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*NATASSA APOSTOLIDOU, Artificial Intelligence and Personalized Marketing:
Opportunities, Challenges, and Ethical Implications in Modern Markets*



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Artificial Intelligence and Personalized Marketing: Opportunities,
Challenges, and Ethical Implications in Modern Markets

Natassa Apostolidou

Supervisor: Dr. Dimitrios Koufopoulos

Patras, Greece, May 2026



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Abstract

This dissertation examines the role of Artificial Intelligence (AI) in personalized marketing and its implications for customer experience, engagement, trust, and ethical practice within contemporary digital marketing environments. The study focuses on professionals working across the Greek fashion industry, including apparel, footwear, accessories, lingerie, swimwear, and eyewear sectors, where AI-driven personalization is increasingly integrated into e-commerce and omnichannel strategies.

A qualitative research design was adopted, based on ten semi-structured interviews with digital marketing managers, marketing executives, founders, and agency professionals. The data were analyzed using thematic analysis in order to identify recurring patterns and shared perceptions across participants. The findings reveal that AI is now a core component of marketing practice, primarily used for behavioral analysis, audience segmentation, campaign optimization, and personalized customer communication.

The study identifies five key themes: (1) AI as a foundational tool for data-driven decision-making, (2) the shift from mass marketing to highly personalized communication, (3) improved engagement and conversion performance as a result of AI-driven targeting, (4) the importance of balancing personalization with consumer trust, and (5) ethical concerns related to data privacy, transparency, and surveillance perceptions.

The findings further highlight that while AI significantly enhances marketing efficiency and relevance, its effectiveness depends on responsible implementation. Overly aggressive or intrusive personalization can negatively affect consumer trust, whereas transparent and value-driven use of data strengthens customer relationships. Ethical considerations, particularly under GDPR regulations, emerge as a central constraint shaping how AI is applied in practice.

Overall, the study concludes that AI is a transformative force in modern marketing, but its long-term success depends not only on technological capability, but also on



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ethical responsibility, transparency, and the preservation of a human-centered approach to customer relationships.

Keywords: Artificial Intelligence (AI), Personalized Marketing, AI-Driven Personalization, Customer Experience, Consumer Trust, Ethical AI.



Περίληψη

Η παρούσα διπλωματική εργασία εξετάζει τον ρόλο της Τεχνητής Νοημοσύνης (Artificial Intelligence - AI) στο εξατομικευμένο μάρκετινγκ και τις επιπτώσεις της στην εμπειρία πελάτη, στη δέσμευση των καταναλωτών, στην εμπιστοσύνη και στις ηθικές πρακτικές μέσα στο σύγχρονο ψηφιακό περιβάλλον μάρκετινγκ. Η μελέτη επικεντρώνεται σε επαγγελματίες που δραστηριοποιούνται στον ελληνικό κλάδο της μόδας, συμπεριλαμβανομένων των τομέων ένδυσης, υπόδησης, αξεσουάρ, εσωρούχων, μαγιά και οπτικών ειδών, όπου η εξατομίκευση μέσω AI ενσωματώνεται ολοένα και περισσότερο στις στρατηγικές ηλεκτρονικού εμπορίου και omnichannel marketing.

Η έρευνα βασίστηκε σε ποιοτική μεθοδολογική προσέγγιση και πραγματοποιήθηκε μέσω δέκα ημιδομημένων συνεντεύξεων με digital marketing managers, marketing executives, ιδρυτές επιχειρήσεων και επαγγελματίες διαφημιστικών agencies. Τα δεδομένα αναλύθηκαν με τη μέθοδο της θεματικής ανάλυσης, με στόχο την αναγνώριση επαναλαμβανόμενων προτύπων και κοινών αντιλήψεων μεταξύ των συμμετεχόντων. Τα ευρήματα δείχνουν ότι η AI αποτελεί πλέον βασικό στοιχείο της σύγχρονης πρακτικής μάρκετινγκ, χρησιμοποιούμενη κυρίως για ανάλυση καταναλωτικής συμπεριφοράς, τμηματοποίηση κοινού, βελτιστοποίηση καμπανιών και εξατομικευμένη επικοινωνία με τους πελάτες.

Η μελέτη ανέδειξε πέντε βασικές θεματικές ενότητες: (1) την AI ως θεμελιώδες εργαλείο για τη λήψη αποφάσεων βάσει δεδομένων, (2) τη μετάβαση από το μαζικό μάρκετινγκ στην υψηλά εξατομικευμένη επικοινωνία, (3) τη βελτίωση της αλληλεπίδρασης και των μετατροπών μέσω AI-driven targeting, (4) τη σημασία της ισορροπίας μεταξύ εξατομίκευσης και εμπιστοσύνης των καταναλωτών και (5) τις ηθικές ανησυχίες που σχετίζονται με την προστασία προσωπικών δεδομένων, τη διαφάνεια και τις αντιλήψεις παρακολούθησης.

Τα αποτελέσματα υπογραμμίζουν επίσης ότι, παρότι η AI ενισχύει σημαντικά την αποτελεσματικότητα και τη συνάφεια των ενεργειών μάρκετινγκ, η επιτυχία της εξαρτάται από την υπεύθυνη εφαρμογή της. Η υπερβολικά επιθετική ή παρεμβατική



εξατομίκευση μπορεί να επηρεάσει αρνητικά την εμπιστοσύνη των καταναλωτών, ενώ η διαφανής και προσανατολισμένη στην αξία χρήση των δεδομένων ενισχύει τις σχέσεις με τους πελάτες. Οι ηθικές διαστάσεις, ιδιαίτερα στο πλαίσιο του GDPR, αναδεικνύονται ως βασικός παράγοντας που επηρεάζει τον τρόπο εφαρμογής της AI στην πράξη.

Συνολικά, η μελέτη καταλήγει στο συμπέρασμα ότι η Τεχνητή Νοημοσύνη αποτελεί μια μετασχηματιστική δύναμη για το σύγχρονο μάρκετινγκ. Ωστόσο, η μακροπρόθεσμη επιτυχία της δεν εξαρτάται μόνο από τις τεχνολογικές δυνατότητες, αλλά και από την ηθική ευθύνη, τη διαφάνεια και τη διατήρηση μιας ανθρωποκεντρικής προσέγγισης στις σχέσεις με τους πελάτες.

Λέξεις-κλειδιά: Τεχνητή Νοημοσύνη (AI), Εξατομικευμένο Μάρκετινγκ, Εξατομίκευση μέσω AI, Εμπειρία Πελάτη, Εμπιστοσύνη Καταναλωτή, Ηθική Τεχνητή Νοημοσύνη.



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List of Abbreviations & Acronyms

AI – Artificial Intelligence

TAM – Technology Acceptance Model

ML – Machine Learning

GDPR – General Data Protection Regulation

NLP – Natural Language Processing

1.1 Introduction

In recent years, Artificial Intelligence (AI) has become an important factor of change across many industries, and marketing is one of the areas that have been affected the most. The growth of big data, together with developments in machine learning and the increasing use of digital platforms, has allowed companies to move away from traditional mass marketing and focus more on targeted and personalized strategies **(Wilson et al., 2024; Srivastava & Gurme, 2026)**. This development reflects a wider change in the way marketing strategies are designed, as companies increasingly rely on data and analytics rather than only on managerial intuition, allowing them to better understand and predict consumer behavior **(Davenport et al., 2020)**.

In this context, AI-based tools such as recommendation systems, predictive analytics, and customer segmentation help firms to process large amounts of consumer data in a more efficient way. This makes it possible for companies to offer more personalized content, products, and services that better match individual preferences. As a result, the overall customer experience can be improved **(Wilson et al., 2024; Nithishkumar & Jothi Francina, 2025)**. At the same time, this shift towards personalization has changed how businesses interact with consumers, often leading to higher engagement and, in some cases, stronger brand loyalty **(Srivastava & Gurme, 2026)**. However, the impact of personalization is not always the same, since it largely depends on how consumers perceive personalized communication in terms of relevance and intrusiveness, which may either enhance or reduce customer engagement **(Bleier & Eisenbeiss, 2015)**.

Also, the use of AI has influenced how marketing strategies are developed and applied in practice. Many organizations now, rely more on data-driven insights when making decisions and targeting customers. This shows that it is important to understand not only how consumers respond to personalized marketing, but also how marketing professionals actually use these tools in real situations. From a theoretical point of view, the increasing adoption of AI can be explained through the Technology Acceptance Model, according to which the perceived usefulness and ease of use of a



technology play an important role in whether organizations choose to adopt and integrate it into their operations (**Davis, 1989**).

Nowadays, personalized marketing is not just a competitive advantage, but something that companies more or less need in order to remain competitive in digital markets. Many businesses have already adopted AI-driven technologies in their strategies, which helps them better predict consumer behavior and offer more relevant experiences (**Markou et al., 2025**). Because of this, consumers also seem to have higher expectations and usually prefer content that is more relevant and timely. At the same time, studies indicate that highly personalized marketing practices can sometimes make consumers feel uncomfortable, especially when they do not clearly understand how their personal data is collected and used (**Tam & Ho, 2006**).

However, even though there are many benefits, the use of AI in marketing also creates some challenges. Issues such as data privacy, algorithmic bias, lack of transparency, and perceived intrusiveness have become more important in recent years (**Blom & Walde, 2022; Markou et al., 2025**). In some cases, consumers may feel uncomfortable about how their data is being used, which can affect their level of trust and their willingness to engage with personalized marketing practices (**Srivastava & Gurme, 2026**). These concerns emphasize the central role of trust as a mediating factor in AI-driven marketing systems, suggesting that consumer acceptance depends not only on efficiency and performance, but also on ethical transparency and the extent to which individuals feel they retain control over their personal data (**Gefen et al., 2003; McKnight et al., 2002**).

1.2 Research Problem

Despite the increasing use of AI in marketing, there is still a need to better understand how AI-driven personalization is actually perceived and used in practice, both by marketing professionals and consumers. While personalization can improve relevance and customer engagement, it can also sometimes be seen as intrusive or even manipulative, which may reduce trust (**Blom & Walde, 2022**). Most of the existing literature tends to focus on specific areas of AI in marketing. For example, some studies mainly examine technological aspects, such as machine learning, predictive

analytics, and recommendation systems (**Wilson et al., 2024**). Other studies focus more on business outcomes, including efficiency, customer retention, and revenue growth (**Srivastava & Gurme, 2026**). However, research that looks at consumer perceptions, ethical concerns, and behavioral responses together is still quite limited. This fragmentation in the literature restricts the development of a comprehensive understanding of AI-driven personalization, particularly regarding how technological capabilities interact with the psychological and ethical aspects of consumer behavior.

