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Original Article

AI Behind the Curtain: Artificial Intelligence, Human Effort, and Authenticity in Luxury Marketing

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Abstract - *Luxury brands can add value to their products based on rarity, handcrafted work, and custom service, while Artificial Intelligence (AI) can provide scale, automation, and speed. This paper will look at the role of AI in the marketing strategies of the top luxury and prestige brands and how they uphold the true spirit of luxury. Four cases were analysed using a qualitative comparative analysis: LVMH, Kering (with a focus on Gucci), The Estée Lauder Companies, and Hermès. The data collection adhered to a hierarchical approach that started with company documents, shareholder disclosures, executive statements, and business press, published in the period 2021-2026. Fifteen documents were selected from 73 screened records, and 19 AI applications were coded. The analysis integrates the three types of marketing AI (Huang & Rust, 2021) and two more: AI visibility to consumers and whether AI helps or replaces human effort. The results demonstrate four different strategies. LVMH's primary investment in AI is in back-stage activities. Estée Lauder leverages open use of AI to enhance customer service and access. Hermès restricts AI to support functions and continues to stress human creativity. In February 2026, Gucci applied generative AI to brand imagery, getting public criticism over authenticity issues. Across the cases, criticism was reported only where AI visibly replaced human creative effort. The paper suggests five propositions for future research and presents a visibility–function matrix, which are consistent with experimental evidence that AI-generated images can reduce perceived authenticity in luxury advertisements. The findings are exploratory and based on secondary evidence.*

Keywords - *Artificial Intelligence; Luxury Marketing; Brand Authenticity; Generative Ai; Comparative Case Study; Craftsmanship.*

1. Introduction

AI has become a fundamental tool in the fashion and luxury sector, rather than a novelty. In the world of fashion and luxury, AI is not just a trend, but an integral part of the business. According to the annual State of Fashion 2026 report, over 35% of fashion executives already utilize generative AI in their businesses in specific business processes (The Business of Fashion & McKinsey & Company, 2025, cited by Edwards, 2026). The same report predicts that after luxury houses prioritized price over other factors for growth, they will turn to craftsmanship, service, and the trust of their clients (The Business of Fashion & McKinsey & Company, 2025, cited in Edwards, 2026). Meanwhile, luxury brands have the challenge of personalised service, which needs to be scaled up digitally, and of keeping their clients' expectations high, while at the same time maintaining a degree of control in their clients' discovery and experience of their brand (IGDS, 2026).

This is an interesting paradox, one which can be termed the luxury-AI paradox. Luxury management theory sees luxury brands as not being able to be like mass-market brands, as they convey rarity, heritage, and human effort, and they do not do anything that looks standardised or cheap (Kapferer & Bastien, 2009, 2012). AI, on the other hand, is recognised for its automation and scalability, and cost-effectiveness benefits. A high-end brand that is obviously leveraging AI might thus seem to be contradicting what makes it such a luxury brand.

The tension is not only theoretical. Gucci has been criticized for using AI to create promotional images for its upcoming Milan Fashion Week in February 2026, a practice that the company has come under fire for (Downes, 2026; McMahon, 2026). Meanwhile, LVMH was running an internal generative AI assistant that was being used by tens of thousands of its employees during the same time frame without much fuss (PYMNTS, 2025). This contrast poses the question: why is AI a reputational threat to some luxury brands and not to others?

Previous studies have only accounted for some of this disparity. The experimental studies reveal that consumers have a less positive attitude toward AI-produced luxury ads

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and designs when the information about their AI generation is added, primarily due to the perception that it is less effortful (To et al., 2025; Wang & Huang, 2026; Xu & Mehta, 2022). These studies are conducted one touchpoint at a time, usually as a controlled experiment, like with an advertisement or a product design. They fail to illustrate how luxury institutions utilize AI throughout their operations, what they do not show clients when it is being used, or the distinctions between different real-world reactions when using AI. Current AI marketing structures divide applications based on the type of intelligence employed (Huang & Rust, 2021) or by task (Davenport et al., 2020), but they do not distinguish between AI applications that are visible to the client or whether the AI replaces an effort that is valued by the client. The present study is concerned with this organisation-level gap.

The paper discusses three research questions. The first question is: How are the premium luxury brands using AI in brand marketing and customer interactions? The second question is how these groups balance AI with the high-end values of exclusivity, craftsmanship, and human service. The third question is to identify patterns across the cases that explain why some applications of AI seem accepted, and others are met with resistance.

There are four case study organisations to be compared, which vary in size, product category, and heritage strategy, and the responses to these questions should be answered on this basis. The paper has three contributions to make. First, it does not code 19 documented AI applications at the level of the single advertisement, but at the level of the organisation. Second, it builds a visibility–function matrix that sorts the uses by the four quadrants of AI augmentation and substitution, and front-stage and back-stage activity (Bitner et al., 2008) differently, as compared to typologies based on the type of intelligence. Third, it makes five propositions which are presented as hypotheses in order to be further investigated by quantitative research. The literature review is presented in Section 2, which also establishes the analytical framework; Section 3 provides an explanation of the method; Section 4 reports the findings within the cases, the coding summary, the cross-case patterns, the discussion, compares with previous studies and the limitations; Section 5 concludes.

2. Literature Review

2.1. What Makes a Brand Luxurious?

The underlying values for luxury brands are agreed upon by a group of luxury researchers. The authors of the study, Vigneron and Johnson (2004), come up with the following main dimensions of perceived luxury: conspicuousness, uniqueness, quality, hedonism, and the extended self. Furthermore, Kapferer and Bastien (2009, 2012) state that luxury brands should not try to seek demand, should not make comparisons with other brands, and should not make it easy for the client to reach them.

The present study concentrates on two of these values. The first is craftsmanship and visible effort. Fuchs et al. (2015) found a handmade effect: consumers prefer products described as handmade because they believe these products carry the maker's love and care. The second is personal/human service. Holmqvist et al. (2020) present the luxury service encounter as a relationship between a number of actors, with the sales associate as a significant bearer of the brand meaning.

The principle of visible effort has been studied in consumer judgement and is used to understand why it is important. Kruger et al. (2004) developed an effort heuristic that suggests that one feels a product to be better and more valuable when he or she thinks more effort was put into its production. In four experiments involving 1,708 participants, Millet et al. (2023) concluded that the same artwork is more disliked when it is described as AI-generated, as it is perceived to be less creative. As for the service part, Wirtz et al. (2020) demonstrate that luxury services rely on personal attention, exclusivity and the knowledge of the service provider at the front. These studies can be summed up as an argument that authenticity in luxury depends on the presence of the human, and the human that is visible.

