



THE IMPACT OF ARTIFICIAL INTELLIGENCE ADOPTION ON MARKETING EFFECTIVENESS, CUSTOMER ENGAGEMENT, AND MARKETING PERSONALIZATION: PERCEPTIONS OF PAKISTANI MARKETING PROFESSIONALS

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DOI: <https://doi.org/10.63544/jbii.v5i10.247>

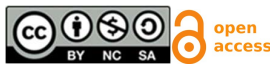
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Article History:

Received: 06.09.2026

Accepted: 29.09.2026

Published: 09.10.2026

Abstract

The present study focused on measuring the perceptions of marketing professionals about the impact of artificial intelligence (AI) on marketing practices specifically AI adoption, customers engagement, marketing personalization and campaign effectiveness. A quantitative survey research design was used. The data was collected from 166 purposively selected marketing professionals from Lahore, Pakistan. A structured questionnaire was used to measure the perception of participants of the study. Depending on the categorical and ordinal nature of the variables, descriptive statistics, association measures based on non-parametric tests and ordinal logistic regression were used. The results revealed that the exposure to AI was moderate to high for most of the respondents and the extent of the adoption by the organisations was mostly moderate to high. In general, AI was seen to be effective in boosting customer engagement and optimisation of campaigns. The strongest statistical result was for personalisation, where the likelihood of achieving better personalised marketing experiences was greatly predicted by the higher level of AI usage with an odds ratio of 4.78 ($p < .001$). The perceived marketing effectiveness was not statistically significantly predicted by the use of AI. Key concerns during implementation included the issues of data privacy, adapting to a workforce, transparency and algorithmic bias. In addition, personalisation, targeting, automation, predictive decision making and AI agents emerged as the biggest present and future effects of AI on marketing through the thematic analysis of the open-ended answers.

Keywords: Artificial Intelligence, AI Adoption, Personalisation, Customer Engagement, Marketing Effectiveness

1. Introduction

Artificial intelligence (AI) has moved rapidly from being a specialized technological capability to becoming a central component of contemporary marketing practice. Predictive analytics, recommendation systems, conversational interfaces, generative AI and other machine-learning applications have been embedded into marketing activities in a large number of organizations. McKinsey & Company (2025) reported that artificial intelligence is now widely adopted across global organizations, with marketing and sales emerging as a primary function for both usage surges and reported revenue benefits. McKinsey's insights highlight that marketing, and sales departments frequently capture significant top-line impact from AI-driven personalization, customer insights, and workflow automation. This is a step towards the new paradigm of data-driven, automated and more personalised marketing, away from intuition-driven and mass communication strategies. AI can handle a ton of customer data, find trends, handle repetitive tasks and assist with quicker decision-making throughout the customer journey (Huang & Rust, 2021). Therefore, the impact of AI on marketing must be considered not just based on whether organisations are using AI in their marketing efforts, but also how much, which technologies are being used, what they are achieving and what capabilities are required for the responsible use of AI in marketing.



Customer engagement is one of the most significant spaces of the AI-powered change. Organisations can interact with customers timelier and more relevant through the use of recommendation engines, predictive analytics, chatbots, natural language processing and image-recognition systems (Haleem et al., 2022). Lee and Breckon (2025) discovered that the factors of personalisation, effectiveness, enjoyment, reliability and ease of use are significant drivers of customer engagement with AI marketing applications. The benefits of AI can only be judged by the effectiveness of the engagement, their ability to drive better campaign performance, and the value and relevance of the customer interaction. Similarly, Salesforce (2026) states that marketers are also shifting towards more conversational and personalised customer experiences, but many organisations are still finding it difficult to connect the dots of AI usage and effective engagement on a scale. It's therefore crucial to explore practitioners' perceptions of AI's effectiveness to gauge if the technology is delivering value for the marketing function.

Another crucial aspect of the marketing impact of AI is personalisation. This AI capability allows for the analysis of behaviour, transactional and contextual data to make highly specific product recommendations, promotional messages, content, and digital experiences (Chandra et al., 2022). The use of personalisation in e-commerce products and services, driven by AI technologies, has been found to be a major driver of consumer behaviour, and has been shown to raise important questions about consumer governance and the design of responsible algorithms (Turki, 2025). Effective personalisation can contribute to customer relevance and a better campaign targeting, conversion opportunities and more efficient use of marketing resources in practice. These are all linked to the overall organisational benefits such as stronger customer engagement, higher sales, better data-centric decision making, optimisation of campaigns and perhaps cost savings. But these advantages can vary based on an organization's AI implementation, data quality, technology infrastructure, and employee knowledge.

