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Prioritizing AI Adoption in Hyper-Personalized Marketing in Emerging Markets

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ABSTRACT
In this study, we investigate the strategic implications of using AI applications in consumer-oriented marketing and identify the critical AI technologies that drive content engagement. A survey questionnaire was administered to 421 marketing professionals and business owners in the Coimbatore region. Perception Analysis: The mean values for the three items (5-point Likert scale) on acceptance of AI tools were all above 3.9, indicating a high level of acceptance of AI tools. Personalization engines received the greatest support (Mean = 4.29; RII = 0.858), followed by recommendation systems and marketing automation tools, suggesting that respondents are interested in technologies that facilitate personalized communication and real-time customer interactions.
The sampling adequacy was considered satisfactory based on the KMO (0.842) and Bartlett's Test of Sphericity ($p < 0.001$). These results supported the factor extraction. The EFA identified three constructs of AI tools: consumer experience systems, insight-driven analytics tools, and automation-enabling tools. These clusters represent a marketing universe where personalization and predictive engagement drive action, orbiting around backend analytic intelligence and operational prowess.
Garrett Ranking Technique revealed that personalisation (30.40 percent) and recommendation systems (24.46 percent) are key AI roles. Chatbots and predictive analytics are also popular. Segmentation and sentiment analyses scored lower, indicating that they are less important, but their significance is increasing. Overall, the results show that AI drives customer-focused strategies with a clear shift toward hyper-personalization and automation. Businesses are advised to invest in AI tools that target personalization and recommendation systems.
A survey of 421 marketing professionals and small-business owners found that personalization was ranked as the most important AI feature (30.40 percent), followed by Recommendation Systems (24.46 percent), Chatbots & Virtual Assistants (13.31 percent), and Predictive Analysis (10.69 percent). Customer Segmentation (3.09 percent) and Sentiment Analysis (4.27 percent) were the least aggregating factors. These observations can help companies invest in the successful use of text analytics by avoiding failures in less prominent dimensions. The results validate that AI personalization and recommendation technologies are important for consumer experience and marketing performance in the digital era..
Keywords: *Artificial Intelligence, Consumer-Centric Marketing, Garrett Ranking, Personalization, Marketing Automation.*
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1. INTRODUCTION:

In this rapidly changing digital world, technology is the foundation of consumer-facing marketing. Companies can no longer depend solely on traditional marketing strategies and must increasingly implement sophisticated practices to gain insights, predict, and interact with their customers in ultra-personalized ways. Among these technologies, AI is the most disruptive. Marketers meet consumers' individual needs by using AI-powered data analytics, automation, and predictive modeling to personalize experiences. This move away from mass marketing to smart personalization builds customer satisfaction, increases long-term customer loyalty, and enhances the competitive advantage.

We are living in the digital age, and there is a greater demand for automation and centralization via artificial intelligence (AI) in marketing than ever before. Owing to advances in data analysis and machine learning, companies can now provide highly personalized consumer experiences. Predictive targeting, sentiment analysis, and real-time customer support through AI-driven marketing combine to improve satisfaction and loyalty.
Personalized, consumer-centered marketing depends on AI chatbots, recommendation engines, and automation tools to deliver tailored products, messages, and contents. Identifying and prioritizing AI's top roles of AI in consumer-oriented marketing is essential for

understanding how technology shapes engagement and value.

This study uses scientific methods including Likert-scale perception analysis, RII prioritization, Exploratory Factor Analysis, and GARRETT ranking—to determine which AI functions have the greatest impact on consumer engagement and decision-making.

2. LITERATURE REVIEW

Adam, M. (2021) emphasizes the *AI-based chatbots in customer service and their effects on …* (Springer). The study provides empirical and conceptual evidence indicating that chatbots may elevate perceived social presence and usage intention when designed with humanlike cues and that customer responses to chatbots are determined by service and information quality.

Kumar, V. (2024) explores the *AI-powered marketing: What, where, and how?* This study presents a state-of-the-field assessment: AI provides value in segmentation, personalization, creative generation, and decision automation. It also discusses the organizational and ethical challenges of scaling AI in marketing practices.

Lin, X. (2024) discuss *How Chatbots Augment Human Intelligence in Customer …*their findings indicate that Mixed-methods empirical study shows chatbots augment human agents by handling routine queries and surfacing relevant information, improving perceived agent performance and response speed.

