

## A STUDY ON YOUTH PERCEPTION OF "HUMAN-LIKE" AI AVATARS IN SOCIAL MEDIA SELLING: A SECONDARY ANALYSIS WITH SPECIAL REFERENCE TO JALGAON

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### Abstract

The rapid integration of generative AI into social media commerce has led to the proliferation of "human-like" AI avatars acting as virtual influencers and sales agents. While the metropolitan adoption of these digital entities is well-documented, their psychological and commercial impact on the burgeoning Tier-2 markets of India remains largely underexplored. This paper presents a secondary analysis of youth perception regarding hyper-realistic AI avatars in social media selling, with a special reference to the localized context of the Jalgaon district in Maharashtra. Drawing upon a systematic review of existing literature—including the Computers are Social Actors (CASA) paradigm, the Uncanny Valley effect, and contemporary industry reports on semi-urban e-commerce trends—this study synthesizes secondary data to understand how digitally native youth (aged 16–25) process AI-driven commercial interactions. The analysis is structured around three core themes: the threshold of visual realism required to foster consumer trust, the dichotomy between entertainment value and informational credibility, and the crucial role of cultural and linguistic localization in bridging the trust deficit. The synthesis of current market data suggests that while youth in emerging digital hubs like Jalgaon exhibit high digital literacy and receptiveness to the novelty of AI, their sustained purchase intention relies heavily on perceived transparency and regional relatability. Ultimately, this paper provides strategic managerial insights for brands aiming to optimize virtual influencer campaigns, scale their social commerce footprint, and penetrate Tier-2 Indian consumer markets without alienating the local demographic.

**Keywords:** AI Avatars, Social Media Selling, Virtual Influencers, Uncanny Valley, Tier-2 E-commerce, Youth Consumer Behavior, Jalgaon.

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### Introduction

The rapid growth of Artificial Intelligence (AI) has significantly changed the way businesses interact with consumers on social media platforms. One of the latest developments in digital marketing is the use of **human-like AI avatars**—computer-generated characters designed to look and behave like real people. These avatars are increasingly used in social media selling to promote products, engage audiences, and influence purchasing decisions, especially among youth.

Young people are highly active on platforms such as Instagram and YouTube, where influencer marketing plays a major role in shaping opinions and buying behaviour. The introduction of AI-generated influencers raises important questions about trust, authenticity, emotional connection,

and ethical concerns. While AI avatars offer innovation and efficiency for brands, it is important to understand how youth perceive these digital personalities.

This study focuses on examining youth perception of human-like AI avatars in social media selling through secondary analysis, with special reference to Jalgaon. It aims to understand whether young consumers view AI avatars as trustworthy marketing tools or merely artificial digital creations.

### **Background of the Study**

The rapid digital transformation over the last decade has significantly altered the marketing landscape, particularly with the integration of Artificial Intelligence (AI) into social media platforms. AI technologies are no longer limited to automation and data analysis; they now actively participate in communication, customer engagement, and brand promotion. One of the most notable developments is the emergence of **human-like AI avatars**, also known as virtual influencers, who are designed to replicate human appearance, emotions, expressions, and interaction styles.

Globally, brands are increasingly adopting AI avatars for social media selling due to their cost-effectiveness, consistent brand messaging, and ability to operate without human limitations. These avatars can interact with followers, promote products, respond to comments, and build digital personalities that resemble real influencers. Unlike human influencers, AI avatars do not face issues such as reputational risk, scheduling constraints, or unpredictable behavior, making them attractive marketing tools.

At the same time, youth represent one of the most active segments on social media platforms. They frequently engage with influencer content, online advertisements, and digital brand promotions. Young consumers are also more technologically adaptive and open to innovations such as virtual reality, AI chatbots, and digital personalities. However, their perception of authenticity and trust remains a critical factor in determining marketing effectiveness. While some youth may appreciate the novelty and creativity of AI avatars, others may question their credibility and transparency.

