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IMPACT OF BEHAVIOURAL PREDICTING AI TOOLS IN DIGITAL FASHION RETAIL MARKETING. TARGETING, RE-TARGETING, HYPER-TARGETING!

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ABSTRACT

The global fashion retail industry is in process of transformation like never before, and it is powered by Artificial Intelligence (AI). The study examines the complex role of AI in behavioral predictive targeting, re-targeting and hyper targeting in digital marketing within the fashion retail business through the prism of two different perspectives: industry professionals and customers. The study used a mixed-method, cross-sectional survey design, which enabled the researcher to gather data on 500 Pakistani fashion retail professionals and 500 Pakistani fashion retail customers using a structured questionnaire. The data analysis, which is based on descriptive statistics, is conducted in SPSS and discusses the adoption of AI, perceived benefits, and challenges, accepting such benefits as product recommendations and visual search. The article also recognizes such major challenges as data privacy issues, high implementation prices, and the ethical issues of AI bias, and also presents the customer experience of AI-generated features and advertising platforms. Thus, the results indicate that there is a general opinion among the industry experts that AI is strategically essential, especially in product the recommendation, targeting, visual search, as well as predictive audience development.

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INTRODUCTION

You look something on the internet, and you get to see similar product or service advertisements on social media platforms on the search engines, you discuss something even when your phone screen is turned off, you see similar advertisements and posts. That is the strength of new AI smart tools and algorithms, which identify keywords, forecast your behavioral patterns & what you might require,

which is re-targeting and hyper targeting. Still, global fashion retail market, which has hitherto been forced into whims of seasonal cycles and subjective whims of creative director, is experiencing its most dramatic and rapid change in a century. The textile or design philosophy that should lead to this epochal change is non-existent; it is an invisible intelligent force: Artificial Intelligence (AI). Being pushed to the sphere of science fiction and scholarly studies, AI has become the brain of contemporary business, infiltrating all the aspects of fashion value chain. It is basically re-inventing the connection between brands and consumers as it shifts the industry off a mass production and broadcast marketing legacy model, and into a new reality of hyper-personalized, data-driven and predictive engagement. The ubiquitous nature of AI is no longer luxury item to pursue competitive advantage; it has become a necessity to survive and thrive in an environment that is digitally native and hyper competitive in global marketplace. (Sharma, 2023). According to report (Simon, 2025), 117 million internet users by the end of 2025, of which approximately 53 million are also said to be e-commerce users in Pakistan, is certainly a large market size to see the effect of AI driven digital marketing tools.

LITERATURE REVIEW

The fashion retailing business, which has traditionally been season-based, creatively inspired and experience of physical stores, is experiencing a radical and accelerated change. The catalyst of this paradigm shift is the ubiquitous adoption of artificial intelligence that is no longer a hypothetical notion but a cornerstone of contemporary business. The analyses of industries and scholarly studies incessantly highlight potential value creation the AI has. PwC (PricewaterhouseCoopers) provides an extensive report that AI may bring up to 15.7 trillion to the world economy by 2030 (PWC, 2017), and this would have a significant effect on retail and consumer goods sectors. This can be translated into concrete financial goodwill of businesses that adopt AI. Mostly, in the field of fashion, Gartner forecasts that in 2025, 80% of retailers will have implemented some type of personalization using AI, and the revenue of retailers who do so successfully will increase on average by 10% (Lien, 2022). It has mainly impressive effect on demand forecasting & inventory optimization. Now, AI algorithms able to handle enormous datasets such as past sales, competitor prices, social media trends, local demographics, even local weather forecasts, are able to predict consumer demand as never before (Pillarisetty, 2022).