2.2. Luxury and Digital Technology

Luxury houses were particularly slow to move online. Okonkwo (2009) has identified a paradox in the open, rapid, and democratic nature of the Web, while luxury implies control, scarcity and physical experience. The majority of houses found a solution to this paradox over time. Similarly, Kapferer (2014) has found that luxury brands increasingly present themselves as patrons of art and culture, a process he calls artification, to validate their luxury pricing. AI brings its own fresh take on this conundrum: automation can also be applied to creation and conversation in addition to distribution.

2.3. AI in Marketing

Huang and Rust (2021) suggest a popular taxonomy that categorizes into three forms of marketing AI. Mechanical AI automates repetitive tasks like logistics, pricing updates, and routing services. Thinking AI analyzes data and makes decisions, such as forecasting demand, segmentation, and recommendations. Feeling AI is a type of AI that analyses or imitates human feeling and communication, as in chatbots, conversational agents, and generated creative material. AI will affect marketing strategy and customers' behavior (Davenport et al., 2020), but it will also influence customer acceptance, which in turn will vary based on the type of task being performed and customers' trust in the AI (Davenport et al., 2020).

According to Raisch and Krakowski (2021), there are two types of roles that can be filled by AI within organisations. In automation, a machine replaces a human activity; in augmentation, a human activity is performed in cooperation with a machine. The two are not always distinct, since later, tasks which are augmented are sometimes somewhat automated. In this study, the two roles are referred to as augmentation and substitution, as both are roles in which something human that the client values is being replaced in the luxury.

2.4. AI in Luxury: Early Evidence

The study of AI in luxury is a new and developing field. Chung et al. (2020) reported that the chatbot e-service has the potential to increase customer satisfaction with luxury brands by providing interaction, entertainment, and problem-solving. The outlook for generative AI in brand imagery is not as promising. In all three experiments, To et al. (2025) observed that revealing that the photos were created using AI-generated images resulted in a more negative consumer response to the ads. The reason was perceived effort: AI-created ads were perceived as less effortful, and thus less authentic. The negative effect was less when the AI imagery was highly creative as opposed to standard (To et al., 2025).

Results of other studies are somewhat mixed. Jung et al. (2025) found that greater perceived humanness, as well as greater perceived artificial creativity, increased trust in the AI and greater purchase intention for the AI-generated luxury adverts, based on 461 respondents. Pantano et al. (2024) found that consumers felt that luxury bags designed with generative AI captured the essence and symbolic values of the brands. Overall, the literature indicates that consumer reactions will vary based on the context and purpose of the use of AI, rather than merely on the fact that it is being used. Additional research shows that perceived effort is a key mediator. Xu and Mehta (2022) demonstrated that using AI as a design source reduced perceived brand essence with products that are based on emotional value, while it reduced the perceived brand essence less with products based on functional value. Han and Xu (2025) discovered that fashion created by AI was perceived as less appealing due to the lack of effort, even for luxury brands where the AI designs were more sophisticated. Wang and Huang (2026) discovered in four studies that the human–AI co-creation approach yielded superior consumer responses compared to the AI-only design approach, and that the responses to the human-led co-creation approach were most positive due to the perceived design effort.

Table 1. Summary of prior research and the gap addressed

Study	Method and context	Main finding	What remains open
Chung et al. (2020)	Survey; chatbot e-service of luxury brands	Chatbot e-service can raise satisfaction through interaction and problem-solving	Service only; no comparison with creative uses
Xu and Mehta (2022)	Experiments; AI-designed luxury products	AI as design source lowers perceived brand essence where emotional value dominates	Product design only; organisational practice not studied
Millet et al. (2023)	Four experiments, N = 1,708; artworks	Labelling art as AI-made lowers perceived creativity and awe	Not specific to luxury brands
Pantano et al. (2024)	Consumer studies; luxury bags designed with generative AI	AI designs seen as reflecting brand essence and symbolic values	Stimulus-based; brand-level adoption not observed
To et al. (2025)	Field test and two experiments; luxury and mainstream advertising	Disclosed AI imagery lowers perceived effort and authenticity for luxury brands only	Single touchpoint; back-stage uses not considered
Jung et al. (2025)	Survey, N = 461; AI-generated luxury advertising	Perceived creativity and humanness improve responses	Hypothetical exposure; no market reaction data
Han and Xu (2025)	Experiment, N = 400; fashion design	AI design penalised through lower perceived effort, most strongly for luxury.	Conference paper; product design only
Wang and Huang (2026)	Four studies; luxury design	Human-led co-creation outperforms AI-only design through perceived effort	Organisational adoption not observed
Huang and Rust (2021); Davenport et al. (2020)	Conceptual frameworks	Classify AI by intelligence type, task and embodiment	No visibility dimension; no luxury-specific view of effort
Present study	Comparative case study; four groups, 19 coded AI applications	Maps where AI appears in luxury organisations and what it replaces	Consumer response inferred from press coverage, not measured

Note. Compiled by the author from the cited studies.

2.5. Research Gap and Analytical Framework

Much of the work that is present is experimental and is limited to individual touchpoints, typically advertising. There is limited research that looks at the placement of AI from an organisation-level perspective, so this study aims to fill that gap. The studies most pertinent to this paper and the issues they leave open are summarized in Table 1. Nearly all evidence is from the single touch point experiment or survey, and the frameworks available to record do not capture where the client meets the AI, or that a valued human contribution has been removed.

The analytical framework is the amalgamation of the typology of Huang and Rust (2021) and three additional aspects from the luxury literature. The first is visibility to the consumer: AI can be hidden as back-stage (in the operations and staff tools) or front-stage (the client will see the AI or the AI will be announced to him/her) (Holmqvist et al., 2020; Okonkwo, 2009), a distinction that follows Goffman's (1959) front and back regions and the line of visibility used in service blueprints (Bitner et al., 2008). The second relates to the nature of the use of AI and human labour: augmenting human labour (with the help, access, advice, or productivity of humans) versus replacing human labour that would have otherwise been seen by the client (such as imagery or designs generated by the AI) (Fuchs et al., 2015; Raisch & Krakowski, 2021; To et al., 2025). The third is related to governance, from informal to formal governance rules and governing bodies made public by the company.

The intersection of the two dimensions results in four quadrants. Back-stage augmentation is when an employee is supported by AI, but the client does not see them, for example, when they do their own forecasting or search for their own advisers. Back-stage substitution is AI that creates work the client is not directly involved with, like product copy. Front-stage augmentation is AI that the client directly interacts with, and that provides assistance, access, and care. Front-stage substitution is an AI that the client will interact directly with, and that will replace a truly visible and important role for human creatives, such as creating images for campaigns, that contribute to the luxury authenticity. The quadrants are applied to the cases in Section 4.2.