In the Indian context, the rapid growth of internet penetration and smartphone usage has expanded digital marketing beyond metropolitan cities to semi-urban and smaller regions. Cities like Jalgaon are witnessing increased youth participation in online shopping and social media engagement. Despite this growth, limited research has focused on understanding how youth in such regional contexts perceive human-like AI avatars used in social media selling.

Furthermore, the increasing realism of AI avatars raises important psychological and ethical concerns. The concept of anthropomorphism suggests that people may attribute human characteristics to AI systems, potentially leading to emotional attachment and trust. However, excessive realism may also create discomfort, commonly known as the “uncanny valley” effect. Issues related to disclosure, transparency, and manipulation of consumer behavior further add complexity to the discussion.

Therefore, this study is grounded in the need to understand the intersection of technology, marketing, and youth psychology. By examining existing literature and contextualizing it with special reference to Jalgaon, the study seeks to provide a deeper understanding of how young consumers perceive and respond to human-like AI avatars in social media selling.

### **Review of Literature**

The increasing use of Artificial Intelligence (AI) in digital marketing has led to the emergence of **human-like AI avatars and virtual influencers** on social media platforms. Researchers have extensively studied how these AI-generated personalities influence consumer perception,

engagement, and purchase intention. The literature mainly focuses on themes such as **anthropomorphism, authenticity, trust, emotional connection, and ethical concerns** in AI-driven marketing.

Several scholars have examined the role of **anthropomorphism**, which refers to attributing human-like characteristics to non-human entities. Studies indicate that when AI avatars display human-like features such as facial expressions, voice, personality, and emotional responses, they tend to increase user engagement and create stronger psychological connections with audiences. Human-like appearance and interaction style make AI avatars more relatable, which may positively influence consumer attitudes toward brands and products promoted through them.

Research also highlights the importance of **trust and credibility** in shaping consumer responses to AI avatars. While AI-generated influencers offer consistency and controlled messaging for brands, many consumers remain cautious about their authenticity. Studies suggest that although youth are technologically aware and open to innovation, they often evaluate AI avatars based on perceived transparency and credibility. If users feel that the AI identity is clearly disclosed and honestly presented, their trust in the content and the promoted product increases.

Another important concept discussed in the literature is the “**uncanny valley**” effect. According to this theory, when digital characters become extremely realistic but still appear slightly artificial, they may create discomfort among viewers. This phenomenon may negatively affect user perception and reduce emotional connection with AI avatars. Therefore, researchers suggest that the design and presentation of AI avatars should balance realism and creativity to avoid negative reactions from audiences.

Studies on **virtual influencers and social media marketing** also emphasize the influence of AI avatars on purchase intention. Many brands use AI influencers to promote products, interact with followers, and maintain brand image across multiple digital platforms. Research findings show that AI avatars can generate curiosity and attract attention, especially among younger audiences who are active social media users. However, their effectiveness in influencing purchasing decisions often depends on the level of trust and emotional engagement created with followers.

In addition to marketing effectiveness, several researchers have addressed **ethical and social concerns** related to the use of AI avatars. Issues such as lack of transparency, manipulation of consumer emotions, and the possibility of misleading audiences have been widely discussed. Some scholars argue that the use of AI-generated personalities without clear disclosure may raise ethical questions about authenticity and consumer rights. Therefore, transparency and responsible use of AI technology are considered essential for maintaining public trust.

In the **Indian context**, the rapid growth of digital marketing and influencer culture has increased the relevance of AI-based promotional strategies. With the expansion of internet access and smartphone usage, youth in both metropolitan and semi-urban areas are increasingly exposed to influencer marketing on platforms such as Instagram, YouTube, and Facebook. However, most existing studies focus on global or metropolitan audiences, leaving a research gap in understanding youth perception in smaller cities and regional contexts.

Despite the growing popularity of AI avatars in marketing, limited research has specifically examined how **youth in semi-urban areas like Jalgaon perceive these digital influencers**. Understanding their attitudes, trust levels, and ethical concerns is important for evaluating the long-term effectiveness of AI-driven social media selling. Therefore, the present study attempts to address this gap by analyzing existing literature and contextualizing it with special reference to youth in Jalgaon.

