Yayın Geliş Tarihi: 02.10.2025
Yayına Kabul Tarihi: 04.02.2026
Online Yayın Tarihi: 15.06.2026
http://dx.doi.org/10.16953/deusosbil.1795373

Dokuz Eylül Üniversitesi
Sosyal Bilimler Enstitüsü Dergisi
Cilt: 28, Sayı: 2, Yıl: 2026, Sayfa: 915-934
E-ISSN: 1308-0911

Derleme Makalesi

REFRAMING THE MANAGERIAL SCHOOL IN THE AGE OF GENERATIVE AI: TOWARD AN AUGMENTED MARKETING FRAMEWORK

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Abstract[1]

As generative artificial intelligence (GenAI) continues to reshape decision-making across industries, this paper re-examines Managerial School of Marketing Thought from a contemporary perspective. Instead of dismissing foundational logic, the study introduces a hybrid conceptual model called the Augmented Managerial Loop (AML), which integrates GenAI capabilities into each stage of traditional marketing management such as environmental scanning, goal setting, implementation, monitoring, and evaluation. The model emphasizes how GenAI tools such as scenario simulation, adaptive content generation, and intelligent dashboards can enhance human judgment rather than replace it. It also proposes a shift in the marketer's role from strategic planner to ethical orchestrator within AI-augmented systems. By bridging established strategic models with emerging technologies, this work offers a forward-looking perspective on how marketing theory and practice are evolving. Drawing from interdisciplinary insights in strategic marketing, digital transformation, and AI ethics, the paper contributes to ongoing discussions around human–AI collaboration and algorithmic responsibility. It also outlines future research directions including co-agency, transparency in decision flows, and the educational transformation required to prepare marketers for AI-enhanced environments. Ultimately, the study positions GenAI not as a substitute for human reasoning but as a strategic ally in crafting more adaptive, ethical, and resilient marketing strategies.

Keywords: *Digital Marketing, Artificial Intelligence, Decision-making, Generativity, Automation.*

ÜRETKEN YAPAY ZEKA ÇAĞINDA YÖNETİM OKULU: GELİŞTİRİLMİŞ PAZARLAMA ÇERÇEVESİNE DOĞRU

Bu makale için önerilen kaynak gösterimi (APA 7. Sürüm):

Yurdabak, M. K., (2026). Reframing the managerial school in the age of generative aı: toward an augmented marketing framework. *Dokuz Eylül Üniversitesi Sosyal Bilimler Enstitüsü Dergisi, 28* (2), 914-935.

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Öz

Üretken yapay zekâ (GenAI) sektörler genelinde karar alma süreçlerini yeniden şekillendirmeye devam ederken, bu makalede Pazarlama Düşüncesinin Yönetim Okulu'nu güncel bir bakış açısıyla yeniden incelenmektedir. Temel mantığı göz ardı etmek yerine, çalışma, GenAI yeteneklerini çevresel tarama, hedef belirleme, uygulama, izleme ve değerlendirme gibi geleneksel pazarlama yönetiminin her aşamasına entegre eden Artırılmış Yönetim Döngüsü (AML) adı verilen hibrit bir kavramsal model sunmaktadır. Model, senaryo simülasyonu, uyarlanabilir içerik üretimi ve akıllı gösterge panelleri gibi GenAI araçlarının insan yargısının yerini almak yerine onu nasıl geliştirebileceğini vurgulamaktadır. Bununla birlikte, pazarlamacının rolünün yapay zekâ destekli sistemlerde stratejik planlamacıdan etik düzenleyiciye doğru kaymasını önermektedir. Yerleşik stratejik modelleri gelişmekte olan teknolojilerle birleştirerek, bu çalışma pazarlama teorisi ve pratiğinin nasıl geliştiğine dair ileriye dönük bir bakış açısı sunmaktadır. Stratejik pazarlama, dijital dönüşüm ve yapay zekâ etiği alanlarındaki disiplinlerarası içgörülerden yararlanan makale, insan-yapay zekâ iş birliği ve algoritmik sorumluluk etrafındaki devam eden tartışmalara katkıda bulunmaktadır. Çalışma, karar akışlarında şeffaflık ve pazarlamacıları yapay zeka destekli ortamlara hazırlamak için gereken eğitimsel dönüşüm de dahil olmak üzere gelecekteki araştırma yönlerini özetlemektedir. Sonuç olarak, çalışma GenAI'yi insan muhakemesinin bir alternatifi olarak değil, daha uyarlanabilir, etik ve dayanıklı pazarlama stratejileri oluşturmada stratejik bir müttefik olarak konumlandırmaktadır.

