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AI marketing & brand relationships

A qualitative study about consumer-brand relationships, personalized marketing and the personalization-privacy paradox

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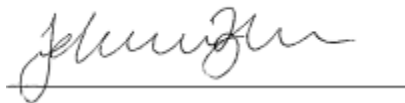
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Have a lovely read!

Johanna Blom   Julia Walde

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Abstract

Title: AI marketing & brand relationships: a qualitative study about consumer-brand relationships, personalized marketing and the personalization-privacy paradox

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Course: BUSN39 Degree Project in Global Marketing

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Keywords: consumer-brand relationships, brand trust, brand loyalty, personalized AI marketing, personalization-privacy paradox

Thesis purpose: to explore what influence consumer-brand relationships may have on consumers' perceptions of personalized marketing and the personalization-privacy paradox.

Methodology: to understand each of the respondents' different perceptions of the thesis' purpose and research question, a relativist and social constructionist approach were applied.

Theoretical perspective: in order to fulfill its purpose, the study looks at personalized AI marketing and the personalization-privacy paradox by examining it in relation to the theory of consumer-brand relationships.

Empirical data: the study has been constructed with a qualitative design where the empirical material has been collected through 10 semi-structured in-depth interviews.

Conclusion: the study indicates that there is a connection between consumer-brand relationships, personalized marketing and the personalization-privacy paradox. Furthermore, personalized marketing from a brand to which a strong brand-relationship exists is regarded as more positive and can even strengthen the relationship. The propensity to disclose data to favorite brands is also higher. However, excessive personalized marketing and misused consumer data could damage even the strongest consumer-brand relationships.

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1 Introduction

This introductory chapter consists of a background about consumer-brand relationships, personalized AI marketing and the privacy concerns that come with it. Furthermore, the research problem is provided as well as the study's purpose and research question.

1.1 Background

In a similar way as interpersonal relationships are created, consumers can create relationships to brands (Fournier, 1998). Consumer-brand relationships are a growing phenomenon since consumers increasingly want long-lasting relationships with brands since trust and positive emotions evolves, which reduces uncertainty and mitigates risks (Hayes, Brinson, Bott & Moeller, 2021). Consumers' relationships with brands also have received increased interest among researchers and practitioners in recent times since strong consumer-brand relationships have been proven to increase loyalty as well (Anselmsson, 2017; Fournier, 1998). It has further sparked the interest of researchers due to vast technological advancements and an ever-increasing digitalization that has forced brands to find new and innovative ways to attract and appeal to consumers. The digitalization has meant that consumers have the opportunity to compare offerings and alternatives to a greater extent than what previously has been possible (Treadgold & Reynolds, 2016). Consumers hence have the power to easily switch between different brands and abandon those who do not meet their requirements (Accenture, 2018). In this respect, brand building has become increasingly important for companies because a strong brand stands out from the crowd and simplifies the maintenance of consumer-brand relationships. Companies' understanding of how their brands can retain customers and with that create competitive advantage is therefore essential (Veloutsou, 2015).

An elementary part of building brand relationships is reaching out to consumers via different marketing efforts. Technological advancements have enabled new and innovative ways in which brands can market their products and offerings (van Esch & Black, 2021). With the increased digital presence, traditional marketing is losing its effectiveness and more attention is paid to digital marketing (Tran, van Solt & Zemanek, 2020). Digital marketing refers to all kinds of

marketing efforts brands exercise across various digital channels and has proved to be significantly more effective than traditional marketing (Hayes et al., 2021; Tran, van Solt & Zemanek, 2020). The effectiveness of digital marketing is largely made possible by artificial intelligence (AI) enabled techniques, where personalization accounts for the fastest growing development within the marketing area (Hemker, Herrando & Constantinides, 2021). In this research, personalization is referred to as a form of marketing where brands create customized marketing content to individual consumers with the aim of improving the quality of services and offerings. This personalization is enabled by AI collecting and processing vast amounts of consumer data, collected from movements and interactions between consumers and brands across various platforms online (Dolnicar & Jordaan, 2007). As consumers move across the web and social media platforms, it enables an almost endless generation of consumer data such as purchase history, online interactions, geolocation and personal information. This data is then used to build thorough consumer profiles which can be used for personalization purposes (Hemker, Herrando & Constantinides, 2021).

As personalization relies on consumers' willingness to disclose data, personalization would not be possible without the consent of the consumer (Hemker, Herrando & Constantinides, 2021). A recent issue that has come to light in relation to personalization is however the ethical aspect with a lack of integrity and privacy that personalization entails. Marketing scholars have thus identified a paradox that refers to consumers' conflicting views and opinions on brands collecting data. The paradox is called the personalization-privacy paradox and lies in the dichotomy between people wanting to experience the benefits from personalization, while at the same time evaluating the risk of disclosing personal data for privacy reasons (Hayes et al., 2021). The debate around consumers' privacy and brands' responsibility has been on the agenda on and off for decades due to various incidents where consumer privacy has been violated (Culnan & Bies, 2003). As a consequence of this debate, and as a means to protect consumer privacy, governmental institutions have introduced regulations such as the GDPR (EDPS, n.d.). Since these regulations came into effect many brands have experienced data collection as more challenging. Despite the regulations, several incidents where data has leaked has put water on the mill for the debate of data protection and the paradox remains relevant (Hemker, Herrando & Constantinides, 2021). For instance, several recent studies show that consumers express concerns

regarding brands' tracing their online activity and behavior. The concerns stem from a lack of trust and insight in how their data will be used (Rothschild, Boudet & BenMark, 2019). However, simultaneously the consumers of today require a certain degree of personalization that they have gotten used to (Harvard Business Review et al., 2020). The discrepancy thus points at the complexity of the personalization-privacy paradox and the challenges that come with it.

1.2 Research problem

The application of personalization in marketing efforts is still relatively new. The development and large deployment of such applications in practice have moved at a faster pace than marketing scholars (Martin & Murphy, 2017). Consequently, the academic knowledge of personalization is a rather under researched area. Much of the research conducted on AI marketing and personalization has been technical in nature, with a focus on how to implement it effectively. However, the interest to understand the effects of AI and personalized marketing has grown rapidly in recent years. AI is considered by many as the most promising technological advancement and its applications have proven effective in many businesses (Kopalle, Gangwar, Kaplan, Ramachandran, Reinartz & Rindfleisch, 2020). Many researchers even anticipate that AI will transform marketing practices, as well as consumer behaviors, altogether (Davenport, Brynjolfsson, McAfee, & Wilson, 2019). This has entailed that there has been an increased interest in how consumers perceive AI enabled marketing such as personalization.

Researchers have observed that personalized marketing positively influences consumers' loyalty, positive emotions, and trust (Chellappa & Sin, 2005; Hayes et al., 2021). Since loyalty, positive emotions and trust constitute fundamental elements for consumer-brand relationships (Fournier, 1998), it indicates that there exists a connection between personalization and consumer-brand relationships. However, this connection has received limited attention in previous research. Instead, previous research that has investigated the connection between AI marketing and consumer-brand relationships has focused their research on other applications of AI, as for example chat bots (see e.g. Cheng & Jiang, 2021; Troshani, Hill, Sherman & Arthur, 2021). Consequently, the research linking personalization and consumer-brand relationships is scarce.

Lastly, a limited number of researchers have attempted to investigate the connection between the personalization-privacy paradox and consumer-brand relationships (Hayes et al., 2021). As brands increasingly implement personalization strategies, they face a tough balancing act between collecting data for business effectivization and safeguarding consumer privacy, making such an understanding crucial (Hemker, Herrando & Constantinides, 2021). Many brands struggle with the question of at what point data collection is considered an intrusion of privacy and the perceived risks outweigh the perceived benefits. These are ethical concerns that have received increased interest in recent times (Culnan & Bies, 2005; Hayes et al., 2021; Lee & Rha, 2016). Researchers thus have stressed the necessity in obtaining a deeper understanding of how consumers react to personalized marketing and how they experience that the personalization-privacy paradox influences their brand relationships (Martin & Murphy, 2017). Hence, addressing the personalization-privacy paradox and its interrelation to consumer-brand relationships will provide beneficial insights for business practitioners as well as academia.

1.3 Purpose & research question

Drawing upon previous research, we seek to contribute to the understanding of personalized marketing and the personalization-privacy paradox by examining it in relation to consumer-brand relationships. Therefore, the purpose of this study is to explore what influence consumer-brand relationships may have on consumers' perceptions of personalized marketing and the personalization-privacy paradox. The research questions thus follow:

❖ How does consumer-brand relationships influence consumers' perceptions of personalized marketing and the personalization-privacy paradox?

Fulfilling this purpose and answering the research question will contribute to the literature stream on AI marketing as well as consumer-brand relationship by deepening the understanding of how they are connected. As personalized marketing continues to grow, an understanding of how consumer-brand relationships influence the perception of personalized marketing will be crucial for companies as they develop and implement personalization further. Similarly, our study will be helpful in understanding consumers' ethical concerns and how consumer-brand relationships can come into play to prevent these concerns.

2 Literature review

The following chapter presents a literature review of the studied topic. Initially the theory about consumer-brand relationship is described to provide an understanding of relationships between consumers and brands. Furthermore, research about AI marketing is described together with personalized marketing. The ending section consists of the personalization-privacy paradox.

2.1 Consumer-brand relationships

In a similar way as interpersonal relationships are created, consumers can create relationships with brands, namely consumer-brand relationships which was first introduced by Susan Fournier (1998). A consumer-brand relationship involves the emotional bond and positive feelings that a consumer has to a brand and how the brand can be compared to an interpersonal relationship partner. Fournier (1998) concludes in her study that a brand can function as a feasible relationship partner just like any other human subject, and in order to gain a complete understanding of consumer-brand relationships, it is needed to grasp how brands fit into how people experience their ordinary lives. The traditional way of seeing brands as passive objects is long gone, instead brands should be seen as active partners that contribute to the relationships and reciprocate consumers' actions. Furthermore, interpersonal relationships as well as consumer-brand relationships change and evolve over time and over a series of interactions as the relationships are manifested by repeated sequences of exchange between the parties (Fournier, 1998). Consumer-brand relationships have consistently been developed in research, and Fournier´s study has been the basis for several successful developments, some of which will be elaborated on later in this chapter. However, Fournier's (1998) original theory remains relevant and permeates the majority of studies within the research area.