In addition, there is not much research on how marketing professionals understand and apply AI-driven personalization strategies in real-world situations. This is important because their decisions directly affect how AI is used and how it is experienced by consumers. At the same time, professionals also need to deal with issues such as trust, privacy, and transparency, which are not always easy to manage in practice. More specifically, the relationship between personalization, trust, and ethical issues, such as data privacy and transparency has not been fully explored in an integrated way. This creates a gap in the literature and shows the need for further research that examines both consumer perspectives and organizational practices. It is also important to understand how companies try to balance effective personalization with ethical responsibility (**Markou et al., 2025**). Addressing this gap is crucial for the development of more responsible and sustainable AI-driven marketing strategies that balance technological efficiency with consumer trust and ethical accountability (**Calo, 2017**).

1.3 Research Aim and Objectives

The aim of this dissertation is to examine how Artificial Intelligence (AI) is transforming personalized marketing strategies, with a particular focus on consumer-related outcomes and managerial perspectives.

More specifically, this study seeks to:

- Investigate how AI-driven personalization influences perceived relevance and overall consumer experience (**Wilson et al., 2024**).
- Analyze the impact of personalization on consumer trust toward businesses (**Markou et al., 2025**).



- Explore how marketing professionals perceive and apply AI-driven personalization strategies in practice.
- Examine how ethical concerns, such as data privacy and perceived intrusiveness, shape attitudes toward AI-driven marketing (**Blom & Walde, 2022; Srivastava & Gurme, 2026**).
- Explore how marketing professionals understand the relationship between trust, ethical considerations, and consumer responses, such as engagement or purchase intention.

By addressing these objectives, this dissertation aims to provide a more comprehensive understanding of how AI shapes both consumer experience and marketing strategies, while also emphasizing the importance of ethical and responsible AI implementation. Furthermore, this study contributes to the integration of technological, behavioral, and ethical perspectives within a single, unified analytical framework..

1.4 Research Questions

This study seeks to address the following research questions:

1. How is AI-driven personalization implemented in marketing strategies within the fashion industry?
2. How do marketing professionals perceive the impact of AI-driven personalization on consumer relevance and engagement?
3. How do marketing professionals perceive the role of personalization in shaping consumer trust?
4. What ethical challenges, such as data privacy, transparency, and perceived intrusiveness, are associated with AI-driven marketing practices?
5. How do organizations balance personalization effectiveness with ethical responsibility in AI-driven marketing?



1.5 Significance of the Study

This research contributes to both the academic and practical understanding of the role of Artificial Intelligence (AI) in marketing. From an academic perspective, the study extends existing literature by examining the relationship between AI-driven personalization, consumer trust, ethical concerns, and behavioral outcomes. Specifically, it contributes to the growing body of research that explores how technological capabilities interact with consumer perceptions and decision-making processes in digital environments (**Srivastava & Gurme, 2026; Markou et al., 2025**). Furthermore, the study provides qualitative insights into managerial perspectives, which remain relatively underexplored in the existing literature.. In particular, it helps bridge the gap between technological innovation and consumer psychology by bringing together trust and ethical considerations in the analysis of AI-driven marketing systems.

From a managerial perspective, the findings can help marketers design more effective and responsible AI-driven strategies by offering insights into how consumers are perceived to respond to personalized marketing practices. Moreover, the study underlines the importance of balancing technological innovation with ethical considerations, such as transparency and data privacy, in order to build and maintain consumer trust (**Blom & Walde, 2022; Wilson et al., 2024**). This balance has become increasingly important in today's digital markets, where consumers are showing growing levels of skepticism regarding how their data is collected and used.

1.6 Methodological Approach

This dissertation uses a qualitative research approach to explore how Artificial Intelligence (AI) is used in personalized marketing strategies and how it is perceived by industry professionals. Data will be collected through semi-structured interviews with around 10 marketing managers working in fashion brands. The industry of fashion was selected due to its extensive use of AI-driven personalization techniques and its strong focus on customer experience and brand engagement.



A qualitative approach is suitable for this study, as it helps to better understand participants' experiences and perceptions regarding AI-driven marketing practices. It is commonly used to explore complex issues such as consumer relationships, personalization, and ethical considerations in digital marketing environments (**Blom & Walde, 2022**). The data will be analyzed using thematic analysis, which will help identify patterns, themes, and key insights across participants' responses. This inductive approach fits well with an interpretive research philosophy, as it focuses on understanding people's subjective meanings and real-life experiences rather than testing predefined hypotheses (**Davis, 1989**).

1.7 Structure of the Dissertation

This dissertation is organized into seven chapters.

- Chapter 1 introduces the research topic, research problem, objectives, and significance of the study.
- Chapter 2 reviews the relevant literature on AI in marketing, personalization, consumer behavior, and ethical considerations.
- Chapter 3 presents the conceptual framework that guides the study.
- Chapter 4 outlines the research methodology, including the qualitative research design, data collection through semi-structured interviews, and data analysis techniques.
- Chapter 5 presents the findings derived from the thematic analysis of the interview data.
- Chapter 6 discusses the findings in relation to the existing literature and theoretical perspectives.
- Chapter 7 concludes the study and provides managerial implications and recommendations for future research.



Chapter 2

2.1 Introduction to the Literature Review

This chapter reviews the existing literature on the use of Artificial Intelligence (AI) in marketing and focuses mainly on personalized marketing strategies, consumer behavior, and ethical issues. The rapid development of AI technologies has changed the way organizations interact with consumers, making marketing approaches more data-driven and personalized (**Wilson et al., 2024; Srivastava & Gurme, 2026**).

From a broader strategic perspective, AI is no longer seen as just a supporting tool, but as a transformative force that is reshaping marketing systems. It enables companies to move from reactive approaches to more predictive and even automated decision-making processes (**Davenport et al., 2020**).

This change also reflects a broader shift toward algorithmic marketing systems, where decision-making is increasingly guided by machine intelligence rather than relying mainly on human intuition (**Huang & Rust, 2021**).

The main aim of this chapter is to provide a theoretical foundation for the study by examining key concepts and findings from previous research. More specifically, it looks at how AI is used in marketing, the role of personalization in improving customer experience, and the factors that influence consumer trust and engagement in AI-driven environments. At the same time, it highlights important ethical challenges related to AI-based marketing, such as data privacy, transparency, and algorithmic bias (**Blom & Walde, 2022; Markou et al., 2025**). These dimensions are closely interconnected, forming a complex system where technological capability, consumer psychology, and ethical governance all interact at the same time.

This chapter also takes into account both consumer perspectives and managerial viewpoints. This is important because the implementation of AI-driven personalization strategies depends not only on technology, but also on how organizations make decisions and apply these tools in practice. In some cases, even if the technology exists, it may not be used effectively due to organizational limitations. **Davenport et al. (2020)** emphasize that the successful adoption of AI depends largely



on organizational readiness and strategic integration, rather than on the mere availability of the technology itself. This perspective is relevant for the present study, as it uses a qualitative approach to explore how marketing professionals understand and apply AI in real-world situations. In other words, the focus is not only on theory, but also on practice.

This chapter is structured as follows. First, it examines the role of AI in marketing and its key applications. Then, it discusses AI-driven personalization and its impact on customer experience. After that, it looks at consumer behavior and trust in AI-based marketing environments. The chapter also explores ethical issues related to the use of AI in marketing. Finally, it identifies key gaps in the literature that support the need for this research. These gaps are particularly important because they show that there is still limited integration between technological perspectives, consumer behavior insights, and ethical considerations within a single unified framework, something that this study aims to address.

2.2 Artificial Intelligence in Marketing

Artificial Intelligence (AI) has become an increasingly important component of modern marketing, as it enables organizations to make more informed decisions and develop more targeted strategies. In general, AI refers to systems that can process large volumes of data, identify patterns, and generate predictions with minimal human intervention. In the context of marketing, these capabilities are mainly used to better understand consumer behavior, optimize campaigns, and enhance customer engagement (**Wilson et al., 2024**). From a strategic perspective, this reflects a shift away from traditional rule-based marketing systems toward more intelligent service ecosystems that are able to learn from data and continuously adapt over time (**Huang & Rust, 2021**).

One of the key drivers behind the growing use of AI in marketing is the rapid expansion of big data. As digital platforms continue to evolve, consumers generate significant amounts of data through activities such as browsing, online purchases, and interactions on social media. AI systems can process this data in real time, allowing organizations to gain valuable insights and support more data-driven decision-making

(Srivastava & Gurme, 2026). However, Davenport et al. (2020) argue that the value of big data is not simply in its size, but in how effectively AI systems can convert it into meaningful and actionable marketing insights.

Machine learning, as a core component of AI, plays a central role in these processes. Through machine learning algorithms, organizations can detect patterns in consumer data and continuously improve the accuracy of their predictions. This enables firms to better anticipate customer needs, deliver more personalized content, and refine their marketing strategies based on evolving consumer preferences (Nithishkumar & Jothi Francina, 2025). As a result, marketing activities become more efficient and more closely aligned with consumer expectations. Huang and Rust (2021) further argue that machine learning represents the “thinking” layer of AI, where systems go beyond simple automation and begin to support decision-making at a more cognitive level.

Beyond machine learning, other AI technologies further enhance marketing capabilities. For example, natural language processing (NLP) allows organizations to analyze text-based data, such as customer reviews and social media posts, in order to better understand consumer sentiment. Similarly, predictive analytics enables firms to forecast future behavior, supporting more proactive and strategic decision-making (Wilson et al., 2024).

The integration of AI has also significantly changed the way marketing campaigns are designed and implemented. Rather than relying solely on traditional mass marketing approaches, organizations increasingly adopt automated and data-driven systems that support real-time targeting and personalization. This shift has contributed to improved efficiency, cost reduction, and stronger customer engagement (Srivastava & Gurme, 2026). Davenport et al. (2020) describe this as a structural transformation of marketing, where AI enables hyper-personalized interactions at scale while also reshaping the role of marketers, shifting them from direct decision-makers to supervisors of automated systems.

However, despite these benefits, the adoption of AI in marketing is not without challenges. Organizations must address issues related to data quality, system

integration, and the complexity of implementing AI within existing infrastructures. In addition, the extensive use of consumer data raises important concerns regarding privacy, transparency, and ethical data use, all of which can influence consumer trust and the acceptance of AI-driven marketing practices (Markou et al., 2025). Calo (2017) emphasizes that these challenges are not only technical in nature, but also regulatory and ethical, meaning that organizations need to adopt responsible AI governance frameworks to address them effectively.