Anahtar Kelimeler: *Dijital Pazarlama, Yapay Zeka, Karar Verme, Üretkenlik, Otomasyon.*

INTRODUCTION

Marketing thought has always evolved in step with social and technological change. Among the many perspectives that have shaped the field over time, the Managerial School of Marketing Thought has played a particularly central role. Known for its structured, analytical, and decision-oriented approach, this school helped define modern marketing practice. It emerged in the mid-twentieth century during the height of industrial economies, a time when markets were relatively stable, consumer behavior could be modeled with some confidence, and organizations placed great value on efficiency and managerial control (Sheth, Gardner et al., 1988). Today, however, the marketing landscape looks very different. Generative Artificial Intelligence, often referred to as GenAI, is transforming how marketing decisions are made and reshaping the roles involved in those decisions. With tools such as ChatGPT, DALL·E, Midjourney, we are witnessing a shift where algorithms not only support marketers but also participate actively in ideation, segmentation, planning, and strategic thinking (Grewal et al., 2024). In this context, many of the original assumptions of the Managerial School, including its emphasis on human rationality, centralized control, and linear planning, are being critically reevaluated.

This paper begins with a simple but timely question: can the core principles of the Managerial School still hold relevance in an era where autonomous systems are shaping marketing outcomes? This question becomes increasingly important as organizations turn to GenAI not only to streamline operations but also to generate campaigns, personalize offerings, and engage in real-time value creation. Although the literature has grown in areas such as hybrid intelligence (Dellermann et al., 2021), algorithmic governance (Pasquale, 2015), and augmented decision-making (Sharma et al., 2024), there remains a gap in examining how traditional marketing paradigms fit within these emerging conditions. The purpose of this study is to address that gap through a conceptual synthesis. Instead of suggesting that classical thinking should be discarded, the paper proposes a reframing that values both enduring human insight and the expanding role of generative AI as a strategic partner. The discussion unfolds in four parts. First, it revisits the historical foundations and theoretical assumptions of the Managerial School. Second, it explores the ways in which GenAI tools challenge and complement those foundations. Third, it presents the Augmented Managerial Loop, or AML, which is a conceptual model integrating traditional strategic stages with AI-enhanced capabilities. Finally, the paper discusses the theoretical and practical implications of this model and outlines directions for future research.

By linking the past with the future of marketing thought, this study encourages a reimagining of strategy. It invites scholars to see the marketing manager not only as a planner or decision-maker but also as an orchestrator in an intelligent, collaborative ecosystem. To the best of the author's knowledge, the Augmented Managerial Loop introduced in this study is a new contribution to the literature. By embedding GenAI functions into classical marketing strategy, it offers a renewed perspective on leadership and decision-making in an increasingly AI-enhanced environment. Recent studies have also begun to explore the implications of GenAI in marketing strategy and innovation management, highlighting the need for new conceptual models (Chan & Choi, 2025; Hermann & Puntoni, 2024).

THEORETICAL FOUNDATIONS OF THE MANAGERIAL SCHOOL

The Managerial School of Marketing Thought, articulated in the influential work of Sheth, Gardner, and Garrett (1988), marked one of the earliest comprehensive efforts to define marketing as a strategic, decision-driven function within the firm. Emerging after World War II, during a time of rapid industrial expansion, this school responded to the growing need for structured approaches that could help organizations compete more effectively in increasingly complex markets (Kotler, 1967;Alderson & Shapiro, 1957)

At the heart of this school was the belief that marketing should be treated as a science of decision-making.In this view, managers were expected to analyze alternatives, allocate resources efficiently, and implement strategies using a set of structured tools such as the marketing mix, segmentation–targeting–positioning, and response models grounded in data. The approach was largely normative, seeking answers to practical questions: What should managers do to improve outcomes? Which frameworks would guide the most effective strategies?

Core Assumptions of the Managerial Paradigm

The theoretical foundation of the Managerial School is built upon four central assumptions.

First, it assumes that marketing decisions are driven by logic, planning, and rational analysis. Managers are portrayed as agents who aim to make utility-maximizing choices based on available data and clear objectives (Howard, 1983; Hunt, 1981).

Second, the model emphasizes centralized control. Strategy is typically formulated at the top of the organizational hierarchy, where marketing leaders define brand positioning and value propositions. In this model, customers are largely seen as recipients rather than co-creators of value (Borden, 1964).

Third, the school operates under the belief that markets are relatively stable and can be predicted using historical data. This view supported the rise of early frameworks like AIDA, hierarchy-of-effects models, and linear forecasting tools (Lavidge & Steiner, 1961).

Finally, the paradigm rests on the notion of linear causality. It assumes a direct and measurable relationship between marketing actions and consumer responses. In other words, what a company does—whether it's pricing, placement, or promotion—is expected to generate predictable reactions from the market (Kotler, 1972).

These assumptions made perfect sense in the mid-twentieth century, when economies were driven by mass production, standardized products, and relatively slow-changing demand. However, in today's fast-paced, service-oriented, and digitally saturated markets, these assumptions are being questioned more than ever.

