The Effectiveness Of Personalized Advertising Strategies In Improving Customer Engagement And Conversions In Liberia

Samuel Johnson

School Of Management & Economics, North China University Of Water Resources And Electric Power, Zhengzhou, China

Abstract:
The paper aims at examining the effectiveness of personalized advertisements in engaging the Liberian consumers and converting them into customers due to the increasing trendiness of Digital Advertising in Liberia. This paper explores how personalized adverting is functionality help in developing deep and values consumer-brand relationship but on a flip side they raise issues to do with privacy and protection of information. Our study results concluded that personalized ads strategies had a significant positive relationship with customer conversion in Liberia. Also, personalized ads strategies increase customer engagements which promotes customer conversion. Furthermore, the study highlighted 4 main challenges facing organization using personalized ads strategies in Liberia with majority of respondents mentioning cost of personalization marketing strategy, followed by technological complexity, data availability and privacy and ethical concerns. The study recommended strategies to solve the dilemma of offering appropriate personalization to customers in a way that will not harm their trust as more consumers become informed about data privacy in Liberia. This entails determining the effect that personalized ads generate in terms of customers' participation, the relationship between personalization and sales, and various ethical issues that personalize ads present.
Keywords: *Personalized Advertising, Customer Engagement, Conversions, Liberia, Targeted Marketing, Privacy, Big Data, Machine Learning*

I. Introduction

Personalized advertising is a form of value proposition in which marketing messages are customized to specific consumers based on collected data including web activities, past purchases, and other essential characteristics. This is well accomplished by deploying new generation technologies like, cookies, big data and analytics, and machine learning. Such tools serve to help the advertisers to gain the information about their consumers and show the ads which meet their interests and activity levels.

In their study Yu & Cude, (2009) state that effective advertisement increases relevance that makes the advertisement tailored to consumers as such are more appealing. This relevance improves the interaction level compared to the ads which are irrelevant to the needs of the consumers. Nonetheless, consumers' response differs according to the mode of advertisement, whether it is via telephone or through e-mail (Yu & Cude, 2009). The truth about marketing is that advertisers need to be extremely cautious with the use of personalization to avoid invasion of privacy. According to Boerman et al. (2021), over-targeting is likely to trigger negative responses, not only because consumers feel their privacy is being intruded upon. Any such concerns are capable of leading to erosion of trust with the brand. Since people value their privacy, highly personalized messages might be seen as invasive. According to Frick (2018) when the consumer perceives that his personal data are being used inappropriately, the proper utilization can result in negative consequences such as information rejection and negative perceptions both to the ad and brand.

Personalized advertising is preferred in marketing because when implemented, it increases marketing efficiency through targeting consumers' interest. According to Van den Broeck et al. (2019), personalization enables marketers to communicate the right message to the target market hence enhance response rates. According to Li (2014), personal ads have now become a central tool in present day marketing mix techniques. Any firm that deploys personalized ads properly stands a better shot at attaining its organizational objectives and customer retention in the current accrual with increasing volumes of data.

Personalized advertisements aim at raising customer interaction levels when delivering differentiated experiences based on customer desires. When the marketing message given to the customer is in harmony with what the customer is searching for then it will be reciprocated with the customer engaging with the information given to them by the brand. According to the study by Tran and Nguyen (2022), consumers' attention and engagement for advertisements on sites such as Facebook is improved by Personalized advertisements as this

build the relationship between consumers The and brand into a more positive experience. Such an approach makes consumers feel as though someone knows what is going on around them, thus turning them into brand troubadours.

Personalization also plays a role on the purchasing decisions. According to Haloho and Parahyanti (2020), people are willing to purchase products if they have a perception that the advertisement is individualized. That is why the performance of personalized advertisements is tied to how valuable the consumers consider the advertisement. This is particularly the case if the consumer group views the advertisement as relevant to the products it seeks to promote.

The effectiveness of personalized ads can be attributed to the fact that some people tend to display negative responses when their personal information is provided. Similar to the last point, Boerman et al. (2021) found that people may distrust the organization if it personalizes through such information or by applying a personalized pricing technique. This brings the point the need in being very careful with the personal data to ensure one is trusted and engaged positively. Personalized advertising means that the information that users receive is relevant to them; however, several important factors have to be taken in to account in order to achieve that while maintaining users' rights to privacy. Chen et al. (2017) mentioned that the issue with privacy is important to be addressed in the process of creating trust. This means that, by being comfortable with the ways that their information is being used, people will be more willing to engage with specific advertisements and perform better in terms of customer return and sales.

