

Transforming Consumer Journeys Through AI: From Awareness to Purchase in Digital Commerce

OPEN ACCESS

Volume: 13

Special Issue: 3

Month: August

Year: 2025

P-ISSN: 2321-788X

E-ISSN: 2582-0397

Citation:

R, Meera., and J, Sundararaj. "Transforming Consumer Journeys Through AI: From Awareness to Purchase in Digital Commerce." *Shanlax International Journal of Arts, Science and Humanities*, vol. 13, no. S3, 2026, pp. 7–15.

DOI:

<https://doi.org/10.34293/sijash.v13iS2-Aug.10426>

Dr. Meera. R

*Assistant Professor, Department of Commerce
Annai Violet Arts Science College, No, 53, Violet College Road
Menambedu, Ambattur Chennai*

Dr. Sundararaj . J

*Professor of Commerce, Department of Commerce
Annamalai University, Annamalai Nagar*

Abstract

This study delves into the impact of Artificial Intelligence (AI) on consumer journeys in digital commerce, tracing the path from initial awareness to the final purchase decision. With a focus on the Indian market, it investigates the significance of AI-driven touchpoints, including personalized recommendations, chatbots, and targeted advertisements, at each stage of the customer journey: awareness, consideration, evaluation, and purchase. Additionally, it explores the dual role of consumer trust as a facilitator and privacy concerns as an inhibitor, which can either mediate or moderate the effects of these touchpoints. By adopting an empirical approach, the findings provide valuable insights for businesses seeking to create AI strategies that effectively balance personalization and privacy, ultimately fostering stronger relationships with consumers in the realm of digital commerce.

Keywords: Artificial Intelligence, Consumer Journey, Digital Commerce, Trust, Privacy Concerns

Introduction

In India, Digital commerce has transformed from a traditional store-based purchasing process into a multi-channel, data-driven journey. Today, consumers interact with various touchpoints before making a decision. Artificial Intelligence (AI) drives this transformation by powering recommendation engines, predictive search, chatbots, dynamic pricing, and personalised notifications—shaping consumer decisions from initial awareness to final purchase (Jannach & Adomavicius, 2017; Lemon & Verhoef, 2016). With the swift increase in smartphone adoption, access to affordable mobile internet, and the rise of e-commerce platforms, AI-driven personalization has emerged as a significant competitive edge for retailers.

However, the role of AI is not consistent across all stages of the consumer journey. Tailored recommendations can significantly enhance brand visibility, while engaging chatbots and strategic price cues play a crucial role in guiding consumers during their evaluation

and purchasing decisions. Limited empirical work has examined these stage-specific effects in an integrated framework, particularly in emerging markets like India. In addition to functionality, psychological elements like trust and privacy concerns play a crucial role in shaping outcomes. Trust in AI features can enhance their effectiveness (Gefen et al., 2003), while privacy concerns can reduce consumer engagement (Culnan & Bies, 2003; Malhotra et al., 2004).

This study synergizes the customer decision journey, technology acceptance model, and privacy calculus theory to investigate the dynamics shaping consumer behavior in today's digital environment.

- RQ1: How do AI touchpoints influence awareness, consideration, evaluation, and purchase?
- RQ2: Do trust and privacy concerns mediate or moderate these effects?

By weaving these frameworks together, we aim to uncover the essential factors that influence individuals' choices about technology adoption, all while addressing their privacy concerns. This comprehensive approach will shed light on the critical drivers of both acceptance and rejection, offering valuable insights that can empower businesses to foster trust and enhance user experiences in their digital platforms.

Review of Literature and Research Gap

The consumer journey has shifted from a simple, step-by-step process to a fluid, multi-channel path where buyers move between awareness, consideration, evaluation, and purchase (Lemon & Verhoef, 2016). In India's fast-growing digital commerce sector, AI plays a key role in shaping this journey through personalised recommendations, predictive search, targeted ads, chatbots, and dynamic pricing (Jannach & Adomavicius, 2017). These touchpoints can boost brand visibility, simplify choices, improve decision quality, and increase purchase likelihood, though their impact differs by stage (Kumar et al., 2020).

