

A revolution in insurance marketing innovation: sustainable marketing with an artificial intelligence approach

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Abstract:

Purpose: The current research was conducted with the aim of designing a sustainable marketing model in Alborz Insurance with a focus on artificial intelligence.

Method: According to the type of data, the research method is qualitative and exploratory in nature. In the qualitative statistical population, 15 people were selected from among the experts until the theoretical saturation limit was reached, which included university and Alborz insurance experts who were selected by targeted non-probability sampling. A semi-structured interview tool with 5W1H technique was used to collect data, and the foundation data method was used for data analysis.

Findings: In the current research, 5 components including artificial intelligence capabilities, marketing innovation, organizational capabilities, cultural capabilities and sustainable marketing performance and 13 indicators and 40 codes have been identified. Causal conditions include the capabilities of artificial intelligence (competence of artificial intelligence, quality of artificial intelligence services, experience of using artificial intelligence). The intervening condition in the current research is marketing innovation (product innovation, process innovation). Similarly, strategies include organizational capabilities (entrepreneurial competencies, strategic competencies) and the background conditions in this research include cultural capabilities (innovative culture, changeable culture). Also, the results are sustainable marketing performance (sustainable purchase intention, achieving sustainable competitive advantage, sustainable marketing activity, sustainable smart marketing).

Conclusion: The use of artificial intelligence algorithms and marketing innovation will improve the recognition of customer patterns, offer the best insurance for each customer, and improve communication with customers. These types of tools can help Alborz Insurance Company to improve its marketing process and thus achieve more success and stability.

Keywords: Sustainable marketing, insurance industry, marketing innovation, artificial intelligence

Introduction

The definition and application of “sustainable development” has been a hot topic of debate in academia for years. The United Nations Sustainable Development Goals (SDGs) have been welcomed, providing a global framework to strike a balance between social, economic and environmental sustainability. The SDGs were first introduced in 2015 to create a more sustainable future for all and to set a path to sustainability by 2030 (Purwanto, 2020). Smart organizations are also using data analytics and AI capabilities to innovate in the marketplace and increasingly to gain competitive advantage (Chatterjee *et al.*, 2021). Using AI in the insurance industry can improve operational efficiency, limit erroneous claims, reduce total payouts and increase company profits. Previously, insurance companies spent more than two weeks processing and reviewing each claim manually. But AI also made processing costs negligible (Kumar *et al.*, 2019). The marketing literature related to AI is relatively sparse, and research in this area is still in its infancy, with many aspects to be covered. In a study, it was shown how AI-based technology, in particular, can help companies advance their capability hierarchy and provides an integrated framework of AI-based marketing capabilities using AI operations, automation hierarchy, and capability hierarchy (Manis & Madhavaram, 2023). Given that there are still several challenges related to AI capabilities and building AI competencies that can consistently support business requirements, it is essential to examine their impact in marketing domains and its impact on sustainable marketing performance. Therefore, this research aims to answer the question of what impact do AI capabilities and competencies have on marketing performance by mediating innovation, knowledge, and marketing capabilities?

Materials and Methods

The present study has presented a sustainable marketing model in the insurance industry focusing on artificial intelligence, so in terms of its applied purpose, in terms of the time of data collection, it is cross-sectional, in terms of the nature of the data, it is qualitative, and in terms of the method of conducting the research, it is a survey. The subject area of this study is sustainable marketing in the insurance industry focusing on artificial intelligence. The time area of this study is from autumn to winter 1402 and the spatial area of this study is Alborz Insurance Company. The research population is scientific experts who are familiar with the concepts of sustainable marketing and artificial intelligence and have a research background in this field, and executive experts who have at least 5 years of management experience in Alborz Insurance. The purposive sampling method was used to select the sample. The codes extracted from interview 15 onwards have reached saturation, and no new codes were added to the previous codes after conducting more interviews. This number of samples was sufficient for the interview section. The data-based method was used to analyze the data.

Results and Discussion

Sustainable marketing in Alborz Insurance has been a confirmation of the main phenomenon.

Causal conditions: These conditions cause the creation and development of the main or category-oriented phenomenon, which includes artificial intelligence capabilities (AI competence, AI service quality, AI experience).

Intervening conditions: These are general conditions that form a set of mediating and intermediary variables, and strategies are also affected by them. The intervening conditions in the present study are marketing innovation (product innovation, process innovation).

Strategy: It represents the behaviors, activities, and goal-oriented interactions that are subordinate to the main phenomenon and influenced by the intervention conditions and the prevailing context. In this study, it includes organizational capabilities (entrepreneurship competencies, strategy competence).

Contextual conditions: These are the specific conditions that affect interactions. This context refers to the atmosphere governing companies in the country, which in this study includes cultural capabilities (innovative culture, changeability culture).

Outcomes: Some categories represent the results and consequences that arise from adopting strategies. In the present study, sustainable marketing performance (sustainable purchase intention, achieving sustainable competitive advantage, sustainable marketing activity, intelligent sustainable marketing) are the outcomes of the research.

Conclusions

Given that the purpose of this research is to present a sustainable marketing model in the insurance industry with a focus on artificial intelligence. Qualitative research was conducted through interviews with 15 experts in this field. The results led to the identification of 5 components, 13 indicators, and 40 selected codes. In developing the concept of AI capability, it is possible to understand the enablers and impacts of different types of IT capabilities, which include various capabilities such as social media capabilities, social commerce capabilities, and business analytics capabilities, and the specific AI technology required to support market initiatives that grow very quickly is important. Insurance companies can improve their customer experience and provide better services, and help them anticipate potential risks and make appropriate plans to deal with them. Also, by using artificial intelligence, insurance companies can improve their administrative processes and optimize costs and time required. Organizational capabilities focused on artificial intelligence can have a significant impact on sustainable marketing in the insurance industry. Because, the ability to innovate and develop products can help companies offer new products and services that attract and retain customers. Similarly, having skilled and experienced human resources can help companies implement effective marketing strategies and strengthen their market.

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