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Exploring Consumer and Influencer Perceptions of Influencer Marketing and AI-Driven Branding in the Formation of Brand Equity within the Digital Fashion Industry on Instagram and TikTok

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ABSTRACT

The convergence of influencer marketing, algorithmic content distribution, and artificial intelligence (AI)-driven branding is fundamentally reshaping how brand equity is formed in the digital fashion industry. This qualitative study explores how consumers and influencers perceive the interplay between influencer endorsements, social media algorithms, and AI-generated content in shaping brand perceptions and loyalty on Instagram and TikTok. Drawing upon in-depth interviews with three fashion influencers and two active fashion consumers, this research employs thematic analysis to examine the mechanisms through which brand equity emerges in contemporary digital ecosystems. The findings reveal that algorithmically curated content discovery, influencer-triggered awareness, and multi-source trust validation function as interdependent pathways to brand consideration, yet brand equity itself remains contingent upon product quality and consumption experience rather than mere exposure. AI-driven branding engenders ambivalent consumer responses, perceived as both a marker of modernity and a potential threat to authenticity. This study contributes to the literature by proposing an integrated theoretical model wherein brand equity formation in digital fashion contexts is understood as the outcome of complex interactions among algorithmic distribution systems, influencer credibility, consumer cross-validation behaviors, and experiential consumption outcomes. The findings offer practical implications for fashion brands navigating the tension between technological efficiency and relational authenticity in their digital marketing strategies.

Keywords: Influencer Marketing, Brand Equity, Artificial Intelligence, Social Media Algorithms, Digital Fashion, Consumer Trust, Authenticity, TikTok, Instagram.

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Introduction

The digital fashion industry has undergone a profound transformation with the proliferation of social media platforms, particularly Instagram and TikTok, which have become central arenas for brand discovery, influencer endorsements, and consumer engagement. Social media influencers (SMIs) have emerged as pivotal intermediaries between fashion brands and consumers, leveraging their perceived

authenticity and parasocial relationships to shape brand perceptions and purchasing decisions (Cheah et al., 2024; Ki et al., 2020). Concurrently, the integration of artificial intelligence (AI) into marketing practices—from algorithmic content curation to AI-generated visuals and personalized advertising—has introduced new dimensions to how consumers encounter and evaluate fashion brands (Davenport et al., 2020; Huang & Rust, 2021).

Despite the growing scholarly attention to influencer marketing and AI in branding, significant gaps remain in understanding how these forces interact in the formation of brand equity, particularly in emerging digital fashion contexts. Prior research has examined influencer credibility and consumer engagement (An et al., 2024; Sesar et al., 2022), the impact of social media marketing activities on brand equity (Godey et al., 2016; Seo & Park, 2018), and consumer resistance to AI-generated content (Bruns & Meißner, 2025). However, few studies have explored the integrated dynamics through which algorithmic content discovery, influencer endorsements, AI-driven branding, and consumer experience collectively shape brand equity in the fashion industry, particularly from the dual perspectives of influencers and consumers.

This study addresses this gap by investigating the following research questions: (1) How do consumers and influencers perceive the role of influencer marketing in shaping brand awareness and brand equity? (2) How do social media algorithms influence fashion content discovery and consumer choice? (3) How do consumers perceive AI-driven branding practices, and what implications do these perceptions have for brand authenticity and equity? (4) What mechanisms underlie the formation of brand loyalty in digital fashion contexts?

Employing a qualitative approach with semi-structured interviews conducted with three fashion influencers and two active fashion consumers on Instagram and TikTok, this study provides rich, contextual insights into the lived experiences of both content creators and consumers within the digital fashion ecosystem. The findings contribute to theoretical understanding by proposing an integrated model of brand equity formation that accounts for the interplay of algorithmic curation, influencer credibility, multi-source trust validation, and experiential consumption outcomes. Practically, the study offers actionable guidance for fashion brands navigating the tension between leveraging AI-driven efficiencies and maintaining authentic consumer relationships.

Literature Review

Influencer Marketing and Consumer Behavior

Influencer marketing has become a dominant strategy in digital fashion branding, with social media influencers serving as trusted sources of product information and style inspiration (Vrontis et al., 2021). Influencers function as "human brands" whose credibility, authenticity, and parasocial relationships with followers influence consumer attitudes and purchase intentions (Ki et al., 2020; Thomson, 2006). Research has demonstrated that influencer credibility—comprising trustworthiness, expertise, and attractiveness—positively affects consumer engagement and purchase intentions (An et al., 2024; Sesar et al., 2022).