Personalized Advertising Strategies in Liberia

Digital advertising is still relatively new in Liberia, however, has been rapidly growing throughout the last couple of years among business organizations who personalize Advertised Mass Communications to their target market. Hence, with more than 150 per cent of the population connectivity this is favorable because the current trend in the country is that almost everybody with a mobile phone uses the short message service or SMS and this be used for personalized advertisements. Mobile communication makes consumer mobile devices the best target for business advertising since it delivers the ads in the right time and need for the recipient. Through this type of advertising, the company is experiencing better reach to the target market and thus increased effectiveness. Liberia is gradually intensifying its development of digital infrastructure and as such, there are opportunities for more personalized advertising that will increase conversions. Boerman et al. (2021) note that since the application of technology in advertisement is improving and is cheap businesses will be in a better position to apply personalized advertisement methods hence improving their chances of getting a better response. In specific industries such as the banking and retail industries, research has proved that localized mobile advertisements attract a lot of interest. Jung et al. (2011) pointed out that many organizations find that mobile advertising, which targets specific customer requirements, yield improved outcomes in relation to customer engagement.

Personalized ads also have strong influence on the existing and prospective link between customers and brands especially the use of social media platforms. As highlighted by Tran and Nguyen (2022), such relationships benefited from platforms as Facebook and WhatsApp. When a company's advertisements are targeted to these social channels their interaction with the customers is more personal and customer-oriented. It also ensures that the business enjoys brand loyalty since the consumers who feel that the brands know their needs will continue to engage the business.

Effect on Liberia's Customer Engagement and Conversions

Customized promotional techniques have thus been found to play the role of efficiency in customer patronage and sale conversion within Liberia. The change targeting individual consumer rather than mass media has made mobile and Social Media platform suitable for business firms like Retail and Banking etc. According to Boerman et al. (2021), the industry has gained improved interactions and enhanced rates of conversion due to highly targeted advertisements, commonly known as personalized advertisements due to their ability to appeal to the consumers' interests and behaviors. This makes the engagements more meaningful and because of this, brands that are targeting their audiences, tend to achieve this.

It can be safely assumed that as own advertising messages starts to gain more serious traction Liberia consumers are also getting more wary about data privacy. They also become more concerned about their rights regarding their personal data and may thus be reluctant about the degree of personalization in adverting. On the one hand, advertisers are to be prepared for the challenges and, on the other hand, do their best to promote the advantages of personalized advertising while avoiding concerns about data protection. Thus, consumer trust should be maintained constantly to make sure that personalized advertising continues to work. Chen et al. (2017) note that consumer curiosity and vulnerability can be considered key factors that define consumer easiness to engage in personalized advertising. If consumers can sense that something corrupt is being exercised, and believe that their privacy is at risk or their information being exploited, then they might not react well to personalized ads.

Problem Statement

The level of personalization in the advertising strategies utilized in Liberia can be seen as problematic for companies interested in increasing the effectiveness of the communication with the clienteles as well as increasing the rate of conversion. As these strategies enhance the marketing efficiency by focusing on the consumer features they also cause certain negative aspects like concern for consumer data usage. In the recent past, the consumer has become sensitive to how his or her information is collected and utilized and may not accept the tailored content in the same way if such a consumer feels threatened. Companies have to rely on this balance by paying attention to their way of using data, being clear on what and how they collect data and providing consumers with a way to influence all this. With the proper maintenance of consumers' privacy while feeding them with suitable content, firms can build goodwill while at the same time guaranteeing that their advertisement techniques are both suitable and legal in Liberia's growing market.

Research Question

How do personalized advertising strategies affect customer engagement and conversion rates in Liberia, and what are the key factors that influence their effectiveness?

Research Objectives

The study has the following objectives:
• To analyze how personalized ads impact customer engagement.
• To investigate the link between personalized ads and increased sales in Liberia.
• To identify the challenges in using personalized advertising in Liberia.

Significance of the Study

This study may be valuable to businesses and marketers in Liberia because it reveals how personalized advertising can help increase customers' attention and interest and thus help organizations convert them into customers. The awareness of how to approach that fine line between the personalization of users and their privacy will act as a crucial component for companies seeking to establish themselves successfully in Liberia's future digital market spaces.

II.   Literature Review

AI-Powered Personalization in Salesforce

Potla et al. (2022) special attention to the employment of machine learning models for improving engagement in Salesforce. Some of the findings were that real-time advertising is possible and that it provides an avenue for firms through the use AI to develop more relevant content for customers. Through studying user activity in real time and utilizing this data to predict customers preferences, it became possible to offer the client things or services or content that would be more meaningful to them as a specific user, and this led to a boost both in activity and in conversion rates. Not only the overall activity of the users was stimulated, but also actual loyalty to the brand was built. Conveniently, the authors found that AI and machine learning are valuable tools that can help marketers automatize campaigns while at the same time achieving high levels of personalization to get better results in their digital marketing efforts.

Personalization and Profits: The Impact of AI on Targeted Digital Marketing

Rathore et al. (2022) evaluated the role of AI for increasing the effectiveness of digital marketing through personalization. The research showed that using AI allows the marketer to filter the huge amount of consumer information to offer targeted advertising material that closely matches their consumers' interests. It not only personalizes the customer experience but tackles metrics that touch on conversion back to sales and therefore profitability in the market for businesses. Rathore pointed out that it presents a competitive edge for the business since brands using AI marketing outreach strategies can target their audience effectively. Based on the findings of the study, the use of AI in personalization also improve the customer experience and generates a large plethora of revenue, proving the relationship of personalized marketing approach to organizational performance.

