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Topic

**The Role of AI-Driven Personalization in Enhancing Customer Experience in
Luxury Fashion E-Commerce**

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1. Introduction

1.1 Background of the Study

Over the past number of years, the luxury fashion Industry has shifted radically as more consumers are interacting with the luxury brands online. Physical retail, personal service, exclusivity, hand-craftsmanship, and emotional brand telling are traditional aspects of luxury shopping. But luxury fashion brands must present the same sentiments on the internet (Rokeeb, Dora and Owolabi, 2026).

Personalization has emerged as a significant tactic in online shopping. It may comprise custom product suggestions, personalized e-mails, adaptable web interfaces, online fashioning devices, custom product choices, and co-creation areas where people can tailor or modify clothes (Casaca and Miguel, 2024). These tools can make online shopping more meaningful and enjoyable by creating a personalised experience that reflects individual preferences, reduces search effort, increases customer satisfaction, and strengthens emotional connections between consumers and luxury fashion brands (Casaca and Miguel, 2024).

1.2 Research Aim

The aim of this research is to explore how AI-driven personalization influences the online customer experience of luxury fashion consumers, particularly in terms of customer satisfaction, perceived exclusivity, and consumer trust in luxury fashion e-commerce.

1.3 Research Objectives

1. To explore how luxury fashion consumers experience AI-driven personalization in online shopping.
2. To examine how AI-driven personalized recommendations influence customer satisfaction during the online luxury shopping experience.
3. To investigate how AI-driven personalization influences consumers' perceptions of exclusivity in luxury fashion e-commerce.

4. To explore how the use of customer data for AI-driven personalization influences consumer trust in luxury fashion e-commerce.

1.4 Research Questions

1. How do luxury fashion consumers experience AI-driven personalization in online shopping?
2. How do AI-driven personalized recommendations influence customer satisfaction during the online luxury shopping experience?
3. How does AI-driven personalization influence consumers' perceptions of exclusivity in luxury fashion e-commerce?
4. How does the use of customer data for AI-driven personalization influence consumer trust in luxury fashion e-commerce?

2. Literature Review

2.1 Customer experience of luxury e-commerce

Customer experience is a way of thinking, feeling and responding of customers engaging with a brand in various touch points. According to Gao, Melero-Polo and Sese (2025), the service interface and the retail environment, brand image, price, social environment, and past experiences determine customer experience. Lemon and Verhoff (2016) also emphasize that customer experience must be analysed throughout the customer journey including before purchase, purchase and after sale.

Luxury fashion brands must pay growing attention to e-commerce since customers are now demanding convenience and ease of access, personalised communication, and smooth online services. Luxury brands can use online sources to access consumers abroad, have a broader curve of products and be in constant contact with the consumers (Lindecrantz, Gi and Zerbi, 2020).

Nonetheless, luxury fashion online shopping poses a significant challenge. The traditionally considered luxury value revolves around the ideas of rarity, prestige, limited distribution, and exclusive access. According to Ranfagni and Ozuem (2022), the greater the accessibility of the online platform, the less exclusivity linked to the luxury brands. Consequently, digital accessibility

and high-quality presentation, together with controlled customer experiences, are the two things that brands have to strike a balance between. It is also proposed by Bleier, De Keyser and Verleye (2018) that engaging with the customers is an aspect that can be enhanced through personalisation, but it should be delicately done without diminishing trust, privacy, and perceived exclusivity.

2.2 AI-Driven Personalization in Luxury Fashion E-Commerce

AI-powered personalisation consists of leveraging artificial intelligence technology like machine learning and predictive analytics to make use of customer data and tailor a shopping experience to each individual's tastes, browsing habits and purchasing history. In the luxury fashion sector of online commerce, AI personalisation seeks to emulate the tailored and distinctive experiences of brick-and-mortar stores in the virtual realm (Mittameedi and Dogra, 2026).