However, the effectiveness of influencer marketing is not unconditional. Cheah et al. (2024) found that influencer over-endorsement can diminish perceived credibility and negatively impact consumer responses. Similarly, Borchers et al. (2022) highlighted that excessive endorsements trigger persuasion knowledge, leading consumers to perceive influencer content as manipulative rather than authentic. These findings underscore the importance of perceived authenticity and strategic restraint in influencer-brand partnerships.

The relationship between influencers and consumers is further complicated by the algorithmic nature of social media platforms. Uses and gratifications theory (Katz et al., 1973) and social identity theory (Ashforth & Mael, 1989) suggest that consumers follow influencers to reinforce and express their identities, seeking content that resonates with their self-concept. This identity-driven consumption implies that influencer endorsements are most effective when they align with consumers' aspirational

selves and when influencers are perceived as genuine members of the communities they represent (Muntinga et al., 2011).

Brand Equity in the Digital Era

Brand equity, defined as the differential effect of brand knowledge on consumer response to marketing (Keller, 1993), remains a cornerstone concept in marketing scholarship. In the digital era, social media marketing activities have been shown to significantly influence brand equity dimensions, including brand awareness, brand image, and brand loyalty (Godey et al., 2016; Seo & Park, 2018). Ebrahim (2019) demonstrated that social media marketing activities—particularly trendiness, customization, and word-of-mouth—directly influence brand loyalty and indirectly influence brand equity through brand trust.

Consumer-based brand equity (CBBE) in digital contexts is shaped by both firm-generated content and user-generated content (Schivinski & Dabrowski, 2016). Consumers increasingly rely on multiple information sources, including influencer endorsements, peer reviews, and direct brand communications, to form their brand perceptions (Majeed et al., 2021). This multi-source trust validation process suggests that brand equity formation is more complex and distributed in digital environments than in traditional marketing contexts.

AI-Driven Branding and Consumer Perceptions

The integration of AI into branding and marketing communications has accelerated rapidly, with generative AI tools enabling brands to create personalized content at scale (Feuerriegel et al., 2023; Peres et al., 2023). AI-driven branding encompasses algorithmic content curation, personalized advertising, AI-generated visuals, and automated customer interactions (Campbell et al., 2020; Davenport et al., 2020). While AI offers significant efficiencies and personalization capabilities, research has revealed consumer resistance to AI-generated content, particularly in contexts where authenticity and emotional connection are valued (Bruns & Meißner, 2025; Longoni et al., 2019).

Bruns and Meißner (2025) found that disclosing AI-generated content diminishes perceived brand authenticity, leading to negative consumer attitudes and behavioral intentions. This "algorithm aversion" is particularly pronounced in creative and identity-relevant domains, where consumers value human labor and emotional investment (Granulo et al., 2021; Leung et al., 2018). However, consumer responses to AI are not uniformly negative; hybrid approaches combining AI efficiency with human oversight can mitigate negative reactions (Hitsuwari et al., 2023; Longoni & Cian, 2022).

The Stimulus-Organism-Response (S-O-R) framework (Mehrabian & Russell, 1974) and the Elaboration Likelihood Model (ELM; Petty & Cacioppo, 2012) provide theoretical lenses for understanding how AI-driven branding stimuli influence consumer cognitive and affective responses. According to ELM, peripheral cues such as brand familiarity and emotional appeal may operate through the peripheral route, while central cues such as trust in AI and perceived personalization operate through the central route (Alam et al., 2026).

Social Media Algorithms and Consumer Choice

Social media algorithms play a crucial role in shaping consumer exposure to fashion content and brands. Platforms like TikTok and Instagram employ sophisticated recommendation systems that curate content based on user behavior, preferences, and engagement patterns (Barta et al., 2021). While algorithmic curation enhances content relevance and discovery efficiency, it also creates filter bubbles that may limit consumer exposure to diverse brand options (Flaxman et al., 2016).

Research on algorithmic influence suggests that consumers are increasingly aware of how algorithms shape their content consumption, yet they often perceive limited agency in resisting algorithmic recommendations (Shin et al., 2022). This perceived lack of control can lead to both positive outcomes (efficient discovery) and negative outcomes (reduced autonomy and exploration).

Understanding how consumers navigate algorithmically curated fashion content is essential for comprehending contemporary brand equity formation.

Theoritical Framework

This study integrates multiple theoretical perspectives to examine brand equity formation in digital fashion contexts. The S-O-R framework (Mehrabian & Russell, 1974) conceptualizes social media algorithms and influencer content as environmental stimuli that influence consumers' cognitive and affective states, ultimately shaping behavioral responses such as purchase intentions and brand loyalty. The ELM (Petty & Cacioppo, 2012) explains how consumers process marketing stimuli through central and peripheral routes, depending on their involvement and motivation.