While much of the literature has focused on predictive AI, emerging work emphasizes the distinct strategic value of generative AI in campaign ideation and scenario planning (Chan & Choi, 2025). These contributions underline the necessity for updated frameworks that reflect the evolving human-AI collaboration in marketing environments (Mariani & Dwivedi, 2024).

Critiques and Evolutions

Concerns about the limitations of the Managerial School began to emerge as early as the 1980s. Scholars like Hunt (1983) argued that marketing required a richer

theoretical foundation, one that moved beyond rigid decision models. Later, Vargo and Lusch (2004) introduced the idea of Service-Dominant Logic, which emphasized the importance of value co-creation, interaction, and long-term relationships between firms and customers.

Other schools of thought also challenged the foundational premises of managerial logic. The Systems School (Sheth et al., 1988) and the Behavioral School (Wensley, 1995), for instance, questioned whether rationality and top-down control truly reflected the way marketing worked in real life. They suggested that marketing is often complex, messy, and deeply influenced by organizational dynamics and consumer behavior.

Despite these critiques, the Managerial School has proven remarkably resilient. It continues to be taught in business schools and applied in practice, largely because of its clarity and actionable structure.

The Managerial School in Contemporary Strategic Thinking

In today's fast-evolving marketing landscape, the legacy of the Managerial School continues to shape both academic education and business practice. Frameworks like SWOT analysis, strategic planning matrices, KPI dashboards, and STP segmentation remain widely used, reflecting a persistent belief in the value of structured, data-driven, and rational decision-making (Kotler & Keller, 2016; Ferrell & Hartline, 2023). Many of the tools that marketers rely on today, including CRM platforms and analytics dashboards, are still built on the assumption that information moves in a single direction—flowing from the market to the manager, who interprets the data and responds with top-down decisions (Chaffey & Ellis-Chadwick, 2019).

This continued dependence on classical managerial logic, however, may create what scholars describe as "theoretical lock-in," a situation in which familiar mental models are applied to contexts that have fundamentally changed (Day, 2011). The emergence of artificial intelligence, real-time data ecosystems, and personalized digital interactions challenges the notion that strategic insight must come solely from human managers (Wedel & Kannan, 2016). Generative AI tools now possess the ability to create content, simulate decision outcomes, and autonomously refine marketing strategies, which pushes us to rethink what it truly means to make decisions in marketing (Davenport, Guha, Grewal, & Bressgott, 2020).

At the same time, a growing number of scholars have questioned whether rigid planning frameworks can still provide value in highly uncertain and dynamic environments. Rather than being the product of deliberate top-down design, strategy often emerges from ongoing adaptation and iterative learning (Mintzberg, Ahlstrand, & Lampel, 2005). This reality suggests that a strict adherence to the original assumptions of the Managerial School may limit the flexibility and creativity needed to thrive amid rapid technological shifts.

Recognizing the tensions between tradition and transformation, as well as between control and collaboration, opens the door to a renewed perspective on managerial thought. Exploring how classical foundations can evolve alongside generative technologies lays the groundwork for a more adaptive and collaborative approach to strategic marketing.

DISRUPTION BY GEN-AI: FROM STRATEGIC RATIONALITY TO ALGORITHMIC AGENCY

The arrival of Generative Artificial Intelligence (GenAI) technologies represents a significant shift in how marketing strategy is imagined and carried out. Earlier AI systems were primarily focused on automating routine tasks, classifying data, or generating predictions based on historical inputs (Davenport et al., 2020). GenAI, however, brings something fundamentally new to the table: machines that can create, imagine, and ideate (Bubeck et al., 2023; Dwivedi et al., 2023). With this development, algorithms are no longer mere assistants; they have become creative collaborators that challenge long-established assumptions about how strategic decisions are made (Sharma et al., 2024; Dellermann et al., 2021).

GenAI models such as GPT-4, DALL·E, Claude, and Sora are trained on enormous volumes of text, images, and video, enabling them to generate content that closely mirrors human creativity (Bubeck et al., 2023). In marketing, they are now used for storytelling, campaign design, branding, and crafting personalized customer experiences (Dwivedi et al., 2023). Their role is no longer limited to execution; they are actively shaping the strategic processes themselves.

Applications like Copy.ai and Jasper enable marketers to create campaign messages tailored to specific personas, channels, and tones, in real time and at scale. This shifts the center of strategic activity from top-down planning to a dynamic interaction between human insight and machine-generated alternatives (Grewal et al., 2024). Algorithms no longer just support strategy—they influence and co-create it (Sharma et al., 2024). This evolution in algorithmic creativity is consistent with recent findings by Hermann and Puntoni (2024), who note that GenAI alters not just execution but the core dynamics of strategic thinking and consumer interaction.

