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THE ROLE OF AI-DRIVEN MARKETING ON CONSUMER PURCHASE DECISION: A CONTEXTUAL STUDY IN THE TEXTILE INDUSTRY OF PAKISTAN

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ABSTRACT

AI has revolutionized marketing, making it possible for companies to predict consumer behavior and achieve their objectives. This study seeks to investigate the role that AI-driven marketing plays in determining consumer purchasing decisions within the textile industry. This study covers the gap by investigating how AI marketing methods like product recommendations, dynamic pricing, and chatbots co-exist with consumer trust and familiarity with AI systems. This research used a quantitative research design. The data gathering was conducted through structured questionnaires among consumers who bought textiles within the last year. It considers four major variables: AI-driven marketing techniques, the familiarity of consumers with AI, the trust of consumers in AI, and the influence of their combination on purchase decisions. The results show that AI-driven marketing positively impacts consumer trust and decision-making regarding buying behavior, but the degree of effect is different. A trust mediator appeared, such as systems, while consumer familiarity was also established as a moderator by adding an enhancing effect on the trusting intentions of the consumer. The findings underpin the need for transparency and good practices in AI marketing to be trustworthy with consumers. The findings further point toward educating consumers to become more familiar and accepting of AI technologies.

Keywords: *Artificial Intelligence (AI), AI-driven Marketing Techniques, Consumer Behavior (CB), Consumer Purchase Decisions (CPD), Personalization (PER), Consumer Trust (CT), Consumer Familiarity (CF).*

INTRODUCTION

Artificial intelligence is transforming marketing techniques to predict consumer behavior and achieve marketing goals. Customer purchasing decisions are sophisticated and connected with behavior, observation, and thoughts. Extensive research has explored the impact of digital marketing and artificial intelligence on shaping consumer purchasing intentions (Busman & Ananda, 2022). Artificial intelligence in today's fast-moving digital world is making industries shift in this manner to change the way business is conducted and the way consumers connect with products and services. Marketing is increasingly data-driven, automated, and

intelligent in the modern era (Chintalapati, Pandey 2021).

In the textile industry, artificial intelligence (hereafter mentioned as AI) has revolutionized its operations and consumer connection in retail (Broome, K., & Little, J 2020). AI differs greatly in many ways, starting from customer experiences to improving supply chain efficiency and enabling personalized marketing. Technologies such as AI-powered product recommendations have enhanced the relevance of search results by analyzing consumer data to suggest items that align with individual preferences and past purchases (Wang et al., 2023). Therefore, purchase intention in the context of AI is shaped by a variety of factors, highlighting the importance of understanding consumer attitudes and perceptions toward AI for businesses aiming to leverage this technology (Ragul & Dulloo, 2023). Companies have begun to incorporate AI tools, from chatbot recommendation systems to dynamic pricing algorithms, to offer bespoke services to consumers. AI-Powered Tools revolutionizing the textile industry (Umar & Ibrahim, 2023). This will have the potential to change the behavior of consumers as well as the way people change their decision-making on what to buy in this highly competitive environment. With the rising implementation of AI-based marketing techniques, the textile industry presents opportunities to attract customers. The implications of AI-Driven personalization on consumer choice making (Johnson, P. 2023). A phenomenon of AI allows companies to provide customers with a product that is relevant to them and one they will want to have, as illustrated by their browsing history and purchase patterns (Wilson, M. 2022).

Though there is extensive literature on AI-driven marketing in relation to general retailing and e-commerce, only a little exists for AI technologies in the textile and fashion markets research (Oluwaseun et al., 2023). Most of the AI-relevant studies are centered on broader retail sectors, such as electronics and household goods. It would also be a great addition to investigating the use of artificial intelligence in textile marketing strategies, such as the marketing of personalized fabrics, clothing production and distribution strategy, or eco-friendly apparel, as these are all textile-related (Wang et al., 2023). There are no concerns, however, about how AI-propelled marketing changes the purchasing habits of consumers exclusively within the textile industry, as opposed to any other retail sector.