Additionally, the associative network memory theory (Keller, 1993) provides a foundation for understanding how repeated exposure to brand-related content on social media creates and activates brand associations in consumers' memory networks. This perspective is particularly relevant for explaining how algorithmic content repetition and influencer endorsements contribute to brand awareness and brand image formation (Nurhadi et al., 2025).

Method

Research Design

This study employs a qualitative research design to explore the nuanced perceptions and experiences of both influencers and consumers regarding influencer marketing, AI-driven branding, and brand equity formation in the digital fashion industry. A qualitative approach is appropriate for investigating complex social phenomena where contextual understanding and participant perspectives are paramount (Yin, 2018). Semi-structured interviews were conducted to allow for in-depth exploration of participants' experiences while maintaining sufficient structure to ensure comparability across cases.

Sampling and Participants

Purposive sampling was employed to select participants who could provide rich, relevant insights into the research phenomena. Participants were recruited through social media platforms and personal networks, with selection criteria including active engagement with fashion content on Instagram or TikTok, experience with influencer marketing, and willingness to share detailed perspectives. The final sample comprised five participants: three fashion influencers and two active fashion consumers.

Influencer Participants

Three fashion influencers with distinct content styles and audience demographics were purposively selected to represent diverse perspectives within the digital fashion ecosystem. A collage of the three influencers' Instagram profile photos is presented in Figure 1, with detailed profiles provided below.

Afiqah (@afiqahhns) – A fashion hijab and lifestyle content creator focusing on casual, aesthetic, and perfume-oriented content on Tiktok. With over 100k followers, Afiqah's content is characterized by minimalist visual aesthetics, soft color palettes, and a personal approach to fashion storytelling. Her content style emphasizes authenticity and personal style documentation rather than commercial promotion.

Dara (@dar.q) – A fashion hijab influencer creating trendy, commercial content across TikTok and Instagram. With over 45K followers, Dara is known for her platform-savvy approach, adapting content formats to algorithmic trends while maintaining a consistent fashion identity. Her content style is characterized by high-energy visuals, trend-driven fashion choices, and active engagement with her audience through stories and live sessions.

Safira Amalia (@ssafirans) – A fashion–beauty–lifestyle content creator producing curated, semi-professional content on Tiktok. With over 20K followers, Safira's content is characterized by polished visual aesthetics, thoughtful storytelling, and a focus on lifestyle integration. Her approach emphasizes value alignment, visual identity consistency, and maintaining a personal touch in branded content collaborations.



Figure 1. Profile Photos of Participating Influencers

Consumer Participants

The consumer participants were two active social media users who regularly engage with fashion content and have made purchasing decisions influenced by social media. Both consumers were selected based on their active engagement with fashion content on Instagram and TikTok, their history of purchasing fashion products influenced by social media, and their willingness to share detailed perspectives on their consumption experiences. The consumers represented different demographic profiles and consumption patterns, providing complementary insights into the consumer experience of influencer marketing and AI-driven branding.

Data Collection

Data were collected through semi-structured interviews conducted via video calls and messaging platforms between July and September 2024. Interview protocols were developed based on the literature review and research questions, covering topics including: (1) content consumption and discovery practices; (2) perceptions of influencer credibility and trust; (3) experiences with AI-driven branding; (4) perceptions of algorithmic content curation; and (5) brand loyalty formation processes. Interviews ranged from 45 to 75 minutes, were audio-recorded with participant consent, and transcribed verbatim.

Data Analysis

Data analysis was conducted using reflexive thematic analysis, following the six-phase guidelines proposed by Braun and Clarke (2021). This approach was selected because it emphasizes the active and interpretive role of the researcher in constructing themes, rather than merely identifying patterns passively. As Braun and Clarke (2021) argue, coding is inherently a subjective and creative process, which aligns with the exploratory nature of this study in understanding how consumers and influencers construct meanings around brand equity, influencer credibility, and AI-driven branding.

The analysis proceeded through six phases: (1) familiarization with the data, (2) systematic data coding, (3) generating initial themes, (4) reviewing and developing themes, (5) defining and naming themes, and (6) producing the final report. Throughout the process, researcher reflexivity was maintained by documenting analytical decisions and acknowledging how personal assumptions and contextual knowledge shaped the interpretation of participant narratives.

