



The Use of Artificial Intelligence in Marketing for Social Economy Businesses: Promoting Local Sustainable Growth

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Abstract: Social economy enterprises (SEEs) are a form of community building that puts social and environmental sustainability ahead of profit. But limited capital and technology expertise generally keep them at arm's length from competing with established businesses. The exponential development of Artificial Intelligence (AI) offers an exceptional opportunity to SEEs to circumvent these constraints. Through the use of AI-based marketing platforms, SEEs can enhance their campaigns, engage with stakeholders and contribute to local sustainable development. In this blog post, I explore the real-world use of AI for SEE marketing, how it can impact community results, and the ethical implications. Last, it outlines open research questions that could advance AI knowledge and practice in this field.

Keywords: IA, regional development, local development, community-driven process, self-organization, the win-win-win model.

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Introduction

The social economy is grounded in inclusive growth and sustainability. Cooperatives, non-profits and locally based enterprises (SEEs) help society meet its needs by promoting social cohesiveness, jobs and sustainable practices. Although vital, SEEs have tended to be in resource-poor contexts that restrict their ability to scale impact or respond to the digital revolution that is sweeping global markets.

Marketing plays a critical role in SEEs because it helps them communicate their cause, find supporters, and compete with commercial entities. But it can be expensive and ineffective to use traditional marketing techniques, especially when your organization has a smaller human and financial team. Introducing AI — a technology that gives SEEs the ability to process data, automate processes and create specific, targeted campaigns at a fraction of the cost. In this essay, I focus on the use of AI to transform SEE marketing to help them gain visibility and sustain their local communities.

AI-Powered Marketing Tools for SEEs

AI offers various marketing technologies to help SEEs tackle critical issues and increase their impact:

1. Data Analytics and Insights

SEEs are often not exposed to the comprehensive market information that will help them understand their audience or measure the effectiveness of their campaigns.

AI-based data analytics solutions help SEEs:

Segment Audiences: Artificial intelligence algorithms use demographic, geographic and behavioral information to define specific audience segments. This allows SEEs to tailor campaigns to specific community members.

Predict Trends: Machine learning models predict new trends and consumer preferences, allowing SEEs to stay at the forefront of changes in the market.

Measure Impact: Live Analytics dashboards offer concrete information on campaign performance, enabling SEEs to adjust strategies accordingly.

2. Personalization at Scale

Personalization is the key to trust and stakeholder relations.

AI algorithms, such as recommendation engines and natural language processors, enable SEEs to:

Create custom emails or messages according to the user's preferences.

Develop interactive content for your website or social media accounts.

Personalize recommendations of services or products to maximize user engagement.

For instance, an artisan-led cooperative can leverage AI to suggest products to customers based on past purchases or browsing patterns.

3. Content Creation and Automation

SEEs consume a lot of time and resources to create content. AI can automate this step by:

Content Creation: Artificial Intelligence tools such as GPT models can create blogs, social media posts, or advertisements related to the SEE's mission.

Automating Campaigns: Artificially intelligent tools such as HubSpot or Mailchimp can automate email campaigns, allowing SEE employees to stay focused on their mission.

Chatbots for Marketing: AI chatbots answer your questions 24 hours per day, thereby building stakeholder awareness and trust.

4. Social Media Optimization

We need social media channels to reach a young, tech-savvy audience. AI tools enable SEEs to maximize their social media presence by:

Using engagement metrics to determine when to post. Producing beautiful content through AI design tools. Analyzing audience behaviour to adjust campaigns in real time.

5. Sustainability Monitoring and Reporting

AI can monitor and evaluate the social and environmental impact of advertising campaigns. For instance, AI-based sustainability tools can measure how carbon emissions are being mitigated by SEE campaigns – matching them with planetary sustainability targets.

Local Sustainable Development

Local sustainable development is a crucial step towards achieving global sustainability goals. It involves recognizing the potential of local communities to address environmental challenges, improve social well-being, and promote economic prosperity.¹

Sustainability is a social goal that involves people living on Earth in a way that meets the needs of the present without compromising the ability of future generations to meet their own needs. It's also known as "future viability" and "intergenerational equity".

Sustainable development requires an integrated approach that takes into consideration environmental concerns along with economic development².

Sustainability is often considered to have three dimensions: environmental, economic, and social³. It involves:

Conserving resources: Using resources like energy, raw materials, habitats, and human labor in a way that maintains them over time

Considering the environment, economy, and society: Making an effort to balance these three aspects

Recognizing interconnections: Acknowledging that environmental health, social equity, and economic vitality are all connected

The United Nations has United including:

Ending poverty

Ending hunger

¹ Juan Milán-García Juan Uribe-Toril José Luis Ruiz-Real Jaime de Pablo Valenciano (2019) *Sustainable Local Development: An Overview of the State of Knowledge- Resources* 2019, 8(1), 31; <https://doi.org/10.3390/resources8010031>

² United Nations: Sustainability, 2020

³ UNEP- Environmental Models

Ensuring healthy lives

Ensuring quality education

Achieving gender equality

Ensuring access to water and sanitation

Ensuring access to affordable energy

Promoting sustainable economic growth⁴

Local sustainable development is focused on self-organization^{5, 6, 7}

Social welfare, as the limit of the Sensitization Process, especially focused on social welfare based on the incompatibilities of other theorems, especially the Impossibility Theorem (Kenneth Arrow, 1951)⁸ Non-Cooperative Theory and the bargaining problem, thus synthesizing a new proposal of bargaining behavior. It also provides the scientist and research community with a new methodological tool useful not only in the political conflict resolution but also for measurement of the social welfare, in terms of deviation from the w-w-w equilibrium point $\phi < \hbar p < c$.⁹ A new approach of social bargaining behavior with more grades of social action-reaction freedom is examined. The same competitive market rules, could provide humanity by a quite different behavior choice, toward the absolute cooperation, the upper limit of the sensitization process-sequence

How AI can Support Local Sustainable Development?