The broad objective of this study is to examine the effect of AI-driven marketing study. Indeed, having a direct or indirect influence on consumers' trust, engagement, and purchasing decisions is a great area of interest for investigation. In this light, this paper delves into how AI molds consumer behavior by focusing on the influence of AI-based marketing on the textile industry's purchase decisions. Furthermore, consumer familiarity with AI technologies and their trust in AI systems play a fundamental role in mitigating these effects (Huang, T. 2022). Dahiya, D., & Garg, R. K. (2023). Some consumers easily embrace AI innovations, while others might consider uncertainty or hesitation in relating to AI-driven tools. It will, therefore, be possible to gain significant insights into how businesses could adapt their AI-driven strategy better toward the needs and preferences of customers. (Sharma, A., & Patel, N. 2021).

The research problem of the study is related to the belief that the number of internet purchases has increased with the help of AI-driven marketing. However, there is no understanding of which AI-driven marketing channels positively influence consumers' purchase decisions (Nguyen and Lee, 2023). Relationships among AI marketing techniques, consumer trust in AI systems, and purchasing decisions is probed in this study with a moderation effect of consumer familiarity with AI. This study is focused on how AI-driven marketing is changing consumer behavior and purchasing decisions in the textile industry.

2. Literature Review

Technology Acceptance Model (TAM):

The Technology Acceptance Model (TAM), established by Davis in 1989, is a prominent paradigm for comprehending customer acceptance and adoption of new technology. TAM posits that perceived ease of use and perceived utility are critical factors that shape an individual's intention to utilize technology, therefore impacting actual usage behavior. In the realm of AI-driven marketing, TAM

elucidates how consumers assess AI systems according to their perceived advantages and user-friendliness. A recent study by Chatterjee et al. (2023) revealed that consumer trust in AI-driven marketing tools is affected by the perceived utility of personalized recommendations and the user-friendliness of AI interfaces. Moreover, customer familiarity with AI improves their sense of usability, hence augmenting trust and adoption rates (Leschanowsky et al., 2024). Consequently, the Technology Acceptance Model (TAM) offers a valuable framework for comprehending the processes by which customers embrace AI-driven marketing tools and how these tools influence their decision-making behavior.

Relationship between AI-driven Marketing Techniques and consumer decision-making:

AI-driven marketing strategies, including predictive analytics, chatbots, and personalized recommendations, are revolutionizing consumer decision-making by providing customized, data-driven experiences. In many cases, these tools facilitate the more efficient navigation of choices, resulting in more confident and rapid purchase decisions (Mood Media, 2024). For instance, personalized product recommendations have been demonstrated to substantially increase engagement and increase conversion rates by as much as 31%. Recent data also emphasizes the expanding significance of AI in online shopping. AI-related tools contributed to a 4% increase in U.S. online sales during the 2024 holiday season, totaling $282 billion. Chatbot use increased by 42% compared to the previous year (Reuters, 2025).

Nevertheless, consumer trust is inextricably linked to the influence of AI. According to a global survey conducted by Statista in 2024, only 26% of consumers have confidence in the responsible use of AI by brands. Consumer behavior is still being influenced by concerns regarding data privacy, algorithm bias, and content authenticity (Forbes, 2024). Furthermore, acceptance is influenced by generational differences; Generation Z is more receptive to AI influencers and content, whereas elderly consumers prioritize authenticity and emotional connection (New York Post, 2024). In conclusion, AI-driven marketing enhances decision-making by personalizing experiences and increasing efficiency. Nevertheless, its efficacy is contingent upon the extent to which marketers consider demographic preferences, transparency, and trust. Based on the above discussion

H1: *There is a positive relationship between AI-driven marketing techniques and consumer decision-making.*

Relationship between AI-driven Marketing Techniques and Consumer Trust in AI:

Artificial intelligence (AI) has substantially changed the marketing scene by allowing companies to design more data-driven, efficient, and individualized customer experiences. Personalization, predictive analytics, and AI-generated content are among the AI-driven marketing techniques that have revolutionized consumer engagement by providing more efficient and customized experiences (Kietzmann et al., 2018). Nevertheless, the efficacy of these methods is contingent upon the level of consumer confidence in AI technologies. Recent research has underscored the importance of transparency in the establishment of trust. According to a 2024 survey conducted by Advanced Television, 70% of consumers are more inclined to trust brands that explicitly disclose their use of AI in advertising. In contrast, the excessive use of AI-generated content has resulted in skepticism, as consumers increasingly doubt the authenticity of digital messages (TrendWatching, 2024). Trust is also influenced by ethical considerations, particularly those related to data privacy. Alkaff et al. (2024) emphasize the significance of explainable AI (XAI), suggesting that consumers are more inclined to trust systems that offer a clear explanation for their outputs. Demographic factors also contribute to the acceptance of AI influencers. For instance, Gen Z is more receptive to these influencers than the older generations, who priorities authenticity (New York Post, 2024). Based on the above discussion

H2: *There is a positive relationship between AI-driven marketing techniques and consumer trust in AI.*

Relation between Consumer Trust in AI and Consumer Purchasing Decisions:

Consumer trust in artificial intelligence (AI) influences purchasing decisions, especially in digital contexts where AI tools steer product

suggestions, automate customer support, and personalize content. Consumers who have high trust in AI systems are more likely to adopt AI-driven recommendations and make purchases (Chatterjee et al., 2023). When customers see AI as transparent, fair, and secure, they are more likely to trust its recommendations, increasing their decision confidence and buying intent (Alkaff et al., 2024). In contrast, low trust—caused by fears about data privacy, algorithmic bias, or a lack of human oversight—can diminish participation and dissuade transactions (Forbes, 2024). According to recent studies, faith in AI varies across populations. For example, younger customers are more trusting and open to AI-driven content, whereas older generations expect greater transparency and control (Statista, 2024; New York Post, 2024). Overall, the trust serves as an important mediator in the link between AI applications and consumer behaviour, impacting not only whether customers accept AI recommendations but also how they assess the company behind them. Based on the above discussion

H3: *There is a positive relationship between consumer trust in A and consumer decision-making.*

The mediating role of Consumer Trust in AI:

A critical mediator between AI-driven marketing techniques and consumer decision-making is consumer trust in artificial intelligence (AI). Although personalised recommendations, predictive analytics, and chatbots are all AI technologies that improve the efficiency and relevance of marketing efforts, their efficacy is contingent upon consumer trust. According to a 2024 study conducted by Adanyin (2024), consumer perceptions of AI in retail are significantly influenced by concerns regarding data privacy and algorithmic fairness, which in turn affect their purchasing decisions. In the same vein, a 2024 systematic review conducted by Leschanowsky et al. (2024) emphasizes the significance of security and transparency in conversational AI systems, observing that trust perceptions directly influence user engagement and reliance on AI-driven interactions. In addition, Schultz (2025) reports that 43% of consumers have confidence in the information provided by AI chatbots, indicating a growing acceptance that can lead to more informed and confident purchasing decisions. Nevertheless, this trust is not consistent across demographics. For example, a 2024 survey conducted by Statista (2024) revealed that only 26% of global consumers trust brands to use AI responsibly. This underscores the need for marketers to address ethical concerns and foster consumer confidence. Consequently, it is imperative to cultivate consumer confidence in AI in order to employ AI-driven marketing strategies to positively impact consumer decision-making effectively. Based on the above discussion

H4: Consumer trust in AI mediates the relationship between AI-driven marketing techniques and consumer decision-making

The moderating role of consumer familiarity:

Consumer familiarity with artificial intelligence (AI) significantly moderates the association between consumer trust in AI and decision-making. The Technology Acceptance Model (TAM) posits that consumers' perceptions of the utility and usability of AI are directly affected by their familiarity with the technology (Davis, 1989). Consumers having greater familiarity with AI tend to exhibit increased faith in its capabilities, leading to more certain and effective decision-making processes (Chatterjee et al., 2023). A deficiency in familiarity may engender skepticism and reluctance, so constraining the beneficial influence of AI-driven marketing on decision-making (Leschanowsky et al., 2024). A 2024 study by Schultz (2025) revealed that consumers well-acquainted with AI-driven technologies, like chatbots and personalized recommendations, demonstrate increased trust and a higher propensity to make purchasing decisions influenced by AI ideas. Conversely, less acquainted consumers often demonstrate heightened apprehension regarding data protection and algorithmic transparency, potentially obstructing trust and decision-making. Consequently, familiarity with AI influences the correlation between consumer trust and decision-making, underscoring the necessity of educating consumers and increasing their exposure to AI systems to cultivate trust and enhance decision outcomes. Based on the above discussion

