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Page: 298 – 308 https://amjd.kiu.ac.ug

IMPACT OF DIGITAL PERSONALIZATION PRACTICES ON CONSUMER TRUST AMONG ONLINE RETAIL BUSINESSES IN SHOMOLU LOCAL GOVERNMENT, LAGOS STATE, NIGERIA

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Abstract
The paper examines the influence of online retailer digital personalisation measures on consumer trust in the Shomolu Local Government Area (LGA), Lagos State, Nigeria. Due to the heightened competition caused by the rapid development of digital business, trust is a core of long-term online relationships. The study examines the impact of personalisation behaviour such as customised communication, personalised recommendations and customer engagement on customer satisfaction, trust, and loyalty. It is driven by Customer Relationship Management (CRM) framework and Social Capital Theory (SCT). Quantitative data were gathered through the use of structured questionnaires on 400 online retail customers based on a descriptive survey design. Data analysis was carried out with the help of the Statistical Package of the Social Sciences (SPSS, version 27) both in descriptive and inferential modes. In the regression analysis, personalisation practices identified 52 percent of the customer loyalty variance and the findings were strongly positive between digital personalisation and customer trust ($r = 0.716$, $p < 0.05$). These results indicate that personalised digital interaction enhances trust and long-term customer loyalty significantly. The research concludes by saying that recurring data-informed and customer-focused personalisation plans are required to build trust in online retailing. It recommends SMEs to merge customer feedback with system, enhance digital marketing skills and invest in customer relationship management technology to enhance customer satisfaction, confidence, and loyalty. This paper enables one to comprehend the role of localised digital strategies in enhancing business competitive edge and sustainable growth in the emerging online retail sectors through digital personalisation placed in the Nigerian context.

Keywords: Digital Personalization Practices, Consumer Trust, Online Retail Businesses, Shomolu Local Government

Introduction
The fast online metamorphosis of global commerce has altered the manner in which businesses interact with their customers, particularly within the retail sector in a significant manner. E-commerce has also taken over the old brick and mortar operations thereby putting a competitive environment where the businesses have to continuously come up with innovations in order to attract and retain clients. One very important success factor in this connection is the digital personalisation, which refers to the procedure of tailoring the on-line content, recommendations, and services to each user depending on their choices and behaviours (Foroudi & Salehi, 2024). Since strong business relationships require trust and loyalty, personalisation can help online retailers provide internet users with the feeling of familiarity, relevancy, and connection (Choudhury &

Miri,2024). The current developments in mobile technology, digital payment systems, and the availability of the internet have accelerated the digital transformation in emerging markets such as Nigeria (Olatunji & Hassan, 2023). The data security, privacy, and poor service quality have also hurt consumer trust and accompanied the growth of the sector (Alabi, 2024). Although the popularity of online shopping among Nigerian consumers is rising, the population tends to be distrustful of online retailers because of the fear of fraud, poor after-sales, and unreliable delivery (Ogunleye, 2022). Consequently, customer trust has become one of the priorities of SMEs who transact business over the internet in Nigeria.
Customer relationship management or CRM has become one of the tactics of addressing these problems. CRM coordinates customer interactions in different digital touchpoints via integration of marketing, data analytics, and technology (Kumar and Pansari, 2022). Personalisation serves as an intermediary between relationship building programs and customer information under the CRM system. CRM system enhances satisfaction, retention, and trust through personalised experiences through the use of customer data (Adeola & Adebiyi, 2021).

Lagos State is the commercial and technological hub of Nigeria, and it is an exciting place to study digital personalisation. Specifically, the Shomolu Local Government Area (LGA) is a busy metropolitan environment where the population is young and highly tech-savvy and where online retail SMEs are highly concentrated (Adewale, 2023). The extent of their influence on consumer trust within Shomolu is also under-researched, which is intriguing given that numerous studies have established a relationship between CRM and personalisation and consumer satisfaction and loyalty in larger micro-cities such as Ikeja (Olatokun & Kebonye, 2020; Balogun, 2020). Thus, the goal of the research is to explore empirically the relationships between digital personalisation practices, customer loyalty, and trust and online retailers in Shomolu LGA. This paper contributes to the growing discussion of technology-based relationship marketing in Nigeria this paper focuses on the local situation in Nigeria. It also gives effective tips to SMEs who strive to establish long-term competitive advantages in the digital economy.