AI is increasingly employed by luxury fashion companies to offer their customers personalised suggestions through their products, virtual fashion agents, personalised homepage content and web targeting. Gucci has incorporated artificial intelligence (AI) suggestions and virtual clienteling to help offer customers personalised product suggestions and to involve them more in their shopping experiences, whereas Louis Vuitton has introduced AI and digital clienteling tools to drive personalised shopping experiences throughout its online platforms (Lindecrantz, Gi and Zerbi, 2020; Song and Bonanni, 2024). These technologies also boost customer satisfaction by providing the right recommendations about products while upholding the high image customers have of the brand. Mittameedi and Dogra (2026) identify four key dimensions of AI-powered customer experiences: personalisation, trust, customer outcomes and service quality.

However, while AI-powered personalisation offers numerous advantages, there are also concerns about data privacy and the amount of personal data being collected. Customers might like personalised suggestions but may be wary about the process of the collection and use of their data. The authors Lemon and Verhoef (2016) state that the experience occurs through a number of digital touch points and that luxury fashion brands need to use the data to build trust, maintain luxury appeal and prevent it from becoming too intrusive and too automated.

2.3 AI-Enabled Product Customization in Luxury Fashion E-commerce

AI personalisation in luxury fashion takes a step up from just creating personalised recommendations to enhancing product customisation with AI. Customers can use online channels to enhance products according to their own tastes and preferences, giving them the opportunity to choose colours, textiles, design and size to personalise the product to their needs. By empowering customers to be part of the design process, online garment customisation can lead to increased customer engagement and confidence in purchasing decisions, says Zhan and Sheldrick (2024). Luxury fashion offers even greater benefit from AI technologies by analysing customer preferences for further enhanced suggestions or configurations in design. AI customisation is not about negating craftsmanship, but it's about making products feel more personalised with the luxury feeling that they are still exclusive. According to Chapman and Dilmperi (2022) interactive digital experiences can reinforce the customer-brand relationship in the context of personalised creation of value. In this regard, product personalisation with AI is an essential component for bringing personalisation into luxury fashion online, enriching the overall user experience.

2.4 Personalization, Perceived Exclusivity and Customer Satisfaction

The value of luxury fashion is more than just the cost. It is also a display of individuality, social status, emotional connotation, product quality and personal identity. According to Benddalle (2021), the perception of luxury value incorporates conspicuous, unique, social, emotional, and quality-related aspects. In the same case, Gao, Melero-Polo and Sese (2025) distinguish between financial, functional, individual, and social aspects of luxury value.

Perceived exclusivity, in the context of e-commerce of luxury fashion items, can be enhanced by addressing the issue of personalisation carefully. Customised homepages, styling suggestions they have personally chosen on, first access to style collections, invitation-only services may also make customers feel personally identified. The experiences replicate attention usually offered in physical beauty stores. Emotional attachment and customer satisfaction can be enhanced by this sense of recognition (Lindecrantz, Gi and Zerbi, 2020).

2.5 Information use, information security and trust

Personalization requires information. Luxury online retailers can utilize browsing information, buying history, wish list actions, location, size information and preference of fashion. This has the

potential of increasing relevancy but triggers privacy concern. Riegger et al. (2022) found out that customers respond positively to personalization when there is an appreciation of information gathering and other trust-building factors. This translates that transparency is important.

Privacy is not an issue that is limited to the law to luxury customers. It is a part of the luxurious experience. A premium customer would also need the brand to know his or her preferences, and protect his or her personal information (Khan, Akter and Kalam, 2020).

2.6 Research Gap

Prior studies indicate that personalization mechanism driven by artificial intelligence is likely to deliver good customer experience in online retailing through personalization recommendation, service quality, satisfaction and engagement mechanisms (Mittameedi and Dogra, 2026; Song and Bonanni, 2024). The same applies to any other studies that have addressed the concept of perceived exclusivity, the concept of trust and the topic of privacy concerns in the luxury fashion e-commerce context (Lemon and Verhoef, 2016; Riegger et al., 2022). These ideas are seldom studied together, though and limited research examines how these aspects of personalization of experiences—customer satisfaction, exclusion and consumer trust—are affected by the presence of AI in the field of luxury fashion e-commerce. In addition, the existing studies are largely quantitative giving less insight into consumers' lived experiences and perceptions. To fill these gaps, this study adopted the qualitative approach through a series of semi-structured interviews with luxury fashion customers to understand how personalization based on AI influences customers' online shopping behaviors. The results will enhance consumer perceptions and looks to provide hands-on guidance for luxury fashion houses looking to create more personalized digital experiences without compromising luxury or consumer trust.

