Impact of Artificial Intelligence on Branding

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Abstract

Entrepreneurship is a mindset, rather than an activity where there is a tendency to generate revenue through the sale of the product or service as a mark-up over cost and hence reap surplus which gets reinvested in the organisational life cycle. The importance of branding stems from the fact that every entrepreneur through its innovation makes conscious effort to gauge the minds of prospective customers, converts them into consumers and retains them through strategic decision making. Artificial intelligence (AI) is one of the most innovative technological tools adopted by entrepreneurs to build up their brand and keep up the brand image for the long term sustainability. This research paper will dwell on the magnificent impact of AI on brand building, various facets of brand intelligence and brand personality, consumer behaviour and the predictive analysis to pre-empt the change in behaviour and formulation of proper and optimal business strategies to confront any business challenges and excel in the competitive environment.

Keywords used: Artificial Intelligence, Generative AI, Brand building, Brand image, Brand reputation, Organisational growth

Introduction:

India's rise as a global leader is anchored by four pillars namely, strong macroeconomic fundamentals, cultural diversity, technological knowhow and democratic advantage which not only distinguish our country as a resilient force to reckon with in the global arena but also strengthen its status as a remarkable nation in the 21st century. Ranked 42nd on the Global Innovation Index, the nation is foraying into a new chapter in its technology journey.

Artificial Intelligence is a giant leap taken by human beings to emulate intelligence via digital systems. India has a long history with artificial intelligence. Over the past couple of decades, the artificial intelligence market has experienced substantial growth. Artificial Intelligence (AI) systems have gained prominence in recent years because of their ability to reveal commercial value and assist in addressing social concerns. AI development and adoption have increased significantly in recent years. AI can improve results in important fields like agriculture and education.

Aims and Objectives

Research Aims and objectives:

- Gain knowledge about AI and Machine Learning
- Understand the significance of the new technologies on businesses
- How enterprises should use AI to cater to customers
- What are the safeguarding measure for ethical use of AI in enterprises

Research Questions:

1. Is Artificial Intelligence reshaping the industry (India Inc) and the society?
2. How AI skills have gained significance in recruitment of prospective employees?
3. How AI has transformed the retail landscape in terms of improved interaction with customers?
4. With rapid use of AI in every industrial sphere, is there a burning need for ethical framework and governance for Responsible AI
5. How organisations should step up to protect customer data in the wake of spurt in malicious activities of cybercriminals?
6. Is AI capable of generating frictional unemployment and what are the possible remedies?
7. It is a common perception that India is poised to attain $ 5 trillion economy and AI has a pivotal role to play but will AI help establish an inclusive society or will the fruits of AI be cornered by the bourgeoisie?
8. Will AI based entrepreneurs continue to be a darling of angel networks and Venture capitalists?
9. The scope of AI in healthcare industry in terms of providing services to the nook and corner?
10. AI avatars and deep fakes in politics and its impact on elections?
11. Is AI the next big revolution after Green revolution and is there a scope for further revolution in digital era more powerful than AI?

Literature Reviews

Impact of Artificial Intelligence on Branding: A Bibliometric Analysis

According to Ms. Varsha P.S. (2021), Cambridge Institute of Technology India, the rapid use of interactive agents helps consumers get access to all details pertaining to the company and the brand which enable them to arrive at a decision to purchase commodities or products with precision. This is an explorative research conducted with co-occurrence, citation analysis and co citation analysis.

How does AI drive branding, concepts of brand personality and its impact on branding?

The academic research of the nexus between Artificial Intelligence and branding gained significance in recent years hailing AI as a major technological disruptor in formulating and guiding marketing strategies. AI enabled branding strengthens the camaraderie between man and machine. A brand is defined in different ways by different researchers as per their perspectives presented in the extant literature. The American Marketing Association (AMA) construed brand as a logo in 1960. This was redefined by AMA in 2007 as "A name, term, design, symbol, or any other feature that identifies the seller's good or services as distinct from those of other sellers." Brands and allied branding activities pave the way for successful differentiation in a competitive and unpredictable marketplace.

Artificial Intelligence in Marketing: A Systematic Literature Review

In today's corporate environment, artificial intelligence finds applications in a variety of contexts. Professionals and scholars alike firmly feel that AI will shape our society in the future. The globe is now a network of interconnected networks due to the growth of technology. Investments in Artificial Intelligence (AI) for big data analytics to produce market intelligence follow the deployment of new technology. Applications of artificial intelligence are not just found in

marketing; they are also widely used in a variety of other fields, including manufacturing, e-commerce, education, and medicine. Artificial Intelligence and other emerging technologies are developing at a rapid pace in tandem with enterprises as they progress towards Industry 4.0. However, a number of obstacles has prevented AI from being implemented in every industry, although scientists are continuously working on removing those roadblocks and making the fruits of AI widely accepted.

Research Gaps

Generative AI turning out to be a threat to itself.

Researchers are unravelling unsettling dynamics in how models trained on AI embedded data lose their grasp on reality. The phenomenon, dubbed model autophagy disorder, or MAD (model autography disorder), reveals how unchecked AI risks become detached from human needs through recursive self-feeding.