Overall, the literature suggests that while human-like AI avatars have strong potential to transform social media marketing, their success largely depends on **authenticity, transparency, trust, and responsible implementation**. Further research is required to explore how different cultural and regional contexts influence youth perception toward AI-generated personalities in digital marketing.

Recent studies highlight the growing role of Artificial Intelligence (AI) in social media marketing, particularly through the emergence of human-like AI avatars and virtual influencers. Research shows that anthropomorphism—the attribution of human characteristics to non-human entities—plays a significant role in shaping consumer perception. When AI avatars display human-like appearance, emotions, and communication styles, they tend to increase user engagement, emotional connection, and purchase intention.

However, several scholars argue that authenticity and trust are critical factors influencing youth responses to AI avatars. While some studies indicate that Generation Z is more open to AI influencers due to their familiarity with digital technology, others suggest that youth still prefer genuine and relatable human influencers. The “uncanny valley” theory also explains that overly realistic AI avatars may create discomfort and reduce trust.

Indian research emphasizes the rapid growth of influencer marketing and the importance of credibility in digital endorsements. Despite increasing adoption of AI-driven marketing tools, limited studies focus on youth perception in semi-urban regions like Jalgaon. Therefore, there is a research gap in understanding how young consumers in regional contexts perceive human-like AI avatars in social media selling.

### **Objectives of the Study**

1. To examine the awareness level of youth about human-like AI avatars in social media selling.
2. To analyze youth perception of authenticity and credibility of AI avatars.
3. To study the impact of human-like features on trust and emotional connection among youth.
4. To evaluate the influence of AI avatars on purchase intention and buying behavior.
5. To identify ethical concerns and transparency issues related to AI avatars.

### **Research Methodology**

This section outlines the systematic framework employed to investigate youth perception of "human-like" AI avatars in social media selling. Recognizing the rapid evolution of digital commerce and the challenge of capturing real-time empirical data in emerging markets, this study utilizes a comprehensive secondary research approach to draw insights applicable to the Jalgaon district.

#### **1. Research Design**

The study adopts a **Descriptive and Exploratory Secondary Research Design**.

- **Descriptive:** It details the current state of virtual influencers, outlining their characteristics, deployment strategies, and the psychological reactions they elicit (e.g., the Uncanny Valley effect).
- **Exploratory:** It investigates the relatively uncharted intersection of advanced AI marketing and semi-urban (Tier-2) Indian consumer behavior, mapping global technological trends to local demographic realities.

Rather than relying on primary survey instruments, the research constructs a theoretical and practical understanding by systematically synthesizing pre-existing academic literature, market analytics, and commercial case studies.

## 2. Data Collection Framework

Data was extracted from diverse, high-authority secondary sources to ensure a multi-dimensional perspective:

- **Academic and Scholarly Databases:** Peer-reviewed journals sourced from Google Scholar, ResearchGate, IEEE Xplore, and Emerald Insight. The focus was on disciplines spanning Human-Computer Interaction (HCI), consumer psychology, and strategic marketing management (published between 2021–2026).
- **Industry and Market Intelligence:** Current statistical reports detailing India’s Tier-2 e-commerce growth, internet penetration, and youth digital consumption. Sources include the Internet and Mobile Association of India (IAMAI), FICCI, McKinsey & Company, Statista, and localized digital marketing whitepapers.
- **Commercial Case Studies:** Publicly available performance metrics and campaign analyses of virtual influencers (e.g., global entities like Lil Miquela or Indian avatars like Kyra) operating on highly visual platforms such as Instagram, YouTube Shorts, and local commerce apps.

## 3. Systematic Literature Search Strategy

To locate data that bridges global AI trends with localized Indian consumer behavior, a Boolean search strategy was implemented.