Reconsidering the Foundations of Managerial Rationality

The emergence of GenAI has prompted a deep rethinking of how strategic decisions are made in marketing. Traditional models are grounded in principles of rational planning, centralized control, and predictable outcomes. These models assume that managers act as logical architects who design strategies based on data and fixed objectives. However, GenAI challenges this foundation by bringing forth an intelligence that is adaptive, creative, and constantly evolving through its interaction with the environment.

Classical marketing frameworks rely on structured processes that guide managers from analysis to action through a clear path. In contrast, GenAI functions through pattern recognition and probabilistic modeling, allowing it to respond fluidly to changing inputs (Boden, 2009). This approach shifts the nature of decision-making from planning to emergence, where outcomes are shaped by real-time interactions rather than pre-defined routes.

Strategic authority is no longer held exclusively by human managers. GenAI systems now participate actively by suggesting ideas, evaluating alternatives, and even enhancing decisions with insights that might not occur to a human strategist (Dellermann et al., 2021). This interaction transforms the role of the manager from a sole decision-maker to a co-creator in a more distributed cognitive system.

Where traditional analytics look to the past to forecast the future, GenAI can simulate entirely new possibilities. It generates synthetic data, crafts imaginative scenarios, and enables marketers to consider futures that go beyond historical patterns (Sharma et al., 2024). These capabilities expand the boundaries of strategic imagination.

Additionally, the conventional input-process-output logic is evolving. GenAI systems learn continuously, incorporating feedback loops that refine and improve their outputs over time (Lippert, 2024). This makes decision-making more iterative and dynamic, aligning it more closely with how innovation and adaptation actually happen in practice.

Rather than viewing GenAI as a disruption to managerial control, it can be seen as a partner in building a more flexible, responsive, and collaborative approach to strategy.

Rethinking Decision-Making with Hybrid Intelligence

The emerging idea of hybrid intelligence provides a compelling framework to understand the evolving relationship between human managers and AI. Within this view, strategic decision-making becomes less about individual authority and more about distributed, cooperative insight. Both human intuition and machine optimization are essential in this new environment (Dellermann et al., 2021).

Studies show that the greatest value arises when AI is used not to replace people, but to augment their thinking. GenAI, for example, is capable of identifying subtle changes in consumer sentiment that might escape human observation. This enables quicker responses and more nuanced brand communication (Sharma et al., 2024).

What makes this partnership especially powerful is that GenAI systems can also reflect on their own outputs. They evaluate their performance, make adjustments, and improve over time, just as seasoned managers do when learning from past results (Dellermann et al., 2021; Lippert, 2024; Sharma et al., 2024). Altogether, these developments signal a move away from isolated managerial

decision-making toward a collaborative model of strategic creation. In this landscape, machines are no longer passive tools; they have become meaningful contributors to vision, innovation, and growth.

THE MANAGERIAL SCHOOL REVISITED IN THE AGE OF GENERATIVE AI: A CONCEPTUAL SYNTHESIS

Rather than suggesting a departure from the Managerial School of Marketing Thought, this paper offers a reimagining of its foundational logic through a hybrid model known as the Augmented Managerial Loop (AML). This conceptual framework retains the structured progression of classical strategy cycles, but reinterprets each stage through the lens of generative and adaptive artificial intelligence. AML is built around five dynamic stages that mirror the traditional phases of marketing strategy, each augmented with GenAI-enabled processes. It signals a move away from rigid linear models toward an adaptive system in which humans and machines collaboratively generate, implement, and refine marketing strategies through ongoing feedback (Dellermann et al., 2021; Grewal et al., 2024; Sharma et al., 2024).

Environmental Scanning : AI-Augmented Sensemaking

In traditional marketing models, understanding the market began with well-known tools such as competitor analysis, consumer surveys, and trend reports. Managers relied on structured data to make sense of their environment. In the Augmented Managerial Loop (AML), this process is enriched by the capabilities of generative AI. Instead of simply reviewing what has already happened, AI tools now allow marketers to listen to the market in real time, capturing billions of digital signals from platforms like social media, product reviews, and online forums.

Advanced platforms such as Brandwatch, NetBase Quid, and Talkwalker can detect subtle shifts in sentiment, identify rising consumer concerns, and uncover hidden patterns in how people talk about products and brands (Daugherty & Wilson, 2018; Chatterjee et al., 2021). This goes beyond static analysis. AI brings marketers closer to the pulse of the market, offering:

- Insights into where public sentiment is heading
- Early warnings about reputational risks or emerging demands
- The ability to group and interpret unstructured conversations through semantic analysis (Grewal et al., 2024)

In short, AI transforms environmental scanning from a retrospective activity into a real-time, forward-looking sensemaking process—giving marketers a clearer and faster view of the world they operate in.