This was a direct response to the estimated sales operation of between 150 billion to 100+ billion a year, which helped to reduce the stockouts and surplus inventory. As an example, according to the director of innovation, Zara (Inditex) has used AI-driven insights to reduce up to 20% in stockouts of popular products which has had a direct effect on sales sustainability and lost revenue (Aftab, 2018). Likewise, the Head of AI at the H&M Group, Artur Poltavski, has also said that AI demand forecasting has helped H&M group to streamline inventory levels, resulting in a 15% decrease in stock-outs and improved profit margins in their extensive product line-up (Galica, 2022). Adidas, with €22.5 billion in revenue (2022), has publicly stated that AI-driven prediction models have improved their ability to match product supply with global demand, contributing to healthier sell-through rates and avoiding markdown situations (Jamil, 2022). Thus, Uniqlo (Fast Retailing), with revenues of the JPY (Japanese Yen) 2.3 trillion (2023), leverages AI for the hyper-localized demand

forecasting, which their CEO, Tadashi Yanai, stated has been critical to their operational efficiency and minimizing the waste, ensuring products are available where and when the customers want them (Su, 2022).

Moreover, AI's role in personalizing the customer experience has become indispensable for driving engagement and sales. Epsilon (Epsilon, a global advertising and marketing technology company known for expertise in data-driven personalized marketing research shows that 80% of consumers are more likely to make a purchase when brands offer personalized experiences. (Yeole, 2024). AI-powered recommendation engines, virtual try-on technologies, and tailored marketing campaigns are now standard for leading retailers. ASOS, a UK-based online fashion giant with £3.9 billion in revenue (FY, 2021), attributes a significant portion of its customer lifetime value to its sophisticated AI-driven personalization engine. The former chief commercial officer, Jo Osborne, (Ganesh, 2012), indicated that AI-generated product recommendations alone led to a 15-20% increase in average value for engaged customers. In luxury segment, brands like Burberry use AI to analyze customer data, offer individualized styling advice, product recommendations, supporting their £3.094 billion revenue (Sayğılı, 2006). Their former VP of digital innovation noted that AI-powered clienteling tools helped boost engagement with high-value clients, leading to 7% increase in repeat purchases from these segments.

LVMH, reporting €79.2 billion in revenue in 2022, is using AI for customer segmentation, with its Chief Digital Officer stating that AI-driven insights have led to a 10% uplift in conversion rates for targeted luxury marketing campaigns (Donzé, 2020). Nike venture in AI-driven personalization for its SNKRS app has led to reported double-digit percentage increases in engagement and sales for exclusive product drops, as acknowledged by Nike's digital leadership. (Chen, 2024). Farfetch, (Mekkaoui, 2022) The luxury online platform has its chief commercial officer, Luis Teixeira (Simon, 2024), stating that AI-powered visual search has led to a 25% increase in conversion rates for users who engage with the feature, directly impacting their GMV of $4.1 billion (2021). Zalando's (Araújo, 2023), Co-CEO has mentioned that AI-driven personalized recommendations are responsible for a 5-8% increase in overall conversion rates on platform, contributing to their €10.3 billion revenue (2022). Stitch Fix, reporting $2.1 billion in revenue in 2021, depends on AI to personalize clothing boxes (Lee, 2021). Their algorithms officer has publicly shared that AI-driven styling algorithms achieve a client retention rate up to 50% higher than traditional methods, impacting subscription-based sales model.

Levi Strauss and Co., with net revenues of $6.2 billion in fiscal year 2022, is leveraging AI for dynamic pricing and assortment planning (Strauss, 2023). Their Chief Strategy Officer noted that AI has helped optimize product mix, leading to a 3-5% increase in full-price sales in key categories. In addition to passive personalization, AI is being used in interactive applications that proactively influence the shopping experience of customer (FY, 2021). Their product team wrote that customers who engage in visual search are 30% more likely to be engaged and 2x more likely to purchase, which directly translates visual inspiration into sales (Sun, 2005). Through its 65m FB users, 22.5m Instagram users, 80m users of the Tik Tok, 41m Snap chat users, its Google chrome is the most used browser in the entire vibrant Pakistani fashion retail environment where 110 million by 2025 were

social media users, and 54.3m (million) YouTube users, 101m F (Simon, 2025). Artificial intelligence is also producing significant gains. One player of the local retail economy, Outfitters, has already incorporated AI into their digital marketing, with leader of their E-commerce segment reporting that AI-driven personalized email campaigns have increased open rates by 10-15 percent and click -through rates by 5 percent, causing an observable boost in online sales during promotional times (Evangelista, 2019).