Additionally, Fournier (1998) developed an indicator for the overall brand relationship depth, strength, and quality. To keep a consumer-brand relationship alive, much more than positive feelings are required. Rather, it is dependent on emotional and affective attachments, behavioral ties and supporting cognitive beliefs. The quality of the relationship thus contains six

dimensions: love, self-expression, commitment, interdependence, intimacy, and the brand as a qualitative partner. The different dimensions appear more or less relevant depending on what kind of brand and thus relationship it is. The love dimension illustrates that the feelings within a consumer-brand relationship resembles feelings of love in an interpersonal relationship. Self-connection involves that a brand can express consumers' personality and identity. Commitment includes that the parties intentionally act in an engaging way that strengthens the relationship's durability and duration and can be resembled to brand loyalty. Interdependence illustrates that in order for a relationship to exist, there must be an interdependence and regular interaction between the parties. Intimacy in a consumer-brand relationship is constructed when the consumer interacts with the brand for a longer period of time. Lastly, brand partner quality touches upon how qualitative the brand is as a partner and is closely related to the overall strength of the relationship (Fournier, 1998).

A consumer-brand relationship can further be developed in the way that the brand can create a bond to the consumer by also being active in the relationship. This can for example be done by using a human representative for the brand that can make it possible to feature the human aspects of the brand, such as honesty, safety, and trust. The human aspects of a brand can also be expressed through pure influencers (Bertilsson, 2017). The reason why consumers easily connect with the human aspects of a brand is because people generally form relationships with people, not products. The brand personality is thus important for the consumer-brand relationship (Kapferer, 2012). Brands can also be active in the relationship by reaching out to consumers via different marketing efforts, which will be elaborated further in upcoming sections.

To conclude, Fournier (1998) argues that brand relationships and their quality develops via meaningful consumer-brand interactions. Hence, consumer or brand actions have a direct impact on the relationship in between, where some actions can contribute to enhancement while other actions can weaken the relationship. The interactions can take place physically, but also digitally via social media interactions, e-commerce, or digital marketing practices (Hayes et al., 2021). Hence, the consumer-brand relationship has taken a more digital approach than when the consumer-brand relationship theory first was constructed. Through these interactions, brand trust and commitment are developed (Hayes et al., 2021). Fournier and Alvarez (2012) argue that the

consumer-brand relationship combines the emotional, behavioral and cognitive processes mentioned above, in which trust, and commitment are developed between brands and consumers.

2.1.1 Brand trust

In order for a consumer-brand relationship to exist, trust is an important aspect just as in any other relationship (Fournier, 1998). In her theory of trust, Baier (1986) defines trust as "reliance on another's good will", and brands must deliver trust to consumers if the relationship between the consumer and the brand is to benefit both parties (Fournier, 1998). Brand trust can also be defined as a reflection of a consumer's expectations that the promises that a brand has made matches with its products, service, and corporate behavior (Gustafsson, 2008).

In consumer-brand relationships, consumers treat brands in a similar way as human relationships in developing trust and emotional attachment. This development is often based on positive exchanges between the parties (Fournier, 1998). Consumers trust others who consistently return positive results, and they will continue to exchange with them, even if other partners might yield more desired results, to reduce uncertainty and risks. As trust develops between the parties, so does emotional attachment. As a consequence, consumers prefer to commit to relationships with fewer specific brands rather than many different brands to avoid the uncertainty associated with brands that are less trusted. Thus, consumers create expectations that future exchanges with the brand will be beneficial and as expected (Hayes & King, 2014).

Furthermore, consumers have in general more trust in luxury or premium brands. This is because such brands aim at producing the highest level of intangible value, based on products with exceptional quality. Consumers thus expect high performance from the brand in question (Kapferer, 2012). Another aspect of brand trust that has been shown is that strong consumer-brand relationships with high levels of brand trust affect perceived marketing. These kinds of relationships influence the marketing acceptance and positive brand outcomes in online marketing contexts (Hayes & King, 2014). This aspect of brand trust will be elaborated further in the section about AI marketing.

2.1.2 Brand loyalty

As the consumer-brand relationship develops, a personal bond is created along with it. This bond further leads to how loyal the consumer is to the brand (Keller, 2001). Loyalty, also called commitment, is an essential part of relationships in general, and thus plays an important role in consumer-brand relationships as well (Fournier, 1998). Delgado-Ballester and Munuera-Alemán (2001) concludes in their study that the strength of the consumer-brand relationship is a strong predictor of brand loyalty.

Brand loyalty can be explained as one of the ways in which the consumer expresses his or her satisfaction with the performance of the product or service received (Delgado-Ballester & Munuera-Alemán, 2001) and partly include consumers making repeated purchases (Kapferer, 2012). However, brand loyalty does not only mean that consumers make repeated purchases, it is also about the consumer's behavior and attitude towards the brand where commitment has an impact. Hence, repeated purchases have less of a significant impact if it is not complemented by a positive attitude towards the brand, which ensures that previous buying behaviors continue (Solem, 2016; Veloutsou, 2015). Hence, brand loyalty has shifted from merely meaning that consumers make repeated purchases to being more about cooperation and partnership between consumers and brands (Anselmsson, 2017).

Brand loyalty is thus a measurement of the attachment that a consumer feels towards the brand. A significant aspect of brand loyalty, as well as brand trust, is perceived quality, in other words the consumer's subjective evaluation of the quality of the products (Pappu & Quester, 2016). It is further argued that constructing and sustaining brand loyalty is even more crucial in today's highly competitive environment where consumers have a broad range of brands to choose from. Consumers are, due to constant access to internet and smartphones, more informed, which has resulted in the ability to switch brands frequently (Ramaseshan & Stein, 2014). Digitalization has further led to consumers being more exposed to digital marketing efforts, which also provokes brand loyalty (Chellappa & Sin, 2005; Hayes et al., 2021). The most growing phenomenon within digital marketing is AI marketing, which the upcoming section outlines.

2.2 AI marketing

The general definition of artificial intelligence (AI) is a computer's ability to think and perform human tasks through the use of software and algorithms (Kumar, Rajan, Venkatesan & Lecinski, 2019). The term 'artificial intelligence' dates back to the mid 1950's when Jon McCarthy began the first research on the topic. It has since then gained attention of business practitioners and researchers across different scholars (Kopalle et al., 2020). Nevertheless, the knowledge of AI is in the bud, undergoing constant development and the applications of it are seemingly infinite. It is argued to be one of the most influential and useful technology developments of our time (Davenport et al., 2019). The development of AI and its application in business have resulted in profound streamlining of several parts of how business processes are handled. Tasks that were previously dependent on human tacit knowledge can now be automated through the use of AI, with results that often exceed those of human performance. Many of the opportunities that AI holds are still undiscovered, however various applications of it have already penetrated large parts of society and reached substantial effect on business operations and lifestyle tasks. For example, AI-software are today used for navigation, education, face recognition, various functions in vehicles and human resources only to name a few (Davenport et al., 2019).

AI has also reached a substantial effect within marketing practices which is the focus of this study. The application of AI in marketing has increased considerably, mainly as a consequence of increased digitalization and technological advancements (van Esch & Black, 2021). The usage and deployment of AI in marketing efforts spawn across various functions such as content creation, predicting consumer behavior, paid ads, conversational AI, and personalization (Chen, Chan-Olmsted, Kim & Sanabria, 2022). Much of the early research on AI marketing has been largely technical in nature and focused on the technologies of AI and how to implement them (Troshani, et al., 2020). However, over recent years there has been increased interest in understanding its effects on business and consumers (Davenport et al., 2019).

2.2.1 Personalized marketing

A dominant application of AI in marketing is personalization, which today is commonly used by most brands. Several researchers have defined the concept of personalization in various ways, but the collective essence of it has been captured by Hagen (1999) as "the ability to provide

content and services tailored to individuals based on knowledge about their preferences and behavior". In other words, personalization refers to the process of creating personalized marketing that is customized to the individual consumer based on their past online behaviors (Dolnicar & Jordaan, 2007). In order to succeed with creating personalized marketing, data has to be collected from consumers. Personalization is therefore dependent on the consumers' willingness to disclose personal data, and the brands' ability to collect and process that data (Chellappa & Sin, 2005). Personalization differs from traditional mass-marketing in that it uses vast amounts of collected consumer data to provide hyper-targeted messages across different digital channels for each individual consumer (Hayes et al., 2021). This as opposed to traditional marketing where marketing content is created to target larger groups of consumers. Personalized marketing, however, does not only build on actual historical data, but AI applications also facilitate making predictions on future behaviors based on inferences of detailed consumer characteristics (Adomavicius & Tuzhilin, 2005; Hayes et al., 2021). Due to the increased digital presence, brands have an ever-increasing ability to collect very precise data about their consumers' habits and movement patterns across the web as well as the globe which has increased the effectiveness of personalization (Tran, van Solt & Zemanek, 2020).

The considerable deployment of personalization efforts can be explained by the essential benefits that it provides for both brands and consumers. From a brand perspective, personalized marketing is significantly more efficient than traditional mass-marketing, making it an attractive technique (Hayes et al., 2021; Tran, van Solt & Zemanek, 2020). Due to its accuracy, personalization is further argued to improve sales and turnovers (Hemker, Herrando & Constantinides, 2021). Apart from this, researchers have also found that personalized marketing provides consumers with considerable benefits. The trade-off for disclosing personal data results in a great accuracy of marketing content where the consumer is faced with more relevant offers (Hayes et al., 2021; Keyzer, Dens & Pelsmacker, 2015) and the marketing messages are regarded as more trustworthy and informative (Tran, van Solt & Zemanek, 2020). The personalized content is further argued to provoke positive consumer attitudes (De Keyzer, Dens & Pelsmacker, 2015) and increase consumer loyalty (Chellappa & Sin, 2005; Hayes et al., 2021).

2.3 The personalization-privacy paradox

The consumer perspective of personalization is however nothing but uncomplicated. In recent research on personalization, a significant issue has been the lack of privacy connected to the data collection required for personalization (Lee & Rha, 2016). In marketing scholars this issue is referred to as the personalization-privacy paradox which refers to the conflicting emotions consumers associate with personalization. The predominant apprehension of the personalization-privacy paradox in marketing literature builds on the notion of a privacy calculus. The calculus originally draws on Houston and Gassenheimer (1987) marketing exchange theory, which professes that consumers receive value through various goods or services in exchange for money. In addition to this, several researchers have suggested that there exists a second exchange which refers to the non-monetary disclosure of personal information in exchange for more profound and superior quality offerings. This second exchange is argued to be the core foundation for all marketing strategies (Culnan & Bies, 2003; Glazer, 1991). Based on these theories, the notion of the privacy calculus thus suggests that consumers' disclosure of personal data is a conscious and utilitarian act in which consumers weigh the perceived privacy risks against the perceived value (Culnan & Bies, 2003; Xu, Luo, Carroll & Rosson, 2011).