Statement of the Problem

In the digital economy, personalisation is now one of the primary tactics of enhancing online consumer experience, customer satisfaction, and brand loyalty (Choudhury & Miri, 2024). By leveraging the opportunities of customisation of experiences via technologies like predictive analytics, personalised email marketing, and customised product recommendations, businesses can eradicate unhealthy interactions with customers and urge customers to engage in repeat business. Nonetheless, several contextual challenges, including poor data management, privacy, low digital literacy, and customer disproportionate responsiveness remain to curtail the realisation of digital personalisation in emerging economies like Nigeria (Ogunleye, 2022; Adeola & Adebiyi, 2021).
These challenges are particularly evident in the Shomolu Local Government Area (LGA) of Lagos State which is a fast growing hub of small and medium-sized online stores. Most of the SMEs do not have a well-organized Customer Relationship Management (CRM) system that can collect and analyse customer information to facilitate long-term personalised engagement, irrespective of the fact that most businesses utilise social media and e-commerce platforms such as Instagram, WhatsApp, and Jumia to market and sell their products (Eze, 2021; Olatunji & Hassan, 2023). Consequently, their personalisation efforts are often scattered and operational and focus on the fact that they aim to make instant sales and are not interested in the long-term retention of customers.

Moreover, due to the persistent issues with fraud, unstable delivery, and abuse of personal data, the Nigerian consumers remain extremely suspicious about online transactions (Alabi, 2024; Adewale, 2023). A combination of these factors has make SMEs less able to build relationships founded on trust and keep a competitive advantage using digital personalisation as a relationship enhancer. The exact connection between digital personalisation and consumer trust in the local online retailing processes, especially in the SME ecosystem established by Shomolu, is not studied thoroughly, even though several studies carried out in Lagos and other cities in Nigeria have established that CRM has

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a positive impact on organisational performance and customer satisfaction (Balogun, 2020; Olatokun & Kebonye, 2020).

This lack of empirical evidence is a serious gap in the research. Without access to localised data, SMEs in Shomolu could continue adopting generic digital strategies that do not consider the tastes, expectations, and cultural dynamics of their target market. This gap, in theory, limits our understanding of the effects of digital personalisation in creating loyalty and trust in resource-constrained and technologically adaptive environments. Practically, it complicates the process of SMEs embracing effective personalisation strategies that enhance profitability in the long-term and customer retention. To add to the academic literature as well as the practice of management in the digital economy of Nigeria, this research seeks to empirically examine the role of digital personalisation practices on consumer trust and loyalty of online retailing business in Shomolu LGA, Lagos State.

Objectives of the Study

To study the effects of the digital personalization practices on the consumer trust in online retail businesses in Shomolu LGA, Lagos State, Nigeria.

Specific Objectives

1) To find out how digital personalization influences consumer satisfaction.
2) To determine the connection that exists between relationship marketing and consumer trust.
3) To determine the role of customer focus on consumer loyalty.

Research Questions

1) How does digital personalization affect consumer satisfaction?
2) What is the relationship between relationship marketing and consumer trust?
3) How far does customer focus affect consumer loyalty?

Significance of the Study

The significance of this research lies in the fact that it contributes to theoretical knowledge and practice in the fields of consumer behaviour, customer relationship management (CRM) and digital marketing. The emergence of digital personalisation has turned the global retail practices upside down yet the local impact of this at the developing countries, particularly Nigeria, is unknown. As such, the research is useful in several related fields, such as the academic, managerial, and policy.

Theoretical Impact on the Body of Knowledge in Academia: The study contributes to the existing literature on customer relationship management (CRM) by positioning digital personalisation in the unique local socioeconomic and technological environments of Nigeria, where the online retail sector operates (Olatunji & Hassan, 2023). Very little research has been done on how personalisation can generate consumer trust and sustainable loyalty in the emerging markets; most have focused on the overall effectiveness of CRM or customer satisfaction in the developed setting (Kumar & Pansari, 2022). The given study provides empirical data on the means of overcoming the barriers of trust associated with online transactions with the help of personalised engagement by SMEs by focusing on the Shomolu Local Government Area and making it a microcosm of the city of Lagos.

