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From Scarcity to Algorithms: Artificial Intelligence and Transformation of Masstige Marketing

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Abstract

The introduction of AI in marketing is reshaping the brand communication with customer and brand strategies. While the prior research has been conducted to study the AI impact on mass and luxury brands but its implication of masstige marketing positioned at the intersection of mass accessibility and prestige symbolism remain theoretically underdeveloped. Masstige brands have built their traditional appeal by maintaining aspiration value, limited exclusivity and degree of emotional distance from consumer. However the AI personalised tools, predictive analytics, automated engagement has changed how these brand operate. Addressing this gap, the paper examines the how AI- driven technologies reshaping the consumer behaviour, perception and marketing dynamics in masstige marketing. It further conceptualises how prestige is shifting scarcity to algorithm driven based exclusivity, from shared aspiration to personal aspiration from symbolic distance to AI –mediated brand intimacy. It highlights the brand intimacy paradox which captures the tension between increased personalisation driven relevance and erosion of prestige. These insights extends masstige into AI driven marketing landscape.

Keywords: Artificial Intelligence, Masstige Marketing, Customer, Technology

Introduction:

Artificial intelligence has become an important part of modern marketing practice. Brand are getting advanced these day and better understand consumers , personalise communication and manage customer relationship because of advancement in data analytics , machine learning and AI automation. Earlier these are used as an operational tool but now it emerged as strategic element that influence how customer perceived and interact with business. Thus AI apart from impacting building brand meaning, consumer connections and value perception(Davenport et al., 2020; Huang & Rust, 2021).

With the introduction of these tools, it is evident that the research on artificial intelligence in marketing has been growing and various brand related researches focuses on mass market brands where artificial intelligence is used to improve efficiency, yield management and scale personalisation across the large consumer bases(Wedel and Kannan, 2016). Also, the concerns of automation, luxury brands are frequently highlighted in another significant body of literature that

looks at the luxury companies(Kapferer and Bastien,2012;Ko et al.,2019).Although these studies provide the valuable insights but masstige brands are remain unexplored.

The masstige brands get separated by luxury and mass markets which enables the customer to have a sense of prestige without the high price or restricted availability associated with luxury goods because they are both generally available and symbolically aspirational(Truong et al.,2009). This have been growing in the industries including consumer electronics, fashion , beauty and reflecting the broader change in consumption patterns and social mobility. Thus it carefully striking the balance between aspirations and companies that able to offer prestige without sacrificing symbolic difference (Silverstien and Fiske,2003).

Masstige brands have traditionally preserved their attractiveness by combining a sense of limited accessibility with aspirational branding and maintain psychological distance from consumer. Despite the fact that consumer engage with these businesses on a regular basis, the brand itself positioned as an ideal to strive for rather than a personal friend. Maintaining this sense of distance is essential because prestige is often strengthened through consumer aspiration, imagination and comparison with others (Keller,2009).In the masstige segment, consumer recognise the value beyond product functionality as these brands help communicate personal identity, reflect desired lifestyle and create emotional connections(Paul,2019).

These conventional underpinnings are being challenged by the growing usage of artificial intelligence in marketing.AI allows brand to stay connected with customers by offering personalised recommendations, providing instant support and communication with them based on their preferences and needs. By bridging the gap between the brand and the customer, these technologies improve the speed, responsiveness, and customization of interactions. When brands become extremely accessible and thoroughly ingrained in daily digital life, it raises significant problems about how prestige is produced, even though such proximity improves convenience and relevance (Huang and Rust, 2021).

Personalised based artificial intelligence can enhances customer experiences by delivering tailored products, recommendations and communications that matches with individual's interest .Existing research suggested that personalised experience improves satisfaction, increase perceived brand value, strengthen emotional engagement (Bleier et al.,2019). However the personalisation make masstige brands seems less special and exclusive. If every customer get the individual experience , the brand may no longer feel special and exclusive in the eyes of others. This can reduce how prestigious people think the brand is .

Further, in traditional branding frameworks, exclusivity is closely linked restricted access, scarcity and social differentiation but the evolving definition of exclusivity is another critical issue. Due to emergence of artificial intelligence, exclusivity prevalent in digital setting through algorithms that manage visibility recommendations and tailored offering. Consumer perceived a

product as distinctive because brand feels personalised (Erevelles et al., 2016). However it is still uncertain whether this new form of personalised exclusivity can create the same sense of prestige that has traditionally been associated with scarcity and limited access.