Different researchers argue that several factors are taken into account by consumers when they decide whether to disclose personal information to a brand or not. The most frequently cited factor being trust (Chellappa & Sin, 2005; Hayes et al, 2021; Lee & Rha, 2016). Within marketing scholars, researchers seem to agree that if the consumer trusts the brand providing the personalized marketing, the consumer will be more likely to be prone to disclosing personal data (Chellappa & Sin, 2005). Lee and Rha (2016) identified in their research that this is because the consumers perceive the data disclosure as less of a risk if they trust the vendor. The authors further argue that trust in a vendor has a positive impact on the perceived benefits of personalization. Likewise, Tran et al. (2020) among others, imply that if a consumer does not trust a brand or if they perceive that their privacy is violated this may result in skepticism and reluctance towards the brand. If the consumers experience that they are not rewarded with the benefits of disclosing their data, it may also lead to distrust in the brand and the marketing effort itself (Chellappa & Sin, 2005). Hence, trust constitutes an elementary part in the consumer's perception of and decision-making process regarding data disclosure.

As mentioned, the personalization-privacy paradox is complex and there seems to be no distinct boundary where the consumers perceive that personalization is considered an intrusion of privacy. One of the privacy concerns that is frequently cited is the respondents' incomprehension and inability to control who will access their data and how it will be used (Chellappa & Sin, 2005). While consumers are expressing concerns in relation to data collection, consumers today also require a certain degree of personalization (De Keyzer, Dens & Pelsmacker, 2015). Metzger (2007) even suggested that consumers may have become so reconciled with the appearance of personalized marketing online that they neglect their own privacy concerns. This suggests that there is a discrepancy between words and actions impinging on the decisions behind the personalization-privacy paradox (Culnan & Bies, 2003).

The first to elaborate further on the research on the personalization-privacy paradox by suggesting a linkage between customer-brand relationships and the paradox are Hayes et al. (2021). The authors argue that a strong consumer-brand relationship is likely to enhance the perceived benefits and decrease the perceived risks of data disclosure. Thus, if a consumer-brand relationship lays out the foundation for trust in the brand, consumers will be less likely to experience concerns in relation to data disclosure (Hayes et al., 2021). Similarly, as can be read from this literature review, there seems to be a connection between consumer-brand relationships and personalized marketing as the two are argued to increase brand trust and brand loyalty. However, the existing body of literature does not reveal how the three phenomena of consumer-brand relationships, personalized marketing and the personalization-privacy paradox intersect. Thus, analyzing this relationship will help expand the literature streams of consumer-brand relationships as well as AI marketing.

3 Methodology

In the following chapter, the choice of the relativist and social constructionist approach is argued for as well as the study's qualitative method. Semi-structured interviews have been conducted and treatment of the results is the foundation to the analysis. Thereafter, the purposive sampling of the study and the choice of respondents are motivated. Lastly, trustworthiness, ethical principles and methodology limitations are explained.

3.1 Scientific approach

Prior to explaining the methodological choices of this research, this chapter addresses the philosophical standpoints, assumptions, and beliefs of the researchers. These are highly relevant to take into consideration as they affect how the researchers view their work as well as outline the foundations for the methodological choices and strategies that are used when conducting the research (Bell, Bryman & Harley, 2019). There are two fundamental philosophical concepts to reflect upon prior to conducting a study; ontology and epistemology.

The concept of ontology revolves around the researcher's perception and view of the nature of reality. Ontology can spawn from realist to relativist or nominalist (Easterby-Smith, Thorpe & Jackson, 2015). Realist researchers view reality as something that is objective and external, regardless of the human mind, which is traditionally linked to natural sciences. This study has however been based on a relativist ontology, meaning that the researchers behind it look at the world as something that is socially constructed and thereby is perceived differently by different people. According to this view, a social phenomenon is contextually bound and dependent on the observer (Easterby-Smith, Thorpe & Jackson, 2015). As our intention was to seek an understanding of how consumers' brand relationships influence their perception of personalized marketing and the personalization-privacy paradox, our relativist ontology suggests that the consumers we study will interpret the phenomena differently.

The researchers' ontology further lays out the foundation for their epistemological assumptions. The concept of epistemology goes hand in hand with that of ontology and revolves around the researchers' view of what is knowledge (Easterby-Smith, Thorpe & Jackson, 2015). Epistemology can be divided into different categories spawning from positivism to social constructionism which reflects generalized assumptions of how knowledge should be obtained (Easterby-Smith, Thorpe & Jackson, 2015). Positivist researchers usually interpret the world that exists externally, and knowledge of this world can be obtained through observations and hypothesis testing. Conversely, social constructionist researchers believe that knowledge is best obtained by seeking a deeper understanding of individuals' interpretations and feelings regarding various experiences or phenomena (Easterby-Smith, Thorpe & Jackson, 2015). A constructionist approach lays out the foundation for this research and is visible as we seek to understand the respondents' different perspectives of the researched phenomena. By our relativist and social constructionist approach, we understood that each of our respondents perceived consumer-brand relationships, personalized marketing and the personalization-privacy paradox differently. Our intent was thus not to find one single truth and answer to the research question, but rather to get a holistic view of various perspectives of these phenomena which has provided a deeper understanding of the studied topic.

3.2 Research design

A research design revolves around how to design the different stages of the research. This includes making decisions about what kind of data needs to be collected, how data should be observed and why (Easterby-Smith, Thorpe & Jackson, 2015). These decisions are dependent on the philosophical assumptions of the researchers as well as the purpose of the research. Research should thus be designed in a way that best answers the purpose and the research question. The purpose of this study was to explore what influence consumer-brand relationships may have on consumers' perceptions of personalized marketing and the personalization-privacy paradox. Consequently, the study has been conducted using a qualitative method, which is permeated by a relativist ontology and a constructionist epistemology. Qualitative studies are usually explorative in nature where in-depth primary data is collected in order to gain a deeper understanding of the studied phenomenon (Easterby-Smith, Thorpe & Jackson, 2015). Furthermore, by engaging in qualitative research, the researchers are allowed to place the researched topic in a new context

which helps to broaden the understanding of it (Rennstam & Wästerfors, 2018). In this research we sought to contribute to the understanding of the concept of AI marketing by putting it in the context of consumer-brand relationships. Thereby a deeper understanding was also intended to contribute to the overall knowledge of both consumer-brand relationships and AI marketing separately. Qualitative research further vastly emphasizes how people perceive and interpret their social reality (Kvale & Brinkmann, 2014), which was relevant for this study as we sought to understand how consumers reason, not what they reason.

Furthermore, an abductive approach has been applied to the study. Abduction is used to draw logical conclusions and evolve theories about reality (Bell, Bryman & Harley, 2019). Abductive reasoning is a combination of a deductive and an inductive approach. This means that the researcher first creates a theoretical understanding of the phenomenon that is to be studied, and then uses the collected empirical material to understand the phenomenon further (Kvale & Brinkmann, 2014). Thus, abduction is a way to avoid the limitations with deductive and inductive thinking (Bell, Bryman & Harley, 2019). An abductive approach was therefore used for this study as the empirical data made theoretical contributions. This study has thus been based on relevant theories and literature, and the empirical material brought new perspectives that the literature review was elaborated with.

3.3 Method

3.3.1 Semi-structured interviews

The most common method to collect empirical material in qualitative research is to conduct in-depth interviews, which is the method used for this study. Through interviews the researcher is welcomed into the world of the respondents where the researcher is allowed to go in-depth in understanding the respondents' opinions and perceptions of various phenomena (Kvale & Brinkmann, 2014). The interviews were set up following a semi-structured design which means that the researcher starts from specific themes that are to be touched upon with the help of an interview guide rather than posing concrete and predetermined questions (Rennstam & Wästerfors, 2018). The advantage of semi-structured interviews is that the respondents have the freedom to design the answers in their own way. This in turn can lead to deep discussions and new perspectives (Easterby-Smith, Thorpe & Jackson, 2015), which we aimed for in this study.

In order to capture the interview in its right essense and to not miss out on details, both of us performed all the interviews together. However, during the interviews only one of us was responsible for one specific interview and asked all the questions, while the other focused on capturing details and expressions.

A total of 10 in-depth semi-structured interviews were conducted. In research, it can be hard to know exactly when enough material has been collected. However, since Guest, Bunce and Johnson's (2006) publication, researchers have confirmed that 6-12 interviews seem to be a sweet spot for the number of qualitative interviews needed to reach saturation. After the ten interviews we considered that we had enough material and information to be able to construct the analysis that would then enable us to answer the research question. The interviews lasted between 48 and 68 minutes and were conducted in real or via Zoom. A positive thing with conducting some of the interviews online was that we could interview the right people no matter the distance. However, a disadvantage with online interviews is that the interview settings such as body language and facial expressions can be misunderstood or even completely missed. We counteracted this issue by being both on set. Before the interviews began, a pilot interview was conducted to ensure that the interview questions were understandable and useful. After the pilot interview, the interview guide was revised to some extent to obtain optimal information from the respondents during the interviews and by that make it possible to answer the research question.

3.3.2 Interview guide

In order to conduct the interviews, an interview guide was constructed (appendix 1). The interview guide included the different components that this study examines, which were used as guidelines during the interviews. An interview guide should consist of different types of questions such as introductory questions, intermediate questions and concluding questions (Kvale & Brinkmann, 2014). At first, we introduced the purpose of the study and what the study examines. We also informed the respondents about the ethical principles that would be taken into consideration, these are described in paragraph 3.6.2. Our interview guide initially concerned demographic questions such as age, gender, and employment to make it possible to put the respondents' answers into a context. We then asked general questions about brands and digital

marketing to get the conversation started and to provide the respondents with information about what we were going to talk about.

Furthermore, questions were asked about the respondents' brand relationships and how those unfold. Afterwards, questions were asked about the respondents' thoughts about digital marketing, in other words how the respondents perceive personalized marketing and how they experience the massive collection of data. Thereafter, we asked about the respondents' perceptions about how consumer-brand relationships, personalized marketing and the personalization-privacy paradox could be connected. The reason for this outline was because it was needed to first gain an understanding of consumer-brand relationships, personalized marketing, and the paradox separately to then be able to see the influence. The same outline was used in the analysis. Furthermore, it is of importance that the interviewer is an active listener during semi-structured interviews so that follow-up questions can be asked (Kvale & Brinkmann, 2014). We therefore made sure that was time for these questions to be asked and ended the interview by asking if the respondent had anything to add. We also aimed for making it more like a conversation in order for the respondent to feel comfortable during the interview.

