

Consumer reactions to recommendation agents: the effect of maximizing tendencies and risk aversion

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Abstract

The emergence of artificial intelligence technologies, such as recommendation agents (RA), presents new challenges and opportunities for marketing. RAs assist consumers in their decisions by analyzing data on preferences and behaviours. However, consumers may feel suspicious about RAs, considering personal characteristics such as risk aversion and maximization tendencies. This research highlights that while RAs can reduce choice overload and make purchase decisions easier for consumers, they are associated with higher uncertainty in decision-making. Two experimental studies confirmed that satisficers perceive higher uncertainty and, at higher levels of risk aversion, maximizers may also negatively perceive technology-assisted decisions.

Keywords: *emerging technologies, artificial intelligence, choice overload*