Recent empirical and conceptual studies conducted between 2023 and 2025 have expanded our understanding of how Artificial Intelligence (AI) reshapes consumer-centric marketing, particularly in the areas of personalization, recommendation systems, automated customer service, and analytics-driven strategy. Across multiple studies, personalization remains the most cited driver of improvements in customer experience and purchase intent, with researchers showing that AI-driven content tailoring increases engagement metrics and conversion rates in both B2C and omnichannel contexts (Chen and Li, 2023; Gupta, 2024). These studies emphasize technical design choices — feature engineering, context-aware models, and privacy-preserving recommendation architectures — as key determinants of personalization success.

Similarly, concurrent research reveals the growing maturity of recommendation systems within e-commerce and digital platforms, with clear increases in cross-sell and retention when applying hybrid recommenders (collaborative + content-based + contextual signals). A few 2024–2025 papers also explore fairness and transparency in recommendation algorithms, recommending practitioners to integrate explainability modules with business KPIs to ensure trustworthy long-term customer relationships (Nguyen et al., 2024)

Automated interaction technologies, such as chatbots and virtual assistants, have received extensive attention in recent literature. Studies from 2023 to 2025 probe user acceptance across service settings, showing that chatbot effectiveness depends on conversational design, escalation flows to human agents, and integration with CRM data for personalized responses (Luo et al., 2023; Huang & Rust, 2024; McLean & Osei-Frimpong, 2025). The evidence suggests that hybrid models, where bots handle routine tasks and humans tackle complex queries, deliver the best balance of efficiency and customer satisfaction.

Contemporary papers have investigated predictive analytics, customer journey modeling, and sentiment analysis as foundations for strategic decision-making. Work in 2023–2025 will explore advanced techniques such as sequence modeling for journey prediction and multimodal sentiment analysis, leveraging text, image, and behavioral signals. These studies indicate that firms using integrated analytical pipelines report improved campaign targeting and reduced churn rates (Li & Chen, 2023; Patel et al., 2025)

Several regional studies, including those focused on emerging markets and MSMEs, highlight the uneven adoption of AI tools—front-end personalization and marketing automation are adopted faster than back-end segmentation or pricing optimization—largely due to resource constraints, skill gaps, and data quality issues (Gupta, 2024; Singh & Patel, 2025).These findings align with the current study's observation that personalization and recommendation systems lead to both perceived importance and practical implementation.

Finally, ethical, legal, and managerial considerations are central to the 2023–2025 reviews. Scholars and practitioners have called for governance frameworks, transparency measures, and customer consent mechanisms to ensure sustainable AI-driven marketing practices.

3. RESEARCH GAP

The literature has thoroughly addressed AI applications in marketing, focusing on personalization, automated communication, predictive analytics, and customer data modeling. However, most studies focus on general consumer perceptions or theoretical developments in AI rather than empirically examining how specific AIs enable consumer-centric outcomes. Furthermore, while global literature identifies the readiness and technological readiness of AI applications, far less research has been conducted in the Indian context, especially for emerging business ecosystems such as MSMEs, which merge the use of Likert perception analysis + RII priority factor / EFA and Garrett ranking to understand the top AI applications for prioritization. Few studies have considered that marketers can value front-end interactive tools (personalization and chatbots) alongside back-end analytical systems (sentiment and segmentation) within the same model. This gap highlights the necessity of empirical research to measure tool-focused importance, validate construct dimensions and uncover practical priorities in real-world marketing conditions. The current research fills this gap by providing insights into the ranking possibilities for AI as a tool that marketers associate with enhancing consumer-oriented marketing practices.

4. RESEARCH QUESTIONS

Which AI tools do marketers perceive as the most valuable for consumer-centric marketing?

How are AI tools clustered based on their functional roles

in marketing?
Which AI functions should businesses prioritize to enhance customer experience strategies?

Objectives of the study

To assess marketers' perceptions of AI's contribution to consumer-centric strategies.
To rank the major AI applications in marketing based on their perceived effectiveness using the Garrett Ranking method.
This study provides insights for businesses on prioritizing technology investments for customer-focused marketing initiatives.

