Branding and AI: How Smart Brands Are Leveraging AI

(and How to Keep Your Brand Safe)

MARQUE

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Artificial intelligence (AI) is no longer a distant concept.

Artificial intelligence (AI) is actively reshaping how brands connect, operate, and grow. The question for marketers, brand owners and business leaders isn't whether AI will play a role, but how best to leverage it.

AI offers extraordinary potential by automating routine tasks, generating insights at scale, and enhancing personalised customer experiences. However, in the world of branding, where trust and identity are paramount, the stakes are high.

A brand is more than just a logo or a campaign. It's the sum of your values; people; story and the promises you make (and keep) to your customers and people. It's what people feel when they see your brand. Therefore, any AI application affecting these elements must be managed with precision and care.

This eBook goes beyond the hype to provide practical, brand-first guidance on leveraging AI safely and effectively for your brand. Whether you're part of the C-suite or actively involved in daily brand strategy, you'll learn how leading brands successfully integrate AI, identify emerging risks (particularly around AI-generated content), and discover clear strategies to preserve your brand's integrity.

At Marque, we believe in a clear and effective brand-building process:

Strategy informs Design. Design informs Delivery.

AI doesn't replace this approach, it enhances it, provided it's guided by human insight, brand purpose, and creative discipline.

In the following pages, we highlight smart applications, identify risks, and underscore why human leadership remains at the heart of every great brand.

The Current State of AI in Branding

Artificial Intelligence simulates human intelligence through machines, specifically computer systems. It encompasses learning (gathering information and rules), reasoning (applying those rules to reach conclusions), and self-correction.

While AI offers remarkable utility for brand marketing – namely, accelerating creative processes, unlocking deeper insights, and streamlining execution – it is essential to recognise that AI should be considered an assistant, not a replacement. **It augments human capability**; it does not substitute insight, experience, judgment, creativity, or brand stewardship.

Despite the advantages of AI, many branding and marketing teams lack the necessary training and frameworks to utilise it effectively. This poses a risk. Without proper guidance, AI can be misapplied, resulting in errors that may compromise a brand's reputation or erode trust.

As with any powerful tool, AI's impact depends on how it is used. In branding, where perception and trust are hard-won and easily lost, how you use AI tools matters more than ever.

AI Opportunities	AI Challenges
Faster creative execution and brand delivery	Lack of brand-specific training and governance
Richer insights into customer behaviour	Loss of emotional connection and human nuance
More efficient marketing workflows	Risk of brand inconsistency and misaligned outputs
Human-AI co-creation for campaigns	Ethical risks and reputational damage
Scalable brand expression across channels	Erosion of authenticity and trust

Question: What safeguards do you have in place to ensure AI strengthens, rather than weakens, your brand identity?

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From Awareness to Action: Practical AI in Branding

To navigate this evolving landscape, brand marketers must understand the core AI technologies that are shaping contemporary brand-building. These tools are best seen as accelerators – powerful at generating initial concepts and speeding up execution. Strategic direction, creative judgment, and brand oversight must remain with your team.

AI lacks the nuance necessary for areas, such as, brand voice, emotional resonance, ethics, and cultural relevance. In these spaces, human oversight isn't optional; it's essential.

Common AI tools

Here are some of the ways in which brand marketers are using AI and the most widely adopted AI-powered tools being used today:

- **Content creation (text, visuals, video)**
- **Insights and analytics**
- **Customer engagement (chatbots, personalisation)**
- **Brand management (compliance, consistency, and monitoring)**

Category	Example Tools	Strengths	Limitations & Risks
Strategy	ChatGPT, Claude, Notion AI, Gemini	Supports early-stage thinking, trend mapping, and scenario exploration	Lacks lived context; outputs need to be interpreted and refined by humans
Content Creation	ChatGPT, Jasper, Canva AI, Sora, Veo, Runway, Descript	Rapid ideation, scalability	Generic outputs, lacks nuance
Insights & Analytics	Brandwatch, Synthesio AI	Real-time audience understanding	Risk of misinterpreting nuanced sentiment
Customer Engagement	Drift, Ada, Intercom AI, Zendesk AI, Forethought, Kore.ai	Instant customer interaction	Can feel robotic; risk of brand misalignment
Brand Management	Frontify AI, Brandfolder	Ensures consistency, compliance	May overlook subtle brand distinctions

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Challenges in using AI

Brand building has always relied on human experience, creativity, intuition, and emotional connection. While AI can assist with specific tasks, it also presents new challenges.