Overall, AI has fundamentally reshaped the marketing landscape by enabling more data-driven and customer-centric strategies. Its growing role highlights the importance of understanding not only its technological capabilities, but also how it is applied in practice and how it influences both organizational decisions and consumer responses. Huang and Rust (2021) conclude that the future of marketing will depend increasingly on combining AI capabilities with human judgment, rather than fully replacing human decision-making.

2.3 Consumer Trust in AI-Driven Marketing

Consumer trust has become a key factor in determining the effectiveness of AI-driven personalized marketing. As AI becomes more integrated into marketing practices, consumers rely more on algorithmic systems that collect, analyze, and use their personal data to deliver tailored experiences. This reliance makes trust an important element in shaping both attitudes and behavioral responses. From a theoretical perspective, this is in line with well-known technology adoption models, where trust is a key factor that connects what a system can do with whether users accept it and intend to use it (Gefen et al., 2003)

In AI-based marketing, trust can be understood as the willingness of consumers to rely on personalized recommendations and automated decisions generated by intelligent systems. According to Markou et al. (2025), trust is influenced not only by the perceived usefulness of AI technologies but also by ethical perceptions, such as fairness, transparency, and responsible data use. Their findings suggest that trust is one of the main factors influencing consumer acceptance of AI-driven personalization. This understanding fits well with the Technology Acceptance Model,



which explains that perceived usefulness and ease of use are key factors that determine whether people adopt a technology (**Davis, 1989**).

A crucial factor that influences trust is perceived relevance. When consumers receive personalized content that matches their preferences and needs, they are more likely to see AI systems as helpful rather than intrusive. Technologies such as machine learning and predictive analytics enhance this relevance by analyzing past behavior and predicting future preferences (**Wilson et al., 2024**). In this way, personalization can improve customer satisfaction and strengthen trust toward brands. **Bleier and Eisenbeiss (2015)** further highlight that personalization is most effective when the timing, content, and context of the message are properly aligned, meaning that relevance on its own is not enough if it is not applied in the right way.

However, trust is highly dependent on how personalization is implemented. While relevant recommendations can improve the user experience, excessive personalization may lead to discomfort or skepticism. This is often linked to the idea of “over-personalization,” where consumers feel that companies know too much about them, raising concerns about privacy and surveillance (**Blom & Walde, 2022**). In such cases, trust may decrease, which can negatively affect engagement and purchase intention. This can be explained through the privacy calculus perspective, which suggests that consumers constantly weigh the perceived benefits of personalization against the potential risks of sharing their personal data (**Tam & Ho, 2006**).

Ethical considerations also play an important role in shaping trust. Issues such as data privacy, transparency, and algorithmic fairness affect how consumers evaluate AI-driven marketing practices. When consumers believe that their data is handled responsibly and transparently, trust tends to increase. In the other hand, a lack of transparency or the perceived misuse of data can lead to distrust and resistance (**Srivastava & Gurme, 2026**). **McKnight et al. (2002)** emphasize that institutional-based trust—such as the perceived integrity and reliability of systems—is crucial for maintaining long-term consumer confidence in digital environments. Furthermore, familiarity with AI technologies can affect levels of trust. Consumers who are more familiar with AI applications and have a better understanding of how they work tend to show more positive attitudes toward personalized marketing (**Markou et al., 2025**).

This suggests that trust can develop gradually through experience and repeated exposure. It also indicates that trust is not fixed, but rather dynamic, as it evolves over time through ongoing interactions between consumers and AI-driven systems.

In general, the literature suggests that trust acts as a mediating factor between AI-driven personalization and consumer behavior. High levels of trust are associated with increased engagement, stronger brand relationships, and higher purchase intentions, whereas low levels of trust can lead to avoidance and negative perceptions. For this reason, building and maintaining trust is essential for organizations implementing AI-driven marketing strategies.

2.4 Ethical Issues in AI-Driven Marketing

The increasing use of Artificial Intelligence (AI) in marketing has introduced a range of ethical challenges that organizations need to address in order to ensure responsible and sustainable use. While AI enables effective personalization and data-driven decision-making, it also raises concerns about privacy, transparency, fairness, and consumer autonomy. From a policy and governance perspective, these challenges highlight the need for clear regulatory and ethical frameworks that can guide how AI systems are used in commercial settings **(Calo, 2017)**.

One of the most important ethical issues is data privacy. Personalized marketing relies heavily on the collection and analysis of large amounts of personal data, including browsing behavior, purchase history, and online interactions. Although this allows companies to deliver more relevant experiences, it also raises concerns about how this information is collected, stored, and used. As consumers become more aware of these practices, this can negatively affect their trust and willingness to engage with personalized marketing **(Blom & Walde, 2022; Srivastava & Gurme, 2026)**. The “personalization–privacy paradox” reflects this tension, as consumers value personalization but remain concerned about data collection **(Markou et al., 2025)**. **Norberg et al. (2007)** further support this contradiction by showing that although consumers often express concerns about privacy, their actual behavior in terms of sharing personal information does not always match these concerns, which highlights how complex privacy-related decision-making can be.



Another important issue is algorithmic bias and fairness. AI systems are trained on historical data, which may include existing biases. As a result, these biases can be repeated or even strengthened, leading to unfair or discriminatory outcomes. For example, certain groups may be excluded from offers or targeted in unequal ways. These practices raise concerns about fairness and can harm brand reputation and consumer trust (**Wilson et al., 2024**). **O’Neil (2016)** argues that such algorithmic systems can scale inequality, as biased models become embedded in automated decision-making processes, making their effects more widespread and difficult to detect.

Many AI systems operate as “black boxes,” making it difficult for consumers—and even organizations—to understand how decisions are made. This lack of transparency can lead to skepticism, especially when consumers do not understand why they are being targeted with specific content. Providing clearer explanations about data use and personalization processes can help reduce these concerns and improve trust (**Markou et al., 2025**). **Huang and Rust (2021)** emphasize that explain ability is becoming a key requirement in AI-enabled marketing systems, as greater transparency directly affects how reliable consumers perceive these systems to be and, in turn, influences their acceptance of them.

Perceived intrusiveness is another issue closely linked to ethics. While personalization aims to improve the user experience, it can sometimes be seen as invasive. When consumers feel that they are being monitored too closely, they may respond negatively to marketing efforts (**Blom & Walde, 2022**), which can reduce engagement and lead to avoidance. This suggests that there is a very fine line between helpful personalization and what consumers may perceive as surveillance, and organizations need to manage this balance carefully in order to avoid negative reactions or backlash.

Finally, the issue of consumer autonomy should also be considered. AI-driven personalization can influence decisions by presenting highly tailored content. While this may increase convenience, it also raises concerns about whether consumers are making fully independent choices. Relying too much on algorithmic recommendations may limit exposure to alternative options and potentially shape

decision-making in less obvious ways (**Srivastava & Gurme, 2026**). This raises wider ethical concerns about how consumer behavior can be influenced, including digital nudging, where algorithmic systems quietly guide people's choices without them fully realizing it.

In general, ethical considerations are a key part of the effective use of AI in marketing. Organizations need to balance the benefits of personalization with the responsibility to protect consumer rights and maintain trust. This includes adopting transparent practices, ensuring fairness, and respecting consumer autonomy. If these issues are not addressed, this may weaken consumer relationships and reduce the long-term effectiveness of AI-driven strategies. Ultimately, implementing AI in an ethical way should not be seen as a limitation, but rather as a necessary part of building long-term consumer trust and creating sustainable brand value.

2.5 Consumer Behavior and Purchase Intention in AI-Driven Marketing

Consumer behavior in AI-driven marketing environments has become more complex, as personalized technologies are changing how people interact with brands and make decisions. AI allows companies to deliver tailored experiences that can influence attitudes, engagement, and ultimately purchase intention. From a theoretical standpoint, this development reflects a shift in decision-making models, where consumer behavior is increasingly influenced by algorithms, rather than being shaped only through direct interaction between firms and consumers (**Davenport et al., 2020**).

One of the main factors that influence consumer behavior is perceived relevance. When marketing messages closely match individual preferences, they are more likely to attract attention and lead to positive responses. Technologies such as recommendation systems and predictive analytics allow firms to anticipate consumer needs and provide timely suggestions, improving the overall customer experience (**Wilson et al., 2024**). As a result, consumers tend to engage more with brands that offer personalized interactions. Consumer engagement plays an important role in this process, as it shows the level of interaction and emotional connection between consumers and brands. Personalized experiences can strengthen this connection,

making consumers feel understood and valued. Higher engagement is often linked to stronger brand relationships and increased loyalty, which can positively influence purchasing behavior **(Srivastava & Gurme, 2026)**. **Bleier and Eisenbeiss (2015)** further argue that the effectiveness of personalized advertising depends on how content relevance, timing, and context work together, suggesting that engagement is not driven by personalization alone, but also by whether it fits the situation properly.

However, personalization alone does not fully determine consumer behavior. Trust is also an important factor. When consumers believe that companies use AI responsibly, they are more likely to respond positively to personalized content. In contrast, low levels of trust may lead to skepticism, reduced engagement, or even avoidance **(Markou et al., 2025)**. This relationship is consistent with well-known technology adoption models, especially the Technology Acceptance Model, where perceptions related to trust indirectly influence behavioral intention through perceived usefulness and perceived risk **(Davis, 1989; Gefen et al., 2003)**.

Ethical concerns can also influence consumer responses. Issues such as privacy, perceived intrusiveness, and lack of transparency may reduce purchase intention. For example, if consumers feel that their data is misused or that personalization becomes too invasive, they may reject marketing efforts, even if the content is relevant **(Blom & Walde, 2022)**. This reflects the privacy calculus mechanism, where consumers essentially weigh the benefits of personalization against the perceived risks before deciding whether to engage or make a purchase **(Tam & Ho, 2006)**.

Another factor influencing consumer behavior is familiarity with AI technologies. Consumers who are more familiar with AI tend to have more positive attitudes and are more willing to engage with personalized recommendations **(Markou et al., 2025)**. This familiarity helps reduce uncertainty and build confidence in AI systems. Over time, continuous exposure to AI-based systems may lead individuals to become more familiar with algorithmic decision-making, thereby enhancing acceptance and lowering the perceived risks associated with automated personalization.