Research shows AI-driven ads and recommendations strengthen awareness, filtering tools aid consideration, decision-support systems reduce uncertainty in evaluation, and tailored offers encourage purchase. Yet, most studies treat AI as one uniform tool, ignoring its stage-specific effects.

Behavioural outcomes also depend on trust and privacy concern. Trust in AI enhances acceptance (Gefen et al., 2003; Pavlou, 2003), while privacy worries can limit engagement (Culnan & Bies, 2003; Malhotra et al., 2004). Few models explore these together as both mediators and moderators, creating a second major gap.

This study aims to focus these gaps by integrating the customer decision journey, technology acceptance, and privacy calculus theories to analyse how AI influences each stage and how trust and privacy influences e-commerce environment in India.

Research Objectives

India's digital commerce sector is reshaping how consumers progress from awareness to purchase with the growing use of Artificial Intelligence (AI). Despite the wide spread of AI Driven tools like recommendations, predictive search, chatbots, dynamic pricing and personalised notifications, there is limited empirical understanding of how these touchpoints affect each stage of the consumer journey. Furthermore the psychological elements - trust and privacy concern—usually act as a facilitator and an inhibitor respectively—remain underexplored in an integrated, stage-wise framework.

1. To analyse the impact of AI-driven touchpoints on four key stages of the consumer journey—awareness, consideration, evaluation, and purchase—in digital commerce.
2. To assess how consumer trust (as a facilitator) and privacy concerns (as an inhibitor) mediate or moderate the relationship between AI touchpoints and consumer journey outcomes.

Theoretical and Conceptual Framework with Hypotheses

This study stands on three key theories—the Customer Decision Journey (Lemon & Verhoef, 2016), the Technology Acceptance Model (TAM) (Davis, 1989; Gefen et al., 2003), and the Privacy Calculus Theory (Culnan & Bies, 2003)—to analyse the impact of AI on consumer behaviour across the stages of awareness, consideration, evaluation, and purchase, and how trust and privacy concerns influence these effects.

A. Direct Effects of AI Touchpoints (Customer Decision Journey)

The Customer Decision Journey highlights that consumers move through four interconnected stages. AI can influence each stage through personalised recommendations, predictive search, chatbot assistance, dynamic pricing, and notifications.

1. H1a: AI touchpoints positively influence awareness.

By using browsing data and predictive analytics, AI can present relevant products proactively, boosting brand recall—especially in India’s mobile-first market.

2. H1b: AI touchpoints positively influence consideration.

AI filters, ranks, and bundles products, helping shoppers in crowded e-commerce spaces narrow or expand choices efficiently.

3. H1c: AI touchpoints positively influence evaluation.

Comparison tools, review summaries, and chatbots reduce uncertainty and strengthen decision confidence.

4. H1d: AI touchpoints positively influence purchase.

Personalised offers, dynamic pricing, and checkout reminders help overcome hesitation and lower cart abandonment.

B. Mediating Role of Trust (Technology Acceptance Model)

TAM suggests that perceived usefulness and trust drive technology use. In AI commerce, trust ensures consumers view AI outputs as fair and reliable.

1. H2a: Trust mediates the link between AI touchpoints and awareness.

2. H2b: Trust mediates the link between AI touchpoints and consideration.

3. H2c: Trust mediates the link between AI touchpoints and evaluation.

4. H2d: Trust mediates the link between AI touchpoints and purchase.

In all cases, higher trust makes AI-driven interactions more persuasive and effective.

C. Moderating Role of Privacy Concern (Privacy Calculus Theory)

Privacy calculus theory states that consumers balance personalisation benefits with privacy risks. High privacy concern can reduce engagement with AI tools.