Goal and Strategy Formulation : Scenario Simulation and Generative Planning

Traditionally, marketing strategy has relied on linear forecasting to set long-term goals. However, within the Augmented Managerial Loop, this approach transforms into a more fluid and exploratory process. Generative AI tools such as ChatGPT and Claude allow marketers to simulate scenarios, test campaign ideas, and explore alternative strategic directions before taking action. Methods like Monte Carlo simulations, once primarily used for risk analysis, are now leveraged to generate a range of possible outcomes and design adaptive planning environments (Shrestha et al., 2019; Bharadwaj et al., 2023; Haenlein & Kaplan, 2022).

Tactical Implementation : Autonomous Execution and Generative Content

In traditional marketing workflows, the implementation of strategies typically involved teams executing plans through manual coordination across various channels. Within the Augmented Managerial Loop, this phase becomes significantly more agile and automated. Generative AI transforms execution through tools that enable programmatic media buying, real-time content creation, and adaptive visual design (Haenlein & Kaplan, 2022).

Major brands such as Adidas and Coca-Cola have already embraced this shift by using GenAI platforms like Runway and Midjourney to develop commercial videos and promotional visuals, achieving results in a fraction of the time previously required (Sullivan & Seldon, 2023). Across industries, marketing teams are increasingly relying on AI-driven systems to generate visuals, write compelling copy, and even produce audio content in real time. This evolution not only accelerates the creative process but also reduces production costs and enhances the ability to iterate quickly based on immediate feedback (Dwivedi et al., 2023; Chatterjee et al., 2021).

Monitoring & Control : Dynamic Feedback, Self-Tuning Systems

In traditional marketing approaches, monitoring relied heavily on lagging indicators such as sales reports or post-campaign analyses. Within the Augmented Managerial Loop, this phase is redefined by the use of adaptive control systems powered by machine learning. AI-driven dashboards now provide marketers with real-time insights, predictive analytics, and even automated storytelling that translates data into actionable narratives (Chatterjee et al., 2021; Lippert, 2024).

These systems continuously analyze live performance data and adjust strategies on the fly. For example, machine learning algorithms can reallocate budgets, optimize campaign elements, and personalize messaging without requiring constant human intervention (Davenport & Ronanki, 2018). Instead of manually managing every detail, marketers are freed to focus on strategic inflection points and broader ethical considerations.

Managerial Judgment : Orchestration and Ethical Curation

As generative systems grow more autonomous, the role of the marketing manager undergoes a meaningful shift. Rather than functioning as strict controllers of every task, managers become orchestrators of a collaborative ecosystem. They are responsible for defining high-level goals, crafting meaningful prompts, and ensuring that the outputs of AI systems align with brand strategy and consumer values. This new role also carries ethical weight. Managers must monitor for issues of bias, fairness, and transparency within generative processes (Pasquale, 2015; Dignum, 2019). As AI-generated outputs increasingly influence consumer experience, ensuring accountability becomes a key function. Recent research even identifies emerging roles such as prompt designer, system tuner, and ethical reviewer that reflect this new terrain (Kumar et al., 2023). Rather than relinquishing authority, managers evolve into thoughtful co-creators—guiding meaning, ensuring integrity, and curating impact in partnership with intelligent machines (Sharma et al., 2024).

To make these ethical responsibilities more tangible in everyday marketing practice, managers working within AI-augmented systems can follow a simple yet structured reflection tool—a concise ethical co-agency checklist designed for the "Managerial Judgment" stage of the AML:

• Bias awareness: Stay alert to potential bias or stereotype reinforcement in datasets and AI-generated content.

• Transparency: Keep a clear record of prompts, data sources, and decision logic so that every stage of the process can be traced and explained.

• Accountability: Define who is responsible for what—ensuring that human and machine roles remain distinct and that ethical responsibility does not blur.

• Value alignment: Revisit whether AI-supported strategies continue to reflect the brand's core values and stakeholder expectations.

• Human oversight: Always preserve the human right to question, override, or reinterpret AI outputs that conflict with ethical or strategic intent.

Incorporating such a reflective checklist into the managerial judgment stage helps translate abstract ethical principles into daily decision-making practice. It keeps human reasoning at the center of the AML, reminding managers that responsible co-agency is as much about mindfulness and transparency as it is about innovation.

The AML Framework

The five-stage AML loop synthesizes classical managerial logic with modern AI-driven augmentation, aligning with prior frameworks on hybrid intelligence and generative content in marketing (Grewal et al., 2024; Dwivedi et al., 2023; Kumar et al., 2023).