3.3.3 Sampling method & sample

The sample in this study is based on purposive sampling, which is a form of a non-probability selection. This means that respondents are not selected on a random basis, instead the aim of purposive sampling is to select participants in a strategic way in order to have participants that are relevant to the research question (Easterby-Smith, Thorpe & Jackson, 2015). The respondents in this study were thus chosen on specific criteria that were considered to increase the ability to contribute to the understanding of the studied phenomenon. These criteria are explained in the following paragraph. However, qualitative research results are difficult, if not impossible, to generalize beyond the context in which they were produced. The reason for this is because the samples tend to be too small and narrow, the respondents in a qualitative study are hence not representative for a population (Bell, Bryman & Harley, 2019). The results of this study can therefore only be generalized to theory, not to populations.

The reason why purposive sampling was chosen as the sample method for this study was because the respondents were considered needed to meet certain criteria to be able to contribute with useful and relevant information. This enabled us to answer the research question as good and detailed as possible, based on the collected empirical material in relation to previous research. The research question concerns brand relationships from a consumer perspective, it was therefore essential that the respondents had experience of some kind of relationship to brands. The main reason for this criterion was to simplify for the respondents to relate to the phenomenon and to be able to give examples on personal experiences. The respondents were allowed to choose a brand from any kind of industry to make it even easier for them to relate to the studied topic. Furthermore, it was considered essential that the respondents were active online and regular internet users since that is where personalized marketing takes place. The table below presents the selected respondents.

Table 1: The study's respondents

Respondent	Age	Gender	Employment	Brand(s)
1	24	Female	Studying	Ganni
2	24	Male	Studying	BMW & Acne
3	58	Female	Working	By Malene Birger & Efva Attling
4	22	Female	Studying	Apple
5	26	Female	Studying	Louis Vuitton
6	23	Female	Studying	Apple
7	60	Male	Working	Peak Performance & Pelle P
8	59	Female	Working	Apple
9	25	Male	Studying	Trocadero
10	58	Male	Working	Audi & Tiger of Sweden

3.4 Analysis of empirical material

The analysis of a study's material is a process that consists of different elements. Rennstam and Wästerfors (2018) write that an analysis of qualitative data typically includes the three activities sorting, reducing, and arguing. However, qualitative research is never the same and thus has no linear procedure to follow. Qualitative analysis therefore varies, including this study's analysis. It is still recommended to be creative in the analysis to avoid only relying on conventional recommendations and established theory as it can constrain researchers and impact the outcome (Rennstam & Wästerfors, 2018).

The analysis began with collecting the empirical material. The interviews were recorded, with the respondents' approval, and then transcribed to enable an analysis of the material and for us to have the opportunity to get to know and interact with the material. It is advantageous to print the interview answers thoroughly to be able to make a critical interpretation of the answers obtained (Kvale & Brinkmann, 2014). The interviews were therefore transcribed thoroughly. The interviews were conducted in Swedish, and the quotes provided in the analysis section below have been translated with the intention to capture the essence of what has been said. In order to retain consistency, the interviews were back translated too. Sometimes brand names have been added to quotes to make it possible to understand the quotes when they are taken out of context. Furthermore, an increased richness of details in the transcription can provide an increased insight into how the interviews took place, which results in an increased credibility (Kvale & Brinkmann, 2014). Laughter and pauses have therefore been printed.

Qualitative researchers often struggle with the amount of empirical material collected during their research and there are several techniques that can be used to make sense of the data. The most common way to analyze qualitative data is, as mentioned, to sort and code the material by identifying keywords and key themes in the interviews (Rennstam & Wästerfors, 2018). This study has been thematized on the basis of the literature review through different components, the interviews and analysis thus followed these themes. Additional themes of relevance to the study were then identified as well as similarities and differences in the respondents' answers through coding. However, qualitative researchers need to reduce their material in order to constitute a more manageable amount (Rennstam & Wästerfors, 2018). Due to this, not everything that was

collected could be presented in the analysis. Themes and answers that were considered irrelevant to the study's purpose and research question were therefore reduced.

After the collected material was thematized, sorted and reduced, the analysis could be started. The next step was thus arguing, which refers to the aim to contribute to and create theory by using concepts and theory to analyze and interpret the empirical material (Rennstam & Wästerfors, 2018). The empirical data was thus linked to the chosen theories and literature of the study in order to strengthen the findings and arguments in the analysis. When the analysis was almost completed, the empirical material was studied again in order to look at it with new eyes with the aspiration of drawing attention to other relevant aspects that could help us answer the research question. As a result, additional significant quotes were added to the analysis.

3.5 Methodology review

3.5.1 Trustworthiness

In research, it is central to evaluate how a study actually contributes to science by examining the quality of the study, which is traditionally done by evaluating reliability and validity (Easterby-Smith, Thorpe & Jackson, 2015). However, these measures in qualitative research can be considered counterproductive because their actual definitions oppose the basic principles of qualitative research (Bell, Bryman & Harley, 2019). Therefore, the measures in this study are instead referred to as trustworthiness, where the meaning of the concepts of reliability and validity has been modified to suit the qualitative method. The trustworthiness of a study includes how the study can be replicated and whether the results of the study would be the same if the study was done again (Bell, Bryman & Harley, 2019). Trustworthiness can be divided into the three criteria credibility, transferability, and confirmability.

Credibility in a study refers to the researchers' ability to reproduce the respondents' social reality in a correct and reliable way (Bell, Bryman & Harley, 2019). Credibility has been ensured in this study by recording and transcribing the interviews in order to subsequently ensure that the correct interpretation has been made of the respondents' thoughts and statements. As mentioned, both of us also participated in the interviews to capture their right essence.

Transferability refers to whether the result can be generalized and transferred to another context. By keeping clear descriptions of how the research process has taken place, the reader is given the opportunity to decide for themselves whether the result is transferable or not (Bell, Bryman & Harley, 2019). By extensively mapping out choice of method, sample, literature and design of interview guide, we have attempted at increasing the transferability of the study. The chosen method, however, includes complications because an interview intends to examine a social context, which is situational (Kvale & Brinkmann, 2014). The empirical material may thus not give the same outcome on two different occasions, even if the situation, the respondents, and those interviewing are the same.

The confirmability of a study is increased by the researchers adopting a reviewing approach to their research (Bell, Bryman & Harley, 2019). To strengthen the confirmability, we have continuously processed all parts of the study and discussed the advantages and disadvantages of the different parts. Furthermore, researchers can use an objective and critical examiner to prove confirmability (Bell, Bryman & Harley, 2019), which was realized through critical reading of our supervisor and peer-review during the course of the study.

3.5.2 Ethical principles

In research, there are fundamental ethical principles that concern voluntariness, integrity, confidentiality, and anonymity for those who participate in the research. The purpose of these principles is to protect both the researcher and the respondent, therefore different requirements must be considered (Bell, Bryman & Harley, 2019). The requirement of information means that the researcher must inform the participants about the purpose of the study. At the beginning of all interviews, we informed the respondents about the purpose of the study and why the interview was conducted. The requirement of the consent process that the participants themselves decide on their participation, we therefore also informed that the participation was voluntary and anonymous. The requirement of confidentiality means that all information about the respondent is treated with the greatest possible confidentiality. The respondents have thus been treated with confidentiality, and no unauthorized person has been able to access information concerning them. Finally, the use requirement, which includes that the data collected only will be used for the purpose of the study, has also been taken into account.

3.5.3 Limitations of methodology

Qualitative methods bring opportunities but also limitations. The critique of qualitative research is often made by quantitative researchers and mainly concerns lack of objectivity and transparency, as well as difficulties with replication and generalization (Bell, Bryman & Harley, 2019). Despite careful consideration of each choice of the methodology, parts of the study are still affected by the limitations.

As previously mentioned, qualitative research is nearly impossible to generalize to populations. This is because of the fact that qualitative research as a rule has too small samples, which makes it impossible to generalize the results to other environments or contexts than where the study has been produced in (Bell, Bryman & Harley, 2019). Therefore, this study is a complement to previous research of the studied phenomenon and can only be generalized to theory.

Regarding lack of objectivity, qualitative studies tend to be impressionistic and subjective (Bell, Bryman & Harley, 2019). The results of this study have thus to some extent been influenced by our own perceptions of what is important and significant. The transparency of a qualitative study concerns that it can be hard to establish exactly what the researchers have done to end up with the conclusions of a study (Bell, Bryman & Harley, 2019). In order to counteract this issue, we have been as clear as possible with our choices of approach, method, sample, and analysis strategy. We also provide the interview guide as an appendix.

Lastly, it could be seen as a problem and limitations that the respondents are more or less people we have known since before. This could lead to them withholding information that they consider to be sensitive to share. However, as the respondents' participation in the study was voluntary and the answers were treated anonymously, and the fact that the topic was not considered to be sensitive, the respondents contributed with relevant information that enabled us to answer the study's research question.

4 Results & analysis

The following chapter presents an analysis of the results from the empirical material collected via interviews in relation to previous research. The chapter is divided in four separate sections, namely consumer-brand relationships, personalized marketing, personalization-privacy and lastly a section where the connection in between the three are analyzed.

