The Impact of Personalised Marketing Strategies on Consumer Engagement: A Mixed-Method Study

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ABSTRACT

This study explores the effectiveness of personalized marketing in influencing consumer engagement. Through a mixed-method research design involving surveys with 100 consumers and interviews with marketing professionals, the study reveals that tailored strategies such as AI-driven recommendations, behavioral tracking, and customized messaging significantly enhance consumer engagement, trust, and loyalty. However, privacy concerns emerge as a critical moderating factor. Findings suggest a balance between personalization and data ethics is essential for sustainable marketing success.

Keywords: Personalized Marketing, Consumer Engagement, Privacy, AI, Behavioral Tracking, Trust

I. INTRODUCTION

As digital platforms gain dominance, marketing has shifted from mass communication to personalized messaging. Companies now leverage data analytics and AI to craft messages that resonate with individual consumers. This study investigates how these strategies impact consumer engagement and trust, particularly in the Indian digital landscape.

II. LITERATURE REVIEW

Key theories such as Relationship Marketing, Consumer Engagement Theory, the Technology Acceptance Model (TAM), and Privacy Calculus Theory underpin this research. Previous international and Indian studies confirm the effectiveness of personalization but also reveal gaps—especially in balancing engagement with consumer data privacy.

Objectives & Research Questions
Objectives:
- To assess the impact of personalized marketing on consumer engagement and loyalty.
- To explore the role of perceived value and privacy concerns.

Key Research Questions:
- How do different personalization techniques affect engagement?
- What is the consumer's perception of personalization vs. privacy?
- What strategies balance personalization with ethical marketing?

III. RESEARCH METHODOLOGY

- Design: Descriptive and analytical
- Approach: Mixed-method (quantitative surveys + qualitative interviews)
- Sample: 100 consumers and 7 marketing professionals from e-commerce, streaming, and retail sectors
- Data Collection:
    - Online survey (Google Forms)
    - Semi-structured interviews (Zoom/Phone)
- Analysis Tools:
    - SPSS for regression and correlation
    - Thematic analysis for interviews

IV. RESULTS, FINDINGS, AND DISCUSSION

Quantitative Findings:
- Personalized emails and AI recommendations had a statistically significant impact on consumer engagement ($p < 0.05$).
- Consumers with high digital literacy showed a more favorable response.

Qualitative Insights:
- Marketers affirmed the power of behavioral targeting but warned against "creepy" overpersonalization.
- Privacy concerns were consistent across all age groups.

Themes Identified:
- Relevance builds trust
- Overpersonalization leads to fatigue
- Transparency is key to acceptance

V. LIMITATION & FUTURE RESEARCH

Limitations:
- Urban India focus limits generalizability
- Self-reported data may include biases
- Did not include detailed legal analysis of data laws

Future studies should explore personalization in rural demographics, involve larger samples, and integrate data from longitudinal experiments.

VI. CONCLUSION

Personalized marketing significantly boosts engagement, provided it respects consumer privacy. Brands must adopt ethical personalization practices—offering opt-ins, explaining data use, and limiting message frequency.

Recommendations for Marketers:
- Use AI transparently
- Avoid intrusive tracking
- Offer personalized value exchanges (e.g., loyalty rewards).

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Data Protection and Privacy Act, 2023 (DPDP Act) – India.