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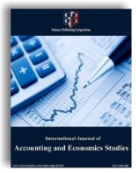

Artificial Intelligence Adoption in Strategic Marketing Decision-Making: Advancing Predictive Insights, Efficiency, and Market Responsiveness for Superior Marketing Performance

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Abstract

Background: The growing availability of AI technologies has altered how businesses make and implement strategic marketing decisions. AI-based analytic solutions, machine learning, and automation tools are becoming more prevalent throughout marketing departments to improve marketing data insights, reduce costs, and improve marketing response time to changing marketplace conditions.
Objectives: This conceptual study investigates the impact of AI on the development of strategic marketing decisions and subsequent marketing performance, and how the quality of the decision-making process mediates the relationship between AI and marketing performance.
Methods: Using an integration of Resource-Based View and Dynamic Capability Theory, the authors use existing literature relating to AI-enabled marketing strategies, decision-making quality, and marketing performance outcomes to develop a conceptual model and propose theoretically grounded hypotheses.
Results: The results suggest that AI enables the rapid and accurate execution of strategic marketing decisions, resulting in improved marketing performance; also, the quality of decision-making is identified as a key mediator of the ability of AI-driven capabilities to produce better-than-average marketing performance outcomes.
Conclusions: The findings contribute to the development of marketing strategy literature by conceptualizing AI as both a resource and capa-bility that can be used to create high-quality decision-making processes and subsequently lead to improved marketing performance. Finally, implications for theory and practice and potential avenues for future research are discussed.

Keywords: *Artificial Intelligence; Strategic Marketing; Saudi Arabia; Vision 2030. Artificial Intelligence; Decision-Making Quality; Dynamic Capabilities; Marketing Performance; Resource-Based View.*

1. Introduction

The rapid development of artificial intelligence (AI) technology is now one of the major transforming factors influencing today's business environment. Within marketing, AI application examples include Predictive Analytics, Customer Intelligence Systems, Recommendation Engines, and Automated Decision-Support Tools, which are being embedded into strategic decision-making processes. These developments have changed marketing from reliance on intuition to data-intensive, algorithm-supported approaches, which will allow organizations to respond more appropriately to the complex and dynamic nature of today's markets [1].
Strategic Marketing Decision Making (SMDM) is a critical factor in both organizational competitiveness and long-term financial performance. SMDM includes decisions regarding Market Segmentation, Targeting, Positioning, Pricing, Customer Relationship Management, and Resource Allocation, which each contribute to important KPIs including Return on Investment (ROI), Market Share, Customer Acquisition and Retention, Sales Growth, and other metrics. As the quantity, speed, and variety of marketing data continue to grow beyond the ability of human decision makers to process, there is an increased risk of making decisions based on incomplete, inaccurate, delayed, or sub-optimal information [2]. AI is emerging as a means of alleviating this limitation by enhancing the cognitive abilities of managers and allowing for the development of evidence-based strategic marketing decisions.
While AI has become widely adopted in marketing practice, there is still a lack of academic research that explains how strategic decision-making using AI leads to better marketing performance. The majority of current research tends to focus on individual AI applications and operational improvements, rather than providing a comprehensive theoretical explanation for how AI adds value to strategic marketing [3]. Additionally, the role of decision-making quality as an explanatory mechanism remains largely unexplored. Decision-making quality refers to the degree of accuracy, consistency, timeliness, and adaptability of decisions, all of which are critical in today's rapidly changing markets.

This paper aims to address this research gap by developing a conceptual framework that shows how AI usage in strategic marketing decision-making influences marketing performance through the mediation of decision-making quality. This research draws upon the Resource-Based View (RBV) and Dynamic Capabilities Theory (DCT) to conceptualize AI as a strategic resource that enables organizations to sense, exploit, and transform marketing capabilities in response to changes in their external environment [4].

The goals of this conceptual paper are threefold. Firstly, it reviews the literature about AI usage in strategic marketing decision-making and marketing performance. Secondly, it integrates the RBV and DCT to provide an understanding of how AI-driven decision-making capabilities lead to sustained marketing advantages. Finally, it develops testable hypotheses that outline the mediating role of decision-making quality between AI use and marketing performance.

In contributing to the field of marketing strategy literature, this paper builds on existing work in several ways. It expands our theoretical knowledge of AI as a dynamic marketing capability, clarifies the strategic importance of decision-making quality, and establishes a basis for subsequent empirical research. From a managerially oriented perspective, this paper provides insights into how organizations may utilize AI to improve the effectiveness of their marketing efforts, rather than simply improving operational efficiency.

2. Theoretical Background and Literature Review

The term Artificial Intelligence (AI), has been defined as "a set of computational methods that allow machines to accomplish tasks that are generally associated with human intelligence", which include learning, reasoning, recognizing patterns, predicting, etc. [5] The increasing use of AI technologies in marketing enables the support of strategic decisions using large amounts of data; identifying hidden patterns within that data; and creating actionable insights that will drive the development of the company's long-term marketing strategy. AI technologies can process large volumes of unstructured and high-dimensional data much more quickly than traditional data analysis methods, allowing companies to discover new market opportunities that they might have missed.

Marketing systems that use AI to make predictions and prescriptions about customers and markets go beyond the level of basic automation. Predictive models are able to forecast future customer behaviours, market trends, and demand patterns. Prescriptive models suggest optimal strategic actions such as price adjustments, promotions, channels, etc. [6]. Traditionally, marketing forecasting has relied heavily on past data and the judgments of experts. However, these two methods have their own limitations. Expert judgments are subject to human cognitive biases and are unable to process the many complex interactions between variables. AI models collect and analyse real-time data from multiple sources such as social media, sales transaction data, and website traffic data, giving marketers a more complete picture of the current marketplace. By collecting and processing large amounts of data from many different sources, AI models allow marketing managers to predict changes in customer preferences and competitor behaviour, and thus reduce the risk associated with strategic decisions.

Strategic Marketing Decision Making is made up of high-level decisions that determine how a firm will position itself in the marketplace and what will give the firm an edge over competitors. Strategic decision-making differs significantly from operational decision-making. Operational decision-making focuses on executing the daily operations of a firm, whereas strategic decision-making requires the integration of many different types of data, a long-term perspective, and alignment with the overall goals of the organization. The adoption of AI can enhance the strategic decision-making process by allowing for greater integration of data, reduced cognitive bias, and the ability to conduct scenario planning that would be impossible through human judgment alone [7].

