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REDEFINING MARKETING 5.0 IN THE DIGITAL ECONOMY

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ABSTRACT

Any firm has to focus on promotional activities, which aim to provide worth by pulling clients and influencing them to become buyers. A famous comment from Steve Jobs sums up the value of advertising: "Clients don't know exactly what they want before we supply them." Technological advancement has affected advertising's progress, turning it crucial to the continued success of any firm shortly. This essay examines the development of advertising and offers an effective business within the framework of the 5.0 marketing strategy. The study emphasizes how a business might keep growing even amid a global epidemic by keeping to marketing patterns. The research is carried out using a variety of techniques, to attention to online marketing in digitalized finance.

Keywords: Marketing 5.0, NLP, Digital Economy, Artificial Intelligence (AI), Internet of Things (Iot)

1. INTRODUCTION

The research approach examined how marketing tools have changed in the digital marketplace, focusing on the significance of online advertising in this new age of rapid technical advancement. The digital economy has grown as a result of electronic innovations' huge growth in the scientific surface and decrease in the price of processing data and finding. The research article's primary goal is to grow advertising in this day and age. It does this by defining jobs like smart advertising, developing and selling present offerings with the use of the latest technologies, and looking for potential customers for the worldwide adoption of tools for digital advertising. Virtual environments and the digital transformation of economic activities are now vital parts of the financial systems of the world's most developed nations, touching every aspect of daily life. Internet marketing is the use of digital tools, data, and interaction to engage with consumers and business partners.

Established together with digital advertising, internet advertising is seen as an essential part of the future.

Aim and objectives:

Aim: The study aims to explore redefining Marketing 5.0 in the digital economy.

Objectives:

1) To describe the marketing growth from 1.0-5.0
2) To explore the five Principles of marketing 5.0
3) To focus on the Technology Pillars of Marketing 5.0
4) To explore the benefits and challenges of marketing 5.0

2. LITERATURE REVIEW

Marketing growth: 1.0 to 5.0: The three main steps that have shaped the evolution of marketing are Marketing 1.0, 2.0, and 3.0. Since the Age of Industry, massive and massive production has been at the core of marketing 1.0, a product-based strategy. In the year 1980, informational technology advances gave rise to marketing 2.0, which made it possible for customers to quickly find comparing items from different businesses (Cillo, et al. 2022). The modern consumer character becomes more versatile as a result of firms placing a higher priority on high quality and client loyalty. To create beneficial and long-lasting partnerships with clients, marketing 3.0 started with a specific service or goods strategy. Client-focused company processes and tailored solutions are valued in this methodology. Using gadgets, computers, and online surfing to keep in touch with clients over time, Marketing 4.0 represents the digitally focused evolution of Marketing 3.0. Clients are involved in the production procedure in addition to being customers. As digital technology and artificial intelligence (AI) advanced, marketing 5.0 was born. This breakthrough shows a new aspect of electronic devices and enhances the connection capacity of things (Weinstein, 2020). Innovations like AI are used in marketing 5.0 to generate quality in consumer interactions and support connections. It represents electronic and durable contact with consumers. Companies benefit from client interactions via advertising strategies that use data environments and consumer plans. Companies need an AI technologies environment, a data ecology, and fast internet connectivity to implement Marketing 5.0. Blockchain, the internet of Things (IoT), virtual reality (VR), augmented reality (AR), robotics, and AI innovations are all part of marketing 5.0. Companies must modify and develop their plans since the effects of technological advances on modern society are now unavoidable.

Figure 1

Figure 1 The marketing evolution

Five Principles of Marketing 5.0:

Marketing 5.0 consists of five primary parts that set it ahead of the competition. These are as follows:

1) **Data-focused marketing:** Big data gathered from consumers is used in data-driven advertising to offer specialized goods and services. In this procedure, client data from earlier times and present—such as purchase and contact interactions, social networking actions, and previous data—are evaluated and used (Zizic, et al. 2022). Effectiveness requires an understanding of the wants and interests of the consumer. Improved profits for shareholders, consumer happiness, growing markets, and worldwide competitiveness may result from the effective application of data-based advertising techniques. Companies may provide specific answers, such as flexible marketing systems that show ads according to client queries or repeated purchase histories.
2) **Agile Marketing:** Digital technology and quick technical progress have changed the modern age into a dynamic, constantly shifting global marketplace. Companies need to respond to such developments by efficiently managing changing decision-making processes. To stay ahead of the curve, stay client-focused and quickly and creatively solve problems, organizations need to embrace agile advertising. Recognizing market demands, fostering an evolving corporate culture, and producing unique, rapid, practical, and creative options are some of the ways that businesses like Dyson, Amazon, and NFT producers have effectively set them apart.
3) **Prediction marketing:** Companies use predictive advertising as a technique to study buyer habits and develop plans for entering fresh markets. It includes applying statistical tools to forecast possible outcomes, including sales of goods, advertising strategies, and consumer profiles. Predictive advertising is now more successful thanks to technological advancements as client data is continuously analysed and saved. The effectiveness of the procedure is impacted by managers' decisions on the collection and analysis of information. These choices help firms to develop the best strategy and plan, which eventually increases their position in the market.