4.1 Consumer-brand relationships

This initial section of the analysis touches upon consumer-brand relationships to get an understanding of how this study's respondents reason about their relationship with some specific brands. Consumers' relationships with brands can be created in a similar way as interpersonal relationships (Fournier, 1998). As previously mentioned, a criteria for the chosen respondents was that they had to have some sort of relationship with a brand. Therefore, all respondents could easily relate to one or two specific brands that they considered to have a relationship with. All respondents explain that their relationships with the brands have been ongoing for several years now and will most likely continue to thrive many years to come. Some respondents say that the relationship with the brand first started when they bought their first product from it, and when they turned out to be satisfied with the product, the relationship with the brand took off. Other respondents have had a relationship with their brand long before they bought something from it as the first years of the relationships consisted of longing and desire to one day be able to buy a product from the brand. Two respondents talk about their favorite brand, in these cases BMW and Louis Vuitton, as something way bigger than just a brand. They talk about them as something angelic and a part of their identity, which is expressed like this:

> It is like self-realization. There is a part of me that is that brand in some
> way. It is a part of my identity. (Respondent 2)

> It is a very lovely halo over that whole brand. (Respondent 5)

Furthermore, a consumer-brand relationship is dependent on the emotional bond and positive feelings that consumers have to a brand (Fournier, 1998). Regarding the emotional bond, there are divided opinions among the respondents. Some of the respondents explain that they consider themselves to have a personal bond to the brand as they feel more towards that specific brand than towards other brands. One respondent literally expresses that he used to feel an emotional bond to his family's former BMW car, and that he felt sad when they sold it. However, some of the other respondents cannot fully relate to the emotional bond aspect of a consumer-brand relationship. They explain that if the brand for example were to disappear, they would probably find something new pretty quickly. Yet, all respondents agree that it would be sad if the brands would stop existing. Regarding positive feelings, the respondents' opinions are more similar. All respondents say that the positive feelings mainly have to do with the fact that when they buy something from their favorite brand, they know that they will be satisfied and happy with the product. The specific feelings that are highlighted in the interviews are happiness, satisfaction, curiosity, pleasure, nostalgia, and love. One respondent believes that the positive feelings that occur has to do with the reward system, and that you receive an even greater kick if you buy something from your favorite brand. Below follows some quotes about how three of the respondents express their positive feelings:

> If I were to go and buy some jewelry from Efva Attling, I would even feel
> a little bit happy. Nice, beautiful things you know. (Respondent 3)

> I always get happy when I get advertising from them, and as I said even
> when I see my Ganni clothes in the closet. (Respondent 1)

> When I have been inside a Louis Vuttion store, I am completely full of
> energy afterwards because it is so fun. […] I love their bags.
> (Respondent 5)

Another perspective of consumer-brand relationships that also clearly emerged during the interviews was the human aspects of a brand. The majority of respondents all agree that the human aspect of a brand simplifies the way they connect with it. This is in line with the fact that

it is easier to relate to human characteristics, which is why brands often use spokespersons and influencers as representatives (Bertilsson, 2017). Mostly it seems like that the personnel in the brands' stores are crucial concerning the perception of the brand. Many respondents explain that they always receive top service when visiting a store, and that they are always treated well from the personnel. They also explain that if they were to be treated badly in a store, it could harm the relationship with the brand tremendously and could even lead to them stop using the brand. Other human aspects of a brand that emerge in the interviews were influencers or other types of ambassadors for a brand. Some respondents explain that the brand becomes even more exclusive when, according to them, the right person uses the brand. Following quotes express how two respondents reason about the human aspect of their brands:

> I think that Apple has good support, at least in those cases I have been in need of help. Fantastically nice personnel in their stores. (Respondent 8)

> Many of my pop culture idols, like A$AP Rocky or Harry Styles, use Acne and when I see paparazzi pictures of when they have it, I feel some kind of aspiration that I want to be like them. (Respondent 2)

Besides the human aspect of a brand, it became clear during the interviews that a crucial part of the respondents' relationship with their brands are the products, the relationship is thus to some extent product-oriented. In all the interviews, the respondents talk about specific products from their favorite brands, which is an extension of the brand itself. The majority of the respondents say that they do not precisely know what a brand stands for, but that they like the products and by that also the brand. However, three of the respondents talk about Apple as their favorite brand besides the fact that they are not always satisfied with the products, but instead with the brand, the personal service, and the visual aspects. The use of the products emerges as something that affects the trust for the brand in total as well, which the next brand trust section will outline.

In summary, the respondents of this study have ongoing strong brand relationships and it unfolds in various ways. This was essential to understand first in order to understand the following sections of the analysis. The continuation of the analysis thus consists of brand trust and brand

loyalty which are two building blocks of consumer-brand relationships. Furthermore, the respondents' reasoning about personalized marketing and the personalization-privacy paradox are analyzed to then end with how the influence in between unfolds.

4.1.1 Brand trust

Trust is a fundamental part of consumer-brand relationships, just as in any other kind of relation (Fournier, 1998; Gustafsson, 2008; Hayes & King, 2014). In order to gain an understanding of the respondents' thoughts about brand trust, they were first asked to explain what trust in general means to them. They describe it in different words, but they all agree that trust revolves around putting your faith in someone else's control and trust that they do not use that to harm you, and that a person sticks to what has been promised. All of the respondents could then apply these thoughts on their favorite brands. The main aspect concerning why the respondents trust their brands is that the brands live up to their expectations, especially regarding quality. Quality is an essential aspect of consumer-brand relationship and can affect both the brand trust and loyalty (Pappu & Quester, 2016). In this study, the respondents mainly talk about quality when talking about trust. All of the respondents, except one, speak about high-engagement and quite expensive brands, which is the main reason why they expect high quality and products that will last long, and thus trust that the brand will offer that. This is in line with Kapferer (2012) who explains that consumers usually have more trust and expect more from luxury and premium brands. During the interviews, three respondents for example express it like this:

> You put quite a lot of money and time on it, it is an investment, and then I do not want to get disappointed. It has to do with the quality. I expect to get good service, I expect the bag to last many years, so I definitely trust that they are what they promise themselves to be in some way and that they will not disappoint me. (Respondent 5)

> Peak Performance really keeps what they promise. If there is any trouble, it is never a problem to change or fix it. […] I bought some Ralph Lauren knit sweaters and they do not last. They are nice and comfortable but they lose their fit so I will never buy it again I think. (Respondent 7)

It is a bit special because the two brands are quite expensive, then you

have more trust that they will deliver functionally, such as the quality.

Take BMW for example. In my head, it feels like it is pure quality. It does

not break here and there. (Respondent 2)

When asked what would make the respondents lose trust in the brands, some different examples come forward. Quality is again mentioned as the majority of the respondents said that if the quality of the products repeatedly was to be bad, they would most likely stop purchasing them. Also, the respondents explain that if they were to be treated badly in the brands' stores or websites, the trust would be harmed as well. This may be because, as previously mentioned, the human aspect of a brand is important for both the relationship in total and thus for the brand trust (Bertilsson, 2017). Furthermore, some respondents explain that if the brand turned out to be something that they promised not to be, or if they would not keep what has been promised, the trust would be harmed. To reach trust for a brand, the reflection of a consumer's expectations of a brand has to match the actual outcome (Gustafsson, 2008) and the parties must have supporting cognitive beliefs (Fournier, 1998). This is described as follows:

Ganni talks a lot about sustainability, which I also stand for. It is probably

a lot of greenwashing, but if they would not work according to the

principles they say that they do, then I would lose trust for them.

(Respondent 1)

… or if it turned out that Efva Attling had a lot of children working in

their silver factory. Then they would be something that I never thought

they were. (Respondent 3)

To summarize, all of the respondents feel trust towards their favorite brands that they talked about in the interviews. When comparing to other brands that the respondents do not consider having a relationship with, they cannot relate to the phenomenon of trust in the same way. This

shows that brand trust is a fundamental part of consumer-brand relationships, which is in line with earlier research (Fournier, 1998; Gustafsson, 2008; Hayes & King, 2014).

4.1.2 Brand loyalty

Another essential part of consumer-brand relationships is brand loyalty (Fournier, 1998; Keller, 2001). Upon the question if the respondents consider themselves as loyal towards the brand in question, all of them start talking about repeated purchases. Making repeated purchases is one part of brand loyalty (Delgado-Ballester & Munuera-Alemán, 2001). Some respondents explain that their favorite brand is their go-to brand if they want or need to buy something new, and that they always look there first. However, a few of the respondents say that if the brand does not have the product they are looking for, they can consider choosing another brand. Other respondents mean that the brand is so unique in itself, such as the print of Louis Vuttion or the taste of Trocadero, that it is impossible to accurately replace the product. The other replacing product would instead be a compliment if so. Furthermore, mainly the respondents who are students say that if they had more money, they would make more repeated purchases and that their low income is the reason why they cannot purchase to the extent that they would like to.

The brand that stands out regarding loyalty is Apple. The respondents that chose Apple as their favorite brand for the interviews explain that they could never change to another brand, even with a similar offer. The reason seems to be that all people who use Apple products form a kind of clique since there are special functions just for Apple products and users. The strong loyalty towards Apple in particular is expressed as below:

> I would never have anything other than Apple. I would never get an android for example, even if it was much cheaper. […] All my friends have iPhones, those who do not have it bother me. (Respondent 4)

> I do not want any other computer than Mac, I do not want any other phone than iPhone, I want their headphones. […] It is also convenient because everyone has Apple. […] So I guess that also shows my loyalty, that I try to get others to buy the same products. (Respondent 6)

As the last quote indicates, the respondent's brand loyalty also takes place in how she talks about the brand to others. Brand loyalty is more than just repeated purchases, it is also about behavior, attitude, and engagement (Solem, 2016; Veloutsou, 2015). The engagement that she and the other respondents show towards a brand is mostly about the way they talk about it to others. One respondent even says that if she would hear someone talk badly about her favorite brand, she would feel upset. The majority of the respondents would also recommend the brand to others. The engagement further occurs in the way that the respondents think about the brands. Some respondents mean that every time they see a product from their favorite brand, such as their wallet or an item in their closet, they get reminded of the brand in an unconscious way. They also get reminded when they see their favorite brands, or other brands, on digital platforms, which will be outlined in the following section.

