyalty, and perceived value. Moreover, the concept of personalization is also mentioned as an essential process that can be used to generate a competitive edge by AI allowing customized customer experiences and personalized recommendations. The existing research gap in the diagram is also highlighted by the fact that there is a need to focus on comparative studies in the developed and emerging markets. Generally, the figure gives a conceptual picture on how all these interrelated themes influence the basis of this study.

3. Theoretical Framework and Hypotheses Development.

The current trend of artificial intelligence (AI) in marketing has made scholars explore the significance of artificial intelligence as a strategic

resource that can be used to improve the organizational performance. The research is based on the Resource-Based View (RBV) that the attainment of sustainable competitive advantage by firms is through the establishment of valuable, rare, inimitable, and non-substitutable resources. This resource can be the AI capability since it helps the firms to process complex data, provide predictive intelligence and be able to make superior decisions. Those organizations which successfully use AI thus have a better chance of enhancing the effectiveness of marketing and brand performance.

The ability of AI does not necessarily beget better results. It has a strategic worth that is achieved when companies incorporate smart technologies in data-oriented marketing activities. Data-driven marketing can be defined as the methodical application of customer data, analytics, and performance metrics in driving marketing strategies, as well as maximizing customer engagement. Turning raw data into useful knowledge, companies can create targeted campaigns, distribute resources more effectively, and react quickly to changes in tastes and preferences of consumers. The process of data-driven marketing is, therefore, an essential tool

by which AI investments will generate quantifiable brand value.

Brand performance is a multidimensional measure that captures brand equity, customer loyalty, perceived quality and a general strength of the market. AI-based marketing helps to address these dimensions through the help of the regularity of communication, improved customer experiences, and the possibility of specific targeting. Companies that implement AI-based products will be able to learn more about consumer behavior and provide value propositions that are relevant to consumers, thus having a stronger brand relationship and long-term loyalty.

Regardless of these benefits, AI-based strategies can be effective or not, based on the market conditions. More often than not, developed economies have better technological infrastructure, more mature analytics, and have more financial resources, which enable firms to get more value out of AI implementations. Conversely, those organizations operating in the emerging economies could face the limitations associated with technological preparedness, information access, and human expertise. Such differences in contexts indicate that market type might affect the strength of relations between the AI capability and brand performance.

As a result of these theoretical arguments, the proposed conceptual model in this study suggests that AI capability has a direct impact on brand performance, as well as an indirect impact via the data-driven marketing. Also, the contribution of market context is also assumed to mediate such relations, defining the degree to which companies will be advantaged through the adoption of AI.

3.1 Hypotheses Development

AI Capability and Brand Performance.

AI technologies help in marketing precision because they allow the company to study consumer behavior, forecast demand in the future, and automate decision-making. These competencies minimise uncertainties and enhance strategic orientation, which eventually enhances brand performance. Companies

investing in AI thus will have a high chance of attaining a high brand awareness and customer loyalty.

H1: There is a positive and significant impact of AI capability on brand performance.

3.2 Artificial Intelligence Capability and Marketing by Data.

Effective data-driven marketing requires the capability of a firm to gather, process, and analyze high amounts of data. These processes are done through AI tools to transform large and complex datasets into insights that can be used to shape marketing strategy. Because of it, organizations that have better AI will tend to implement more advanced data-driven practices.

H2: AI potential has a beneficial effect on the implementation of data-based marketing.

3.3 Closing the Gap between Data and Marketing, and Performance of a Brand.

Data-driven marketing enables corporations to customize their messages, improve the interaction with the customers, and maximize the efficacy of the campaigns. One-to-one relationships enhance customer satisfaction and confidence that are vital sources of brand appeal. Thus, companies that base their strategies on data are predicted to exhibit the increased rates of brand performance.

H3: Data-driven marketing positively and significantly influences brand performance.

3.4 The Intermediary Position of Data-driven Marketing.

Although AI offers the technological basis, the effects on brand performance tend to be achieved with the help of strategic marketing use. Data-driven marketing converts AI-generated information into factual measures which have a direct impact on customer perceptions and behaviors. This implies that data-driven marketing can be an intermediary between the performance of AI capability and brand performance.