Firms that rely on traditional decision-making approaches to address strategic marketing issues may find themselves struggling to properly interpret complex sets of data, resulting in sub-optimal distribution of marketing resources and/or delayed responses to market changes. Research has indicated that firms that successfully combine AI with managerial expertise tend to exhibit a higher degree of strategic alignment, as AI brings analytical rigor and human managers bring contextual understanding and domain knowledge [7].

While AI technology offers significant potential for enhancing strategic marketing decision-making, there are several challenges associated with AI adoption in this area. The quality of the data used to train AI algorithms, the transparency of the algorithms themselves, and the degree of managerial trust in the AI system can all impact the extent to which the results of the AI system are incorporated into decision-making processes [8]. As an example, although a predictive model may produce highly accurate predictions, the model may not be widely adopted if managers cannot understand the underlying logic behind the model's predictions or if the recommendations generated by the model contradict existing corporate policies. Additionally, reliance on AI without adequate oversight may result in ethics-related risks such as unintended bias in customer targeting or privacy breaches. Thus, AI systems should be seen as tools designed to augment managerial decision-making rather than replace it. Accordingly, firms should strive to create an environment of human-AI collaboration where managers receive training to critically evaluate AI-generated recommendations and develop an understanding of the strengths and limitations of AI systems.

In conclusion, AI represents a significant opportunity for organizations to enhance the quality and accuracy of strategic marketing decision-making. With respect to traditional methods of strategic marketing decision making, AI enhances the ability to gather, process, and analyse large amounts of data; to predict future events and market trends; and to provide actionable recommendations for strategic marketing decisions. However, in order to realize these benefits, organizations must not only possess the technological capability to utilize AI but also develop the necessary managerial expertise, organizational readiness, and governance structures to ensure that AI is utilized as a complement to human decision making, rather than a replacement.

The quality of decisions is a multi-faceted concept that reflects the degree to which decisions are timely, consistent, and accurate in relation to organizational objectives. In terms of marketing strategy, high-quality decisions are those that take full advantage of the information available, minimize the effects of bias, and adapt to changing market conditions [9]. Because strategic marketing decisions involve the consideration of both the internal capabilities of a firm and the external market environment, high-quality decisions help to ensure that marketing strategies are not only theoretically sound but also practical to implement and sustainable over time.

Traditionally, marketing decisions were based on the experience, intuition, and heuristics of managers. While experience-based knowledge continues to be valuable, it is becoming less sufficient in data-rich and rapidly changing business environments. Managers are often constrained by cognitive limitations, overwhelmed by the amount of information available, and influenced by unconscious biases that can negatively affect the quality of strategic decisions. For example, confirmation bias, or the tendency to rely on anecdotal evidence, can lead to poor allocation of marketing resources or failure to recognize emerging customer needs. AI-enhanced decision-making can improve decision quality by systematically analysing large amounts of data, revealing non-obvious relationships between variables, and producing evidence-based recommendations [10]. As opposed to decision-making that is strictly done by humans, AI systems can process large, complex, and multi-dimensional data sets, and produce insights that highlight patterns that may not be obvious, predict customer behaviour, and simulate strategic alternatives.

Studies have shown that improvement in decision quality is associated with superior organizational performance, by reducing errors, improving the efficiency of resource allocation, and enabling quicker response times to competitive threats [11]. In terms of marketing, this translates into more effective targeting, optimized pricing strategies, personalized customer experiences, increased campaign performance, and higher return on investments. For example, firms that utilize AI-powered customer segmentation tools can more accurately identify high-value customer segments, enabling targeted marketing efforts that increase acquisition and retention rates. In addition, predictive analytics can assist in developing pricing strategies that balance profitability and market share, which outperforms traditional rule-of-thumb approaches.

2.1. Marketing performance

Performance in marketing defines how successful marketing activities have been at meeting desired goals and achieving corporate objectives. Performance metrics include (1) financial metrics (ROI, sales increase); (2) market-based metrics (market share, customer gain/retention); and (3) customer lifetime value, brand equity, engagement metrics (e.g., likes, shares), etc. Modern marketing performance encompasses a wide range of metrics and demonstrates that measuring marketing performance today requires a broad view of what constitutes "success" in this new era of marketing.

A growing number of complex market conditions – created by rapid technological advancements, globalism, changes in consumer behaviour -- require that companies implement sophisticated performance management systems. With the help of AI-driven analytics, companies can track marketing performance in real-time and make adjustments to marketing strategies on an ongoing basis. The use of AI provides continuous feedback compared to traditional performance measurement methods that typically produce results in the form of periodic reports and lagging indicators. Companies can utilize AI-driven systems to identify under-performing campaigns and direct available funds to the most effective campaigns, and react quickly to emerging opportunities and/or threats. For example, predictive analytics can help identify potential customer churn, and marketing managers can then develop timely customer retention initiatives that will prevent lost revenue.

Research has shown a strong positive relationship between using data to inform marketing decisions and marketing performance [14]. Organizations that successfully employ analytics and AI-related technologies are significantly better than their competitors in responding to customers, profitably managing their customer base, and driving growth. In contrast, companies that rely on instinct-based decision-making or past performance metrics to guide their decision-making are less likely to capitalize on future trends and ultimately face slower responses to competitive pressure. Additionally, AI can be used to create more targeted and effective advertising messages through advanced segmentation and to optimize prices through the application of more advanced algorithms, creating additional short-term revenue and longer-term customer loyalty.

However, whether or not the organization realizes the benefits from using AI depends on its ability to incorporate AI-related insights into the decision-making process. Just installing AI-related software does not guarantee success. Organizations must also establish and maintain managerial expertise, cross-functional communication and collaboration, and an organizational culture that encourages evidence-based decision making. If an organization uses AI to support its decision-making in marketing, it can realize significant synergy (i.e., aligning analytical results with human judgment, improving campaign targeting, and improving overall marketing efficiency). However, if AI is poorly integrated into the decision-making process, the organization may not take full advantage of the technology, potentially leading to misaligned marketing initiatives and lower-than-expected performance.

The use of AI to measure and analyse marketing performance also enables organizational learning. Through continuous measurement of KPIs and causal analysis, organizations can continually improve their marketing strategies and test and apply new and innovative ideas. The continued development of marketing strategies enhances the organization's competitive position through the improvement of the organization's strategic agility to adapt to changing customer behaviour, shifting market dynamics, and rapid technological advancements.

