



Model of Sustainable Marketing in Creative Industry

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Abstract. In the changing environment of Indonesia's creative industry, this study explores the relationships between artificial intelligence (AI), customization strategy, customer experience, brand loyalty, and sustainable marketing. Utilizing a quantitative research methodology, information was gathered from 215 respondents who were industry professionals and consumers. Partial Least Squares (PLS) algorithm was used in Structural Equation Modeling (SEM) to analyze data and evaluate the proposed theoretical framework. The results showed a strong positive correlation between AI, customer experience, brand loyalty, personalization strategy, and sustainable marketing. While customization techniques lead to more individualized customer experiences and greater brand loyalty, artificial intelligence (AI) technologies have been shown to improve marketing performance and spur innovation. Good customer experiences lead to better brand perceptions and increased brand loyalty, which in turn, produce long-term marketing results. These results provide useful information for companies looking to encourage growth, innovation, and sustainability in Indonesia's creative sector.

Keywords: Artificial Intelligence, Customer Experience, sustainable marketing.

1 Introduction

Artificial intelligence (AI) has the ability to completely revolutionize marketing strategy and operations, making it a truly disruptive force in the field [1, 2, 3, 4]. Businesses may enhance client engagement through tailored experiences, optimize resource allocation, and spur innovation in marketing initiatives by utilizing AI technologies like machine learning, natural language processing, and predictive analytics. AI makes it possible to identify patterns in data, predict trends, and automate marketing campaigns, all of which boost client acquisition, retention, and revenue growth. AI-powered solutions also facilitate lead generation, customer segmentation, content production, and social media management, streamlining processes and giving marketers insightful data. The future of customer engagement and corporate success is expected to be shaped by AI's inclusion in marketing tactics as it continues to advance. Sustainable marketing emphasizes the integration of social, environmental, and economic aspects into corporate strategy, marking a significant departure from traditional marketing techniques. This strategy is based on the ideas of sustainable development, which tries to satisfy current needs without compromising the ability of future generations to satisfy their own. This strategy incorporates some elements that support sustainable branding, communication, manufacturing, and consumption, including corporate social responsibility, ethical marketing, and green marketing [5, 6, 7]. In addition to boosting revenue generation, regulatory compliance, and brand loyalty, sustainable marketing helps firms also contribute to the worldwide effort to meet sustainability targets [8, 9].

Marketing has transformed due to the emergence of artificial intelligence (AI), which enables companies to analyze enormous data sets, automate processes, and personalize customer interactions [3, 4]. Artificial Intelligence (AI) technologies, namely machine learning, natural language processing, and predictive analytics, enable businesses to enhance client engagement through various channels, personalize marketing campaigns, and fine-tune pricing tactics [10]. AI in marketing is growing rapidly and is expected to play a bigger part in the future of marketing strategy and consumer experience. AI has enormous potential to transform design workflows, customer relationship management, and content production in the creative sector, fostering innovation and giving businesses a competitive.

Consumer views, purchasing decisions, and brand loyalty are greatly influenced by the customer experience, which encompasses interactions from awareness to post-purchase [11, 12, 13, 14]. Good experiences promote advocacy, loyalty, and contentment, which are all necessary for long-term corporate success [15]. It is crucial to comprehend the shift in consumer behavior, since experiences emphasizing honesty, quality, and a customer-centric culture influence purchases in a good way.

2 Methods

2.1 Research Design

Using a quantitative research design, this study examined the connections between customer experience, brand loyalty, artificial intelligence (AI), personalization strategy, and sustainable marketing in Indonesia's creative sector. Primary data for the study were gathered through structured surveys sent to a sample of 215 respondents, who were professionals and consumers in Indonesia's creative industry.

The following table lists the demographics of the 215 respondents in the sample, which included professionals and consumers in Indonesia's creative industry:

Table 1. Demographic Profile of the Sample.

Demographic Variable	Frequency	Percentage
Age		
- 18-25 years	45	20.9%
- 26-35 years	75	34.9%
- 36-45 years	50	23.3%
- Above 45 years	45	20.9%
Gender		

Demographic Variable	Frequency	Percentage
- Male	110	51.2%
- Female	105	48.8%
Education Level		
- High School	30	14.0%
- Bachelor's Degree	120	55.8%
- Master's Degree	55	25.6%
- Doctorate Degree	10	4.7%
Professional Experience		
- Less than 1 year	25	11.6%
- 1-5 years	80	37.2%
- 6-10 years	60	27.9%
- More than 10 years	50	23.3%

Source: Author's work

2.2 Data Collection

Structured surveys were distributed online via email, social media, and professional networks to gather data. The survey included closed-ended and Likert scale questions in order to gather information on respondents' opinions, attitudes, and actions regarding artificial intelligence (AI), personalization strategy, customer experience, brand loyalty, and sustainable marketing practices in the creative sector.

2.3 Data Analysis

Examining the interactions between AI, personalization strategy, customer experience, brand loyalty, and sustainable marketing was made possible by this analysis method. There are multiple steps in the analysis: First, preprocessing the data including cleaning, coding, and checking it for multicollinearity, outliers, and missing values. Second, the Measurement Model Assessment used to assess the measurement model's validity and reliability to make sure the survey questions effectively capture latent constructs. Third, SEM-PLS used in Structural Model Assessment to examine the connections between latent constructs, computing path coefficients, and determining significance. Fourth, boundary conditions and underlying mechanisms driving these interactions are investigated through mediation and moderation analysis. Last, Model Fit and Interpretation evaluated the structural model's overall fit using indices such as GFI, CFI, and RMSEA, providing conclusions and recommendations for both theory and practice [16].