Figure 2

Figure 2 Elements of marketing 5.0

1) **Contextual marketing:** By using detectors and computer connections in live environments, contextual advertising provides customers with updated data. By tailoring advertising efforts and promotion to the wants and priorities of certain consumers, it makes this possible. Closer customer interactions help firms boost income, cross-sell, raise their reputations, and foster loyal clients. In addition to strengthening shares of the market, this strategy may have a good impact on recurring buying behaviour. Companies may get an economic advantage and reach more effective outcomes in the supply of modified goods or services by building enduring and valued connections with their clients.
2) **Augmented marketing:** Kottler et al. (2021) described augmented advertisement as the use of technology to mimic human-machine cooperation to increase efficiency in advertising. This kind of advertising is growing thanks to innovative products and electronic devices, which also save valuable time and energy. For instance, banks engage with consumers using virtual assistants powered by AI, automated online services, and smartphone apps with augmented reality (AR) (Ghelani, and Hua, 2022). This facilitates efficient client data treatment, archiving, and further evaluation, allowing advertising efforts and strategies.

3. METHODOLOGY

For this research study, collecting data has been very careful and thorough. A lot of real-world proof has been gathered using strict methods and organized approaches. To make sure that the proof is deep and wide, different methods like surveys, interviews, observations, and data analysis have been used. The investigation's analysis along with results are established this real-life evidence, that reports nearly what it is checking. Following ethical directions, being open about how evidence was gathered, and bestowing close attention to each detail all the while the study process all help to make the results trustworthy.

4. RESULTS

The Technology Pillars of Marketing 5.0:

1) **Artificial intelligence (AI):** Automating everyday operations in a variety of sectors, including banking services, advertising, and client service, is AI, or artificial general intelligence, a widely used but little-understood innovation. In addition to being able to analyse and gain ideas from massive data, AI may learn via controlled or uncontrolled methods (Kirchner, and Schüßler, 2020). Automating essential business functions like secure payment and insurance request management is done by firms like Ant Financial Corp. using AI with additional tools. A more beneficial and productive client relationship may be developed by properly managing AI to prevent prejudices and increase economic disparities.

Figure 3

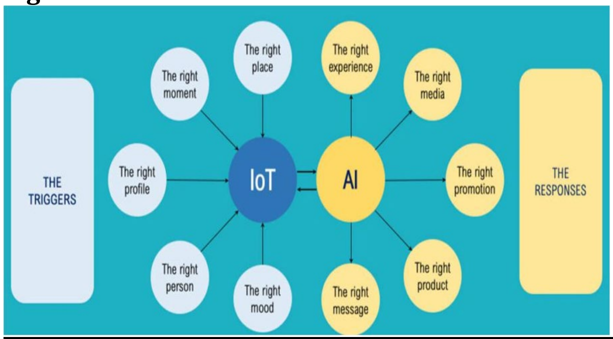

Figure 3 Technology Pillars of Marketing 5.0

2) **IoT and Blockchain technology:** Linking products that provide an enjoyable experience for consumers' supply is made possible by IoT and blockchain technology. Whereas blockchain stores encrypted information on an Internet of peers, the Internet of Things links gadgets like wearable technology, automated devices, and smartphones. Blockchain allows for open records and may assist validate advertising asserts, while Disney applies IoT to remove obstacles and improve consumer engagement. Moreover, consumer data administration, loyalty scheme integration, and financial barrier lowering are possible with IoT.
3) **Natural language processing (NLP):** A key component of AI research is natural language processing (NLP), which teaches computers to mimic how people speak. It's often employed in AI chatbots, that can understand and reply to any kind of query, including those with complicated or loud speech. Voice-controlled assistants such as Google Assistant, Microsoft has Cortana, Amazon's Alexa, and Siri from Apple can already respond to basic questions and carry out tasks in several languages. Big data collection is necessary for companies to comprehend client tastes and purchasing decisions.
4) **Benefits of marketing 5.0:** The field of marketing Is changing as a result of AI and IoT, which are creating new possibilities for customer satisfaction and variation. To customize situations, AI may utilize external data to determine the interests and feelings of customers via the use of scanners and pictures. Scholars find this tendency especially appealing since it may produce industrial leaders. It might be difficult to manage the linked network of sensors and gadgets that is required for commercial modification (Gazzola, et al. 2021). Nonetheless, automated marketing is using AI and IoT technology more and more, especially when it comes to Gen Z making decisions. Additionally, human cooperation and ML are essential for predicting consumer behaviour, enhancing the standard of service, and boosting development. Customizing is being done using forecasting tools and ML techniques to improve customer interactions. Businesses may better comprehend and take part with consumers by using promotional simulators to identify customer feelings and behaviours. All things taken into account IoT and AI are changing advertising, improving customer service, and promoting revenue.