4.2 Personalized marketing

The following section provides a separate analysis of personalized marketing. Previous research has stated that consumers' reactions toward personalized marketing content is mainly positive in character and provokes positive attitudes (Keyzer, Dens & Pelsmacker, 2015). However, the empirical findings from the interviews conducted indicate that the respondents experience conflicting emotions towards personalized content with both advantages and disadvantages. Many of the respondents claim that personalized marketing content can indeed provide them with benefits. An elementary benefit that is pointed out by several respondents is that personalization can sometimes provide the respondents with suggestions and items that are fitted to the respondents' tastes or interests, which they would not have been able to find on their own. This aligns with previous research that has identified that personalization provides consumers with advertising that is more accurate and targeted to individual consumers (Hayes et al., 2021; Keyzer, Dens & Pelsmacker, 2015). Three of the respondents explain it like this:

> And I can feel it is a bit funny because once in a while, I can actually find
> something a bit odd and fun that way, which I would never have found if I
> would have passed by a store here in town. (Respondent 3)

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Yes, it makes it easier. It helps to find what you need to find, most of the time. (Respondent 6)

Sometimes things that are relevant appear. For example, I was at the theater yesterday because of an ad in which the theater appeared. And that is positive of course. […] You really get a lot sent to you which you might have had a harder time finding if you had to actively search for it. (Respondent 8)

However, it emerges clearly during the interviews that there are several disadvantages with personalized marketing, which even seem to be predominant. Firstly, a majority of the respondents emphasize that their initial reactions to personalized marketing is negative. This is as opposed to previous research that suggests that personalized marketing provokes positive attitudes (Keyzer, Dens & Pelsmacker, 2015). The respondents describe that a great deal of the content they are faced with for various reasons is perceived as annoying. When first asked how they react to personalized marketing content, three of the respondents say the following:

I mean, 9 times out of 10, if not more often, I just find it annoying. (Respondent 2)

The first thing I think of is annoying. (Respondent 4)

It is usually just, it is rare that it has benefited me, it is usually just very annoying. (Respondent 5)

When asked to further elaborate on why the personalized content is perceived as annoying the respondents point out several factors. The most frequently cited factor that a majority of the respondents mention is the frequency of the marketing content. The respondents are unanimous in experiencing that the personalized marketing they are facing is usually too much and too obvious. The respondents explain that while the content may actually be of interest for them, the exaggerated frequency of the marketing makes them feel less attracted to the products and the

brand behind it. Hayes et al. (2021) declare that consumers may react with skepticism and negative feelings if they perceive that their privacy is violated. In a similar manner, several respondents proclaim that they dislike when brands provide personalized content that is too obviously linked to products or words they have searched for because it violates their privacy. For example, three of the respondents explain it like this:

> Every ad I got on Instagram or Facebook or when I googled things, it was just Stronger everywhere, and it became too much. Even though it is a brand that I like and I do like their sportswear, it became so much that I had to distance myself and eventually I did not want to buy anything at all from them. (Respondent 1)

> Like when you have clicked on a product, and all of a sudden it pops up all over social media. The exact product you checked out. Then I can also get annoyed at it. (Respondent 2)

> It is a bit mixed, sometimes I think it becomes too much and then I click away everything. You know, you can report things as irrelevant or just too much. (Respondent 8)

Another issue that multiple respondents bring to light is when the personalization fails and targets the wrong consumer. Many of the respondents profess that a majority of the personalized content they face is comprehended as irrelevant and is not perceived as valuable. This argues against Tran, van Solt and Semanek (2020) and Keyzer, Dens and Pelsmacker (2015) who declare that personalized marketing is perceived as more relevant and informative. On the contrary, it aligns with Chellappa and Sin (2003) who argue that if personalized marketing does not appear beneficial to the consumer this may result in reluctance towards the brand behind the ad and a higher skepticism towards the data collection. Some cases are highlighted by the respondents as considerably less appealing. The first case being when the respondents are faced with personalized marketing that is based on searches that the respondents have made that is unrelated to their individual consumer interests and therefore does not generate any valuable

content. Another case that some of the respondents emphasize is when brands expose them with marketing for products or services that they have already bought. In these cases, the respondents argue that the AI functions should be able to tell not to continue with those marketing messages. Following quotes summarize this aspect of personalized marketing:

… then it feels more just like advertising than 'this is something we think you want'. It feels less personal. I get a bit offended because why would I want to buy a hammer from Bauhaus? (Respondent 4)

It is like when you are looking for something that is completely unrelated to consumption, like when I am trying to learn to play a song. Then I am totally uninterested in any type of consumption, but still get a lot of such stuff. (Respondent 2)

The algorithms should be developed so that when I have bought a pair of running shorts with a pocket, I do not need five more pairs with a pocket. Then I would rather need sweaters, socks and shoes instead, but that is not what I get. Then I wonder why the algorithms have to be so bad. (Respondent 10)

To summarize, while many of the respondents agree that they can sometimes see the benefits with personalized marketing, a majority of the respondents feel that personalized marketing in general is mostly perceived as annoying. In rare cases the respondents experience that personalized marketing helps make their consumption more effective and provide them with valuable offerings. However, the majority of the respondents address that a substantial part of the personalized content they are faced with does not suffice.

4.3 The personalization-privacy paradox

The foundation in personalized marketing is the gathering and processing of personal consumer data and is therefore dependent on the consumers' willingness to disclose such data (Dolnicar & Jordaan, 2007). Previous research suggests that this is an act in which the consumer consciously

weighs the perceived benefits of getting personalized content against the risks of disclosing personal data, which creates the personalization-privacy paradox (Culnan & Bies, 2003; Xu et al., 2011). Our empirical material however suggests that the respondents seldom reflect over the data collection that lays the foundation for the personalized marketing they are faced with. When asked about it, only a few of the respondents initially mention ethical concerns in relation to personalized marketing. The main reason is that the respondents do not know exactly where the data ends up, and thus feel that it is out of their control. Most respondents further declare that data collection as well as constant exposure to marketing is a part of the time they are living in and just something they have to accept. One respondent phrases it as if you want to take part of the content of the internet, marketing and data collection is all a part of the game. This acceptance corroborates with Metzger's (2007) propose that consumers may neglect their own privacy concerns due to them getting accustomed to personalized marketing consequently online. This is expressed in the following quotes:

> I actually do not care too much. [...] Because that is just the way marketing looks nowadays. It feels like the alternative would have been that you would not use the internet the way you do. Say what you want about the internet, it has its downsides, very large downsides, but it is also very nice to be able to find everything you want at any time. (Respondent 4)

> … but as it is now it just feels quite tricky and it is easier to press that you accept, because otherwise you have to go in and deal with it and whatever it is. So, I press that I accept constantly. So no, I would not say that I take any action because I am lazy and stressed and I cannot bear to think about it. (Respondent 5)

Despite that some respondents show acceptance of data disclosure, when further elaborating on the ethical concerns of data collection, a number of concerns emerge as significant for all of the respondents. Previous research has identified lack of privacy as the most prominent concern in today's technological society (Chapella & Sin, 2005) which emerges in the empirical data as well. Many of the respondents indicate that they perceive lack of privacy as something

troublesome with their online presence. It also seems to depend on if the data is considered as sensitive to disclosure. The respondents however explain that the data their favorite brands collect are not sensitive. This is because most of them talk about retail brands and not politics or medical records which could be seen as sensitive subjects. Furthermore, a majority of the respondents emphasize that the fear of disclosing data does not entirely lie in the brands' ability to use the data for marketing purposes but rather if the data gets in the hands of the wrong people who for example can use it as propaganda. Many respondents emphasize that the uncertainty of how the data is used and who gets access to it makes them question the data collection. For example, one respondent phrases it like this:

> Since you do not know who owns the data or where it goes, that is the
> problem right there. It depends on the situation, if they know I am buying
> a jacket it is not the whole world, but that is why I delete a lot of cookies
> too. If it ends up in the wrong hands, then... (Respondent 7)

Furthermore, some respondents explain that there are ethical concerns regarding brands exploiting consumer's minds through personalized marketing. These respondents state that their issues with brands collection of personal data does not primarily lie in the fear of that data being used on themselves. Rather the respondents stress the unethical aspects of brands exploiting people that are unaware of the mechanics behind and unable to resist personalized marketing. One respondents describe it as follows:

> If you have poor impulse control and personalized marketing works well on
> you, which it does to many, I do not think it is good. [...] It is cynical in some
> sense that companies look at consumers like they are just walking shopping
> carts. That people are reduced to a consumption apparatus that can generate
> money, and then techniques are used to figure out what would suit them. In
> that way it is quite unpleasant because they are trying to steer people in their
> direction and use means to manipulate people. (Respondent 2)

Despite the fact that a majority of the respondents express some kind of worries in relation to data collection, only a few of the respondents say that they actively do efforts to prevent brands from collecting data. This indicates that there is a discrepancy between the words and actions of the respondents. This affirms the complexity of the personalization-privacy paradox which has been described in previous research (De Keyzer, Dens & Pelsmacker, 2015). While the respondents are aware that personalization requires data collection that may infringe on their privacy, they tend to disclose it anyway. Two of the respondents reason as follows:

> It is just a bit of an invasion of privacy that they track me. But still I do not care, it is very ambivalent. If I actively think about it, I think it is troublesome and that they are violating privacy and that it is immoral or whatever. It feels like a sign of the times that digitalization is not only good. But on the other hand, I am totally unconcerned about it and enter my personal information everywhere and do not care or think about it. I am not that alarmistic with it. (Respondent 2)

> I would say that it is randomness that decides when I choose and do not choose it. Most of the time I accept without reflecting over it, such as cookies. I think it is too vague a concept for any human being to understand what it really means. (Respondent 1)

To summarize, the respondents' perceptions of the personalization-privacy paradox are conflicting. When first asked about personalized marketing, the majority of the respondents explain it as annoying and a bit privacy violating. However, when asked about data collection they describe that it is a phenomenon of our time and there is nothing you can do about it. Despite this nonchalant reasoning, the respondents are clear that they do not want their data to be misused or end up in the wrong hands. These conflicting thoughts confirm that there is such a paradox. To get an understanding if the respondents' brand relationship influences their perception of it, the following section outlines the connection in between.

4.4 The connection between the three

This last analysis section consists of the connection between consumer-brand relationship, personalized marketing, and the personalization-privacy paradox which emerged during the empirical collection. In the interviews it becomes clear that it is hard to separate which one that affects the other, in other words it is hard to know if consumers' brand relationships affect the perception of personalized marketing and the personalization-privacy paradox, or if it is the other way around. Therefore, this section continually consists of both perspectives.