H5: *Consumer familiarity with AI moderates the relationship between consumer trust in AI and consumer purchase decision.*

Conceptual Framework

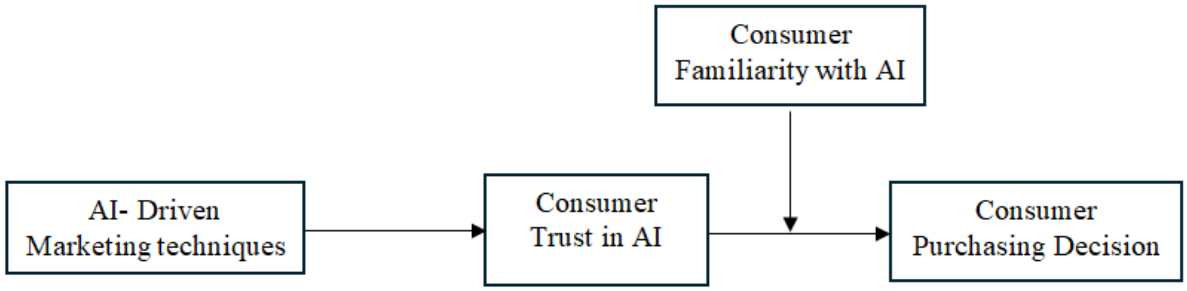

Figure 1: Conceptual Framework

3. Methodology:

The current investigation implements a deductive research methodology, which commences with the formulation of hypotheses based on established theories and concepts. These hypotheses are subsequently evaluated using empirical data. A survey questionnaire was developed and distributed to consumers who purchase textile products online in order to collect primary data. The study included a total of 300 respondents, who were selected using a nonprobability convenience sampling technique due to its practicality and accessibility in reaching online consumers. The questionnaire was composed of structured questions that were designed to capture consumer behavior, preferences, and purchasing decisions in the online textile market. The data collection process was conducted electronically to guarantee a comprehensive and efficient response collection.

Measurement:

The questionnaire was developed by integrating questions derived from comprehensive literature research on online purchases. Section 2 enumerates the elements of the questionnaire and the criteria for their adoption. Our model comprises four variables, which have 17 items in total. The evaluation of AI-driven marketing tactics was conducted using a 5-item measure derived from Venkatesh, Thong, and Xu (2012). Consumer trust in AI was evaluated using a 4-item scale, while consumer familiarity with AI was measured by a 4-item scale adapted from Mehmood, Shah et al. (2014). Consumer purchasing behaviour was assessed using a four-item scale (Venkatesh, Thong, and Xu 2012). Respondents indicated their level of agreement or disagreement with each relevant concept item on a five-point Likert scale, from strongly disagree (1) to strongly agree (5).

Data Analysis Methods:

The present research used a quantitative data analysis method, and the data was analyzed using a quantitative approach, which was acquired from the questionnaires through different steps. These steps are majorly presented as part of data cleaning and preparation. After responses have been obtained, data that has been filled in is reviewed for cleaning so that all missing or otherwise invalid responses can be eliminated from there. This paper applies the kind of data analysis as descriptive analysis, meaning that it is the first stage where descriptive statistics such as frequency distributions, percentages, means, and standard deviations are applied in summarizing demographic data and general trends in the ways consumers interact with AI-driven marketing tools. For example, what percentage of respondents have experienced personalized recommendations while shopping for textile products? Inferential statistics, which encompass regression analysis, are used in this study to test the relationship between variables. A multiple regression model is utilized to test how independent variables like exposure to AI marketing tools influence a dependent variable such as consumer purchasing decisions. To meet the needs of the study presented, correlation analysis is used, focusing on the power and the

direction of relationships from variables of such kind as whether customers who communicate with AI-powered recommendations are likely to make a purchase or not. The analysis helps to either accept or reject these hypotheses with a set confidence level (e.g., 95%). Data analysis is performed using statistical software such as Smart PLS, which allows precise computations and graphical representations of the findings.