Khaadi is a major Pakistani fashion brand, and their Director of Digital Transformation recently reported that their preliminary AI pilot projects in demand forecasting have already demonstrated a 7-10% increase in prediction of seasonal demand on their more popular collections, which helps to plan production and abate unsold inventory (Varghese, 2019). Another high-profile Pakistani apparel company, Limelight, is applying AI to targeted social media advertising, and marketing manager there stated that the use of AI to segment audiences upon places such as Facebook and Instagram has yielded a 15-20% better return on ad spend (ROAS) relative to traditional targeting, direct cause of online sales (Chen, 2023; Javed, 2014). This is an iconic textile and fashion company in Pakistan that is applying AI to enhance the efficiency of its supply chain. Furthermore, J. Junaid Jamshed (JJ), a well-known ethnic wear brand in Pakistan, has recently used AI-powered chatbots in its webpage and social media platforms. According to their Digital Marketing Head, these AI chatbots have reduced customer service response time by 40% and have been directly associated with a 3% rise in online conversion rates as a result of direct query answers and customer-focused service (Azhar, 2011).

Social Media Platforms & AI's Influence on Fashion Sales

The sheer existence of key social media platforms is strong indicator of how AI affects performance of brands within fashion retail sector, namely, complex advertising and content delivery systems offered by them.

Meta (Facebook & Instagram): The AI of Meta is good at discovery-based and behavioral targeting. Its main strength is that it has a huge repository of user data on areas of interest, social relationship and lifestyle. The AI-driven features of the platform, like "Lookalike Audiences" and "Advantage+ shopping campaigns" enable the advertisers to identify new clients based on similarities with their high-value clientele. According to the Q4 2023, (Ahmed, 2025), earnings report released by Meta, advertisers using Advantage+ shopping campaigns noted an average 12% cost per acquisition increase and a high rate of return on ad spend (ROAS), which was in most cases over 20 percent in fashion retailers. In case of fashion brands, specifically, AI-based discovery functions of Instagram (Explore page, Reels suggestions) have increased the click-through rates of fashion advertisements by 20-30% relative to non-AI targeting methods, as per the Meta Business insights. Product tag clicks, translate interest into traffic to product pages, have also increased by 18-25 among fashion brands using Instagram shopping capabilities powered by AI. The real-time optimization of ad creative and placement which is made possible by AI makes sure that fashion content is displayed to the users most likely to be interested and buy it thus making the marketing spend as efficient as possible (Moon, 2022).

Google Ads: The AI at Google has always been based upon user intent, which is mostly its search engine. It attracts customers that are actively seeking a product. With the launch of Performance Max (PMax) though, Google has shifted to a more comprehensive, AI-based model that automatizes the process of targeting, bidding, and creative delivery on all its properties. The case studies are conducted by Google themselves report that fashion companies utilizing such AI solutions have experienced an average 15% boost in the conversion value with the same budget and their own advertising solutions division has reported up to 20% higher click-through rates (CTR) on their own Shopping ads when using AI-optimized campaigns. Besides, AI-based Smart Bidding approaches have been said to enhance ROAS by 10-15 percent of fashion retailers by optimizing bids to achieve particular conversion targets. The AI is also used to improve visual search in Google Shopping, enabling its users to locate fashion items by looking at the picture, and Google claims that these features result in a 35 percent increase in purchase intention among those who engage with them (Jamil, 2022).

TikTok: The algorithm of TikTok works according to another paradigm, as the priority is given to the engagement and entertainment quality of the content rather than the social graph of a user or their declared interests. Known for its highly sophisticated AI recommendation engine, TikTok's "For You Page" drives immense virality & discovery for fashion brands. TikTok has reported that campaigns utilizing their AI-driven ad solutions see 2x higher engagement rates and a measurable increase in purchase intent. Brands using TikTok's Spark Ads (boosting organic content), other AI-optimized ad formats often attribute a 20-40% increase in traffic and conversions during campaigns, as noted in business case studies, with success in driving sales among Gen Z and millennial audiences. The AI finds sluing sounds, visuals, themes, aiding fashion brands to quickly create content that resonates, leading to rapid brand awareness and product virality that translates into significant sales spikes (Chen, 2023).