The production of marketing content and services is also being transformed by Generative AI. Wahid et al. (2025) showed that generative AI redistributes the content creation capabilities and shifts the role of content marketing agencies towards more strategic knowledge, creativity, hyper-personalisation, and innovation using AI in services. So, AI isn't just about streamlining current tasks, it's about transforming jobs, processes, and the skills required of marketers. Generative AI is also regarded as a key emerging marketing skill in the 2025 skills research by the American Marketing Association, and the study also shows that digital marketing and data analytics skills are also identified as areas of competency that need improvement (O'Brien, 2025). When assessing the impact of AI in marketing, training and professional preparedness are key considerations. In today's digital age, marketers must be data-literate, know the basics of AI, be able to use AI to create content effectively, ethically mindful, adaptable, and cross-functional.

Meanwhile, the increasing use of AI brings with it ethical and managerial dilemmas. Concerns with AI-driven marketing include privacy issues, automated profiling, algorithmic decision-making, transparency, accuracy and accountability. However, Schilke and Reimann (2025) opined that the impact of AI disclosure on trust can be multifaceted, suggesting that disclosure needs to be approached with great care and not as a panacea. Additionally, there is a growing organisational focus on tackling privacy, explainability, reputation and regulation risks associated with the use of AI, says McKinsey & Company (2025). To prevent the erosion of customer trust, data protection, proper data representation, transparency in processes, proper governance and human oversight are essential for responsible adoption of AI-powered marketing.

Despite the high interest in AI, there is a significant disconnect between adopting AI and making it a marketing asset that is effective over time. The State of Marketing AI Report 2025, based on interviews with almost 1,900 marketing professionals, reveals disparities in their understanding and use of AI, as well as differences in the output they're looking for and the obstacles to its adoption (Marketing AI Institute, 2025). The differences in the findings indicate the importance of understanding how marketers are using AI, the extent to which their organisations actually use AI, the specific types of AI tools used, the benefits of using AI, challenges in doing so, ethical considerations, training experiences and training plans for AI use. Therefore, this study focuses on the marketing practitioners' perspective of the influence of AI on marketing. It explores the adoption of AI, its effectiveness in terms of customer engagement, campaign optimisation and



personalisation, the advantages and problems encountered by organisations, skills needed by marketers and how businesses envision using AI for future strategies. The study examines these aspects in a balanced way, offering a comprehensive view of AI as a marketing opportunity and as a technology with a need for the appropriate skills, governance, and responsible use.

1.1 Problem Statement

AI is now playing a significant role in reshaping marketing by automating tasks, personalizing content, analysing data, engaging customers, and optimizing campaigns. While there is no doubt that organisations vary in their level of AI adoption, the tools they are using, the skills of marketing professionals and their ability to get measurable benefits from AI. Meanwhile, issues around data privacy, ethical usage, transparency, and staffing continue to grow and are impacting on successful implementation. Hence, there is a need to explore the adoption of artificial intelligence in various areas of marketing and understand the potential effects of using AI in marketing effectiveness, customer engagement and factors that can affect the successful implementation and use of AI in marketing.

1.2 Research Questions

The aim of this study is to examine the perceptions of marketing professionals about the usage and effectiveness of artificial intelligence in marketing practices such as customer engagement, personalization and campaign effectiveness in Pakistani context. More specifically the research covers the following research questions.

1. What is the current level of adoption and use of artificial intelligence in marketing activities among Pakistani marketing professionals?
2. What impact does the use of artificial intelligence have on customer engagement and marketing campaign effectiveness as perceived by marketers?
3. How does Artificial Intelligence impact the personalization of marketing content and customer journey?
4. How do AI-related training, skills, and professional exposure influence the effective adoption and use of artificial intelligence in marketing?

2. Literature Review

2.1 AI Adoption and Marketing Effectiveness

As businesses strive to make more informed decisions, optimize operations, and stay agile in response to consumer trends, AI has become a crucial part of their marketing strategies. Today, AI is used in various ways such as predictive analytics, recommendation systems, natural language processing, chatbots, and generative AI, enabling marketers to better handle large amounts of customer and market data (Haleem et al., 2022). By leveraging AI, businesses can enhance customer engagement and improve forecasting and strategic decision-making, as AI can help identify patterns in customer behaviour and react more quickly to market trends (Huang & Rust, 2021; Kopalle et al., 2022; Mohd Amin et al., 2025). Likewise, Sahut and Laroche (2025) sees AI as a significant instrument in enhancing customer experience and strategic marketing strategies through personalisation, service automation and dynamic communication. These are further enhanced with Generative AI, helping with creating content, creativity, and marketing communication on a large scale (Prasanna & Kushwaha, 2025). All in all, recent research shows that AI is moving beyond simple automation and into the mainstream of marketing processes, with implementation levels ranging from very low to very high among organisations. This variation is a key factor to consider when assessing the true impact of AI on marketing effectiveness within an organisation.