Overall, purchase intention is influenced by a combination of factors such as relevance, trust, engagement, and ethical concerns. AI-driven personalization can



improve outcomes when it delivers value and maintains trust, but it may also lead to negative reactions if ethical concerns are not properly addressed. Therefore, organizations need to design strategies that are both effective and aligned with consumer expectations. In this sense, consumer purchase intention in AI-driven environments can be understood as the result of several factors working together, including technological capabilities, levels of psychological trust, and ethical perceptions.



Chapter 3: Conceptual Framework

3.1 Introduction

This chapter presents the conceptual framework that guides the present study. Based on the literature reviewed in Chapter 2, the aim of this chapter is to develop a clear understanding of how Artificial Intelligence (AI)-driven personalization affects consumer-related outcomes, as well as how these processes are understood and applied by marketing professionals in practice. In this sense, the framework brings together technological capabilities with behavioral and ethical dimensions, positioning AI not just as a functional tool, but as a socio-technical system that is embedded within consumer decision-making environments.

The existing literature shows that AI technologies allow organizations to deliver highly personalized experiences through the analysis of large amounts of consumer data (**Wilson et al., 2024; Srivastava & Gurme, 2026**). At the same time, previous studies suggest that the effectiveness of such personalization is not determined only by technological capabilities, but also by how consumers understand relevance, trust, and the ethical aspects of AI use (**Markou et al., 2025; Blom & Walde, 2022**). In other words, even highly advanced systems may not be effective if consumers feel uncomfortable or uncertain about how they operate. This reflects a broader theoretical agreement in digital marketing literature that value in AI systems is created through the interaction between technological systems and consumer perceptions, rather than being driven only by technology itself (**Davenport et al., 2020**).

In this context, research on technology adoption also supports the idea that user acceptance of AI systems is shaped by perceived usefulness, trust, and perceived risks related to data use. This highlights the importance of considering not only what AI can do, but also how it is experienced by users. According to the Technology Acceptance Model (Davis, 1989), behavioral intention is mainly influenced by cognitive evaluations such as perceived usefulness and ease of use, which in the context of AI are often extended to include factors like trust and perceived privacy risk factors (**Gefen et al., 2003**).



AI-driven personalization can also be understood through different levels of AI intelligence, including mechanical, thinking, and feeling AI, which enable automation, data-driven personalization, and emotional engagement with consumers (Huang & Rust, 2021). This distinction provides a broader view of how AI capabilities are used across marketing activities and highlights the multidimensional nature of AI-driven interactions. In particular, this layered model suggests that advanced AI systems do not only improve efficiency, but also affect the emotional and relational side of interactions between consumers and brands, therefore expanding marketing beyond purely transactional outcomes.

Given the qualitative nature of this study, the aim is not to test formal hypotheses. Instead, this chapter develops a conceptual framework supported by a set of research propositions. These propositions outline the expected relationships between the key concepts identified in the literature and help guide the empirical investigation in the following chapters. These propositions are based on a perspective that focuses on how people create meaning from their experiences, which means that consumer trust, perceived relevance, and ethical evaluation are shaped by social and personal factors and can vary depending on the context, experience, and how organizations operate.

3.2 Development of the Conceptual Framework

The conceptual framework of this study is based on the assumption that AI-driven personalization affects consumer responses through a set of interconnected factors. At the same time, these relationships are not isolated, as they are also shaped by ethical considerations and managerial practices. This reflects a systems-based view of AI in marketing, where technological, psychological, and organizational factors work together and influence consumer outcomes instead of functioning independently.

AI-Driven Personalization and Perceived Relevance

AI technologies such as recommendation systems, predictive analytics, and customer segmentation algorithms allow organizations to tailor marketing content to individual consumer preferences. This capability improves perceived relevance, which refers to the extent to which consumers see marketing messages as meaningful and aligned

with their needs (**Wilson et al., 2024**). From a marketing effectiveness point of view, perceived relevance is widely seen as a key factor that explains how personalization leads to better consumer engagement and more informed decision-making (**Bleier & Eisenbeiss, 2015**).

Personalized content that reflects individual interests is more likely to attract attention and lead to positive experiences. Previous research shows that perceived relevance is one of the main advantages of AI-driven marketing and plays an important role in shaping consumer attitudes toward personalized interactions (**Nithishkumar & Jothi Francina, 2025**). Moreover, from a technology acceptance perspective, relevance can be linked to perceived usefulness, which is considered an important factor influencing user acceptance in digital environments. Specifically, thinking AI plays a significant role in personalization, as it allows firms to analyze large amounts of data, anticipate consumer preferences, and deliver tailored content at an individual level (**Huang & Rust, 2021**). In practice, this allows organizations to move closer to what is often described as “segmentation of one,” where marketing becomes increasingly individualized. This development shows a shift away from traditional segmentation methods toward marketing systems that are fully personalized and driven by algorithms.

Perceived Relevance and Consumer Trust

Perceived relevance is closely related to the development of consumer trust. When consumers receive recommendations or content that clearly matches their preferences, they are more likely to perceive the organization as competent and customer-oriented. This perception helps build trust in both the brand and the AI systems behind it (**Markou et al., 2025**). This relationship is consistent with cognitive-based trust theory in the literature, which suggests that trust is mainly built when consumers perceive a company or system as competent and consistent in what it delivers (**McKnight et al., 2002**).

At the same time, trust does not depend only on how effective personalization is. It is also shaped by whether consumers perceive AI systems as fair, transparent, and responsible. In this sense, perceived relevance may act as a starting point for building

trust, but it is not sufficient on its own to guarantee positive responses. Another important issue is that AI systems often operate as “black boxes,” meaning that their decision-making processes are not always clear to users. This lack of transparency, sometimes described as opaque AI, can reduce trust, especially when consumers do not understand how or why certain recommendations are made **(Huang & Rust, 2021)**. This suggests that being able to clearly explain how the system works is important for building trust between the performance of the AI system and consumers’ acceptance of it. This highlights that being able to explain how the system works clearly is an important factor that helps connect how well the system performs with how trust is built in AI-driven environments.

Trust and Consumer Responses

Trust is widely seen as a key factor influencing consumer behavior in digital environments. High levels of trust are linked to increased engagement, stronger brand relationships, and higher purchase intention. In contrast, low levels of trust may lead to skepticism, reduced interaction, or even avoidance of personalized marketing efforts **(Srivastava & Gurme, 2026; Markou et al., 2025)**. This is in line with the Technology Acceptance Model, which suggests that trust-related beliefs can indirectly influence behavioral intention by shaping how useful and how risky a system is perceived to be **(Davis, 1989; Gefen et al., 2003)**.

In the context of AI-driven marketing, trust becomes even more important, as consumers rely on automated systems that often operate with limited transparency. From a technology acceptance perspective, trust can be seen as an important factor influencing both the acceptance and continued use of AI-driven services. For this reason, it acts as a key link between personalization and consumer behavioral outcomes. At the same time, consumer acceptance of AI-driven interactions may vary depending on the context. In some cases, individuals may resist AI systems, especially when these systems are involved in decisions related to personal identity or sensitive areas **(Huang & Rust, 2021)**. This highlights the importance of considering not only the functional benefits of AI, but also consumers’ psychological responses to its use. Therefore, trust acts as a link between AI-driven personalization and consumers’ intention to make a purchase.



The Role of Ethical Considerations

Ethical concerns play an important role in shaping how consumers evaluate AI-driven personalization. Issues such as data privacy, perceived intrusiveness, lack of transparency, and algorithmic bias can affect both trust and overall consumer attitudes (Blom & Walde, 2022; Markou et al., 2025). For example, while consumers may value personalized recommendations, they may also feel uncomfortable if they believe that their personal data is being collected too much or used in the wrong way. This tension, often called the personalization–privacy paradox, shows how complex consumer responses to AI-based marketing can be. This paradox is explained by privacy calculus theory, which suggests that consumers continuously think about and compare the benefits they get from personalization with the possible risks to their privacy before deciding whether to engage with it (Tam & Ho, 2006).

In addition, AI systems may introduce unintended biases or risks because of the way data is collected and processed, which increases concerns about fairness and accountability (Huang & Rust, 2021). Ethical considerations can therefore act as a factor that either strengthens or weakens the relationship between personalization and trust. When organizations show responsible and transparent data practices, consumers are more likely to develop trust. On the other hand, ethical concerns may reduce trust and negatively affect engagement and behavioral intentions. This means that ethics can change how strong the relationship is between AI-driven personalization and trust, depending on how responsible and transparent organizations are. This is also consistent with previous research on technology adoption, which highlights the importance of perceived risk and trust in shaping user acceptance.

Managerial Perspective and Implementation

In addition to consumer-related factors, the implementation of AI-driven personalization is also influenced by managerial decisions and organizational practices. Marketing professionals play an important role in deciding how AI technologies are used, how consumer data is managed, and how personalization strategies are designed and communicated. This adds an organizational dimension to the conceptual framework, showing that the outcomes of AI are shaped not only by

the technology itself, but also by the decisions and actions of people within the organization.

Previous research shows that organizations need to balance the benefits of personalization with ethical responsibility in order to maintain consumer trust and long-term relationships (**Markou et al., 2025**). This highlights the importance of examining not only consumer perceptions, but also how professionals understand and deal with these challenges in practice. From a managerial perspective, AI is not expected to fully replace marketers, but rather to support human decision-making. Effective marketing outcomes increasingly depend on the collaboration between human expertise and AI capabilities, especially in areas that require creativity, strategic thinking, and emotional understanding (**Huang & Rust, 2021**). This reflects the idea of enhanced intelligence, where AI is used to support and improve managerial decision-making rather than replace human judgment in marketing processes.

Given the qualitative focus of this study, particular attention is given to how marketing managers in the fashion industry understand the opportunities and limitations of AI-driven personalization, as well as how they approach issues related to trust, ethics, and strategic implementation.

3.3 Research Propositions

Based on the literature reviewed and the conceptual relationships discussed above, the following research propositions are developed to guide the empirical analysis: These propositions are based on a combination of previous research on artificial intelligence in marketing, how consumer trust is formed, the effectiveness of personalization, and ethical issues in algorithmic systems (**Davenport et al., 2020; Calo, 2017**).

Proposition 1:

AI-driven personalization is expected to enhance the perceived relevance of marketing content and overall customer experience (**Wilson et al., 2024**). This reflects the growing ability of AI systems to analyze large amounts of behavioral data

and turn them into highly personalized marketing outputs, moving toward more detailed and individualized forms of customer segmentation.