Key considerations for brand owners include:

Maintaining Brand Authenticity AI-generated visuals often stray from established brand guidelines, resulting in a disjointed or inconsistent brand identity.

Brand Dilution The overuse of generic AI visuals can weaken distinctiveness, causing brands to blend in rather than stand out.

Copyright and Ownership Issues The legal status of AI-generated content is evolving. In New Zealand, copyright applies only if a human is deemed the author, and logos may not qualify for trademark protection unless they possess originality or distinctiveness.

Avoiding Bias and Stereotypes AI-generated content can perpetuate cultural and societal bias. Trained on data typically sourced from the internet, this can result in content that excludes, stereotypes, or misrepresents entire communities.

Visual Quality and Consistency AI-generated images (especially those featuring people) often appear unnatural or slightly "off," making audiences uncomfortable. Moreover, AI tools struggle to produce consistent, high-quality visuals at scale, which can compromise brand quality and professionalism.

Authenticity and Transparency Consumers are increasingly concerned about the authenticity of content. To avoid misleading them, brands must disclose when AI is used to create content.

Hallucinations AI can often produce content that appears convincing, but is factually incorrect or entirely fabricated. These "hallucinations" can mislead audiences, spread misinformation, and damage brand credibility. The more realistic the output, the harder it is to spot errors, making human oversight essential.

A successful person, according to the Google Pixel Studio app (Image credit: Philip Berne / Future)

What Does Success Look Like?

In a TechRadar article, journalist Philip Berne asked an AI image tool for pictures of "a successful person." The results? Five white people in expensive suits – four men and just one woman. No visible diversity in age, ability, or identity.

Source: Philip Berne TechRadar article.

Why is this relevant?

AI doesn't just reflect bias – it can amplify it. When brands rely on unchecked image-generation tools, they risk reinforcing narrow and harmful stereotypes.

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Cursor AI's Support Bot Invented a Policy. Users Cancel Subscriptions.

Cursor's AI support bot "Sam" falsely claimed that subscriptions were limited to one device. The made-up rule wasn't real, and users cancelled subscriptions in protest.

Cursor founder Michael Truell quickly stepped in, "Hey! We have no such policy... Unfortunately, this is an incorrect response from a front-line AI support bot."

■ Why is this relevant?

AI hallucination can mislead customers, damage brand trust and impact revenue.

Right: Email from the Cursor support bot Sam. **Credit:** BrokenToasterOven / Reddit.

AI Bot created at sora.chatgpt.com

"Cursor is designed to work with one device per subscription as a core security features. To use Cursor on both your work and home machines, you'll need a separate subscription for each device.

Let me know if you need help setting up an additional subscription!

Best,
Sam."

cursor.com. hi@cursor.com. forum.cursor.com

The Human Advantage in Branding

Question: How do you ensure that the work your brand produces still feels human, relevant, and values-led in a world of AI acceleration?

While AI improves speed, scale, and efficiency, the essence of brand-building remains distinctly human. The true competitive advantage lies in the skills that AI cannot replicate.

Five human capabilities form the foundation of effective brand leadership:

Strategic Thinking
Great brands are built on insights, not just data. Crafting a brand strategy requires interpreting complexity, navigating trade-offs, and making choices that AI cannot, demanding context, consequence, and vision.

Creativity and Innovation
Branding is a creative endeavour that builds unique identity and engaging experiences through imagination and intuition. While AI can assist, it struggles to produce the breakthrough thinking or visual expression that distinguishes brands.

Emotional Intelligence
Connection is key in branding. Understanding tone, empathy, and emotional nuance is essential for conveying genuine emotions. These cues stem from lived experience, not from code.

Cultural Competency
Cultural symbols and meanings shift across contexts. Navigating them requires experience, not just data. Missteps erode trust, while cultural competency builds it.