Common Method Bias

To avoid the potential for standard method bias in the dataset, data for the study were acquired directly from customers of the textile sector who buy online products. Prior research suggested the importance of running a multi-collinearity test to establish the existence of common method bias (CMB) in the data (Kock 2015). A collinearity test was undertaken, demonstrating that the VIF value was significant and within five. The numbers do not indicate any difficulties with CMB.

4. Analysis:

Respondent Profile:

The demographic profile of the respondents offers vital insights into the characteristics of the sample population under the study. Regarding gender distribution, the respondents are predominantly male, 61 percent, while the females make up the rest, 39 percent, indicating relatively higher representation of the former gender participants. From the age perspective, the majority are 36-40 years of age, 24.66 percent, followed by 41-45 years of age, 22.33 percent, and 31-35 years of age, 19.66 percent. Small proportions are of respondents from 20-25 years and more than 50 years, with 6.67 percent and 4.33 percent, respectively, pointing out that the respondents mostly fall in middle age.

According to the socioeconomic profile, the highest number of respondents report an income between 70,000 and 90,000 PKR per month, accounting for 52 percent, followed by 30.33 percent reporting incomes between 50,000 and 70,000 PKR, and 17.67 percent reporting incomes between 30,000 and 50,000 PKR. It further focuses on middle to upper-middle-income segments because that would likely represent important consumer groups against the backdrop of this study. Demographic perspectives are fundamental and vital in understanding the preferences and behaviors of a target population within the scope of the study.

Table 1. Demographics.

Item		Frequency	Percent
Gender	Male	183	61.00
	Female	117	39.00
Age	20-25	20	06.67
	26-30	35	11.67
	31-35	59	19.66
	36-40	74	24.66
	41-45	67	22.33
	46-50	32	10.67
	Above 50	13	04.33
Income	30-50 (Thousands)	53	17.67
	50-70 (Thousands)	91	30.33
	70-90 (Thousands)	156	52.00

Reliability:

The robust measurement properties of the variables in this study are exhibited by the reliability and validity analysis. The Cronbach's alpha for each of the constructs surpasses the threshold value of 0.7, which ranges between 0.783 and 0.875. Thus, there is an excellent internal consistency among the items that comprise the measure of each of these variables. Similarly, while the composite reliability of the constructs ranges from 0.802 to 0.907, all these are higher than the recommended threshold value of 0.7.

In terms of convergent validity, the average variance extracted for each construct exceeds the minimum threshold of 0.5, ranging from 0.601

to 0.729. This means that their respective latent constructs explain a significant amount of variance in the observed variables. Overall, the data proved that the four variables, AI-driven marketing Techniques, Consumer Familiarity with AI, Consumer Purchase Decision, and Consumer Trust in AI, are reliable and valid for use in the study.

Table 2. Reliability

Variables	Cronbach's alpha	Composite reliability	ıverage variance extracted (AVE)
AI-Driven Marketing technique	0.869	0.907	0.670
Consumer Familiarity with AI	0.783	0.802	0.601
Consumer Purchase Decision	0.811	0.834	0.643
Consumer Trust in AI	0.875	0.888	0.729

Reliability values according to Cronbach's Alpha, composite reliability, and average variance extracted (AVE) are provided in Table 2. The measures were used to establish the validity and reliability of the study. The relationships of the variables in the study are revealed in the correlation matrix. Suggesting that as AI-driven marketing improves, consumer trust in AI will be enhanced, with a correlation of 0.540. Similar to this, with a positive but relatively weak relationship, lies the correlation between AI-driven marketing Techniques and Consumer Purchase Decisions at 0.465, thereby showing the impact that effective AI-driven marketing has on purchase decisions.

