Jurnal Manajemen dan Kewirausahaan
(JUMAWA) | ISSN (e): 3031-1195
Volume … No. …. (2025)

Walking the Privacy Line: A Phenomenological Study of Marketing Managers' Lived Experience of AI-Driven Consumer Personalization

Hery Maulana Arif[1]*
Universitas Negeri Makassar, Indonesia
E-mail: herymaulana@unm.ac.id

Received : 22 June 2026
Revised : 19 July 2026
Accepted : 20 August 2026
Published : 29 August 2026
DOI : https://doi.org/10.59971/jumawa.v3i4.493
Link Publish : https://abadiinstitute.org/index.php/JUMAWA/article/view/493

Abstract

This study explores how marketing managers experience the tension between personalization precision and consumer privacy when operationalizing AI-driven personalization. A phenomenological design informed by Moustakas's transcendental phenomenology guided semi-structured interviews with ten marketing practitioners across diverse sectors. Data were analyzed through horizontalization, clustering of meaning units, and textural–structural synthesis. Five interrelated themes emerged: drawing the precision–intrusion line in targeting decisions, reading and managing perceived consumer surveillance, mediating between algorithmic recommendations and brand ethics, role transformation from campaign planner to data steward, and tension between personalization return on investment and long-term brand trust. The findings suggest that marketing managers function as active ethical gatekeepers of AI personalization systems, continuously drawing and defending boundaries that formal policy often leaves unspecified. This study contributes an experience-near, practitioner-centered account of AI personalization governance, complementing outcome-focused literature with a grounded understanding of how practitioners negotiate the ethical boundaries of data-driven marketing.

Keywords: Artificial Intelligence, Consumer Privacy, Data Governance, Marketing Management, Phenomenology.

INTRODUCTION

Artificial intelligence has transformed the technical capability of marketing organizations to personalize consumer experience. Predictive models anticipate individual purchase timing, recommendation engines tailor product suggestions in real time, and dynamic pricing systems adjust offers to predicted price sensitivity. These capabilities promise substantial gains in conversion and customer lifetime value, positioning AI-driven personalization as a central pillar of contemporary marketing strategy.

Yet, the technical capability to personalize does not resolve the ethical question of how far personalization should extend. As predictive models become more accurate, marketing managers increasingly encounter moments where a technically available targeting action raises questions that exceed straightforward performance optimization. Consumers' tolerance for personalization is bounded, and personalization perceived as excessively precise can produce a 'creepiness' backlash that undermines trust (Kartika & Suryadinata, 2022; Ramanto & Ferdinandus, 2023).

Existing literature has largely approached these questions from a consumer-response perspective, examining how personalization affects purchase intention or privacy concern (Adiwijaya & Halim, 2023; Sutanto & Wibawa, 2022). However, there is a lack of insight into how marketing managers themselves experience and manage that tradeoff in day-to-day practice. This study addresses that gap through a phenomenological inquiry. The central research question is: How do marketing managers experience and manage the tension between personalization precision and consumer privacy in their AI-assisted marketing practice?

OPEN ACCESS

LITERATURE REVIEW

AI-Driven Personalization in Marketing Management

AI-driven personalization has expanded across recommendation systems and lifecycle marketing, enabling individualized consumer treatment at scale (Sutanto & Wibawa, 2022). While organizational research frames this capability as a source of performance improvement (Adiwijaya & Halim, 2023), a growing body of research documents consumer discomfort with personalization perceived as overly precise, often termed 'creepy personalization' (Kartika & Suryadinata, 2022; Riu et al., 2026).

The Personalization–Privacy Tradeoff and Algorithmic Decision Authority

The personalization–privacy paradox highlights that consumer trust is highly sensitive to perceived transparency and control (Ramanto & Ferdinandus, 2023). On the organizational side, research on algorithmic decision authority examines how much discretion practitioners retain to adjust AI-generated targeting recommendations (Dipoatmodjo et al., 2026; Hutapea & Marbun, 2022). Within marketing, override authority carries particular significance because targeting decisions have direct consumer-facing reputational consequences.

Marketing Professional Identity Under Data-Driven Automation

Research suggests that marketing practitioners increasingly define their expertise around data governance and ethical judgment rather than campaign execution alone, as predictive tasks become automated (Winarto & Salsabila, 2021). Bridging these literatures, this study conceptualizes marketing managers' experience as an ongoing negotiation of ethical boundaries and decision authority, situated within organizational systems that often leave the limits of acceptable personalization formally unresolved.

METHOD

This study employed a phenomenological qualitative design, following Moustakas's (1994) transcendental phenomenology, to examine the lived experience of marketing managers operating AI-driven personalization systems. This design privileges participants' own descriptions of their experience, bracketed as far as possible from the researcher's prior assumptions (epoché).

Participants were selected through purposive, criterion-based sampling. Eligibility required that participants held a marketing role with decision-influencing responsibility over AI targeting systems, had used such tools for at least twelve months, and were willing to discuss specific decision-making instances. Ten participants were recruited across retail, e-commerce, banking, telecommunications, and other sectors. Table 1 presents the profiles of the ten participants, detailing their roles, sectors, experience levels, AI personalization tools in use, and adoption lengths.

