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The Trust-Aesthetics Paradox: Generative Vs. Agentic AI in Fashion Retail

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Abstract

As the fashion industry transitions from predictive algorithms to Agentic Artificial Intelligence, retailers face a critical dilemma: Does technological sophistication equate to consumer trust? This study employs a comparative mixed-method approach, synthesising secondary industry data from the AI's Fashion Trust Paradox (2026) report with primary quantitative research to evaluate consumer readiness for Generative and Agentic AI. Secondary research indicates a global consensus on AI aesthetics, with 82% of consumers globally drawn to the hyper-perfect visual appeal of AI-generated imagery [4]. However, our primary data from Gen Z consumers in Delhi reveals a stark contrast [1]. While the visual gap has narrowed, only 35.2% of local respondents preferred AI-generated imagery for fabric quality, suggesting that Indian consumers remain sceptical of synthetic perfection. In the domain of Agentic AI, the study uncovers a significant deviation from global trends. While secondary reports highlight a massive 74% fear of Black Box autonomy globally, our primary data indicates that Delhi consumers are adopting automation faster than expected [1]. A striking 59.3% of respondents expressed willingness to trust an AI agent with financial negotiations (refunds), challenging the global narrative. However, the limit of this trust is defined by final execution: 48.1% of users prefer an Add to Cart + Approval model over fully autonomous purchasing (33.3%). The study concludes that the Indian market is ready for Assisted Autonomy, in which AI handles aesthetic visualisation and service negotiation, while the human retains final transactional authority.

Keywords: Agentic AI, Generative AI, Trust-Aesthetics Paradox, Assisted Autonomy, Consumer Psychology, Digital Fashion.

1. INTRODUCTION

The global fashion retail sector is currently undergoing its most significant technological paradigm shift since the advent of e-commerce: the transition from Predictive Artificial Intelligence to Agentic Artificial Intelligence [3]. For the past decade, AI in fashion was largely passive. However, the years 2024-2026 have marked the explosive rise of Generative AI (GenAI) and Agentic AI-systems capable of not just recommending products but autonomously creating visual content and executing complex purchases.

Secondary research, specifically the AI's Fashion Trust Paradox report (2026), highlights a growing tension [4]. While retailers are rapidly adopting these technologies to reduce costs and increase speed, global data indicate a Trust Gap: 74% of consumers fear a lack of transparency in autonomous AI decisions [2]. This creates a volatile market environment where the perfect look of AI imagery may attract attention, but the invisible nature of AI agents may deter transactions.

1.1 Problem Statement

While secondary data provides a macro view of the Trust Paradox globally, there is a lack of empirical

evidence at the micro level in Delhi. Specifically, does the global preference for AI aesthetics (82%) hold true among discerning Gen Z shoppers in India? Furthermore, while global reports suggest scepticism toward Autonomous Commerce, are Indian consumers, known for seeking convenience, more open to delegating financial tasks to algorithms than the global average?

1.2 Research Objectives

This study adopts a mixed-method approach to address two key objectives:

1. **Visual Trust:** To contrast global industry benchmarks of AI visual appeal against local consumer preferences for Human Authenticity vs. Synthetic Perfection.
2. **Functional Trust:** To determine the precise Autonomy Threshold for Indian consumers, identifying whether they view Agentic AI as a helpful assistant or an invasive controller.

2. Literature Review

2.1 The Global Rise of Agentic Commerce

The fashion retail landscape is shifting from static e-commerce to Agentic Commerce, in which AI systems have the autonomy to execute transactions. According to the AI's Fashion Trust Paradox in India report (2026), this transition promises unparalleled efficiency, yet it introduces a Black Box problem: consumers traditionally struggle to trust decisions made without human oversight.

2.2 The Visual Parity Theory (Generative AI)

A key theme in recent studies is the Uncanny Valley—the unease consumers feel when digital avatars look almost human. However, recent advancements in Generative AI (e.g., Flux, Midjourney v6) challenge this. Secondary data indicates that 82% of consumers globally are visually drawn to the hyper-perfect lighting of AI imagery. This study investigates whether this global preference translates to local trust in fabric quality and fit.

2.3 The Autonomy Barrier and the Indian Context

While global markets express hesitation toward Agentic AI, the Indian market shows distinct behavioural patterns. The data highlights that while 74% of global consumers fear Financial Autonomy, Indian consumers are increasingly prioritising speed and convenience. This study tests the Service-Control Split theory, which posits that consumers will accept AI autonomy for service tasks such as refunds but resist it for spending tasks such as purchases.

3. Research Methodology

3.1 Research Design

This study employs a Descriptive and Comparative Research Design. A mixed-methods approach was adopted to synthesise secondary industry data with primary consumer insights to validate the Trust Paradox in a local context.

- **Phase 1 (Secondary Analysis):** A review of recent industry reports, specifically the AI's Fashion Trust Paradox (2026), to establish global benchmarks for Agentic AI adoption.
- **Phase 2 (Primary Experimentation):** A quantitative A/B Testing survey to measure local consumer variance regarding visual and functional trust.