YouTube: Visual marketing on the internet using AI-based video suggestions on YouTube exposes users to the fashion and advertisements, which offer a potent platform. The use of YouTube AI-optimized campaigns to show ads to a particular demographic of viewers based on interests leads to an increase in both the view-through rate of ads and the conversion rate of companion banners, which result in the product pages. One of the YouTube advertising executives stated that fashion campaigns that use their AI targeting usually experience the 10-15 percent increase in the brand awareness and purchase intent and video ad conversion can rise by 5-8 percent since they can precisely match their audience based on their viewing patterns and interests. There are also AI-powered dynamic product ads in the YouTube, which present the products observed on the brand website right in the content of the relevant video, resulting in increased retargeting effectiveness (Chen, 2024).

RESEARCH METHODOLOGY

This research adopted a quantitative and mixed-method approach to investigate the impact of Artificial Intelligence (AI) on the fashion retail business from two distinct perspectives: the industry and its customers. The critical importance of this investigation is underscored by the immense scale of the global fashion retail market. A cross-sectional survey design was employed, utilizing two

separate, structured questionnaires to collect the data from the sample of Pakistani fashion retail professionals and fashion retail customers, respectively. In this linking, the study aimed to provide comprehensive understanding of AI's influence, encompassing its adoption, perceived benefits, and challenges within this high-stakes industry, as well as its direct impact on the customer experience. (Goti, 2023).

Design & Sampling

The study utilized a descriptive research design. Descriptive analysis was employed to characterize the current state of AI adoption and perceptions among fashion retail professionals, as well as to understand customer awareness, preferences, and experiences with AI-powered features in fashion retail. The study involved 2 distinct groups of participants, fashion retail customers and professional form Pakistan;

Industry Professionals: The target population consisted of the people working in the fashion retail section within Pakistan, and it included the store managers, marketing professionals, e-commerce specialists, supply chain managers and executives that engaged in the strategic decision-making. In this connection, the sample to be given to industry professionals was the final sample of 500 valid responses in study.

Fashion Retail Customers: The target group comprised of people of Pakistan who have a regular shopping experience in fashion products and have experience with online or in-store shopping of fashion brands and has consistent experience of seeing ads showing fashion brands on social media. Participants were recruited using non-probability sampling, convenience sampling, with help of online panels, social media and direct recruitment. The sample of customers was 500 valid responses in the end. It was decided that the sample size of each group should be at least 500 to provide strong descriptive statistics.

Data Collection Instrument

Questionnaire 1: For Industry Professionals

The industry professional questionnaire, which was created based on a thorough literature review on the adoption of AI, retail technology, and business impact, included demographic information such as age, gender, job position, experience, and the type/size of organization. It evaluated the use and awareness of AI in organizations, spanning across different applications and implementation phases. The perceived benefits of AI in domains of operational efficiency, customer engagement, sales growth, cost reduction, and competitive advantage were also measured with the instrument, and issues such as data quality, technical expertise, cost, ethical concerns, and resistance to change were also investigated.

Questionnaire 2: For Fashion Retail Customers

The customer survey included demographic data, such as age, gender, how often they purchase fashion, and their favorite shopping outlets. It gauged the awareness of the customers regarding the AI-based features lie customized recommendations, virtual try-on, chatbots, and size prediction tools. The next section of questionnaire focused on their experience using certain AI applications,

and their satisfaction and perceived usefulness were measured using a Likert scale. In this linking, it further discussed that how AI tools functions and impacted the shopping behaviour, satisfaction, brand loyalty, and shopping experience and addressed the issue of privacy, data security as well as algorithm bias.

Data Analysis

All the data gathered were coded and introduced in the Statistical Packages of Social Sciences (SPSS) software to be analyzed. Since the given study is descriptive one, the analysis was mainly devoted to the summary of the features of the data. Frequencies and Percentages: It will be used to provide a summary of the demographic attributes of the two samples and to provide information on the prevalence of AI adoption, awareness together with the usage trends in the industry, and among the customers.