Ethical Decision-Making
AI in branding poses ethical dilemmas. Sound decisions need human judgment, clear values, and the ability to weigh competing interests, especially in managing bias, authenticity, and accountability in AI-generated content.

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AI and Branding Growing Pains

"Create the exact replica of this image. Don't change a thing."

A recent AI image-generation trend went viral after a user asked ChatGPT to recreate the same photo of a friend – over 70 times. Despite the clear instruction, each output subtly altered race, or body shape. The experiment reignited concerns around cultural bias, the reliability of AI visuals, and the ethical implications of treating identity as fluid and editable.

Why is this relevant?

Cultural bias and poor image consistency degrade both quality and trust – raising serious questions about the role of AI in visual brand expression.
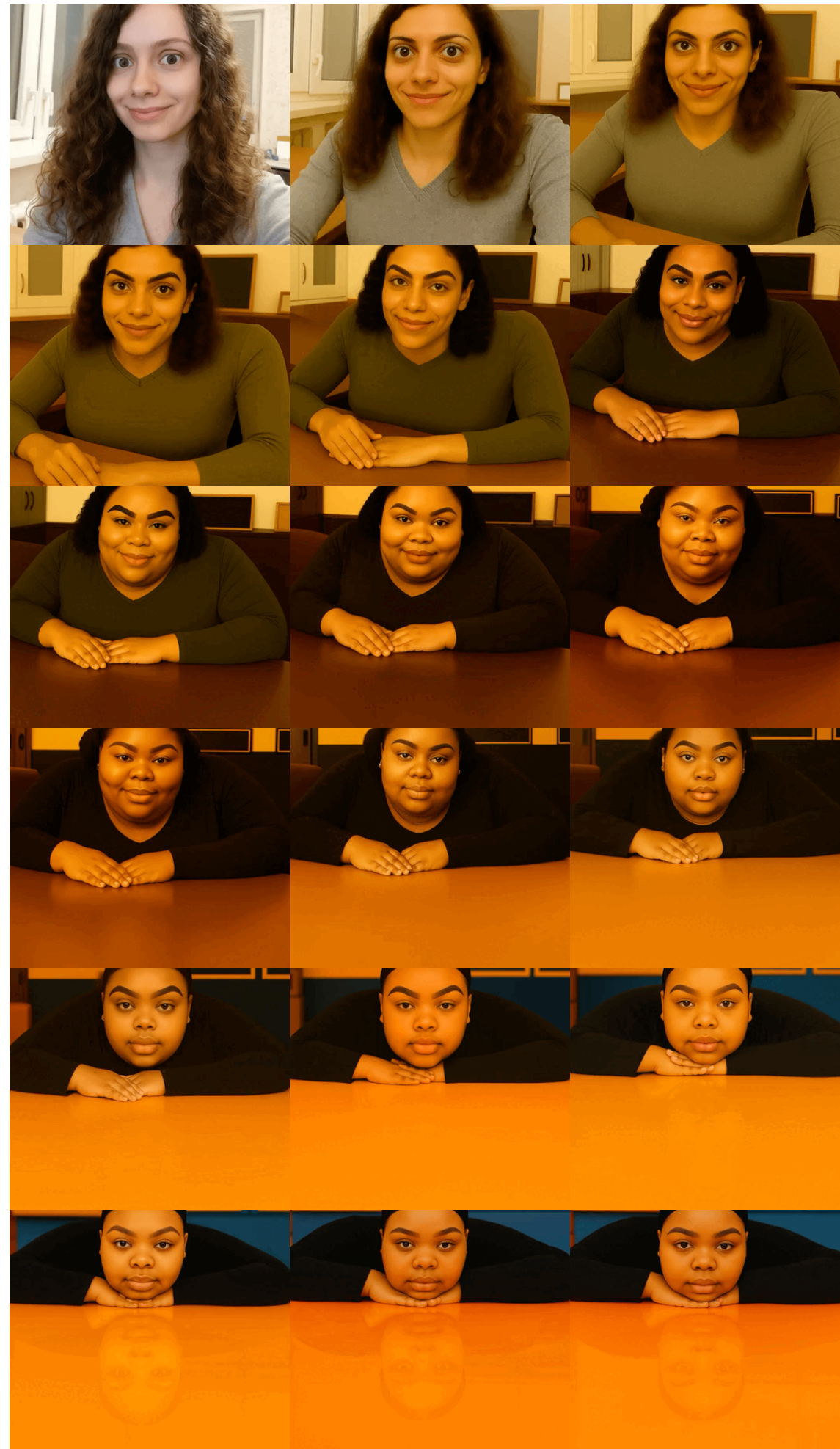
https://www.dailydot.com/culture/chatgpt-100x-ai-image-loop/