While having access to AI tools is important, the effectiveness of their incorporation into organizational processes is crucial to the benefits of adoption. While the potential benefits of generative AI to campaign performance, customer engagement, personalised customer experiences and data-driven campaign decisions are identified, Salih et al. (2026) suggest that challenges in implementation may limit potential benefits. Likewise, Sahut and Laroche (2025) highlight the strategic value when AI technologies are linked to the related customer-experience and marketing goals. Other studies with marketing practitioners show that while they believe AI can help them communicate more efficiently and boost their creativity, they also see



value in human judgment and marketing expertise (Vitellaro et al., 2026). This means that there is no mechanical or universal link between the use of AI and marketing effectiveness. While organisations that implement AI extensively could gain significantly more than those implementing it less so, there are considerations like employee capabilities, organisational readiness, and the right technologies for the job that can affect results. Hence, quantifying the level reached in the adoption of organisational AI and marketers' perception of its effectiveness offers a helpful benchmark on the effect of AI on modern marketing practice.

2.2 AI Personalisation, Customer Engagement and Campaign Outcomes

Personalisation represents one of the most prominent applications of AI in modern marketing. Behavioural and transactional data can be fed into machine-learning systems to deliver personalised recommendations, advertising and customer interactions, based on a user's preferences (Chandra et al., 2022). In social media context, AI-driven personalization can boost perceived usefulness and trust, thereby fostering deeper consumer engagement in the platform (Teepapal, 2025). The results show that effectiveness of personalisation is not just about the accuracy of the algorithms, but also about how consumers interpret the AI-driven experiences. This view is echoed by evidence related to conversational AI. The study by Niros et al. (2025) on chatbot marketing suggests that customisation, anthropomorphism, and problem-solving capabilities can positively impact customer-equity outcomes and brand satisfaction, however, the impact of these features depends on the cultural orientation of consumers. Also, Priporas et al. (2025) prove that AI-driven ads can impact customer engagement and emotional reactions, and the perception of your customer base may differ when it comes to AI-produced communication. These insights highlight that customer engagement is a multi-faceted phenomenon and the performance of AI-driven marketing strategies relies on the technology's usability as well as the traits of the target audience.

AI-driven personalisation can also have a wider impact on campaign and consumer performance, as evidenced by recent studies. A mixed-methods study by Tran (2026) revealed that predictive analytics played a key role in enhancing personalisation and positively impacted on ROI of campaigns, suggesting a relationship between AI capabilities and real marketing outcomes. Additionally, Qadri et al. (2026) demonstrate that AI personalisation may interact with purchase-related outcomes via an increase in message relevance, but that privacy concerns can dampen the link. The findings presented here challenging the notion that personalisation is only judged by the sophistication of technology, and that it is only a case of relevance, transparency and customer acceptance that can make personalised messages actually contribute to desirable marketing outcomes. Personalised interaction is also a key factor in AI customer experience, as stated by Sahut and Laroche (2025). Hence, the literature offers theory and empirical evidence on the role of AI in enhancing customer engagement, optimising campaigns and personalising their marketing journeys. Simultaneously, the differences in outcomes across contexts highlight the need to measure practitioners' experiences, rather than taking for granted that AI always has positive outcomes.

2.3 Ethical Challenges, Skills and Future Marketing Adaptation

While AI-powered marketing has many advantages, there are also significant ethical and management issues. As marketing systems rely on large amounts of consumer information and automatic decisions, privacy, algorithmic bias, transparency and accountability are increasingly gaining significance (Kopalle et al., 2022). After synthesizing 445 papers to identify key concerns, Hari et al. (2025) confirms that ethics is one of the major hurdles to the use of AI in marketing and highlight the need for trust, ethical algorithmic usage and ethical governance. The authors Gupta et al. (2025) also believe that greater integration of AI presents policy and governance issues across borders, due to variations in regulatory frameworks influencing AI-based data gathering and the use of automated marketing technologies in organisations. This is especially the case with regard to personalisation and privacy. According to Qadri et al. (2026), consumer responses to AI-driven personalisation can be undermined by privacy concerns, while increasing transparency in AI-driven personalisation can help bolster consumer responses. Ethical practices are thus strategic, too, because poor data privacy or less transparent practices of AI can erode consumer confidence in the value that personalisation and AI-driven engagement offer.