To summarize, marketing performance is a multi-dimensional construct that includes both financial and market-based performance. AI-related technologies enhance the measurement, analysis, and management of marketing performance, enabling organizations to be more efficient, adaptable, and strategically aligned. However, the potential for performance improvements realized through AI must be matched by the organization's ability to translate insights into strategic decision-making, and thus, the importance of the relationship between marketing performance and decision-making quality.

2.2. Resource-based view and dynamic capabilities theory

Firms' competitive advantages, according to the Resource-Based View (RBV), arise from their acquisition and utilization of resources that are valuable, rare, inimitable, and non-substitutable (VRIN). According to the RBV, AI technologies can be regarded as strategic resources since they offer unique analytical functions, which cannot be easily emulated by competitors. In contrast to traditional marketing tools, AI-based systems incorporate sophisticated algorithms, machine learning, and predictive analytics, which allow firms to derive knowledge based on these resources that are used to inform and support strategic decisions, which are more informed and effective. The VRIN characteristics of AI derive from both the technology itself and its incorporation into the organizational processes, management skills, and data structure, which together constitute a resource bundle that is difficult for competitors to replicate [15].

Dynamic Capabilities Theory extends RBV and emphasizes the ability of firms to integrate, build, and reconfigure resources in response to changing external environments [16]. Although RBV identifies why AI can be valuable, dynamic capabilities describe how firms can utilize AI-enabled resources to obtain sustainable competitive advantages. For example, the use of AI supports the development of sensing capabilities by identifying emerging trends in consumers, competitor moves, and changes in markets using real-time data analysis. Additionally, AI enables firms to enhance their seizing capabilities by facilitating managers to quickly and effectively respond to emerging trends or events with strategic decisions, for instance, allocating additional marketing funds to successful channels or developing targeted campaigns for specific customer groups. Furthermore, AI enhances firms' reconfiguration capabilities by enabling firms to continually optimize marketing processes, modify workflows, and allocate resources as market conditions change.

However, firms possessing AI resources but lacking in dynamic capabilities will have difficulty converting the potential of technology into actual performance. AI alone provides data-driven insights; however, without embedding it within organizational routines, supporting it with managerial expertise, and aligning it with strategic goals, it will not necessarily improve decision-making and/or marketing effectiveness. Therefore, this distinction demonstrates that RBV and Dynamic Capabilities Theory complement each other; AI is a valuable resource, and dynamic capabilities define how much this resource generates tangible value.

Therefore, this research uses an integrated model of RBV and Dynamic Capabilities Theory to conceptualize AI-driven strategic marketing decision-making as both a resource and a capability, which enhances decision-making quality and marketing performance. A dual theory

approach will explain not only how firms can obtain competitive advantages through the adoption of AI, but also how firms can systematically utilize AI to identify new opportunities, take action strategically, and continue to redesign marketing processes to ensure continued superior performance [16].

This integrated theoretical model provides a comparative tool for evaluating different organizations. Organizations that adopt AI but fail to develop complementary dynamic capabilities risk failing to maximize the benefit of the technology, while organizations that integrate AI with powerful sensing, seizing, and re-configuring abilities achieve greater alignment between their strategic intent and execution. This alignment increases the accuracy of targeting, increases the speed of adapting to competitive threats, optimizes the allocation of marketing resources, and ultimately contributes to sustainable marketing performance advantages.

2.3. Hypothesis development

As a result of previous research, AI technology is used to enhance strategic marketing decision-making as it is used for better data analysis, improved predictive models, and greater rapidity and responsiveness in strategy development. As a result of these improvements in data analysis and strategy development, there will be an improvement in the performance of marketing.

H1: The positive influence that AI has on strategic marketing decision-making has a positive effect on marketing performance.

In addition, because the use of AI provides firms with high-quality marketing decisions that eliminate ambiguity, reduce or eliminate bias in those decisions, and eliminate delays in implementing decisions, firms can make more effective use of their marketing resources and, ultimately, achieve higher levels of marketing performance.

H2: The quality of the firm's decision-making process mediates the relationship between the use of AI technology in strategic marketing decision-making and marketing performance.

2.4. Conceptual framework and research gap

A number of gaps exist in the literature related to the impact of Artificial Intelligence (AI) on marketing performance. These gaps relate to an understanding of the mechanisms through which AI influences marketing performance and under what conditions AI improves marketing performance. A large proportion of the research conducted to date has focused on the technical capabilities of AI systems or the potential performance outcomes of using AI; however, many of these studies treat the decision-making process as a "black box" (i.e., the decision-making process itself is not considered). Consequently, little empirical evidence exists relative to the mechanisms through which AI-enabled insights are used to achieve superior marketing outcomes.

Much of the previous research has examined AI adoption as a direct antecedent to marketing performance; however, the role of managerial decision making in terms of translating AI-enabled insights into superior marketing outcomes has been largely overlooked. Although AI systems can improve the accuracy of analytics, reduce uncertainty associated with analytic tasks, and provide predictive and prescriptive insights, the potential benefits of these advantages will not necessarily translate into superior marketing performance unless the insights generated by AI systems are properly integrated into the decision-making process of managers. As such, it is necessary to consider decision-making quality as an essential explanatory variable that links the use of AI to marketing performance outcomes.

The literature also tends to assume that AI-driven insights will benefit all firms equally, without adequate consideration of organizational factors, managerial capabilities, and strategic alignment. Organizations vary greatly in terms of their ability to interpret the results generated from AI systems, incorporate these results into existing knowledge, and take appropriate action in a timely and cohesive manner. This variability supports the notion that AI should be viewed as a component of a larger decision support system that operates in conjunction with the judgment of humans and the capabilities of organizations.

This study draws upon the Resource-Based View and Dynamic Capabilities Theory to address these gaps in the literature. Specifically, this study develops a conceptual framework that views AI-enabled strategic marketing decision-making as both a valuable organizational resource and a dynamic capability. In this framework, AI improves decision-making quality by integrating data better than humans alone, by reducing cognitive biases, and by allowing organizations to respond strategically to changing environmental conditions more quickly and accurately. Decision-making quality is seen as a primary mechanism that allows AI-driven insights to be converted into superior marketing performance.

In this framework, firm performance is viewed in a broad sense and encompasses both accounting-based measures of performance and strategic performance. As a result of improving the quality of decision-making, firms are better able to assess their returns on investment, better allocate capital, and improve their ability to control costs. The improved decision quality will improve both the accounting and strategic measures of performance, which is consistent with a body of interdisciplinary economic and accounting literature emphasizing the importance of decision usefulness (as related to information quality) and governance relevance.

