

From Brands to Bots: How AI is Reshaping Human-Brand Relationships

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Abstract

The incorporation of artificial intelligence into brand communication marks an essential shift in consumers' interactions with perceived brands. This study examines the revolution in human-brand relationships through AI interactions, assessing the behavioural & psychological implications of this technological transformation. It shows that AI is not only a communication channel but also a relational agent that alters the roots of brand connection. This study uses secondary data for a literature review. It shows that interactions with AI chatbots initiate new categories of personalization and immediacy, but concurrently raise doubts about trust, privacy & authenticity. The findings suggest that AI reshapes the relationship between brands, offering improved personalization & 24*7 support while facing challenges related to privacy, algorithmic manipulation, and authenticity. This study focuses on the theoretical understanding of AI-mediated brand relationships and provides practical implications for marketers navigating this transformative landscape.

Keywords: Artificial Intelligence, Brand Relationships, Consumer behaviour, Chatbots, Personalization, Parasocial Interaction, Human-Computer Interaction

1. Introduction

The main agenda of brand communication has undergone a paradigm shift over the last two decades, evolving from broadcast messaging to social media engagement and into the era of AI-mediated dialogue (Davenport et al., 2020). Disparate technological disruptions, focused primarily on the medium of communication, changed how interactions were conducted via artificial intelligence. When consumers communicate with AI-driven chatbots and receive personalized recommendations and a virtual assistant, they are no longer receiving only promotional messages; they are engaging in a human-like, speedy conversation (Puntoni et al., 2021).

This AI transformation poses a fundamental question about the future of brand relationships with customers. As in traditional marketing, the theory states that customer relationships involve trust, commitment, intimacy & emotional connections (Fournier, 1998). Whereas the introduction of AI serves as an intermediary between humans and brands, it challenges our basic understanding of what the relationship should be. (Huang & Rust, 2021).

The upsurge of AI in brand communication is not only an incremental change but also represents a fundamental shift. Brands like Sephora, Zomato & Swiggy employ AI-powered assistants that virtually handle and communicate with clients (Kumar et al., 2019). These are not static websites or passive social media posts; they are dynamic, responsive, and increasingly sophisticated conversational partners.

1.1 Research objectives

This study explores how AI is reshaping the relationship of human brand by exploring-

1. The impact of AI mediation on brand interactions.
2. the insinuation for traditional constructs like trust, satisfaction & commitment.
3. What is the theoretical framework for AI-mediated brand relationships?

1.2 Significance of the Study

The impact of AI on brand relationships is pivotal for both theoretical and practical purposes. As AI adoption accelerates growth and responsiveness, it undermines customer relationships. (Wirtz et al., 2018). This study adds to the impact of AI in marketing while providing actionable insights for brand managers navigating the technology transformation.

2. Review of Literature

2.1 Brand Relationship Theory

The foundation for understanding human-brand relationships was established by Fournier (1998), who argued that consumers create relationships with brands that are parallel to human interactions. The Brand Relationship Quality (BRQ) framework has 6 dimensions: self-connection, passion, commitment, intimacy, interdependence & brand quality. This framework has been widely adopted, which shows that consumers invest their emotional energy in brands and also expect reciprocation. Whereas the traditional theory of brand relationship was developed in the era of one-way communication. Brands exhibit personality and values, but the actual dialogue was limited. The interactive features of AI provide new variables for a brand, allowing them to chat, respond, remember, and create (Davenport et al., 2020).

2.2 Parasocial Interaction Theory

It is a one-sided relationship in which individuals connect with media figures who are unaware of their existence (Horton & Wohl, 1956). Consumers follow and connect with the brands that align with their values, particularly on social media.

But with AI mediation, brands' chatbots directly engage with individuals and provide two communication channels that lead to customer satisfaction (Mende et al., 2019). This creates what might be termed a "pseudo-bidirectional parasocial relationship," where the appearance of mutual interaction masks an underlying asymmetry.

2.3 Computers as Social Actors (CASA) Paradigm

This was developed in 2000 by Reeves and Nass and shows that individuals unconsciously apply social rules to bots, even though they know intellectually that they are engaging with them. Consumers create an emotional attachment, experience understanding, and even feel cheated & betrayed by AI bots despite knowing their mechanisms.

Researchers have extended the study of CASA to explore anthropomorphism in AI contexts, sympathy, human-like emotions, and personalization (Blut et al., 2021). It shows that AI interface influences the formation of a relationship.

