

AI Marketing–Induced Identity Fatigue and Consumer Well-Being

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ABSTRACT

The ever-increasing adoption of artificial intelligence (AI) in the marketing field has strongly transformed the concept of identifying, targeting, and engaging the consumer. Although AI-driven personalization, relevance, and efficiency are improved, AI also creates psychological pressures, which nobody has been able to adequately investigate (Davenport et al., 2020; Zuboff, 2019; Acquisti et al., 2015). The paper will consider the concept of identity fatigue brought about by AI marketing, which can be described as the manifestation of cognitive and emotional burnout caused by constant algorithmic profiling, prediction, and identity reinforcement that consumers experience. The paper uses self-concept theory, cognitive load theory, and digital surveillance theory in conceptualizing that AI-based hyper-personalization and reduced consumer well-being are connected (Aaker, 1999; Deci & Ryan, 2000; Iyenger & Lepper, 2000). Across a thematic review of interdisciplinary sources, the study demonstrates how continual use of data-driven targeting may decrease perceived autonomy, increase digital stress, and create emotional detachment of brands. The analysis has also established transparency, perceived control, and ethical design of AI to be the essential mediating variables that can alleviate identity fatigue. The article is an addition to the literature on marketing and consumer welfare as it presents identity fatigue as a fundamental process that clarifies why consumers respond negatively to AI marketing. In practice, it underlines the necessity of the human-oriented and ethically-based AI approaches that should be characterized by the equal importance of personalization gains and the future consumer psychological welfare and durable brand relations.

Keywords: AI marketing; Identity fatigue; Consumer well-being; Algorithmic personalization; Digital identity; Perceived autonomy; Ethical artificial intelligence; Consumer psychology

1. INTRODUCTION

Artificial intelligence (AI) has quickly been merged into the modern marketing activities and allows the organization to deduce, compute, and examine large quantities of consumer information in real-time. AI-based marketing systems offer content, recommendations, pricing and communication at precision like never before, through machine learning models, advanced algorithms and predictive analytics (Davenport et al., 2020; Huang & Rust, 2021; Shankar, 2018). Such capabilities have enabled the firms to increase the level of customer engagement, better the efficiency of the decision-making process, and provide a competitive edge in more digital and data-driven markets.

Although there are these advantages, the rise of AI marketing has also raised serious concerns about the psychological and social effects of AI marketing to consumers. In addition to the problem of data privacy and

security, consumers are being subjected to constant algorithmic surveillance, classification, and predictive behavior. The marketing messages are no longer generic but rather it is influenced by perceived preferences, identities and patterns of life. Although this kind of personalization may be conceptualized as consumer-centric, it may unintentionally place cognitive and emotional pressure on people who experience the feeling of being constantly observed, projected at, and prodded by smart systems.

In this scenario there is a conceptualization of identity fatigue that has become relevant. Identity fatigue is the condition of mental and emotional depletion, which shows up due to the many times when individuals are wholly defined, reinforced, and bound to externally imposed identity indications. Consumers can develop identity fatigue in AI-controlled marketing systems, in which algorithmic services constantly reproduce behavior patterns and preferences eliminating chances to explore and alter them alongside expressing themselves. Such

experience may result in frustration, annoyance and opposition to personalized marketing campaigns.

Such environments are especially ineffective in terms of consumer well-being, a psychological comfort, autonomy, emotional balance, and the feeling of control. As consumers are relegated into a state of data profile instead of individuals with continually developing personalities, they could end up losing their sense of agency and confidence in brands. In the long-term, this can be detrimental to satisfaction, loyalty as well as long-term brand relationships.

Even though the current literature has greatly studied AI marketing performance, personalization performance, and privacy implications, very little professional interest has been focused on the accruing psychological inputs of uninterrupted identity-based targeting. The gap that this paper will fill is how AI marketing practices can be the cause of identity fatigue and vice versa. The research will become more human-focused by considering the knowledge branches of consumer psychology, digital well-being, and ethical AI literature and helping emphasize the need to have a balance between technological efficiency and consumer psychological sustainability.