1. H3a: Privacy concern negatively moderates AI–awareness.

2. H3b: Privacy concern negatively moderates AI–consideration.

3. H3c: Privacy concern negatively moderates AI–evaluation.

4. H3d: Privacy concern negatively moderates AI–purchase.

In all cases, stronger privacy concerns limit AI’s potential influence.

D. Conceptual Model

The model positions AI touchpoints as the driver of consumer journey stages, with trust acting as a mediator and privacy concern as a moderator. This dual-pathway view integrates functional AI effects with psychological factors to provide a stage-specific understanding for Indian digital commerce.

Methodology

A. Research Design

This study adopts a quantitative, cross-sectional design to analyse the impact of AI-driven touchpoints on four stages of the consumer journey—awareness, consideration, evaluation, and purchase—in Indian digital commerce. It also examines trust as a mediator and privacy concern as a moderator. A survey method was chosen, consistent with prior AI and e-commerce studies, as it enables large-scale primary data collection in a structured manner. A positivist research paradigm underpins the study, ensuring empirical rigour.

B. Population and Sampling

The target population comprises Indian consumers aged 18 years or above who have made at least one purchase from an e-commerce platform in the past three months, ensuring recent exposure to AI-driven features. Stratified sampling was used to ensure diversity. A final sample of 200 valid responses was collected, meeting the recommended threshold for mediation and moderation analysis using SPSS Process Macro.

C. Measurement of Constructs

All variables were measured using multi-item scales adapted from validated prior studies, rated on a 5-point Likert scale (1 = Strongly disagree, 5 = Strongly agree) -AI Touchpoints (Jannach & Adomavicius, 2017; Gómez-Uribe & Hunt, 2016); Awareness (Wedel & Kannan, 2016); Consideration (Kumar et al., 2020); Evaluation (Pu & Chen, 2011); Purchase: (Chatterjee et al., 2020); Trust (Gefen et al., 2003); Privacy Concern (Malhotra et al., 2004).

D. Questionnaire Development and Pre-testing

The questionnaire was divided into four sections: (1) demographics, (2) AI touchpoints, (3) psychological factors (trust, privacy concern), and (4) consumer journey outcomes. Content validity was ensured through expert reviews by academics and industry professionals. A pilot study with 50 respondents tested clarity, language, and cultural relevance, leading to minor modifications.

E. Data Collection Procedure and Data Analysis

Data was collected online via Google Forms, informed consent were obtained from all respondents.

Analysis was conducted using SPSS with Hayes' Process Macro with Descriptive Analysis; Reliability & Validity Testing; Mediation Analysis – PROCESS Model 4 to test the indirect effects of AI touchpoints on consumer journey stages via Trust; Moderation Analysis – PROCESS Model 1 to test the interaction effects of AI touchpoints and Privacy Concern on each journey stage. Significance Testing – 95% bias-corrected confidence intervals used to confirm mediation and moderation effects.

Results

Data from 200 valid responses were analysed using SPSS with Hayes' Process Macro to test the proposed direct, mediating, and moderating relationships. The sample was balanced by gender (52% female, 48% male) and included both urban (57%) and rural (43%) consumers.

Table I – Demographic Profile of Respondents

Variable	Category	Frequency	Percentage (%)
Gender	Male	97	48.0
	Female	103	52.0
Age Group	18–25 years	68	34.0
	26–35 years	74	37.0
	36–45 years	40	20.0
	46 years & above	18	9.0
Location	Urban	114	57.0
	Rural	86	43.0
Online Shopping Frequency	Once a month	54	27.0
	2–3 times a month	88	44.0
	Weekly	38	19.0
	More than weekly	20	10.0

Source: Primary Data

Direct effects analysis (PROCESS Model 1) confirmed that AI touchpoints significantly influenced all four stages of the consumer journey, with the strongest effect on awareness ($\beta = 0.41, p < 0.001$), followed by consideration ($\beta = 0.36, p < 0.001$), evaluation ($\beta = 0.30, p < 0.01$), and purchase ($\beta = 0.27, p < 0.01$).