3.2 Data Collection Sources

- **Primary Data:** Collected via a structured questionnaire (Google Forms) circulated among N=54 Gen Z and Millennial consumers in Delhi (NCR)[1]. The survey utilised a Likert Scale (1-5) to quantify Trust Levels and Comfort with Autonomy.

- **Secondary Data:** Extracted from the 2026 Deep Research report on Agentic Commerce, focusing on Trust-Aesthetics metrics and global consumer sentiment regarding AI automation [4].

3.3 Sampling Strategy

- **Sample Size:** N = 54 respondents [1].
- **Target Demographic:** Gen Z and Young Millennials (Aged 18-30), identified as the primary adopters of digital fashion trends.
- **Sampling Method:** Convenience Sampling was used to target university students and young professionals in the Delhi region.

3.4 Tools & Techniques

- **Stimuli Creation:** Generative AI tools were used to create Image B (Synthetic Model) to test against Image A (Human Model) for the visual perception test [5].
- **Data Analysis:** The collected data was analysed using comparative percentage analysis to identify correlations between Visual Appeal and Purchase Intent.

4. Data Analysis and Interpretation

4.1 Visual Perception: The Closing of the Uncanny Valley. To evaluate the Visual Turing Test in fashion, respondents were shown two images: Image A (Real Photography) and Image B (AI-Generated).

- **Global Benchmark:** Secondary research indicates that 82% of global consumers are visually drawn to AI perfection [4].
- **Local Reality (Delhi):** Our primary data reveals a much closer contest [1]. 35.2% of respondents identified Image B (AI) as having higher fabric quality, marginally overtaking the real photograph (33.3%).
- **Interpretation:** Unlike the global average, where AI dominates, Delhi consumers are split. The Synthetic Quality Gap has closed, but it has not vanished. The fact that AI is now statistically tied to real photography in terms of Quality Perception suggests that Generative AI has successfully overcome the Uncanny Valley for static visuals in the Indian market.

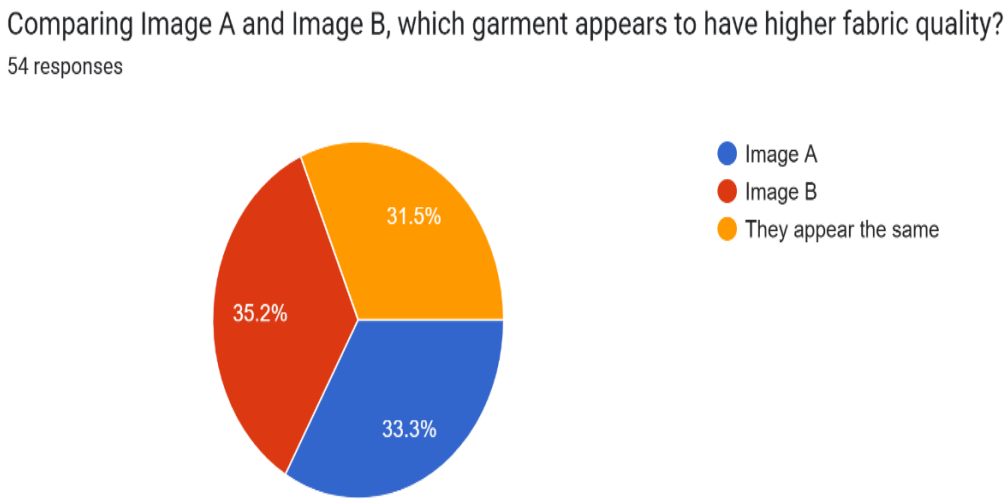

Fig 1: Comparative analysis of consumer perception regarding fabric quality between Real Photography (Image A) and AI-Generated Image (Image B)

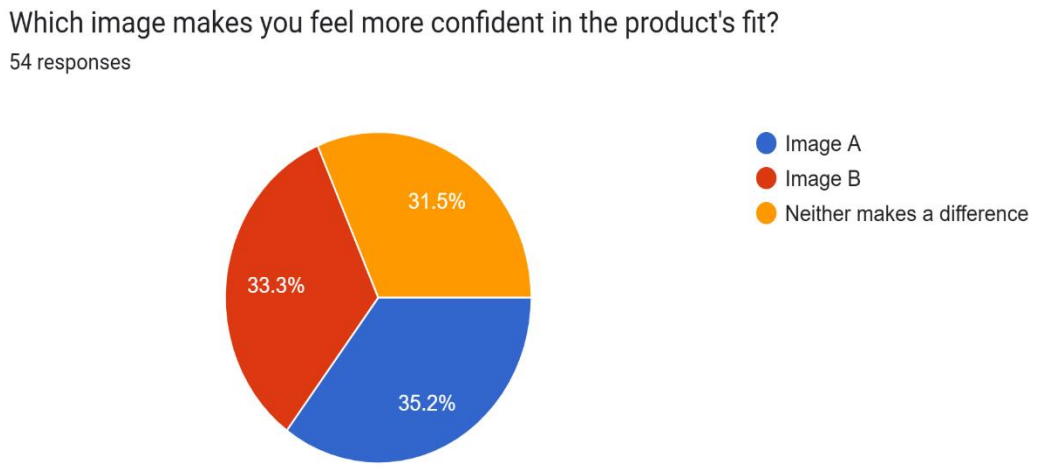

Fig 2: Consumer confidence levels in judging product fit based on human vs. synthetic models.