2. RESEARCH OBJECTIVES

The main aim of the paper is to discuss psychological consequences of AI-based marketing activities, and more precisely, identity fatigue and its potential impact on consumer welfare. With the rapid growth in the field of AI marketing and the continual enhancement of personalization and identity-based targeting, it is necessary to not only determine how effective AI marketing is but also note its effects on the mental and emotional condition of consumers. Based on this, this study is informed by the following objectives:

The rationale is to conceptualize identity fatigue caused by AI marketing with the interplay of consumer identity theory, cognitive load theory and literature on digital surveillance.

To investigate the processes by which AI-inspired personalization and algorithmic targeting cause identity fatigue, such as ongoing data monitoring and constant identity reinforcement, predictive nudging of behaviors.

In order to examine the connection between identity fatigue and consumer well-being, it is important to specifically examine the psychological outcomes that include perceived autonomy, emotional exhaustion, stress, and disengagement.

To find out the main moderating variables, including transparency, perceived consumer control, and ethical AI design, which could reduce or boost the impact of identity fatigue.

In a manner that generates theory and managerial implication towards the establishment of responsible and human-centered AI marketing approaches, which plans to boost the long-term consumer well-being and enduring brand relationships.

All of these objectives are geared towards promoting new academic insights into the darker psychological implications of AI marketing but will also provide representatives of the marketing field and policymakers with alternatives to personalization benefits at the cost of consumer welfare.

3. RESEARCH METHODOLOGY

Research Design

The research approach discussed in this research will be conceptual and theory-based to determine the correlation between identity fatigue caused by AI marketing and consumer well-being. Since identity fatigue is an emergent phenomenon in AI-based marketing contexts and little empirical evidence is available to establish the phenomenon, a conceptual approach should be used in the creation of theoretical clarity and highlighting the major explanatory mechanisms.

It is a scientific study that builds upon the systematic review and synthesis of the interdisciplinary literature based on peer-reviewed journals on the fields of marketing, consumer psychology, information systems, digital well-being, and ethical artificial intelligence. The most relevant academic articles were selected by using major scholarly databases, and the search included the literature covering the subject of AI marketing, personalization, consumer identity, cognitive and emotional fatigue, and well being in digital space. To extract recurrent themes, theoretical insights and observed relationships between the key constructs through critical analysis, the chosen literature was analyzed.

The research incorporates various theoretical models to order the analysis, such as self-concept theory, the explanation of how external signals contribute to identity formation, cognitive load theory, which grounded in psychological exhaustion caused by constant information processing, and perspectives on digital surveillance and algorithmic governance, according to which, psychological effects of constant monitoring of the data are elucidated. All these frameworks make a difference in coming up with a conceptual model to relate the AI marketing practices with the outcomes of identity fatigue and consumer well-being.

The methodology does not focus on primary data collection and reflects on conceptual modeling and analytical arguments to determine causal routes and variables of moderation. The moderators that are included to explain the differences in consumer responses are factors like transparency, perceived control, and ethical AI design. Such a methodological approach gives a solid base to a future empirical research such as survey-based research or an experimental or longitudinal research design or study and claim on the theory development on the shifting field of AI-driven consumer behavior.

4. LITERATURE REVIEW

Numerous AI-marketing, consumer identity, and digital well-being articles have a multidisciplinary basis of identity fatigue and its effects on consumer well-being. This part summarizes major bodies of research that are pertinent to the current research.

AI Marketing and Algorithmic Personalization

With AI marketing, machine learning, big data analytics, and automation are used to provide highly personalized consumer experiences. As mentioned in previous studies, AI-based customization positively impacts the perceived relevance, convenience, and engagement, thus leading to increased marketing performance and conversion rates. Recommendation systems, programmatic advertising, and conversational agents are examples of the way AI is personalizing interactions, based on the history of prior behavior and fighting out assumptions of what the consumers like. Nevertheless, researchers also mention that too much personalization may give rise to sense of intrusion and as well as over exposure especially when consumers feel like they are being rather predatory or too repetitive.