H4: Data-driven marketing has an intermediate effect on the correlation between AI capability and brand performance.

3.4 The Moderating Effect of the Type of market.

The advantages gained through the implementation of AI can vary in developed and emerging markets because the infrastructure, the level of digital maturity, and organizational experience can vary. Companies that work in technologically sophisticated settings are expected to be more effective in using AI and achieve

better performance improvement than those in resource-restrained ones.

H5: There is a moderating effect of the market type of the relationship between AI capability and brand performance whereby, a stronger association is found in the developed market than the emerging market.

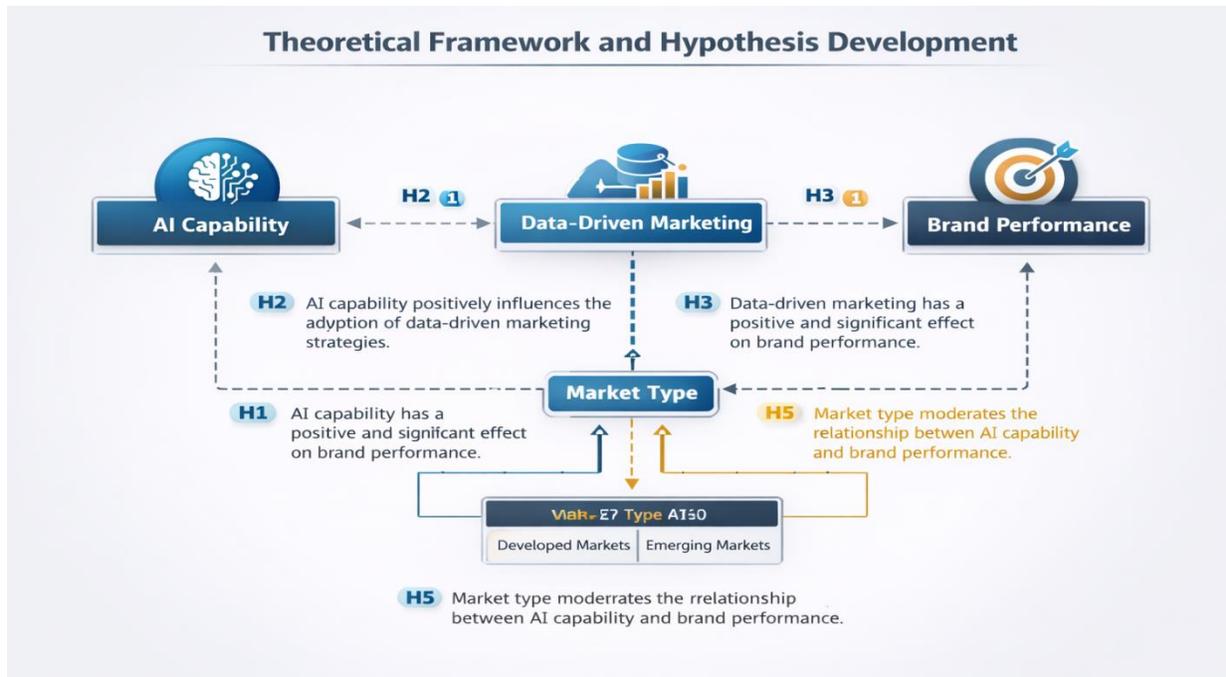


Figure 2 shows the theoretical structure of the research, how it is planned to relate artificial intelligence (AI) capability, data-driven marketing, and brand performance. According to the model, the AI capability will positively contribute to brand performance, as well as indirectly will affect it by promoting the use of data-based marketing strategies, which will serve as a mediating variable. Also, the market type, which is developed and emerging markets, is hypothesized to mediate the connection between the AI capability and the brand performance implying that the intensity of the effect might differ based on the technological and economic contexts of a company. Generally, the framework brings a systematic base within which to test the hypotheses of the study and analyze the

contribution of AI-driven practices to better brand performance.

