



# Assessing the Impact of AI-Generated Likenesses on Brand Credibility in India

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## ABSTRACT

Artificial Intelligence (AI) is increasingly being used in advertising through virtual influencers, digital avatars, and AI-generated personalities. This study examines the impact of AI-generated likenesses on brand credibility in India and explores consumer awareness, perception, and trust toward AI-based advertisements. The study is based on primary data collected from 100 respondents using a structured questionnaire. Percentage analysis and graphical techniques were used to analyze the data. The findings indicate that consumers are generally aware of AI-generated advertisements and consider them innovative. However, concerns regarding authenticity, transparency, and ethical use continue to influence consumer trust and brand credibility. The study concludes that while AI-generated likenesses offer significant opportunities for creativity and marketing innovation, brands must ensure transparency and responsible implementation to maintain consumer trust and strengthen brand credibility.

**Keywords:** *Artificial Intelligence, AI-generated Likenesses, Brand Credibility, Consumer Trust, Digital Advertising.*

## 1. INTRODUCTION

Artificial Intelligence (AI) is transforming the marketing and advertising industry by enabling brands to create personalized, engaging, and innovative content. One of the most notable developments is the use of AI-generated likenesses, including virtual influencers, digital avatars, synthetic voices, and computer-generated personalities. These technologies allow organizations to deliver marketing messages efficiently while reducing dependence on traditional celebrity endorsements. In India, increasing internet penetration, smartphone adoption, and social media usage have accelerated the growth of digital advertising. As consumers are increasingly exposed to AI-generated content, concerns regarding



authenticity, transparency, ethics, and trust have emerged. Consumers often find it difficult to distinguish between real and AI-generated content, raising questions about brand credibility.

This study investigates the impact of AI-generated likenesses on brand credibility in India and explores consumer awareness, perceptions, and trust toward AI-driven advertisements.

### **Statement of the Problem**

The increasing use of AI-generated likenesses in advertising offers significant opportunities for innovation and cost efficiency. However, lack of transparency and authenticity may negatively influence consumer trust and brand credibility. Understanding consumer perceptions toward AI-generated advertisements is therefore essential for marketers and businesses.

### **Significance of the Study**

The study contributes to understanding the relationship between AI-generated content and consumer trust in the Indian market. The findings provide practical guidance for marketers seeking to integrate AI technologies into advertising while maintaining ethical standards and brand credibility.

### **Scope of the Study**

The study focuses on Indian consumers exposed to digital advertisements through social media platforms, websites, and online media. The research examines consumer awareness, perception, and trust regarding AI-generated likenesses used in advertising.

### **Limitations of the Study**

- The study was limited to a sample size of 100 respondents, which may not fully represent the opinions of the entire population.
- The research focused only on consumers exposed to digital platforms and AI-generated advertisements, limiting its broader applicability.
- The study was conducted within a limited time period, which restricted the collection of more extensive data.
- The findings are based on respondents' perceptions and opinions, which may be influenced by personal biases and understanding.
- The study was confined to the Indian context; therefore, the results may not be directly applicable to consumers in other countries.

### **Research Objectives**

- To assess the impact of AI-generated likenesses on brand credibility in India.
- To examine consumer awareness of AI-generated advertisements.
- To analyze consumer perceptions regarding authenticity and transparency.
- To evaluate the influence of AI-generated endorsements on consumer trust



## 2. LITERATURE REVIEW

### Davenport et al. (2020)

The authors highlighted the role of AI in transforming marketing through personalization and automation while emphasizing the importance of maintaining human elements to build trust.

### Kim & Park (2021)

Their study found that AI-generated avatars effectively engage younger consumers but may not be equally accepted by older audiences.

### Brown & Hayes (2022)

The researchers reported that AI-generated endorsements enhance brand recall but create mixed reactions regarding authenticity and trust.

### Lee et al. (2022)

The study revealed that transparency regarding AI usage significantly improves consumer perceptions and brand trust.

### Gupta & Sharma (2023)

Focusing on Indian consumers, the authors found that awareness of AI-generated content is increasing and that transparency strongly affects consumer trust.

### Singh (2024)

The research emphasized the ethical implications of AI in advertising and recommended stronger regulatory frameworks for responsible implementation.

### Research Gap

Most existing studies focus on global markets, while limited research examines Indian consumers. Furthermore, previous research has primarily concentrated on engagement and effectiveness rather than the direct relationship between AI-generated likenesses and brand credibility.

## 3. RESEARCH METHODOLOGY

Particulars	Details
Research Design	Descriptive
Research Approach	Quantitative
Sampling Technique	Convenience Sampling
Sample Size	100 Respondents
Data Collection Tool	Structured Questionnaire
Area of Study	India