By explicitly including decision-making quality as a mediator, this research makes three contributions to the literature. First, it builds theoretical understanding by specifying the causal relationship between AI adoption and marketing performance. Second, it responds to calls for more comprehensive models that include technology, management, and strategy. Finally, it provides a foundation for empirical examination of how AI-driven decision-making processes affect both financial and market-based measures of marketing performance. This study extends a purely technology-centric view of AI to emphasize the importance of human-AI complementarity. The proposed framework suggests that long-term enhancements in marketing performance are more likely to occur when AI capabilities are aligned with high-quality strategic decision-making and incorporated into the routines and capabilities of organizations.

The recent scholarly focus on the governance, accountability, and explainability aspects of decision systems using artificial intelligence (AI) has led to an increase in research focusing on the explanations for AI. The studies provide evidence that explainable AI will lead to increased levels of trust by managers, will improve auditability, and will improve compliance with new regulatory requirements. Research into AI governance provides further evidence that transparency, human oversight, and ethical guidelines are needed to ensure that algorithmic decisions promote organizational accountability and do not hide accountability. Combining the perspectives in this paper adds strength to the theoretical foundations for how AI is used to affect performance results and increases the applicability of decision-making quality as both a control and governance tool.

The following table is a representation of some of the major research studies on AI adoption by marketers and the effect it had on business/organizational performance. The table includes the theoretical approach being used, the role of AI in the study, the findings related to performance, and the gaps in research that this current research will address. As such, the previous research is primarily focused on AI as a strategic asset/resource or capability; however, there is also a need to investigate decision-making quality as a mediator between AI use and marketing performance.

Author(s) & Year	Theoretical Lens	Role of AI	Performance Outcome	Gap Addressed in This Study
Kotler, Kartajaya & Setiawan (2017)	Marketing Strategy	AI supports digital marketing transformation	Marketing effectiveness, customer engagement	Does not link AI to decision-making quality
Cao, Tian & Blankson (2022)	Marketing Analytics & Capabilities	AI enhances data processing and predictive capabilities	Marketing capabilities, ROI	Operational improvements studied; strategic decision-making mechanism unexplored
Teece, Pisano & Shuen (1997)	Dynamic Capabilities Theory	AI enables sensing, seizing, and reconfiguring marketing capabilities	Strategic alignment, agility	Focus on capabilities; lacks an explicit link to marketing performance outcomes.
Shrestha, Ben-Menahem & von Krogh (2021)	Organizational Decision-Making	AI improves decision timeliness and accuracy	Managerial decision quality, adoption success	Studies AI adoption; does not link AI to marketing performance via decision quality.
Duarte, Zúñiga-Jara & Contreras (2022)	Machine Learning in Marketing	AI generates insights from complex data sets	Customer targeting, campaign performance	Strategic integration with managerial decisions not explored

In recent years, there has been an increasing focus on governance and explainable AI, with a number of researchers addressing the accountability and ethical frameworks needed in order to ensure the accountable, transparent, and fair use of AI systems. The work of a recent study provides a systematic review of all existing governance frameworks used in AI and identifies commonalities of the governance practice at both the organisational and industry level [28]. While another examines the limitations of XAI and states that being able to explain why a decision was made does not automatically result in making a trustworthy decision. Therefore, it is suggested that, in addition to providing explanations, additional governance mechanisms are required to promote trustworthiness [29]. Finally, another recent study synthesizes the principles of effective AI governance and identifies transparency and accountability as the two most important principles in ensuring the responsible deployment of AI [30]. Therefore, collectively these papers contribute to the theoretical foundations of this paper by framing the quality of decision-making within the wider debates about governance and accountability in AI.

3. Conceptual Framework Development

This area of research aims at developing a conceptually grounded theoretical model that describes how using Artificial Intelligence (AI) in strategic marketing decisions affects marketing performance, with decision quality as a mediator. The framework integrates concepts from the resource-based view (RBV) and dynamic capabilities theory to describe the value creation process of AI in marketing strategies.

3.1. AI adoption as a strategic marketing resource

From an organizational Resource-Based View (RBV), AI technologies are valuable organizational resources because they enable companies to process massive amounts of structured and unstructured data, produce predictive insights, and help make complex strategic decisions [15]. The difference between AI-based technologies and most older marketing information systems is that many older systems use static datasets and pre-determined reporting systems, whereas AI technologies continuously learn from new data so that both their analytical accuracy and predictive abilities improve with time. This means that the AI technologies can aid companies in anticipating customer needs and preferences, changes in markets, and competitor actions much earlier than before, thus helping them take proactive rather than reactive marketing decisions.

Adoption of AI in making strategic marketing decisions is more than just purchasing technology. To successfully implement AI requires significant organizational investments such as developing a solid data infrastructure, acquiring advanced analytical skills, and developing managerial capabilities that enable managers to interpret, contextualize, and translate the output of AI into strategic marketing decisions [16]. Companies that invest in developing these complementary organizational resources develop bundles of capabilities that are difficult to replicate by competitors, thus meeting the RBV requirements for achieving sustainable competitive advantage. On the other hand, companies that implement AI without investing in complementary organizational resources will likely only experience small gains in marketing effectiveness since the insights produced by AI may be underutilized or misused.

In actual marketing environments, AI supports several key strategic decision-making functions. Some examples include:

Market segmentation and customer targeting: AI technologies can analyse behavior, transactional, and demographic data to more effectively segment customers than older marketing methods using traditional heuristics, and personalize marketing efforts to targeted customer groups at lower costs.

Optimizing pricing: AI algorithms can model the response of markets to various pricing options and enable firms to optimize pricing based on elasticities of demand, competitor actions, and inventory levels.

Predicting demand: Real-time predictive analytics enable firms to predict anticipated customer demand for all products, product lines, channels, and geographic locations, and more effectively manage inventories and plan promotions.

Managing marketing channels: AI compares the effectiveness of different marketing channels and provides recommendations for how best to allocate marketing resources to maximize reach and engagement at minimum cost.

These AI-enabled capabilities demonstrate how effective marketing performance is directly related to how well firms deploy their strategic resources. AI enables better, faster, and more consistent marketing decisions, and therefore has contributed to greater returns on investment, market share increases, improved customer acquisition and retention, and ultimately greater sales growth. Conversely, firms that rely on traditional decision-making processes may have difficulty analysing complex, multi-dimensional data sets, resulting in delayed responses to changing market conditions, less-than-optimal targeting, and lost opportunities.