Consumer Identity and Self-Concept in Digital Contexts

According to consumer identity theory, people simultaneously have many, dynamic identities, formed by social interaction and other situational factors. Online identity has become more of a platform-mediated and algorithmic process of sorting consumers into established categories. Research indicates that consumers can be subjected to tension between their real self versus algorithmically anchored selves as a result of repeated reinforcement of specific identity cues by the external systems. This attenuation can lessen the sense of similarity as well as diminish the identity exploration possibilities.

Identity Fatigue and Psychological Strain

Identity fatigue is a new concept, although other studies on the concept of cognitive fatigue, decision fatigue, and digital exhaustion have some valuable insights. Increased exposure to personalized material and identity-related indicators augment cognitive maximum and sentimental tension. According to scholars, an ongoing process of identity reinforcement may be exhausting to the consumer because it reduces the projected sense of freedom and increases self-monitoring patterns. Identity fatigue in AI marketing situations occurs in the form of annoyance, numbness of emotions, and a lack of openness to personalized communication.

Distinguishing Identity Fatigue from Related Constructs

Although identity fatigue reveals theoretical overlap with proved constructs such as cognitive burden, decision fatigue, and digital exhaustion, it signifies a conspicuous psychological phenomenon within AI-driven marketing situations. Cognitive overload mostly arises from unwarranted information administering demands (*Iyengar & Lepper, 2000*), while decision fatigue echoes the reduction of self-governing resources ensuing from repetitive choice-making (*Deci & Ryan, 2000*). Digital exhaustion depicts emotional breakdown linked with sustained and rigorous technology usage (*Mick et al., 2012*).

Identity fatigue disagrees from conventional digital fatigue in that it branches from recognized surveillance and failure of agency rather than screen power. Constant

algorithmic observing and identity boosting enhance feelings of external focus and diminished autonomy, leading to worry, detachment, and resistance to personalized promotion and marketing (*Zuboff, 2019; Pasquale, 2015; Acquisti et al., 2015; Gal & Kahn, 2021*).

This distinction positions identity fatigue as a key mediating mechanism through which AI marketing affects consumer well being explaining adverse responses even under manageable informational demands.

Consumer Well-Being in AI-Driven Environments

Consumer well-being embraces autonomy, emotional balance, and perceived control, reaching beyond satisfaction metrics (*Mick et al., 2012; Deci & Ryan, 2000*).

According to the literature on digital well-being, the process of harming these dimensions can take place when a consumer experiences the influence of an algorithm or a feeling that he or she is being observed. It is found that low levels of autonomy and stress contribute to such unfavourable effects as an ad aversion, disengaging with the platforms, and dwindling brand trust. On the other hand, ethical and transparent AI practices can contribute to well-being through developing a feeling of trust and empowerment.

Diminished autonomy and intensified stress in algorithmically facilitated environments have been connected to detachment and disappearing trust (*Lutz & Newlands; 2021; Sundar & Kim, 2019*)

Ethical AI, Transparency, and Consumer Control

The recent research suggests the importance of ethical AI development as one of the means to reduce the occurrence of negative consumer reactions. Openness on using data, ability to explain algorithms and consumer control mechanisms have been identified as important components that define fairness and trust perspective. Psychological burden of personalization decrease, with more knowledge and power in the hands of consumers, reducing identity fatigue manifestation and promoting healthier consumer-brand relationships.

Figure 1: Conceptual Model of AI Marketing-Induced Identity Fatigue and Consumer Well-Being