Proposition 2:

Higher levels of perceived relevance are likely to positively influence consumer trust toward brands and AI systems (**Markou et al., 2025**). This relationship suggests that the perceived value and accuracy of personalization are key factors that help build consumer trust in AI-driven environments.

Proposition 3:

Consumer trust is expected to positively influence behavioral outcomes, such as engagement and purchase intention (**Srivastava & Gurme, 2026**). This is in line with well-known technology adoption theories, which suggest that trust plays a key role in influencing whether users continue to use digital systems and how they form behavioral intentions.

Proposition 4:

Ethical concerns, including data privacy, transparency, and perceived intrusiveness, may negatively affect consumer trust and attitudes toward AI-driven marketing (**Blom & Walde, 2022**). These concerns reflect the personalization–privacy paradox, where consumers appreciate personalization but at the same time are sensitive about how their data is collected and used.

Proposition 5:

Organizations are expected to balance personalization effectiveness with ethical considerations in order to maintain consumer trust and long-term engagement (**Markou et al., 2025**). This highlights the growing importance of responsible AI governance, where ethical data practices are not just optional but a key part of a sustainable marketing strategy.

Proposition 6:

Marketing professionals' perceptions and strategic decisions play a critical role in shaping how AI-driven personalization is implemented and experienced by consumers. This suggests that how managers understand and interpret AI capabilities



plays an important role in linking what the technology can do with the actual outcomes experienced by consumers.

3.4 Chapter Summary

This chapter presented the conceptual framework that supports the present study by bringing together key insights from the literature on AI in marketing, personalization, consumer behavior, and ethical considerations. It brings together findings from previous research, which suggest that the effectiveness of AI in marketing is not only based on technological progress, but also on how consumers perceive relevance, trust, and ethical issues in algorithm-based systems **(Davenport et al., 2020; Calo, 2017)**. The framework suggests that AI-driven personalization affects consumer responses through perceived relevance and trust, while ethical concerns act as an important factor shaping these relationships. In addition, the role of marketing professionals is seen as important in the implementation of AI strategies in practice.

In general, the framework is consistent with existing views that AI in marketing operates across different levels, from automation to advanced personalization and emotional engagement. From a strategic point of view, this shows how AI is moving from being just a supportive analytical tool to becoming a major force in marketing decision-making, allowing for more predictive, automated, and customer-focused strategies **(Davenport et al., 2020)**.

These capabilities require a balance between technological potential and human oversight in order to ensure effective and ethical marketing practices **(Huang & Rust, 2021)**

Given the qualitative nature of the research, a set of research propositions was developed to guide the analysis. These propositions provide a structured basis for the data collection and interpretation presented in the following chapters. They also ensure that the theoretical ideas are closely connected with the empirical part of the study, especially when looking at how AI-driven personalization is experienced and understood in real marketing practice.



Chapter 4: Methodology

4.1 Introduction

This chapter outlines the research methodology used in this study. Methodological choices in this study are guided by the idea that reality is shaped through social and individual interpretation, especially in areas like AI-driven marketing, where meaning, perception, and experience are key factors in understanding outcomes.

The aim of this chapter is to explain and justify the research design, data collection methods, sampling strategy, and data analysis procedures used to explore how Artificial Intelligence (AI) is applied in personalized marketing and how it is understood by marketing professionals. Given the exploratory nature of the research and the gaps identified in the literature and especially those related to managerial perspectives and the practical use of AI-driven personalization, a qualitative research approach is considered the most suitable. This is especially important in studies of AI-driven personalization, where technological systems are not just technical tools, but are also understood and used differently by marketing professionals depending on the organizational context, their experience, and ethical considerations.

This approach allows for a deeper understanding of participants' experiences, perceptions, and decision-making processes. It is therefore particularly suitable for exploring complex and context-dependent issues such as how trust is formed, how ethical decisions are made, and how AI technologies are actually implemented in marketing practice.

In addition, a qualitative research design allows the study to gain deeper and more detailed insights from industry professionals, which are often difficult to capture through quantitative methods, especially when dealing with emerging technologies like artificial intelligence.

The chapter is structured as follows: it begins by presenting the research design, followed by the data collection method, the sampling strategy, the development of the interview guide, the data analysis procedures, and the ethical considerations.



4.2 Research Design

This study uses a qualitative research design to explore how AI-driven personalization is applied in marketing practices and how it is understood by marketing professionals. This is in line with an interpretive research philosophy, which suggests that reality is shaped through people's individual experiences and interpretations, especially in areas involving emerging technologies such as artificial intelligence.

A qualitative approach is suitable for this research for several reasons. First, the study focuses on complex and evolving topics, such as AI adoption, personalization strategies, and ethical considerations that cannot be fully captured through quantitative methods. Second, existing literature shows a lack of in-depth understanding of how marketing professionals understand and apply AI-driven technologies in real-world contexts. In particular, AI-driven personalization depends heavily on the context in which it is used, meaning that its interpretation is shaped by organizational practices, professional experience, and ethical considerations, rather than only by its technical features (**Davenport et al., 2020**). For this reason, qualitative research is well suited, as it provides rich and detailed insights that help address this gap.

In addition, AI in marketing involves not only technological capabilities, but also human judgment, strategic decision-making, and ethical considerations. Previous research shows that the interaction between human marketers and AI systems plays an important role in shaping marketing outcomes. This supports the need for an exploratory approach that captures these different perspectives. This gap is particularly evident in relation to managerial perspectives, as most of the existing literature focuses more on consumer outcomes rather than on the actual decision-making processes of marketing professionals who are responsible for implementing AI systems in practice.

This methodological choice allows the study to capture not only what decisions are made, but also how and why these decisions are taken within real-world marketing environments. In doing so, it provides a more comprehensive understanding of AI



adoption in marketing by integrating technological, organizational, and human dimensions of decision-making.

4.3 Data Collection Method

Data for this study will be collected through semi-structured interviews with marketing professionals. The interviews were conducted in Greek, as this was the native language of the participants. All interviews were audio-recorded with consent, transcribed verbatim in the original language, and subsequently translated into English for the purposes of analysis and reporting. Semi-structured interviews are suitable for this research because they allow flexibility while still keeping a clear focus on the main research themes. This flexibility is especially important in studies of AI-driven marketing, where participants may understand and use technologies differently depending on their work environment, organizational setting, and professional experience. This method allows the researcher to explore key topics, such as personalization, trust, and ethical concerns, while also giving participants the opportunity to share their own experiences and perspectives in detail.

This approach is consistent with previous studies in marketing and consumer behavior, where qualitative interviews are used to explore perceptions, attitudes, and strategic practices. From a methodological point of view, semi-structured interviews are especially useful for capturing implicit knowledge that is often difficult to obtain through structured surveys or quantitative methods. In addition, they are particularly suitable for studying emerging topics such as AI-driven marketing, as they allow participants to reflect on both current practices and the changing nature of marketing strategies and decision-making processes.

4.4 Sampling Strategy

The study uses a purposive sampling strategy, focusing on participants who have relevant knowledge and experience in the field of marketing. This approach is suitable for qualitative research, as it allows the selection of cases that are rich in information and can offer deeper insights into the phenomenon being studied. The sample includes 10 marketing managers working in the fashion industry. This industry was selected



because of its extensive use of AI-driven personalization and its strong focus on customer experience and brand engagement. From a contextual point of view, the fashion industry is particularly relevant for this study due to its early adoption of digital marketing technologies and its strong reliance on personalized consumer engagement strategies.

Participants will be selected based on the following criteria:

- Professional experience in marketing or digital marketing
- Involvement in personalization strategies or data-driven marketing
- Familiarity with AI tools or technologies used in marketing

This targeted sampling approach ensures that participants can provide useful and relevant insights that are aligned with the research objectives. It also strengthens the validity of the findings by ensuring that responses are based on real-world practical experience rather than only theoretical knowledge.

4.5 Development of the Interview Guide

The interview guide was developed based on the existing literature, the identified research gaps, and the conceptual framework presented in Chapter 3. This helps ensure a strong connection between the empirical data collected and the theoretical concepts that underpin the study. The interview guide is based on key themes drawn from previous research. These themes reflect the relationships between AI-driven personalization, perceived relevance, consumer trust, ethical considerations, and managerial decision-making. More specifically, the interview questions are structured around the following thematic areas:

1. AI-Driven Personalization

This theme explores how AI technologies are used in marketing practices, including recommendation systems, predictive analytics, and customer segmentation. It is linked to Proposition 1 and previous research on AI applications in marketing. It also highlights the growing shift from traditional marketing approaches toward more data-driven and algorithm-supported decision-making processes (**Davenport et al., 2020**).



2. Perceived Relevance and Customer Experience

This section examines how marketing professionals understand the effectiveness of personalization in improving relevance and customer experience. This theme is closely linked to how value is perceived in digital environments, where relevance plays a central role in shaping consumer engagement and satisfaction.

3. Consumer Trust

This theme focuses on how personalization affects consumer trust, as well as how trust is managed and maintained in AI-driven environments (Propositions 2 and 3). It also highlights the importance of trust as a key factor that influences both technology adoption and continued user engagement in AI-based systems.

4. Ethical Considerations

This section addresses key ethical issues identified in the literature, including data privacy, transparency, perceived intrusiveness, and algorithmic bias (Proposition 4). These issues are increasingly seen as key challenges in AI-driven marketing, especially when it comes to consumer autonomy and the responsible use of data (Calo, 2017; O'Neil, 2016).

5. Managerial Perspective and Strategy

This theme explores how marketing professionals make strategic decisions about AI adoption and personalization, including how they balance effectiveness with ethical responsibility (Propositions 5 and 6). It also highlights the importance of human judgment in understanding AI outputs and turning them into practical marketing strategies.

The semi-structured nature of the interviews allows for follow-up questions and deeper exploration of specific topics, depending on participants' responses. This flexibility is important given the complexity and evolving nature of AI-driven marketing. It also allows the researcher to capture unexpected insights, which are especially useful in exploratory qualitative research.



4.5.1 Interview Questions

The following questions were designed to guide the interviews:

Section 1: AI-Driven Personalization

1. How is AI used in your company's marketing activities?
2. What types of personalization strategies do you currently apply?
3. What are the main benefits of using AI for personalization?

Section 2: Perceived Relevance and Customer Experience

4. In your opinion, how does AI-driven personalization improve customer experience?
5. Do you believe personalized content increases customer engagement? How?

Section 3: Consumer Trust

6. How do you think AI-driven personalization affects consumer trust?
7. Have you observed any situations where personalization increased or reduced trust?
8. How does your company try to build or maintain trust when using AI?