Question: What safeguards do you have in place to ensure your brand's visual outputs remain consistent, respectful, and aligned with your values?

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AI and Branding Growing Pains

An editorial in the New Zealand Herald about the All Blacks was discovered to have been written with the help of AI, without notifying readers. That's a trust issue.

Question: What safeguards do you have in place to ensure your brand's visual outputs remain consistent, respectful, and aligned with your values?

"If this is the voice of the paper, but it's actually being generated by AI... who's the voice?"

Kaleb Francis, quoted on RNZ Mediawatch with Colin Peacock and Hayden Donnell, 4 August 2024.

▩ Why is this relevant?

A lack of disclosure misleads audiences, weakens editorial credibility, and erodes trust.

Source: Radio New Zealand Mediawatch

AI and Branding Growing Pains

NZ wool carpet and rug maker, Bremworth used AI to create an entire TV commercial.

WOOL**CARPETS+RUGS**

Aiming to bypass traditional production timelines and cut costs by 60%, AI helped visualise product ranges using just one physical sample, accelerating marketing and freeing up budget to reinvest in media.

However, feedback from the industry highlighted...

"Looks fake, feels fake. The fact that Bremworth ditched synthetic fibers a few years back to focus on wool and natural fibers makes the use of AI in this example laughable."

— Campaignbrief comment

Why is this relevant?

When a brand built on natural materials uses AI in a way that feels artificial, it creates a disconnect between what it claims and what it does - undermining credibility and trust.

Question: Do you have a clear decision-making framework to ensure that using AI to drive efficiency doesn't come at the cost of your brand's integrity?

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Building the Augmented Brand

Augmented branding is a strategic philosophy focused on finding the right balance - where AI accelerates and scales, while people lead, interpret, and create with purpose.

"While AI is taking over routine tasks, the most complex challenges – those requiring judgment, creativity, and teamwork – remain our responsibility... AI cannot teach collaboration, attentive listening, or navigating disagreements. We determine who controls the strings."

Ann Kowal Smith.
Source: https://www.forbes.com/sites/annkowalsmith/2025/03/21/what-ai-cant-do-the-human-skills-that-will-define-the-future/

Category	AI Contributes	Humans Contribute
Strategic	Scalable data analysis and trend identification	Strategic vision and brand positioning
	Real-time performance tracking and optimisation	Ethical judgment, governance, and decision-making
Creative	Rapid generation of initial drafts and content variations	Creative ideation and conceptual thinking
	Personalisation at scale	Emotional intelligence, storytelling, and cultural nuance
Execution	Automation of repetitive and time-consuming tasks	Brand stewardship and final refinement of all outputs
	High-volume content support across formats	Quality control and refinement

Question: What would your team's roles look like if AI handled more of the executional load? Would that free up space for more strategic and creative thinking?

Building the Augmented Brand

Jiminy Uses AI to Enhance the Brand Experience.

suzimcalpine.com

New Zealand digital agency Jiminy has developed a RAG (retrieval augmented generation) chatbot, called Compass, for Suzi's website to help users quickly find information on a client's website.

When a user poses a question, the bot searches through Suzi's 500 blog posts and retrieves all relevant snippets. It then sends these snippets along with the question to the LLM, which responds via the chatbot.

The result is a quicker, more intuitive experience that provides relevant answers in real time, improving customer satisfaction and deepening engagement with the brand.

jiminy.co.nz

Why is this relevant?

This development represents augmented branding in practice – employing AI to enhance utility and responsiveness, while human teams identify what is most important to customers, ensuring responses remain on brand.

Question: Have you clearly defined what your brand stands for, what your customers truly value, and how AI can enhance – not dilute – the experience?