Personalized Digital Marketing Recommender Engines

The market contains consumer targeted digital marketing recommender engines. In their research paper published earlier in 2019, Behera et al formulated a recommender engine for digital marketing, that is aimed at offering realtime strategic marketing. It utilizes a search engine to present a filter for user preferences and related activities with a view of presenting relevant content. This system also improves the timing accuracy of marketing messages by guaranteeing that each user only gets content that is most relevant to him/ her. The findings pointed to the fact that the integration of such systems also raises dramatically the levels of customers' interest and purchases. In addition to making users' experience better, more efficient advertising results also come from

removing unrelated information and match advertisements with expectations. The authors further stated that personalized recommender engines are essential for enterprises intending to enhance their web-based marketing communication and fully manage customer interactions in real time.

AI-Driven Personalization for SMEs

Kedi et al. (2021) which examined the place of AI in marketing automation throughout customer individualism for SMEs. In their research, they were able to outline the potential of the AI in facilitating ME marketing communication that will foster customer engagement and ultimately push up sales conversion rates among SMEs. By focusing on the research, it was shown that businesses of even relatively small sizes may use AI for the processing of customer data and for delivering tailored marketing content. It enhances the experience of the customers and at the same time assists firms to cope with the challenges of the new economy. The studies demonstrated that tools developed utilizing artificial intelligence help SMEs establish more effective and persuasive promotional campaigns that enhance the general competitiveness of businesses. The authors claimed that integrating AI-based modular automated marketing communication for personalization is a feasible and inexpensive approach to improve SME customer interactions and conversion success rates.

Online Advertising and Conversion Rates

The paper of De Haan et al. (2016) focused on more and less conventional online advertising formats and how well they perform in converting purchases within a multi-channel attribution context. They concluded that customized ads, especially those cross-media communications, are effective in conversion. The study also pointed out that while making the ad more personalized increases its effectiveness to match the users' interest, it also helps to make the user experience better hence better conversion rates. Furthermore, the study established that aesthetic experiences or satisfaction among users greatly influenced their choices and established that personalized advertisements are a major source of revenue. Two authors indicated that online advertising, especially one targeting specific consumers is effective in lifting conversion rates and business outcomes.

Social medial advertising and consumer relationship

Lee et al. (2018) focused on the effects of the advertising content and form in social media, especially in Facebook, on the customer engagement. The research showed that personalization approach made the content more engaging to the user, but it did not always result to the sale. The authors noted, however, that engagement is actually a positive step, particularly as it fosters customer attention and present future sales opportunities. Customized promotional messages on social media call for likes and comments through fan and likes Walls hence helping the brand to considerably get closer to the customer. While customer engagement might not directly generate increased sales the next day, week or month, consistent consumer attention that is devoted lasting could help translate to success in terms of conversion rates over a prolonged period. The research established that the use of content that is relevant to the customer for social media marketing is crucial, fails sale probability, but is significant throughout the customer journey.

Dynamic Models for Digital Advertising

Bruce et al. (2017) formulated a dynamic model in regard to digital advertising for gauging the impression that creative formats, message content, targeting has on the customer. In their work, they learned that incorporating personalization, and creativity and flexibility in the ad formats, increased engagement and call to action. This paper concluded that the audience tends to engage with ads that have a certain level of personal appeal. Marketing applied through artificial intelligence and machine learning algorithms to develop content for ads will most definitely lead to the development of better interaction rates with the consumers. The authors noted that precise personalization when delivering ad content is critical to retaining customer attention while motivating conversions in the saturated digital environment.

Customer Acquisition Through Multi-Armed Bandit Experiments

Multi-armed bandit experiments for optimizing customer acquisition through display advertising was discussed by Schwartz et al., (2017). Tackling these issues in connection with the given experiments, the study aimed at employing the findings to personalize the display advertisements by constantly experimenting with ad formats to achieve maximum conversion rates. They also discovered that, by developing ads that adapt to the users' instant behavior, advertisers have an opportunity to enhance customer acquisition. By trying different ads at once and then choosing only the best performing ads, marketing professionals can also identify the particular advertising messages and campaigns that are more likely to convert. Widely known as the attribute of Dynamic Map Adverting, this iterative process enables an advertiser to attune to his clients dynamically, therefore making sure that he indeed has gotten the right message to his clients. The authors thereby pointed to the fact that multi-armed bandit experiments are appealing to boost the result effectiveness of personal promotion techniques.

