

## AI-POWERED PERSONALIZATION AND CUSTOMER SATISFACTION TOWARDS ADVERTISING

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### Abstract

In the field of advertising, the framework of the customer journey illustrates how consumer behaviors and attitudes shift throughout their interactions with a brand. While this model has evolved to accommodate omni-channel marketing strategy, it has largely overlooked the rise of algorithmically tailored advertising. To bridge this gap, this research investigates how artificial intelligence (AI)-powered recommendations and personalized ads affect the overall customer experience. It specifically examines how consumers perceive the inherent tension between automated personalization and individual empowerment in AI-fueled marketing.

Utilizing a hybrid methodology that pairs semi-structured phenomenological interviews with Customer Journey Mapping, the study tracks user behaviors and experiences across diverse brand touchpoints. The evidence reveals that the technical boundaries of AI act as a mediating force in brand–customer dynamics, ultimately shaping consumer actions. From a theoretical perspective, this study contextualizes AI-driven advertising within wider ethical conversations, underscoring the obligation of marketing professionals to balance technological innovation with respect for consumer independence.

### Key terms

Artificial intelligence; Integrative framework; Service recovery; Personalization; Disclosure; Authenticity; Parasocial interactions; Chatbot implementation.

### Introduction

The incorporation of artificial intelligence (AI) signifies a monumental shift within the realms of strategic marketing and user experience, radically altering organizational-consumer dynamics and the formulation of corporate outreach (Ameen et al., 2021; Nalbant & Aydin, 2025). Throughout the past decade, rapid advancements in automated technology have facilitated the deployment of highly sophisticated systems, spanning from real-time conversational agents and hyper-customized recommendation engines to digital corporate avatars. These algorithmic breakthroughs do not merely substitute for human labor; they fundamentally reshape market interactions by introducing unique cognitive and emotional dynamics that significantly alter how



individuals make purchasing choices (Sahut et al., 2019). This shift unfolds in a commercial climate where online integration and bespoke tailoring have emerged as essential pillars of competitiveness for enterprises aiming to stand out within saturated marketplaces (Mustak et al., 2021).

This paper offers an integrative review based on a rigorous evaluation of eleven distinct empirical projects featured in a special issue of *Computers in Human Behavior*, titled “Using artificial intelligence to enhance customer experience and to develop strategic marketing.” The curated investigations, gathered across a variety of industrial settings and geographic territories, offer a comprehensive and multifaceted overview of automated systems functioning within client management and modern marketing paradigms (Song et al., 2022). They investigate varied domains, including the empathetic communication styles of automated bots facing operational disruptions, the curation of tailored promotional material across social platforms, the perceived trust of synthetic endorsers, the verification of legitimacy within AI-driven service touchpoints, and the role of profound psychological reactions—such as feelings of awe (Pizzolante et al., 2023)—triggered by machine-authored media on subsequent user retention. Each project adds a distinct viewpoint to contemporary scholarship by supplying conceptual frameworks and data-driven evidence that clarify the core processes mediating the relationship between computerized systems and public users.

To position this collective inquiry within a wider framework, one must recognize that the expansion of smart technologies is inextricably linked to continuous digital innovations and the broader technical restructuring of corporate models (Jabeur et al., 2023). Organizations strive not only to streamline their operational output but also to deliver tailored, gripping consumer journeys. Simultaneously, the purchasing public increasingly looks for encounters that provide more than just functional utility, desiring touchpoints characterized by simulated human warmth and interpersonal sensitivity. Consequently, embedding AI into organizational planning serves a two-way objective: maximizing technical productivity while simultaneously nurturing robust, loyalty-driven connections with the target audience.

The investigations compiled in this overview stand out due to their multifaceted scrutiny of intelligent systems. Certain authors highlight the vital role of cordiality in automated dialogue as a means to alleviate friction during service breakdowns. To illustrate, a project by Wang et al. (2025) highlights that a friendly conversational approach, designed to mimic human interpersonal care, can actively reverse the fallout of logistical failures while boosting long-term customer retention. Alternatively, investigations conducted by Teepapal (2025) as well as Jansen et al. (2024) concentrate on how algorithmically customized promotional messaging affects consumer confidence and brand dedication (Sahut et al., 2022). These insights emphasize that micro-targeting, by elevating the direct personal value of commercial messaging, fortifies consumer allegiance and optimizes the return on promotional investments.

Additionally, contemporary scholarship has scrutinized the perceived reliability of computer-generated figures relative to traditional real-world spokespersons. An investigation by Song et al. (2024) assesses the varying outcomes of artificial versus human brand advocates on



public purchasing intent. Their observations indicate that for "search utilities"—where buyers prioritize quantifiable, objective features—synthetic advocates prove highly efficient. Conversely, for "experience utilities"—which demand sensory interpretation or subjective judgment—human celebrities command a noticeably stronger sway. These observations underscore the vital requirement of matching the nature of the brand advocate with the specific classification of the commodity and prevailing user desires.

A further major value of this integrative review centers on its examination of the psychological dynamics stimulated by autonomous systems. For example, the work of Zhao et al. (2025) presents a novel binary classification of awe—distinguishing between its constructive and intimidating facets—and tracks how standard interactive traits (such as precision, capability, humanlike presentation, and mutual engagement) dictate a user's choice to persist in utilizing machine-generated media. The authors observe that constructive awe, sparked by high capability, rich dialogue, and humanlike presentation, serves as a primary catalyst for ongoing user retention, whereas intimidating awe exerts a significantly weaker, marginal dampening effect. These conclusions imply that constructing interactive software to intentionally optimize positive emotional feedback is essential for securing enduring consumer commitment.