Using AI-based marketing, SEEs can drive sustainable growth in their local communities in several different ways:

1. Strengthening Local Economies

AI allows SEEs to search for partnerships with local businesses, suppliers and other community partners. This creates a circular economy that keeps the resources flowing within the community, enhancing local resilience.

2. Encouraging Sustainable Practices

SEEs can use AI to advance sustainability through curated campaigns to help educate consumers on sustainable consumption. For example, an SEE specialised in waste can harness AI to find households with high recycling rates and engage them with tailored campaigns.

3. Bridging Accessibility Gaps

Artificial intelligence (AI) tools could bridge language, literacy and technological divides to reach disempowered communities. SEE Services and Campaigns are accessible to

⁴ United Nations- Sustainable Development Goals (SDG)

⁵ Gregoire Nicolis (Author), Ilya Prigogine "Self-Organization in Nonequilibrium Systems: From Dissipative Structures to Order through Fluctuations" Wiley; 1st edition (May 13, 1977)

⁶ Sandor Brent Prigogine's Model for Self-Organization in Nonequilibrium Systems: Its Relevance for Developmental Psychology-Human Development Vol. 21, No. 5/6 (1978), pp. 374-387 (14 pages) Published By: S. Karger AG

⁷ Papakonstantinidis LA (2018). The win-win-win papakonstantinidis model: towards a new equilibrium? BOOK 2018, LAMBERT ACADEMIC PUBLISHING

⁸ Kenneth Arrow (1951) Social Choice and Individual Values (1951, 2nd ed., 1963, 3rd ed., 2012)

⁹ Papakonstantinidis LA (2002/AUGUST) The win-win-win model First Presented at Visby University-Sweden/book of proceedings EURACADEMY

everyone through voice recognition tools and multilingual chatbots.

4. Enhancing Community Engagement

AI-driven tools can help facilitate a direct communication channel between SEEs and stakeholders, increasing transparency and trust. Real-time feedback allows SEEs to take steps to solve problems in real time and modify their plans according to community needs.

Challenges and Ethical Considerations

Although this potential is vast, AI's role in SEEs presents many challenges and ethical issues:

1. High Initial Costs

AI tools provide benefits in the long term, but initially, they are expensive to buy and deploy for SEEs. State subsidies, grants, and technology provider collaborations are the keys to cracking this barrier.

2. Data Privacy and Security

AI also relies heavily on data, so concerns for privacy and GDPR compliance remain. SEEs will need to be careful to use robust data protection practices to secure stakeholder confidence.

3. Bias in AI Algorithms

AI models can unintentionally reproduce biases in their training data. SEEs must work with developers to make sure AI tools are inclusive and equitable.

5. Dependence on External Providers

Using third-party AI providers poses risks when the vendor adjusts its pricing structure or shuts down operations. Establishing in-house AI capabilities or embracing multiple tech providers can mitigate these risks.

Open Research Questions

For maximizing the value of AI in social economy enterprises, further studies are needed in the following domains:

Affordable AI Tools: How can AI tools be affordable to resource-constrained SEEs without losing quality? Why should governments and tech corporations support, or co-develop such solutions?

Ethics in AI Policy: What are the ethical rules that should apply to the application of AI in SEEs to be fair, transparent and inclusive? How do these guidelines apply across cultural and economic divides?

AI for Local Challenges: How can AI be tailored to specific local needs? How to get the community involved in the AI-powered marketing approach?

AI and Social Impact Measurement: Can AI be used to measure social and environmental impacts of SEEs? Can AI serve as a coherent tool to assess the consequences of SEEs' operations

across industries?

Ability to Work and Teach: What training and resources do we need for SEE leaders and staff to be able to leverage AI effectively? In what ways can partnerships between universities, SEEs and tech providers support the exchange of knowledge?

Sustainable AI Tools: What are the measures SEEs can take to ensure that AI tools remain viable for their use in the long term, especially in an evolving world of technologies? What does software obsolescence mean for SEEs?

Conclusion

AI-enabled marketing provides a radical new platform for social economy companies to expand their influence, bypass scarce resources, and drive local sustainability. SEEs can utilize AI tools to reach more people, engage communities and make their operations more sustainable.

But to make them work effectively, we'd need to overcome cost, ethics and data privacy concerns. Policymakers, technology vendors and SEEs should come together to create an ecosystem promoting the equitable and responsible use of AI.

These unexplored research questions demonstrate that there is still plenty of room for exploring and experimenting in this field. In filling these gaps, stakeholders will be able to take advantage of AI's true potential as a facilitator of inclusive, sustainable development so that SEEs can continue to thrive in an ever-digitized world.

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