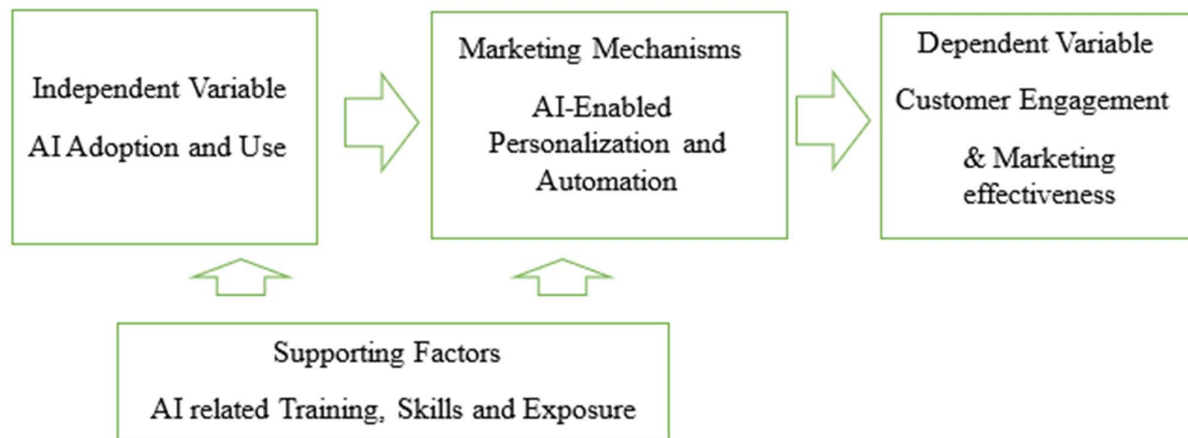
Beyond the technical changes, there's a need for marketing pros to adapt their skills and organisations to accommodate AI. Prasanna and Kushwaha (2025) highlight the growth of generative AI as a new avenue for marketing practice, which necessitates marketers to be aware of how AI can assist in content creation, consumer analysis, and strategic decisions. Vitellaro et al. (2026) identified the recognition of the opportunities GenAI offers to boost creativity and efficiency, alongside concerns over automation and the role of humans, and the relevance of human creativity and judgement. Similarly, Salih et al. (2026) list workforce resistance, quality control, privacy and infrastructure constraints as hurdles to be overcome. The results indicate that there is a need to go beyond the adoption of technology to also bring in AI literacy, data-analysis skills, ethical consciousness, adaptability, and suitable professional training. Furthermore, the future will involve some degree of human involvement and partnership with increasingly sophisticated AI systems, not outright replacement.

3. Theoretical and Conceptual Framework

To support this study, the AI-Driven Customer Engagement Theory (AICE) of Lajevardi and Orouei (2025), which outlines the potential of artificial intelligence to enhance marketing results via three core mechanisms—personalisation, automation, and ongoing customer engagement—is used. The theory is that AI helps organisations to better understand their customers' data, adjust marketing communications, automate repetitive marketing tasks, and react more effectively to their customers' actions. AI adoption and use is seen as the driver, and AI personalisation and automation as the mechanisms by which customer engagement and marketing effectiveness can be improved. Other potential supplementary factors that can enhance the effective use of AI in marketing include AI-related training, skills, and professional exposure. This theory is suitable as it directly relates to the most important variables measured in the current study and has a recent theoretical background to study the role of AI in marketing practices (Lajevardi & Orouei, 2025).

Figure 1

Conceptual Framework



The figure presents the hypothesized relationships among AI Adoption and Use, AI-Enabled Personalization and Automation, and Customer Engagement and Marketing Effectiveness, with AI-related Training, Skills, and Exposure as supporting factors.

4. Research Methodology

This study used quantitative survey research design. The main data collection tool employed was a structured questionnaire, while a sample of 166 subjects who have relevant experience in marketing activities and Artificial Intelligence (AI) based technologies were used to gather responses. The questionnaire addressed the extent of AI exposure and implementation, the use of AI-powered marketing tools, customer interaction, campaign success, personalisation, perceived benefits, implementation challenges, ethical concerns, professional skills, training, and adaptation to AI in the future. Non-probability purposive sampling method



was used to access respondents from various organizations. Data collected was coded and analysed in SPSS. To describe respondent characteristics and pattern of AI use, frequencies, percentages, and cross-tabulations were used. The majority of the variables in this questionnaire were categorical or ordinal in nature, for this reason, relationships between the steps in the AI adoption, training, personalisation, customer engagement and perceived marketing effectiveness were explored through the use of logistic regression techniques. The results were considered to be statistically significant at the 0.05 level.