Against this background, the present paper explores how AI is reshaping consumer behaviour, brand perception, marketing practices in the context of masstige branding. It prepares the foundation of prestige are evolving- from scarcity based exclusivity to AI enabled personalised differentiation from shared social aspiration to individual aspiration and psychological distance to technological enables brand closeness. Thus this paper introduces the concept of the brand intimacy paradox which explains how artificial intelligence can make consumer feel closer to a brand while also making it more difficult for the brand to maintain its sense of prestige and exclusivity.

Literature Review:

- (1) **Wedel and Kannan (2016)** summarized that marketing was transformed through use of artificial intelligence and advanced analytics since it allowed a firm to study masses of consumer data and provide personalised communications. Their results revealed that AI-based marketing boosted targeting precision and customer interaction particularly in online platforms. Another factor that was brought to attention by the authors was the difference between mass segmentation and individual level interaction. Their work was however primarily on mass market brands and they never tried to study inspirational or prestige oriented branding like masstige.
- (2) **Bleier et al. (2019)** concluded that consumer satisfaction and involvement were higher when they experienced a personalised marketing as relevant and useful. They also found that over personalisation may decrease excitement and perceived uniqueness. The findings were particularly significant to masstige brands where the aspiration and prestige relied on the fact that relevance and distance were to be held in balance.
- (3) **Banerjee and Chaudhuri (2017)** examined the aspirational branding in India. Their results indicated that symbolic brand meanings and social comparison had a strong influence on the Indian consumers. The authors discovered that aspirational brands remained popular due to the balancing ability between the accessibility and the emotional distance. They observed that perceived prestige would be undermined in the event of too much familiarity or over communication particularly among consumers in the urban middle classes.
- (4) **Sahay and Sharma (2016)** studied the branding in the Indian retailing and consumer goods market. Their research revealed that prestige oriented brands in India were anchored on imagery, storytelling and controlled visibility, which maintained aspiration. The authors found that digital platforms might have more reach but brands had to manage engagement with care to prevent dilution of brand value. The paper has emphasized the need to focus on aspiration in high reach markets such as India.
- (5) **Paul (2019)** discussed the concept of masstige consumption in the emerging market with

particular consideration of India. The research discovered that Indian consumers linked masstige brands with social mobility, self-identity and symbolic status. The results indicated that emotional and aspirational values tended to be of significance compared to functional.

(6) Law (2023) talks about the difficulties faced by companies like mango in the Chinese market. The study highlights that brand equity is strongly influenced by market-specific factors since customer sentiments towards masstige offering can change depending on cultural environment. Thus it suggest that understanding regional preferences and adapting marketing strategies accordingly that can help masstige brand strengthen their position and increase the brand equity in international markets

(7) Agarwal et al.(2022) examines that in the luxury industry consumer pattern are changing showing the need for masstige firms to modify their branding tactics. Thus tactics indicate that modern consumer seek brand that provide a combination of aspirational appeal and practical value. This realization emphasizes how crucial it is to match brand positioning to changing consumer demands in order to remain relevant in changing consumer environment.

(8) Das et al.(2022) investigated the inspirational value of masstige brand in developing countries, Their research highlights the importance of balancing consumer's desire for uniqueness with their need for social belonging. The study suggest that masstige brand can enhance the consumer attachment and strengthen brand equity by allowing consumer to express individuality while still maintaining social acceptance.

(9) Goyal (2020) examines consumer perception of affiliation with masstige brands offering insights from an Indian setting. According to the report consumer frequently identify masstige products with the combination of affordability and prestige making them appealing substitutes for conventional luxury goods. Particularly in emerging economies , this notion not only increases brand equity but also motivates a large consumer base to interact with masstige items

(10) Ho et al.(2023) examined that by combining the elements of prestige and accessibility, masstige brands create a perception of both exclusivity and emotional warmth. Thus it allow consumer to experience symbolic value while maintaining a sense of connection with the brand by examining the social ramification of masstige branding.

(11) **Rathi et al. (2022)** In bibliometric analysis of changing luxury marketing scene, it is important to emphasize consumer perception in establishing brand strategies. Their finding indicate that changing consumer priorities, including increase demand for sustainability, inclusiveness and meaningful consumption, create new opportunities for masstige brands. The ability to adapt to these evolving expectations is essential for maintaining competitive advantage and developing long term brand equity.