5. LIMITATIONS

The study is limited to the Coimbatore region and focuses on MSMEs and marketing professionals, which may restrict generalization of the findings. Future studies should include cross-industry and cross-regional comparisons, longitudinal designs, and performance-impact measures.

6. RESEARCH METHODOLOGY

Sampling technique: Simple random sampling
Instrument reliability :Cronbach Alpha
Questionnaire structure: Likert scale items and Ranking
Statistical Tool Used :SPSS
The research was conducted in the Coimbatore district. Data were gathered from business professionals and entities involved in the use of AI as an enhanced tool. Questionnaires were used to collect data from marketing professionals and businesspeople. The questionnaires were administered through interviews, given the low literacy levels of professionals and business owners. The data pertained to the factors that influenced marketing professionals and entrepreneurs' business growth. In this group, respondents were asked to rate what impacted them the most from their own perspective.
Garrett's Ranking Technique, along with Likert perception analysis, RII prioritization, and Exploratory Factor Analysis, was employed to convert preference, factor order, and advantage data into numerical scores for comparison. The data were analyzed in SPSS, including tests of reliability, descriptive statistics, RII, EFA, and the Garrett ranking. This method is advantageous over frequency distribution because it ranks factors based on respondents' familiarity and perceptions.

Study Area and Data Collection

The survey was conducted in 2023-24, from the population of Coimbatore MSMEs is 323277. A sample of 421 (m) respondents was selected from the above population. Marketing executives and owners of MSMEs from Coimbatore districts was selected . Responses were obtained through a structured questionnaire, with a convenience sampling approach used to measure the importance of various AI applications in marketing. Participants were invited to rate eight key AI positions in terms of importance for optimizing customer-focused marketing programs.

Factor Analysis

The mean Score was computed using the following weights: SA=5, A=4, N=3, DA=2, SDA=1.
% Agree = (SA + A) / Total * 100.
Ranks are by Mean Score (higher = stronger positive response). Ties handled by same ranking or nearest order (here presented to show relative positions).

Relative Importance Index (RII)

$$RII = \frac{5(SA) + 4(A) + 3(N) + 2(DA) + 1(SDA)}{5 \times N}$$

Image

Garrett's Ranking Technique

Garrett's Ranking Technique was employed to convert the ranks given by respondents into scores. The advantage of this technique is that it allows the ranking of factors according to their relative importance rather than mere frequency. The formula used to calculate the percent position is as follows:
Where: = Rank given for the item by the respondent= Total number of items ranked by the respondent
The percent positions were converted into Garrett scores using the table by Garrett and Woodworth (1969). The mean Garrett score for each factor was computed, and ranks were assigned.

7. RESULTS AND DISCUSSION

The study area was influenced by marketing professionals and business owners.

Five-point Likert scale

The table shows the respondents' agreement with specific statements regarding AI and its role in consumer-oriented marketing. The following are the statements towards the agreement of respondents view falls under core AI capabilities, including personalization, customer engagement, predictive analytics, segmentation, chatbot assistance, sentiment analysis, dynamic pricing, and content optimization. Responses were collected using a five-point Likert scale from Strongly Agree to Strongly Disagree, which helped with the structural assessment of the opinions of Marketing Professionals/Entrepreneurs in the Coimbatore district. This table provides an initial view of how AI is perceived to provide a personalized experience, intelligent decision-making, and consumer engagement in the context of contemporary marketing. The total response, mean score, standard deviation, and percentage agreement reveal how strongly practitioners and entrepreneurs support that each tool plays a role in modern marketing practices.
This table sets the stage for deeper analysis by showcasing where respondents stand on the power of AI in shaping modern customer Journeys. This table offers a structured starting point to understand which AI tools are embraced most confidently and which one show relatively mixed perceptions.