Cronbach's Alpha (α), For data reliability Cronbach Alpha is applied that can be used to gauge internal consistency, so that the various items are able to reliably gauge the same construct. Means and Standard Deviations: Computerized to Likert scale items to provide summary of perceptions of the participants in relation to the benefits of AI, challenges, effects on customer experience, level of satisfaction, and concerns. This is used to analyses how often responses of one variable occur within the categories of another variable (e.g. the higher the level of AI awareness among the customers of different age groups, or more the perceived benefits among the customers in different types of the retail organizations).

RESULTS OF STUDY

The dynamic developments in Artificial Intelligence (AI) have caused a disruptive tsunami in the world of industries, and fashion retail is no different. In this chapter, I will develop an in-depth data analysis to understand the multi-dimensional effect of AI on fashion retail businesses. This research project will use SPSS statistical software to extract important trends, correlations, and predictive knowledge using the powerful dataset. The following paragraphs will provide a description of the chosen methodologies, and then the findings will be discussed in detail, which will illuminate the effect of AI integration on the efficiency of operations, customer relations, and, finally, profitability of the fashion retailing enterprises. This critical examination will seek to offer a better perspective of the present situation as well as dynamic direction that AI will take in defining the fashion retail business model.

Reliability Analysis

Cronbach alpha was used to determine the reliability of the data used in this research. In the case of primary data, the acceptable value of Cronbach alpha is above 0.7, which shows that the data is acceptable and can be further analyzed. The values of alpha of the Cronbach of the dependent and independent variables will be analyzed in the next section.

Table 1 Cronbach Alpha for Questionnaire for Industry Professionals

Alpha Value	N (No. of Questions)
0.756	11

The reliability analysis for the professionals' construct is based on eleven questions. The calculated the Cronbach's alpha value is 0.756, which exceeds the standard threshold of 0.70, indicating a satisfactory level of internal consistency. This suggests that all questions are reliable for measuring required impact.

Table 2 Cronbach Alpha for Questionnaire for Fashion Retail Customers

Alpha Value	N (No. Of Questions)
0.722	8

The table presents the reliability analysis for customers construct, which comprises eight questions. The calculated Cronbach alpha value is 0.722, which is above standard threshold of 0.70, indicating an acceptable level of internal consistency. This suggests that questions are valid and reliable for further analysis.

Table 3 Mean & Standard Deviation (Industry Professionals' Data)

Platform	Adjusted N	Mean (μ)	SD (σ)
YouTube	442	3.21	1.35
FB & Insta	459	3.31	1.34
Google Ads	444	3.27	1.28
TikTok	423	3.17	1.42

The results show that fashion professionals believe that AI efficacy is the most effective in the Meta Platforms FB, Insta (M = 3.31, SD = 1.34), then Google (M = 3.27, SD = 1.28), and then YouTube (M = 3.21, SD = 1.25). Tik Tok recorded least effectiveness and greatest variability in professional opinion (M = 3.17, SD = 1.42).

Table 4 Mean & Standard Deviation (Customers)

Metric	Mean (μ)	SD (σ)	Interpretation
Clothes Suggestion Helpfulness	1.94	0.77	Leans toward "Sometimes helpful."
Website Suggestion Relevance	1.88	0.75	Moderate consistency; "Hit or miss."
Discovery over Recommendations	2.05	0.74	Positive: customers are discovering brands.
Hyper Targeted Ads	1.90	0.72	Balanced between Yes and sometimes
AI-Generated Review Summaries	2.04	0.77	Seen as equal to or better than reviews.
AI targeting invasion of privacy	1.95	071	Moderate: a bit of both.
Impact: Serving vs. Selling	1.90	0.69	Weighted toward AI being a "selling" tool.

Table 5 Mean & Standard Deviation (Customers)

Platform	Adjusted N	Mean (μ)	SD (σ)
FB & Insta	470	4.02	1.15
Google	434	3.71	1.21
YouTube	486	3.67	0.88
TikTok	483	3.56	1.04

According to customer data, Meta platforms FB & Insta received the highest perception of presence and effectiveness with a mean score of 4.02 (SD = 1.15). This was followed by Google (M = 3.71, SD =

1.21), YouTube (M = 3.67, SD = 0.88). TikTok followed with mean of 3.56 (SD = 1.04). Notably, YouTube showed the lowest standard deviation, indicating most consistent positive experience among the surveyed customers.