Moderate positive relationship between Consumer Familiarity with AI and Consumer Purchase Decision 0.744 and the same with Consumer Trust in AI 0.505, which reflects the aspect of familiarity as crucial for building trust and consumption preference. The interaction term, Consumer Familiarity with AI x Consumer Trust in AI, however, exhibits rather weak links with all the variables, with values of 0.275 to 0.483. This would suggest that, although the interaction between familiarity and trust has some impacts on purchase decisions and other variables, its effect, in comparison to those of the two variables, seems not to have that much intensity. The data shows that three-way interaction between AI-driven marketing, consumer familiarity, and trust proves very crucial in driving consumer behavior; however, the interaction effect must be further explored so that the subtle impact can be discovered.

Discriminant Reliability:

The correlation matrix provides an in-depth look at the relationships between the variables of the study. Significant associations indicate the interconnected roles these variables play in the influence of consumer behavior in the AI-driven marketing context. AI-driven marketing Techniques exhibit a positive moderate correlation with Consumer Trust in AI with r = 0.540 and a weak yet significant correlation with Consumer Purchase Decisions of r = 0.465. This means that AI-driven marketing techniques do indeed boost consumer trust and influence purchasing decisions, though to a lesser extent. Its correlation with Consumer Familiarity with AI is relatively weak at r = 0.210. This might indicate that while AI-driven marketing can indeed build trust and have a great impact on decision-making for purchases, it does not necessarily depend on the familiarity of AI by consumers.

Consumer Familiarity with AI correlates strongly with Consumer Purchase Decision r = 0.744. Consumer familiarity with AI is a strong predictor of purchase. Its relationship with consumer trust in AI r = 0.505 also shows that familiarity with AI is a key influence of trust. However, Consumer Familiarity with AI x Consumer Trust in AI is a weak interaction term combined with all variables, at r = 0.275 to r = 0.483. This implies that in combination with this effect, familiarity, and trust do have some impact on influencing purchase decisions, but their relative contribution is less than that of individual effects. In brief, the results underline that AI-driven marketing techniques, consumer familiarity, and trust form significant bases of purchase behavior. The interaction between familiarity and trust holds a supplementary but not leading position, deserving deeper

investigation for an overall understanding. The main findings emphasize that purchasing behavior regarding AI-based marketing strategy is complex.

Table 3. Discriminant Reliability

Variables	AI-Driven Marketing technique	Consumer Familiarity with AI	Consumer Purchase Decision	Consumer Trust in AI
Consumer Familiarity with AI	0.210			
Consumer Purchase Decision	0.465	0.744		
Consumer Trust in AI	0.540	0.505	0.652	
Consumer Familiarity with AI	0.276	0.436	0.483	0.275

The results of hypothesis testing are presented in Table 4. Hypotheses present tests of a direct association between multiple different variables in the study. The table gives the relationship, standard deviation, t-statistics, p-values, and final decision on the hypotheses that have been tested. H1 is about the relationship of AIMT and CPD. For the hypothesis, the standard deviation is 0.036, while the t-statistic is 4.572. The p-value for this is 0.000, below the set significance threshold of 0.05. Therefore, the said hypothesis is accepted, meaning that AI-driven marketing techniques have a great influence over the purchase decisions of consumers.

H2 test the impact of AIMT on CT. In this case, the standard deviation is 0.072, while the t-statistic is 6.581, which is very high, indicating a strong relationship. A p-value of 0.000 suggests that the relationship is statistically significant, hence the acceptance of the hypothesis. This means that AI-driven marketing techniques significantly have an influence on consumer trust in AI.

H3 examines the relationship between Consumer Trust in AI (CT) and Consumer Purchase Decision (CPD). With a standard deviation of 0.055 and a t-statistic of 7.158, the association strongly exists, and the p-value stands at 0.000, further confirming that this is statistically significant. The hypothesis holds that trust in AI plays a critical role in shaping consumer purchase decisions.

H4 explores the mediating relationship of Consumer Trust in AI (CTAI) between AI-driven marketing techniques (AIMT) and Consumer Purchase Decisions (CPD). The standard deviation here is 0.056, and the t-statistic of 6.153 suggests a strong positive relationship. The p-value of 0.000 indicates high statistical significance, leading to the acceptance of the hypothesis. This shows that consumer trust in AI, in general, is a key factor influencing purchasing decisions.