5. Results and Findings

The quantitative data was analysed by SPSS and the findings are as follows:

Table 1

Profile of Respondents

Variable	Category	f	%
Current marketing role	Marketing Manager	30	18.1
	Digital Marketer	48	28.9
	Content Creator	22	13.3
	Data Analyst	21	12.7
	Other	45	27.1
Industry	E-commerce	38	22.9
	Healthcare	10	6.0
	Retail	16	9.6
	Finance	23	13.9
	Technology	44	26.5
	Other	35	21.1

The professional attributes of the 166 respondents are shown in Table 1. The top specific professional groups were digital marketers (28.9%) and marketing managers (18.1%). Specifically, by industry, technology was the top category at 26.5% with e-commerce coming in at 22.9%. This sample thus contained a diverse group of marketing respondents from different roles and settings.

Table 2

Exposure to AI and Organisational AI Adoption

Variable	Category	f	%
Exposure to AI technologies	Low	11	6.6
	Moderate	82	49.4
	High	73	44.0
	Not at all	10	6.0
Organisational AI adoption	Minimally	19	11.4
	Moderately	95	57.2
	Extensively	42	25.3

Table 3

AI-Driven Tools Used

Variable	Category	f	%
AI-driven tool used	Recommendation systems	25	15.1
	Predictive analytics	30	18.1
	Chatbots	59	35.5
	Natural language processing	17	10.2
	Image recognition	13	7.8
	Other	22	13.3

The results show high exposure to AI among respondents (49.4% moderate and 44.0% high). The adoption of organisational AI was also significant with 57.2% reporting moderate adoption and 25.3% reporting extensive adoption. The most frequently cited AI technologies were chatbots (35.5%), predictive



analytics (18.1%) and recommendation systems (15.1%). The findings answer the first research question that was about the current adoption and use of AI in marketing.

Table 4

Effectiveness in Customer Engagement and Campaign Optimization

Variable	Category	f	%
Effectiveness in customer engagement and campaign optimization	Not effective at all	3	1.8
	Not very effective	6	3.6
	Neutral	27	16.3
	Somewhat effective	99	59.6
	Very effective	31	18.7
Main benefit experienced	Improved customer engagement	59	35.5
	Increased sales	42	25.3
	Enhanced data-driven decision-making	35	21.1
	Better campaign optimisation	20	12.0
	Cost savings	1	0.6
	Other	9	5.4

The majority of the respondents had a positive view of AI. In total, 78.3% rated AI's performance as being somewhat effective or very effective in enhancing customer engagement and optimising marketing campaigns. The top three benefits identified were improved customer engagement (35.5%), increased sales (25.3%) and enhanced data-driven decision-making (21.1%). The findings are thus compelling descriptive proof of the marketer's perceived positive impact of AI on marketing activities.

Table 5

Impact on Personalisation

Impact on Personalisation	f	%
No improvement	6	3.6
Slightly improved	17	10.2
Moderately improved	74	44.6
Significantly improved	69	41.6
Total	166	100.0

There was a significant impact of AI on personalisation in marketing. AI was seen to have a considerable impact on marketing personalisation. Around 44.6% of respondents said AI had helped them moderately to personalise customer experiences and marketing material, and another 41.6% said it had helped them a great deal. So, 86.2% of respondents reported moderate or significant improvement, with only 3.6% indicating no improvement.

Table 6

Main AI Implementation Challenge and Approach to Ethical Concerns

Variable	Category	f	%
Main AI implementation challenge	Data privacy concerns	54	32.5
	Algorithmic bias	27	16.3
	Lack of transparency	29	17.5
	Workforce adaptation	37	22.3
	Other	19	11.4
Approach to ethical concerns	Implementing data protection measures	62	37.3
	Ensuring diversity in data and algorithms	47	28.3
	Promoting transparency in AI processes	38	22.9
	Other	19	11.4



32.5% of respondents indicated data privacy as the most common hurdle for implementing AI, making it the top reported challenge. The second most frequently reported challenge (22.3%) was workforce adaptation, followed by lack of transparency (17.5%) and algorithmic bias (16.3%). The approach most commonly reported (37.3%) was data-protection measures, which were taken as a response to ethical concerns. That diversity in data and algorithms is important came out as a reported priority by 28.3%, with 22.9% highlighting the need for transparency in AI processes. These results show that organisations were aware of the possibilities and ethical challenges of AI-powered marketing.