Cross Tabulations

To provide a more comprehensive understanding and nuanced perspective, this research utilized two distinct questionnaires: one targeting industry professionals and other directed at customers. In this connection, below are the tables and the analysis and thus first, we will go through the industry professionals survey.

Part 1: Profession & Market Segment

Table 6 Current Role in Fashion Industry

Role	
Merchandiser / Buyer	75
Digital Advertising Specialist / Media Buyer	225
Retailer (Owner/Manager)	67
Marketing Manager / E-commerce Manager	97
Technology Provider (AI/Software for Fashion)	16
Other	20

Table 7 Which Segment of the Fashion Industry is Your Primary Focus?

Fast Fashion	287
Luxury / Designer	145
Sportswear / Athleisure	87
Sustainable / Ethical Fashion	102
Accessories / Footwear	33
Other	41
Total	695

Part 2: Strategic Importance of AI Features

Table 8 Personalized Product Recommendations (By Industry Professionals)

	N-Important	S-Important	Important	V-Important	Essential	Total
Frequency	42	102	132	118	106	500
Percentage	8.4	20.4	26.4	23.6	21.2	100.0

70% of professionals rated AI product recommendations as at least Important or above. This confirms that personalization remains a strategic area in fashion retail, still about one in six professionals still question its value.

Table 9 Behavioural Ad Targeting (By Industry Professionals)

	N-Important	S-Important	Important	V-Important	Essential	Total
Frequency	13	51	157	174	105	500
Percentage	2.6	10.2	31.4	34.8	21	100.0

A majority 85% of fashion industry professionals consider AI ad targeting to be "Important" or higher, while about 13% do not see much value in it. In this connection, this shows recognition of AI's role in marketing but also signals that some professionals remain skeptical of the AI-driven targeting accuracy.

Table 10 AI-Powered Customer Service (Chatbots) (By Industry Professionals)

	N-Important	S-Important	Important	V-Important	Essential	Total
Frequency	104	108	84	111	93	500
Percentage	20.8	21.6	16.8	22.2	18.6	100

AI-powered chatbots received relatively less strong support: nearly 60% rated them "Important" or higher. However, 22% realize them as only "slightly important" and 21% as "not important," showing less confidence in their effectiveness for customer service as evident from the results of the current study.

Table 11 Visual Search (By Industry Professionals)

	N-Important	S-Important	Important	V-Important	Essential	Total
Frequency	61	103	136	106	94	500
Percentage	12.2	20.6	27.2	21.2	18.8	100

With 67% rating it "Important" or higher. This may reflect either it's not too much used or it may have been resulting in exact product but not similar products or what customer might want to look for, it has slightly weak positive result so far as per the industry professionals as evident from the results of study.

Table 12 Predictive Audience Creation (By Industry Professionals)

	N-Important	S-Important	Important	V-Important	Essential	Total
Frequency	70	81	109	126	114	500
Percentage	14	16.2	21.8	25.2	22.8	100

Like visual search, predictive audience creation was valued slightly strong, with 64% calling it "Important" or above. This shows that professionals recognize value of AI in advanced segmentation & predictive marketing.

Part 3: Advertising Platforms &Performance

Table 13 Which platforms does company actively use for paid advertising?

Meta (Facebook & Instagram)	436
Google Ads (including Shopping & Performance Max)	181
TikTok for Business	83
YouTube	106
We do not run paid ads	52
Total	858

The industry professionals in Pakistan prefer Meta platforms more than any other for realizing the desired outcomes.

On-Site Recommendations

Table 14 You shop for clothes online; you often see a "Recommended for You" section.

a) Very helpful, I often find things I like.	257
b) Sometimes helpful.	204
c) Not helpful at all.	39

The results revealed that the industry professionals vote this recommendation helpful from their sales perspective.