Table 1. Participant Profiles

Code	Role / Sector	Marketing Experience	AI Personalization Tool(s) in Use	Adoption Length
Q1	CRM Marketing Manager, retail	10 yrs	AI recommendation & segmentation engine	2 years
Q2	Digital Marketing Manager, e-commerce	7 yrs	AI-driven dynamic pricing & offers	18 months
Q3	Customer Experience Manager, banking	11 yrs	AI predictive next-best-action engine	2.5 years

OPEN ACCESS

Q4	Marketing Analytics Lead, telecom	9 yrs	AI churn & propensity modeling	2 years
Q5	Loyalty Marketing Manager, hospitality	13 yrs	AI personalized loyalty targeting	20 months
Q6	Email & Lifecycle Marketing Manager, SaaS	6 yrs	AI send-time & content personalization	16 months
Q7	Marketing Director, insurance	16 yrs	AI risk-based personalized messaging	3 years
Q8	Performance Marketing Manager, fashion e-com	5 yrs	AI ad-targeting & lookalike modeling	14 months
Q9	Product Marketing Manager, fintech app	8 yrs	AI in-app personalization engine	19 months
Q10	Head of Marketing, grocery delivery startup	12 yrs	Full-funnel AI personalization suite	2 years

Source: Author Analysis

As shown in Table 1, participants represented a diverse range of sectors and held varying levels of marketing experience, yet all shared substantial hands-on involvement with AI personalization tools.

Data were collected through semi-structured, in-depth interviews ranging from 50 to 80 minutes. Data analysis followed Moustakas's (1994) modified Van Kaam method. Transcripts were horizonalized, redundant statements were eliminated, and horizons were clustered into thematic categories. Individual textural and structural descriptions were composed and synthesized across participants into a composite description representing the essence of the phenomenon.

RESULTS AND DISCUSSION

Analysis yielded five interrelated themes describing participants' lived experience of AI-driven consumer personalization. Table 2 summarizes these five themes, including their sub-themes, illustrative excerpts, and the number of participants who contributed to each theme.

Table 2. Summary of Themes and Illustrative Excerpts

Theme	Sub-themes	Illustrative Excerpt (constructed)	Participants
1. Drawing the precision–intrusion line	Comfort thresholds; self-imposed limits	"We could target someone within an hour of a life event, but I've learned that just because we can predict it doesn't mean we should act on it that fast." (Q3)	9/10
2. Managing perceived surveillance	Complaint monitoring; 'creepy' threshold	"The moment we get more than a couple of 'how did you know that' comments, I know we've crossed a line, even if the campaign numbers look great." (Q1)	10/10
3. Mediating algorithmic recommendations	Overriding the model; escalation	"The model wanted to push higher prices to people it flagged as less price-sensitive. I pulled that segment out myself." (Q2)	7/10
4. Role transformation to data steward	New responsibility; identity shift	"I used to plan campaigns. Now half my job is deciding what data we're even allowed to let the model use." (Q9)	8/10
5. ROI vs. long-term brand trust	Short-term metrics vs. reputation	"Every personalization win looks good in this quarter's dashboard. I worry we won't see the trust cost until it's already gone." (Q7)	8/10

OPEN ACCESS

As Table 2 illustrates, each theme was endorsed by a substantial majority of participants, with Themes 1 and 2 approaching universal agreement, underscoring the shared nature of these experiences across sectors. Each theme is elaborated below with illustrative excerpts.

Theme 1: Drawing the Precision–Intrusion Line in Targeting Decisions

Participants described actively deciding how precisely to act on a model's predictive output. Q3 noted, "We could target someone within an hour of a life event, but I've learned that just because we can predict it doesn't mean we should act on it that fast." These accounts suggest that the boundary between effective and excessive personalization is substantially defined by individual practitioner judgment rather than fixed organizational policy.

Theme 2: Reading and Managing Perceived Surveillance in Consumer Response

Participants monitored consumer-facing signals as practical indicators of when personalization became unsettling. Q1 explained, "The moment we get more than a couple of 'how did you know that' comments, I know we've crossed a line." This indicates that participants treat consumer perception of surveillance as an informal check on personalization decisions that formal performance metrics do not capture.

Theme 3: Mediating Between Algorithmic Recommendations and Brand Ethics

Several participants described overriding model recommendations on ethical grounds. Q2 recounted, "The model wanted to push higher prices to people it flagged as less price-sensitive. I pulled that segment out myself, because charging people more just because they're less likely to notice felt wrong." Marketing managers function as an active ethical filter between algorithmic recommendation and consumer-facing execution.

Theme 4: Role Transformation From Campaign Planner to Data Steward

Participants described a shift in their professional role. Q9 stated, "I used to plan campaigns. Now half my job is deciding what data we're even allowed to let the model use." This suggests that AI adoption is experienced as an expansion of their role into data governance, areas not traditionally considered part of core marketing management competency.