3 Results and Discussion

3.1 Descriptive Statistics

The primary factors being studied, such as artificial intelligence (AI), personalization strategy, customer experience, brand loyalty, and sustainable marketing, are summarized by employing descriptive statistics method. These variables are measured on a Likert scale from 1 to 5, with 1 denoting "Strongly Disagree" and 5 denoting "Strongly Agree". As seen in Table 2, the descriptive statistics summarize the respondents' perceptions of each latent variable: AI, customization strategy, customer experience, brand loyalty, and sustainable marketing. The mean values indicate generally positive responses across all constructs, suggesting favorable attitudes toward the implementation of AI-driven strategies in enhancing customer-related outcomes.

Table 2. Descriptive Statistics of Key Variables

Variable	Mean	Standard Deviation	Minimum	Maximum
Artificial Intelligence	3.78	0.92	2	5
Personalization Strategy	4.21	0.75	3	5
Customer Experience	4.03	0.84	2	5
Brand Loyalty	3.95	0.88	2	5
Sustainable Marketing	4.12	0.80	3	5

Source: Author's work

3.2 Measurement Model Assessment

As seen in Table 3, the validity and reliability of the measurement items for the latent constructs—Artificial Intelligence (AI), customization strategy, customer experience, brand loyalty, and sustainable marketing—have been evaluated. The results indicate that all constructs meet the required thresholds for factor loadings, composite reliability, and average variance extracted (AVE), confirming the adequacy of the measurement model..

Table 3. Measurement Model Assessment

Construct	Cronbach's Alpha	AVE	Composite Reliability
Artificial Intelligence	0.874	0.824	0.914
Personalization Strategy	0.893	0.865	0.933
Customer Experience	0.855	0.792	0.896
Brand Loyalty	0.883	0.847	0.924
Sustainable Marketing	0.865	0.813	0.902

Source: Author's work

3.3 Hypothesis testing Structural Model Assessment

Structural Equation Modeling (SEM) with the Partial Least Squares (PLS) method was used to analyze the links between the latent constructs (AI, personalization strategy, customer experience, brand loyalty, and sustainable marketing) in the structural model assessment. The route coefficient in Table 4 illustrates the direction and strength of the association between every pair of components. Each route coefficient's significance is shown by the T-value and p-value, where smaller p-values (<0.05) denote statistical significance.

Table 4. Structural Model Assessment

Path	Path Coefficient	T-value	p-value
AI -> Sustainable Marketing	0.453	6.786	0.000
Personalization Strategy -> Sustainable Marketing	0.536	7.923	0.000
Customer Experience -> Sustainable Marketing	0.483	7.157	0.000
Brand Loyalty -> Sustainable Marketing	0.407	6.122	0.000

Source: Author's work

Mediation and Moderation Analysis

Analyses of mediation and moderation examine the conditional and indirect impacts of variables on the connections between the constructs, respectively. The analysis type

(moderation or mediation) is indicated in Table 5 analysis column. The indirect effect in mediation analysis is the size of the indirect channel via the mediator (Personalization Strategy, Customer Experience, or Brand Loyalty) between the independent variable (AI) and the dependent variable (Sustainable Marketing). The indirect or moderating effects' significance is indicated by the T-value and pvalue, where smaller p-values (<0.05) signify statistical significance.

Table 5. Mediation and Moderation Analysis

Analysis	Indirect Effect	Moderating Effect	T-value	p-value
AI -> Sustainable Marketing -> Personalization Strategy	0.184		4.566	<0.001
AI -> Sustainable Marketing -> Customer Experience	0.153		3.783	<0.001
AI -> Sustainable Marketing -> Brand Loyalty	0.125		3.244	<0.01
Professional Experience -> AI -> Sustainable Marketing		0.083	3.122	<0.01

Source: Author's work

Model Fit and Interpretation

The structural model's overall fit to the observed data was assessed by the model fit evaluation, which provides insight into the model's validity and goodness-of-fit. To assess the suitability of the model, important model fit indicators such as the Root Mean Square Error of Approximation (RMSEA), Comparative Fit Index (CFI), and Goodness-of-Fit Index (GFI) were examined. As evidenced by the structural model's GFI of 0.923, CFI of 0.936, and RMSEA of 0.072, it fits the observed data quite well. A good match is shown by the GFI and CFI values exceeding the acceptable threshold of 0.9 and the RMSEA value falling below 0.08. These results validate the theoretical framework's capacity to clarify the complex interrelationships between latent components in the context of the Indonesian creative economy. The model does a good job of capturing the complex dynamics of sustainable marketing strategies, which increases trust in the study's reliability and validity.

The study's conclusions provide insightful information about the dynamics of sustainable marketing in the Indonesian creative sector. These insights highlight the significance of artificial intelligence (AI), personalization strategy, customer experience, brand loyalty, and their combined effects on sustainable marketing practices.

4 Conclusion

The study's conclusions have a number of useful ramifications for companies involved in the Indonesian creative sector. First off, companies may use AI technologies to improve the efficiency of their marketing campaigns, allocate resources more effectively, and stimulate new ideas for both product and service development. Second, by putting personalized marketing techniques into practice, companies can develop experiences that are meaningful to customers, build brand loyalty, and produce long-

term market success. Thirdly, putting an emphasis on the quality of the customer experience can improve brand perceptions, raise customer satisfaction, and strengthen brand loyalty, all of which can contribute to long-term, profitable business growth.

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