Lastly, it is crucial to observe that the paradigm shift driven by smart tools goes beyond simple person-to-machine dialogues, encompassing the creation of collaborative operational structures. As an example, an analysis of conversational software within financial and retail banking systems (Graham et al., 2025) reveals that while automated systems generate notable performance benefits, they fall short when navigating intricate, high-stakes, or emotionally complex client dilemmas. A collaborative framework—merging automated computing with manual expert monitoring—presents itself as the most effective strategy for fulfilling the strict performance benchmarks demanded by sectors where operational precision and sensitive client care must coexist.

### **The AI Revolution in Marketing and Customer Experience**

Artificial intelligence (AI) has fundamentally disrupted how businesses engage with consumers and formulate marketing strategies. Over the past decade, tools have evolved from basic applications into highly sophisticated systems, including:

- Real-time conversational chatbots
- Hyper-personalized recommendation engines
- Virtual influencers

These digital advancements do not simply automate tasks; they introduce entirely new cognitive and emotional dynamics that alter consumer choice. In a heavily digitized market, offering tailored experiences has become a baseline requirement for businesses striving to stand out.

### **Research Strategy and Synthesis Methodology**

To effectively weave the varied insights from the eleven chosen papers into a unified narrative, a meticulous and structured methodology was applied. The procedure involved several sequential phases, each engineered to guarantee that every pertinent element of the individual studies was gathered, and that the overarching concepts surfacing across the literature were pinpointed and rigorously evaluated. This segment outlines the specific workflows for data extraction, conceptual coding, model formulation, and the overarching analytical strategy executed throughout the review.

### **Granular Evaluation of the Curated Papers**

This portion of the article provides an exhaustive review of each of the 11 designated manuscripts. These specific 11 papers were curated from a total pool of 59 submissions—yielding a final acceptance rate of 18%, which factors in initial desk rejections as well as manuscripts redirected to alternative academic outlets. Selection was driven by strict adherence to the journal's peer-review protocols, spanning between two and six iterative assessment rounds per paper. The subsequent text dives deeply into the conceptual backgrounds, empirical setups, and core discoveries of each paper.

### **Integration of Overarching Literary Themes**

Blending the collective evidence from these eleven investigations exposes a sophisticated, multi-layered environment wherein artificial intelligence (AI) fundamentally alters consumer touchpoints and tactical marketing. By grouping these insights, several intersecting thematic tracks come to light. These tracks not only link individual study findings but also foster a holistic comprehension of how automated technologies reconstruct user behaviors alongside corporate workflows (Wirtz, 2020). While this unified analysis highlights both advantageous and challenging dynamics.

### **Academic and Industry Value**

The holistic integration of data from these eleven investigations yields major conceptual developments and actionable strategies for researchers and market practitioners alike. This segment maps out how the consolidated findings enrich current theoretical paradigms and update operational management, emphasizing how the shifting terrain of deployed AI necessitates the creation of fresh frameworks and corporate practices.

### **Frontiers for Subsequent Investigation**

While this literature synthesis establishes a powerful foundation regarding the utility of machine intelligence in elevating user journeys and corporate marketing, it simultaneously exposes distinct oversights and unsettled questions that offer fertile ground for upcoming scholarship. In this



portion, we map out multiple paths for subsequent inquiry, categorized by methodological, conceptual, and functional pain points, while illustrating how each suggested path can advance the field.

### Concluding Summary

The deployment of artificial intelligence within consumer care channels and strategic marketing is fundamentally rewriting the competitive rules of modern commerce. Taken together, the eleven manuscripts analyzed in this review prove that AI functions as far more than a simple mechanization utility; it acts as a dynamic catalyst for bespoke, captivating, and dependable brand-consumer relationships. The subtle takeaways offered by these investigations—ranging from the value of automated empathy during service failures to the intricate dynamics of...

### Over the Special Issue Synthesis

This paper synthesizes eleven empirical papers selected from fifty-nine submissions (an 18% acceptance rate) published in a special issue of *Computers in Human Behavior*. Collectively, these studies offer a global look at AI's role in strategic marketing and customer relations, balancing operational efficiency with the human desire for empathy.

### Core Research Themes & Specific Findings

- **Service Recovery & AI Warmth:** Research by *Wang et al. (2025)* reveals that when a conversational agent uses a warm, empathetic tone during a service failure, it counteracts the negative experience and motivates customers to return.
- **Content Personalization:** Studies by *Teepapal (2025)* and *Jansen et al. (2024)* show that tailored AI marketing messages drive stronger consumer trust and engagement by remaining highly relevant to individual needs.
- **Virtual vs. Human Influencers:** *Song et al. (2024)* investigated how endorser types affect purchase intent. They found that AI endorsers excel with "search products" (which rely on objective, factual attributes), whereas traditional human celebrities are far more effective for "experience products" (which require sensory or subjective evaluations).
- **Emotional Drivers (The Concept of Awe):** *Zhao et al. (2025)* evaluated how AI traits like interactivity, competence, anthropomorphism, and accuracy inspire a sense of awe. They found that "positive awe" strongly encourages users to keep interacting with AI-generated content, while "threatened awe" has a minimal negative impact.
- **Hybrid Service Models:** Focusing on the financial sector, *Graham et al. (2025)* demonstrated that pure automation fails during complex or emotionally charged customer interactions. Instead, a hybrid approach combining automated efficiency with human oversight proves to be the ideal model.

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