Table 1 : The AML Framework

Strategic Phase	Classical Approach	AML Augmentation
Environmental Scanning	SWOT, market research	Predictive analytics, AI-enhanced listening
Goal & Strategy Formulation	Forecasting, goal setting	Scenario generation, GPT-led simulation
Implementation	Manual campaign rollout	Automated content & multichannel orchestration
Monitoring & Control	KPI dashboards, lagging metrics	Dynamic feedback, machine recalibration
Managerial Judgment	Rational evaluation, strategic logic	Ethical orchestration, co-agency management

Table 1 presents the structure and logic of the Augmented Managerial Loop (AML), showing how generative AI can enhance each stage of classical marketing management. To place this model in a broader perspective, it is helpful to see how AML compares with other frameworks that also explore the partnership between humans and intelligent systems in strategic decision-making. Table 2 therefore situates the AML within this wider landscape, emphasizing what makes it distinct in combining generative adaptability with ethical orchestration.

Table 2 : Positioning the Augmented Managerial Loop (AML) among Contemporary Frameworks

Framework	Core Premise	AI Role	Human Role	Distinctive Feature
Hybrid Intelligence (Dellermann et al., 2021)	Combines human and machine capabilities to enhance decision quality	Optimization and pattern recognition	Creative reasoning and contextual judgment	Collaborative cognitive system balancing accuracy and adaptability
Adaptive Decision Loops (Lippert, 2024)	Strategy evolves through iterative learning and continuous feedback	Autonomous adaptation and self-tuning	Oversight and validation of learning cycles	Dynamic recalibration replacing fixed KPI control
AI-Augmented Decision-Making (Sharma et al., 2024)	AI assists managers in ideation and scenario planning	Generative simulation and recommendation	Critical evaluation and ethical oversight	Co-creation in strategic foresight and planning

Augmented Managerial Loop (AML) *(This Study)*	Integrates GenAI across all stages of marketing strategy	Generative, adaptive, and ethical orchestration	Ethical curator, prompt designer, and strategic co-agent	Unites classical managerial logic with generative co-agency and ethical governance

DISCUSSION AND FUTURE RESEARCH DIRECTIONS

This study offers a timely rethinking of the Managerial School of Marketing Thought by viewing it through the lens of Generative Artificial Intelligence (GenAI). Rather than discarding classical foundations, it proposes a way to evolve them—introducing the Augmented Managerial Loop (AML), a conceptual model that blends the structured, rational flow of traditional marketing strategy with the generative, adaptive, and increasingly autonomous capacities of modern AI systems.

Theoretical Contributions

This research makes several meaningful contributions to the ongoing development of marketing theory:

• Reframing Established Paradigms through Emerging Technologies

Instead of advocating for a clean break from classical theory, the paper shows how legacy frameworks can be revitalized by integrating GenAI capabilities. It responds to a growing need in the literature to reconcile managerial logic with the creative potential of algorithms (Dwivedi et al., 2023; Sharma et al., 2024).

• Introducing a New Conceptual Model: The AML

The Augmented Managerial Loop offers a five-stage framework that links traditional strategic planning with AI-powered enhancements. Unlike prior models that treat AI as a support tool, AML envisions AI as a strategic co-agent—actively participating in sensemaking, ideation, execution, and refinement (Kumar et al., 2023).

• Redefining Managerial Judgment as Ethical Orchestration

The study repositions the manager's role from being the sole decision-maker to becoming a curator of ethical and strategic coherence in AI-enabled systems. In doing so, it provides a fresh theoretical lens for understanding human agency in hybrid decision environments (Dignum, 2019; Pasquale, 2015).

Contribution to Literature

This paper offers a fresh contribution to the evolving conversation at the intersection of marketing theory, artificial intelligence, and managerial decision-making. Its value lies not only in revisiting familiar ideas but in reframing them for a future shaped by generative technologies.

• Reimagining a Classical Paradigm for a New Era

By returning to the Managerial School of Marketing Thought, this study challenges the idea that classical theories are no longer relevant in the age of AI. Rather than discarding these foundations, it advocates for their evolution—offering a hybrid perspective that blends enduring strategic logic with the creative and adaptive capabilities of GenAI.

• Introducing the Augmented Managerial Loop (AML)

The AML model addresses a critical gap in current literature by providing a structured framework that links each phase of the marketing strategy cycle with specific AI-enhanced functions. It offers a new conceptual tool for understanding how human–AI collaboration can operate at the core of strategic thinking.

• Repositioning the Role of the Marketing Manager

Rather than treating AI as a passive support system, this paper highlights the active, ethical role of managers in AI-augmented environments. It positions marketers as orchestrators—responsible for shaping prompts, guiding machine outputs, and curating strategy within intelligent systems. This ethical co-agency offers a new lens for understanding human accountability in algorithmic contexts.

• Building Bridges Across Disciplines

The study draws insights from strategic management, digital marketing, AI ethics, and cognitive automation to create a cross-disciplinary framework. This synthesis enriches marketing theory by connecting it with broader discussions in technology and organizational behavior.