Policy Implications: The findings would have implications on national policies on the digital economy and SME development policies in Lagos State. The results of this study can be used to develop training programs of digital marketing, data management, and CRM integration conducted by government bodies such as the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) (Adeola & Adebiyi, 2021). Furthermore, under the Data Protection Regulation (NDPR) in Nigeria, the policy interventions may assist in the practice of moral personalisation that will maintain the privacy of consumer data and ensure transparency. In e-commerce, the level of digital literacy of small business owners can be improved, and technologies should be adopted to make them more competitive, confident among customers, and enhance economic development (Adewale, 2023).

Managerial Relevance: The study provides practical implications to the online retail business owners and managers in Shomolu LGA and other urban markets. It also accentuates that data-driven

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personalization, including CRM software, customer feedback services, and personalized online advertising, can be used strategically to create trust-based customer relationships (Balogun, 2020). In the case of SMEs, the implementation of organized personalization methods may enhance customer satisfaction, repeat buying, and promotion of a brand, resulting in profitability in the long run (Alabi, 2024).

Additionally, the paper addresses the significance of employee training and ongoing digital capacity development, as it will help small enterprises to better analyze customer data and respond to it with their marketing messages (Ogunleye, 2022).

This study has multi-level applicability. It fills a critical empirical gap in an academic context, is useful in the formulation of evidence-based strategies to policymakers, and offers practical guidance as to how digital personalization can be utilized as the wind in the sails of consumer trust, loyalty, and sustainable competitive advantage in the dynamic digital retail environment in Nigeria.

Theoretical Framework

The research is based on the frameworks of Social Capital Theory (SCT) and Customer Relationship Management (CRM) Framework which is a holistic overview of the research through which the study of the impact of digital personalization practices on consumer trust in online retail business in Shomolu LGA, Lagos State is to be viewed. These theories are mutually supportive in that they will cover both relational and strategic aspects of trust-building in online retail settings.

Social Capital Theory (SCT) Proponent: Barney (2020), Social Capital Theory states that trust, reciprocal and common-sense networks are important resources that enable cooperation and organizational performance (Putnam, 2000; Nahapiet and Ghoshal, 1998). Social capital underlines the worth of social relationships that help organizations to depend on interpersonal trust and commitments to achieve long-term performance.

Applicability to the Study: SCT in the context of digital personalization describes the manner in which online retailers may build relational social capital through the provision of personalized interaction which builds strong emotional connection and trustworthiness. Individualized customer services, personalized messages and products, and tailored services are positive indicators to the consumer that the retailer knows and cares about their individual tastes, which increases confidence. Rationalization to be used: SCT is especially applicable since trust is relational in nature. Digital personalization is not only a technological device, but also an approach towards the establishment of continuous social contacts between businesses and consumers. Using SCT, the research has captured the social and emotional processes, under which which the implementation of personalized digital experiences is creating consumer trust that is vital in creating loyalty and long-term interaction.

Customer Relationship Management (CRM) Framework. Proponents: Payne & Frow (2020), CRM framework focuses on managing customer relationships over a longer period of time by using data and technology to increase satisfaction, retention, and profitability. CRM combines individuals, processes, and technology to turn customer data into actionable data to engage customers and create value in a personalized manner. Applicability to the Study Digital personalization is an operationalization of CRM that involves the analysis of customer data, i.e. purchase history, browsing behavior and demographic information to provide targeted messages, promotions, and services. This statistical personalization, in addition to enhancing user experience, also communicates competence, reliability, and attentiveness, which are among the dimensions of consumer trust.

Justification to Use: CRM offers a realistic and managerial approach to digital personalization. Although SCT is used to explain the relational processes of trust, CRM illustrates how firms can use systematic approaches to personalization to build consumer trust and consumer loyalty. It is also in line with the general theme of the study about online retail business in which data analytics and online interaction are key to the success of a business.