Trustworthiness

To enhance trustworthiness, multiple strategies were employed. Prolonged engagement with the data and participants ensured depth of understanding. Member checking was conducted by sharing preliminary findings with participants for validation. Thick description of the research context and participant perspectives supports transferability. An audit trail documenting the research process enhances dependability. Triangulation across multiple participant perspectives (influencers and consumers) strengthens the credibility of findings.

Results

The analysis yielded five overarching themes: (1) Algorithms as the Architecture of Digital Fashion Consumption; (2) Influencers as Triggers, Not Final Determinants; (3) Trust as a Multi-Source System; (4) AI as an Ambivalent Symbol of Modernity; and (5) Brand Equity as an Outcome of Experience, Not Exposure. Each theme is elaborated below with supporting evidence from participant narratives.

Algorithms as the Architecture of Digital Fashion Consumption

Participants consistently described social media algorithms as the primary gatekeepers of fashion content discovery. Both consumers and influencers acknowledged the pervasive influence of algorithmic curation on what content is seen, engaged with, and ultimately, what brands are considered.

It was stated by Consumer A that fashion products were typically discovered through the TikTok For You Page or Instagram Explore, with algorithmic recommendations frequently displaying fashion brands that aligned with their style preferences based on their engagement with outfit inspiration content (Consumer A, interview). Consumer B similarly noted that intentional search was employed through keywords such as 'contemporary women's shirts' before product evaluation was conducted through video reviews, product ratings, and influencer track records (Consumer B, interview).

Influencers demonstrated acute awareness of algorithmic mechanics and adapted their content strategies accordingly. It was explained by Dara that high adaptability to algorithms was maintained, with particular emphasis placed on the critical importance of the three-second hook on TikTok. Format adjustments were frequently made according to trending audio and hashtags, as algorithms were perceived as being dominant determinants of content success, often outweighing visual quality considerations (Dara, influencer). Safira Amalia echoed this sentiment while maintaining a balanced perspective, stating that algorithms significantly influenced content distribution and that format was adjusted to algorithmic requirements while visual identity was preserved. It was emphasized that algorithms were not considered the sole determinant of success but were acknowledged as the initial gateway to content visibility (Safira Amalia, influencer).

However, participants also identified the constraining effects of algorithmic curation. It was noted by Consumer A that while algorithms helped in discovering products aligned with their interests, exploration was simultaneously limited because alternative products and brands outside algorithmic recommendations were rarely encountered (Consumer A, interview). This duality—algorithms as both enablers and constraints—reflects the filter bubble phenomenon documented in prior research (Flaxman et al., 2016). Consumer B elaborated on this point, stating that algorithms were perceived as having two sides: efficient discovery of products matching needs and interests was facilitated, but exploration was

constrained by the repetitive exposure to similar products rather than diverse options (Consumer B, interview).

The findings suggest that algorithmic content distribution operates as an architectural layer that structures consumer exposure, yet consumers retain some agency through intentional search behaviors and cross-platform validation.

Influencer as Triggers, Not Final Determinants

While influencers played a significant role in initiating consumer awareness and interest, participants consistently emphasized that influencers were not the final arbiters of purchase decisions or brand loyalty. Rather, influencers functioned as triggers that prompted further consumer investigation.

It was stated by Consumer A that while influencer recommendations frequently influenced their consideration process, immediate purchases were rarely made. Instead, reviews from multiple influencers were examined, comments from other consumers were checked, and product quality was assessed before purchasing decisions were finalized, based on whether the product met their needs and fit within their budget (Consumer A, interview). Consumer B reinforced the importance of multi-source validation, stating that while influencers influenced initial decisions to try brands by providing information and product reviews, long-term loyalty was determined more by product quality and personal experience than by influencer influence alone (Consumer B, interview).

Influencers themselves acknowledged their role as awareness generators rather than definitive persuaders. It was reflected by Afiqah that audience trust was built through consistency, as followers understood their style, enabling them to evaluate the honesty of reviews (Afiqah, influencer). Dara similarly noted that audience trust was formed through consistent reviews and transparency, with paid partnerships being explicitly disclosed (Dara, influencer).

The findings align with prior research suggesting that influencer effectiveness is contingent upon perceived authenticity and strategic restraint (Cheah et al., 2024). Consumer A's experience of purchasing based on influencer recommendations highlights the conditional nature of influencer influence, as it was recounted that purchases were made based on influencer content, with positive experiences occurring when product quality matched influencer descriptions, although disappointing experiences also occurred when products failed to meet expectations, leading to greater purchase deliberation (Consumer A, interview). This narrative illustrates that influencer recommendations serve as heuristics that reduce search costs but do not substitute for direct product evaluation.