5) **The challenge of marketing 5.0:** Social standards and happiness at work are at risk due to the growing widespread of technologies such as AI and IoT. The leadership of technical facilities and public finances may be impacted by social division brought on by this increase. The uneven allocation of technology facilities which leads to societal division, is mostly caused by promotion. Additionally, consumer behaviour is changing quickly, so advertisers must modify their approaches accordingly. Experts are examining how e-word-of-mouth influences customer purchasing habits and the relationship between cost and worth in the automotive market (Si, et al. 2023). Consumer purchasing habits may be impacted by a variety of internal and external factors.

Another issue is growing competitiveness, which has been brought about by technological advancements and more availability of facts. Because capitalism depends on a social identity-based approach to healthcare, it may lead to a rise in being alone and a reduction in well-being. The effects of rising rivalry on the entire market and shipping of goods are the subject of multiple cases and papers. To sum up, businesses and groups face a variety of issues as a result of the growing use of technologies. Organizations may better manage the rapidly shifting world of innovation and keep their competitive advantage by recognizing and reacting to these developments.

5. DISCUSSION

The results go into detail about how marketing has changed from its beginnings to the current Marketing 5.0 model, explaining its principles, technology foundations, benefits, and problems. First, marketing's growth from 1.0 to 5.0, can see a gradual change from focusing on products to focusing on customers. Marketing 1.0 was mostly about mass production and product qualities, which was typical of the time (Mehmet et al., 2023). With the rise of information technology and Marketing 2.0, the focus moved to what customers want and need, making it possible to communicate with them more directly and give them more personalized options. Marketing 3.0 took this even further by supporting values-driven marketing that is in line with environmental and social issues. After that, Marketing 4.0 came about as a response to the digital transformation. Pascucci et al. (2023) say that it focuses on digital engagement and co-creation with customers. In addition to that, Marketing 5.0 uses innovation technologies like AI, IoT, and blockchain to help companies and consumers combine in a deeper, more significant habit that goes further transactions and focuses on results and occurrences. It can visualize what its bigger plans are by looking at the five standard of Marketing 5.0. It is used in data-focused marketing to form merchandise more useful to consumers and form their experiences better. Being capable to acclimate to new positions and act fast on changes concerning business is a considerable part of agile marketing. This helps trades stay in front of the competition and sparks new plans. In prediction marketing, analysts try to guess what customers will do and what the market trends will be (Haleem et al., 2023). When businesses do this, they can make smart choices and plan ahead. Real-time data and sensor technologies are used in contextual marketing to send messages that are timely, relevant, and right for each person's likes and situation. Augmented marketing uses AI and AR to improve the effectiveness and efficiency of marketing.

The study also looks at the technology that makes Marketing 5.0 possible. Smart automation, predictive analytics, and personalized suggestions are all made possible by AI. This changes how companies connect with customers and market their goods (Bakator et al., 2023). Things are easy to connect and share data with each other thanks to IoT. This gives people more personalized experiences and real-time information. Blockchain makes sure that all data exchanges are open, safe, and reliable. These builds trust among customers and lets new business models come into being. These are the pros and cons of Marketing 5.0 that are being talked about. Along with more competition come more interested customers, more unique experiences, and the ability to make better decisions. There are issues that need to be fixed before Marketing 5.0 can reach its full potential, such as concerns about data privacy, internet threats, hard to understand technology, and a lack of skilled workers.

To sum up, Marketing 5.0 changes how marketing is done in a big way. It's possible because of new tools and a focus on the customer. Follow the rules, use the technology pillars, and deal with the problems of the digital economy to do well and build value for customers and partners.

Table 1

Aspect	Summary
Marketing Growth from 1.0 to 5.0	Shift from strategies focused on the product to those focused on the customer, including mass production (1.0), customer wants and preferences (2.0), values-driven marketing (3.0), digital engagement and co-creation (4.0), and relationships driven by technology (5.0).
Five Principles of Marketing 5.0	Personalization through big data analytics is an example of data-focused marketing. Agile marketing means being able to change with the times and adapt to new situations. Prediction marketing: Using predictive data to guess how people will act. Contextual marketing means sending messages in real time that are specific to each person's tastes. Augmented marketing: using AI and AR to make marketing more effective.
Technology Pillars of Marketing 5.0	AI: Intelligent automation, predictive analytics, personalized recommendations. IoT: Seamless connectivity, personalized experiences, real-time insights. Blockchain: Transparency, security, trust in data transactions.
Benefits of Marketing 5.0	Enhanced customer engagement, personalized experiences, improved decision-making, greater competitiveness.
Challenges of Marketing 5.0	Data privacy concerns, cybersecurity risks, technological complexity, skill shortages.

6. CONCLUSION

A new age of marketing known as “marketing 5.0” concentrates on building deep bonds with clients by using a co-creative, human-focused, and technologically enabled strategy. Companies must put the consumer’s service first, make use of new technology, work with consumers to jointly develop activities and goods, and explain their company’s mission and impact on society. The possible benefits surpass the difficulties and involve better consumer support, involvement, and devotion as well as enhanced business results and sustainable growth. Adopting Marketing 5.0 puts businesses in an improved position to thrive in the age of technology and develop lasting consumer connections.

CONFLICT OF INTERESTS

None.

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