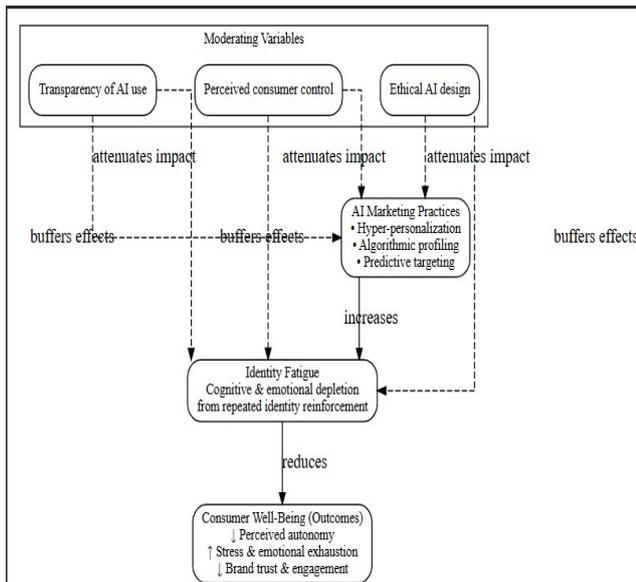


Figure 1 illustrates how AI marketing practices impact the identification of fatigue, which in turn weakens consumer well-being, whereas transparency, perceived user control, and ethical AI design manage these relationships.

5. FINDINGS AND DISCUSSION

According to the conceptual analysis and synthesis of the available literature, this research arrives at some pivotal findings according to which the AI marketing practices play a role in identity fatigue, and the latter impact consumer well-being. The discourse incorporates theoretical knowledge with the new trends in digital consumer conduct.

AI Marketing as a Source of Identity Fatigue

The discussion reveals that the AI marketing creates identity fatigue due to constant construction of identities using data. The continuous monitoring of consumer behavior allows the algorithms to continuously label, predict and enforce certain identity characteristics. Although this makes the practices precise in personalization, consumers are limited to small representations of the self in terms of historical data. Such constant repetition may cause certain psychological imprisonment where consumers feel psychologically attacked and intellectually drained.

Hyper-Personalization and Cognitive Overload

Hyper-personalization provides more and more marketing stimuli due to AI. Shoppers receive a strongly personalized advertisement, recommendations, and notifications at various digital points. With time, such saturation increases cognitive load because people have to process personalized cues and react on them on a regular basis. The ensuing overload helps to add to the mental exhaustion, frustration, and emotional disconnection, which are major constituents of identity fatigue.

Identity Fatigue and Consumer Well-Being Outcomes

Identity fatigue explicitly associates with prior work on consumer identity strain in digital environments (Gurr & Metcalfe, 2018) and extends advanced research on *Advances in Consumer Research*

cognitive and emotional overtiredness in decision-rich frameworks (Iyenger & Lepper, 2000)

The outcomes indicate that there is a negative correlation between consumer well-being and identity fatigue. Identity fatigue erodes perceived self-control by causing one to feel that algorithmic systems control or otherwise manipulate that individual. Such a sense of agency deprivation is linked to stress, emotional discomfort, and a drop in brand trust. With well-being declining, consumers can engage in avoidance, including ignoring personalized content, sharing less data, or no longer using digital platforms.

Repetitive algorithmic emphasis of identity signals may conflict with consumers developing self-concepts (Aaker, 1999), constructing emotional lessening and resistance.

Role of Transparency and Perceived Control

Transparency, explainability, and perceived user control processes have been recognized as the key moderating factors in formation of consumer trust and receiving of AI-driven personalization (Bol et al., 2018; Helberger et al., 2020; Lutz & Newlands, 2021). The level of identity fatigue declines when the consumers are aware of the way AI systems utilize their information and served with significant alternatives to control personalization. Three aspects, effective communication, opt-out, and preferences, can assist in regaining a feeling of autonomy, thus decreasing the adverse effects of the AI marketing on well-being.

Ethical AI Design and Sustainable Consumer Relationships

As pointed out in the discussion, AI design, which is ethical, assumes a significant role in consumer reactions. More likely to help in the well-being of the consumers are AI systems that focus on explainability, fairness, and human control. Conversely, the existence of opaque and invasive AI engagements enhances the force of identity fatigue and hastens disassociation. As a manager, sustainable AI marketing presupposes the need to balance the effectiveness of personalization and the considerations of the changing identity of consumers and their psychological limits.