Table 7*Essential AI-Related Skill and Training Type*

Variable	Category	f	%
Essential AI-related skill	Data analysis and literacy	36	21.7
	Understanding AI principles and algorithms	42	25.3
	Content creation using AI tools	30	18.1
	Knowledge of AI ethics and transparency	22	13.3
	Adaptability to new technologies	32	19.3
	Cross-functional collaboration	4	2.4
Training type	Online courses	58	34.9
	Workshops/seminars	25	15.1
	On-the-job training	55	33.1
	Formal education/certification	10	6.0
	Other	18	10.8

The understanding of AI principles and algorithms was ranked as the most crucial skill by 25.3% of respondents. Data analysis and literacy came in at 21.7% and 19.3% respectively. When it came to professional development, online learning was the most popular type of training (34.9%), with on-the-job training coming in second (33.1%). Only 6.0% were formal education or certification, indicating that more flexible and practical methods of learning AI were more popular.

Table 8*Future Adaptation of Marketing Strategies to AI*

Future Marketing Strategy	f	%
Prioritising data-driven decision-making	45	27.1
Investing in AI-powered tools	63	38.0
Providing training for marketing professionals	38	22.9
Enhancing cross-functional collaboration	7	4.2
Other	13	7.8
Total	166	100.0

Investment in AI-powered tools represented the most commonly reported future strategy, selected by 38.0% of respondents. A further 27.1% indicated that their organisations intended to prioritise data-driven decision-making, while 22.9% identified the provision of AI training for marketing professionals. These results indicate that organisations were planning continued AI integration through technological investment, data utilisation and workforce development.

Table 9*Predictors of Marketing Effectiveness and Personalisation*

Predictor	Statistical Test	Test Statistic	p
Type of AI training	Kruskal-Wallis	H = 2.046	.727
Essential AI-related skill identified	Kruskal-Wallis	H = 7.293	.200

Organisational use of AI, however, was a strong predictor of improvement in marketing personalisation ($B = 1.565$, $OR = 4.78$, $p < .001$). For every one increase in level of AI usage, there was an



increase in the odds of improving personalisation by about 4.78 times. This is the largest positive inferential finding for the study.

There was also strong exposure to AI among professionals that was significantly associated with marketing effectiveness ($B = -2.120$, $OR = 0.12$, $p < .001$). The association was negative, however. The odds of choosing an effectiveness category were inversely associated with reported exposure. The relationship was, therefore, found to be statistically significant but negative in the direction of hypothesis.

There was no significant difference in perceived marketing effectiveness based on the different types of AI training received, $H = 2.046$, $p = .727$. Likewise, there were no differences between the respondents in their ratings of the effectiveness of AI with respect to the skills they identified as being essential, $H = 7.293$, $p = .200$. The skills question, however, asked respondents about their opinions of the importance of different skills, not their proficiency in them. The outcome is, therefore, presented in an exploratory rather than skill-based manner.

Table 10

Recommendations for Businesses Integrating AI into Marketing Strategies

Rank	Theme	f	%
1	Customer focus / personalisation	52	36.6
2	Clear goals / use cases	45	31.7
3	Training / skills	38	26.8
4	Automation / efficiency	35	24.6
5	Data quality / readiness	34	23.9
6	AI tools / technology investment	33	23.2
7	Monitoring / optimisation	32	22.5
8	Human oversight / creativity	31	21.8
9	Other / unclear	30	21.1
10	Pilot / gradual adoption	25	17.6
11	Ethics / privacy / governance	14	9.9

The most common recommendation was to keep a customer focussed and personal approach (36.6%), followed by setting clear goals and use cases (31.7%) and training and skills development (26.8%). The respondents also talked about optimisation, data readiness, technology investment, and automation.

Table 11

Perceived Impact of AI on Marketing Strategies

Rank	Theme	f	%
1	Personalisation / customer experience	74	52.1
2	Targeting / reach / engagement	60	42.3
3	Efficiency / automation	53	37.3
4	Data-driven / predictive decisions	46	32.4
5	Real-time capabilities / scale	40	28.2
6	Content / creativity	28	19.7
7	Campaign performance	24	16.9
8	Other / unclear	19	13.4

AI was seen as a big impact by more than half (52.1%) of respondents, who saw personalisation and better customer experience as a significant impact. Increased targeting, reach and engagement was the second most common theme (42.3%) and 37.3% mentioned efficiency and automation. AI's role in predictive and data-driven decision-making was another key focus.

Table 12

Ethical Issues in AI Marketing

Rank	Theme	f	%
1	Privacy / data security	91	63.6



2	Transparency / disclosure	84	58.7
3	Fairness / bias	60	42.0
4	Accuracy / misinformation	28	19.6
5	Other / unclear	26	18.2
6	Accountability / oversight	25	17.5
7	Legal / compliance	20	14.0
8	Consent / data control	12	8.4

The most prevalent ethical issue highlighted was privacy and data security (63.6%). Transparency and disclosure also were significant at 58.7%, and fairness and algorithmic bias at 42.0%. The other considerations that were identified by the respondents were accountability, information accuracy, regulatory compliance and customer consent.