Trust as a Multi-Source System

Trust emerged as a critical mechanism in the brand equity formation process, yet it was not monolithic. Rather, trust was constructed through the integration of multiple information sources: influencer credibility, peer reviews, personal experience, and brand transparency.

It was articulated by Consumer A that greater trust was placed in influencers who provided honest reviews including both advantages and disadvantages of products, whereas trust diminished when all products were consistently praised without clear explanation, as such content appeared promotional rather than authentic (Consumer A, interview). Consumer B emphasized the importance of engagement metrics and authenticity cues, stating that trust was determined by influencer account health, including follower counts, viewer numbers, and comment quality, with skepticism arising when products were not directly demonstrated by influencers (Consumer B, interview).

Influencers were acutely aware of the trust dynamics and actively managed their credibility. Afiqah described the consequences of over-commercialization, noting that engagement declined when sponsored content was posted too frequently, leading to the realization that audiences needed personal content for balance (Afiqah, influencer). Safira Amalia similarly noted that efforts were made to

maintain natural paid content through daily life storytelling, and trust decline occurred when transparency was lacking or products were promoted too aggressively (Safira Amalia, influencer).

Consumer-generated content (UGC) was identified as a particularly trustworthy source. It was explained by Consumer A that content quality, product photos, positive buyer reviews, quick admin responses, and consistent posting significantly influenced brand perceptions, with numerous satisfied customers making brands appear more convincing (Consumer A, interview). Consumer B similarly stated that quality was clearly assessed through ratings and reviews displaying photos of received items (Consumer B, interview). These findings support prior research on the importance of UGC and electronic word-of-mouth in building brand trust and equity (Ebrahim, 2019; Majeed et al., 2021).

AI as an Ambivalent Symbol of Modernity

Participants exhibited ambivalent perceptions of AI-driven branding, viewing it as both a marker of modernity and efficiency and a potential threat to authenticity and personal connection. This ambivalence reflects the tension between technological advancement and relational authenticity identified in prior research (Bruns & Meißner, 2025; Silver et al., 2021).

It was acknowledged by Consumer A that AI-generated content had been encountered through excessively perfect filters, AI-generated models, and captions or product images appearing overly refined as if created with technological assistance (Consumer A, interview). Consumer A further elaborated on the dual nature of AI perceptions, stating that both positive and negative aspects were recognized: appropriate AI usage made brands appear more modern and creative, but excessive AI usage without human touch made brands feel distant and impersonal (Consumer A, interview). Consumer B echoed this ambivalence, stating that AI usage in promotions was considered positive when applied appropriately and transparently, as AI helped brands create more creative, engaging, and relevant content, but excessive AI usage without human touch made brands feel less personal and emotionally distant (Consumer B, interview).

Influencers demonstrated varied engagement with AI tools. Afiqah described using AI for ideation while maintaining creative control, stating that AI was used only for caption ideas and photo concept inspiration, while editing remained manual using personal presets. It was explained that AI accelerated brainstorming without replacing primary creative processes, and AI usage was not considered to significantly reduce authenticity as long as final results aligned with personal character (Afiqah, influencer). Dara embraced AI more extensively for efficiency, stating that AI was frequently used for captions, video scripts, and TikTok content ideas, significantly accelerating content production during brand deadlines, but manual editing was maintained to preserve personal style, and AI was not considered to reduce authenticity but rather to enhance output consistency (Dara, influencer). Safira Amalia adopted a more cautious stance, stating that AI was used for visual concept ideas, caption drafts, and trend analysis, but AI outputs were curated to preserve personal touch, and caution was exercised to avoid over-reliance on AI that could make content appear generic (Safira Amalia, influencer). These varied approaches to AI integration reflect the broader industry tension between embracing technological efficiency and preserving perceived authenticity.

Brand Equity as an Outcome of Experience, Not Exposure

Perhaps the most significant finding was the consistent emphasis across participants that brand equity—particularly brand loyalty—is primarily determined by product quality and consumption experience rather than mere exposure to influencer content or algorithmic visibility.

It was articulated by Consumer A that product quality, comfort, appropriate pricing, and good service were the most important factors in brand selection, with repeat purchases occurring after satisfactory experiences (Consumer A, interview). Consumer A further distinguished between influencer-driven awareness and experience-driven loyalty, stating that influencers played a greater role in generating initial interest to try products, but loyalty was more determined by personal

experience after product usage, with repeat purchases occurring regardless of ongoing influencer promotion when quality was satisfactory (Consumer A, interview). Consumer B similarly emphasized product quality as the anchor of loyalty, stating that primary factors included product quality, comfort during use, design alignment with personal taste, price commensurate with quality, and positive experiences previously enjoyed with the brand (Consumer B, interview).