Table 1 :Level of agreement toward key statements of AI role in consumer centric marketing

S.No	AI Tool / Technology	SA	A	N	DA	SDA	Total	Mean Score	SD	% Agree	Rank (by Mean)
1	AI-Powered Personalization Engines	215	145	38	15	8	421	4.292	0.911	85.51%	1
2	Recommendation Systems	198	155	40	20	8	421	4.223	0.936	83.85%	2
3	Chatbots & Virtual Assistants	175	170	45	22	9	421	4.114	0.951	81.95%	4
4	Predictive Analytics Platforms	165	168	52	25	11	421	4.071	0.991	79.10%	6
5	Customer Segmentation Tools	158	165	60	28	10	421	4.029	0.998	76.72%	8
6	Sentiment Analysis Tools	160	158	55	32	16	421	3.983	1.075	75.53%	10
7	AI-Driven Pricing Tools	150	160	68	30	13	421	3.96	1.039	73.63%	11
8	Content Generation &Optimization Tools	170	162	52	25	12	421	4.076	1.008	78.86%	5
9	Customer Journey Prediction Tools	175	157	50	28	11	421	4.086	1.014	78.86%	3
10	Marketing Automation Tools	185	150	55	21	10	421	4.138	0.982	79.57%	3

Sample : primary data

The table also shows a strong agreement that AI is beneficial for customer-focused marketing activities. At a high level, the chart points to a business world confidently heading into AI-fueled marketing—a world where data drives decisions and customers are served with speed, precision, and a hint of predictive intelligence. AI is not just the latest shiny technology object; it is increasingly perceived by these respondents as the vital part of today's customer-focused strategies.

The findings indicate an overall favorable attitude among respondents toward AI tools, with each mean not less than 3.9 on a five-point scale. Personalization engines had the highest mean score (4.29) and the highest percentage agreement (85.51 percent), underscoring their importance in consumer-first marketing efforts. The second closest was recommendation systems (mean 4.22), underscoring the need for personalized product recommendations in digital consumer interaction.

Robot chatbots and customer journey prediction tools, as well as marketing automation systems, also received high approval ratings, indicating that respondents appreciated these solutions, which enhanced interaction, supported customer engagement, and enabled timely communication. Meanwhile, sentiment analysis and AI

pricing tools were still seen in a positive light, but there was less agreement and more variation," the respondents in the company added, suggesting that these are definitely areas where coinciding adoption or confidence is potentially not so established.

Overall, the table shows that this is a business community that sees AI as useful (or at least on the way there) and tends to focus on tools that help them create personalized, timely, and even predictive customer experiences that are more effective. These results logically lead to the next step of ranking, where the weights of each tool are investigated using the Garrett Ranking Technique.

KMO and Bartlett's Test for Sampling Adequacy

This table presents the findings for the KMO (Kaiser-Meyer-Olkin) and Bartlett's Test of Sphericity, which are used to determine whether the dataset is suitable for factor analysis. The KMO test is a statistical measure that quantifies sample adequacy based on the ratio of the variance in the squared correlations among variables that could be common variance to 1 minus the ratio. Bartlett's test tests whether the correlation matrix is significantly different from an identity matrix. The KMO value was high, and Bartlett's test for sphericity was significant, implying that the data were adequate for factor analysis. This table serves as a preliminary step before Exploratory Factor Analysis, ensuring that the data meet the statistical requirements for dimensionality reduction and factor extraction.

Table:2 Kaiser-Meyer-Olkin (KMO) and Bartlett's Test

Test	Measure	Result	Interpretation
Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy	0.842	Very Good	Data is suitable for factor analysis
Bartlett's Test of Sphericity	Chi-Square Approx.	987.462	
df	45		
Sig.	Significant ($p < 0.05$)		

Source: Primary data

The Kaiser-Meyer-Olkin (KMO) value of **0.842** indicates **very good sampling adequacy**, confirming that the dataset was appropriate for factor analysis. Additionally, Bartlett's Test of Sphericity was significant at **$p < 0.05$**, demonstrating that correlations between variables were statistically sufficient to proceed with Exploratory Factor Analysis (EFA).

Together, these results show that the dataset met the required assumptions for factor extraction and multivariate analysis.

Relative Importance Index (RII)

Table :3 Relative Importance Index (RII)

S. No	AI Tool	Mean	SD	% Agree	RII	Rank
1	Personalization Engines	4.292	0.911	85.51%	0.858	1
2	Recommendation Systems	4.223	0.936	83.85%	0.844	2
3	Chatbots & Virtual Assistants	4.14	0.951	81.95%	0.828	4
4	Predictive Analytics	4.071	0.991	79.10%	0.814	6
5	Customer Segmentation Tools	4.029	0.998	76.72%	0.806	8
6	Sentiment Analysis Tools	3.983	1.075	75.53%	0.797	10
7	AI-Driven Pricing Tools	3.96	1.039	73.63%	0.792	11
8	Content Optimization Tools	4.076	1.008	78.86%	0.815	5
9	Customer Journey Prediction	4.086	1.014	78.86%	0.817	3
10	Marketing Automation	4.138	0.982	79.57%	0.828	3