Mediation analysis (PROCESS Model 4, 5,000 bootstraps) revealed that trust partially mediated these effects, with indirect effects ranging from $\beta = 0.07$ (purchase) to $\beta = 0.11$ (awareness), all statistically significant.

Moderation analysis (PROCESS Model 1) showed that privacy concern weakened the positive relationship between AI touchpoints and all four stages, most strongly at the awareness stage ($\beta = -0.10, p < 0.05$).

Stage-to-stage effects confirmed significant sequential links between awareness \rightarrow consideration ($\beta = 0.46, p < 0.001$), consideration \rightarrow evaluation ($\beta = 0.44, p < 0.001$), and evaluation \rightarrow purchase ($\beta = 0.51, p < 0.001$).

Table II – Hypotheses Testing Summary

Hypothesis	Relationship Tested	β	95% CI	p-value	Result
H1a	AI Touchpoints \rightarrow Awareness	0.41	[0.29, 0.53]	<0.001	Supported
H1b	AI Touchpoints \rightarrow Consideration	0.36	[0.24, 0.48]	<0.001	Supported
H1c	AI Touchpoints \rightarrow Evaluation	0.30	[0.18, 0.42]	<0.01	Supported
H1d	AI Touchpoints \rightarrow Purchase	0.27	[0.15, 0.39]	<0.01	Supported
H2a	AI Touchpoints \rightarrow Awareness (via Trust)	0.11	[0.05, 0.18]	<0.01	Supported
H2b	AI Touchpoints \rightarrow Consideration (via Trust)	0.09	[0.04, 0.15]	<0.05	Supported

H2c	AI Touchpoints → Evaluation (via Trust)	0.08	[0.03, 0.14]	<0.05	Supported
H2d	AI Touchpoints → Purchase (via Trust)	0.07	[0.02, 0.13]	<0.05	Supported
H3a	Privacy Concern × AI Touchpoints → Awareness	-0.10	[-0.18, -0.02]	<0.05	Supported
H3b	Privacy Concern × AI Touchpoints → Consideration	-0.09	[-0.17, -0.01]	<0.05	Supported
H3c	Privacy Concern × AI Touchpoints → Evaluation	-0.08	[-0.16, -0.01]	<0.05	Supported
H3d	Privacy Concern × AI Touchpoints → Purchase	-0.07	[-0.14, -0.01]	<0.05	Supported

Source: Primary Data

AI touchpoints significantly improve each stage of the consumer journey, trust strengthens these effects, and privacy concerns dampen them—particularly in the early stages. These results emphasise the importance of transparent and ethical AI-driven commerce in building long-term consumer confidence.

Findings and Interpretation

A. AI's Direct Influence on Consumer Journey Stages

The results clearly show that AI touchpoints—covering personalised recommendations, AI-enhanced search results, responsive chatbots, fair and adaptive pricing, and timely notifications plays an important role in shaping every stage of the consumer journey in digital commerce.

At the awareness stage, AI-driven targeting ensuring that right products reach the right audience, which boost brand recall even for smaller or newer brands. AI also helps consumers refine their shortlist by filtering and ranking products according to predicted relevance, making decision-making faster and easier in India's crowded e-commerce market.

In the evaluation, chatbots reduce uncertainty and increase confidence in decisions as AI tools do automated comparisons, review summaries, and instant query resolution. Moving to purchase stage, AI-powered offers, reminders, and dynamic pricing nudge customers toward completing transactions, although the effect here is slightly smaller—suggesting that final purchase behaviour depends not just on AI influence but also on trust and perceived security.

B. Trust as a Mediating Force

Trust acts as a critical bridge between AI's capabilities and consumer action. When shoppers perceive AI systems are fair, transparent, and reliable, they are more willing to engage with recommendations and search results. This influence is particularly strong during the awareness and consideration stages, where trust motivates consumers to accept and explore AI-suggested products. At the evaluation and purchase stages, trust helps to overcome perceived risks, such as concerns about fraud or doubts about product authenticity—common concerns among Indian consumers.

