

# Chapter 9

## Understanding Artificial Intelligence and Its Impact on Branding

**Priyansh Bagga**

 <https://orcid.org/0009-0008-6847-5025>

*Christ University, India*

**Jasmine Kaur**

*Christ University, India*

### **ABSTRACT**

*AI has become a transformative force in branding, changing firms' approach to relating to their customers and creating brands. Chapter-specific: AI is used differently for branding because delivering personalized customer experiences, generating dynamic content, and optimizing consumer engagements through data-driven insights play a considerable role. AI technologies like machine learning and predictive analytics help brands understand consumer behavior and, therefore, really segment and target marketing activity. This chapter also highlights AI's operational efficiency in brand management, automating customer interactions, and analyzing the sentiment of a consumer in real time. In addition, it establishes how AI affects innovation in branding by providing scope for adaptive and responsive strategies for brands that help keep up the ever-increasing dynamic pace of an ever-changing digital marketplace. The research is a critical insight for brand strategists, marketers, and businesses looking to leverage AI for more robust and resilient brands as age of digital disruption moves on.*

DOI: 10.4018/979-8-3693-9461-8.ch009

## INTRODUCTION:

Marketing and brand management got a boost from the addition of artificial intelligence, making firms interact with their customers much more efficiently, customized, and effectively in marketing. In business operations and transactions increasingly happening in digital forms, AI provides new means to enable interactions and identification between companies and their customers, infusing changes that affect the approach guiding how brands are perceived and chosen in competitive markets (Davenport & Ronanki, 2018). AI technologies have delivered much to brands, making them more personal to their target audience. Moreover, by using natural language processing and machine learning algorithms, AI technologies enable faster decision-making processes. Among them, the most recently highly noticed are chatbots since they have been applied in brand communication to achieve accessible, effective, and engaging customer service (Cheng & Jiang, 2020a). These developments have allowed AI to take the driver's seat of digital marketing, thereby unlocking more innovative branding strategies that focus on real-time consumer behavior changes and elicit real engagement.

This is why AI is implemented in branding and marketing companies: it transforms how a business interacts with its customers and creates more profound and practical relationships between a business and its customers. AI and, therefore, chatbots have been very effective in the service that a firm can offer clients and instant solutions that customize the time spent interacting with the customers (Forbes, 2017).

For instance, a chatbot allows consumers to receive information, order, or ask for assistance without the presence of a human, thus making the customer experience less laborious and more interactive (Kietzmann et al., 2018). A paradigmatic case in point is AI-empowered chatbot marketing, which enables the brand to reach out to its customers more efficiently and interactively through informative and accessible services (Cheng & Jiang, 2020b). The literature has verified that CMEs would positively impact long-term customer behavioral intention and brand perception, resulting in increased brand loyalty and engagement (Brandtzaeg & Følstad, 2017). Understanding how chatbots and other AI-driven marketing efforts facilitate the interface with customers will enable scientists to better understand the impact of AI on customer-brand relationships, response, and loyalty.

While AI is increasingly becoming part of the marketing mix, the apparent gap in empirical research persists in its specific impacts on branding (Schultz & Block, 2015). Whereas studies have thus far shed light on the implications of AI in customer service, consumer behavior, and social media advertising, the increased use of AI technology in the context of shaping brand equity, loyalty, and general consumer-brand relationships has received little attention (Zarouali et al., 2018). This limited focus on branding could be ascribed to the fact that AI applications in marketing

26 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: [www.igi-global.com/chapter/understanding-artificial-intelligence-and-its-impact-on-branding/369942](http://www.igi-global.com/chapter/understanding-artificial-intelligence-and-its-impact-on-branding/369942)

## Related Content

---

### Closer to You: Reviewing the Application, Design, and Evaluation of Ambient Displays

Dirk Börner, Marco Kalz and Marcus Specht (2013). *International Journal of Ambient Computing and Intelligence* (pp. 16-31).

[www.irma-international.org/article/closer-to-you/101950](http://www.irma-international.org/article/closer-to-you/101950)

### Trust based Dynamic Multicast Group Routing Ensuring Reliability for Ubiquitous Environment in MANETs

Shobha Tyagi, Subhranil Somand Qamar Parvez Rana (2017). *International Journal of Ambient Computing and Intelligence* (pp. 70-97).

[www.irma-international.org/article/trust-based-dynamic-multicast-group-routing-ensuring-reliability-for-ubiquitous-environment-in-manets/176714](http://www.irma-international.org/article/trust-based-dynamic-multicast-group-routing-ensuring-reliability-for-ubiquitous-environment-in-manets/176714)

### Fuzzy based Quantum Genetic Algorithm for Project Team Formation

Arish Pitchai, Reddy A. V. and Nickolas Savarimuthu (2016). *International Journal of Intelligent Information Technologies* (pp. 31-46).

[www.irma-international.org/article/fuzzy-based-quantum-genetic-algorithm-for-project-team-formation/145776](http://www.irma-international.org/article/fuzzy-based-quantum-genetic-algorithm-for-project-team-formation/145776)

### The Future of Education: From Algorithms to Classrooms – AI and Automated Lesson Planning

Myram Chapman Brady (2025). *Examining AI Disruption in Educational Settings: Challenges and Opportunities* (pp. 185-212).

[www.irma-international.org/chapter/the-future-of-education/380858](http://www.irma-international.org/chapter/the-future-of-education/380858)

### Secure Identity Management in a Service-Based E-Learning Environment

Gottfried Vossen and Peter Westerkamp (2006). *International Journal of Intelligent Information Technologies* (pp. 57-76).

[www.irma-international.org/article/secure-identity-management-service-based/2410](http://www.irma-international.org/article/secure-identity-management-service-based/2410)