Section 4: Ethical Considerations

9. What ethical challenges do you associate with AI in marketing?
10. How does your company address issues such as data privacy and transparency?
11. Do you think consumers are concerned about how their data is used?

Section 5: Managerial Perspective and Strategy

12. What factors influence your decisions when implementing AI-driven personalization?
13. How do you balance personalization effectiveness with ethical responsibility?
14. What challenges do you face when using AI in marketing?



Closing Question

15. Is there anything else you would like to add regarding AI and personalized marketing?

The interview questions were taken directly from the conceptual framework developed in Chapter 3 and are designed to translate the main concepts identified in the literature into measurable topics, including AI-driven personalization, perceived relevance, consumer trust, ethical concerns, and managerial decision-making. In addition, the structure follows a thematic approach that is consistent with previous qualitative research in AI and marketing, ensuring that both consumer and managerial perspectives are explored in a systematic way in relation to the research propositions.

4.6 Data Analysis

The data collected from the interviews will be analyzed using thematic analysis.

Thematic analysis is a widely used qualitative method that allows for the identification, analysis, and interpretation of patterns (themes) within the data. This approach is particularly suitable for this study, as it enables the researcher to organize and interpret participants' perspectives in a systematic and meaningful way. This method fits the exploratory nature of the study, as it helps provide a deeper understanding of how marketing professionals make sense of AI-driven personalization, trust, and ethical issues in real-world settings. In addition, thematic analysis works well with studies based on a conceptual framework, as it allows the researcher to compare the themes that emerge from the data with the propositions developed in Chapter 3, leading to a structured but still flexible interpretation of the findings.

The below key steps will be followed for the analysis:

1. Familiarization with the data through repeated reading of interview transcripts
2. Initial coding to identify meaningful segments of data
3. Development of themes based on patterns across participants
4. Review and refinement of themes



5. Interpretation of findings in relation to the conceptual framework and existing literature

This process allows for a structured analysis while maintaining flexibility to capture unexpected insights.

4.7 Ethical Considerations

Ethical considerations are an important aspect of this research. All participants will be informed about the purpose of the study and their role in the research. Participation will be voluntary, and participants will have the right to withdraw at any time without any consequences. Informed consent will be obtained prior to conducting the interviews. In addition, confidentiality and anonymity will be ensured by not disclosing participants' identities or organizational affiliations. The data collected will be used solely for academic purposes and will be stored securely. These practices are aligned with general data protection principles and ethical research standards.

In the context of AI-driven marketing research, ethical considerations are especially important because they involve sensitive personal and organizational data, as well as the growing use of digital systems for collecting and analyzing information. As shown in the literature, issues like data privacy, transparency, and responsible use of data are essential for building and maintaining trust in both research and marketing settings (Blom & Walde, 2022; Markou et al., 2025). For this reason, this study follows an ethical approach that goes beyond basic academic requirements and also takes into account the wider ethical challenges of AI-based environments, where data-driven decisions can raise concerns about surveillance, consent, and possible misuse of information.

4.8 Chapter Summary

This chapter presented the research methodology used in this study. A qualitative research design was selected to explore how AI-driven personalization is applied and understood by marketing professionals. The data will be collected through semi-structured interviews with marketing managers in the fashion industry, using a



purposive sampling strategy. The interview guide is based on key themes from the literature and the conceptual framework, ensuring alignment with the research objectives and propositions.

The data will be analyzed using thematic analysis, a qualitative method that focuses on identifying patterns within the data. In this study, the interview transcripts will be reviewed and coded in order to highlight key ideas, which will then be grouped into broader themes reflecting common patterns across participants' responses. This approach allows for a systematic analysis, while also leaving some flexibility to capture different perspectives and insights from the data.

Overall, the methodological choices in this study fit well with its exploratory nature and its aim of understanding how AI is actually used in real marketing contexts. By using qualitative interviews together with thematic analysis, the study creates a clear link between the conceptual framework developed in Chapter 3 and the empirical part of the research, which helps in interpreting how AI-driven personalization is experienced and applied in practice. At the same time, this approach allows the study to bring together both consumer-related and managerial perspectives, which is important for addressing the gap identified in the literature.

CHAPTER 5: FINDINGS AND DISCUSSION

5.1 Introduction

This chapter presents the findings of the qualitative analysis conducted on the ten semi-structured interviews with marketing professionals working in the fashion industry. The aim of this chapter is to identify and interpret the main themes that emerged from the data in relation to artificial intelligence (AI) and personalized marketing.

The analysis follows a thematic approach, allowing patterns across participants' responses to be systematically identified and grouped into broader conceptual categories. These themes are then discussed in relation to the research objectives and the conceptual framework developed in Chapter 3.

Overall, the findings provide insights into how AI-driven personalization is understood and applied in real marketing practice, particularly within fashion brands operating in both digital and physical retail environments.

The analysis is based on interviews conducted with ten marketing professionals working across fashion-related industries, including clothing, footwear, eyewear, accessories, lingerie, and agency environments. The relatively consistent patterns observed across participants' responses can be attributed to their shared professional engagement with digital and data-driven marketing practices within the fashion industry.

5.2 Thematic Analysis of Interview Findings

The analysis of the interview data identified five key themes that reflect how Artificial Intelligence (AI) is understood and applied in contemporary fashion marketing practice. These themes emerged through a careful comparison of all ten interviews and represent shared patterns across different roles within the fashion industry, rather than isolated individual opinions.



Overall, the findings show a strong consistency in how professionals perceive AI: as a practical, performance-driven tool that supports decision-making, personalization, and customer engagement, but at the same time raises important concerns around privacy, trust, and over-targeting. This high level of consistency across participants may be explained by the fact that all interviewees operate within similar digital marketing environments and rely heavily on data-driven tools in their daily work. As a result, their perspectives on AI-driven personalization tend to converge around common practices and industry standards.

Theme 1: AI as a core tool for data-driven decision making

One of the clearest findings from all interviews is that AI has become an essential part of everyday marketing operations. Participants no longer describe it as an “emerging technology”, but rather as something fully embedded in their workflow, especially in e-commerce and digital campaigns.

AI is mainly used to analyze behavioral data such as product views, clicks, browsing patterns, cart additions, and purchases. This allows marketers to better understand customer behavior and optimize campaigns in real time.

Participant 6 further reinforced the view that artificial intelligence is now fully integrated into digital marketing strategy, particularly in e-commerce environments. He explained that AI is used to analyze customer behavior and interpret real-time data in order to guide marketing decisions, reducing reliance on intuition and general assumptions. This reflects the increasing shift towards data-driven decision-making, where marketing actions are based on actual consumer behavior rather than subjective judgment.

For example, participants from both brands and agencies explained that AI helps them move away from intuition-based decisions and instead rely on actual user behavior and performance data. Participant 1 reinforced this view, explaining that AI is primarily used “to better understand what each consumer does and what really interests her,” highlighting the shift from intuition-based approaches to data-driven decision making. She further emphasized that AI is now embedded in everyday

marketing operations, particularly in analyzing customer interactions and tailoring content to user preferences.

Participant 7 further supported this perspective from an agency standpoint, explaining that artificial intelligence is primarily used for audience analysis, performance optimization, and the rapid interpretation of behavioral and campaign data. He emphasized that in fast-moving, trend-driven industries such as fashion and resort wear, AI enables marketers to quickly identify changes in consumer behavior and adjust campaigns accordingly. This reduces reliance on intuition and improves the efficiency of media budget allocation, allowing decisions to be based on real-time performance insights rather than subjective judgment.

In this sense, AI is not simply a supporting tool, but an important element in the marketing decision-making process.

Theme 2: Personalization as the dominant marketing strategy

Another strong and consistent theme is the central role of personalization. Across all interviews, participants clearly stated that marketing has shifted from mass communication to highly targeted, individualized messaging.

AI enables companies to segment audiences and deliver tailored content through product recommendations, email flows, dynamic ads, and website personalization. The goal is simple but powerful: show the right product to the right person at the right time. This approach was clearly reflected in Participant 1's account, who explained that personalization is applied in practice through lifestyle-based segmentation. She described how different consumer profiles are targeted, such as a "female student looking for comfortable everyday styles" versus a "working woman seeking more formal and office-appropriate options," demonstrating how AI supports the delivery of context-specific recommendations across e-commerce, newsletters, and remarketing campaigns.

In fashion-related sectors such as clothing, footwear, eyewear, and accessories, personalization is seen as especially important because consumer preferences are



highly subjective and emotionally driven. As a result, relevance becomes more important than volume.

Theme 3: Improved engagement and commercial performance

All participants agreed that AI-driven personalization leads to measurable improvements in marketing performance. This includes higher engagement rates, better click-through rates, stronger email performance, and increased conversions.

The main explanation given is relevance. When users see content aligned with their interests or needs, they are more likely to interact with it.

In practice, participants described personalization as something that reduces “noise” in communication and helps users reach products faster. This makes the customer journey smoother and more efficient, especially in e-commerce environments where decisions are made quickly.

Theme 4: Trust as a fragile balance between relevance and intrusion

One of the most important findings is the sensitive nature of consumer trust. While personalization is generally seen as positive, participants repeatedly stressed that trust depends heavily on how it is implemented.

When personalization is relevant and helpful, it strengthens trust because customers feel understood. However, when retargeting becomes too frequent or repetitive, it can create discomfort and the feeling of being “tracked”.

This was strongly supported by Participant 2, who emphasized that consumer trust is highly dependent on the balance between relevance and overexposure. She explained that while well-executed personalization can increase trust by improving perceived service quality, excessive targeting may lead to discomfort, particularly when users feel that they are being “monitored.” This reinforces the idea that trust is not a fixed outcome of personalization, but a dynamic response shaped by intensity and execution.



A similar perspective was expressed by Participant 3, who noted that trust is strongly influenced by the way personalization is applied in practice. She highlighted that when communication is “proper and discreet,” customers feel more comfortable and closer to the brand, whereas overly intrusive and repetitive targeting can quickly generate negative perceptions. She further emphasized that consumers today are more aware of digital marketing practices and are able to distinguish between authentic communication and excessive advertising pressure, reinforcing the importance of balance and moderation.

This perspective was further reinforced by Participant 4, who also highlighted the importance of balance in personalization practices. He noted that when recommendations are relevant and aligned with user preferences, trust is strengthened; however, excessive repetition or overexposure can lead to disengagement, as consumers may begin to ignore or distance themselves from the brand communication.