Table 13

Future Outlook of AI in Marketing

Rank	Theme	f	%
1	Automation / AI agents	76	53.1
2	Hyper-personalisation	68	47.6
3	Predictive / real-time decisions	66	46.2
4	Generative content	39	27.3
5	Widespread / integral AI adoption	31	21.7
6	Efficiency / scalability	29	20.3
7	Human-AI collaboration	21	14.7
8	Ethics / privacy / trust	21	14.7
9	Other / unclear	25	17.5

The majority of the future outlook is focused on increased automation and AI agents (53.1%). Almost half expected more hyper-personalisation (47.6%) and more reliance on predictive and real-time decision making (46.2%). Other areas of future development mentioned were generative content, wider use of AI, scalability, and human-AI collaboration.

6. Discussion

The findings of this study show that artificial intelligence has become widely embedded in contemporary marketing practice in Pakistan, although its effects are not uniform across all outcomes. The majority of respondents said that they were moderately or highly exposed to AI and over four-fifths said that their organisations were moderately or extensively using AI. The most common AI tools were chatbots, predictive analytics and recommendation systems. This is in line with the latest studies that reveal the growing role of AI in customer interactions, automation, and strategic marketing (Huang & Rust, 2021; Haleem et al., 2022). According to Sahut and Laroche (2025), AI is transforming customer experience by enabling personalised interactions and dynamic communication, whereas Gupta et al. (2025) highlight the growing use of AI in business to enhance marketing capabilities and customer interactions. Similarly, Lee and Breckon (2025) state that personalisation, effectiveness and reliability are significant factors in engaging with AI marketing systems.

Overall, the majority of respondents view AI as a positive development: 78.3% said it was somewhat or very effective in boosting customer engagement and campaign optimisation, and the top benefits mentioned across the board were increase in customer engagement, increase in sales and data-driven decision-making. The findings are consistent with research which suggests that AI can be used as a way to enhance the responsiveness of marketing and interactions with customers (Lee & Breckon, 2025; Sahut & Laroche, 2025). Overall perceived marketing effectiveness, however, was not significantly predicted by organisational AI adoption. This means that more AI alone won't necessarily lead to better marketing results. As Sahut and Laroche (2025) highlight, the meaning of value is linked to the ways in which AI can be applied to customer experience and marketing operations, and as Vitellaro et al. (2026) demonstrate, marketing experts are considering the value of generative AI based on its strategic value and the constraints and opportunities for



their organisations. Adoption intensity is thus not the entire picture; implementation quality can also be important.

The most significant finding was on the personalisation measure. The majority of respondents (more than 86%) said they experienced moderate or significant improvement in the level of personalisation in their marketing content and customer experiences, with higher organisation adoption predicting higher levels of personalisation in the marketing content and experiences (odds ratio of 4.78). This is consistent with the findings of Teepapal (2025) who discovered that personalisation with the help of AI can boost perceived usefulness, trust, and, ultimately, engagement. Similarly, Hardcastle et al. (2025) noted that AI-powered customised journeys shape customer experience, but there are still challenges like technology constraints and customer agency to consider. Similarly, Munandar et al. (2026) established that AI-enabled personalisation also enhances the AI-enabled customer experience and trust, and perceived personal relevance serve as important mechanisms to mediate the relationship. The current results thus corroborate personalisation as one of the most evident marketing value creation opportunities for AI.

One of the surprising results was that there was a strong negative correlation between professional exposure to AI and perceived marketing effectiveness. The more I was exposed to something, the less likely I was to rate it as being more effective. This does not imply 'exposure is not an effective solution'. In the case of more experienced respondents, they might have been more conscious of the limitations, challenges, and governance risks associated with AI, and thus have been more critical in their assessment. Technological constraints can impact the experience for customers, as reported by Hardcastle et al. (2025), and it is evident that marketing professionals are aware of the advantages and disadvantages of generative AI, such as regulatory, authenticity and professional issues, as noted by Vitellaro et al. (2026). This negative correlation could be due to high levels of critical awareness among those with AI exposure, but not necessarily to the negative impacts of AI experience. As this research was cross-sectional, causal conclusions cannot be drawn from this relationship.

Issues related to ethics and implementation also figured prominently. The top three challenges were identified as data privacy, adapting the workforce and transparency/algorithmic bias. The most frequently mentioned ways in which organisations responded were by taking data protection measures, increasing the diversity of data and algorithms, and making AI processes transparent. Hari et al. (2025) also highlight privacy, algorithms and trust and ethical governance as major issues in AI marketing. While Gupta et al. (2025) emphasize the need for ethical, regulatory and policy considerations when implementing AI, Teepapal (2025) demonstrates that privacy matters can hinder positive consumer reactions to AI personalisation. Therefore, the present results suggest that ethical governance is closely related to marketing outcomes as the three elements of privacy, fairness and transparency relate to the extent to which customers and professionals can trust AI-driven interactions.