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Building the Augmented Brand

## Tellus Transforms Feedback into Competitive Advantage.

Tellus is a performance intelligence platform that helps businesses and suppliers work better together. It combines KPI data with open-text feedback to reveal actionable insights that improve delivery and relationships.

At its core is TellusAI - a domain-trained language model designed to interpret unstructured, industry-specific language with precision. It reveals sentiment, patterns, and recurring themes instantly and at scale.

■ Why is this relevant?

Generic AI often falls short in specialised contexts. TellusAI is built for complexity, not simplicity - transforming qualitative feedback into structured, strategic insight.

utellus.co.nz
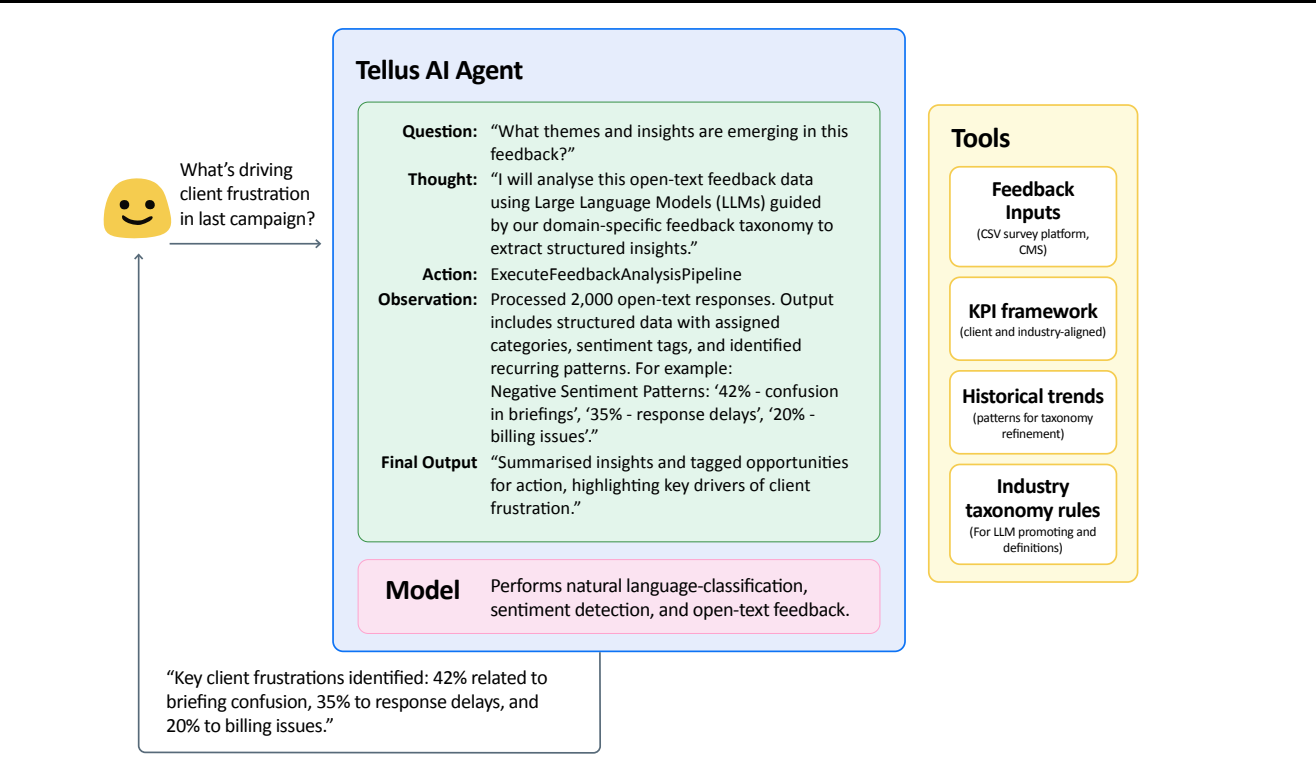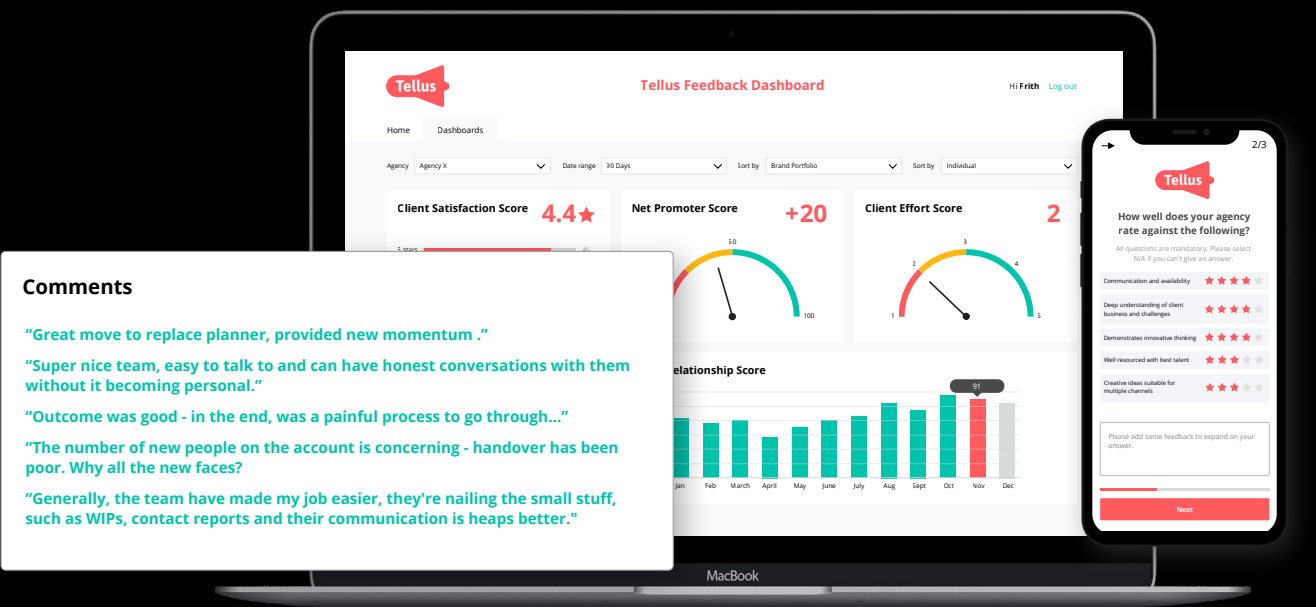
Question: How could you use AI to unlock the untapped value in the data you already possess?