2.4 AI and Service Encounters

Van Doorn et al. (2017) introduced the concept of "automated social presence" to describe how service robots and AI systems create perceptions of social interaction in organizational frontlines. Their research demonstrates that consumers evaluate AI service encounters using criteria similar to those for human service encounters, including warmth, competence, and responsiveness. This suggests that AI is not merely a technological tool but a social entity that consumers relate to and judge based on relational criteria.

Wirtz et al. (2018) further explored service robots in frontline interactions, identifying both opportunities and challenges. They found that while AI can enhance efficiency and consistency, it may also create discomfort when it fails to meet human-level social expectations. This tension between technological capability and social expectation represents a critical challenge for brands deploying AI systems.

2.5 AI-Driven Personalization and Consumer Behaviour

The role of AI in customized marketing demonstrates that AI personalization intensifies the customer experience when implemented thoughtfully. It shows that when consumers find something customized, they feel closer to the brand (Kumar et al. 2019)

Gursoy et al. (2019) suggest that social influence is one of the main determinants of acceptance during delivery. Their findings suggest that consumer attitudes toward AI-brand interactions are neither uniformly positive nor negative, but depend on contextual factors and individual differences.

2.6 Trust and AI Systems

Trust plays a significant role in building brand relationships; it is built through repeated positive actions, faster responses, and problem-solving. A single failure can undermine trust and erode the brand's goodwill. Thomaz et al. (2020) explored the formation of trust with consistent performance.

3. Research Methodology

3.1 Research Design

This study applies qualitative research based on secondary data and a systematic review of the literature. The research design is exploratory in nature and aims to understand the mounting phenomenon of AI that is mediating the brand relationship (Huang & Rust, 2021).

3.2 Data Collection

The data was collected from multiple sources to ensure holistic coverage of the topic:

- Academic Journals
- Conference Proceedings
- Industry Reports
- Case Studies.

3.3 Data Analysis

The secondary data, collected from the above-mentioned sources, were analysed using the “thematic analysis” approach outlined by Braun & Clarke (2006). The process is given below-

1. Familiarization – overarching reading of all material that is collected, including a review of the literature.
2. Initial Coding – coding of data to identify themes that are recurring in nature.
3. Development of theme – grouping and departmentalization.
4. Theme Review – ensures that themes represent meaningful data.
5. Synthesis – integration of themes

3.4 Validity and Reliability

- To check the validity & reliability of data, several measures were implemented
- Triangulation of sources: using varied source types (industry, academic, & case studies)
- Focus on peer-reviewed journals
- Proper documentation

4. Results and Discussion

The analysis of secondary data identifies four themes in AI's reshaping of human brand relationships: transformation of interaction dynamics, brand relationships, quality dimensions, and the development of hybrid relational models.

4.1 Transformation of Interaction Dynamics

4.1.1 From Broadcast to Dialogue: The Conversational Shift

Traditionally, brand communication was focused on a broadcast message, with limited opportunities for individual responses (Davenport et al., 2020). Even with the emergence of social media, interactions remained one-to-many, but with the advent of AI, they enable synchronous, one-to-one conversations.

This shift to AI creates significant changes in customer expectations, as chatbots instantly respond to queries at any time of day, leading to higher consumer expectations. It adds to the sense of continuity that strengthens the bonds (Gursoy et al., 2019)

AI not only provides chatbots and problem-solving, but also adds to variability & adaptability, as AI can adapt to individuals' communication styles and provide personalized product-based recommendations & interaction histories (Huang & Rust, 2021). This creates a perception of the brand as responsive and attentive, key components of relationship quality.

4.1.2 Hyper-Personalization and the Illusion of Intimacy

AI can customize interactions based on individual preferences as it processes purchase history, communication patterns, and browsing behaviour. This type of hyper-personalization creates an illusion of intimacy, giving the impression that brands truly understand consumers' feelings (Kumar et al., 2019). The illusion operates at multiple levels; customized recommendations cater to individual preferences. At the lower level, AI has a record of past conversations, which creates a sense of continuity and memory that mimics human relationship (Puntoni et al., 2021). When a chatbot asks about a previous purchase, it creates a social script that feels inherently relational. However, this is somewhat paradoxical; while the interaction feels personal, the consumer knows it is algorithmically generated somewhere (Mende et al., 2019).

However, this intimacy is paradoxical. While the interaction feels personal, the consumer knows it is algorithmically generated (Mende et al., 2019). This creates cognitive dissonance that consumers must navigate, appreciating the personalized experience while maintaining awareness of its artificial nature.