• Charting a Path for Future Research

Finally, the paper opens several promising directions for future inquiry—including the boundaries of human–machine co-agency, pedagogical models for AI literacy in marketing education, and sector-specific applications of AML. These areas hold significant potential for both empirical research and theoretical refinement.

This study builds on the foundational insights of recent JBR publications that reframe the role of AI in marketing practice, extending the conversation from tactical applications to strategic orchestration (Chan & Choi, 2025; Mariani & Dwivedi, 2024).

Managerial Implications

For marketing professionals navigating the era of generative technologies, the Augmented Managerial Loop (AML) provides a practical blueprint for rethinking how strategy is developed and executed. Its insights are not just conceptual—they translate directly into actionable shifts across roles, processes, and priorities.

• Strategic Agility :With GenAI, organizations gain the ability to rapidly prototype, simulate, and refine marketing strategies. What once took weeks of planning can now be modeled in minutes, enabling quicker pivots and more responsive scenario testing (Grewal et al., 2024).

• Faster, Leaner Creativity :Generative tools significantly cut down the time and costs associated with producing campaign content, visuals, and local market adaptations. From social media posts to product visuals, execution becomes faster, more scalable, and deeply personalized (Sullivan & Seldon, 2023).

• The Evolving Role of the Marketer :As AI becomes a collaborative agent in strategy, the marketer's role expands. Beyond creative direction, practitioners now need fluency in prompt design, a solid grasp of AI functionality, and the ability to critically assess outputs. This shift calls for a mindset change from control to orchestration (Kumar et al., 2023).

• Ethics as a Strategic Priority: AI may generate the message, but humans remain responsible for its impact. Ensuring fairness, avoiding bias, and maintaining transparency in AI-generated content are no longer optional—they are part of a marketer's ethical duty (Dignum, 2019).

Illustrative Scenario: Applying the AML in Practice

To see how the AML works beyond theory, imagine a global fast-moving consumer goods (FMCG) company preparing to launch a new low-sugar energy drink.

• Environmental scanning: By using GenAI-driven listening and trend analysis tools, the marketing team notices a clear shift in online conversations from "performance boost" to "balanced energy" and "sustainable vitality." These subtle signals point to consumers looking for healthier, more mindful ways to stay energized.

• Goal and strategy formulation: Through generative scenario modeling, the team explores different positioning ideas such as performance, wellness, sustainability, and decides on a hybrid strategy centered on smart energy for everyday balance.

• Implementation: AI-assisted creative tools generate a variety of visuals, taglines, and product stories tailored to different regions and audiences. This enables content testing and adaptation in near real time, cutting campaign development cycles dramatically.

• Monitoring and control: Live dashboards track engagement patterns across markets and automatically fine-tune budgets toward the campaigns that resonate most.

• Managerial judgment: Before the rollout, marketers walk through the Ethical Co-Agency Checklist—checking that no creative assets overpromise health effects, and that AI-generated visuals remain transparent and inclusive.

This simple scenario shows how the AML transforms traditional marketing planning into a more fluid, collaborative process. Decisions no longer flow top-down but evolve through continuous dialogue between human insight and machine intelligence. The marketer's role becomes one of guidance and reflection, ensuring that technology amplifies both creativity and conscience.

Future Research Directions

This study opens the door to a range of exciting and timely research opportunities. As the landscape of marketing strategy shifts alongside generative technologies, several key questions emerge that merit deeper exploration:

• Putting AML to the Test :How does the Augmented Managerial Loop function in real-world settings? Future studies could apply the framework across different organizational contexts using case studies, experiments, or longitudinal fieldwork to assess how each stage unfolds in practice.

• Bridging Disciplines :To fully understand AI-augmented decision-making, collaboration beyond marketing is essential. Insights from computer science (e.g., human–machine interaction), psychology (e.g., cognitive load and decision fatigue), and ethics (e.g., responsible AI governance) can enrich both theory and application.

• Context Matters: Culture and Industry :The performance and implications of AML may vary depending on the sector—say B2B vs. B2C—or cultural context, especially where data privacy norms differ. Comparative studies across geographies and industries could reveal where the model thrives and where it may need refinement.

• Defining Ethical Boundaries :As AI becomes more autonomous, how much decision-making should be delegated to algorithms? Where does human judgment remain irreplaceable? These questions are not just philosophical—they have practical implications for how marketing teams structure accountability and oversight.

• Reimagining Marketing Education : Preparing the next generation of marketers will require rethinking curricula. What skills will "hybrid managers" need to navigate a world where strategic thinking blends human insight with algorithmic intelligence? Future research could explore how education must evolve to meet this demand.