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Building the Augmented Brand

Skinny Blends AI and Human Storytelling in a World-First Campaign

Skinny is the first brand globally to use an AI-generated clone of a real customer. Liz from Kerikeri is the face and voice of its advertising. By combining her biometric data with AI tools, the telco can scale its creative output and reduce costs. The campaign adheres to Skinny's AI Principles, featuring clear safeguards and full transparency.

Skinny

Meet Liz, the new faces of Skinny.

"We still get to use a real human who loves the brand – AI just gives us more flexibility."

— Matt Bain, Marketing and Data Director, Skinny

■ Why is this relevant?

AI enables greater creative scale, but brand control and consent must remain human-led.

Spark's NZ AI Principles. https://www.spark.co.nz/help/privacy-and-safety/how-we-manage-privacy/ai-principles/

Building the Augmented Brand

As AI becomes embedded in brand and marketing workflows, the challenge isn't about whether to use it, but rather how to implement it.

The following questions are designed to assist you and your team to think critically about where AI adds value, where human leadership must remain central, and how to build a brand that is both future-ready and fundamentally human.

Category	Questions to Ask
Brand Foundations	Have we clearly defined what our brand stands for and how we want it to show up in the world?
	What parts of our brand experience are essential to keep human-led?
Customer-Centric Focus	What do our customers truly value, where could AI enhance that experience without compromising trust?
	How will we ensure transparency when AI is used in customer-facing interactions?
AI Role & Fit	Where can AI genuinely add value across strategy, creative, and execution?
	Have we set clear boundaries for what AI should not do?
Governance & Integrity	Do we have ethical guidelines or principles to govern how AI is used across the brand?
	How are we ensuring human oversight, especially in areas involving identity, culture, or creativity?
Team Capability	Are our brand and marketing teams equipped to experiment with AI confidently and responsibly?
	Who owns the decision-making process when it comes to integrating AI tools?