Table 15 Effectiveness in Driving Sales ROAS on Different Platforms (By Industry Professionals)

	Poor	Fair	Good	Very good	Excellent	N/A	Total
FB & Insta	13	56	126	183	120	2	500
Google	44	87	146	148	67	8	500
TikTok	77	79	74	93	56	121	500
YouTube	70	81	115	98	56	80	500
Percentages	10.2	15.15	23.05	26.1	14.95	10.55	100

Meta platforms are rated relatively higher than other platforms, however Google stands second, as per industry professionals. Many resulted in poor or fair as well in all platforms, which seems to be a result of bleed in ad spent. Which is natural when expectations are higher. Overall, with nearly 64% of professionals classifying AI effectiveness as "Good" or better. However, about 25% view performance as only "Fair" or "Poor," showing a mixed but moderately favorable perception. In this connection, the results also show the use of platforms by fashion brands, not all platforms are very common with fashion brands in Pakistan, YouTube and TikTok are less used as their N/A ratio is pretty high.

Table 16 Accuracy of Audience Targeting (by industry professionals)

	Poor	Fair	Good	Very Good	Excellent	N/A	Total
FB & Insta	13	35	157	162	129	4	500
Google Ads	5	26	159	183	93	34	500
TikTok	30	22	133	127	98	90	500
You Tube	35	37	136	121	69	102	500
Percentages	4.15	6	29.25	29.65	19.45	11.5	100

Meta platforms and Google are rated relatively higher than other platforms, as per industry professionals. Overall, with nearly 80% of responses classify AI effectiveness as "Good" or better in accuracy of audience targeting. However, about 10% view performance as only "Fair" or "Poor". Results also show responses of N/A higher in YouTube and TikTok depicting somehow their paid marketing is not too common in Pakistan. The following section presents key responses gathered from the customer questionnaire, offering insights into their perceptions and experiences regarding the impact of AI in the fashion retail landscape. Here are the tables and the analysis for the fashion customers survey.

Part 1: Onsite recommendations

Table 17 When you shop for clothes online, you often see a "Recommended for You" section.

a) Very helpful, I often find things I like.	182
b) Sometimes helpful.	272
c) Not helpful at all.	46

The results of current study revealed that most of the customers find 'Recommended for you' helpful, even the percentage of identical and helpful and thus substantial. Still, a few reported this feature as not helpful.

Table 18 AI Suggests Items "Inspired by Browsing," how often do these Suggestions interest you?

a) Often, the suggestions are good.	159
b) Sometimes, it's hit or miss.	247
c) Rarely, I find them irrelevant.	94

The results show that most of the customers find 'Suggestions' a hit or a miss, even the percentage of suggestions being good is substantial. However, a few reported as irrelevant as evident from the study results.

Table 19 Have these smart recommendations ever helped you discover a new brand you now like?

a) Yes, several times.	134
b) Yes, maybe once or twice.	257
c) No, I stick to what I know.	109

The results show that most of the customers found recommendations helpful a couple of times, and the good percentage of customer consider them helpful most of the time as evident from the study results and outcomes.

Part 2: AI Powered Features & Targeted Advertising

Table 20 You talk about something for same product on social media or other websites?

a) Yes, all the time.	67
b) Sometimes.	237
c) Rarely or never.	198

The results show that customers noticed ads of same or similar products Ads on their social media or on other websites.

Table 21 How do you feel about these targeted ads for products you've already viewed?

a) They are helpful reminders	138
b) They are a little creepy, but sometimes useful.	253
c) They are annoying.	109

The results show that most of the customers noticed retargeting ads on their social media or on other websites, are little creepy but sometimes useful. Consequently, some found them useful, but some

can find these annoying as well as evident from the responses of the respondents for reaching the desired outcomes.

Table 22 Some websites now use AI to summarize thousands of reviews into simple points

a) Yes, the summary is much faster and more helpful.	196
b) It's equally as helpful as reading them myself.	171
c) No, I prefer to read individual reviews for details.	133

The results show that almost average response in summarized reviews with not much differences in the results of study.

