

The Essence of AI-driven Personalization: Going Beyond Universal Solutions

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ABSTRACT

At this point in time, humanity is at an AI (Artificial Intelligence) crossroads. With the breakthroughs of Large Language Models (LLMs) in November 2022, the path forward still needs to be determined. With the unlimited potential of AI models and capabilities, developing something beautifully complex and life-changing is possible. Developing something dangerously autonomous is also an option. Marketing personalization, too, undergoes an AI-related transformation process into version 2.0. Therefore, a qualitative content analysis with open coding for Inductive category development (based on P. Mayring's model) has been conducted to explore the positive and negative implications of this transition and the areas of impact to answer the question of what AI-powered personalization is. It has been revealed that the dramatic evolution of AI and its use in Marketing (specifically in personalization) evokes both positive and optimistic and negative and cautious perspectives from researchers. Specifically, 20% of all publications and articles highlight where AI-powered personalization and its components still need attention, improvement, legislative support, and clarity. Three AI-related challenges (ethical, practical, and economic) were outlined and discussed.

Keywords: AI-Consumer experiences, AI-CRM, AI-enabled personalization, AI-infused technology, AI-related challenges