Consumer B's observation that influencers could influence initial decisions to try brands but that long-term loyalty was more determined by product quality and personal experience encapsulates the core finding: exposure drives trial, but experience drives loyalty. Influencers also acknowledged the primacy of product quality in sustaining brand equity. Afiqah observed that strong brands possessed consistent visual identity, and while influencer exposure helped, brands lacking clear character were quickly forgotten (Afiqah, influencer). Dara emphasized the role of consistent exposure in building awareness, stating that strong brands were those that "always appeared" in feeds, and influencer exposure significantly influenced awareness and trust (Dara, influencer). However, even Dara acknowledged that exposure alone is insufficient without product quality backing the brand's visibility

The findings suggest a hierarchical model of brand equity formation: (1) algorithmic discovery and influencer content generate awareness and initial interest; (2) multi-source trust validation (influencer reviews, peer feedback, brand transparency) mediates the transition from awareness to consideration; (3) product trial and consumption experience determine satisfaction and the potential for loyalty; and (4) positive experiences reinforce brand equity through repeat purchase and positive word-of-mouth.

Discussion

Theoretical Contributions

This study makes several contributions to the literature on influencer marketing, AI-driven branding, and brand equity formation in digital contexts. First, the findings extend understanding of how brand equity is formed in algorithmically mediated digital environments. While prior research has examined the role of social media marketing activities in building brand equity (Godey et al., 2016; Seo & Park, 2018), this study reveals that algorithmic content discovery and influencer endorsements function as awareness-generating mechanisms, but brand equity itself remains contingent on consumption experience. This finding aligns with associative network memory theory (Keller, 1993), suggesting that repeated exposure to brand-related content activates brand associations, but these associations are only converted into enduring brand equity when reinforced by positive consumption experiences.

Second, the study contributes to understanding of the trust formation process in digital fashion contexts. Trust emerged as a multi-source system integrating influencer credibility, peer reviews, brand transparency, and personal experience. This finding extends prior research on trust in social media marketing (Ebrahim, 2019; Pentina et al., 2013) by demonstrating how consumers actively cross-validate information across multiple sources before forming trust judgments. The cross-validation behavior observed in this study suggests that consumers are not passive recipients of influencer endorsements but active information processors who employ persuasion knowledge to evaluate marketing messages (Friestad & Wright, 1994).

Third, the findings contribute to the emerging literature on AI-driven branding and consumer perceptions. Consistent with prior research on algorithm aversion (Burton et al., 2020; Longoni et al., 2019), consumers in this study expressed ambivalence toward AI-generated content, perceiving it as both modern and potentially inauthentic. However, the findings also reveal that consumer responses to AI are not uniformly negative; AI was accepted when used transparently and in ways that enhanced rather than replaced human creativity. This finding supports the hybrid approach advocated by Bruns and Meißner (2025) and Hitsuwari et al. (2023), suggesting that human-AI collaboration can mitigate negative consumer reactions.

Fourth, the study extends the S-O-R framework (Mehrabian & Russell, 1974) to the digital fashion context by identifying the specific stimuli (algorithmic content, influencer endorsements, AI-generated visuals), organismic processes (trust formation, cross-validation, ambivalence), and responses (awareness, trial, loyalty) that characterize brand equity formation. The findings suggest that the organismic component is particularly complex in digital contexts, involving multiple cognitive and affective processes that mediate the relationship between exposure and behavioral outcomes.

An Integrated Model of Brand Equity Formation in Digital Fashion

Based on the findings, this study proposes an integrated model of brand equity formation in the digital fashion industry (Figure 2). The model conceptualizes brand equity as the outcome of a multi-stage process.

- **Stage 1: Algorithmic Discovery and Exposure.** Social media algorithms serve as the primary gatekeepers of fashion content, structuring what consumers see through personalized recommendations. This algorithmic architecture both enables efficient discovery and constrains exploration through filter bubbles.
- **Stage 2: Influencer-Triggered Awareness.** Influencer content functions as a trigger that generates brand awareness and initial interest. Influencer credibility and perceived authenticity moderate the effectiveness of this trigger.
- **Stage 3: Multi-Source Trust Validation.** Consumers actively cross-validate information across multiple sources—influencer reviews, peer feedback, brand communications, and personal experience—to form trust judgments. This validation process mediates the transition from awareness to consideration.
- **Stage 4: Experiential Consumption.** Product trial and consumption experience are the primary determinants of satisfaction and the foundation for brand loyalty. Exposure and awareness may drive trial, but only positive experiences generate enduring brand equity.
- **Stage 5: Brand Equity Outcomes.** Brand equity manifests through repeat purchase, positive word-of-mouth, and resistance to competitive alternatives. These outcomes are reinforced by consistent product quality and positive consumption experiences.