3. Materials and Methods

3.1. Research Design

This study uses a multiple case study approach of a qualitative design (Yin, 2018). Case studies are appropriate for the question "how" and "why" as they are about events that are happening now, outside the control of the researcher. A multiple case design is used to gain the replication logic (Eisenhardt, 1989; Eisenhardt & Graebner, 2007), which means that patterns that appeared in more than one case are deemed to be stronger than those that appeared in one case. The unit of analysis is the use of AI within each organisation for marketing and customer interactions.

3.2. Case Selection

Theoretical sampling was used to select cases. The selected brands aimed for variations across the following three aspects, which the literature indicates are relevant: Organisation scale, Product category, and brand based on artisanal heritage. LVMH was chosen as the biggest luxury conglomerate, covering fashion, leather goods, beauty, wines and spirits, as well as jewellery, and among the companies with the most comprehensive AI programme, with LVMH & Google Cloud (2021) and PYMNTS (2025). Kering's selection was influenced by its brand Gucci being publicly criticized for its use of generative AI in its images (McMahon, 2026). It was selected to represent a different category (prestige beauty) as well as because of the fact that the Estée Lauder Companies provides consumer-oriented AI tools and has over 20 brands (The Estée Lauder Companies, 2024). Hermès was chosen as a polar case because it exhibits the highest degree of artisanal model among the four organisations, and the logic of the other cases is seen more clearly due to the fact that it is the most restrained in its actions.

The cases are analytically similar in that they are luxury/prestige brand companies implementing AI in marketing, but they differ in the breadth of their categories and corporate structures. Multi-brand groups such as LVMH and Kering are luxury companies, Hermès is mainly a single-house company, and The Estée Lauder Companies is a prestige beauty company, not a luxury fashion and leather goods company. Therefore, no statistical generalisation to the luxury sector as a whole is intended; instead, the findings are for analytical generalisation to theory (Yin, 2018).

There were three steps taken to address these differences. First, it is the individual AI application instead of the entire company as a whole that is being compared, rather than a group with many brands compared to a single house. Second, all applications were programmed on an identical set of dimensions and on identical written decision rules (Table 3); therefore, the comparisons are made across dimensions within a single application, and not between whole companies. Third, the contextual factors of organisational structure, product category and dependence on craftsmanship are not included as a constant but as factors that could help to explain the differences. A pattern is only reported when there are at least two such cases or one case provides a clear contrast to the others.

3.3. Data Sources and Source Hierarchy

The study is based on secondary data which is publicly available. These sources vary widely in their evidentiary value, and they were placed in a hierarchy of four levels. Tier 1 includes official company or regulatory documents, such as press releases, official financial statements, and formal answers to shareholders (e.g., the answers to shareholders in the written answers published by Hermès for its General

Meeting in 2025 – Hermès International, 2025). Tier 2 comprises peer-reviewed academic literature, which was used mainly to interpret the case evidence. Tier 3 includes solid general and business news, including BBC News and news that discusses The Wall Street Journal. Tier 4 encompasses fashion and technology trade publications and case-analysis websites, which are secondary and/or specialist.

Key fact claims were made on Tier 1 to Tier 3 sources. Tier 4 sources were considered Tier 4 only when they were used in instances where information was not available from other sources, for example, interpretive characterisations of corporate strategy or information about short-lived experimental platforms. The case facts were not established through academic research (Section 2.4), but rather interpreted. The observation period is between June 2021 (when LVMH announced its AI partnership with Google Cloud) and September 2026.

Searches were conducted in September and October 2026 with a general web search engine, with additional checks made of company newsrooms and investor relationships websites. For each company/brand, search strings were created by pairing it with the terms related to AI, such as "LVMH artificial intelligence strategy", "LVMH Google Cloud partnership", "Kering Madeline AI shopping assistant KNXT", "Gucci generative AI 2026", "Gucci AI-generated images backlash", "Kering first half 2026 results", "Estée Lauder Microsoft AI innovation lab", and "Hermès artificial intelligence". One further search covered the sector context ("State of Fashion 2026 generative AI luxury").

The document was included if it was published between June 2021 and 2026 but before September 2026, it was describing one of the four cases AI policy or public reaction to AI in fashion and luxury, or provided sector-level data on AI in fashion and luxury, had an identifiable publisher and date, and was written in English. Those that were syndicated versions of a release already held, repeated information that already existed from a higher tier source, opinion pieces, blogs or listicles with no identifiable source, or were pieces of social media, job advertisements, or vendor marketing material were excluded from the documents. A total of 73 relevant records were found. Following the removal of duplicates and syndicated copies and the application of the exclusion criteria, 15 documents were kept (Table 2).

Table 2. Documents retained for analysis by case and evidence tier

Case	Tier 1: company documents	Tier 3: general and business news	Tier 4: trade and specialist sources	Total
LVMH	LVMH and Google Cloud (2021)	PYMNTS (2025)	AI Expert Network (2025); Boone (2026)†	4
Kering (Gucci)	Kering (2025); Kering (2026)	McMahon (2026); The Business of Fashion (2023)	Downes (2026); LSN Global (2023)	6
The Estée Lauder Companies	The Estée Lauder Companies (2024)	VentureBeat (2024)	–	2
Hermès	Hermès International (2025)	–	Boone (2026)†	2
Sector context	–	–	Edwards (2026); IGDS (2026)	2
Unique documents	5	4	6	15

Note. †Boone (2026) reports on both LVMH and Hermès and is counted once in the total. Records screened: 73; retained: 15.

3.4. Data Analysis

There were three steps to the analysis. The first step involved coding each documented AI project along the framework outlined in 2.5, with the categories being AI type, visibility, and connection to human labor and governance.

In the second step, a within-organisation narrative was developed for each organisation. In the third step, the cases were compared side by side to detect patterns and contrasts (Miles et al., 2014). The procedures of document analysis were performed according to Bowen (2009).

An AI application, as referred to in a retained document, was analysed as a single unit. An application was defined as one where a source mentioned a specific tool or use with a clear tool purpose, and when the same tool was mentioned more than once, they were merged, resulting in 19 coded applications. For each application, the code was developed with the decision rules listed in Table 3, and the supporting source and tier were noted with each code. Coding was implemented by the author, and subsequent coding of each application was undertaken after the initial coding and in the case of applications that did not fit the rules well, they were discussed in Section 4.1.

3.5. Quality Criteria

Construct validity was supported through triangulation. Key facts were triangulated where independent corroboration was available, typically by combining a company document with at least one independent press report. Where only a single source was available, the claim is attributed to that source in the text and, where relevant, treated with caution in the analysis. A case database of sources was maintained throughout the study. Because the data are secondary, the study cannot directly observe internal decision-making, a limitation discussed further in Section 4.4.