There are three broad approaches starting to emerge to address these issues.

1. Watermarking synthetic data, allowing it to be identified and removed from training datasets, as well as perpetually introducing fresh, genuine data.
2. Hybrid learning where synthetic data with human-generated sources are combined using ratios meticulously calibrated to balance performance against cost. By doing so, newer models can distinguish themselves from their predecessors before inherited distortions take hold.
3. Using a non-generative AI tool, controlled by a generative AI agent, to generate data. If an LLM is given a degree of agency, for example, it can control a tool to generate entirely new content that isn't dependent on the training data.

Research Methodology

The following methodologies were adopted.

Choice of the topic:

Choice of the topic of research is the most important step for any researcher because it is related directly to the overarching vision, mission and the objectives of the researchers.

I chose "Impact of Artificial Intelligence on Branding" which is of immense relevance in today's corporate world and subsequent impact on the GDP and overall well-being of the people constituting the nation.

Data Collection:

As a matter of convention, I took help of both:

- Primary data
- Secondary data

Primary data collection and sampling:

First, I formulated the list questions and organized them on a google doc for easy circulation.

My prospective respondents comprised government officials, entrepreneurs, self- employed professionals, personnel in Chambers of Commerce and Associations, scientists and stalwarts in all fraternities.

Sample size and sampling method:

For primary data collection, questions were shared with 100 prospective respondents, out of which 50 members responded.

There are broadly two types of sampling methods, namely

- Random sampling
- Non random sampling

The method of sampling which I used was non- random sampling. Non random sampling or non-probabilistic sampling was used as against random sampling simply because the respondents have to be well equipped with the latest technological upheaval and their inputs can be seriously considered.

Ethical considerations:

Highest ethical standard was maintained in primary data collection. Data was presented as shared by respondents and no manipulation was allowed.

Similarly, in literature reviews, sufficient care was taken to ensure zero plagiarism.

Analysis

The demographic analysis of the respondents is represented in Table 1.

Demographic variables	Categories	Number of respondents	Percentage
Gender	Male	34	68
	Female	16	32
Age group	20-25	4	8
	25-30	5	10
	30 - 35	4	8
	35-40	8	16
	40 and above	29	58
Designation	Top Management (decision makers)	10	20
	Middle Management	23	46

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	Lower Management	17	34
Qualification	Graduate	27	54
	Post graduate	23	46
Stay in the organization (in years)	Below 5	7	14
	5-10	9	18
	11 and above	34	68
Number of employees in the organization	Less than 100	19	38
	100- 200	18	36
	200-300	7	14
	300-400	3	6
	400 and above	3	6

Table 1: Demographic analysis

Results:

The analysis which I performed was purely a qualitative analysis. However, for the ease of understanding and clarity, it is incumbent on me to convert the analysis into a numerical mode so that proper inference can be drawn. The majority of respondents are optimistic about AI's impact on various domains. Most respondents believe AI will bring positive changes to the world. Respondents with in-depth knowledge of AI are confident in its potential to create an inclusive society and drive economic growth. There is a concern about the need to safeguard against unethical AI use.

Conclusion

As the research on AI advances, the distinction between good AI and bad AI gains natural prominence. The entire effort is to let Good AI prevail over the other so that creativity rules over destruction and AI conforms to sustainability principles. The interactions between consumers and brands are undergoing metamorphosis thanks to AI-enabled technologies, platforms, and agents. Thus, the intelligentsia's curiosity has been piqued by the growing influence of AI in branding in recent times.

But there are moral considerations to make. Though strong and attractive, will intelligent computers be utilized for good or bad? People who regularly produce artificial intelligence (AI) and use AI technologies in both their personal and professional life have an obligation to ensure that their work has a good influence on society and its citizens. The way that software development is conducted and computer science is taught in the classroom has already altered as a result of even little advancements in AI. AI has spawned new applications, including search engines, robots, inventory control systems, surveillance systems, and speech recognition systems.

We can safely conclude that AI has made great progress in its short history, but the final sentence of Alan Turing's (1950) literature on "Computing Machinery and Intelligence" harps on our mind even today:

We can see only a short distance ahead,
but we can see that much remains to be done

Recommendations

1. Adopt AI-powered chatbots: Implement chatbots to enhance customer engagement and support.

2. Leverage AI-generated content and personalise branding efforts: Use AI to generate high-quality, personalized content that resonates with target audiences.

3. Invest in AI training and mass awareness: Reskilling employees on enhanced use of AI and appraising them of the benefits of AI adoption and its future on the employment scenario

4. Ensure transparency and ethics: Clearly communicate AI's role in branding and prioritize customer data privacy and security while ensuring it maintains a very high ethical standard and without compromising ethical principles.

5. Bring a regulatory framework: Work closely with Chambers of Commerce and relevant industry bodies to present before the appropriate authorities in Government to formulate a robust legal framework to distinguish between AI generated content and human content.

By following these recommendations, brands can leverage AI's enormous capability to enhance branding efforts, improve customer engagement, and stay competitive in the market.

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