4. Methodology

4.1 Research Design

The research design used in this study is the quantitative comparative research design to be able to investigate the role of artificial intelligence (AI) capability and data-driven marketing in brand performance in both developed and emerging markets. The quantitative methodology should be used since it allows measuring relationships between variables in a systematic way and allows testing hypotheses using statistical data. The comparative design also enables the study to assess whether the effect of market

context can determine the effectiveness of AI-based marketing strategies.

The study is deductive by nature since it relies on the already existing theoretical frameworks to formulate hypotheses to be empirically tested with the help of the information collected. This will help to be objective and increase the generalizability of the findings.

4.2 Target Population and Sampling.

The target market is marketing professionals, brand managers, digital strategists, and business executives employed in organizations having marketing tools powered by AI. These respondents will be appropriate since they will have expertise and practical exposure to assess the strategic role of AI in their companies.

Stratified sampling method is used to secure the required representation of the two countries, the United States and Pakistan. The approach allows effective cross-market comparison and minimizes sampling bias. The survey will capture around 300-400 responses and will be done in equal measure by all the countries in order to enhance the statistical accuracy.

4.3 Data Collection Procedure

Primary data collection will be done via structured online questionnaire which shall be handed out via professional networks, industry forums and commercial platforms. Data collection through the Internet can be most effective in terms of accessing respondents that are geographically remote and managing the information effectively.

The questionnaire is separated into two parts. The former mocks demographic and organizational data including the type of industry, size and type of firm, role in management and AI adoption. The second scales the key constructs of the study- AI capability, data-driven marketing, and brand performance, with the help of multi-item scales that have been created based on validated instruments in previous research. Each item is evaluated according to a five point Likert scale of 1 (strongly disagree) to 5 (strongly agree).

Before complete use, a pilot-test on a limited sample of professionals is carried out to check the clarity of it, its reliability, and its content validity. The results of the pilot study are used to improve the survey tool.

4.4 Measurement of Variables

The conceptualization of AI capability is the potential of the firm to implement intelligent technologies in the marketing processes, such as predictive analytics, automation, and the creation of customer insights. In marketing, data-driven marketing is the process of using customer information and analytical software to make strategic decisions. The performance of the brand is determined using brand awareness, customer loyalty, perceived quality, and general competitiveness in the market.

The market type is a moderating variable, as it defines companies that are in an emerging economy, or, developed markets. This category makes the study be able to determine contextual variations in efficacy of AI adoption.

4.5 Reliability and Validity

The research assesses consistency internal consistency with help of alpha Cronbach, where the figures are above 0.70 is acceptable. There is also the measure of composite reliability to determine the stability of the constructs. It is convergent validity that is tested by the average variance extracted (AVE) and discriminant validity which is assessed to make sure that the constructs are empirically different.

These steps improve the research methodological rigor and provide more belief in the strength of the findings.

4.6 Data Analysis Techniques

Structural Equation Modelling (SEM) is used to analyze the collected data and which is very appropriate in the analysis of complex relationships between multiple variables at the same time. SEM allows testing both the direct and indirect effects, which is why it is the method that is most suitable to assess the mediating role of data-driven marketing and the moderating role of market type.

The analysis is done in two steps. To check reliability and validity, the measurement model is initially tested. Second, the structural model is put to test to test the hypotheses advanced. The analysis is done using statistical software like SmartPLS or AMOS because this program is effective in predictive research model.

4.7 Ethical Considerations

Inclusion in the study will be voluntary and all the respondents will be informed of the purpose of the research before they fill the questionnaire. There is strict adherence to confidentiality and anonymity and the acquired data are utilized only in academic purposes. These ethical guidelines guarantee adherence to acceptable research practices and encourage the candid responses.