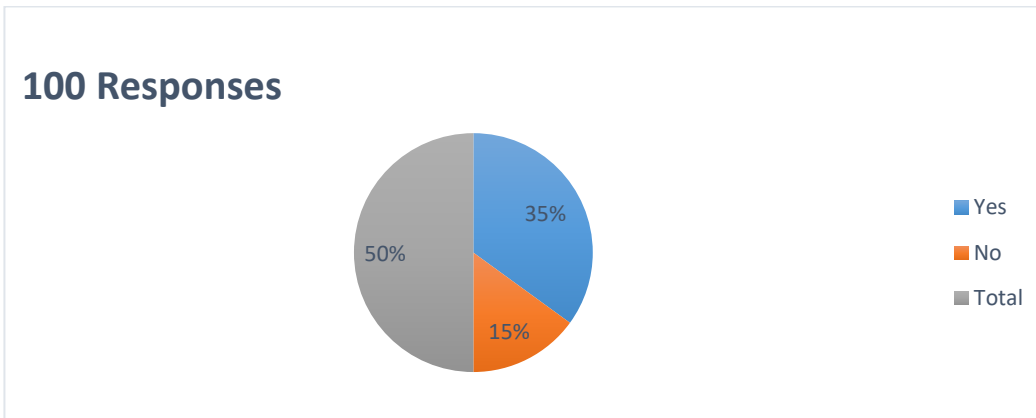
## Data Analysis Tools

- ☐ Percentage Analysis
- ☐ Tabular Analysis
- ☐ Graphical Representation
- ☐ Microsoft Excel

## 4. DATA ANALYSIS

### 4.1 Are you aware of AI-generated advertisements?

Response	Frequency	Percentage
Yes	70	70%
No	30	30%
Total	100	100%

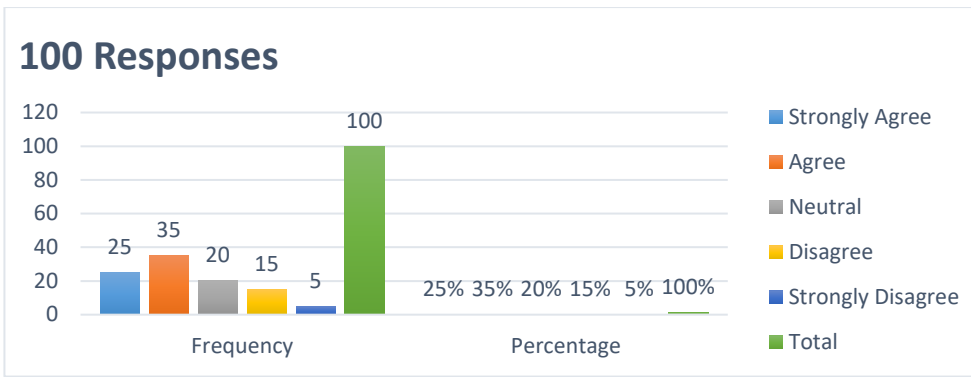


## Interpretation

The above table reveals that 70% of respondents are aware of AI-generated advertisements, while 30% are not aware. This indicates increasing exposure to AI-based advertising among consumers.

### 4.2 AI-generated endorsements affect consumer trust?

Response	Frequency	Percentage
Strongly Agree	25	25%
Agree	35	35%
Neutral	20	20%
Disagree	15	15%
Strongly Disagree	5	5%
Total	100	100%



## Interpretation

The table shows that AI-generated endorsements significantly influence consumer trust toward brands. Consumers carefully evaluate authenticity before trusting AI-based endorsements.

## Hypothesis Testing

### Null Hypothesis ( $H_0$ )

AI-generated likenesses do not significantly affect brand credibility.

### Alternative Hypothesis ( $H_1$ )

AI-generated likenesses significantly affect brand credibility.

## Decision

Based on the statistical analysis and respondent opinions, the Alternative Hypothesis ( $H_1$ ) is accepted and the Null Hypothesis ( $H_0$ ) is rejected.

## 5. FINDINGS

- Consumer awareness of AI-generated advertisements is relatively high.
- Many respondents are unable to differentiate between AI-generated and real advertisements.
- Transparency significantly improves consumer trust.
- AI-generated advertisements are perceived as innovative but less authentic.
- Consumers prefer real celebrities over AI-generated personalities.
- Ethical concerns remain a major challenge in AI-driven advertising.
- Misleading AI-generated advertisements negatively impact brand credibility.
- Responsible and transparent AI implementation enhances consumer trust.



## 6. SUGGESTIONS

- Brands should clearly disclose the use of AI-generated likenesses in advertisements to improve transparency and strengthen consumer trust.
- Organizations should ensure the ethical and responsible use of AI technologies to prevent misleading or deceptive advertising practices.
- Marketers should balance AI-driven innovation with human creativity and emotional appeal to enhance authenticity and brand credibility.
- Companies should educate consumers about AI-generated content and regularly gather feedback to better understand consumer perceptions.
- Businesses should prioritize transparency, authenticity, and ethical communication while implementing AI-powered marketing strategies to maintain long-term brand trust and reputation.

## 7. CONCLUSION

Artificial Intelligence is rapidly reshaping the advertising landscape in India. AI-generated likenesses provide organizations with innovative opportunities to create engaging and personalized marketing content. However, the study demonstrates that innovation alone is insufficient to build long-term consumer trust. Consumers increasingly value transparency, authenticity, and ethical communication when evaluating AI-generated advertisements. While respondents recognize the benefits and future potential of AI-powered marketing, they remain cautious about misleading or deceptive practices. The findings suggest that brands must clearly disclose AI-generated content and adopt responsible AI practices to preserve credibility.

The study concludes that AI-generated likenesses can positively contribute to marketing effectiveness when used ethically and transparently. Organizations that balance technological innovation with authenticity and consumer trust will be better positioned to achieve sustainable brand success in the evolving digital environment.

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