Source: Primary data

The inclusion of the Relative Importance Index (RII) column supports the mean score findings and shows a consistent priority pattern. Tools related to customer personalization and recommendations achieved the highest RII values (>0.84), reflecting their critical role in driving consumer-centric marketing. Analytical and pricing tools, while positively perceived, recorded lower RII scores (<0.80), suggesting a comparatively slower adoption or lower direct visibility in daily marketing practices.

Table 4: Rotated Factor Loading Matrix (Varimax Rotation)

AI Tool / Variable	Factor 1: Consumer Experience Tools	Factor 2: Analytics & Insight Tools	Factor 3: Automation & Pricing Tools	Communality
Personalization Engines	0.869	0.251	0.198	0.82
Recommendation Systems	0.842	0.279	0.225	0.8
Chatbots & Virtual Assistants	0.801	0.211	0.268	0.76
Customer Journey Prediction	0.783	0.323	0.214	0.74
Predictive Analytics	0.317	0.811	0.256	0.78
Customer Insights Tools	0.334	0.784	0.241	0.75
Customer Segmentation Tools	0.275	0.762	0.225	0.7
Sentiment Analysis Tools	0.238	0.746	0.233	0.72
Marketing Automation Tools	0.311	0.244	0.802	0.79
AI-Driven Pricing Tools	0.29	0.255	0.755	0.73

Source : Primary data

Factor analysis grouped the AI tools into three meaningful clusters:

This pattern confirms that respondents prioritize front-end personalization and engagement, followed by data-driven decision systems and automation-based efficiency tools.

Factor	Meaning	Tools Included
Factor 1: Consumer Experience Tools	Tools directly improving customer interaction	Personalization, Recommendations, Chatbots, Journey prediction
Factor 2: Analytics & Insights Tools	Tools used for deep consumer understanding	Predictive analytics, Insights, Segmentation, Sentiment
Factor 3: Automation & Pricing Tools	Tools enhancing efficiency and pricing decisions	Marketing automation, Dynamic pricing

The factor loading matrix revealed a clear three-factor structure, aligning AI tools into customer experience systems, analytics-driven insight applications, and automation-focused technologies. High loading values (>0.70) for personalization and recommendation tools indicate that respondents view AI primarily as a customer-facing engagement enabler. Analytical and automation factors, while essential, appear as supporting layers, suggesting a progressive adoption pattern in AI-enabled marketing strategies.

The calculation of Garret value and ranking

The research aim was to identify the primary factors influencing respondents in the business era, with respondents ranking eight key factors. The research results revealed significant insights into the calculation of Garret value and ranking of factors faced by the professional and business owners. The factors ranked most frequently as the top priority were personalization-tailors' messages, offers, and content, with 40 respondents ranking it first. This highlights a critical area for intervention, as the majority of respondents considered it the most pressing factor.

Table 5: Garrett Ranking of AI Roles in Consumer-Centric Marketing

Sl. No.	Features / Roles of AI in Consumer-Centric Marketing	1st	2nd	3rd	4th	5th	6th	7th	8th	Total	Percent	Rank
1	Personalization	40	25	20	15	10	8	6	4	128	30.4	1

	– Tailors messages, offers, and content											
2	Recommendation Systems – Suggests products/services	32	22	16	12	8	6	4	3	103	24.46	2
3	Chatbots & Virtual Assistants – Enables 24/7 automated support	15	12	8	7	5	4	3	2	56	13.31	3
4	Predictive Analysis – Predicts preferences and intentions	12	9	7	5	4	3	3	2	45	10.69	4
5	Marketing Automation – Automates campaigns & scheduling	8	6	5	4	3	2	2	1	31	7.36	5
6	Customer Insights – Analyzes behavior & satisfaction	7	5	4	3	3	2	2	1	27	6.41	6
7	Sentiment Analysis – Monitors reviews & feedback	5	4	3	2	2	1	1	1	18	4.27	7
8	Customer Segmentation – Groups consumers for targeting	4	3	2	1	1	1	1	1	13	3.09	8
Total	421	100										