Table 1. Summary of Research Methodology

Component	Description
Research Design	Quantitative comparative study examining the relationships among AI capability, data-driven marketing, and brand performance.
Research Approach	Deductive approach used to develop and test theory-based hypotheses.
Target Population	Marketing professionals, brand managers, digital strategists, and business executives working in organizations that utilize AI-enabled marketing tools.
Sampling Technique	Stratified sampling to ensure balanced representation from the United States and Pakistan.
Sample Size	Approximately 300-400 respondents to enhance statistical reliability and support cross-market comparison.
Data Collection Method	Structured online questionnaire distributed through professional networks and business platforms.
Measurement Scale	Five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).
Key Variables	Independent: AI capability; Mediator: Data-driven marketing; Dependent: Brand performance; Moderator: Market type.
Reliability Tests	Cronbach’s alpha and composite reliability used to assess internal consistency.
Validity Tests	Average Variance Extracted (AVE) and discriminant validity applied to confirm construct accuracy.
Data Analysis Technique	Structural Equation Modeling (SEM) performed using SmartPLS or AMOS to evaluate direct, mediating, and moderating effects.
Ethical Considerations	Participation is voluntary; confidentiality and anonymity are maintained, and data are used solely for academic purposes.

5. Results

The following section is the empirical findings of the study which represents the statistical analysis that was used to test the hypotheses which were proposed. The findings have been presented in four subsections, namely, respondent profile, measurement model assessment, structural model evaluation and hypothesis testing.

5.1 Respondent Profile

The number of collected valid responses was 342, and the participants were recruited into the study

among the organizations that work both in the developed and emerging markets. Among these respondents, 176 were United States citizens and 166 were Pakistani citizens giving the respondents equal representation to compare. Most of the participants were of mid to senior level managers, which shows that they were very familiar with organizational marketing practices and the adoption of technology.

In terms of the industry distribution, retail, technology, financial services, telecommunications and e-commerce sectors were

represented by the respondents. About 68 percent of the companies said that they had moderate or high use of AI technologies in

marketing activities, indicating that the sample was suitable in studying AI-based strategies.

Table 2. Demographic Characteristics of Respondents

Characteristic	Category	Frequency	Percentage
Country	United States	176	51.5%
	Pakistan	166	48.5%
Gender	Male	198	57.9%
	Female	144	42.1%
Managerial Level	Senior Management	124	36.3%
	Middle Management	149	43.6%
	Operational Level	69	20.1%
Industry	Technology	82	24.0%
	Retail/E-commerce	96	28.1%
	Financial Services	64	18.7%
	Telecommunications	51	14.9%
	Other	49	14.3%

5.2 Assessment of the Measurement Model.

Hypothesis testing was done after establishing the reliability and validity of the constructs. Internal consistency was also established since Cronbach alpha values were found to be between 0.82 and 0.91 which is higher than the recommended value of 0.70. The values of composite reliability were also greater than 0.80, which depicts that the construct stability is strong.

Averageness of Variance Extracted (AVE) was used to determine convergent validity and all the constructs met the minimum standard of 0.5. The FornellLarcker criterion was used to determine discriminant validity and this ensured each construct was empirically different as compared to the others.

Table 3. Reliability and Validity Statistics

Construct	Cronbach's Alpha	Composite Reliability	AVE
AI Capability	0.89	0.92	0.68
Data-Driven Marketing	0.87	0.91	0.65
Brand Performance	0.91	0.94	0.72

Structural Model Evaluation is the last step in the research process. The final step in the research process is Structural Model Evaluation. Structural Equation Modeling (SEM) was done to check the associations between the study variables. The model showed tolerable fit indices,

suggesting that the suggested framework was able to reflect on the observed data.

The coefficient of determination (R2) indicated that both AI capability and data-oriented marketing expounded 64 percent of the variation in brand performance, which is a highly predictive factor.

5.3 Hypothesis Testing

Path coefficients and the level of significance were evaluated to find the support of proposed hypotheses.

Table 4. Hypothesis Testing Results

Hypothesis	Path	Beta (β)	t-value	p-value	Result
H1	AI Capability → Brand Performance	0.41	7.82	0.001	Supported
H2	AI Capability → Data-Driven Marketing	0.63	11.45	0.001	Supported
H3	Data-Driven Marketing → Brand Performance	0.38	6.97	0.001	Supported
H4	AI Capability → Data-Driven Marketing → Brand Performance	0.24	5.36	0.001	Supported
H5	Market Type Moderation	0.17	3.12	0.002	Supported

5.4 Moderation Analysis

The market type moderating effect was tested to find out whether the relationship between the AI capability and brand performance varied across economic setting. The findings showed that the association was much greater among the firms that are based in the United States than in Pakistan. This indicates that AI-based strategies are more effective when they are technologically mature and have analytical abilities.