Brand Engagement and Search Engine Advertising

Yang et al. (2016) examined the link between the online social media communication activities and the target search engine advertising. This research proved that with the advertisements placed on social media sites, personalization of the content may affect the optimization of the search engine advertisements. When COMMUNICATION INCREASES on social media platforms, this automatically results to higher brand awareness, consequently strengthening the performance of adverts on search engines. The authors thus discovered that custom social media marketing increases the effectiveness of SEM by identifying that consumer interactions with a brand on social media increases their likelihood of clicking on SEM ads. In this respect, we found that interactions between social media and Search Engine Marketing indicate that personalization can enhance not only advertising effectiveness in social media, but also leveraging across platforms. Lastly, the study highlighted the fact that, there is a lot of potential added value that can be realized when a firm combines personalization on the selected social media with pay per click advertising on search engines to foster high level engagement and conversion.

Consumer Engagement in the Customer Journey

Demmers et al. (2020) investigate how consumers interact with brand posts at the different touch points of the customer journey. This research established that the use of individualized content is important in the initial stages of consumer brand connection. So, brands need to provide value customer needs for their requirements; it helps increase engagement and the chance of conversion as the customer forms a higher level. Personalization was pointed out to be optimal when included at multiple points within the client interaction spectrum, and enhances the growth of the business's relationship with the clients, and loyalty to the brand. The authors pointed out that, it is essential to interact with customers on a more individual level in order to stimulate sales and retain customers.

Evolution and Future of Personalized Advertising

Evolution and Future of Personalized Advertising In the context of adverting, and increment use of personalization for future developments of digital marketing, literature has been reviewed by Kumar and Gupta (2016). According to their study, they noted that targeted advertising is one of the leading solutions that enhance the creation of apposite for converting clients. Due to this consumer expectation, it is easier for the brands that are effective in data management and AI technologies. But the authors also highlighted a few ethical dilemmas-related to personalization, namely privacy and consumers' possible annoyance. Nonetheless, the study found out that customized and targeted marketing communication is critical to building long-term consumer-brand bond and effective marketing in the future.

AI's Role in Customer Journey and Engagement

Bag et al. (2021) examined the part that artificial intelligence can play in the delivery of the customer experience and the subsequent customer conversations. The study found that through AI, marketers are able to use predictive analytics and machine learning to understand customer needs and provide content which triggers a positive response from the customer. AI helps businesses provide the right ad in front of a customer at the right time, helping to improve engagement and click-through rate. The authors pointed out that new technologies such as AI and personalization help organizations maximize the customer journey and make marketing investment drive tangible business results.

Trade-offs in Advertising Effectiveness and Consumer Annoyance

Balancing the Costs of Advertising across Featured, Relevant and Necessary Advantages Todri et al. (2020)compared the impact of advertisement relevance on persuasiveness and viewers' irritation in the case of targeted web banners. They discovered that targeted advertisements are quite efficient in encouraging conversion rates, though they also contribute to higher levels of annoyance if not well dealt with. While the targeted and compelling ads are attractive to the advertisers, excessive or invasive advertisements decrease the reception by the users, and therefore the impact of the campaign. The research done indicated that for marketers, the frequency of messages must be coupled with the level of target personalization in order to achieve an effective balance, where the advertisements are not only relevant but are not overwhelming to the target consumer. The authors rightly highlighted the fact that controlling the approaches to personalization of adverting is the key to success in those approaches.

III.   Research Methodology

Research Design and approach

The study will adopt a quantitative research design to gather and analyse numerical data related to the effectiveness of personalized marketing strategies on consumer engagement and conversion in Liberia.

Specifically, a cross-sectional survey approach will be employed to collect data from a representative sample of business managers and other relevant players in the organisation.

Data Collection

This research utilized both primary and secondary data as data collection tools as follows: The primary data will be administered through an online questionnaire survey aimed around the research questions and objectives. The first section of the questionnaire will be designed to capture demographic information of business managers, head of marketing or sales and social media handlers; The second section captures 3 sub headings related to personalized marketing strategies, levels of customer engagement with personalized marketing efforts, and customer conversion towards organization's personalized ads. We employed a 5-point Likert scale anchored from 1 ("completely disagree") to 5 ("completely agree") to measure the variables for personalized marketing strategies, customer engagement and customer conversion. The secondary data is based on previous studies as literature review for theoretical framework related to marketing personalization and consumer engagement and conversion. Table 1 presents lists the questionnaire items used to measure each construct.

Table 1. lists the questionnaire items

Personalized ads strategies	
PAS1	I have provided customers with personalized deals/ads tailored to my activity context.
PAS2	I have provided customers with more relevant promotional information tailored to their preferences or personal interests
PAS3	I have provided customers with the kind of deals/ads that they might like.
Customer Engagements	
CE1	I have seen an increase in likes and comment on my social media post.
CE2	I have seen an increase in customer service inquiries.
CE3	I have seen an increase in number of people visiting my pages.
Customer conversion	
CC1	Customers have purchase products after personalized ads.
CC2	Customers referred your products to others after personalized ads

Sampling and sample size

The target population of the study will consist of all sector business mangers that have adopted personalized marketing strategies in Liberia across different demographics of age and gender. A stratified random sampling technique will be utilized to ensure representation from each segment. The sample of the study will start with business in the vicinity of Liberia then expand gradually to random business mangers engaging in personalized ads online through means of snowball sampling of referrals from participants. The sample size of the study consists of 150 respondents.