Ethical AI design moderates psychological load by repairing agency and justice perceptions (Pasquale, 2015; Eubanks, 2018)

Discussion & Implications

Similar to other theoretical and practical consequences of the discourse of AI marketing based on identity fatigue, some significant implications of consumer responses in algorithmically mediated spaces become apparent. Though the AI marketing is the concept that has been traditionally measured in terms of engagement, conversion, and efficiency, the current study indicates that it is necessary to focus on the psychological implications of this phenomenon in general. The phenomenon of identity fatigue provides a highly important and understudied side effect of too much personalization, an endless perpetration of identity-based targeting.

Theoretically, the work fills the gaps in the consumer identity and digital well-being literature by showing that algorithmic systems are actively involved in the consumer identity formation and delimiting. In comparison with the traditional marketing that acts in response to the preferences pronounced, AI marketing predicts them and forecasts consumer interactions, which tends to support the fixed identities based on previous data. This interaction produced frictions between the changing self-concepts of consumers, and the identities calculated by algorithms, which leads to emotional exhaustion and lack of authenticity. The study provides a refined way of understanding why personalization could at times result in opposition instead of contentment by situating identity fatigue as an intermediate construct. Extreme personalization may ironically eat away long-term brand equity by undermining trust and psychological ease (Campbell & Sands, 2014; Gal & Kahn, 2021)

The discussion also questions the belief that an increase of data or a further level of consumer experience is an inevitable practice that results to more consumer experience. On the one hand, relevance is more enhanced in the short term, but on the negative side, the psychological costs may decrease the well-being of consumers and brand relationships by providing too much autonomy or platform pressure, as well as emotional detachment. These findings also indicate that AI strategies aimed at effectiveness can be unsustainable when not taking into account the human cognitive and emotional boundaries.

In managerial perspective, the results demonstrate the need to move towards human-centered AI marketing. The marketers must acknowledge consumers as living personalities and not a static data profile and create space in the identity, exploration, and choice. Adaptive personalization, lower targeting intensity, and clear communication are some of the practices that might be used to avoid identity fatigue. Besides, by implementing ethical AI concepts, including explainability, fairness, and consent, it will be possible to regain trust, which will help to sustain long-term engagement.

Lastly, relevance of consumer well-being as a strategic factor and not a marginal ethical issue is also highlighted in the discussion. Those brands who take a preemptive move to deal with identity fatigue will work more towards achieving sustainable competitive advantage and building robust, trust-based relationships. Organizations will achieve a balance in technological innovation and consumer welfare in more and more data-driven markets

by incorporating psychological sustainability into marketing designed to use AI into AI marketing.

Human-centred AI methods are progressively recognized as necessary for sustainable consumer interaction (Huang & Rust, 2021; Davenport et al., 2020)

6. CONCLUSION

The ultimate changes in the way consumers are identified, targeted, and engaged are a result of the rapidly growing use of artificial intelligence in marketing. Though AI-assisted personalization has apparent benefits in terms of relevancy and efficiency, this paper presents the less apparent psychological effects. Particularly, the paper shows that uninterrupted profiling of algorithms and profiling in terms of identity may result in identity fatigue, a state of mental and emotional disengagement that harms consumer well-being.

Combining the results of the studies on the consumer identity theory, cognitive load theory, and the findings about digital well-being, the study creates the identity fatigue as one of the primary mechanisms in which AI marketing can influence consumer perceptions of autonomy, emotional comfort, and level of trust in a negative manner. When consumers are restricted by identities created through algorithms, they become more and more strained in their interactions with brands, which, in most cases, leads to resistance, avoidance behavior, and poor relationship development in the long term.

The results highlight that successful AI advertising cannot be measured based on the performance measures. It should be the sustainable marketing strategies that take into consideration the psychological boundaries of consumers and understand their identities as dynamic and evolving. Openness, mustered agency, and ethical AI programming prove to be crucial factors in preventing identity fatigue and promoting healthier consumer experiences.

To sum up, the future of AI marketing should be in balancing technological ability and human sensitivity. Organizations that value consumer well-being and also aim at personalization are more probable to be guided to trust, commitment, and long-term value co-creation. The given study makes a contribution to the future research by presupposing identity fatigue as a significant factor to consider when leveraging AI to engage consumers and offers future empirical studies in this developing field with a baseline

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