In general, the results prove that AI ability is one of the main crucial determinants of brand performance. These findings also indicate that data-driven marketing is a significant strategic tool by which AI can create value to an organization. As well, moderation of market type highlights the situationality of AI-based applications, which discloses that companies operating in mature markets might be able to utilize intelligent technologies to create better brand performance.

6. Discussion

This study was aimed at verifying the impact of the artificial intelligence (AI) capability on brand performance and assessing the mediating power of data-based marketing, along with the moderating impact of the market type. The results are very much empirically valid to the proposed theoretical model and give valuable information regarding the role of intelligent technologies in achieving the strategic marketing results.

6.1 Discussion of the main Results.

The findings show that AI ability brings about a considerable positive impact on the brand performance. Companies that adopt AI in their marketing operations are in a better position to learn their customer behavior, predicting market trends, and providing individual experiences. Such functions improve the relationships with the customers and the value of brands, which is why it is possible to argue that AI is a strategic resource in the company. The result here is consistent with the Resource-Based View which states that the firms have more chances of having sustainable competitive advantage when they use distinct technological capabilities.

Also, the paper established that the capacity of AI is a good predictor of the adoption of data-based marketing practices. The significance of technological infrastructure in facilitating the shift towards evidence-based marketing practices by firms as opposed to intuition-based decision-making is emphasized in this relationship. A business using analytics successfully can optimize the results of campaigns, its targeting, and devote funding to the most productive areas.

The correlation that exists between data-driven marketing and performance of brands also provides a strong reaffirmation of the fact that analytical decision-making is one of the major pillars of creating strong brands. One-on-one interaction, communication and value propositions that are relevant are among the factors that promote better customer satisfaction and loyalty, which are critical indicators of brand

strength. These results indicate that data-driven marketing is not just an instrument of operation, but a strategic process that would convert technological investment into quantifiable brand performance.

6.2 Mediating Role of Data-Driven Marketing.

Among the greatest contributions of the research, the data-driven marketing is identified as a mediating variable between the marketing performance and the AI ability. Although AI is the technological basis, it will only be valuable once companies incorporate smart knowledge into their marketing strategies. This intervention fact shows that the companies cannot afford to keep up with the technological adoption and instead concentrate on the strategic implementation to reap the AI gains.

The observation also contributes to understanding why not all companies can obtain the returns on AI investment as expected. Unless there is a systematic way of leveraging on data use, the promise of smart systems is not fully realized. Thus, developing analytical cultures and employing data into the decision-making processes should be put into focus by the managers.

6.3 Moderating Effect of the Type of market.

The moderation analysis demonstrated that the association of AI capability and brand performance is stiffer in developed markets compared with emerging markets. Companies with low technological surroundings tend to have better infrastructure, more developed analytics, possess more access to qualified specialists, and can make better use of AI.

On the other hand, the emerging market organizations might face some limitations including lack of technological preparedness and data disintegration, and insufficient resources. Even though the advantages of AI implementation are also observed in such settings, the scale of performance improvements are generally smaller. The given finding highlights the contextuality of the digital transformation and implies that outside environmental conditions are extremely important within the

context of determining the organization outcomes.

6.4 Theoretical Implications

The proposed research will add to the existing literature on AI-driven marketing, empirically confirming the advantage of AI as a strategic competence in improving the performance of a brand. The research contributes to previous technology-performance models by introducing data-driven marketing as a mediator and market type as a moderator to provide a more detailed insight into the creation of value by intelligent systems.

Moreover, the results support the implication of the Resource-Based View in the explanation of technological advantage in the context of the complementary capabilities that include analytics proficiency and strategic alignment.

6.5 Managerial Implications

The findings offer a number of practical implications to marketing leaders and decision-makers. To begin with, the companies must consider AI as an investment in the long term as well as a technological improvement that can propel brand differentiation. Second, organizations need to focus on the creation of data-driven cultures that promote the use of analytical thinking and decisions that rely on evidence.