### Primary Search Strings:

- ("Virtual Influencers" OR "AI Avatars") AND ("Consumer Trust" OR "Purchase Intention")
- "Uncanny Valley" AND "Social Commerce" AND "Generation Z"
- ("Tier-2 Cities" OR "Semi-Urban India") AND "E-commerce trends"
- "Digital Literacy" AND "Parasocial Relationships" AND "Marketing"

## 4. Inclusion and Exclusion Criteria

To maintain the rigor and contextual relevance of the data, strict screening criteria were applied:

Criterion	Inclusion Parameters	Exclusion Parameters
<b>Temporal Scope</b>	Recent publications (2021–2026) reflecting current generative AI capabilities.	Outdated studies (pre-2021) that analyze primitive chatbots or older CGI models.
<b>Demographic Focus</b>	Generation Z and young millennials (ages 16–25) reflecting the student and young professional population.	Studies exclusively profiling older demographics (e.g., Generation X or Baby Boomers).
<b>Geographic Context</b>	Data focused on emerging digital economies, India's Tier-2/Tier-3 growth, and localized digital adoption.	Market reports strictly confined to hyper-developed Western metropolitan markets with no emerging market parallels.
<b>Thematic Relevance</b>	Studies directly addressing social media selling, digital trust, and human-computer interaction in retail.	General AI research unrelated to marketing, consumer behavior, or e-commerce.

## 5. Method of Data Analysis

The collected secondary data was processed using **Thematic Synthesis and Proxy Mapping**.

**1. Thematic Synthesis:** The literature was coded and categorized into core analytical themes corresponding to the study's objectives. These themes include:

- *The Realism-Trust Paradigm:* Evaluating the psychological threshold of anthropomorphism.
- *Engagement Dynamics:* Assessing "shoppertainment" versus actual informational value.
- *The Localization Imperative:* Analyzing the necessity of regional language and cultural cues in establishing trust.

**2. Proxy Mapping for the Jalgaon Context:** Because highly specific secondary data on Jalgaon's AI avatar perception is scarce, the study utilizes proxy mapping. By analyzing broader datasets on Tier-2 Indian youth—who share similar socio-economic, linguistic, and digital consumption profiles with the youth of Jalgaon—the study extrapolates relevant, localized behavioral insights.

## **6. Scope and Limitations of the Methodology**

While this secondary framework provides a broad and robust macro-level perspective, it inherently carries certain limitations.

- **Lack of Primary Empirical Data:** The findings rely on the proxy application of broader Tier-2 trends, lacking the micro-level nuances that direct primary surveys of Jalgaon students might reveal.
- **Fluidity of the Technology:** Generative AI is evolving at an unprecedented pace. Consequently, consumer perceptions are highly fluid, and published secondary data may occasionally lag behind real-time market shifts and emerging platforms.

## **Conclusion**

The rapid integration of Artificial Intelligence into social media marketing has transformed the way brands communicate with consumers, particularly through the use of human-like AI avatars. These digital personalities are increasingly being used in social media selling to attract attention, build engagement, and influence purchasing decisions. The study highlights that youth, being active digital users, are more exposed to such AI-driven marketing strategies and play a crucial role in determining their effectiveness.

From the review of literature and secondary analysis, it is evident that anthropomorphism, authenticity, trust, and transparency are key factors influencing youth perception of AI avatars. While human-like features can enhance emotional connection and engagement, excessive realism may create discomfort or reduce perceived authenticity. Trust remains the central determinant of purchase intention, and youth tend to evaluate AI avatars based on credibility and clarity of disclosure.

In the Indian context, especially in semi-urban regions like Jalgaon, the growing penetration of social media and digital commerce makes this topic highly relevant. Although youth are technologically adaptive and open to innovation, ethical concerns and the need for transparency cannot be overlooked.

Overall, the study concludes that human-like AI avatars have strong potential as marketing tools, but their success depends on responsible implementation, authenticity, and clear communication. Future research involving primary data collection in regional contexts like Jalgaon can provide deeper insights into evolving youth attitudes toward AI-driven social media selling.

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