Data Analysis

Structural equation modeling was conducted using SPSS version 18.0 software, based on Byrne (2009). At first, descriptive statistics was performed to describe the dynamize of the respondents, Secondly, a measurement model was created based on a confirmatory factor analysis, convergent validity and discriminant validity of the research instrument are examined and then the structural model was built in order to test the hypothesized relationships. Lastly, we present the challenges facing organisations in a bar chart.

Ethical consideration

The study adheres to all ethical guidelines for research involving human participants. No personal data is collected about participants and no identity data was requested. Thus, ensuring participants' voluntary participation and confidentiality of their responses.

IV. Data Analysis

Descriptive statistics

The demographic characteristics of the respondents were presented in table 2, showing frequency and percentages accompanying each categorization of respondents. A total of 150 business managers that have adopted personalized ads strategy participated in the study; most respondents (54.7%) were males compare to females (45.3%), regarding majority (40%) were 31 – 45 years, 32% of the respondent were 18 - 30years, followed by 21.3% within 46 – 60 years, the least (6.7%) age range were respondents above 60 years. Level of education of respondents shows that majority (50%) held a bachelor's degree, followed by (26.7%) with post graduate degree, 12% held high school diploma, 8% held primary and middle school certificate and 5% of the respondents had no formal education. For personalized ads strategy platform, most managers (46.7%) used Facebook for their personalized marketing strategy efforts, followed by WhatsApp with 30%, Instagram was used by 20% respondents and other platforms contributed 3.3%. The sample signifies that male managers, 31-45 years and

managers with bachelor's degrees are more inclined to used personalized ads strategies. Also due to the popularity of Facebook and its vast algorithm options most mangers prefer that platform.

Table 2: Descriptive statistics

Demographic variables		Frequency	Percentage (%)
Gender	Male	82	54.7%
	Female	68	45.3%
Age	18 – 30 years	48	32%
	31 – 45 years	60	40%
	46 – 60 years	32	21.3%
	Above 60 years	10	6.7%
Education Background	No education	5	3.3%
	Primary and middle school	12	8%
	High school	18	12%
	Bachelors	75	50%
	Post graduate	40	26.7%
Personalized ads strategy platform	WhatsApp	45	30%
	Facebook	70	46.7%
	Instagram	30	20%
	Others	5	3.3%

Reliability and validity

The constructs used in this research were first evaluated for reliability using the Cronbach alpha indicator, which needs to be higher than 0.7 for every factor. Results in table 3 shows that all constructs exceed the cut-off threshold of 0.70, the cronbach alpha for Personalized ads strategies was 0.937, customer engagements 0.913 and customer conversion 0.895. Then validity was examined, which requires that average variance extracted (AVE) should be greater than 0.50. Average Variance Extracted arranges from 0.895 to 0.716, and composite reliability also ranges from 0.865 to 0.978. To test discriminant validity, the square root of the variance shared between a construct and its measures should be greater than the correlations between the construct and any other construct in the model. Table 3 reports the results of discriminant validity which may be seen by comparing the diagonal to the non-diagonal elements. All the constructs meet the reliability and validity thresholds given by (Fornell & Larcker, 1981; Hair et al., 2010; Jöreskog & Sörbom, 1993).

Table 3. Reliability and validity test

Constructs	*Codes*	*Composite reliabity*	*Cronbach's alpha*	*Average Variance Extracted*	*PAS*	*CE*	*CC*
Personalized ads strategies	PAS	0.954	0.937	0.816	**0.97**		
Customer Engagements	CE	0.938	0.913	0.791	0.46	**0.91**	
Customer Conversion	CC	0.918	0.896	0.895	0.55	0.31	**0.92**

Model Fitness Test

AMOS pattern matrix model builder was used to create a measuring model associated with factor pattern, which the researcher used to confirm the study items. Variance techniques were employed to determine the measurement that described the latent component of the research items. The goodness of fit indices obtained were as follows CMIN/DF= 1.524 (1 to 3), TLI= .951 (>0.950), CFI=.963 (>0.950) and RMSEA= 0.047 (< 0.05) having obtained a Chi-square 268.671 with 104 degree of freedom, and p-value=0.00. The results above results show the goodness of fit indices met the crucial levels.

Table 4. Measurement Models

Fit Index	CMIN/DF	TLI	CFI	RMSEA
	1.524	.951	.963	.047

Hypothesis Testing

After testing for the reliability and validity of the constructs, and model fitness, we present the hypothesis tests in figure 1 and table 5 below. The relationship between variables and their corresponding significant levels was determined using Structural Equation Model. Results indicates a positive and significant relationship between organization heads that adopts Personalized ads strategies to customers and customer conversion at [$\beta = 0.763$; $p < 0.05$]. The above figures show that H1 is supported. The relationship between the use of personalized ads strategies on customers and customer engagement is also positive at [$\beta = 0.822$; $p < 0.05$]. Therefore, personalized ads strategies increase customer engagements with organizations. H2 is equally supported. Furthermore, customer engagement shows a positive and significant relationship with customer conversion at [$\beta = 0.631$; $p <$

0.05]. Hypothesis H3 is equally supported and indicates that an increased in customer engagement leads to higher customer conversion.