Employee training and technological infrastructure should also be invested by managers to ensure that AI initiatives are as productive as possible. In the case of firms that are emerging markets, gradual implementation plans with the initial phase being scalable analytics solutions would be suitable in overcoming resource limitations whilst still providing quantifiable brand performance improvements.

6.7 Policy Implications

The differences in cross markets as observed in this research imply that more institutional support would be necessary to enhance the pace of digital transformation especially in the emerging economies. The policymakers can enhance the uptake of AI through encouraging

technological education, encouraging technological ecosystems, and enhancing digital infrastructure. This would help more organizations to capitalise on the power of intelligent technologies and compete efficiently in the international market.

6.8 Summary

Altogether, the discussion shows that the ability to use AI is a key success factor of contemporary brands, yet its usefulness hinges on its strategic implementation expressed in evidence-based marketing activities. In addition, the fact that these relationships are stronger in some types of markets than they are in others highlights that technological benefits are defined by organizational and environmental preparedness. All these insights contribute to development of the strategic role of AI and the basis of future studies that further investigate the intelligent marketing in different economic settings.

7. Implications, Future Research, Limitations, and Contributions.

7.1 Theoretical Contributions

The research has a number of significant contributions to the existing literature on the artificial intelligence (AI) in marketing. First, it augments the current body of literature in which the authors empirically prove that AI capability is a strategic organizational resource that positively contributes to the brand performance to a great extent. The combination of the Resource-Based View and data-driven marketing ideas in the research results in a more detailed explanation of how the technological capabilities can be converted into the competitive advantage.

Second, the research contributes to the previous literature by determining data-driven marketing as one of the mediating variables between AI capability and brand outcomes. This observation enhances the theoretical knowledge by revealing that alone the technological adoption would not be sufficient however when firms strategically integrate analytics into their marketing processes, value would be created.

Third, the factor of a market type as a moderating factor adds to the literature on international

marketing by showing the situational character of AI effectiveness. The relative view of the developed and emerging markets provides a subtle insight on the impact of environmental factors on the technology-based performance.

7.2 Managerial Implications

These results provide a number of practical lessons to business leaders and marketing practitioners. The use of AI should be treated as strategic investment, not a working tool in organizations. Companies that adopt AI in their primary marketing operations, including customer analytics, personalization, and campaign optimization, will enjoy greater brand development in the long term.

The managers must also focus on creation of data-driven organizational cultures. Promoting the use of analytical decisions that promote investments in more advanced technological infrastructure and increasing the competencies of the employees could also make a major difference in the returns of AI investments. Moreover, companies need to work on aligning the AI efforts to the overall strategic goal to make sure that the use of technology can promote the overall brand positioning.

The staged implementation approach can be of great help in such case as organizations are working in the emerging markets. The gradual deployment of AI possibilities, starting with scalable analytics solutions and growing over time, can be of help to address the limitations in resource availability and still achieve quantifiable performance gains.

7.3 Policy Implications

The paper highlights the significance of favorable institutional settings in helping to ease technological progress. The policymakers, especially in the developing economies, are advised to facilitate digital transformation through investing in technology infrastructure, enhancing the ecosystem of innovation, and subsidizing the education on data science/artificial intelligence.

Knowledge transfer and surge in organizational preparedness to adopt AI can be improved

through government-led efforts to promote academia and industry to work with one another. This would not only enhance the competitiveness of firms on a firm level but also would help in enhancing the overall economic growth.

7.4 Limitations of the Study

This research is limited in a number of ways despite its contributions. To begin with, cross-sectional design does not allow developing the causal relationships in the long-term. Future research might consider longitudinal designs in order to investigate the extent to which AI capabilities affect brand performance at various points of technological maturity.

Second, self-reported data can lead to the threat of response bias since the subjects might rate the technological capabilities of their organizations higher than they are. Empirical validity would be enhanced by including objective performance measures in future research.

Third, the paper concentrates on two nations and this could restrict the ability to make generalisations of the results to other economic settings. It would be more beneficial to broaden the geographic range and encompass more of the developed and emerging markets to create a more detailed view of the global adoption trends of AI.