A similar view was expressed by Participant 9, who emphasized that trust in AI-driven personalization is highly dependent on implementation. He noted that when personalization is useful and discreet, consumers perceive it positively and feel that the brand offers a better and more relevant experience. However, when targeting becomes overly aggressive or “frighteningly accurate,” it may lead to discomfort and a feeling of being constantly monitored, ultimately reducing trust. This reinforces the importance of responsible and balanced use of behavioral data in maintaining positive consumer perceptions.

This was a recurring concern across interviews, especially in relation to repeated ads and excessive exposure to the same products across platforms. In such cases, personalization stops being useful and starts being perceived as intrusive.

This shows that trust is not automatically created through AI—it depends on moderation, timing, and user perception.



Theme 5: Ethics, privacy and responsible data use

The final theme relates to ethical concerns and data privacy, which were mentioned consistently by all participants. While AI enables deeper customer understanding, it also raises questions about how much data should actually be collected and used.

Participants emphasized GDPR compliance, transparency, and informed consent as basic requirements. However, many also highlighted that legal compliance alone is not enough. Ethical responsibility is also about avoiding unnecessary data collection and ensuring that users do not feel monitored.

This perspective was strongly reflected in Participant 3's account, who emphasized that customers should not feel "constantly monitored" through marketing practices. She highlighted the importance of moderation and respect in the use of consumer data, arguing that although technological tools enable extensive data collection, brands should only use information that is necessary to improve the customer experience rather than collecting data simply because it is available.

A key idea across interviews is the difference between "useful personalization" and "surveillance-like personalization". The former improves experience, while the latter can damage trust and brand reputation.

Summary of thematic findings

Overall, the thematic analysis shows a clear pattern: AI is widely accepted as a necessary tool in modern marketing, especially in fashion-related industries. It improves targeting, efficiency, and engagement, but its success depends on maintaining a balance between personalization and privacy.



Table 5.1: Summary of Thematic Analysis Findings

Theme	Description	Evidence from Interviews
AI as a Core Data-Driven Tool	AI is widely used for behavioral analysis, segmentation, and marketing decision-making.	All interviews highlight AI as a key tool for understanding customer behavior and optimizing campaigns.
Shift to Personalization	Marketing has shifted from mass communication to highly targeted and personalized strategies.	Participants consistently report the use of personalized recommendations and segmented communication across channels.
Engagement & Performance Improvement	AI-driven personalization enhances engagement metrics and conversion rates.	Interview data shows increased clicks, engagement, and conversions when content is personalized.
Trust and Intrusiveness Balance	Trust is strengthened by relevance but weakened by over-targeting or repetition.	All participants emphasize the importance of balancing personalization with non-intrusive communication.
Ethical & Privacy Concerns	Data privacy, transparency, and GDPR compliance are central ethical considerations.	Interviews consistently highlight responsible data use and transparency as critical factors.

5.3 Consumer Trust in AI-Driven Personalized Marketing

Consumer trust emerged as one of the most important and sensitive issues across all interviews. While AI-driven personalization is generally viewed positively, its impact on trust is highly dependent on how it is used in practice.



Theme 1: Trust increases when personalization is helpful and relevant

Participants consistently stated that trust is strengthened when personalization adds value to the customer experience. When users receive relevant recommendations, they feel that the brand understands their preferences and needs.

In these cases, AI is perceived as a supportive tool rather than a marketing intrusion. It simplifies decision-making and improves the overall shopping experience, which in turn strengthens the relationship with the brand.

Theme 2: Overexposure reduces trust

At the same time, all interviews highlighted the negative effects of excessive targeting. When users are repeatedly exposed to the same products or ads, personalization can quickly become annoying.

This often leads to a feeling of being “followed” across platforms. Instead of improving trust, it creates discomfort and distance between the consumer and the brand.

This finding was especially strong in interviews with participants from high-frequency e-commerce environments such as fashion and footwear.

Theme 3: Transparency as a foundation of trust

Transparency was repeatedly identified as a key requirement for building trust. Participants emphasized that consumers today are more aware of data collection practices and expect clear communication about how their data is used.

Brands that openly explain their use of cookies, tracking tools, and personalization systems are more likely to maintain trust. In contrast, unclear practices can create suspicion even when personalization itself is effective.



Theme 4: Trust depends on balance and respect for privacy

A key insight from the interviews is that trust is built on balance. Users want personalization, but they also want privacy and control.

A similar perspective was expressed by Participant 6, who emphasized that consumer trust in AI-driven personalization is highly dependent on implementation. He noted that when personalization is discreet and relevant, it strengthens trust by making the customer feel understood. However, excessive retargeting or repetitive messaging can quickly lead to discomfort and distrust, highlighting the importance of balance in execution.

This suggests that effective AI marketing is not about maximizing data use, but about using data responsibly and with restraint. Trust is therefore closely linked to how “respectful” the brand feels in its communication.

This perspective was further supported by Participant 10, who emphasized that consumer trust in AI-driven personalization depends strongly on the balance between relevance and frequency. He explained that when personalization is well-calibrated and relevant, it enhances trust by making communication more useful and aligned with user needs. However, when retargeting becomes overly frequent or repetitive across channels, it can create a sense of pressure and perceived intrusion, sometimes described as a “creepy” effect. This highlights that trust is not only influenced by relevance, but also by exposure intensity and the way campaigns are managed over time.

Theme 5: Human communication strengthens long-term trust

Finally, participants highlighted that long-term trust cannot be built through technology alone. Even in highly automated environments, customers still value authenticity and human-like communication.

Brands that maintain a natural tone and avoid overly automated or mechanical communication are more likely to build emotional connections with consumers. AI should therefore support marketing, not replace the human element behind it.



Summary of findings on trust

Overall, trust in AI-driven personalization appears to be highly conditional. It increases when personalization is relevant, transparent, and respectful, but decreases when it becomes excessive or intrusive. The findings suggest that trust is not a direct outcome of AI, but a result of how carefully it is managed.

5.4 Ethical Implications of AI in Personalized Marketing

The interviews clearly show that ethical considerations are an essential part of AI-driven marketing. While participants recognize the benefits of AI, they also emphasize the importance of responsibility, transparency, and data protection.

Theme 1: Data privacy as the central ethical concern

Across all interviews, data privacy was identified as the most important ethical issue. AI systems rely heavily on behavioral data, which raises concerns about how much information should be collected and stored.

Participants emphasized that companies should avoid collecting unnecessary data and instead focus only on what is needed to improve customer experience.

Theme 2: The boundary between personalization and surveillance

A recurring concern is the thin line between effective personalization and perceived surveillance. While users generally accept personalization, they react negatively when it becomes too intrusive.

Excessive tracking or repetitive advertising can create the feeling of being constantly monitored, which can damage brand perception. A similar perspective was expressed by Participant 8, who noted that personalization enhances the customer experience when it remains relevant and carefully managed. However, he emphasized that when targeting becomes overly frequent or repetitive, it may lead to consumer fatigue and a sense of intrusion, reinforcing the delicate boundary between effective personalization and perceived surveillance.



Theme 3: Transparency and informed consent

Transparency was seen as essential for ethical AI use. Participants stressed the importance of informing users clearly about data collection and usage.

When consumers understand why data is collected, they are more likely to accept personalization. Without transparency, even useful personalization can be perceived negatively.

Theme 4: GDPR compliance as a baseline, not a strategy

All participants referred to GDPR as a necessary foundation. However, they also emphasized that compliance alone is not enough.

Ethical marketing requires more than legal adherence—it requires responsible decision-making, limitation of data use, and consideration of user experience.

Theme 5: Ethics as part of brand identity

Finally, ethics was described not as a separate function but as part of brand strategy. How a company handles data directly affects how it is perceived by consumers.

Participant 6 further reinforced this view by highlighting that ethical marketing practices require strict limitations on data use and full compliance with GDPR regulations. She emphasized that consumer privacy must be protected and that personalization should prioritize user value rather than purely commercial objectives, underlining the importance of responsible and transparent data practices in building long-term trust.

Brands that respect privacy and act responsibly build stronger long-term relationships with customers, while aggressive or non-transparent practices can harm brand equity.



Summary of ethical findings

The findings suggest that ethical concerns are not secondary but central to AI-driven marketing. Privacy, transparency, and responsible use of data determine whether AI is seen as helpful innovation or intrusive surveillance.

5.5 Discussion of Findings

The findings from this study provide an understanding of how AI is currently shaping personalized marketing in fashion-related industries. Across all ten interviews, there is a strong consistency in perceptions, despite differences in roles and company types.

AI as a part of marketing infrastructure

One of the most important insights is that AI is no longer seen as an optional innovation. Instead, it has become a fundamental part of marketing infrastructure, especially in digital environments.

Marketers rely on AI for segmentation, targeting, performance analysis, and campaign optimization. This reflects a broader shift from intuition-based marketing to data-driven decision-making.

Shift from mass communication to individual relevance

The study clearly shows a structural shift in marketing strategy. Mass communication is no longer effective in digital environments, particularly in fashion industries where preferences are highly personal.

AI enables companies to move toward highly personalized communication, increasing relevance and improving customer experience.

Performance gains with operational dependency on data quality

While AI clearly improves engagement and conversions, its effectiveness depends heavily on the quality of data and the way it is implemented. Poor targeting or excessive repetition can reduce performance and negatively affect user experience.

This shows that AI is not automatically effective—it requires continuous optimization and strategic control.

The importance of balance in personalization

A central conclusion across all findings is the need for balance. Personalization is valuable, but only up to a point. When it becomes too aggressive, it can create discomfort and reduce trust.

This highlights an important tension in AI marketing: increasing relevance while avoiding intrusion.

Trust and ethics as long-term success factors

Finally, the study shows that trust and ethics are not secondary considerations, but essential for long-term success. While AI can improve short-term performance, sustainable success depends on transparency, privacy protection, and responsible data use.

Ethical considerations were also strongly supported by Participant 3 and Participant 5, who emphasized the importance of avoiding excessive consumer monitoring and ensuring that data is used in a discreet and responsible manner. Similarly, Participant 4 highlighted the importance of transparency and GDPR compliance, reinforcing that ethical data use is essential for maintaining long-term consumer trust.

Brands that fail to manage these aspects risk losing consumer trust, even if their marketing performance improves in the short term.