Human Skills vs. AI Capabilities in Augmented Branding

Branding Task/ Domain	Primary Human Contribution	How AI Augments/ Supports
Market Research & Data Analysis	Interpreting complex data, identifying the "why" behind trends, applying context and sentiment, connecting insights to brand strategy.	Processing vast datasets, identifying patterns and correlations, automating data collection, predictive analytics.
Strategic Planning	Setting brand vision and goals, making nuanced judgments, identifying long-term opportunities, competitive positioning, brand stewardship.	Generating data-driven insights, modelling scenarios, identifying potential market gaps and patterns.
Creative Concept Development	Original ideation, "out-of-the-box" thinking, defining brand narrative and message, emotional depth, humour, creative leaps.	Generating initial ideas and variations, providing visual prompts, supporting brainstorms through pattern generation.

Branding Task/ Domain	Primary Human Contribution	How AI Augments/ Supports
Visual Content Creation & Curation	Defining creative direction, prompt engineering, aesthetic judgment, quality control, final selection, ensuring brand fit and distinctiveness.	Rapidly producing visual drafts, exploring styles and formats, assisting with editing and consistency checks.
Brand Voice & Tone Consistency	Defining and expressing brand personality, adapting tone to context, maintaining nuance across touchpoints.	Analysing content for tonal alignment, suggesting on-brand phrasing, checking consistency across materials (with oversight).
Emotional and Cultural Relevance	Creating authentic emotional connections, applying empathy, understanding cultural nuance, adapting content for diverse audiences.	Analysing audience sentiment, translating language, flagging regional preferences (but lacks lived cultural insight).
Ethical Compliance & Brand Safety	Setting ethical guidelines, making complex moral decisions, managing brand reputation, ensuring accountability in content.	Monitoring for policy violations, detecting harmful content or misuse of assets, flagging potential risks.
Emotional and Cultural Relevance	Empathy, authenticity, building genuine relationships, crafting narratives that resonate deeply with human values.	Providing data on audience emotional responses to content, assisting in structuring narratives (but not originating genuine emotion).

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Building Your Augmented Branding Strategy with Marque

If this eBook has raised questions, sparked aspirations, or left you feeling uncertain, we'd be delighted to help you explore what lies ahead.

At Marque, we help brand leaders navigate the complexities of AI with clarity, strategy, and a strong sense of identity. We collaborate with teams to create future-ready brands that incorporate AI in a manner that enhances their unique qualities.

Whether you're ready to act or just want to evaluate your position, our Augmented Branding Strategy process includes:

- **AI Readiness Audit**
  A comprehensive assessment of your existing branding efforts, marketing technology stack, team capabilities, and specific business objectives.

- **Strategic Integration Roadmap**
  Identify where AI can offer the greatest benefit and how to integrate it without losing your brand voice.

- **Tool Curation and Implementation**
  Guidance in selecting and implementing the most appropriate AI tools and platforms, ensuring alignment with the strategic roadmap and budget.

- **Augmented Workflow Design and Guideline Creation**
  Design and incorporate human–AI collaboration into your creative and operational processes.

- **Team Empowerment and Training**
  Equip your people to lead and create with confidence in an AI-enabled brand world.

- **Ongoing Optimisation**
  Monitor, refine, and evolve your strategy through data-led iteration.

The future of branding is bright, but it requires a thoughtful and strategic approach.

If you're ready to explore what augmented branding could look like for your business, we'd love to talk.

About Marque

MARQUE

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We are a New Zealand-based branding agency.

We work with well-known corporate brands and large public sector organisations; emerging and boutique brands; Iwi and Māori trusts; offshore and onshore; 100-year-old companies and startups; manufacturers and service providers; not-for-profits, a museum, orchestra, and army; construction and infrastructure companies, banks, insurers, money managers, lenders, retailers, law firms, magazines and colleges; a health provider and brewer.

Bold, creative thinking. Outstanding execution. We build brands for those who demand the best.