Table 3. Coding dimensions and decision rules

Dimension	Category	Decision rule
AI type (Huang & Rust, 2021)	Mechanical	Automates a standardised, repetitive task, such as price updates or IT operations
	Thinking	Analyses data to produce forecasts, recommendations, search results, reports or decisions
	Feeling	Generates or interprets human-facing communication, emotion or creative content
Visibility (Bitner et al., 2008; Goffman, 1959)	Front-stage	The client interacts with the AI directly, or the brand tells clients that an output was produced with AI.
	Back-stage	The AI operates out of the client's view; its outputs may reach clients, but its involvement is not visible to them.
Role (Raisch & Krakowski, 2021)	Augmentation	People remain the authors or decision-makers of the output, or the AI adds a capability that no person previously supplied.
	Substitution	The AI produces an output or completes a task that people previously performed, as described in the source.
Governance	Formal/partial / not disclosed	Formal: a named AI governance body or policy is disclosed. Partial: central control or a central platform is described without a named body. Not disclosed: no information found
Reported public response	Criticism reported / none found	Based only on press coverage in the retained documents; not a measure of consumer opinion

Note. Developed by the author from the cited frameworks.

4. Results and Discussion

4.1. Case Findings

4.1.1. LVMH: "Quiet Tech" at Scale

Of the four cases, LVMH has the broadest documented AI programme. In June 2021, LVMH and Google Cloud announced a strategic partnership to create cloud-based AI solutions in demand forecasting, inventory optimisation and personalised customer experiences for the group, as well as a Data and AI Academy for LVMH's employees (LVMH & Google Cloud, 2021). In about four years, The Wall Street Journal reports, the group has utilized predictive AI, generative AI, and the use of AI agents throughout its supply chain, product design and marketing, and pricing functions, while enabling a core data platform powered by Google. The brands leverage AI to summarise customer interactions with them in the past, assist sales advisers in creating personal messages, understand website queries, update prices when currency changes, and create mood boards for designers as well as e-commerce copy (PYMNTS, 2025).

MaIA, an in-house generative AI agent, serves as the heart of the programme, reportedly with more than two million requests per month for 40,000 users by mid-2025 (PYMNTS, 2025). Other accounts provide a lower monthly estimate, so the actual amount should be regarded as an approximation, but all reports indicate that the use was extensive.

AI is LVMH's solution to safeguarding the luxury experience, not disrupting it. For the group, IT and technology is key to achieving high efficiency, with luxury as a key to maintaining the spirit of the brand, said Franck Le Moal, the group's IT and technology director (PYMNTS, 2025). In announcing the partnership, LVMH's group managing director, Toni Belloni, said that privacy, personalisation and luxury are identical (LVMH & Google Cloud, 2021). The resulting approach, according to an independent case analysis (Tier 4 source), is "quiet tech", that is, technology which is largely hidden from the consumer. This characterisation is analogous to the Executive Statements quoted above and is used for purposes of interpretation only, and not as a company policy.

The concept of human control is applied to marketing as well. Gonzague de Pirey, LVMH's Chief Omnichannel and Data Officer, outlined a four-step marketing process-

research, ideation, production and distribution- which the marketer controls at every step, while AI helps them with the task at hand through each (Boone, 2026). He explained how Dior's window team (which is about twenty people) refreshes their windows every three weeks, and how the group has implemented generative tools to create more ambitious new directions for its creations, with about 25 houses in the group having tried out the creation of high-quality assets with AI (Boone, 2026).

LVMH's analytical approach primarily leverages thinking and feeling AI as a backstage support. Feeling AI is being utilized, but more for assisting human advisors, not directly with the client. Back-stage substitution: AI is handling work tasks that employees used to do, but customers are not told that it is AI doing the work. Individuals continue to be responsible for client relationships and creative direction (Table 4).

4.1.2. Kering and Gucci: From Experiment to Public Criticism

Kering's initial applications of AI were in the experimental phase. An experimental platform by KNXT, using ChatGPT, introduced a personal shopping assistant in the form of Madeline in 2023 (The Business of Fashion, 2023). A Tier 4 source adds that Madeline led customers to Gucci, Balenciaga, Bottega Veneta, Alexander McQueen, and other houses' offerings, and that customers paid in the cryptocurrency ETH, while Kering kept the testing phase off its public radar. (LSN Global, 2023).

However, the later use of AI by Gucci was much more apparent. In March 2025, Kering announced to the world that Demna would take over the artistic direction of Gucci, coinciding with a 25% drop in Gucci's revenue on a comparable basis in Q1 of 2025 (Kering, 2025). In February 2026, just before Demna's first Gucci show at Milan Fashion Week, Gucci released AI-generated, realistic promotional images of its upcoming fashion presentation, clearly labelled as "created with AI" (McMahon, 2026). It was also in December of 2025 when the brand released an AI-synthesized runway video (McMahon, 2026).

The press response was primarily negative. The use of AI, rather than human models and photographers, raised questions from social media users about how this aligns with the brand's commitment to celebrating creativity and Italian craftsmanship, which was met with criticism of the photos as "AI slop" (Downes, 2026; McMahon, 2026). While the previous technological advancements created positive publicity for fashion brands, AI could potentially bring negative publicity instead, warned Priscilla Chan of Manchester Metropolitan University (McMahon, 2026). Reactions were not uniform, however. A few customers seemed to have found a glamor that was specific to Milan, and the photographer Tati Bruening theorised the campaign could have been a planned reference to the definition of luxury in the AI era (McMahon, 2026). Bruening also distinguished AI used for retouching, small edits, or mood boards from AI used to create an entire image (McMahon, 2026). This evidence is not a systematic sample of consumers but rather press coverage of consumer reactions online, and therefore suggests the nature of the criticism, not the amount.

The episode was part of a turnaround period for the group. Kering's revenue for the first half of 2026 was €7,220 million, a 3% decrease from the previous year; Gucci's first-half 2026 revenue was €2,757 million, which marked a 9% decrease compared to the previous year, but an increase of 1% compared to a comparable basis (excluding exchange rate and scope adjustments) (Kering, 2026). Outside of the experimental and campaign applications, Kering has given little detail about its in-house AI initiative.

From the analytical framework, Feeling AI is used across the Madeline assistant, the December 2025 runway video and the campaign images for 2026, each in a different quadrant. Madeline assisted customers in searching for and comparing products and belonged to the quadrant of front-stage augmentation, similar to Estée Lauder's VMA, but with a more personalized delivery that carried some characteristics of the role of a human personal shopper. It is the least clear-cut code in the data set. As the platform was not marketed, there was little public response and limited evidence of consumer response. The runway video and the campaign images are the purest examples of front-stage substitution of the four cases, however. The campaign posters have been generated using AI, but that was clearly disclosed, and that did not stop them from being criticised for lack of authenticity.