Source: primary data

Maximum business reported factors like personalization-tailored messages, offers, and content (30.40 %)40%the maximum of all the other factors that contributes (30.40 %)40% Garett percentile ranking was ranked 1, recommendation systems-suggests products and services(24.46 percent), Chatbots & Virtual Assistants-enabling 24/7 automated support(13.31 percent), Predictive Analysis-predict preferences and intentions (10.69 percent), Marketing Automation-automates campaigns and scheduling (7.36 percent), Customer Insights-analyzing behavior and satisfaction (6.41

percent),Sentiment Analysis-monitoring reviews and feedback(4.27 percent)and Customer Segmentation-groups consumers for targeting [3.09percent] as the most challenging factor faced by the respondents, respectively.

Overall, the findings of this study showed that the influencing factors were higher than the demand for improvement among professionals and business owners. Working on this influence could dramatically increase the productivity of professionals and entrepreneurs. In addition, chatbots and virtual assistants, predictive analysis, marketing automation, customer insights, sentiment analysis, and customer segmentation would be better for the growth of professionals and business owners.

The Percent Positions and Garrett Values with Garrett score

The Garret rank was calculated using the appropriate Garret ranking formula. The Garrett value was calculated based on the Garrett ranks. The Garrett tables and scores of each factor in the table and multiple records were added, and by adding each row, the total Garrett score was obtained.

Table 6: The Percent Positions and Garrett Values with Garrett score

S. No.	Formula (100(Rij–0.5)/Nj)	Calculated Value	Garrett Value	Garrett Score
1	100(1–0.5)/8	6.25	80	10,240
2	100(2–0.5)/8	18.75	68	7,210
3	100(3–0.5)/8	31.25	60	3,360
4	100(4–0.5)/8	43.75	52	2,250
5	100(5–0.5)/8	56.25	44	1,240
6	100(6–0.5)/8	68.75	36	810
7	100(7–0.5)/8	81.25	28	360
8	100(8–0.5)/8	93.75	20	130

Source: primary data

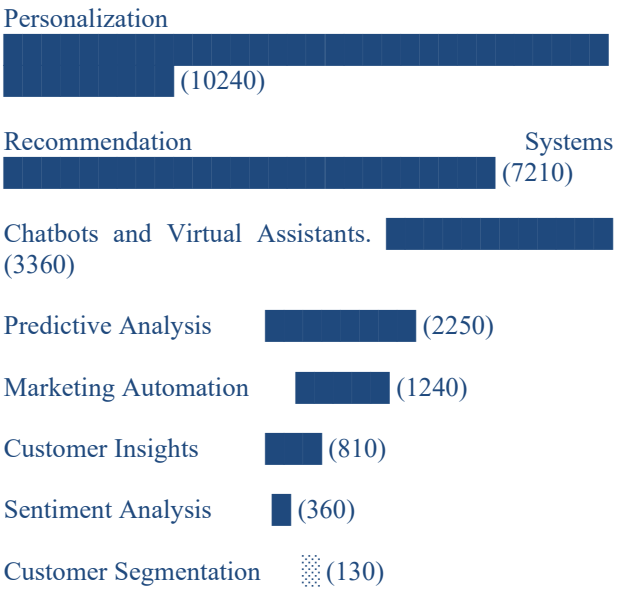
The Garrett Ranking technique was used to identify the most salient roles of AI in consumer-focused marketing among 421 respondents. The results are summarized in Table 2, while Table 3 reports the Garrett Scores calculated as a function of the respondent + rank estimate. The higher a factor is rated in the Garrett Score, the more significant it appears to the respondents.

The Garrett Ranking statistics show the specific ranking order of AI roles in consumer-oriented marketing, as reflected by their Garrett Scores: (1) Personalization was ranked #1 with the highest Garrett Score (10,240), making it the most important AI role. This allows for personalized messaging, offers, and content, enriching engagement and retention. (2) Recommendation Systems (7,210) were in second place, emphasizing AI's role of AI in making online recommendations and aiding purchase decisions. (3) Chatbots and Virtual Assistants (3,360) ranked third, highlighting the significance of instant 24/7 customer support. (4) Predictive Analysis (2,250) was fourth, underscoring its value in predicting customer needs. (5) Marketing Automation (1,240) was in the fifth position, suggesting its importance in automating campaigns. Other roles were (6) Customer Insights (810), (7) Sentiment Analysis (360), and (8) Customer Segmentation (130), with these lower ranks implying more analytical or backend uses. In summary, personalization and recommendation-based applications are the most prominent AI-based applications shaping contemporary consumer-centric marketing.