Professional ability was also a key factor. The top three skills identified by the respondents were: understanding AI principles and algorithms, data literacy, adaptability and AI-assisted content creation. There was a large disparity between the two types of professional development, with online courses and on-the-job training being the types most commonly used, while perceived marketing effectiveness was not significantly associated with training type. This indicates that the type of training provided might not be the only factor in the successful application of AI; depth, relevance and organizational support might play a bigger part. Vitellaro et al. (2026) reported efficiency, creativity, and personalisation as the main reasons why marketing professionals are interested in generative AI, highlighting the ongoing importance of human judgment and creativity. This aligns with the current discovery that it is not training itself, but rather technical understanding, adaptability and professional judgement that is important for effective use of AI.

Plans for the future indicate greater involvement of AI in marketing strategy. The most common adaptations in the future were investing in AI-driven tools, data-driven decision making and professional training. The priorities align with those of Gupta et al. (2025) and Sahut and Laroche (2025), who sees AI as a vital component of strategic marketing and organisational resource configuration. In conclusion, the study suggests that AI has a significant influence on Marketing but it is not a guaranteed one. The need for enabling



technologies, qualified personnel, ethical governance, transparency and on-going organizational learning seems to be fundamental for successful implementation. Therefore, AI is not just a tool, but a marketing capability that can only be as effective as how it's used and done responsibly.

The thematic findings validate the quantitative findings, as respondents considered AI as a means to enhance personalisation, customer engagement, efficiency, and data-driven decision-making as the main topics. The top recommendations for businesses adopting AI were customer focus and personalisation, as well as having clear implementation goals, training employees on the technology, ensuring data readiness, investing in technology, and ongoing optimisation. This aligns with recent literature indicating that AI can add marketing value when implemented strategically and not taken on blind-eye (Sahut & Laroche, 2025; Gupta et al., 2025). Personalisation and customer experience were also identified as the most significant impacts of AI on marketing strategies, which is consistent with previous findings that AI-enabled personalisation can enhance relevance, engagement, and customer experience (Teepapal, 2025; Lee & Breckon, 2025). Ethical concerns were also prominent, with privacy, transparency, and fairness being key concerns, especially as organisations continue to leverage AI in marketing (Hari et al., 2025; Gupta et al., 2025). When asked about future predictions, participants felt that they will see increased automation, AI agents, hyper-personalisation, predictive decision-making and generative content, as well as the continued need for human-AI partnerships.

7. Conclusion

The study concluded that AI has become an integral component of contemporary marketing in Pakistan, especially in the areas of customer engagement, personalisation, campaign optimization, and data-informed decision-making. The results revealed a moderate to high level of exposure to AI among most respondents, and a moderate to extensive level of AI adoption among organisations. The value of AI was seen, particularly in the area of personalisation, and the higher the level of its adoption, the more likely the outcomes were to be strong. But, the fact that more companies use AI did not automatically equate to higher overall marketing effectiveness, showing that successful results vary based on the use and management of AI. Concerns about data privacy and adapting the workforce to the new technologies, transparency and algorithmic bias also continued. The results also pointed out the need for more robust AI knowledge, data literacy, adaptability and hands-on experience among marketers.

8. Recommendations

1. Organisations need to invest in AI tools that directly help them in the area of customer personalisation and campaign optimisation.
2. Practical training should be regularly provided for marketing teams on the use of AI, data analysis, and responsible use of AI.
3. Companies should enhance data protection measures to handle privacy concerns in AI-driven marketing.
4. Organisations should ensure transparency of AI in marketing decisions and customer interactions.
5. Human oversight should play a vital role in AI-driven marketing strategies to enhance precision, creativity, and accountability.
6. In the future, AI strategies need to target quantifiable marketing results and not use AI technologies just for the sake of it.

Conflict of Interest Statement

The authors declare that there is no conflict of interest regarding the publication of this article.

Funding Statement

The authors did not receive financial support from any funding agency or external organization for the research, authorship, or publication of this article.

Informed Consent

Informed consent was obtained from all participants prior to data collection. Participants were informed about the purpose of the study, the voluntary nature of their participation, and their right to withdraw



at any time without any consequences. The confidentiality and anonymity of respondents were guaranteed throughout the research process.

Data Availability

The datasets generated and analysed during the current study are available from the corresponding author upon reasonable request. The authors are committed to transparency and will provide detailed methodological information and analysis protocols upon request.

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