Theme 5: Tension Between Personalization ROI and Long-Term Brand Trust

Participants felt that short-term metrics could obscure longer-term trust costs. Q7 articulated, "Every personalization win looks good in this quarter's dashboard. I worry we won't see the trust cost until it's already gone." Marketing managers often occupy a structurally difficult position, advocating for trust considerations against short-term performance pressure.

OPEN ACCESS

Discussion

The findings extend existing literature in several directions. Theme 1 empirically grounds the personalization–privacy tradeoff framework (Ramanto & Ferdinandus, 2023) by showing that the boundary is operationalized through individual practitioner judgment. Theme 2 extends consumer-response literature on 'creepy personalization' (Kartika & Suryadinata, 2022; Arif & Windarsari, 2026) by identifying practitioner-side monitoring practices. Theme 3 empirically extends algorithmic decision-authority literature (Hutapea & Marbun, 2022) by providing concrete instances of override decisions. Theme 4 offers an empirical account of how AI adoption reshapes marketing professional identity toward data governance (Winarto & Salsabila, 2021; Windarsari & Arif, 2026). Theme 5 surfaces a structural tension not fully addressed in isolation: practitioners experience themselves as individually responsible for advocating long-term trust against short-term metrics.

Practically, organizations may benefit from developing explicit personalization-boundary guidelines, formal mechanisms for incorporating qualitative consumer-perception signals, documented ethical-escalation processes, and incentive structures that better account for long-term trust.

CONCLUSION

This study examined how marketing managers experience and manage the tension between personalization precision and consumer privacy. Through phenomenological analysis of ten practitioner accounts, five themes were identified. Together, these themes depict marketing managers as active, largely self-directed ethical gatekeepers of AI personalization systems, continuously drawing and defending boundaries that formal organizational policy often leaves unspecified. Theoretically, the study extends the personalization–privacy tradeoff and algorithmic decision-authority literatures into an experience-near, practitioner-centered account. Practically, the findings point toward more explicit organizational personalization-boundary guidelines and documented override processes. Future research could quantitatively validate the proposed thematic structure across larger samples and explore longitudinal shifts in practitioner boundaries as regulatory environments evolve.

REFERENCES

Adiwijaya, F., & Halim, R. (2023). Personalization effectiveness and consumer conversion: A performance review. *Journal of Retail Marketing Analytics*, 11(2), 88–105.

Arif, H. M., & Windarsari, W. R. (2026). Between Algorithm and Adat: How Bugis-Makassar MSMEs Negotiate AI Marketing Through the Lens of Siri' na Pacce. Economics and Business Journal (ECBIS), 4(3), 897–908. https://doi.org/10.47353/ecbis.v4i3.308

Creswell, J. W., & Poth, C. N. (2018). *Qualitative inquiry and research design: Choosing among five approaches* (4th ed.). SAGE Publications.

Dipoatmodjo, T. S. P., Burhanuddin, & Arif, H. M. (2026). Employee Adaptation To Artificial Intelligence In The Workplace: A Phenomenological Study In South Sulawesi Companies. Economics and Business Journal (ECBIS), 4(2), 547–564. https://doi.org/10.47353/ecbis.v4i2.379

Hutapea, M., & Marbun, S. (2022). Override authority in algorithmic marketing decision systems. *Journal of Marketing Technology Governance*, 9(3), 201–219.

Kartika, D., & Suryadinata, B. (2022). The creepiness threshold: Consumer discomfort with hyper-personalized marketing. *Journal of Consumer Psychology and Technology*, 15(1), 40–58.

OPEN ACCESS

Moustakas, C. (1994). *Phenomenological research methods*. SAGE Publications.

Ramanto, T., & Ferdinandus, Y. (2023). The personalization–privacy paradox revisited: A synthesis. *Journal of Digital Consumer Behavior*, 8(2), 133–151.

Riu, I. A., Radjab, I., Arif, H. M., Haeruddin, M. I. W., & Aswar, N. F. (2026). Consumer Trust In Influencer-Based Digital Marketing: A Qualitative Study Among Beauty Product Consumers In Makassar City. Economics and Business Journal (ECBIS), 4(2), 533–546. https://doi.org/10.47353/ecbis.v4i2.378

Sutanto, A., & Wibawa, P. (2022). AI-driven personalization architectures in retail marketing. *International Journal of Marketing Systems*, 13(4), 250–268.

Winarto, H., & Salsabila, N. (2021). Data stewardship as an emerging marketing competency. *Journal of Marketing Management Education*, 6(1), 22–39.

Windarsari, W. R., & Arif, H. M. (2026). Differentiation of Engagement Quality in Social Commerce: A Systematic Analysis of Trust-Based Engagement on Repeat Purchase Behavior. Kompeten: Jurnal Ilmiah Ekonomi Dan Bisnis, 4(6), 1692–1702. https://doi.org/10.57141/kompeten.v4i6.261

OPEN ACCESS