7.5 Future Research Instructions.

Future studies need to examine other moderating factors including organizational size, industry attributes, and digital maturity to gain insight into better understanding of the boundary condition of AI efficacy. Research into the place of the emergent technologies, including generative AI and high-level predictive systems, may also yield some useful information on the future step in intelligent marketing.

Additionally, qualitative research could be used as a supplement to quantitative evidence by bringing more understanding of the perception of managers, implementation issues, and organizational change procedures related to the implementation of AI. Mixed-method studies can thus be improved to increase theoretical depth and practical significance.

8. Conclusion

This paper has discussed how the artificial intelligence (AI) capability affects brand performance and how data-driven marketing mediates this relationship and whether the market type has a moderating effect. The results are solid empirical support that AI has now emerged as an essential strategic resource to organizations aiming to create value on the brand front and hold on to their competitive stance in a business world that is growing to be more digital. These findings indicate that organizations that use AI technology are in a position to maximize marketing efforts, provide tailored customer experience, and make decisions grounded on analytical data. These features play a great role in enhancing brand recognition, customer retention, and better performance in the market. Notably, the research proves that the use of data-driven marketing is a crucial channel by which AI can be transformed into quantifiable brand effects, thus it is necessary that the use of technology is meted out with strategic action.

The comparative analysis also shows that the efficiency of AI-based strategies does not have a single economic environment. Companies with developed markets are more likely to get higher value out of AI because of superior infrastructural setup, greater digital maturity, and better analytics capability. Although companies in emerging economies also enjoy the implementation of AI, structural factors can restrain the size of the performance improvements. This puts emphasis on the role of organizational preparedness and environmental assistance in making the most of the intelligent technologies.

In general, this study adds to the growing discussion on the topic of marketing with AI as it provides an in-depth conceptual framework that connects technological proficiency, strategic usage of data, and performance of the brand. The paper highlights the importance of organizations to invest in both the use of AI tools and the creation of data-driven cultures and adaptable marketing solutions. With the ongoing changes in the digitalization of the global markets, companies that successfully incorporate AI into

operations are likely to gain a greater advantage of ensuring sustainable brand development and success in the long term.

REFERENCES

- Ahmed, B. (2025). Role of AI-based marketing activities in shaping brand experience, preference, and loyalty. *Qlantic Journal of Social Sciences*, 6(1). <https://doi.org/10.55737/qjssh.vi-i.25320>
- Awad, A. (2025). The role of artificial intelligence in data-driven marketing: Enhancing marketing efficiency, customer engagement, and business performance in SMEs. *Journal of Economics and Administrative Sciences*, 31(149). <https://doi.org/10.33095/p8jrpx16>
- Cruz, R. N., & Rosário, A. T. (2025). Data-driven decision-making in marketing: A systematic literature review of emerging themes and research gaps. *Systems*, 13(12), 1114. <https://doi.org/10.3390/systems13121114>
- Dong, Y. (2025). Implementation of artificial intelligence for brand equity. *Cogent Social Sciences*. <https://doi.org/10.1080/23311975.2025.2471538>
- Haleem, A. (2022). Artificial intelligence (AI) applications for marketing. *Computers & Industrial Engineering*. <https://doi.org/10.1016/j.cie.2022.108167>
- Jain, R. (2024). Artificial intelligence in marketing: Two decades review. *Journal of Marketing Research & Case Studies*. <https://doi.org/10.1177/09711023241272308>
- Magableh, I. K. (2024). The role of marketing artificial intelligence in enhancing the sustainable financial performance of SMEs. *Sustainability*, 16(24), 11279. <https://doi.org/10.3390/su162411279>
- Songur, A. (2025). The role of artificial intelligence in personalized marketing. *The CRSSS Journal*. <https://doi.org/10.1002/mar.21737>
- Wu, C. W. (2023). Role of artificial intelligence in marketing strategies and firm performance. *Journal of Marketing*. <https://doi.org/10.1002/mar.21737>
- Xie, H. (2025). Machine learning-based research on AI marketing. *Journal of Business Analytics*. <https://doi.org/10.1186/s43093-025-00686-5>