Moderating Factors. AI-driven branding perceptions, algorithmic literacy, and consumer involvement moderate the relationships between stages. AI content perceived as authentic and transparent may enhance the model's positive pathways, while AI perceived as inauthentic may trigger skepticism and resistance. The findings offer several practical implications for fashion brands, influencers, and marketing practitioners.

For Fashion Brands. The primacy of consumption experience in brand equity formation suggests that brands should prioritize product quality and customer experience over mere visibility. While influencer marketing and algorithmic visibility are important for generating awareness, they cannot substitute for genuine product excellence. Brands should invest in quality assurance, responsive customer service, and post-purchase engagement to convert trial into loyalty. Additionally, brands should adopt transparent AI practices, clearly communicating when AI is used in content creation and ensuring that AI-generated content does not misrepresent product attributes.

For Influencers. The multi-source trust validation process implies that influencers should prioritize authenticity and transparency in their endorsements. Over-commercialization and inauthentic promotions risk diminishing credibility and trust. Influencers should maintain a balance between sponsored and organic content, disclose partnerships clearly, and provide honest evaluations that include both positive and negative aspects of products. Building long-term trust with followers is more valuable than short-term promotional gains.

For Marketing Practitioners. The integrated model suggests that marketing strategies should address all stages of the brand equity formation process: algorithmic visibility, influencer partnerships,

trust-building communications, and post-purchase engagement. Brands should monitor consumer sentiment across multiple channels and respond to trust violations promptly. AI tools should be deployed to enhance, not replace, human creativity and authenticity.

