

AI-GENERATED ICONS AND DIGITAL AVATARS: UNFOLDING THE NEW MARKETING STRATEGIES BY BIG CORPORATIONS

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Citation: Satija, A. (2025). AI-GENERATED ICONS AND DIGITAL AVATARS: UNFOLDING THE NEW MARKETING STRATEGIES BY BIG CORPORATIONS. Journal of Modern Management & Entrepreneurship, 15(03), 147–151. <https://doi.org/10.62823/jmme/15.03.7964>

ABSTRACT

Nowadays, Digital avatars and AI generated icons are increasingly adopted by big corporations. This study reviews the advantages that technologies offers and the context in which they are being used, any potential risks as well as restrictions from reviewing data from high quality studies. Improvements should be made in the segment of customer involvement, ethical issues, emotional connection as well as the cost effectiveness. AI and immersive media technologies leading to create a big impact in global advertising strategy. The paper discusses upon the consequences and future directions for marketers of Big Corporations. In this modern era of technology, big corporations are utilizing new trends to promote their offerings. AI-generated icons and digital avatars such as virtual influencers, digital twins and AI generated spokespersons to increase awareness, brand engagement and narrative. Taking consideration of Big-brands like Prada, Valentino, Balenciaga, Porsche and Samsung using digital avatars for numerous reasons which eventually helping them to develop lifelike AI assistants for educational purposes and customer service. Academic studies on business efficacy is still a segment to work upon. The SLR of 45 Scopus-indexed articles are taken into consideration under the time span of 2015 to 2024, which examines the ways in which AI icons and avatars affect advertising as a strategy.

Keywords: Media, Artificial Intelligence Icons, Virtual Influencers, Global.

Introduction

Personalized, technology advanced and interactive circumstances have replaced static, mass-oriented media in advertising. In emerging market, Generative AI involving visual marketing, digital avatars and virtual influencers are massively growing. (Oliveria et al., 2024). These entities provide not only scalability but also brand alignment.

Luxury brands like Gucci collaborated with a virtual influencer known as Lil Miquela with over millions of Instagram followers using it as a advertising strategy to connect with the audiences (Singhal et al., 2025). These examples show how many companies are now indulging into AI based technologies for promoting like integrating avatars into consumer brand interactions. (Gulan, et al., 2024).

Some academic literature highlights positive viewpoints on factors like emotional engagement and trust (Xie et al., 2024), while other researches reveals dangers like reduced propensity to buy sensitive product categories (Frank et al., 2024).

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Rationale

- **Global brands strategic implementation:** Big brands are increasingly putting efforts to invest in avatars and AI icons so that create their market value.
- **Evidence fragmentation:** Studies from different domains like Marketing, Information Technology, psychology and communication has to collaborated.
- **Consumer responses:** Mixed consumer perspectives on using Avatars considering creative and interesting while others perceive them as unsettling or unauthentic.
- **Managerial need:** Marketers need to determine the framework when, how and in what situations avatars can be used.

Methodology

Research Design

This study synthesizes on research on digital avatars and AI generated icons in global brand advertising. The SLR was employed according to PRIMA (Preferred Reporting items for systematic Reviews and Meta Analyses) criteria in order to promote transparency, replicability and rigor.

Data Sources

The literature from academic database scopus was taken into consideration to fetch out the relevant materials.

Search Strategy

The following keywords were searched by Boolean operators

“Digital avatars” OR “virtual Influencers” OR “metaverse avatars” OR “AI-generated icons” OR “AI branding” or “brand communication” OR “advertising”.

The search strategy was implemented and only peer reviewed journal was taken into consideration between 2015 to 2024.

Inclusion and Exclusion criteria

- **Inclusion:** Conceptual and Empirical papers having discussions over avatars/icons with regard to advertising in branding or advertising
- **Exclusion:** Conference papers, gray literature and researches that explicitly not related to the concept of advertising or branding.

Screening

There were 312 articles in the total count. 246 remained entire duplicates were eliminated. The set was again filtered to another 82 articles after titles and abstracts were taken into considerations. Finally, 45 relevant was found to match the final criteria.