As previously mentioned, the respondents of this study find personalized marketing mostly annoying. However, when asked how they perceive it from their favorite brands, their attitude towards it changes. All respondents mean that when they receive personalized marketing from brands they like, they think that it is fun and appreciated. They also argue that these consistent interactions are an important aspect in the relationship, and that it is important that the brands show confirmation and appreciation towards them as well. This is in line with previous research that concludes that interdependence, such as interactions, are a crucial part of consumer-brand relationships (Fournier, 1998). The respondents are more positive to personalized marketing when it comes to brands they have a relationship with, and with other brands the personalized content is perceived as worse. The following quotes shows how three respondents describe how they appreciate personalized marketing from their favorite brand and from that only:

> If Trocadero were to market that they had a product, like a fun product, then I would not be pissed. I would probably just giggle a little and then scroll on. (Respondent 9)

> … like with Audi, if you have a strong enough relationship, it feels like you can never get enough. Everything is interesting and you get to learn more about the brand. It can be a way for them to continue to arouse my interest by making themselves reminded. (Respondent 10)

> No, if it is from Pelle P then it is completely fine. It can be a little exciting. See if a blue jacket or something has appeared! (Respondent 7)

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The same behavior is shown when asked how the respondents feel about disclosing data. As written, the empirical material shows that the respondents do not think about brands collecting their data to any greater extent, but once they think about it, they say that it is quite frightening that brands have that much information about consumers and that they do not want the information to end up in the wrong hands. However, when the respondents were asked how they feel when their favorite brands collect their data, they explain that it felt fine. The respondents all agree that the reason for that is because they trust that the brand will use their information in a right and an ethical way, and that they trust that the brand does not sell or spread the data to any other. Thus, brand trust is an important aspect considering data collection, which is consistent with previous research that show that strong consumer-brand relationships with high levels of brand trust affect how marketing and all that it entails is perceived (Hayes & King, 2014). This is for example explained like this:

> However, I still insist that I do not generally like the phenomenon of disclosing data. But if I am going to give it to someone, it is definitely a brand I trust. [...] Since I am willing to receive the marketing from Louis Vuitton, I am also willing that they collect data. I let them do it. (Respondent 5)

> … just because I do not want them to collect data about me. I do not want them to know who I am when I enter their website. But with Ganni, I definitely do not mind if they do. (Respondent 1)

> If I do not recognize something, I may want to do a little background check before I accept. So yes then it certainly affects that I am more willing. I am more accepting when it is Apple, like what can happen? (Respondent 6)

… but then you trust that it is good and safe, and then you take the security seriously. If it is a serious brand, like Peak Performance, then you think that it does not matter. (Respondent 7)

Nevertheless, the respondents still think that personalized marketing can be superfluous and annoying even from their favorite brands if they were to provide too much of it. This is not something that we have come across in previous research or literature. A clear pattern that emerges during the interviews is however that the respondents do not receive personalized marketing much at all from their favorite brands. A few respondents explain that the reason for that is because they believe that the relationship is so strong that the brands do not need to provide them with it, they will buy and use their products anyway. Other respondents mean that it is important for the brands' image to not be too available. They mean that the "hard to get" image creates an aspiration and a craving which makes the relationship more exciting, as well as the exclusiveness of the products not being seen on every other person. This is for example explained in these ways:

It is a bit like dating. You want someone you can not get. And when someone is a little too pushy, you mostly feel "euw". I think it is a very basic human mechanism that when you see something too much or when you get something too simple, you do not get as excited about it. It feels like Apple has self-confidence, and that is a bit sexy. (Respondent 4)

Like Louis Vuttion, they are pretty elusive, which also can be an attraction factor. They do not appear everywhere. They are extremely careful that they are in the right context, which also makes you think that they are exclusive and nice. If they were everywhere, if you were to see such a bag on every person, it would not be as fun. (Respondent 5)

… so you feel some kind of joy and desire. A little inaccessible, like Ganni becomes more inaccessible. But still in their marketing, they aim to send the message that they are every girl's best friend. (Respondent 1)

By Malene Birger is not worn by every other person, I know that. I can be
quite unique with some clothes, and that I think is fun. (Respondent 3)

Returning to trust, the material from the interviews show that the respondent trusts their favorite brands and is thus more willing to receive personalized marketing from them and disclose data to them. However, the respondents agree that if their brands were to handle their data in the wrong way, the trust as well as the loyalty would be harmed. Some respondents also argue that some personalized marketing can become too personal, such as when brands use their names in emails or similar. That kind of behavior from the brands will hence also harm the relationship. This has not been found in previous research that we have come across. One specific respondent explain that his perception of brand trust is not embedded in personalized marketing as such, but in the long-term relationship with the brand and how rather than what the brand communicates. The following quote outlines exactly how he expresses himself:

I do not think the trust lies in personal marketing. I think it is more about
how they communicate their identity, because it feels like personal
marketing is very sales-oriented. Quick transactions as well. And I do not
think trust lies in that, but it probably lies more in long-term brand
communication. Or how well you connect with the brand, not that you get
product advertising. (Respondent 2)

Regarding brand loyalty, the interaction between the parties is an important aspect in the relationship according to the respondents, as previously mentioned. The interaction is explained to be important in that sense that the brand makes itself reminded of its existence and shows the respondents that they care about the relationship as well. Thus, personalized marketing from the respondents' favorite brands can be appreciated rather than annoying. These findings support Hayes et al. (2021) who describe that a strong consumer-brand relationship will be likely to enhance the perceived benefits of personalized marketing. The respondents further say that personalized marketing from the right brand can create an urge to buy more, which leads to repeated purchases and thereby brand loyalty. Some respondents exemplify that it is appreciated

when they for example get reminded to refill a product that they regularly buy from a favorite brand as the respondents then do not have to think about it on their own. In that sense, the respondents agree that it is convenient that their favorite brands already know what they like. One respondent explains it like this:

> I do not need them to appear on my Instagram because I am already thinking of them. But I definitely believe that if I get the right marketing at the right time from them, I will make a purchase. If I receive an email with a discount code, I will most likely make a purchase. [...] As you were talking about loyalty as commitment, of course it will create more commitment when you think about the brand and get reminded of it when it appears in your feed. (Respondent 5)

To conclude, the results show that the respondents are more positive to personalized marketing from their favorite brands. Yet, it seems to be important that the brands do not provide too much or wrong content as it could harm the image of the brand and become annoying as well. The similar behavior shows regarding disclosure of data as the respondents are more prone to disclose data to their favorite brands, mainly because of the trust that exists between the parties. If the brands however were to misuse the data, the overall relationship would be harmed including the trust and loyalty towards the brand.

5 Discussion

The following chapter is a discussion of the study's findings. To be able to understand how consumer-brand relationships may influence the perception of personalized marketing and the personalization-privacy paradox, it was essential to gain an understanding of the three separately first. Hence follows below the findings and broader applications of the study in relation to previous research, which is divided in the same sections as the analysis.

5.1 Consumer-brand relationships

Our analysis of the respondents' brand relationships show that our respondents confirm existing literature on consumer-brand relationships. The respondents confirm that they have strong brand relationships and that these are important to the respondents. Brand trust and brand loyalty appear to be essential parts in the respondents' brand relationships, which validates what previous researchers (Fournier, 1998; Gustafsson, 2008; Hayes et al. 2021; Keller 2001) have found. It was considered to be a necessity to investigate the respondents' brand relationships in order to understand how they may influence the perception of personalized marketing and the personalization-privacy paradox, which is further discussed below.

5.2 Personalized marketing

The findings of this study to a large extent confirm existing literature on personalized marketing but also contribute with new aspects. Research has previously stressed the considerable benefits of personalized marketing, where factors such as positive consumer attitudes and increased loyalty are highlighted (Hayes et al., 2021; Keyzer, Dens & Pelsmacker, 2015). The respondents express that they perceive personalized marketing as beneficial to a small extent and that it is very seldom that they appreciate it. The majority of the respondents mostly find personalized marketing as annoying, especially when it becomes overflowing. This finding contradicts previous research that concludes that personalized marketing provokes positive consumer attitudes (De Keyzer, Dens & Pelsmacker, 2015). The annoyance could be explained by the massive amounts of personalized marketing the respondents explain that they receive. The

respondents express that every time they search for something, it appears everywhere online, which is perceived as annoying rather than something positive. Correspondingly, the respondents profess that a majority of the marketing they face is targeted wrong and does not provide them with any benefits. This contradicts Tran, van Solt and Zemanek (2020) and Keyzer, Dens and Pelsmacker's (2015) findings that personalized marketing is perceived as more relevant and informative. Instead, this finding goes in line with Chellappa and Sin (2003) who argue that if a consumer does not experience the benefits of personalized marketing, it may lead to reluctance towards the brand. Usually, the lack of benefits lies in that the respondents get offers of products or services that they have already bought or related to searches that they do for a non-commercial purposes. These findings imply that the present state of personalized marketing is not accurate enough and that the algorithms are currently too underdeveloped to fulfill its full potential.

Nevertheless, the findings show that personalized marketing can increase brand loyalty in terms of repeated purchases as the respondents explain that they easily can get reminded of a brand or product. These interactions further create engagement towards the brand, which also is an element within the loyalty concept. This is in line with previous studies that argue that personalized content can increase consumer loyalty (Chellappa & Sin, 2005; Hayes et al., 2021). Thus, personalized marketing in the right amount and form can be beneficial for companies to provide as it can generate loyal consumers.

5.3 The personalization-privacy paradox

The findings concerning the respondents' perceptions of the personalization-privacy paradox showed an inconsistency in their opinions about it, which confirms that there actually exists such a paradox. It also became clear that different respondents reason in various ways. Some respondents were very skeptical towards data collection in general and did not want brands to trace their data even if it would benefit them. These respondents therefore take strong precautions to prevent brands from collecting their data. This skepticism was also stressed by other respondents, but these did not do anything to counteract the data collection. They explained that they were concerned since they did not know how the massive amounts of data could be used nor what it could have for broader consequences if it ended up in the wrong hands. This fortifies the findings of Chellappa and Sin (2005) who argue that the inability to control how data

will be used accounts for the biggest privacy concern among consumers. However, these respondents explained that it was out of their control as it is a too complex phenomenon and too complicated to understand where the data goes and how it is handled. The remaining respondents showed complete indifference to the concerns of data collection and stressed that their decision to disclose data was rather an involuntary acceptance of the current state of digitalization and its techniques. The opinions of indifference are in line with Metzger (2007) who writes that the frequency of personalized marketing may result in the consumers neglecting their privacy concerns due to them getting reconciled with the personalization.

However, the findings showed that all the respondents agreed that skepticism arises when personalized marketing becomes too obvious. In other words, when the personalized marketing is too obviously linked to previous online searches, the respondents react and thus become more conscious of the data collection behind. The feeling of constant surveillance leads to the respondents' perception of having their privacy violated. This can be the reason behind their resistance towards the phenomenon of consumer data collection. This finding aligns with Tran et al. (2020) who state that if a consumer experiences that their privacy is violated, they may become skeptical and reluctant towards the brand in question. The respondents further agreed that they cared less about disclosure of data if it was for commercial purposes from retail brands. The respondents explained that it was more sensitive to hand out data when it came to for example politics and healthcare. In that sense, depending on the industry, different brands may have to construct their personalized marketing in different ways to reach the consumer correctly and to avoid harming the consumer-brand relationship.

5.4 The connection between the three

The purpose of the study was to develop the understanding of how consumer-brand relationships may influence the perception of personalized marketing and the personalization-privacy paradox. However, as can be read from the previous analysis and discussion, the findings imply that this does not go one way or the other, rather the three influence each other simultaneously. While the findings confirm Hayes et al. (2021) that suggest that a strong consumer-brand relationship will positively impact the perceived benefits of personalized marketing and mitigate perceived risks of data disclosure, our study also suggests that personalized marketing can conversely affect

consumer-brand relationships. Consumer-brand relationships, personalized marketing, and the personalization- privacy paradox thus appear to be connected and interdependent.