Participant 7 further reinforced this perspective by emphasizing that artificial intelligence should remain a supportive tool rather than replacing human judgment in marketing decision-making. He noted that although AI significantly enhances targeting, segmentation, and campaign efficiency, its long-term value depends on responsible implementation and the preservation of human oversight. In particular, she highlighted that even in highly data-driven environment, consumers continue to

respond more positively to brands that maintain authenticity, consistency, and a clear human presence behind automated processes.

Participant 9 further reinforced the importance of a human-centered approach in AI-driven marketing. She emphasized that although Artificial Intelligence significantly improves targeting, segmentation, and overall campaign efficiency, it cannot replace strategic thinking and human understanding of the customer. He argued that the most effective marketing strategies are those where technology is used to enhance the customer experience rather than substitute human judgment, highlighting that long-term success depends on maintaining a balance between automation and human insight. This reinforces the idea that ethical AI use is not only about compliance, but also about sustaining trust through human-centered communication.

Conclusion

In conclusion, AI-driven personalization is now a central element of modern marketing strategy. It improves efficiency, engagement, and customer experience, particularly in fashion-related industries. However, its success depends on maintaining a careful balance between personalization, privacy, and human communication.

The findings suggest that the future of AI in marketing is not purely technological, but also deeply relational, where trust, ethics, and human-centered communication remain essential.



CHAPTER 6: CONCLUSION

6.1 Overview of the Study

This study explored how Artificial Intelligence (AI) is used in personalized marketing and how it influences customer experience, engagement, trust, and ethical considerations. The focus was on professionals working in digital marketing and e-commerce environments, particularly in fashion-related industries such as clothing, footwear, lingerie, swimwear, and accessories, where personalization plays a central role in marketing strategy.

Through ten semi-structured interviews, the study aimed to understand how AI is applied in real marketing practice and how professionals perceive its benefits and challenges. The data was analyzed using thematic analysis, which helped identify key patterns across all participants.

Overall, the findings show that AI has become an essential part of modern marketing strategy, especially in relation to data analysis, targeting, and personalization at scale.

6.2 Summary of Key Findings

The findings of the study can be summarized around five main points.

First, AI is widely used as a core tool for data-driven marketing. It helps companies analyze customer behavior, understand the customer journey, and make more informed marketing decisions.

Second, personalization has become a standard strategy in digital marketing. Companies use AI to deliver more relevant content, product recommendations, and targeted communication based on user behavior and preferences.

Third, AI-driven personalization has a clear positive impact on engagement and performance. Participants reported higher click-through rates, better conversion rates, and improved interaction when content is tailored to users' interests.



Fourth, customer trust is strongly influenced by how personalization is implemented.

When it is relevant and helpful, it builds trust, but when it becomes repetitive or intrusive, it can negatively affect the customer relationship.

Finally, ethical issues and data privacy are central concerns. Participants highlighted the importance of transparency, consent, and responsible data use, particularly under regulations such as GDPR.

6.3 Answering the Research Aim

The main aim of this study was to explore the role of AI in personalized marketing and its impact on customer experience and trust. Based on the findings, it can be concluded that AI plays a very important role in improving marketing effectiveness. It enables companies to better understand customer behavior, deliver more relevant content, and improve engagement and conversion outcomes.

However, the study also shows that the effectiveness of AI is not only technical but also relational. In other words, success depends not only on data and algorithms, but also on how customers perceive personalization.

If AI is used in a balanced and transparent way, it can improve both customer experience and trust. However, if it becomes overly aggressive or intrusive, it can damage the relationship between the customer and the brand. This aligns with the findings presented in Chapter 5, particularly Themes 3 and 4.

6.4 Theoretical Implications

This study supports existing literature that highlights the importance of personalization in modern marketing. It confirms that AI is a key enabler of data-driven marketing strategies and allows for more precise targeting and segmentation.

At the same time, the findings highlight an important balance discussed in previous research: the trade-off between personalization and privacy. While AI increases marketing efficiency, it also raises ethical concerns related to data use and perceived surveillance.



The study therefore reinforces the idea that successful AI-driven marketing requires not only technological capability, but also ethical awareness and a strong customer-centric approach.

6.5 Practical Implications

From a practical perspective, the findings provide useful insights for marketing professionals and companies using AI tools. Businesses should focus on using AI to improve relevance and customer experience, rather than simply increasing targeting intensity. Personalization should feel helpful rather than intrusive. Companies should also invest in transparent communication with users, particularly regarding data collection and cookie usage. Clear consent mechanisms and ethical data practices are essential for maintaining trust.

Finally, marketers should continuously monitor the balance between performance and customer perception, ensuring that automation supports rather than replaces the human element in brand communication.

6.6 Limitations of the Study

This study has several limitations that should be acknowledged. First, the sample size is limited to ten participants, which means the findings reflect qualitative insights rather than statistically generalizable results. Second, all participants come from specific sectors within the fashion industry including footwear, accessories, clothing, swimwear, lingerie, and marketing agencies, which may limit the transferability of findings to other industries. Third, the study is based on self-reported data, meaning that responses reflect perceptions and experiences rather than objective behavioral measurements. Despite these limitations, the study still provides meaningful insights into how AI is understood and applied in real marketing contexts.



6.7 Recommendations for Future Research

Future research could expand this study in several directions. A larger and more diverse sample across different industries would improve the general sample of the findings and provide a broader understanding of AI-driven personalization.

It would also be valuable to compare industries where personalization is less emotionally driven than fashion, in order to identify possible differences in consumer perception and marketing strategy. In addition, future studies could combine qualitative and quantitative methods to measure the actual impact of AI on consumer behavior, engagement, and purchase decisions.

Finally, further research could focus more deeply on the ethical implications of AI in marketing, particularly regarding long-term effects on trust, privacy, and consumer perception.

6.8 Final Conclusion

In conclusion, this study shows that Artificial Intelligence has become a key element of modern personalized marketing. It enhances targeting, improves customer experience, and increases engagement and conversion performance.

However, its effectiveness depends on how it is used in practice. The findings clearly show that AI must be implemented in a balanced way that respects customer privacy, ensures transparency, and avoids overly intrusive practices.

Ultimately, the most effective use of AI in marketing is not only about technology, but also about understanding people. Brands that combine data-driven strategies with ethical responsibility and a human-centered approach are more likely to build long-term trust and sustainable customer relationships.



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APPENDIX A – INTERVIEW QUESTIONS

Appendix A: Interview Guide

Section 1: AI-Driven Personalization

1. How is AI used in your company's marketing activities?
2. What types of personalization strategies do you currently apply?
3. What are the main benefits of using AI for personalization?

Section 2: Perceived Relevance & Customer Experience

4. In your opinion, how does AI-driven personalization improve customer experience?
5. Do you believe personalized content increases customer engagement? How?

Section 3: Consumer Trust

6. How do you think AI-driven personalization affects consumer trust?
7. Have you observed any situations where personalization increased or reduced trust?
8. How does your company try to build or maintain trust when using AI?

Section 4: Ethical Considerations

9. What ethical challenges do you associate with AI in marketing?
10. How does your company address issues such as data privacy and transparency?
11. Do you think consumers are concerned about how their data is used?

Section 5: Managerial Perspective & Strategy

12. What factors influence your decisions when implementing AI-driven personalization?
13. How do you balance personalization effectiveness with ethical responsibility?
14. What challenges do you face when using AI in marketing?

Closing Question

15. Is there anything else you would like to add regarding AI and personalized marketing?



ΠΑΡΑΡΤΗΜΑ Α – ΕΡΩΤΗΣΕΙΣ ΣΥΝΕΝΤΕΥΞΗΣ

Παράρτημα Α: Οδηγός Συνέντευξης

Ενότητα 1: Εξατομίκευση μέσω Τεχνητής Νοημοσύνης (AI-Driven Personalization)

1. Πώς χρησιμοποιείται η Τεχνητή Νοημοσύνη στις δραστηριότητες μάρκετινγκ της εταιρείας σας;
2. Τι είδους στρατηγικές εξατομίκευσης εφαρμόζετε αυτή τη στιγμή;
3. Ποια θεωρείτε ότι είναι τα βασικά οφέλη από τη χρήση της Τεχνητής Νοημοσύνης για την εξατομίκευση;

Ενότητα 2: Αντιλαμβανόμενη Συνάφεια & Εμπειρία Πελάτη (Perceived Relevance & Customer Experience)

4. Κατά τη γνώμη σας, πώς η εξατομίκευση μέσω Τεχνητής Νοημοσύνης βελτιώνει την εμπειρία του πελάτη;
5. Πιστεύετε ότι το εξατομικευμένο περιεχόμενο αυξάνει την αλληλεπίδραση (engagement) των πελατών; Με ποιον τρόπο;

Ενότητα 3: Εμπιστοσύνη Καταναλωτή (Consumer Trust)

6. Πώς πιστεύετε ότι η εξατομίκευση μέσω Τεχνητής Νοημοσύνης επηρεάζει την εμπιστοσύνη των καταναλωτών;
7. Έχετε παρατηρήσει περιπτώσεις όπου η εξατομίκευση αύξησε ή μείωσε την εμπιστοσύνη;
8. Με ποιους τρόπους η εταιρεία σας προσπαθεί να δημιουργήσει ή να διατηρήσει την εμπιστοσύνη όταν χρησιμοποιεί AI;

Ενότητα 4: Ηθικά Ζητήματα (Ethical Considerations)

9. Ποιες ηθικές προκλήσεις συνδέετε με τη χρήση της Τεχνητής Νοημοσύνης στο μάρκετινγκ;
10. Πώς η εταιρεία σας αντιμετωπίζει ζητήματα όπως η προστασία προσωπικών δεδομένων και η διαφάνεια;
11. Πιστεύετε ότι οι καταναλωτές ανησυχούν για τον τρόπο με τον οποίο χρησιμοποιούνται τα δεδομένα τους;

Ενότητα 5: Διοικητική Προσέγγιση & Στρατηγική (Managerial Perspective & Strategy)

12. Ποιοι παράγοντες επηρεάζουν τις αποφάσεις σας κατά την εφαρμογή στρατηγικών εξατομίκευσης με χρήση AI;



13. Πώς εξισορροπείτε την αποτελεσματικότητα της εξατομίκευσης με την ηθική ευθύνη;
14. Ποιες προκλήσεις αντιμετωπίζετε κατά τη χρήση της Τεχνητής Νοημοσύνης στο μάρκετινγκ;

Τελική Ερώτηση (Closing Question)

15. Υπάρχει κάτι επιπλέον που θα θέλατε να προσθέσετε σχετικά με την Τεχνητή Νοημοσύνη και το εξατομικευμένο μάρκετινγκ;