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Rationale in the Dual Application of Theories: SCT puts emphasis on the psychosocial aspect of trust, how emotions and reciprocity and social interactions build trust in companies. o CRM is based on the strategic and operational aspect-how data-driven personalization and orderly engagement process contribute to trust and loyalty. It is also possible to employ both theories to enable the study to depict both relational and managerial processes through which digital personalization can influence consumer trust. SCT describes the formation of the trust on individual person-to-person interactions, whereas CRM describes the possibility of the businesses to adopt and maintain such person-to-person interactions.

Conformity to Research Objectives: The purpose of the study is to evaluate the effect of digital personalization practices on consumer trust. The union of SCT and CRM makes the framework warrant the emphasis on the human/social dimensions of the trust and the technological/strategic approaches, according to which online retailers operationalize personalization. Practical Implications: The combination of both theories can provide actionable knowledge to online retailers: they can develop the personalization plans that are both socially meaningful (SCT) and data-driven (CRM), which will lead to the highest levels of trust, loyalty, and future business outcomes. A combination of the Social Capital Theory and CRM Framework offers a strong theoretical basis to be used in the study. SCT provides a picture of the relationships of trust in online retail interactions, and CRM provides the systematic approach, which is based on data, to implement the practices of personalization. Collectively, they are a reason to consider the topic of digital personalization as a strategic weapon of developing consumer trust, with both theoretical and practical implications applicable to online retail organizations in Shomolu LGA, Lagos State, Nigeria.

Empirical Review

Empirical studies on digital personalization and consumer trust have expanded significantly over the recent years particularly due to the rising adoption of technology-based Customer Relationship Management (CRM) systems in the small and medium sized enterprises (SMEs). There is no consensus among scholars on whether digital personalization, in the form of data analytics, automated marketing, and personalized communication, is a critical factor in the determination of consumer behavior, loyalty, and trust (Choudhury and Miri, 2024; Kumar & Pansari, 2022).
Balogun (2020) examined the role played by CRM systems that are technology-enabled on the competitiveness of SMEs within the state of Lagos. The research found that companies embracing digital CRM solutions, including automated databases of customer, social media analytics, and feedback systems, recorded significant gains in customer retention and overall performance on the market. The results implied that digital technology improves the efficiency of relationship marketing that consequently builds consumer confidence through transparency and responsiveness.

On the same note, Adewale (2023) investigated the effect of high stakes customer interaction on repeat patronage in online stores in Lagos. The study conducted through regression analysis revealed that individualized email marketing, post purchase follow-ups and individualized service delivery had a strong positive effect on repeat buying behaviour. These findings highlight the significance of personalization as a customer loyalty driver, which is consistent with the prior research on the issue conducted at a global level that the emotional attachment between customers and brands is boosted by the level of personalization (Foroudi and Salehi, 2024). Choudhury and Miri (2024) in a different study investigated the direct connection between the level of personalization and consumer confidence in online platforms. Their studies showed that the more personalization attempts are precise and context-specific, i.e. consider behavioural information and buying history, the more customers tend to believe that the brand is also reliable and trustworthy. Nevertheless, the authors warned that excessive personalization in an absence of proper privacy protection may cause consumer discomfort and hence less trust. This illustrates the necessity of implementing ethical approaches that are personalized, particularly in the growth markets such as Nigeria where privacy issues about digital privacy are still a challenge (Ogunleye, 2022).

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Alabi (2024), also built on this line of investigation by studying how automated personalization tools, including recommendation algorithms and targeted promotions, enhance the profitability of SMEs in Ikeja, Lagos State. The results of the study revealed a high positive relationship between automation of personalization and the profitability of the business through customer satisfaction. The findings indicate that personalized systems in addition to augmenting the frequency of transaction augment the value and apprehended quality of service. These results are supported by other corroborating evidence. Indicatively, Adeola & Adebiyi (2021) found out that CRM practices intertwined with the elements of personalization, including customer segmentation and data-driven decision-making, help to significantly improve customer satisfaction and retention in the retail industry of Nigeria.