Table 5. Results of model

Hypothesis	Coefficient (S.E)	Outcome
PAS → CC	0.763*** (0.063)	Supported
PAS → CE	0.822*** (0.057)	Supported
CE → CC	0.631*** (0.062)	Supported

Standard errors are in parenthesis *** p<0.01, ** p<0.05, * p<0.1

Mediating effect

Regarding mediating effects of emotions on the relation between personalization and intention to purchase, the bootstrap estimation procedure in AMOS was used. This method is the most accurate for computing confidence intervals for indirect effects (MacKinnon et al. 2004). Table 6 shows the significant mediating effect of the customer engagement on the use of personalized ads strategies and customer conversion at the 1% level. The indirect effect value is 0.650, and the 95% confidence interval is [0.344, 0.956]. These findings support hypothesis 2, which argues that the personalized ads strategies promote customer conversion rate by strengthening customer engagements.

Table 6. Result of mediating model

Mediating model	Total effect	Direct effect	Indirect Effect [95% CI]
PAS → CE → CC	0.763**	0.837***	0.650*** [0.344, 0.956]

Note. Confidence interval at the 95% level in parenthesis. ***, **, and *Indicate significant at the 1%, 5%, and 10% levels respectively.

Challenges of using personalized ads strategy

We present some challenges organizations face using personalized ads strategies in Liberia in Figure 1. The study categorized the challenges managers and organizations face during personalized ads strategies into 4 thematic points. The four main challenges include privacy and ethical concerns, data availability, technological complexity and cost of personalization marketing strategy. Results shows that, the cost of personalization marketing strategy was the most challenging facing managers of organization when using personalized marketing strategy recording 35%. Followed by technological complexity with 30%, data availability and privacy and ethical concerns were among the least of challenges with 23% and 12% respectively.

Figure1. Challenges of personalized marketing strategy in Liberia
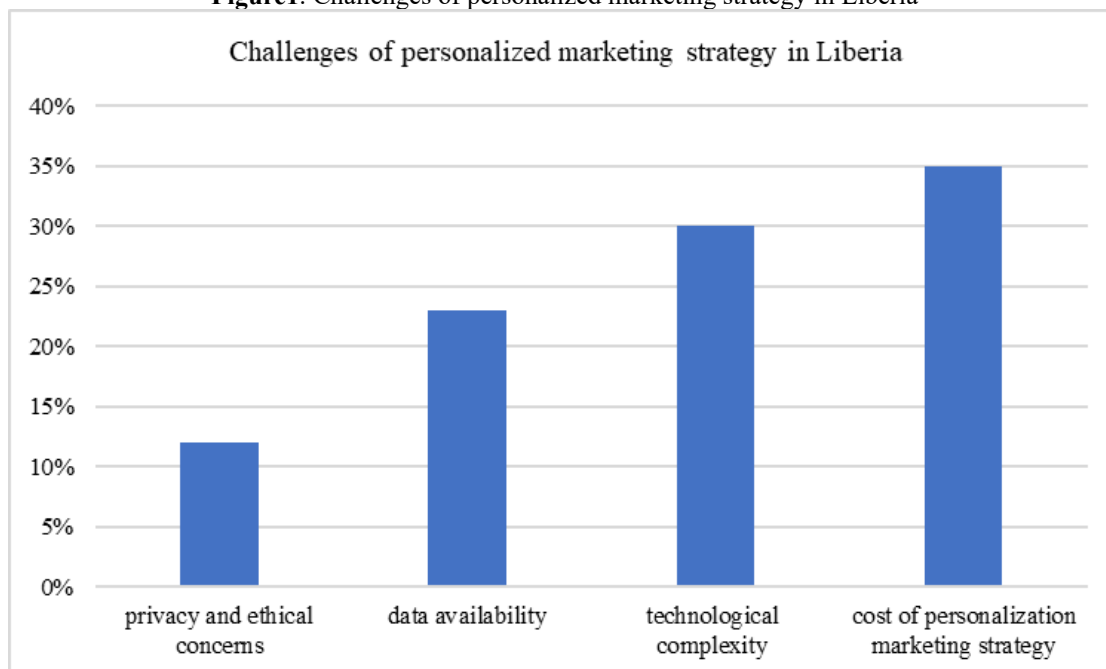
V. Discussion Of Results

The goal of this study was to investigate the impact of personalized advertising strategies on customer engagement and customer conversion rates and understand the dynamics of challenges facing organization in personalization-customer conversion paradox in the SEM context in Liberia. Toward this end, we constructed a conceptual model that features the role of customer engagement. Our results provided some preliminary evidence to indicate that male managers, those for fall within 31-45 years and bachelor's degrees holders and above are more entice to use personalized ads as a marketing strategy. This category of respondents is most likely to take advantage of Information Technology to improve how to administer services to customers. They also are abreast of modern marketing strategies due to the high level of education and youthful exuberant in 21st century. In addition, Facebook was the most used and popular platform that organization use to reach out to customers. According to Meta's advertising resources in 2024 indicates that, Facebook had about 859,000 active users in Liberia out of the 1.65million internet users which represent 52.1% the most used social media. With this large pool of potential customers, most organization use the platform to engage in personalized ads strategy.