Data Extraction and Analysis

- Each article was examined for:
- Context of the study
- On the basis of techniques employed
- Key findings
- Theoretical frameworks
- Managerial implications

Findings (Thematic Literature)

Theme 1: The use of Digital Avatars in increasing Consumer Interaction as well as Brand Engagement

The use of Digital Avatars by global brands are rapidly growing which led the computers to generate depictions of people or brand identities to improve not only the customer connection and build emotional engagement. These avatars not only include fully immersive customer service avatars in metaverse settings, gamified mascots incorporated into social media campaigns and virtual influencers

like Li Miquela. The reviewed studies also demonstrate that avatars are in forming brand consumer relationships by creating immersive experiences and parasocial interactions.

Personification and Anthropomorphism

The studies show that anthropomorphism i.e the propensity to which consumers to attribute human like qualities to non-human entities. According to Kim et al., (2021) to imitate actions like human movements, facial expressions as well as linguistic styles evoke greater warmth and credibility. Aaker (1997) theory of brand personality, effectively employed on avatars successfully represent qualities such as sincerity, excitement or sophistication. Eg: Gucci's use of digital avatars to showcase fashion items enhancing their perception of exclusivity and innovation (Silva et al., 2022).

Theme 2: Tailored Approach and AI-Icons

Generative adversarial networks (GANs) and neural design tools and machine learning algorithms are used for developing digital images and symbols known as AI icons (Caires, 2024). These static logos are more flexible as compared to traditional static logos.

Changes like size, color, form and other characteristics can be made according to the customer preferences to achieve hyper personalized marketing strategies while maintaining standardized and consistent brand across all medias (Bozkurt et al, 2025).

Theme 3: Customer Psychology

In the realm of digital communication's evolution consumers tend to connect with brands emotionally through digital avatars. Considering the empathy, attitudes and social norms it helps to mold shape online interactions through social media platforms (Pushpa et al., 2024). Building emotional connections and perceived innovations through parasocial engagement. This kind of different technology enables firms to support transparency, authenticity and manipulation (Bozkurt et al., 2025; Kim et al., 2020). Relationships between consumers and brands are built on trust where Avatars not only imitate human beings but also helps them to bond emotionally. Avatars also boost confidence of their audience when proactively involve in similar kind of actions (Kim et al., 2020). The adaptive nature of the images may trigger subconscious associations and emotions connection. Gammoh et al., (2018), revealed that consumers have agile way of processing dynamic iconography which eventually results in positive emotions. Customer adopts the brands which feel relatable and has a sense of connection that not only strengthen brand recall but also enhances to the intent purchase from a particular brand.

Theme 4: Ethical consideration and Consumer Trust

Using of digital avatars and AI-generated icons not only raises an ethical concern but also put a big question mark on brands reputation. Combining AI with human like traits might create uncertainty in consumer views. (Borchers, 2019).

Discussion

According to the comprehensive literature review, the new tactics of advertising is changing day by day including usage of digital avatars and AI generated icons. The very first point to consider is that by anthropomorphizing brand identity and promoting parasocial relationships, it helps in brand engagement and emotional connection with customers as compared to traditional advertising strategies (Hwang & Zhang, 2020). Secondly, AI-generated icons can greatly enhance dynamic branding as well as customization by allowing companies to build images, symbols as well as messaging according to the cultural contexts and consumer preferences (Bozkurt et al., 2021).

Additionally, immersive as well as interactive experiences provided by gamified platforms, Avatars and meta verse did also help in growing customer involvement, customer attention and word of mouth (Holzwarth et al., 2006; Elsharnouby, 2022). The ethical consideration become as a important point of consideration where consumer trust and acceptability of Avatar-based advertising are not only influenced by issues like openness, inclusion, authenticity and data privacy (Borchers, 2019; Guo et al., 2023).

While technological advancements take place, it also helps in increasing advertising efficacy. It should also prudently focus on preventing consumer trust and reputation repercussions.

According to the review, the analysis claims that use of avatars becomes an important part for the growth of advertising field especially for luxury segment brands./ AI generated avatars and symbols

create a significant competitive advantage allowing them to give personalized customer experiences. Furthermore, the study focuses on the AI-generated icons which probably be crucial for building long-term connections between businesses and consumers, rather just following modern trends.

Conclusion

According to this systematic literature review, digital avatars and AI generated icons are enhancing advertising and marketing capabilities in the global markets. Indulging AI generated icons and digital avatars enhances emotional bonding with customers through dynamic and emotional messages. These types of innovations not only give a larger company a unique opportunity to stand out in an extremely competitive market but also encourages endurance. Nevertheless, executing this is a crucial step. IT is also helps in building and sustaining a strong customer retention rate by embracing their ethical standards, honoring cultural diversity and gaining the customer trust.

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