Furthermore, the adoption of AI enables organizations to become more agile and adaptable to changing market conditions. The continuous feedback loop created by AI systems allows marketing departments to test hypotheses, measure campaign effectiveness, and modify marketing strategies in real time. As a result, AI systems strengthen a firm's dynamic capabilities to the extent that firms are able to detect emerging trends, capitalize on new opportunities, and rapidly reconfigure their internal resources to respond to changing market conditions. Therefore, AI not only serves as a strategic resource from an RBV perspective but also fosters the development of dynamic capabilities and creates a second path for influencing marketing performance.

In conclusion, AI adoption in strategic marketing represents a strategic resource that is both valuable and difficult to replicate by competitors, especially when combined with complementary organizational capabilities. Furthermore, its uses in segmenting, targeting, pricing,

forecasting, and managing marketing channels create measurable performance enhancements and contribute to organizational learning, agility, and competitive advantage.

3.2. AI-enabled dynamic marketing capabilities

Instead of having to describe the same mechanism over and over again, dynamic capabilities theory explains how AI enables those improvements to be reconfigured and redeployed in a continuous way to support the three main categories of sensing, seizing, and transforming activities [17]. The ability to sense and seize opportunities through the use of AI, therefore, directly supports the creation of a long-term competitive advantage within the marketing function.

AI increases a company's "sensing" ability through its ability to scan large amounts of market data, customer interactions, and competitive signals continuously. Using machine learning algorithms, AI identifies emerging trends and patterns that might be invisible using traditional human analysis techniques. For example, AI could recognize small changes in consumer behaviour, predict future product adoption, and recognize competitor promotional campaigns in near-real time [18]. Therefore, AI provides a firm the opportunity to respond to opportunities and threats before they become major issues, enabling proactive responses rather than reactive ones. Early sensing also enables companies to establish themselves as first movers and to be more responsive to customers.

AI increases a company's "seizing" ability by providing evidence-based support for strategic decision-making. Through predictive and prescriptive analytics, managers are able to test different marketing strategies against one another and compare their possible outcomes, then select the strategy most likely to produce maximum returns [19]. For example, AI can determine how best to allocate marketing dollars across all digital channels and provide recommendations for price adjustments due to real-time demand variations. By relying on AI to support strategic decision-making instead of intuitive decisions, AI-based seizing reduces cognitive biases and inconsistencies in decision-making and aligns marketing actions more closely with the organization's objectives. Companies that develop AI-enabled seizing will be able to find and exploit marketing opportunities at a rate faster and more consistently than competitors that rely on traditional managerial judgments.

AI enables a company to rapidly adjust its marketing strategies when it receives performance feedback. Analytics enable firms to receive real-time feedback regarding the effectiveness of their marketing campaigns, the level of engagement from customers and the performance of specific marketing channels. Firms can then rapidly adjust marketing strategies, marketing content, and customer touch points in response to actual results. This is significantly different from traditional approaches that usually require quarterly or annual assessments to inform corrective action. AI enables companies to maintain strategic agility, to experiment with new marketing initiatives, and to continually update marketing processes to reflect changes in the marketplace.

By integrating the sensing, seizing, and reconfiguring mechanisms enabled by AI, companies develop dynamic marketing capabilities that create high-quality marketing performance. It is important to note that these three capabilities are interdependent. Effective sensing requires that seizing decisions be made accurately; timely reconfiguration enables strategic actions to result in measurable performance improvements. Therefore, AI serves as both a facilitator of and an amplifier for the development of dynamic capabilities, converting raw data into actionable intelligence and facilitating ongoing strategic adaptations.

Additionally, the integration of AI into dynamic capabilities demonstrates the complementary relationship between technological resources and organizational processes. Companies that possess advanced AI tools and skilled analysts, cross-functional collaboration, and a culture of data-driven decision making will experience greater marketing performance than companies that only implement AI. This synergy illustrates that the implementation of AI represents a strategic capability that enhances the entire dynamic capacity of the company to compete effectively in complex, data-rich environments.

3.3. Decision-making quality as a mediating mechanism

Decision-making quality reflects how effectively strategic marketing decisions are made and implemented. Quality decision making has four primary characteristics: timeliness, coherence, accuracy, and consistency with organizational goals [21]. The quality of decision-making in fast-changing and data-rich markets is crucial for determining marketing success since even minor timing or decision errors can substantially affect customer acquisition and retention rates as well as a company's overall market share.

Most traditionally-based decision-making processes involve a reliance upon the managerial instincts and experience of decision makers. While decision-making based on experience and instinct has worked reasonably well in static and predictable business environments, it has proven less than adequate in today's rapidly changing technological environment, and in those characterized by complex customer behaviour and intense competitive pressure. Decision makers will inevitably be influenced by their own cognitive biases, information overload, and irregular use of decision support tools. These constraints result in suboptimal decisions regarding strategy and ultimately affect marketing performance.

Beyond its effect on marketing's ability to effectively deliver value, AI's role in improving decision-making quality has a direct correlation with accounting and performance evaluation systems; AI-driven analytics enable improved managerial judgment accuracy, speed, and consistency thereby enhancing the primary function of management accounting (budgeting, forecasting, and analysis of variances) and from an AIS perspective, high-quality decision making improves the credibility of internal reporting; reduces the level of informational asymmetry; and supports increased transparency in how resources are allocated. As a result, while decision-making quality is a strategic mechanism, it represents a foundation that ties AI capability to financial performance measurement.

The adoption of AI improves decision-making quality by resolving some of the above-mentioned issues [22]. First, AI reduces cognitive overload by analysing and aggregating large amounts of structured and unstructured data into actionable knowledge. Machine learning algorithms can combine customer transaction data, social media interaction data, and website analytics to identify emerging market segments or forecast churn risk. Second, AI eliminates bias inherent in decision-making by using objective data-driven models. Traditional decision-making tends to place an excessive emphasis on anecdotal evidence and recent experience, whereas AI will systematically evaluate all relevant data and therefore reduce the influence of cognitive heuristics. Third, AI speeds up decision-making by automating decision processes and providing real-time analytics. Marketing managers can quickly analyse several different strategic options, simulate the results of each option, and implement the best possible decision with minimal delay.

It is important to note that the adoption of AI does not inherently create better performance outcomes. The strategic value of AI is mediated by decision-making quality: unless decision-making is of high enough quality (i.e., accurate, timely, and consistent), then AI-generated knowledge will not be utilized appropriately or used effectively. For example, a predictive model may indicate which customer segments are most likely to react to a marketing campaign, but if marketing managers do not act promptly or misinterpret the recommendations, then the expected performance gains may never occur. Conversely, when AI insights are used in conjunction with high-quality decision-making

processes, companies can achieve superior marketing performance outcomes (e.g., higher ROI, greater speed in responding to market changes, and higher levels of customer satisfaction).