4.1.3 Temporal Dynamics: Always Available, Never Tired

Traditionally, customer service operates within constraints such as business hours, wait times, and agent availability. AI is the one who eliminates these constraints and creates perpetual presence. Now brands provide 24*7 support and are always available (Wirtz et al., 2018).

This temporal transformation affects relationship dynamics in several ways. Removing waiting periods increases perceived brand accessibility and commitment. When consumers can receive instant assistance at 3 AM, they interpret this as the brand prioritizing their needs (Van Doorn et al., 2017). Additionally, the consistency of AI interactions, unaffected by mood, stress, or fatigue, creates reliability that may exceed human customer service in certain dimensions.

4.2 Evolution of Brand Relationship Quality Dimensions

4.2.1 Trust in the Age of Algorithms

AI provides consistent service, transparency, and faster responses that build trust, but on the other hand, the opacity of AI decision-making ("black box" algorithms) and concerns about data usage can undermine trust (Thomaz et al., 2020).

This study suggests that AI interaction in brands is multidimensional and encompasses trust in the competence of technology (Gursoy et al., 2019). Consumers also trust AI-driven responses simultaneously.

5. Conclusion

The amalgamation of artificial intelligence and brand communication shows far more than an upgrade in technology that creates a fundamental reimagining of what brand relationships can be (Huang & Rust, 2021). This shift from parasocial to pseudo-bidirectional interaction introduces new possibilities for intimacy, personalization, and engagement while simultaneously raising critical questions about authenticity, trust, and power dynamics.

5.1 Theoretical Contributions

This study creates various contributions to the understanding of brand relationships that are AI-

Firstly, it adds to Fournier's (1998) brand relationship quality framework by identifying how AI alters each dimension's trust, which becomes multifaceted: technological competence; intimacy, which is algorithmically generated yet subjectively experienced; and commitment, which may be more calculative than effective when rooted in data lock-in.

Second, the research introduces the concept of "pseudo-bidirectional parasocial relationships" to show the unique nature of AI-brand interactions. Unlike traditional parasocial relationships described by Horton and Wohl (1956), AI enables real conversation. Yet, the relationship remains fundamentally weak due to the AI's lack of consciousness and real emotional involvement (Mende et al., 2019).

Third, this study highlights the "authenticity paradox" in AI-brand relationships, in which algorithmically generated, customized empathy elicits genuine emotional responses in consumers despite their awareness of the artificial nature of the interaction (Puntoni et al., 2021). This paradox suggests that relationship quality may depend more on interaction patterns and perceived care than on the ontological status of the relational partner.

5.2 Practical Implications

For marketing professionals, this study provides various actionable insights. Firstly, brands should recognize that AI is not only a professional tool but also an agent of relations that shapes consumers' perceptions and experiences (Davenport et al., 2020). Investment in AI should prioritize relationship quality alongside operational efficiency.

Second, the AI maintains trust and provides transparency, but brands should clearly state that when consumers are interacting with an AI system and provide control over the intensity of personalization (Thomaz et al., 2020).

Third, there should be hybrid human-AI service models that provide the optimal balance between efficiency & relationship quality (Wirtz et al., 2018). Rather than replacing human touchpoints everywhere, brands should adapt AI for daily interactions while reserving human agents for complex or emotional situations.

Fourth, customization should be implemented thoughtfully, with an understanding of the thin line between customization & intrusive surveillance (Kumar et al., 2019). Brands should ensure that this personalization enhances consumer welfare rather than exploiting vulnerabilities.

5.3 Limitations and Future Research

This research has several limitations that provide directions for future research. As the work is solely based on secondary data, it calls for empirical research using primary data.

Future research should employ experimental designs to test specific hypotheses about AI's impact on brand relationship dimensions under controlled conditions.

Second, the findings of rapid AI technological pace need continuous updating. There are studies on tracking customer relationships with brands that have enabled AI over an extended period and provide intellectual insights into stability (Blut et al., 2021).

Third, this study primarily focuses on Western contexts. Cross-cultural studies examine how AI-brand relationships develop across cultural contexts, enhance generalizability, and reveal specific patterns in relationship formation (Gursoy et al., 2019).

Fourth, future research should investigate differences in how individuals form AI relationships. Factors such as anxiety while using technology, privacy issues, and the need for humanization may moderate how individuals respond to interactions with AI (Van Doorn et al., 2017).

Fifth, the integration of AI into brands needs a deeper exploration of its ethical implications. This study explores algorithmic manipulation, the brand's responsibility in deploying AI & the guidelines that make AI-mediated marketing ethical.

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