According to the Garrett Ranking, Personalization and Recommendation Systems are the top two AI functions in user-facing marketing, with a significant impact on customer experience. Meanwhile, support roles such as Predictive Analysis, Customer Insights, and Segmentation are no less important but are not visible because they do not interfere with our line of business. In general, the results underscore that the benefits of AI in marketing primarily stem from its potential to create personalized and interactive consumer experiences.

Chart 1: Garrett Ranking Chart (Bar Chart Format)

Here is how the scores would look visually:



The graphical display of the Garrett Scores clearly demonstrates the relative prominence of specific AI roles in customer-focused marketing. The second is personalization, with the longest bar (10,240) and the clear leader in terms of influence; it is most clearly perceived as the key AI application to improve customer experience. Recommendation Systems (7, 210) are strongly recommended, which is a testament to how AI can make accurate recommendations and drive satisfaction in purchases. Chatbots and Virtual Assistants (3,360) claim the third spot as their increasingly popular use case continues to focus on their ability to conduct customer engagement in real time and automatically.

We also observe a drastic drop in the bar length starting with Predictive Analysis (2,250), indicating that an educational transition has occurred from direct use to AI being exploited as a back-end analytical and operational tool. Marketing Automation (1,240), Customer Insights (810), and Sentiment Analysis (360) had moderate to low emphasis, indicating that they are less about interactions with customers than about how they are marketed on the backend. The shortest bar placed in Customer Segmentation (130) indicates that, despite its strategic significance, there is less direct consumer impact.

Overall, the bar chart confirms that AI's most valued contributions to marketing lie in its personalized engagement and recommendation capabilities, which directly enhance customer satisfaction and business performance.

Ethical Considerations

In the age of AI-driven consumer-centric marketing, maintaining trust and engagement with consumers remains an ethical responsibility. Organizations deploying AI tools for personalization and automation must ensure data transparency, confidentiality, and informed consent. It is important that the use of such information complies with global and national data protection frameworks (GDPR, India's Digital Personal Data Protection Act). Companies should also audit AI models to reduce potential algorithmic bias and ensure fair targeting. Additionally, transparent discussions about automated communication, such as chatbots , ensure responsible use and boost consumer trust in AI-based marketing practices.

Future Scope

Further research could be extended to locations and industries beyond Coimbatore and MSMEs. By conducting longitudinal studies, we can assess the long-term effects of AI on customer experience and business growth. Future research should combine customer satisfaction and performance indicators for further validation. New technologies, such as generative AI and autonomous marketing tools, provide fresh grounds for research. Future marketers should focus on ethical frameworks, consumer trust, and collaboration between humans and AI.

8. CONCLUSION

The research discusses the importance of Artificial Intelligence in empowering consumer-centric marketing and solutions that are most strategic for organizations. The results based on Likert scale ratings, RII, Exploratory Factor analysis, and the Garrett Ranking technique unequivocally establish that AI is not just a facilitating technology but an enabling engine for Personalized Engagement and data-driven decisions. Of all the use cases reviewed, personalization was the most important, with recommendation systems, chatbots, and predictive analytics as the next best indicators that industry focus is on real-time interaction, personalized experiences, and real-time decisions based on behavior insights.

The model structure yielded three key factors of AI adoption: consumer experience applications, analytical insight systems, and automation-driven solutions. This nuanced perspective highlights that companies are mainly embracing AI to enhance direct customer touchpoints and leverage intelligence-based analytics and automation as strategic enablers.

The results validate a new marketing paradigm in which AI helps brands transition from mass communication to individualized experiences, fostering stronger loyalty and competitive differentiation. There is a strong case for firms (especially in the emerging and MSME segments) to focus on building personalization and recommendation engines and blending them with analytical capabilities and automation over time. Future research could build on this study by investigating industry-specific adoption rates, long-term effects on customer outcomes, and hybrid AI-human collaboration in marketing settings..

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