3. Methodology

3.1 Research Approach

This study will use a qualitative research approach. A qualitative study is appropriate as the researcher seeks to learn how customers feel, what they mean, their opinion and experience. Numerical relationships are not tested in the research. Rather, it seeks to understand the way customers describe their experience of personalization in luxury fashion online stores. (Tenny, Brannan and Brannan, 2022)

3.2 Research Design

The exploration will be based on the exploratory qualitative design of the study. This is suitable since the trend is yet to evolve particularly in the area of AI-driven personalization and luxury fashion e-commerce. The study will provide or gather primary data by use of semi-structured interviews.

The type of interview best suited is the semi-structured forms of the interviews since the researcher can pose pre-structured questions and give the participants room to elaborate their own opinions (Naeem et al., 2025).

3.3 Sampling Strategy

The purposive sampling will be employed in the study. The subjects are going to be chosen due to their experience with online luxury fashion shopping. The sample size is going to be 15 participants. This amount is not too small to be appropriate in a qualitative dissertation since it will help to specify the data gathered in interviews yet will not be excessive in terms of data management and will not overburden the project schedule (Prior et al., 2020).

The participant criteria proposed are:

- adults 18 years and older;
- people that have bought or seriously shopped luxury fashion products online in the past 12 months;
- knowledge of e-commerce websites in luxury fashion or brand websites;

- quality of being ready to talk about personalization, customization, privacy, and online shopping experience.

A brief screening questionnaire will precede the interviews to assure that only appropriate participants are seated for the interviews. Participants should be asked about their age, how their online shopping experience has been lately, experience with AI-driven personalization (product recommendations, personalized content etc.), and if they wish to take part of an interview lasting 30-45 minutes. Those who meet all the inclusion/exclusion criteria will be invited to participate in the study.

3.4 Data collection method

The data will be gathered by conducting semi structured one-on-one interviews with 15 respondents who had the experience buying luxury fashion products online. The semi-structured interviews have been considered as suitable since they introduce the same set of questions but give the participants the ability to elaborate on their experiences and opinions as well as concerns in their own words.

The duration of each interview will be about 30-45 minutes. The interviews will be held online via Microsoft Teams, Zoom or Google Meet, depending upon the participant choice and accessibility. Participants will be informed in an information sheet prior to each interview about the purpose of the study, how the interviews will be conducted, the levels of confidentiality and the right to withdraw.

Interviews will be recorded where the permission of the participants is taken so that the responses of the participants are captured without errors. Short field notes will be also made by the researcher who will jot down important observations, key points, and new ideas. Each interview will be transcribed using audio recordings after the interviews. The transcripts will be depersonalized, removing names and other details such as contact information and replacing them with codes of the participants.

The Semi-structured Interview Questions will be structured under four headings which are related to each of the research objectives and research questions.

Section 1: Background and Online Luxury Shopping Experience (RQ1 / RO1)

- The participant's experience in the purchase of luxury fashion products online.
- Brands that are in the luxury style of fashion and e-commerce platforms that they have used.
- Attitudes towards luxury shopping online and customers' experiences.

Section 2: Experience with AI-Driven Personalisation (RQ1 & RQ2 / RO1 & RO2)

- Tangible experiences with anchored product recommendations via AI.
- Knowledge of some types of individualised content on their homepage, virtual styling tricks, and individualised marketing messages.
- Whether personalisation, driven by AI, assists them in discovering products that are in line with their demands and preferences when purchasing.
- The impact on overall satisfaction with the online shopping experience of using AI personalisation.

Section-3: AI Personalisation & Luxury Brand Experience (RQ3 / RO3)

- The Impact of AI Personalisation on Them 'Exclusive Luxury Fashion' Perceptions. The impact of AI personalisation on 'Exclusive Luxury Fashion' perceptions.
- In conclusion, whether customised digital experiences add to the perception of authenticity, quality service and build the luxury brand experience.
- Opinions on the effect that AI personalisation has on the uniqueness of luxury brands.