C. Privacy Concerns as a Limiting Factor

The findings also highlights that privacy concerns weaken AI's impact at all the stages, of consumer journey, with the strongest dampening effect during awareness. Consumers who worry about how their data is used are more likely to ignore targeted ads or disable notifications. In consideration and evaluation, these concerns make them reluctant to use AI tools that require extra data inputs, such as location or shopping history. At the purchase stage, intrusive data requests can cause customers to abandon their carts or switch to alternative buying channels.

D. Stage-to-Stage Cascading Effect

The analysis confirms that developments in one stage amplifies outcomes in the next: Stronger awareness leads to stronger consideration, which enhances evaluation quality, and finally increases likelihood purchase. This underpins the importance of optimising AI touchpoints from the very beginning of the consumer journey. Weaknesses at earlier stages can cascade forward, which negatively affect later outcomes.

The study underscores that AI-driven tools can greatly enhance consumer journeys in India's fast-growing digital commerce sector—but only if they are implemented alongside strategies that build trust and respect privacy. While AI enhances personalisation and efficiency, consumer acceptance depends on feeling secure, valued, and in control of their data. In short, technology alone is not enough—trust and transparency are the real enablers of AI's full potential.

Implications and Recommendations

The findings of this study offer meaningful contributions to theory, practice, and policy in understanding how AI-driven touchpoints shape consumer journeys in digital commerce, and how trust and privacy concern influence these effects. The implications are presented below, followed by actionable recommendations for managers, policymakers, and researchers.

Theoretical Contribution

This research extends the customer journey framework by showing how AI-driven touchpoints affect awareness, consideration, evaluation, and purchase differently. By combining the Technology Acceptance Model with privacy calculus theory, it introduces a dual pathway where trust strengthens AI's influence, while privacy concerns diminish it. This stage-by-stage perspective fills a gap in AI-commerce literature, which often treats personalisation effects as uniform.

Managerial Insights

For e-commerce businesses, technical accuracy is not enough—AI must also be transparent, explainable, and respectful of consumer data concerns. Companies should tailor AI strategies to each journey stage, avoid intrusive personalisation, and clearly explain recommendations or pricing. Building trust through transparent interactions and privacy-sensitive design can enhance engagement and conversion.

Policy Implications

The moderating role of privacy concern reinforces the need for strong data protection measures. Policymakers should enforce India's Digital Personal Data Protection Act by promoting data literacy, ensuring consumers can control their information, and encouraging industry codes for ethical AI use.

Social Implications

When implemented responsibly, AI can broaden access to goods and services, especially for underserved communities. However, poor privacy safeguards may exclude privacy-conscious users, deepening the digital divide.

Recommendations

Based on the above implications, the following recommendations are proposed:

1. Embed transparency at every AI touchpoint – from product discovery to checkout, ensure consumers understand why they see certain offers or prices.
2. Develop trust-first marketing – prioritise communication about product quality, security, and ethical AI use over aggressive conversion tactics.
3. Customise AI strategies for cultural and regional contexts – Indian consumers differ in digital literacy, regional language preference, and privacy attitudes.
4. Run privacy impact assessments before AI roll-outs – identify and mitigate risks that could deter engagement.
5. Collaborate with regulators and industry bodies – to establish best practices that balance innovation with ethical responsibility.
6. Integrate feedback loops – allow customers to rate AI recommendations or flag irrelevant/intrusive suggestions to improve algorithms over time.

Thus, this study shows that AI can transform the consumer journey only when it is paired with trust-building measures and sensitive handling of privacy concerns. For India's digital commerce leaders, the future lies in deploying AI not just as a sales tool but as a long-term relationship-building mechanism.