Similarly, Olatokun and Kebonye (2020) found a positive correlation between CRM adoption and market performance in SMEs and that relationship-based strategies form the relational capital required to facilitate the development of trust. Taken together, these articles all point to a similar direction: the digital use of personalization can be a trigger to developing consumer trust, mediated by satisfaction and loyalty systems. Personalization fosters emotional bonding, perceived trustworthiness and brand recognition- all of which are core elements of consumer trust. In turn, the empirical data highlight that in the case of online retailers in such regions as Shomolu LGA, it is necessary to implement the concept of personalization into the CRM systems to remain a competitive and credible digital presence in the rapidly developing e-commerce landscape in Nigeria.

Literature Review

One of the principles of the modern marketing and customer relationship management has become digital personalization. It entangles algorithms, CRM data, artificial intelligence (AI), and predictive analytics in order to personalize marketing content, product suggestions, and service communications to each consumer (Olaniyi and Uche, 2022). This process helps the firms to foresee the needs of the customers and provide them with customized experiences that improve their satisfaction, loyalty, and trust. Gatignon and Following (2022) state that consumers view personalization as a demonstration of attentiveness and commitment to the relationship, which increases ratings of the credibility and trustworthiness of a firm. In online contexts where the extent of interpersonal interaction is significantly low, personalization is a psychological form of interpersonal trust-building that creates a closer relationship between consumers and brands (Choudhury & Miri, 2024).

Theoretically, personalization works in the larger Customer Relationship Management (CRM) model, where long-term mutually advantageous relationships are focused on between businesses and customers (Kumar & Pansari, 2022). CRM systems gather and give customer data, including purchasing history, browsing history and customer feedback, to guide customized communication plans. Using these insights, companies will be capable of making marketing messages and offers that are as close to the personal preferences as possible, which will result in the creation of a sense of relevance and trustworthiness (Foroudi & Salehi, 2024). Additionally, personalization leads to the relational trust, which is a kind of trust based on the regular and meaningful interactions instead of the transactional interactions (Adewale, 2023).

Online personalization is especially prominent in the case of the online retailing in Nigeria due to the fact that consumers are highly sensitive to truthfulness, openness and trustworthiness in online communication. Fraudulent transactions and untrustworthy delivery systems, as well as privacy issues of their data, continue to intimidate many Nigerian consumers when it comes to online shopping (Adeola & Adebiyi, 2021; Alabi, 2024). During this context, personalization is a trust-driven principle, as it assists companies to show concern, authenticity, and consumer-focusedness. Online retailers can minimize perceived risk and uncertainty by providing customized suggestions, immediate feedback, and follow-up messages, which increases customer satisfaction in the online transaction process (Ogunleye, 2022). This is backed up by empirical research. As it was noted by Balogun (2020) and Adewale (2023), individual engagement tactics, including automated feedback

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loops, loyalty programs, and customized digital campaigns, have a positive impact on customer retention and satisfaction within Lagos State SMEs.

Likewise, personalization was also identified by Choudhury and Miri (2024) as the predictor of consumer trust and loyalty, indicating that customized communication triggers an emotional attachment and loyalty. Nonetheless, they also observed that too much personalization without proper data privacy protection may be a source of irritation and diminish trust, and that balance is needed in the practice of ethical personalization in order to have long-term digital interactions. Personalization has become a strategic necessity in digital business models across the globe since it has developed as a marketing innovation. In developed markets, AI-oriented personalization improves the quality of prediction, allowing companies to provide uninterrupted and smooth consumer experiences (Kumar & Pansari, 2022). Conversely, in developing economies such as Nigeria, poor digital infrastructure, high costs of implementation and lack of analytical skills continue to limit the use of such technologies (Olatunji & Hassan, 2023). However, with the internet penetration and mobile shopping ever-increasing and other areas like Shomolu Local Government Area, digital personalization can provide SMEs with the chance to make a difference and create competitive advantage based on the relationship of trust.

It can be stated that the literature indicates that digital personalization has a dual role in online retail. It improves customer interaction and sale performance, in the relation, it develops the trust by indicating care, competence, and reliability. Therefore, with the high-risk nature of digital Nigeria, proper personalization, which is based on CRM systems and informed by ethical data practices, is not only a marketing strength, but also a consumer-trust strategy to ensure consumer loyalty and a sustainable increase in needs.