The findings further conveyed that while the respondents generally demonstrated a negative attitude towards personalized marketing, all of the respondents considered a more positive attitude towards it from their favorite brands. The respondents said that when they were targeted with personalized marketing from their favorite brands, they rather perceived it as something fun and appreciated and they were glad to be reminded of the brand. The findings from this study thus contributes to previous research that has stated that personalized marketing provokes positive consumer attitudes (De Keyzer, Dens & Pelsmacker, 2015) by adding the dimension of consumer-brand relationships. The findings suggest that in the case where a strong consumer-brand relationship exists, personalized marketing is more likely to provoke positive attitudes. Thereby the consumer-brand relationships play a part in how personalized marketing is perceived by the respondents.

Conversely, the findings imply that personalized marketing also can affect the respondents' consumer-brand relationships. Fournier (1998) argues that a fundamental part of consumer-brand relationships is interactions, and that these interactions may strengthen the relationship in the eyes of the consumer. The analysis showed that when the respondents were faced with personalized marketing from their favorite brands, it was perceived as a well welcomed form of interaction from the brands' sides. Similarly, the respondents expressed that personalized marketing from their favorite brands was likely to increase their loyalty towards the brand in terms of more repeated purchases and that they spend more time thinking about the brand. This is in line with previous research that has argued that personalized marketing will improve loyalty (Chellappa & Sin, 2005; Hayes et al., 2021). The findings thus imply that personalized marketing from brands to which the respondents have strong brand-relationships can strengthen the relationships. However, the findings show that, even from the respondents' favorite brands, an overflow of personalized marketing is perceived as annoying. This implies that an exaggerated amount of personalized marketing could harm the relationship.

Moreover, the findings indicate that the respondents are more prone to disclose data to brands that they have a relationship with and hence trust. This despite that all respondents showed skepticism in varying degrees towards collection of consumer data. This finding thus shows that the respondents' brand relationships affect the perception of data collection, and thus the privacy aspect of the paradox. The main reason that the respondents are more prone to provide brands with their personal data is because of the trust that they have towards the brand. The respondents thus trust that the brands will treat their data ethically and correctly, and that the data do not spread to other parties or are used for other purposes. This finding is consistent with previous research that concludes that if consumers trust a brand because of a strong brand relationship, they can be less concerned about data that are collected by the brands and then used with the purpose to target them (Hayes et al., 2021). However, another finding regarding data collection is that if the respondents' favorite brands were to misuse the data, the trust for the brand as well as the relationship overall would be harmed. This indicates that it is of high importance that brands treat their consumers' data carefully. This finding has not come across in previous research.

To summarize, the respondents are generally negative towards personalized marketing unless it is from their favorite brands. They are also more prone to disclose data to brands that they have a relationship with and therefore trust. Moreover, personalized marketing can also affect the consumer-brand relationship in that sense that it is considered to be an important aspect of the interactions between the parties. However, the relationship between the consumer and brand could, according to the respondents, be harmed if the brand were to provide them with too much or wrong personalized marketing or misuse their personal data.

6 Conclusion

The following ending chapter accounts for how consumer-brand relationships influence the perception of personalized marketing and of the personalization-privacy paradox. The conclusion of the study is presented based on the findings in the discussion. Finally, theoretical and managerial implications, limitations and suggestions for future research are outlined.

6.1 Conclusion

The purpose of this study was to explore what influence consumer-brand relationships may have on consumers' perceptions of personalized marketing and the personalization-privacy paradox. To answer the research question '*How does consumer-brand relationships influence consumers' perceptions of personalized marketing and of the personalization-privacy paradox?*' follows below the study's conclusions.

The first main conclusion of the study is that there is a connection between consumer-brand relationships, personalized marketing and the personalization-privacy paradox and that it can be hard to separate one from the other. In other words, it is not only consumer-brand relationships that have an influence, but also that personalized marketing and the personalization-privacy paradox can influence the consumer-brand relationship. One does not exclude the other.

The other main conclusion is that personalized marketing from brands to which a strong brand-relationship exists is regarded as more positive. Personalized marketing is even considered to be a part of the valuable interactions with a brand that strengthens the relationship. Yet, it is of importance that brands do not provide too much or wrong content. Furthermore, the propensity to disclose data to favorite brands is higher, mainly due to the trust that exists. If the brands however were to misuse the data, the relationship including trust and loyalty would be harmed. Excessive personalized marketing and misused consumer data could thus damage even the strongest consumer-brand relationships.

6.2 Theoretical & managerial implications

AI marketing is still a relatively unexplored phenomenon, which makes this study relevant as it contributes with useful theoretical and managerial insights. The theoretical implications of this study contribute to the research field of consumer-brand relationships and AI marketing in several ways. First of all, the study is among the first to explore the influence between consumer-brand relationships, personalized marketing, and the personalization-privacy paradox. The findings further support that brand trust and brand loyalty are two significant aspects of consumer-brand relationships, but also indicate that these are of relevance regarding how personalized marketing is perceived. The findings suggest that misused collected data can harm brand trust and loyalty which is an implication that not yet has been studied to any greater extent.

This study also has managerial implications that can provide companies with various insights. To start with, creating brand trust and brand loyalty is crucial in the digital environment that companies operate in today. Hence, if companies are successful in creating trust and loyalty, it will be beneficial. Regarding the use of personalized marketing, companies must have a decent sense about providing the right marketing content in the right amount, as well as being ethical concerning data collection. If companies fail to do this, the consumer-brand relationship most likely will be harmed which will affect the company negatively.

Furthermore, this study adds to the understanding of what role consumer-brand relationships have in how personalized marketing is perceived by consumers. The results suggest that companies ought to take the consumer-brand relationship into account when offering personalized marketing to a consumer. As the study implies, consumers perceive less of a risk and more of a benefit if the consumer has a strong consumer-brand relationship. Conversely, if the consumer does not have a strong consumer-brand relationship, the personalized marketing is likely to be perceived as more of an privacy intrusion. Thus, when companies choose to display personalized marketing to a new customer the accuracy of it is of greater relevance.

6.3 Limitations & future research

A number of limitations have been identified for this study. First, the study has been conducted in Sweden with Swedish respondents only, the sample of chosen respondents is thus small-scaled

and like-minded. Consequently, it is of importance to keep that in mind as the results may have been affected by perspectives of the western world. Therefore, it could be relevant to study the phenomenon in other contexts, as personalized AI marketing is a current and growing phenomenon both in research and in practice.

Furthermore, this study includes all digital platforms where personalized marketing and consumer-brand interactions take place, in other words webpages, email and various social media. The findings have however aroused interest in how different platforms can affect consumers' perception of the personalized marketing that they are exposed with and how it could affect the consumer-brand relationship. This could be relevant to study further as it would provide platforms with an understanding of how to adapt the marketing based on what kind of relationship the consumer has with the brand. In this study the respondents further were allowed to choose brands no matter the industry or price class. Thus, it is deemed relevant to limit future research to one specific industry to gain an understanding of the phenomenon in that industry in particular. As the chosen brands only were retail brands, it could be of interest to study brands in more sensitive industries, such as politics or healthcare. This is because it emerged in the interviews that the respondents are less willing to disclose these kinds of data.

Lastly, personalized marketing is a relatively new and unexplored phenomenon as previously mentioned. By all means, the respondents are beginners within the area and the lack of knowledge may have affected how they reasoned about it. For example, there was a sign of deeper knowledge about AI marketing in general among those respondents that studied marketing or similar. The long-term perception of personalized marketing and how brand relationships have an influence on it thus remains for further research to investigate.

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Appendix 1: Interview guide

Information about layout:

- ❖ How semi-structured interviews are conducted.
- ❖ Ethical principles: the requirements of information, consent, confidentiality, and use.
- ❖ Focus on consumer-brand relationships and AI marketing.

Present what we are writing about.

Informative questions that touch upon name, age, gender, and employment.

Introductory questions

- ❖ How do you use the internet and social media?
- ❖ What does digital marketing mean to you?
  - ➢ On which platforms do you experience digital marketing?
  - ➢ How do you perceive and feel about digital marketing?
- ❖ Which is your favorite brand?
  - ➢ Tell us about your relationship to it.
  - ➢ How has the relationship developed?
  - ➢ What do you value in your relationship?

Intermediate questions

- ❖ Do you feel positive feelings when you consume or think about the brand?
  - ➢ What kind of feelings do you experience more precisely?
  - ➢ Do you feel an emotional bond to the brand? If so, in what way?
- ❖ Tell us about how you reason about trust. What does trust mean to you?
- ❖ Do you feel trust towards the brand(s) that we have talked about?
  - ➢ How does it unfold?
  - ➢ Why do you trust the brand?
  - ➢ Is there anything that would make you lose trust for them?
- ❖ Do you perceive yourself as loyal towards the brand?
  - ➢ Elaborate on how this loyalty takes place.
- ❖ Do you make repeated purchases of the brand?
  - ➢ Approximately how often?

- ❖ How are you engaged with the brand?
  - ➢ Do you think a lot about the brand? If so, what do you think then?
  - ➢ Would you be able to change to another brand with similar offers?

- ❖ Do you ever reflect upon why you are exposed to specific marketing?
- ❖ How do you react when you come across personalized marketing?
  - ➢ Is it different depending on the brand?
  - ➢ Do you think that personalized marketing can make consumption and the construction of brand relationships more efficient?
- ❖ How do you reason about brands collecting data from you?
  - ➢ What data can be sensitive to hand out in your opinion?
- ❖ Do you take any action to prevent brands from accessing your information?
- ❖ In marketing scholars there is a concept called the personalization-privacy paradox which refers to consumers' conflicting feelings towards personalized marketing where on the one hand personalization offers great benefits in terms of very accurate and customized content but on the other hand requires disclosure of personal data which raises ethical concerns. What are your thoughts about this?
- ❖ Overall, which pros and cons do you find in personalized marketing?

- ❖ How do you perceive personalized marketing from your favorite brands?
  - ➢ Is your perception dependent on your relationship to the brand?
- ❖ How do you consider that the relationship affects your willingness to disclose data?
  - ➢ Why do you think the relationship affects that?
- ❖ How does your trust towards the brand affect your perception of personalized marketing?
- ❖ In what way does personalized marketing affect your loyalty towards the brand?

Concluding questions
- ❖ In general, how do you reason about the personalization-privacy paradox?
- ❖ Is there something you would like to add? Do you have any questions?