4.1.3. The Estée Lauder Companies: AI as Service and Access

The Estée Lauder Companies (ELC) owns over 20 prestige beauty brands, including: Estée Lauder, La Mer, Tom Ford Beauty, M·A·C and Jo Malone London (The Estée Lauder Companies, 2024). ELC and Microsoft launched an AI Innovation Lab in April 2024, which leverages the Azure OpenAI Service (The Estée Lauder Companies, 2024). There are two announced goals for the lab. The former relies on an internal chatbot tool that can cross-reference ELC's database of products and claims to enable brands to launch campaigns locally relevant to their target audiences more quickly; the latter involves using generative AI for research and development to help speed product innovation (The Estée Lauder Companies, 2024).

The most popular consumer-facing offering from ELC is a mobile app, the Voice-Enabled Makeup Assistant (VMA), which is able to instruct visually impaired users on how to apply makeup, launched in early 2023 (The Estée Lauder

Companies, 2024; VentureBeat, 2024). Google Cloud is another company with which ELC has collaborated in real-time sentiment and feedback monitoring of consumers (VentureBeat, 2024).

ELC positions AI as a complement to its traditional capabilities. There is always an element of technology that helps to support the company's quality products and high-touch consumer experiences at ELC, said its Chief Data Officer, Jane Lauder (The Estée Lauder Companies, 2024). The company has also revealed an internal task force to be in charge of the governance and ethical applications of generative AI (VentureBeat, 2024).

In terms of the analytical framework, ELC uses thinking AI as back-stage augmentation, and feeling AI as front-stage augmentation in the VMA. The VMA is augmenting the work of human providers, not displacing it, since it is a tool for a group of consumers who had not been well served by human providers.

4.1.4. Hermès: Restraint as a Brand Signal

The polar case is Hermès. According to the company, it uses AI in certain of its systems via its partners and when relevant (Hermès International, 2025). The initial use cases it identified were IT services, business intelligence and reporting, support for the customer relationship centre and logistics, and supply chain optimisation (Hermès International, 2025).

Hermès makes a very clear distinction between these uses. According to the same document, the company's craftspeople will continue to work by hand, and the creation will still be in the hands of the company's designers and artists (Hermès International, 2025). Furthermore, the company announced the creation of an Artificial Intelligence Governance Committee that will oversee the listing of AI projects, the quality, transparency, and explainability of its AI, the measurement of bias, and compliance with the General Data Protection Regulation and the European Union AI Act in 2025 (Hermès International, 2025).

Hermès also makes the creation of the human visible as a marketing message. In 2026, it hired the artist Sarah Martinon to design the web pages with paper illustrations which were animated by Armand Béraud, even though it would have been possible to create visuals in seconds with AI technology (Boone, 2026). The same report states that the brand does not use chatbots for its customer service (Boone, 2026), which is consistent with the company's own description of AI as a support for, not a replacement for, its customer relationship centre (Hermès International, 2025).

As far as the analytical framework is concerned, Hermès only employs mechanical and thinking AI as back-stage augmentation. Front-stage, the brand conveys the message that it is not using AI, and it has the most formally organised structure of AI governance of the cases.

4.2. Cross-Case Analysis

While all four organisations agree that the luxury business model should benefit from AI, rather than be defined by it, they have very different ideas about where AI should be seen. Tables 4 and 5 summarise the coding of the 19 AI applications, and Table 6 compares the cases on the elements of the analytical framework. Of the 19 applications, 13 are back-stage augmentation (68%), and in only one case (Kering, none of the applications) was no documentation of applications found in the internal position. Four are substitutions (21%): two of which are back-stage substitutions, one from LVMH, and one from Gucci, which is a creative imagery substitution. The only areas where the retained sources reference strong public criticism are in reference to the Gucci campaign images.

Feeling AI is identified in 10 of the 19 applications and in all four quadrants. There was no reported criticism where it was helpful to staff, as in the case of MaIA and adviser messages, or served the user, as in the case of the VMA and Madeline; criticism was reported where it was visible and replaced creative work. The difference in response, however, is due to the type of intelligence and not to its position in the matrix.

Table 4. Coding summary of the 19 AI applications

No.	Case	AI application	AI type	Visibility	Role	Quadrant	Source (tier)
1	LVMH	MaIA internal generative AI agent for employees	Feeling	Back-stage	Augmentation	BS-A	PYMNTS, 2025 (T3)
2	LVMH	Summaries of client history and drafting of advisers' messages	Feeling	Back-stage	Augmentation	BS-A	PYMNTS, 2025 (T3)
3	LVMH	Interpretation of website searches	Thinking	Back-stage	Augmentation	BS-A	PYMNTS, 2025 (T3)

4	LVMH	Demand forecasting and inventory optimisation	Thinking	Back-stage	Augmentation	BS-A	LVMH & Google Cloud, 2021 (T1)
5	LVMH	Mood boards for designers	Feeling	Back-stage	Augmentation	BS-A	PYMNTS, 2025 (T3)
6	LVMH (Dior)	Generative ideation for window displays	Feeling	Back-stage	Augmentation	BS-A	Boone, 2026 (T4)
7	LVMH	AI-written e-commerce product copy	Feeling	Back-stage	Substitution	BS-S	PYMNTS, 2025 (T3)
8	LVMH	Price adjustment for currency movements	Mechanical	Back-stage	Substitution	BS-S	PYMNTS, 2025 (T3)
9	Kering	Madeline ChatGPT-based shopping assistant (KNXT, 2023)	Feeling	Front-stage	Augmentation ‡	FS-A	BoF, 2023 (T3); LSN, 2023 (T4)
10	Gucci	AI-generated runway video (December 2025)	Feeling	Front-stage	Substitution	FS-S	McMahon, 2026 (T3)
11	Gucci	AI-generated campaign images (February 2026)	Feeling	Front-stage	Substitution	FS-S	McMahon, 2026 (T3); Downes, 2026 (T4)
12	ELC	Internal chatbot for product and claims data	Thinking	Back-stage	Augmentation	BS-A	ELC, 2024 (T1)
13	ELC	Generative AI in research and development	Thinking	Back-stage	Augmentation	BS-A	ELC, 2024 (T1)
14	ELC	Real-time consumer sentiment monitoring	Feeling	Back-stage	Augmentation	BS-A	VentureBeat, 2024 (T3)
15	ELC	Voice-Enabled Makeup Assistant for visually impaired users	Feeling	Front-stage	Augmentation	FS-A	ELC, 2024 (T1); VentureBeat, 2024 (T3)
16	Hermès	IT services	Mechanical	Back-stage	Augmentation	BS-A	Hermès, 2025 (T1)
17	Hermès	Business intelligence and reporting	Thinking	Back-stage	Augmentation	BS-A	Hermès, 2025 (T1)
18	Hermès	Support for customer relationship centre and logistics	Thinking	Back-stage	Augmentation	BS-A	Hermès, 2025 (T1)
19	Hermès	Supply chain optimisation	Thinking	Back-stage	Augmentation	BS-A	Hermès, 2025 (T1)

Note. BS-A = back-stage augmentation; BS-S = back-stage substitution; FS-A = front-stage augmentation; FS-S = front-stage substitution. BoF = The Business of Fashion; ELC = The Estée Lauder Companies. ‡Least clear-cut code; see Section 4.1.2.