Methodology

Research Design

This paper has utilized descriptive quantitative research design which suits with a systematic study of relations between digital personalization and relationship as well as consumer trust and loyalty. The survey methodology presented the adoption of the numerical data collection (respondent) to obtain a numerical data set and be able to conduct statistical analysis and determine trends, patterns, and correlations among variables. Descriptive designs are also very appropriate when the intention is to have a description of qualities of a population or phenomenon as they exist naturally (Creswell, 2014).

Population and Sampling

This study targeted those online customers of retail stores within the Shomolu Local Government Area (LGA), Lagos State in Nigeria. Taking into consideration the large amount of online shoppers in the region, the formula was calculated (1967) by Yamane to obtain statistically valid sample size, it provided the sample size of 400 respondents. The convenience sampling method was used because the subjects were readily available and the study was conducted with a desire to acquire first hand and up to date information on online shopping patterns among active online customers. Although convenience sampling can decrease the ability to make generalizations, it can be used in exploratory research and to gain preliminary understanding of consumer behaviour.

Instrumentation

A structured questionnaire, which was created to be used in this research, was used to gather data. The tool consisted of parts assessing:

Online personalization - the perceptions of consumers with regards to personalized online interactions, recommendations, and content.

Relationship marketing - evaluating the marketing plans to long-term consumer relationships.

Consumer trust - evaluating perceived trustworthiness, sincerity, and honesty of online retailers.

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Consumer loyalty - assessment of the intentions to buy again and recommendations to recommend the retailer.

All the items were confined to a 5-point Likert scale (1 = strongly disagree, 5 strongly agree) to provide uniformity and ease of analysis. To determine the reliability, a calculus of the alpha coefficient, Cronbach was carried out on the various constructs, and the = 0.83 was obtained, which is good internal consistency and that the instrument has a good degree of reliability in measuring intended variables (Gliem and Gliem 2003).

Data Collection

The data collection was conducted within the three months (May-July 2025) using the online (through social media, email and web survey platforms) and offline data collections (face-to-face distribution at selected retail points). The purpose of the study was explained to the participants, and the confidentiality was guaranteed to them, and informed consent was obtained. A mixed methodology was necessary to cover a wider range and make them as inclusive as possible since some respondents might have better access to the internet than others.

Data Analysis

The analysis of collected data was performed with the help of SPSS version 27. Two levels of analysis were made:

Descriptive statistics: Such aspects as mean, standard deviation, and frequency distribution were employed to characterize the demographics of the respondents and their attitudes to digital personalization, relationship marketing, consumer trust, and loyalty.

Inferential statistics: Pearson correlation analysis was performed to reveal the level and direction of the relationships between variables and multiple regression analysis was performed to define the predictive value of digital personalization and relationship marketing on consumer trust and loyalty. The statistical significance was considered at $p < 0.05$. The conclusions to be made were interpreted with the aim of coming up with the extent to which the independent variables impact on consumer trust and loyalty as applied in online retail within Shomolu LGA.

Data Presentation

Table 1: Digital Personalization and Consumer Trust Correlation

Variable	Consumer Trust
Digital Personalization	0.741

Interpretation:

The findings suggest that there is a great positive relationship between digital personalization and consumer trust ($r = 0.741$, $p < 0.01$). It implies that the higher the degree of customization in the online interactions, the more the consumers will interpret the retailer as a trustworthy, competent, and take care of them. That is, personalized messages, customized online experience and recommendations can do a lot to boost the perceived credibility of the online stores.

Table 2: Regression of Personalization as a Determiner of Loyalty.

Predictor	B	R2	Sig
Digital Personalization	0.682	0.52	0.000

Interpretation:

The regression model demonstrates the serious predictor of consumer loyalty as digital personalization ($b = 0.682$, $p < 0.001$). In addition, digital personalization explains 52 percent of the consumer loyalty variation. This implies that individualized online experiences (i.e., product recommendations, promotions, and personalized interactions) are essential to make the online buyers purchase repeatedly and be loyal to the online store.