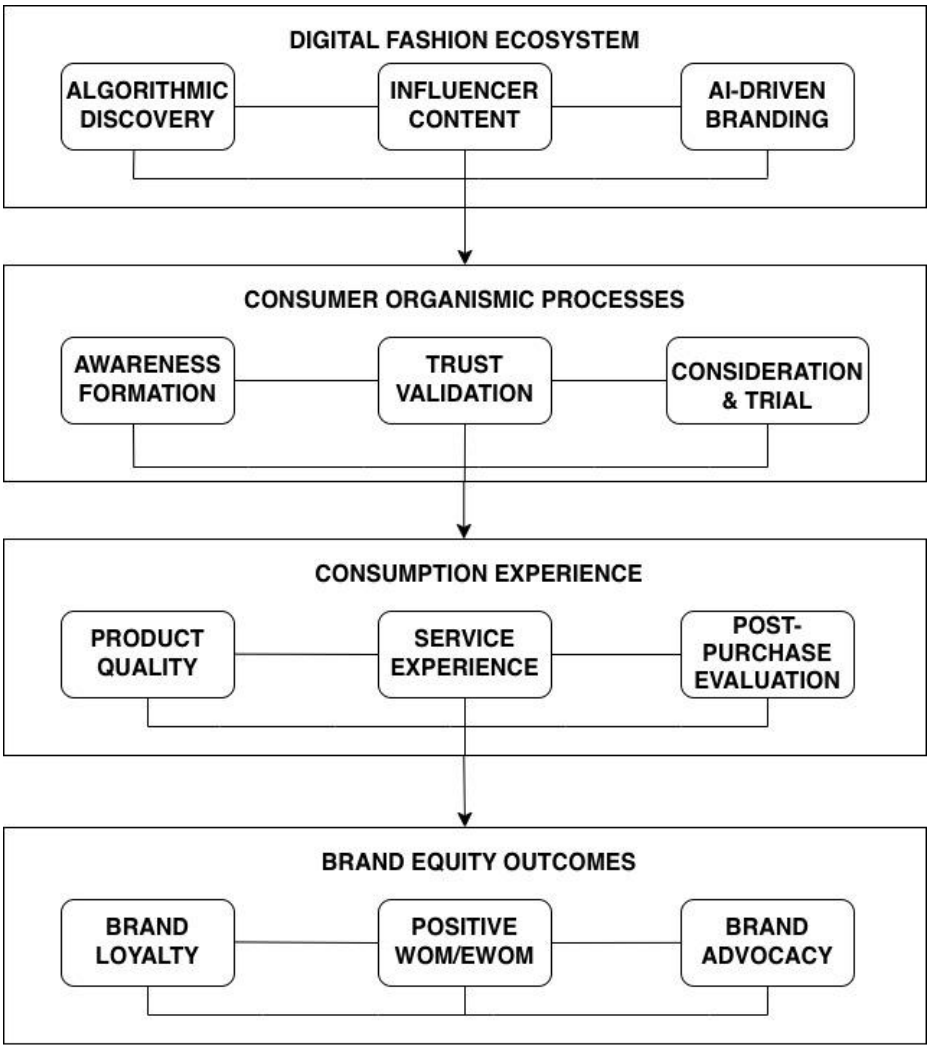


Figure 2. Integrated Model of Brand Equity Formation in Digital Fashion

Practical Implications

Limitations and Future Research

This study has several limitations that suggest directions for future research. First, the small sample size (five participants) limits generalizability, although the depth of qualitative data provides rich contextual insights. Future research should employ larger, more diverse samples to validate and extend these findings.

Second, the study focused on Instagram and TikTok in the Indonesian context. Cross-cultural comparisons would illuminate how cultural factors moderate the relationships identified in this study. Future research should examine these dynamics in different cultural and market contexts. Third, the study relied on self-reported perceptions and experiences. Future research could employ behavioral data, such as engagement metrics and purchase histories, to complement self-report measures and provide more objective evidence.

Fourth, the study examined brand equity formation at a general level. Future research could investigate how these dynamics vary across different types of fashion brands (luxury vs. fast fashion, local vs. global) and product categories. Fifth, the role of AI in branding is evolving rapidly. Longitudinal

research is needed to track how consumer perceptions of AI-driven branding change as AI technologies become more sophisticated and prevalent.

Conclusion

This qualitative study explored how consumers and influencers perceive the interplay between influencer marketing, AI-driven branding, and brand equity formation in the digital fashion industry on Instagram and TikTok. The findings reveal that brand equity formation is a multi-stage process wherein algorithmic content discovery and influencer endorsements generate awareness, multi-source trust validation mediates the transition to consideration, and consumption experience ultimately determines brand loyalty.

AI-driven branding engenders ambivalent consumer responses, perceived as both a marker of modernity and a potential threat to authenticity. The integrated model proposed in this study contributes to theoretical understanding by specifying the mechanisms through which digital marketing stimuli translate into enduring brand equity. Practically, the findings underscore the importance of product quality, authentic influencer partnerships, transparent AI practices, and post-purchase engagement in building sustainable brand equity in the digital fashion era.

Recommendations

Recomendations for Brands

- **Prioritize product quality and consumption experience** as the primary drivers of brand loyalty. Influencer exposure and algorithmic visibility generate initial trial, but only consistent product excellence sustains repeat purchase and positive word-of-mouth.
- **Deploy AI transparently and as an augmenting tool** rather than a replacement for human creativity. Hybrid approaches—where AI assists with ideation while humans retain creative control—mitigate perceptions of inauthenticity and preserve emotional connection with consumers (Bruns & Meißner, 2025).
- **Develop distinctive brand narratives** that transcend algorithmic optimization. Authentic storytelling and consistent visual identity foster deeper consumer-brand relationships than visibility alone.

Recomendations for Influencers

- **Enhance algorithmic transparency and user agency** by providing consumers with greater control over content curation. Features that enable exploration beyond personalized recommendations could mitigate filter bubble effects while preserving discovery benefits (Flaxman et al., 2016).
- **Establish standardized and consistent AI disclosure guidelines** across platforms. Clear labeling terminology ("AI-generated," "synthetic," "assisted") helps consumers interpret content accurately and protects against deceptive practices (Bruns & Meißner, 2025).
- **Promote consumer digital literacy** initiatives that educate users about algorithmic mechanisms, AI-generated content recognition, and critical evaluation of influencer endorsements, fostering a more informed and resilient consumer base.

Recommendations for Consumers

- **Adopt multi-source cross-validation** before making purchase decisions. Influencer endorsements serve as effective awareness triggers, but consumers should verify product quality through peer reviews, user-generated content, and personal experience to form more objective trust judgments (Consumer A, interview).

- **Maintain critical awareness of algorithmic curation.** While algorithms facilitate efficient discovery, consumers should actively seek diverse content beyond personalized recommendations to avoid filter bubbles and explore a broader range of brand options (Flaxman et al., 2016).
- **Exercise caution when engaging with AI-generated content.** Overly perfect visuals, AI-generated models, or excessively polished captions may create unrealistic expectations. Consumers are advised to demand transparency from brands regarding AI usage and to evaluate products based on authentic, unfiltered representations.

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