The results also suggested that the use of personalized ads strategy has a significant positive relationship with customer conversion rate into purchasing products. This is line with pervious studies that conclude that personalized ads strategy increases purchase intention in many of the online shopping (Kim et al., 2008; Tarifi & Bakhsh, 2024; Xu et al., 2011). We argue that personalized ads strategy makes customers feel more special and valued, enhance customers overall shopping experience, influence customers perception of a brand and helpful for customers to make purchase decisions for product or service recommendations. Not only promote individual purchase intention, it increase potential willingness to provide positive referrals for the organization by the customer. Personalized marketing strategies have the latent to significantly impact customer engagement, which is a critical factor in driving business successes. Our results show a significant positive relationship impact of personalized ads strategies on customer engagement in Liberia. This results is in line with Arora et al., (2008) and Wedel & Kannan, (2016) that concluded that personalized marketing strategies can facilitate more meaningful and personalized interactions between customers and the organization. Personalized marketing strategy capture the attention of customers, increase their interest and involvement, and foster a stronger sense of connection with the organization since the core of personalized ads strategy deliver content, products, and experiences that are highly relevant and responsive to the individual customer's needs. Furthermore, our results indicated a significant positive relationship between customer engagement and customer conversion in Liberia. This study results is in line with Elvarina & Murhadi (2023) that concluded that customer engagement positively influence purchase intention leading to increase in customer conversion. By excellently leveraging personalized marketing strategies, customer engagements in organizations are enhance through increased relevance, improved customer experiences, more meaningful interactions, and higher levels of customer responsiveness and participation leads to higher customer conversion to a products or services.

Pertaining the challenges organizations face using personalized ads strategy in Liberia, the cost of personalization marketing strategy is most concerning to organization. Maintenance of large customer base in personalized ads strategy can be costly because of high service fees by advertising firms in Liberia. On the other hand, smaller customer base poses it own cost due to economies of scale. Matching the need for scalability with the desire for individualized experiences can require sophisticated algorithms, machine learning capabilities, and constant optimization to ensure that personalization remains effective. Regarding technological complexity, Liberia is a developing country with less technology advancement and Huang & Rust (2017) highlighted that for effective implementation of personalized marketing strategies frequently entails a robust technological infrastructure, including data management systems, advanced analytics capabilities, and seamless integration across various marketing channels and platforms. Moreover, data availability concerns accounted for 23% of challenges faced in implementing personalized ads strategy in Liberia. With limited data collection capabilities and fragmented customer information systems in Liberia, organization are pose with substantial challenge to gather, handle, and maintaining high-quality customer data. Wedel & Kannan (2016) argued that effective personalized ads strategy needs access to a comprehensive and accurate dataset about individual customers, including their preferences, behaviors, and interactions with organization products and services. One of the least mentioned challenge but important is privacy and ethical concerns. Though an important concern, it ranked last. This is not surprising since Liberia is characterized with weak regulatory governance concerning data therefore organization do not face stress from data regulatory bodies.

VI. Conclusion And Recommendation

In today's business landscape, personalized marketing strategies have gained significant importance by leveraging on customer data and utilizing advanced technologies to deliver personalized experiences that resonate with individual consumers, resulting in improved customer engagements and customer conversion. Our study results concluded that personalized ads strategies had a significant positive relationship with customer conversion in Liberia. Also, personalized ads strategies increase customer engagements which promotes customer

conversion. Furthermore, the study highlighted 4 main challenges facing organization using personalized ads strategies in Liberia with majority of respondents mentioning cost of personalization marketing strategy, followed by technological complexity, data availability and privacy and ethical concerns respectively.

For best practices and improve customer experiences, we recommend that organization should find cost effective ways to collect and securely save customer recommendations, integrating transactional data, behavioral data, demographic data to create a more holistic and accurate customer profile, enabling them to tailor their marketing strategies and interactions. Lastly, regardless of weak regulatory governance in Liberia, organizations to build trust and avoid potential legal and reputational damage must ensure that they are transparent about their data practices, obtain appropriate customer consent, and comply with relevant data privacy regulations.

As with any empirical study, there are some limitations. First, our sample included only business in Liberia with online presence. Furthermore, the subjects were highly experienced in online marketing and highly educated, so this may limit the generalization of the findings somewhat. Second, the findings are based on self-reported data; other methods such as in-depth interviews and observations could provide a complementary picture of the findings.