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Discussion

The results show that online personalization is an influential instrument of building consumer loyalty and trust in online shopping. The high positive correlation and predictive value of personalization are also in line with the existing literature. As an illustration, Choudhury and Miri (2024) underline that individual contact and unique experiences have a direct positive effect on customer retention and loyalty.

These findings underscore the fact that customers are becoming more demanding of online stores to know their taste, anticipate their demands, and offer personalized services. This does not only enhance trust but also emotional attachment which is a determinant of loyalty. Practically speaking, online stores operating in Shomolu LGA and other markets ought to invest in CRM systems, AI-controlled personalization technologies, and data analysis to provide people with personalized experiences, which would speak to an individual customer.

Moreover, this paper highlights the extended meaning that digital interactions that are personalized by humanizing them create a long-term relationship between the brand and the consumer. Individualized retailers can lose relevance, credibility, and retention power, especially in competitive online stores.

To sum up, the research finds that online personalization is a strategic and operational requirement of online retailers aiming to develop trust and consumer loyalty in the long term. Moderating factors like demographic variables, digital literacy, and cultural preferences could be assessable in future studies to gain a better insight into the effect of personalization on trust and loyalty among different groups of consumers.

Conclusion

This paper illustrates that online personalization is a crucial factor that boosts consumer confidence in online retailers within Shomolu LGA. Results have shown that consumers form a better view of retailers who provide them with personalized recommendations, customized promotions, and personalized communication as more trustworthy and as being sensitive to their needs. This tailored engagement strategies especially when combined with Customer Relationship Management (CRM) systems also enhance consumer satisfaction, as well as loyalty which is vital in increasing subsequent patronage and sustainability of a business.

The findings of this paper indicate that personalization is not merely a promotional gimmick, but an effective strategic practice that makes the digital communication more human-centered and adds to the relationship between the consumers and the retailers. Online retailers with proper investments in personalization based on data can gain a competitive advantage, enhance customer retention, and build a strong consumer base. On the whole, the research highlights the fact that digital personalization is a vital predictor of trust and loyalty that form the basis of long-term business results within the competitive arena of online retailing.

Recommendations

On the basis of the study results, it is suggested to online retailers, SMEs, and policy-makers in Shomolu LGA as follows:

1) Apply Data-Driven Personalization: SMEs must use CRM analytics and artificial intelligence tools to provide personalized experiences, such as product recommendation, personalized promotions and personalized communications. With the help of data-based personalization, companies will gain a more insight into customer preferences and improve their engagement.
2) Improve Digital Skills: It is essential to have continuous training and capacity-building programs that would benefit the owners of SMEs and employees. Digital marketing, methods of personalization and ethical handling of data should be trained in order to make certain that strategies of personalization are successfully effective, meet privacy laws as well as establish trust to consumers.

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3) Embrace Feedback Loops: Organizations must be keen on gathering, evaluating and incorporating customer feedback within product development and service redesigns. The feedback loops will help to keep the work towards personalization in tandem with changing consumer expectations and preferences and enhance loyalty and satisfaction.
4) Enhance Policy Support: It is necessary that local government and regulatory bodies should offer incentives and policy frameworks that will persuade SME to use ethical personalization technologies. This could be in the form of grants, tax breaks and advice on how to comply with data privacy standards which would help create a business culture that values trust and consumer-focused innovation.
5) Measure and Report on Personalization Effectiveness: SMEs need to put in place a system of monitoring and reporting of the effectiveness of the personalization strategies periodically, by using important performance indicators including customer retention, repeat purchase, and customer satisfaction scores. The ongoing assessment assists in determining the areas that should be enhanced and makes the personalization projects effective over a long period.
6) Engage in Data Ethics: All personalization programs should be based on ethical considerations. SMEs must comply with data privacy laws, get informed consent of the customers and should be transparent in the manner that the consumer data is gathered and utilised. Ethics build consumer confidence and reputation.

Through these suggestions, online retailers in Shomolu LGA have the ability to use digital personalization as an engagement tool, as well as a long-term business strategy to enable trust and loyalty in their business, and business success.

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