Table 5. Distribution of coded AI applications by quadrant and case

Quadrant	LVMH	Kering (Gucci)	ELC	Hermès	Total (%)
Back-stage augmentation	6	0	3	4	13 (68%)
Back-stage substitution	2	0	0	0	2 (11%)
Front-stage augmentation	0	1	1	0	2 (11%)
Front-stage substitution	0	2	0	0	2 (11%)
Total applications	8	3	4	4	19 (100%)
Applications linked to reported public criticism	0	1	0	0	1
Governance disclosure	Partial	Not disclosed	Formal	Formal	–

Note. Percentages are rounded and may not sum to 100. Source: author's coding (Table 4).

4.2.1. Pattern 1: Deeper Investment Can Coexist with Lower Visibility

LVMH is the biggest investor in AI, but is also among the least prominent users. Its tools primarily assist employees in their tasks to work faster, and even if an AI is used to create a message for a client, it is still sent by a human adviser (PYMNTS, 2025). This is reflective of the service-encounter perspective of luxury, where the service person carries the meaning of the brand with him/her (Holmqvist et al., 2020). In this instance, AI seems to amplify their influence rather than supplant it.

Table 6. Cross-case comparison

Dimension	LVMH	Kering / Gucci	Estée Lauder Cos.	Hermès
Dominant AI types	Feeling and thinking, mainly in support of staff	Feeling (generative imagery, chatbot)	Thinking and feeling back-stage; feeling front-stage (VMA)	Mechanical, thinking
Main back-stage uses	Group agent MaIA; forecasting, pricing, supply chain, e-commerce copy, mood boards	Limited public disclosure	Internal marketing chatbot; R&D; sentiment monitoring	IT, business intelligence, logistics, supply chain
Main front-stage uses	Indirect: AI-assisted messages sent by human advisers	Madeline personal shopper (2023); AI-generated runway video (2025) and campaign images (2026)	Voice-Enabled Makeup Assistant for visually impaired users	None; human artist illustrations; no chatbots
Dominant quadrant	Back-stage augmentation; some back-stage substitution	Front-stage augmentation (Madeline); front-stage substitution (runway video, campaign images)	Back-stage augmentation; front-stage augmentation (VMA)	Back-stage augmentation
Stated principle	Efficiency while preserving the essence of luxury; human marketer in control	Not publicly stated	Technology in support of high-touch experience	Creation stays human; hands stay artisanal
Governance	Central data platform; group-level partnership	Not publicly detailed	Internal AI task force for governance and ethics	Formal AI Governance Committee (2025)
Reported public response	Little controversy	Widespread online criticism, some defence	No criticism found	Presented in press as resisting AI

Note. Compiled from Boone (2026), Hermès International (2025), Kering (2025, 2026), LVMH and Google Cloud (2021), McMahon (2026), PYMNTS (2025), The Business of Fashion (2023), The Estée Lauder Companies (2024) and VentureBeat (2024)

4.2.2 Pattern 2: Visible AI Appears to Be Judged by Whether It Serves or Substitutes

Four of the coded uses involve AI front-stage. Two are front-stage augmentation, while the other two are front-stage substitution; Gucci's 'runway video' and 'campaign images' are Gucci. However, Madeline received very little press, and the biggest difference is between the VMA and Gucci pictures. The Estée Lauder Companies' VMA supports consumers who are blind or have low vision to perform an activity which they could not do easily before

(The Estée Lauder Companies, 2024). In this instance, AI brings care and access, the luxury of individual attention. The campaign images on Gucci, on the other hand, were criticized for replacing models and photographers that consumers expect to be the ones behind luxury advertisements (McMahon, 2026). This is in line with the mechanism revealed in the experiment by To et al. (2025) that disclosing AI makes the content less effortful, thus diminishing the perceived authenticity. The Gucci case contains another piece of information. Criticism that the images were deceptive was not made, as they were clearly labelled (McMahon, 2026). Transparency was essential but not enough; however, the labelling might have emphasised the lack of human effort even more. This pattern is based on a few uses front-stage and also on press reports of people's responses, so it should be read as a tentative observation rather than established consumer behaviour.

	Back-stage (not visible to the client)	**Front-stage (visible to the client)**
Substitution of human work	**Back-stage substitution** LVMH: AI-written e-commerce copy (7); price adjustment for currency movements (8)	**Front-stage substitution** Gucci: AI-generated runway video (10); AI-generated campaign images (11)*
Augmentation of human work	**Back-stage augmentation** LVMH: MaIA agent (1); adviser message drafting (2); website search (3); forecasting and inventory (4); designers' mood boards (5); Dior window ideation (6) ELC: claims chatbot (12); R&D (13); sentiment monitoring (14) Hermès: IT services (16); business intelligence (17); customer relationship centre and logistics support (18); supply chain (19)	**Front-stage augmentation** ELC: Voice-Enabled Makeup Assistant (15) Kering: Madeline shopping assistant (9)

Fig. 1 Visibility–function matrix of the 19 coded AI applications

Note. Numbers in brackets refer to Table 4. *The only application linked in the retained sources to widespread public criticism. Source: author's coding.

4.2.3. Pattern 3: Artisanal Intensity Appears to Be Associated with Restraint

For Hermès, which depends most heavily on hand craftsmanship, the scope of AI is the most restricted. Even though the company is still utilizing AI, which is also a part of its customer relationship centre, it keeps AI away from creation and out of the client's line of sight (Hermès International, 2025).

It also models human creation as a marketing message, as seen on its hand-illustrated website (Boone, 2026). For Hermès, the visible absence of AI appears to work as a point of difference, in line with the handmade effect outlined by Fuchs et al. (2015). With a single polar case, this association remains suggestive.

4.2.4. Pattern 4: Governance Is Becoming More Visible in Corporate Luxury Narratives

Three of the four organisations identify some methods of AI oversight: LVMH via its central data platform and partnership with Google Cloud (LVMH & Google Cloud, 2021; PYMNTS, 2025), ELC through its own task force (VentureBeat, 2024) and Hermès via its own governance committee (Hermès International, 2025). Hermès communicates its governance to shareholders under the following aspects: bias, transparency, explainability, and compliance with European regulation (Hermès International, 2025).