Ultimately, this study offers not just a model—but a mindset. The Augmented Managerial Loop (AML) invites us to reimagine how strategy is created, not in opposition to machines, but in collaboration with them. It raises essential questions

about how we define agency, responsibility, and creativity in a world where algorithms are no longer behind the scenes, but at the table with us.

CONCLUSION

This paper offers a fresh perspective on the tried and true concepts of the Managerial School of Marketing in the context of how they may be constructed in harmony with the capabilities of Generative AI. Rather than sending traditional strategic thinking packing, it suggests an enriching way to augment it through synergy of human sagacity and machine minds. The following Augmented Managerial Loop (AML) illustrates how all steps of the marketing strategy can be augmented using AI-based tools to make it more agile, creative, and responsive decision-maker.

By harmonizing disciplined managerial reflection with the adaptive and generative power of AI, this study opens up new possibilities for strategy to be conceived and implemented. The framework challenges marketers to escape rigid planning loops and instead take on a more fluid, iterative, and values-driven approach. With GenAI becoming a proactive participant in strategic processes, marketing leadership is forced to reimagine itself to lead, curate, and co-create rather than dictate.

This shift demands additional inquiry and reflection. How will the balancing act between efficiency and ethical governance be carried out? How can marketers get ready to guide in smart systems? And what new positions will emerge where judgment and technology intersect? The answers to these questions will shape not only the future of marketing thought but also the nature of managerial agency in a world where computation and creativity meet.

Building on these questions, it is apparent that the discussion is not simply one of technology take-up but of changing the very definition of marketing leadership. For decades, the Managerial School has placed its bets on analytical acumen, planning, and systematic decision-making. These principles remain sound but are now complemented by an increasing requirement for flexibility and awareness of the social and ethical consequences of artificial intelligence. Generative AI not only means faster processing of information but also new forms of creativity, fresh solutions, and the ability to model complicated marketplace dynamics in real time. The marketers who acknowledge this two-ness — reconciling rigorous analysis with creative discovery — will be the successful ones.

Another issue is the education revolution necessary to prepare the next generation of marketing professionals. Business schools and schools of training have long focused on case study, segmentation, and classical models of consumer behavior. But if marketers are going to successfully manage AI systems, they must acquire fluency in data ethics, algorithmic transparency, and human–machine

collaboration as well. Courses will need to introduce not only analytics but critical analysis of bias, privacy, and social impact of AI-driven campaigns. Leaders will require the ability to query outputs from machines and exercise judgment where data-driven suggestions contradict brand values or long-term credibility.

Furthermore, organizational culture within marketing strategy may need to adapt. Top-down decision-making in a traditional manner may be too slow and rigid for environments where GenAI provides instant insights and rapid prototyping. Organizations may become more networked, multidisciplinary arrangements where marketers work closely with data scientists, ethicists, and technologists. Decision cycles may become shorter but also increasingly iterative, involving ongoing testing, feedback, and fine-tuning rather than fixed long-term plans.

Ethical issues become more relevant as AI systems start to influence not just tactics but also strategic intent. Who is accountable when an AI-based strategy unintentionally reinforces stereotypes, shapes consumer behavior, or violates privacy? The AML model, while beneficial, subtly requests that marketers take on a sense of stewardship — ensuring that the potential of AI is harnessed for good and in harmony with human values. This methodology positions marketing leaders from being sole decision-makers to being defenders of innovation and integrity.

Practically, companies might need to redefine their investment priorities and measures of success. Success might no longer be defined solely in terms of efficiency and ROI but also in terms of flexibility, ethical openness, and consumer trust. AI-driven dashboards could enable real-time monitoring not only of fiscal performance but also of social sentiment, fairness metrics, and long-term brand durability. Marketers will need to advocate these wider measures of success inside the C-suite.

Finally, this article points to the need for ongoing research. The questions posed here — of co-agency, transparency in decision flow, and humanizing AI-backed strategy — must be pursued through an interdisciplinary lens. Inputs from philosophy, organizational psychology, and design thinking have the potential to supplement the technical and analytical know-how already present in the marketing literature. Through interlinking these fields, the discipline of marketing can lead rather than be led by the AI revolution.

Ultimately, the study puts Generative AI not in the position of displacing human intellect but as an ally — a collaborator that aids in creating more flexible, moral, and resilient marketing approaches. For marketing to remain deeply human, its leaders must learn not only how to master technology but to question it, to steer it, and to weave it into the rich brocade of human imagination and judgment. This synthesis of intelligence and imagination may define the future of the Managerial School, that the eternal laws of strategy continue to hold even as the weapons and arenas drastically shift.

Author's Contribution and Declaration of Conflicting Interests: This study was conducted by a single author. All sections of the study, including reporting, were completed solely by the author. The author's contribution rate is 100%. There are no conflicts of interest. No funding was received from any institution for this study.

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