References

[1] Arora, N., Dreze, X., Ghose, A., Hess, J. D., Iyengar, R., Jing, B., Joshi, Y., Kumar, V., Lurie, N., Neslin, S., Sajeesh, S., Su, M., Syam, N., Thomas, J., & Zhang, Z. J. (2008). Putting One-To-One Marketing To Work: Personalization, Customization, And Choice. Marketing Letters, 19(3–4), 305–321. Https://Doi.Org/10.1007/S11002-008-9056-Z

[2] Bag, S., Gupta, S., & Kumar, S. (2021). Industry 4.0 Adoption And 10r Advance Manufacturing Capabilities For Sustainable Development. International Journal Of Production Economics, 231, 107844. Https://Doi.Org/10.1016/J.Ijpe.2020.107844

[3] Boerman, S. C., Kruikemeier, S., & Bol, N. (2021). When Is Personalized Advertising Crossing Personal Boundaries? How Type Of Information, Data Sharing, And Personalized Pricing Influence Consumer Perceptions Of Personalized Advertising. Computers In Human Behavior Reports, 4, 100144. Https://Doi.Org/10.1016/J.Chbr.2021.100144

[4] Demmers, J., Weltevreden, J. W. J., & Van Dolen, W. M. (2020). Consumer Engagement With Brand Posts On Social Media In Consecutive Stages Of The Customer Journey. International Journal Of Electronic Commerce, 24(1), 53–77. Https://Doi.Org/10.1080/10864415.2019.1683701

[5] Elvarina, E., & Murhadi, W. R. (2023). The Effect Of Customer Engagement On Purchase Intention In Kimia Farma Services In Surabaya. Devotion : Journal Of Research And Community Service, 4(8), 1612–1629. Https://Doi.Org/10.59188/Devotion.V4i8.542

[6] Haloho, F. J., & Parahyanti, E. (2020). Personalized Online Advertisements As A Means Of Enhancing Purchase

[7] Intention: The Mediating Effect Of Advertising Value. Psikodimensia: Kajian Ilmiah Psikologi, 19(2), 156-   164.

[8] Huang, M.-H., & Rust, R. T. (2017). Technology-Driven Service Strategy. Journal Of The Academy Of Marketing Science, 45(6), 906–924. Https://Doi.Org/10.1007/S11747-017-0545-6

[9] Li, H. (2016). Advertising And Consumer Culture In China. John Wiley & Sons.

[10] Kim, D. J., Ferrin, D. L., & Rao, H. R. (2008). A Trust-Based Consumer Decision-Making Model In Electronic Commerce: The Role Of Trust, Perceived Risk, And Their Antecedents. Decision Support Systems, 44(2), 544–564. Https://Doi.Org/10.1016/J.Dss.2007.07.001

[11] Tarifi, N., & Bakhsh, R. (2024). The Effectiveness Of Personalized Marketing Strategies On Consumer Engagement And Loyalty (Evidence From Ksa). International Journal Of Research And Studies Publishing, 5(56), 283–302. Https://Doi.Org/10.52133/Ijrsp.V5.56.11

[12] Todri, V., Ghose, A., & Singh, P. V. (2020). Trade-Offs In Online Advertising: Advertising Effectiveness And Annoyance Dynamics Across The Purchase Funnel. Information Systems Research, 31(1), 102–125. Https://Doi.Org/10.1287/Isre.2019.0877

[13] Tran, V. D., & Nguyen, T. D. (2022). The Impact Of Security, Individuality, Reputation, And Consumer Attitudes On Purchase Intention Of Online Shopping: The Evidence In Vietnam. Cogent Psychology, 9(1). Https://Doi.Org/10.1080/23311908.2022.2035530

[14] Potla, R. T. (2022). Ai And Machine Learning For Enhancing Cybersecurity In Cloud-Based Crm Platforms.

[15] Australian Journal Of Machine Learning Research & Applications, 2(2), 287-302.

[16] Van Den Broeck, E., Zarouali, B., & Poels, K. (2019). Chatbot Advertising Effectiveness: When Does The Message Get Through? Computers In Human Behavior, 98, 150–157. Https://Doi.Org/10.1016/J.Chb.2019.04.009

[17] 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

[18] Xu, H., Luo, X. (Robert), Carroll, J. M., & Rosson, M. B. (2011). The Personalization Privacy Paradox: An Exploratory Study Of Decision Making Process For Location-Aware Marketing. Decision Support Systems, 51(1), 42–52. Https://Doi.Org/10.1016/J.Dss.2010.11.017

[19] Yu, J. (Hyunjae), & Cude, B. J. (2009). Possible Disparities In Consumers' Perceptions Toward Personalized Advertising Caused By Cultural Differences: U.S. And Korea. Journal Of International Consumer Marketing, 21(4), 251–269. Https://Doi.Org/10.1080/08961530802282166