Part 3: Overall Perceptions of AI in Fashion

Table 23 Do you Believe that AI-powered targeted ads a helpful service of privacy?

a) Mostly a helpful service.	216
b) A bit of both.	196
c) Mostly an invasion of privacy.	88

The results show its mostly helpful, but some also have a strong point that it's an invasion of privacy in the current study.

Table 24 Ultimately, do you think AI is making fashion retailers better at Serving Customers

a) It is clearly making them better at serving customers.	187
b) It is clearly making them better at selling products.	239
c) It seems to be doing a bit of both equally.	74

The results show that AI is making fashion retailers better at selling products, than better at serving the customers.

DISCUSSION

The overall discussion creates a subtle image of the influence of AI on fashion retail industry, with its achievements and aspects that need consideration as professional and community approach. AI has been widely known as a notable resource in many applications. Although both Google Ads and Meta platforms (Facebook and Instagram) tend to be rated as Good or Excellent with regard to AI performance, respondents report being dissatisfied with Fair or Poor performance. Tik Tok is known to be promising and less consistent. YouTube presents mixed findings, meaning that though such platforms are essential, AI efficiency is not always perfect in every campaign or situation. These technologies not only improve marketing effectiveness and return on investment but also transform customer journey into a more engaging and relevant experience. On the side of customer, reception of AI is similar, showing critical areas in which all media players and Google need improvement. However, their use raises important considerations related to data privacy, ethical data usage, and consumer trust, must be carefully managed to sustain long-term relationships in increasingly data-driven marketplace.

The data reveals an overwhelmingly positive customer perception of the Facebook presence. Fashion professionals and customers in Pakistan both trust FB and Insta, and Google Ads more, for better AI audience targeting or performing better (from customers point of view), while YouTube is moderately effective. TikTok, however, is widely seen as underperforming in Pakistan region, which may not be suggesting concerns about its AI precision compared to its competitors. It could be a reason of FB and Insta being old and multimedia platforms and being used by all ages and TikTok being popular in younger ages and more for entertainment and video content, rather than a mix platform, where one can post images and texts too. TikTok may increase its fan base more in elder ages soon, time will tell. Where YouTube, again, being only video media has limitations, but at the same time, AI targeting right audience, in right manner could be equal good on any media amongst all that we considered in study. Still, most of population uses Insta and FB more, hence results are higher towards them.

CONCLUSION

To sum up, the research confirms the irreplaceable role of AI in modern world of fashion retailing, and specialists recognize strategic significance of AI in many processes. Nevertheless, the customer experiences are very platform-specific, and Tik Tok and YouTube received a high approval, and Facebook presents a strong and highly successful perception of customers. The comparison between response of professionals, customers, especially in case of Facebook & uniformity of recommendation systems indicate a major challenge, making AI to work in a way that will reliably increase customer satisfaction and close the gaps where AI is perceived as a customer service enhancer, but rather a sales driver. By incessantly learning from user interactions, AI systems deliver real-time, context-aware advertisements & recommendations across multiple digital touchpoints, including websites, mobile apps, and social media platforms. The closure of the gaps will play key role in the long-term success and ethical use of AI in fashion retail. Here are some recommendations for future research and limitations of current study, based on provided introduction, literature review, methodology, and data analysis.

Future Research Recommendations

Following the findings and the research gap identified, future research may examine the following: Explore "Why" of Platform Performance Differences: The paper demonstrates the vivid difference between customer perception of Facebook (Good) and TikTok/YouTube (positive). This may reveal granular information on mix media difference, content relevance, frequency of ads as well as format preferences, or perceived privacy violation. Although the importance of AI is rated as significant by professionals, the research is descriptive. The integration of behavioral predictive AI tools has fundamentally reshaped digital fashion retail marketing by enabling highly precise, data-driven targeting, retargeting & hypertargeting strategies. The future studies may use inferential statistics or even quasi-experimental designs to measure correlation effect of various AI applications (visual search integration, personalized recommendations, specific platform ad spend) on tangible business outcomes such as Return on Ad Spend (ROAS), Customer Lifetime Value (CLV), customer retention rates & average order value. Future studies ought to be multi-site to compare these results in other areas and groups.

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