H5 explores the moderrating relationship of Consumer Familarity (CF) between consumer trust in AI (CTAI) and Consumer Purchase Decisions (CPD). The standard deviation here is 0.066, and the t-statistic of 5.543 suggests a strong positive relationship. The p-value of 0.000 indicates high statistical significance, leading to the acceptance of the hypothesis. This shows that consumer trust in AI, in general, is a key factor influencing purchasing decisions.

In summary, all hypotheses are accepted, and results indicate that AI-driven marketing techniques, consumer trust in AI, and consumer trust generally have relevant and positive impacts on consumer purchase decisions. These findings highlight why trust needs to be built and why AI marketing strategies need to be implemented effectively as a means of influencing consumer behavior.

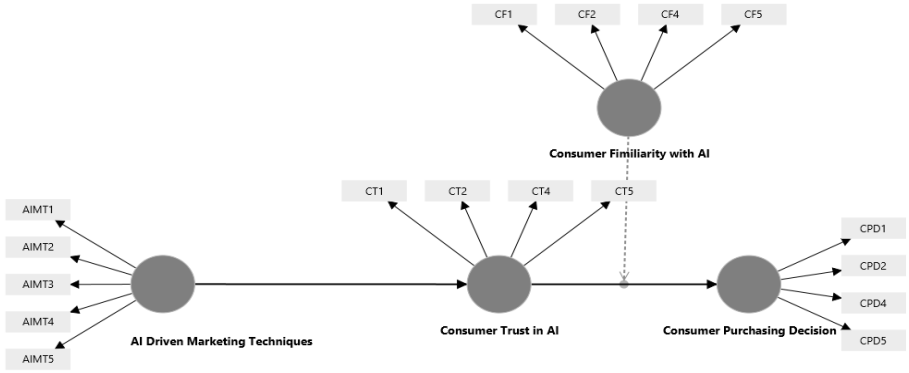

Figure2: Confirmatory factor analysis

Table 4: Path coefficient

Hypothesis	Relationship	Standard Deviation	T Statistics	P-Values	Decision
H1	AIMT → CPD	0.036	4.572	0.000	Accepted
H2	AIMT → CTAI	0.072	6.581	0.000	Accepted
H3	CTAI → CPD	0.055	7.158	0.000	Accepted
H4	AIMT -> CTAI-> CPD	0.056	6.153	0.000	Accepted
H5	CTAI -> CF-> CPD	0.066	5.343	0.000	Accepted

Abbreviations: (AIMT)AI-Driven Marketing Techniques, (CPD) Consumer Purchase Decision, (CTAI) Consumer Trustin AI, (CF) Consumer Familiarity

5. Implication:

The key implications of this study's findings for marketers, businesses, and policymakers are discussed in the present research. The low to moderate correlation between AI-driven marketing techniques and consumer trust suggests the designing of AI-powered campaigns with transparency, personalization, and reliability to build trust and improve purchasing behavior. One effective way of doing this is by detailing how AI technologies can enhance the consumer experience in Pakistan's textile industry. Moreover, the relatively weaker link between the familiarity with AI-driven marketing and the consumer also reveals that these strategies should not depend absolutely upon the consumer's familiarity with AI but instead focus on the utility benefits and results of applications in AI.

The strong relationship between consumer familiarity with AI and both trust and purchase decisions, therefore, underlines the business need for investment in consumer education initiatives. Marketers can use digital content, workshops, or interactive experiences to familiarize consumers more and more with AI technologies so they develop trust leading to purchasing. For policymakers, these findings dictate that there is a need for regulatory frameworks of the ethical usage of AI so that consumer data is protected, and potential concerns will be depleted in developing a better trust in AI-driven solutions. Lastly, the supplementary but weak role of familiarity/trust interaction indicates the scope for marketers to focus on these dimensions both in isolation and together. Strategies that consolidate efforts through education campaigns complemented with trust-building initiatives like certification, testimonial, or guarantee may help leverage the combined effect. Overall, this study emphasizes how, in AI-driven marketing, trust and education play significant roles in driving success using a consumer-centric approach.