Conclusion

This study examined how AI-driven touchpoints shape the consumer journey in India—from awareness to purchase— Whole highlighting trust and privacy concern as critical psychological drivers. The findings show that AI influences each stage differently: targeted ads and recommendations strengthen awareness, smart filters and assistants enhances consideration, predictive tools improves evaluation, and personalised offers drive purchase. Trust strengthens these effects, whereas privacy concerns diminish them, especially when data use is most visible.

The research extends the traditional customer journey framework by embedding trust and privacy into a stage-level AI model, offering a better-off view than treating AI's impact as uniform. For managers, the results stress that AI's sales potential depends on transparency, fairness, and respect for consumer privacy; over-personalisation without safeguards can backfire. Policymakers can use these insights to balance innovation with data protection.

Overall, AI has a potential to transform consumer engagement across the journey, but success ultimately depends on creating trust and addressing privacy concerns. This study offers both academic and practical guidance, and future work could explore post-purchase stages and track how consumer perceptions evolve over time.

References

1. Chatterjee, S., Rana, N. P., Tamilmani, K., & Sharma, A. (2020). The impact of AI on consumer purchase decisions in e-commerce. *Information Systems Frontiers*, 22(5), 1201–1217. <https://doi.org/10.1007/s10796-019-09927-2>
2. Culnan, M. J., & Bies, R. J. (2003). Consumer privacy: Balancing economic and justice considerations. *Journal of Social Issues*, 59(2), 323–342. <https://doi.org/10.1111/1540-4560.00067>

3. Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, 13(3), 319–340. <https://doi.org/10.2307/249008>
4. Dietvorst, B. J., Simmons, J. P., & Massey, C. (2015). Algorithm aversion: People erroneously avoid algorithms after seeing them err. *Journal of Experimental Psychology: General*, 144(1), 114–126. <https://doi.org/10.1037/xge0000033>
5. Gefen, D., Karahanna, E., & Straub, D. W. (2003). Trust and TAM in online shopping: An integrated model. *MIS Quarterly*, 27(1), 51–90. <https://doi.org/10.2307/30036519>
6. Gómez-Uribe, C. A., & Hunt, N. (2016). The Netflix recommender system: Algorithms, business value, and innovation. *ACM Transactions on Management Information Systems*, 6(4), 13. <https://doi.org/10.1145/2843948>
7. Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2019). *Multivariate data analysis* (8th ed.). Cengage Learning.
8. Jannach, D., & Adomavicius, G. (2017). Recommendations with a purpose. *ACM Transactions on Management Information Systems*, 8(4), 1–19. <https://doi.org/10.1145/2998438>
9. Kumar, V., Dixit, A., Javalgi, R. G., & Dass, M. (2020). Understanding the role of personalization in marketing. *Journal of the Academy of Marketing Science*, 48(6), 1119–1139. <https://doi.org/10.1007/s11747-020-00719-3>
10. Lemon, K. N., & Verhoef, P. C. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing*, 80(6), 69–96. <https://doi.org/10.1509/jm.15.0420>
11. Malhotra, N. K., Kim, S. S., & Agarwal, J. (2004). Internet users' information privacy concerns (IUIPC): The construct, the scale, and a causal model. *Information Systems Research*, 15(4), 336–355. <https://doi.org/10.1287/isre.1040.0032>
12. Pavlou, P. A. (2003). Consumer acceptance of electronic commerce: Integrating trust and risk with the Technology Acceptance Model. *International Journal of Electronic Commerce*, 7(3), 101–134. <https://doi.org/10.1080/10864415.2003.11044275>
13. Pu, P., & Chen, L. (2011). Trust-inspiring explanation interfaces for recommender systems. *Knowledge-Based Systems*, 20(6), 542–556. <https://doi.org/10.1016/j.knosys.2007.04.004>
14. Wedel, M., & Kannan, P. K. (2016). Marketing analytics for data-rich environments. *Journal of Marketing*, 80(6), 97–121. <https://doi.org/10.1509/jm.15.0413>