



The Role of Consumer Trust in AI-Driven Personalisation: A Conceptual Model of Purchase Intent and Privacy Concerns

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Abstract

Background: Artificial intelligence (AI) has become central to modern marketing strategies, enabling brands to deliver personalised content and experiences at scale. However, these mechanisms can raise privacy concerns and erode consumer trust.

Methods: This conceptual study draws upon trust theory, the Technology Acceptance Model, and privacy calculus to develop a theoretical framework linking AI-driven personalisation, trust, and purchase intent, with privacy concerns as a moderating factor.

Results: The proposed conceptual model identifies consumer trust as a key mediator between AI personalisation and purchase intent. Privacy concerns are shown to negatively moderate this relationship, weakening purchase intent when data-use anxiety is high.

Conclusion: Findings emphasise the importance of transparency, fairness, and ethical AI governance to sustain consumer trust. Future research should empirically validate this framework across contexts and explore how explainable AI enhances consumer confidence.

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Keywords: AI-Driven Personalisation, Consumer Trust, Privacy Concerns, Purchase Intent, Conceptual Framework, Marketing Analytics

1. Introduction

Artificial intelligence (AI) has transformed the marketing landscape by enabling firms to deliver highly personalised experiences. From Netflix recommendations to dynamic e-commerce pricing, AI-driven personalisation enables marketers to analyse consumer data and tailor content to individual preferences in real time. While effective personalisation increases engagement and satisfaction, concerns regarding data use, algorithmic bias, and transparency have intensified. This dual nature of personalisation—enhancing relevance while raising privacy fears—creates a paradox in digital marketing. This study aims to develop a conceptual model explaining how AI-driven personalisation influences consumer trust and purchase intent, moderated by privacy concerns.

2. Research Methodology

This paper adopts a conceptual research design based on an extensive literature review across marketing, information systems, and psychology. Key theories underpinning the model include the Technology Acceptance Model (Davis, 1989)^[5], trust theory (Gefen, 2000)^[6], and privacy calculus theory (Culnan & Bies, 2003)^[3]. The study synthesises findings from prior empirical and conceptual works to build propositions that explain the relationships among AI-driven personalisation, consumer trust, privacy concerns, and purchase intent. The conceptual framework was derived through iterative analysis of peer-reviewed studies published in leading academic journals.

3. Results

The conceptual model identifies consumer trust as a central mechanism linking AI-driven personalisation to purchase intent. Four propositions are advanced:

P1: AI-driven personalisation positively influences consumer trust when perceived as relevant, transparent, and value-enhancing.

P2: Consumer trust positively influences purchase intent by reducing perceived risk.

P3: Consumer trust mediates the relationship between AI-driven personalisation and purchase intent.

P4: Privacy concerns negatively moderate the relationship between consumer trust and purchase intent, such that trust's effect weakens under high privacy concern conditions.

4. Discussion

The study highlights the dual role of personalisation: while enhancing consumer relevance, it can also trigger privacy anxieties that erode trust. Trust functions as a cognitive filter shaping consumer responses to AI systems. When AI-driven recommendations are perceived as transparent, accurate, and respectful of privacy, consumers attribute benevolence to the brand. Conversely, intrusive personalisation diminishes trust and engagement. From a managerial standpoint, integrating trust-based metrics into AI analytics could strengthen long-term customer relationships. Ethical AI practices such as fairness, explainability, and compliance with privacy standards should form the foundation of AI-driven marketing strategies.

5. Conclusion

This conceptual paper presents a trust-centred framework for understanding how AI-driven personalisation affects purchase intent. Consumer trust mediates the relationship between personalisation and behavioural outcomes, while privacy concerns act as a moderating factor. The framework contributes to marketing theory by integrating trust theory and privacy calculus in the context of AI-enabled marketing. Future research should empirically test these propositions through cross-cultural studies, experimental designs, or longitudinal surveys.

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