5.1 Practical Implementation:

The practical implications of this study provide actionable insights for businesses and marketers in Pakistan's textile sector who are engaged in AI-driven strategies. To start with, a moderate correlation between AI-driven marketing

techniques and consumer trust shows the importance of businesses designing campaigns that focus on the ethical and transparent use of AI. Marketers ought to focus on demonstrating how AI enhances customer experiences through targeted recommendations, improved efficiency, or enhanced product quality. Information on AI processes should be given clearly and in accessible terms to remove skepticism and build trust. Consumer familiarity with AI also goes hand in hand with purchase decisions, further emphasizing the need for consumer education. Businesses may engage in educational activities such as online tutorials or explanatory videos to help people understand AI applications. The more informed the consumer is, the higher the levels of trust created and the better the influence on a consumer's purchase decision.

Further, a weaker interaction effect from consumer familiarity by trust also implies that these factors need not be treated as substitutive but rather complementary. For example, "companies can develop trust through transparent data usage policies, secure transaction systems, and endorsements while increasing familiarity through hands-on experiences, free trials, or AI-powered customer service tools.". It finally determines that a standard or certification on ethical AI usage must be built for policymakers and the industries as clarity in legislation may help consumers, thus eliminating concerns and increasing trust, eventually leading to the mainstreaming of AI technologies.

6. Conclusion:

The findings of the present study provide an all-round understanding of the relationship between AI-driven marketing techniques, consumer familiarity with AI, consumer trust in AI, and their combined influence on purchasing decisions. The findings reveal that AI-driven marketing techniques are very important for influencing consumer trust and, ultimately, for deciding purchases. It shows moderate to weak correlations and suggests a nuanced role of AI-driven marketing techniques. Although these strategies help build trust and influence purchases, it's clear that their effectiveness does not heavily rest upon consumers' familiarity with AI; other mechanisms, then, must be behind other trust-building mechanisms that marketing strategies would use.

This reflects the significant role that familiarity with AI plays in informing purchase decisions as well as trust; thus, both are strongly correlated. Familiarity with AI improves consumer confidence and is a direct link to higher purchase intent. Above all, the means of educating and engaging consumers toward AI is very important so that its impact maximally takes place across consumers. The interaction effect of familiarity and trust was evident as weaker but supplementary. That is, while the interplay between both factors does indeed make a difference in purchase-related decisions, their influences are stronger. This opens the possibility of marketers addressing familiarity and trust as distinct but interconnected dimensions in strategies to strengthen one while leveraging their combined effects on the other.

In conclusion, the study reveals that consumer behavior in the AI-driven marketing context is influenced by a complex interplay of trust, familiarity, and strategic marketing techniques. While AI-driven marketing techniques and consumer familiarity play independently significant roles in constructing trust and subsequent purchase decisions, the combined effect of understanding and trust is less pronounced. These insights are the basis for building more focused marketing strategies, which would be based on the approach of building trust and increasing consumer knowledge about AI technologies to enhance purchasing behavior.

7. Research Limitation and Future Research:

The current paper offers insights into the role that AI-driven marketing techniques, consumer familiarity, and trust play in influencing a decision to buy. There are some limitations to this study as well. Specifically, such research could be limited in scope to contexts, such as an industry or geographic region, which does not let the findings speak for other sectors or cultural settings. Future research could expand the scope by considering other industries and global markets to present a more comprehensive view of consumer behavior in the context of marketing with AI. The present study considers the interaction effect between familiarity and trust but does not take into consideration other

potential variables for moderation or mediation; therefore, consumer attitudes toward technology, perceived risks, or cultural differences would never be considered. Future studies may explore these factors to dig deeper into the intricacies of AI-driven environments regarding consumer decision-making.

This study centers around the effects of AI-based marketing, and it does not detail the categories or features of AI technologies implemented that might impact consumer behavior differently, for example, chatbots, recommendation systems, or predictive analytics. In future research, it is possible to compare the benefits of various AI applications and determine which type of these technologies have the most influence on trust creation and, consequently, on making a purchasing decision. Accordingly, future studies may find fertile ground on which to build and contribute to a holistic understanding of the impacts of AI-driven marketing on consumer behavior.

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