The evidence indicates that there is a growing degree of governance openness to both investors and the public, but not whether there is a perception of governance as part of the brand value among consumers. That question is left for future research.

4.2.5. The Visibility–Function Matrix

The main AI applications in each of the cases are mapped in Figure 1 in the four quadrants outlined in Section 2.5. The columns indicate visibility to the client, and the rows indicate if the use is meant to supplement or take the place of the human work. The numbers in brackets indicate the lines in Table 4.

The only use of the runway video and campaign images in the quadrant of front-stage substitution is by Gucci, and the only use that was widely criticised by the public concerns the campaign images. Together with the VMA, Kering's Madeline assistant shares the front-stage augmentation quadrant with Estée Lauder. To show that the classification is based on the function of the AI use, rather than the brand, two examples of the same group are provided in each of the four quadrants. The eCommerce copy generated by LVMH's AI system, along with its currency-driven pricing fluctuations, falls within the back-stage substitution category, which represents a replacement of human work not seen by the client. Hermès is not in either of the front-stage quadrants

because it is designed to be absent of visual marketing cues, which are indicators of human work.

4.3. Discussion

4.3.1. Comparison with Existing Research

The case observations are presented in Table 7, which shows that they are consistent with the findings of previous studies. The substantial volume of case evidence corroborates the experimental literature and goes beyond the laboratory to inform actual practice in organisations. The criticism of Gucci's labelled images aligns with the authenticity penalty for disclosed AI imagery found in the research of To et al. (2025), and the decreased appreciation of AI-labelled art as reported by Millet et al. (2023). The finding by Xu and Mehta (2022) on the damage caused by AI design when emotional value is paramount aligns with the restraint of Hermès, which used AI to design but kept the human touch to the end by retaining ownership of the design, and LVMH's approach to using generative tools in ideation, but handing the human touch to the final design process, is correlated with Wang and Huang (2026) finding that consumers prefer human-led co-creation.This study would not yield more accurate estimates of consumer response than these experiments, since it did not measure consumer response. It is helping in another way. Experiments can only isolate a cause; they cannot convey the process by which an organisation selects an action, and they cannot demonstrate how a real campaign is received. These case data introduce two observations that have not been discussed in the experimental literature: most of the AI use in these luxury groups is back-stage, which has received little attention in consumer studies; and applications of the same type of intelligence, feeling AI, were found in all four quadrants and elicited different responses.

4.3.2. Theoretical Implications

The results refine the luxury – AI paradox. The cases point to the fact that the paradox is not so much regarding AI itself, but regarding the visible replacement of valuable human work. As LVMH demonstrates, there appears to be little reputational cost when an organisation uses AI widely, as long as it is not a shortcut for the client. This is an extension of the internet paradox outlined by Okonkwo (2009), as it seems to be where technology starts to become a part of the brand's expression.

The typology of Huang and Rust (2021) also indicates a need for an adjustment for luxury. When it comes to mass markets, the evolution from mechanical to feeling AI can be seen as a step forward. However, in luxury, feeling AI seems to have the highest brand risk, as emotion, taste, and creativity are just what the client pays for. In such situations, the lowest-risk applications are at the mechanical and thinking levels, and feeling AI is accepted primarily when it benefits the client (VMA) or benefits a human, who is the visible author (e.g., AI as a tool for the human author in content generation, detail creation, or editing).

The matrix of visibility, then, adds three dimensions to the other AI marketing frameworks. First, it distinguishes between uses that Huang and Rust (2021) include under the same heading; VMA and Gucci's campaign images both felt AI, but only the latter was derided. Second, it builds upon the line of visibility from service design (Bitner et al., 2008) and the automation–augmentation distinction (Raisch & Krakowski, 2021), and, read through the effort heuristic (Kruger et al., 2004), it suggests that an authenticity penalty will focus where AI is seen to replace valuable effort. Third, it serves to make sense of the mixed findings from experiments: positive outcomes have tended to emerge when the conditions more closely approximate the augmentation condition, such as human-led co-creation (Wang & Huang, 2026) and cues of creativity and humanness (Jung et al., 2025), while penalties relate to the output being completely generated by the AI, the front-stage substitution (To et al., 2025; Xu & Mehta, 2022).

Table 7. Comparison of case observations with prior research

Prior finding	Case observation in this study	Relationship
Disclosed AI imagery lowers perceived effort and authenticity for luxury, but not mainstream, brands (To et al., 2025)	Gucci's labelled AI images drew criticism centred on authenticity and craftsmanship.	Consistent; observed in a real campaign rather than an experiment
AI as a design source lowers perceived brand essence where emotional value dominates (Xu & Mehta, 2022)	Hermès keeps AI away from creation; Gucci was criticised over creativity and craftsmanship.	Consistent; shows how organisations respond in practice.
Art labelled as AI-made is valued less (Millet et al., 2023)	Criticism targeted generated imagery, not AI tools used out of view	Consistent; the bias appears tied to visible creative output
Human-led co-creation outperforms AI-only design (Wang & Huang, 2026)	LVMH confines generative tools to ideation, with marketers and Dior's window team keeping authorship	Consistent; firms appear to adopt human-led co-creation

Chatbot e-service can raise satisfaction (Chung et al., 2020)	Madeline and the VMA drew no reported criticism, yet Hermès avoids chatbots	Partly consistent; acceptance may depend on brand positioning
Perceived creativity and humanness can improve responses to AI luxury advertising (Jung et al., 2025)	Some users defended Gucci's images as glamorous; the criticism was not uniform.	Qualifies the case finding; positive responses to substitution are possible.
The sales associate carries brand meaning (Holmqvist et al., 2020)	LVMH's AI drafts messages but advisers send them	Consistent; AI supports the associate
Automation and augmentation are intertwined (Raisch & Krakowski, 2021)	LVMH combines augmentation with hidden substitution	Consistent; the matrix separates the two by visibility

Note. Compiled by the author.