In comparison, companies that adopt AI without focusing on decision-making quality will likely experience the least amount of return on investment. Companies that spend significant resources on AI and yet do not utilize the insights produced by AI in the decision-making process will likely see little or no consistent improvement in their marketing performance. On the other hand, companies that focus on improving decision-making quality and, at the same time, adopt AI will experience a synergistic relationship between the two; i.e., the advanced analytical capabilities of AI and well-defined and structured decision processes will enhance each other.

In addition, decision-making quality is a dynamic capability that continues to evolve with the adoption of AI. As managers become more proficient in utilizing the output of AI in their strategic decision-making processes, the decision-making process itself will continue to improve. This continuous learning loop provides not only a means of enhancing the effectiveness of current marketing decisions but also increases the organization's ability to adapt to future changes in the market.

Therefore, decision-making quality serves as a mediating mechanism that links the adoption of AI and superior marketing performance, and illustrates the necessity of both technological and managerial competence to create competitive advantage.

3.4. Marketing performance outcomes

Performance of marketing: A marketing performance measure is how well a company has done what it set out to do through its strategic marketing decisions. Financial metrics of marketing performance are return on investment (ROI) and sales growth, which show how well companies are doing at getting a return for their marketing investments, and market-based metrics of marketing performance are customer acquisition, customer retention, and market share, which show competitive positioning and value to customers [23].

In today's complex and ever-changing marketplace, using only traditional performance measurements will be an inadequate way to gauge the impact of a company's strategic marketing decisions. Companies need to assess the immediate financial success of their marketing efforts while looking ahead to the long-term strategic effects of brand equity, customer loyalty, and the company's overall marketplace position. The use of artificial intelligence (AI), in addition to real-time analytics, predictive insights, and prescriptive recommendations, enables companies to make better-informed and timelier performance measurements.

The use of AI in decision-making processes allows for optimal resource allocation across all marketing channels. Using machine learning models, companies are able to determine the potential return on investment (ROI) of their campaigns across digital media, social media, and traditional media, and to better focus their marketing spend on those that have the greatest impact. In addition, AI enables companies to develop personalized customer interactions by analysing individual preferences, purchase history, and engagement patterns. Developing personalized customer experiences not only increases conversion rates but also strengthens customer relationships and retention, which are key drivers of long-term performance.

Another important aspect of AI is the ability to make changes to a strategy in real time. Continuous feedback from AI systems regarding campaign effectiveness, customer response, and competitor actions enables companies to quickly adjust pricing, promotional strategies, and content targeting based on observed performance, thus minimizing waste and maximizing returns. For example, predictive analytics can signal when a promotion is underperforming, prompting managers to reallocate budget to higher-performing initiatives, thus improving overall return on investment (ROI).

However, the magnitude of benefits from AI depends on the quality of strategic decisions that are made using data-driven insights provided by AI tools [24]. While AI tools provide recommendations based on data analysis, the effectiveness of those recommendations depends on management's ability to interpret and integrate them into coherent strategies. If management fails to act upon AI insights or misaligns them with organizational objectives, suboptimal performance outcomes will result despite significant technological investments.

On the other hand, organizations that rely solely on traditional methods of decision-making may struggle to respond rapidly to changing customer preferences and competitive actions. Companies without analytical depth to accurately forecast trends in their markets, allocate resources efficiently, or deliver personalized customer experiences at scale will likely find it difficult to achieve a competitive advantage. Conversely, organizations that combine AI adoption with high-quality strategic decision-making can create a synergistic effect where data-driven insights and effective managerial judgment reinforce each other and ultimately drive superior marketing performance.

In conclusion, AI-based strategic marketing not only improves the measurement and monitoring of performance results but also improves the causal link between decision-making and results. By optimizing resource allocation, providing personalized customer experiences, and enabling rapid strategic adaptation, AI adoption contributes to both the financial and non-financial dimensions of marketing performance and emphasizes the role of technology as a critical enabler rather than a standalone driver of competitive advantage.

3.5. Conceptual model overview

The integration of the Resource-Based View (RBV) and Dynamic Capabilities Theory (DCT), in this case, will position the adoption of AI technology into the decision-making processes of strategic marketing as both a strategic resource and a dynamic capability, which improves the overall decision-making quality.

Fig. 1: Conceptual Model.

As a result, improved decision-making quality will lead to superior marketing performance results. The model also accounts for an independent positive relationship between AI adoption and marketing performance, as it reflects increased efficiency due to automation and the potential for better analytical abilities.
Therefore, the above rationale generates the following two hypotheses:

- H1: AI Adoption in Strategic Marketing Decision Making has a Positive Effect on Marketing Performance.
- H2: The Quality of Decisions is a Mediating Variable of the Relationship Between AI Adoption in Strategic Marketing Decision Making and Marketing Performance.