Research Objective

- To investigate how masstige brands situated between mass and luxury markets are using AI to change their marketing strategies.
- To examine how consumers' perception of prestige in masstige branding are influenced by AI driven personalisation.

- To conceptualise the transition in masstige marketing from scarcity based exclusivity to algorithm driven differentiation enabled by artificial intelligence.
- To develop the concept of the Brand intimacy paradox by explaining how AI driven personalisation can simultaneously strengthen consumer relevance while weakening the prestige and symbolic value of masstige brands.

Research Methodology:

In order to investigate how AI is changing the prestige building in masstige marketing, the present study adopts a conceptual and exploratory research design. As a theoretical study, it does not involve the collection of primary data. It totally dependent on secondary data from academic books, peer reviewed journal articles and previous research on AI in marketing luxury branding and masstige consumption.

To find the important themes including scarcity based exclusivity, shared goals, symbolic driven engagement, a comprehensive review of literature was carried out. The selected studies were examined using thematic and conceptual analysis to compare traditional approaches to prestige creation with emerging AI driven branding practices.

The research further demonstrates how AI mediated personalization reshapes aspiration and brand intimacy and conceptualizes the transition from scarcity based exclusivity to algorithm-driven distinction by combining these stream of literature. Thus the study highlights the conflict between grater customisation and possible decline in prestige in massitge companies by introducing the idea of a brand intimacy paradox.

Key Findings

Artificial Intelligence redefines exclusivity in Masstige Branding

The previous studies suggested that traditional masstige brands created prestige through limited availability, controlled brand exposure and aspirational positioning(Silverstein & Fiske,2003;Troung et al., 2009). But the notion of exclusivity in artificial intelligence enables personalised recommendations, customised communications and data driven consumer experiences. As a result, exclusivity is increasingly created through algorithmic differentiation rather than product scarcity.

AI shifts aspiration from collective to individual

Historically, masstige brands have motivated customers to aspire for a common lifestyle and social status(Banerjee & Chadhuri,2017; Paul, 2019).Conceptual study reveals that AI supported personalisation is increasingly altering this pattern by producing individual brand experience. So

customers are increasingly experiencing status through tailored digital encounters rather than through common social acknowledgment.

AI reduces psychological distance between brands and consumers

The traditional way to protect prestige is to keep distance, emotional and symbolic between the brands and its consumers (Keller, 2009; Kapferer & Bastien, 2012). AI tools like chatbots, virtual assistants and automated communications fill this gap by providing constant interaction and instant engagement. While these technologies increase consumer ties, they can also make masstige brand seem more familiar and less aspirational.

The brand Intimacy Paradox Appears

Conceptually, the review suggests the emergence of brand intimacy paradox. AI driver personalisation can improve customer relevance, engagement and satisfaction by offering highly customer experiences (Bleier et al., 2019). But too much familiarity can dilute the exclusivity and symbolism that have traditionally been the hallmark of masstige brands. This leads to paradox of building closer relationship with consumer and maintain a prestigious brand image.

Prestige construction is being reconfigured

The study proposes that significant transformation is undergoing in the prestige of masstige branding. Instead of being created primarily through scarcity and social visibility, prestige is increasingly shaped by personalised experiences, customer data and intelligent algorithms. This represents a shift from traditional prestige-building mechanism towards digitally mediated and individualised prestige experiences.

Conclusion

This study adds to the masstige marketing literature by explaining how artificial intelligence is transforming the process of prestige creation and maintenance. It is evident that AI is changing the traditional practices of branding from exclusivity based on scarcity to personalised consumer experiences and continuous digital engagement.

AI allows brands to offer better personalisation improve customer experience and build more resilient consumer relationship but it also threatens the exclusivity and aspirational nature that have always characterized masstige brands. With the introduction of artificial intelligence brands are becoming more responsive and available and this is making the balance between personalisation and prestige more important.

To explain this changing relationship, the study proposes the concept of the brand intimacy paradox which illustrates the tension between creating closer consumer relationship and

preserving the symbolic value of prestige. Overall the study finds AI goes beyond enhancing marketing practices by redefining the mechanisms through which prestige is constructed, communicated and sustained in masstige branding. Future research may validate the proposed conceptual model through empirical investigation across various industries and among different consumer population

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