Five propositions are suggested by the cases. They are offered as hypotheses to be tested in the future, and they vary in how well they are supported. Table 8 separates the case observation behind each proposition from the proposition itself. The first, an invisibility proposition, states that using back-stage AI will create less displeasure among consumers than otherwise similar use of AI in the front-stage. This formulation builds on the fact that LVMH's wide use of the back-stage caused little controversy and that the perception of LVMH brands was not directly measured in any of the cases. The second, a service-versus-substitution proposition, has the greatest support, both in the case contrast and from experiment, and holds that front-stage AI that serves the client through access, help, or care is evaluated more favourably than front-stage AI that substitutes for visible creative effort, which reduces perceived authenticity. The third, the disclosure-paradox proposition, states that disclosing the use of AI is morally necessary, but not sufficient to erase the authenticity penalty; disclosure of the use of AI might even exacerbate the penalty. The fourth is an artisanal-intensity proposition, which posits that the greater the value of the brand anchored in hand craftsmanship, the harsher the repercussions for content generated by AI, and the more important it is to signal the human effort behind the content (Fuchs et al., 2015). The fifth governance-as-signal states that by being open about how AI is governed, publicly communicated governance will be able to boost consumer trust in luxury brands where AI plays a role, driving their sense of accountability and control. Thus, the recommended journey takes the user from transparency to a sense of control, to trust in the brand, when it comes to governance disclosure, perceived accountability and control over the use of AI and trust in the brand. This last proposition is the most speculative as, while the cases demonstrate governance being disclosed, there is little direct evidence of the impact at the consumer level and it is most appropriately tested experimentally by varying governance disclosure.

Table 8. Case observations and propositions for future testing

Case observation (evidence base)	Proposition	Suggested test
LVMH's large back-stage programme drew little public comment (Tier 1 and 3 documents)	P1: Back-stage AI use will generate less negative consumer response than otherwise comparable front-stage AI use.	Experiment disclosing the same AI use as back-stage augmentation or as front-stage output.
The VMA and Madeline drew no reported criticism; Gucci's images were criticised (press coverage)	P2: Front-stage AI that adds help, access or care will be evaluated more favourably than front-stage AI that substitutes for visible creative effort.	Experiment crossing role (augmentation or substitution) with the same feeling AI
Gucci's images were labelled as AI-made and still criticised (press coverage)	P3: In luxury brand imagery, disclosure of AI use is ethically required but will not remove, and may increase, the authenticity penalty.	Compare disclosed AI, undisclosed AI later revealed and human-made versions.
Hermès is the most restrictive and publicises hand-made work (company documents; trade press)	P4: The more a brand's value rests on hand craftsmanship, the stronger the penalty for visible generative AI and the greater the value of signalling human creation.	Vary heritage positioning of the same brand stimulus.
Three groups disclose AI oversight; no consumer evidence (company documents)	P5: Publicly communicated AI governance will increase consumer trust in luxury brands that use AI by increasing perceptions of accountability and control.	Manipulate governance disclosure; measure perceived accountability, control and trust.

Note. Propositions are hypotheses derived from the cases and have not been tested in this study.

4.3.3. Managerial Implications

The cases suggest some preliminary implications for the luxury marketer. The cases also highlight that the effective application of back-stage AI could be a safer bet, as LVMH's progression from a data platform to a forecasting system and then generative tools demonstrates (LVMH & Google Cloud, 2021; PYMNTS, 2025). For highly expressive, brand-defining creative work, luxury brands should consider keeping an identifiable human author. A human can be the final creative person, as with Dior's window-display team, and AI can help with ideation (Boone, 2026).

When front-stage AI is applied, the cases suggest that it is likely to be well received more often when it adds care or access than when it is seen as cost-cutting or effort-saving. The VMA is a testament to the fact that visible AI can be portrayed in a positive light when it meets a real client need (The Estée Lauder Companies, 2024). Lastly, generative AI's ability to create cheap images might result in human craft becoming even harder to come by and more valuable, meaning that human crafts could be viewed as a marketing asset, something that Hermès seems to be doing (Boone, 2026).

Another problem is arising. According to McKinsey & Company estimates, by 2030 AI shopping agents could influence between $3 trillion and $5 trillion in spending on consumer goods around the world (as cited by IGDS, 2026). The brands would risk loss of control over discovery and presentation, and even conservative houses may be forced to interact with front-stage AI in ways that are not selected by the brands themselves if consumers start their "luxury search" in third-party AI assistants.

4.4. Limitations and Future Research

There are a number of limitations to the study. The study is based on secondary research data obtained from various public documents and press coverage, meaning that it does not capture internal decisions, failed AI pilots or non-reported uses by companies. In addition, there is also positive disclosure bias, as companies are more likely to report successes than failures, and company framing or reporting might be repeated in press reports. Certain data, like the number of requests LVMH's MaIA agent receives each month, are presented in varying formats. The evidence base is also uneven, as official documentation and corporate press releases are not the same level of evidence as general news reporting and trade journalism. As mentioned in Section 3.3, this is also addressed by the source hierarchy but not eliminated. Coding was carried out by a single researcher, so inter-coder reliability could not be assessed.

Since consumers were not systematically sampled, reactions to the Gucci campaign are based on media reports of social media comments rather than being measured. A single, highly publicised event is thus crucial to the central contrast of the paper. Further, the study is also case-selection biased, as the cases were selected with the intention of maximising the theoretical contrast and not to represent the luxury sector. The sample only includes four companies, primarily European, and excludes Asian luxury, independent houses, and other categories like watches and hospitality. Last but not least, AI practices are evolving quickly, and the results only cover the time frame from 2021 to September 2026. These limitations could be tackled in a couple of ways in future research. Interviews with luxury marketers and advisers of clients would show usage of AI within organisations. Experimental research might offer a test of the five propositions, specifically that of service versus substitution and the disclosure paradox. Sentiment analysis of social media both before and after an AI-based campaign would provide a more systematic measurement of the public's response, while cross-cultural studies would explore how clients in China, the Middle East, and Europe react differently to AI in luxury.

5. Conclusion

Luxury brands are not rejecting AI. It is used by all four organisations surveyed, and the most significant is the sizable implementation at the largest organisation, LVMH (PYMNTS, 2025). The primary question is the location of AI's presence. In such instances, less resistance was found when AI assisted or was used behind the scenes to help the client, with the sole widely criticized use being when AI was visibly used to replace human creative work. So, both LVMH and Hermès continue to keep AI out of the client's gaze from various angles. The addition of 'care' was received without criticism, as with Estée Lauder, but was a reputational liability when added to a brand's most expressive surface, as with Gucci. These luxury brands are thus not choosing to use or not use AI, but they are choosing the role and visibility of AI. The one thing that is scarce in luxury might be the effort made by humans in an age of AI. Brands that invest in protecting and communicating that proof and who are using AI technology behind the scenes to run more efficient businesses will seem well positioned to benefit from the technology without compromising what makes them luxurious, but that will need to be tested with primary consumer data.

The observations have been made by four largely European groups, and consumer responses have been deduced from the press coverage. They thus back propositions instead of general statements about the luxury industry.

Declaration on the Use of AI Tools

The author used an AI assistant (Claude, Anthropic) for support with source searches, drafting, and language editing. The author reviewed the sources, figures and interpretations and takes full responsibility for the content of this article.

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