4. Discussion

4.1. Theoretical implications

The significance of this study lies in its relevance to the fields of marketing and strategic management. The first way in which this study is relevant is that it represents an extension of previous research concerning artificial intelligence (AI) in marketing. In particular, while most previous research on AI has focused on "operational" uses of AI, such as the use of AI to automate services for customers or to optimize campaigns, this study is concerned with how AI is used to make high level strategic decisions about a firm's position relative to other firms; the allocation of resources among different areas of a firm; and how a firm can gain a sustainable competitive advantage. Therefore, while many previous studies of AI in marketing have emphasized its use as a tool for executing pre-defined marketing activities, this study demonstrates the potential for AI to be a strategic enabler, capable of influencing higher-level decisions, and thus contributing to a firm's overall competitive advantage.
Furthermore, this study presents a unified theoretical model for understanding how AI enables marketing performance through the combination of two previously separate theories, namely, the Resource-Based View (RBV) and Dynamic Capabilities Theory. The RBV frames AI as a resource that is valuable, rare, inimitable, and non-substitutable, and therefore capable of generating long-term competitive advantages for a firm if effectively incorporated into a firm's operations [25]. Dynamic Capabilities Theory explains how AI enables a firm to perceive, respond to, and transform the resources available to the firm in light of changing external conditions. Together, these theories provide a theoretical basis for examining the strategic potential of AI in marketing and provide support for previous calls for greater theoretical foundations for the study of AI-enabled business strategy [22].
Finally, the study identifies decision-making quality as an important, though relatively unexplored, intervening factor between AI adoption and marketing performance [26]. While a significant body of research has demonstrated that AI has positive effects on efficiency and automation, there has been limited examination of the mechanisms through which AI generates performance results. By conceptualizing decision-making quality as an intervening variable, this study provides a process-based rationale for understanding marketing performance, illustrating that the value of AI is realized not merely through the deployment of technology but rather through its effective incorporation into high-quality strategic decision-making processes. Additionally, this study illustrates the micro-foundations of strategic capabilities by demonstrating how managerial interpretations of information, organizational routines, and technology interact to create quantifiable results.
Moreover, the study examines the impact of context and organization on realizing AI's theoretical potential. For example, firms that possess well-developed analytical skills, have collaborative relationships across functional areas, and foster an organizational culture where decision-making is based upon empirical data will be more successful at converting AI insights into superior marketing results. Conversely, organizations that adopt AI in isolation, without integrating it into decision-making processes, may not realize the performance enhancements associated with AI adoption. As such, the findings of this study contribute to theory by closing the gap between models of technology adoption and strategic management frameworks, illustrating that AI's effectiveness is dependent upon the dynamic interactions between human, technical, and organizational resources.
Therefore, this study provides a multi-level theoretical contribution: it increases our understanding of AI as a strategic resource for marketers, it develops a theoretically grounded model for how AI creates value in marketing settings using complementary theories (i.e., RBV and DCT), and it identifies decision-making quality as a key mechanism through which technology is converted into performance improvements. Collectively, these theoretical contributions represent a more complete and nuanced theoretical framework for subsequent research on AI-enabled strategic marketing.

4.2. Managerial implications

The study's findings from the manager's view reveal that merely investing in AI technologies does not automatically create greater success in marketing. Although AI has great power for the collection, processing, and prediction of big data, it must first be incorporated into the decision-making processes of the organization through strategic management and supporting organizational capabilities that will increase the quality of those decisions. Therefore, managers need to consider not only acquiring new AI technologies but also embedding the AI-generated insights into their company's major strategic routines and practices.
Therefore, Marketing executives should focus their efforts on developing analytical skills throughout the organization, so that all levels of management can analyse the results of the AI output and convert these results into executable decisions. The development of these skills requires cross-functional collaborative efforts among marketing, sales, product development, and customer service functions because many of the insights generated by AI require an inter-functional coordinated effort to execute the resulting strategy. An example of this would be an AI-based suggestion to alter a product price or to target a particular segment of customers based on demographic characteristics, etc., will only result in a successful outcome if all of the respective functional areas (marketing, finance, and operations) are aligned and executing the same plan.
Governance policies that foster positive interactions between humans and AI must also exist to promote the effective use of AI in decision-making. These policies may take many forms, including the establishment of decision protocols that provide rules governing how managerial judgments are used in conjunction with algorithmically derived recommendations, and the creation of systems that monitor and evaluate the effectiveness of the decision-making process using AI-derived outcomes.
Education/training programs are critical to allowing managers to develop the knowledge, trust, and application of AI-generated insights [27]. Much of the resistance to the adoption of AI by managers results from either a lack of understanding or distrust of the algorithmic recommendations produced by AI. By providing continuing education opportunities to learn about the fundamental principles of AI, the interpretation of predictive models, and scenario analysis, organizations can reduce the mistrust and scepticism that many managers experience toward AI-generated recommendations and improve the quality of their decision-making.

Additionally, organizations should view the adoption of AI as an ongoing process of developing their capabilities, rather than just purchasing a new technology. Organizations operating within a dynamic marketplace require a continuous learning cycle of experimenting and refining their marketing strategies utilizing AI. Organizations that establish ongoing feedback loops (monitoring AI-derived outputs, evaluating the effectiveness of decisions made based on AI-derived inputs, and adjusting marketing strategies) can remain agile and maintain long-term competitive advantages over other organizations. Conversely, organizations that treat AI as a static technology will likely underutilize the capabilities of the technology or make poor choices regarding the alignment of AI-derived recommendations with organizational objectives.

Relative to other firms, organizations that implement both AI technologies and formalized processes for decision making and capability development can achieve superior financial returns compared to firms that only implement AI technologies. Examples of organizations that achieve superior performance include companies that integrate AI into customer segmentation, campaign optimization, and predictive sales forecasting, and simultaneously train employees and realign organizational processes. As a result, these organizations can achieve higher ROI, increased market share, and better customer retention than firms that only utilize AI technologies without implementing the necessary organizational changes.

While managers should focus on the technical implementation of AI, they should also be concerned with aligning the organizational culture and strategy of the firm with the adoption of AI. Organizations that foster a culture that encourages experimentation, adaptation, and data-driven decision making will ultimately be able to realize performance benefits from the adoption of AI. Leadership must be willing to champion this type of culture and provide the necessary resources to support the continued skill development of employees, cross-functional collaboration, and decision governance. Ultimately, organizations that create an environment that utilizes AI to enable sustained competitive advantages will be the most successful in today's dynamic and competitive marketplace.

Additionally, this study adds to a rapidly expanding body of knowledge about technology-enabled strategy by identifying when AI can serve as a long-term source of sustainable competitive advantage. While much of prior research has suggested that AI's use will ultimately result in improved outcomes simply because of its use, the results of this study reinforce the theoretical argument made by Barney (1991) that competitive advantage stems from an organization's ability to incorporate technology into both the organization's processes and routines and not just from technology itself. Furthermore, the study also extends Resource Based View (RBV) by illustrating that AI is relational, not inherent, with respect to its value and that it emerges from the relationships among the organization's technological resources, managerially determined cognitive processes, and organizational environment.

The study further supports Dynamic Capabilities Theory (DCT) by empirically demonstrating at a micro-level the mechanisms through which the DCT's three types of capabilities (sensing, seizing, and reconfiguring) are enacted in marketing contexts [25]. The study illustrates how AI improves sensing through enhanced market intelligence and pattern recognition, yet seizing and reconfiguring require managerial interpretation and action. In this way, the study illustrates that DCT's capabilities cannot be viewed as automated processes and are instead socially and cognitively embedded within organizations. Therefore, the study responds to calls for increased attention to the human-technology interface in strategic management research [16] while at the same time providing a more detailed understanding of how managers operationalize their dynamic capabilities through AI-supported decision making.