Section 4: Privacy, Trust, and Future Improvements (RQ4 / RO4)

- Issues around collection of customer data, tracking their behaviour, privacy and feeling overly personalised.
- Attitudes of luxury fashion brands about transparency and responsible handling of customer data.
- The effect of AI-driven personalisation on luxury fashion online shopping.
- Recommendations to enhance the quality of personalisation in AI without compromising customer satisfaction or the appeal of luxury brands to fashion enthusiasts.

3.5 Data analysis

The thematic analysis will be employed to analyse the data collected in the interviews. According to Ahmed et al. (2025), thematic analysis is a loose process that includes identifying, analysing and reporting patterns in qualitative data. Such a strategy is suitable since it would enable the researcher to study the experience of participants of AI-based personalisation in the luxury fashion e-commerce.

NVivo qualitative data analysis software will be used to organise, code, and manage the interview transcripts. Upon transcription, each anonymised transcript will then be imported into NVivo. The software will help with systematic coding, comparison of participants, extraction of relevant extracts and creation of overarching themes. Nevertheless, the researcher will still be held accountable in the interpretation of the data and establishment of the meaning of every theme.

Six stages will be involved in the analysis (Braun and Clarke, 2006):

1. Repeatedly reading the interview transcripts to get familiar with the data.
2. Devising baseline codes to pertinent statements and experiences.
3. Sorting similar codes in a collection of potential themes and subthemes.
4. Checking the themes with the coded extracts and dataset.
5. Making final themes clear and naming them.
6. Discussing the results concerning the research questions and literature.

3.6 Ethical considerations

Moral questions will be taken into account. An information sheet will be given to the participants to inform them about the reason why the study was conducted. They will be informed to sign a consent prior to participation (Manti and Licari, 2018). Study will be voluntary, and the participants will have the right to withdraw by the time data analysis will be performed. All personal data will be kept confidential.

4. Expected Findings

It is envisaged that the study will yield results that luxury fashion e-commerce experience would be better when it is perceived to be relevant, subtle, and high quality. Participants can refer to customized product suggestions as helpful when they fit their taste, size, previous purchases, or occasion requirements (Prior et al., 2020).

Online customization and co-creation spaces also may turn out to be preferable in the study, as customers will feel more engaged with the garment. A customized or personalized luxury item will seem more valuable since it will be mirroring the identity of a customer (Batoool and Mou, 2023). Nevertheless, the results could also demonstrate that the customers want the luxury brand to retain the control of design.

The other anticipated result is that personalization may be used to facilitate exclusivity in case it is associated with privatization, customized recommendations, personal styling, or invitation-only services.

5. Limitations

This research will be limited to certain an extent. To begin with, the number of the participants will be constrained to 15. This is appropriate in qualitative research and the results cannot be applied to all the luxury fashion customers. Secondly, the level of luxury shopping experience might vary among participants, potentially influencing their perceptions. Third, the investigation will be based on self-reported interview information, thus the answers can be due to memory or individual prejudice. Another limitation is that the study will focus on customer views only.

6. Timeframe

Research Activity	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12
Finalise dissertation topic, aim, objectives and research questions												
Develop and refine proposal structure												
Conduct detailed literature review												
Prepare interview questions and ethics documents												
Recruit 15 interview participants												
Conduct semi-structured interviews												
Transcribe interview data												
Conduct thematic analysis												
Write findings and discussion sections												
Complete full dissertation draft												
Proofread, edit and format dissertation												
Final review and submission												

7. Conclusion

The proposed dissertation examines how the concept of personalization can be relevant in improving customer experience within the e-commerce sector of luxury fashion. The reason why the subject is significant is that luxury brands today have to deliver a potent online experience without jeopardizing exclusivity, prestige, and emotional values. Personalization can go a long way in assisting luxury e-retailers to formulate more meaningful and fulfilling customer experiences, yet can reach the points of danger regarding privacy, over-automation, and loss of luxury aura.

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