Finally, the study's focus on decision quality as a mediating construct adds to decision theory within marketing and strategy research. Much of the existing research in marketing and strategy assesses performance outcomes without measuring the quality of the decisions made to produce them. The study emphasizes decision-making quality—accuracy, timeliness, consistency, and strategic alignment—and thus bridges the gap between decision process theories and performance-based theories [22]. The study demonstrates the need to move away from outcome-centric models of decision-making toward process-oriented models of value creation in AI-enabled organizations.

Finally, the study offers a platform for developing additional theory in the area of AI in marketing by encouraging researchers to consider multi-level and integrative approaches when researching AI in marketing. Rather than considering AI adoption as a binary variable, future research can build upon the study's framework to examine the effects of varying levels of AI maturity, the structure of an organization's governance structure, and the differing abilities of managers to successfully implement AI in their respective organizations. Future research can thus develop more nuanced theories that describe and predict variability in performance outcomes resulting from AI, while at the same time capturing the complexities of using AI in strategic marketing. Collectively, the study develops a strong foundation for continued research on AI in marketing and strategic management [26].

The need to have governance standards is highlighted from a policy/regulatory standpoint to provide transparency, data protection, and accountability for algorithms in AI-supported decision systems. As organizations are relying more heavily on AI for performance evaluation and resource allocation, regulatory agencies and standard-setting organizations will need to consider what is needed for explainability, audit trails, and human oversight as it relates to the use of AI. Developing AI-based performance measurement systems that align with emerging governance frameworks will enhance institutional trust and support the responsible development and use of AI in accounting, control, and performance measurement systems.

5. Future Research Directions

Although this conceptual paper builds an understanding of how AI can be adopted to enhance strategic marketing decision-making, it does create opportunities for future research. First, quantitative studies will need to occur to validate the proposed conceptual model and hypotheses in various organizational environments. This may include conducting surveys and using archival data to determine the magnitude of the relationship between AI adoption, decision-making quality, and marketing performance.

Second, future research could identify context moderators that affect the effectiveness of AI-enabled strategic marketing decisions. Organizational culture, data governance quality, managers' knowledge of AI, and degree of environmental turbulence all could have an impact on how managers interpret and utilize AI-based information in the strategic decision process. Understanding how these contingency variables interact with each other will help build a better understanding of the conditions under which AI enhances marketing performance.

Third, future research could break down AI adoption into separate categories (such as predictive analytics, machine learning automation, and decision support) to understand the differences in their effect on decision-making quality. Studying each category separately will provide a greater level of granularity in understanding what types of AI-based marketing capabilities exist.

Lastly, future research using a longitudinal design will provide a deeper understanding of the dynamic nature of developing AI capabilities. Since AI is continually improving due to learning and adaptation, researchers can investigate how the performance benefits of adopting AI vary over time and how managers adapt their marketing strategy in response to the insights generated by the AI system.

In addition to the above recommendations, future research using qualitative methods and/or combining qualitative and quantitative methods can be used to gain a better understanding of the managerial perspective, trust, and sensemaking activities associated with AI-supported

strategic decisions. The use of qualitative methods will provide insight into the interactions of humans and machines that influence decision-making quality and marketing performance.

6. Conclusion

While prior research investigated various aspects of the influence of artificial intelligence (AI), this study examines the role of AI adoption in influencing strategic marketing decision-making and its influence on marketing performance via the mediation of decision-making quality. Using the Resource-Based View (RBV) and Dynamic Capabilities Theory, this study theoretically frames AI as both a strategic resource (using RBV) and a dynamic capability (using DCT) that enhances a firm's capacity to sense market change, identify new marketing opportunities, and reconfigure marketing strategies to maintain a sustainable competitive advantage.

Based on the analysis presented, AI adoption positively influences a firm's marketing performance through the improvement of the timeliness, coherence, and responsiveness of strategic marketing decisions. AI facilitates data-driven, evidence-based strategic marketing decisions based on large amounts of current and historical data, versus using managerial intuition and/or static data. As an example, AI predictive analytics provide managers with a means to predict changes in consumer demand or the emergence of competitive threats, enabling them to take proactive actions rather than reactive ones. Therefore, while AI is often seen as simply a technology tool, it is seen here as a technology tool that facilitates strategic foresight and operational agility.

However, as stated earlier, the benefits associated with AI are not automatic. While the existence of AI systems alone does not necessarily produce improved performance, decision-making quality represents the critical pathway through which AI-generated information is transformed into tangible results. In addition, there are a number of other characteristics that define what constitutes high-quality decisions. High-quality decisions are timely, consistent, and relevant to organizational goals and objectives. Therefore, high-quality decisions enable managers to apply AI-generated information to their strategic marketing plans. Thus, the study highlights the need for organizations to complement the adoption of technologies with processes, analytical, and managerial competencies.

Through the integration of AI adoption, decision-making quality, and marketing performance into a single theoretical model, this study provides a number of contributions to marketing strategy. First, the study expands marketing strategy literature by focusing on strategic decision-making processes and not on operational AI applications, thus providing a more complete understanding of how AI generates value in marketing contexts. Second, the study illustrates the interaction between AI as a resource (RBV) and as a dynamic capability (DCT) to demonstrate how firms can generate long-term performance advantages through continuous sensing, seizing, and reconfiguration of marketing resources. Finally, the study identified decision-making quality as a mediator variable and therefore addressed the call to develop more process-based explanations of the relationship between AI and performance outcomes, and emphasized the micro-foundations of strategic capabilities.

The proposed conceptual framework also provides practical implications for managers. Specifically, the study suggests that AI adoption should be viewed as a long-term capability development process and not as a short-term technological investment. Firms that have combined AI tools with decision-making processes, manager training, cross-functional collaboration, and adaptive organizational routines will be able to realize the full benefit of AI for creating strategic marketing advantages.

Finally, the study establishes a foundation for future empirical research. Through the specification of the relationships between AI adoption, decision-making quality, and marketing performance, the study provides testable hypotheses and encourages longitudinal studies to investigate how AI-driven strategic capabilities develop over time and influence marketing performance. Future research can also investigate the moderating effects of various contextual factors, including industry dynamics, firm size, and organizational culture, on the relationship between AI adoption and strategic marketing.

This study will make a distinct contribution to an interdisciplinary audience of IJAES as it is positioned as a major link (bridge) between strategic capabilities and accounting-relevant performance outcomes using AI-enabled decision-making quality. The paper integrates concepts of RBV, DCT, AIS, and Governance Research, and shows that AI enables organizations to create value in terms of judgment, control, and performance evaluation, and not just through automation. The view expressed in this paper builds on current views of AI and provides a theoretically based platform for future empirical studies linking strategy, accounting, and governance.

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