4.2 Agentic AI: The Service-Control Split

The study measured consumer readiness for Agentic AI across Service Tasks (Refunds) and Spending Tasks (Purchasing).

- **The Refund Revolution:** A striking 59.3% of respondents expressed willingness to trust an AI agent to negotiate a refund on their behalf.
- **Contrast with Global Data [2]:** This finding contradicts the global narrative of Black Box Anxiety, where 74% of users fear autonomous decisions. It suggests that for incoming money (refunds), Indian consumers prioritise speed and convenience over human interaction.
- **Support Preference:** This is further validated by the fact that 63% of respondents preferred an Instant AI Chatbot over waiting 15 minutes for a human agent.

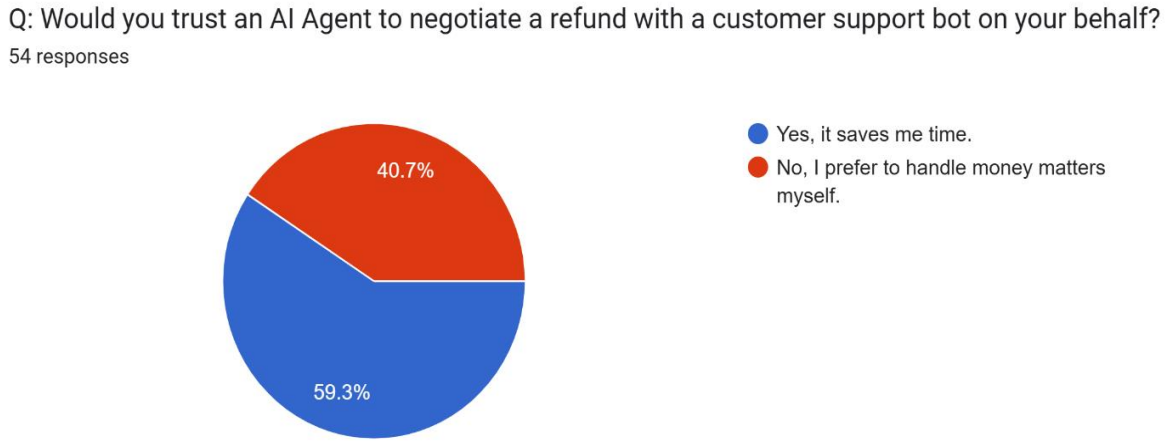

Fig 3: Consumer willingness to delegate financial negotiation (refunds) to an autonomous AI agent.

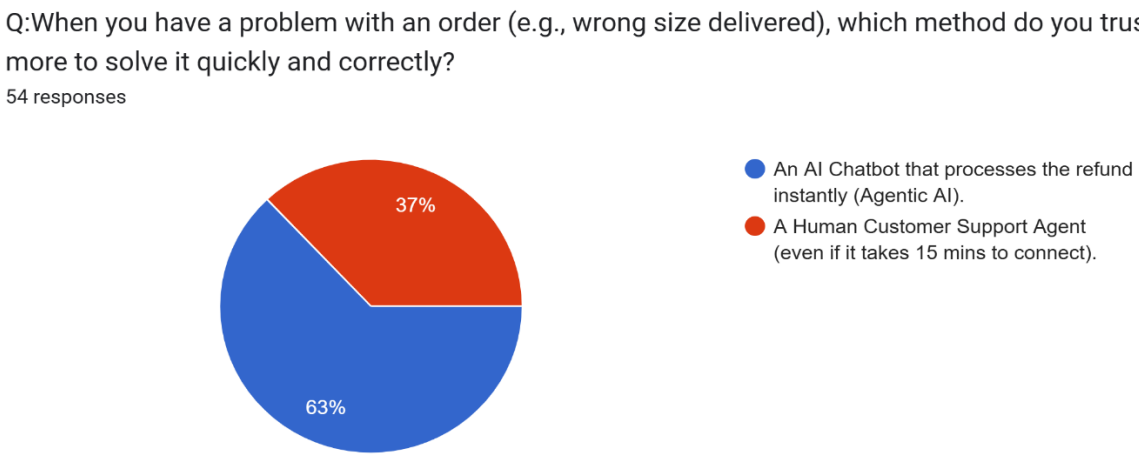

Fig 4: Preference for Instant Resolution (AI Chatbot) versus Empathy (Human Support) in customer service scenarios.

4.3 The Autonomy Threshold: Where Trust Ends Despite the high trust in service tasks, the Wallet Barrier remains intact.

- **The Add to Cart Preference:** When asked about purchase execution, the majority (48.1%) preferred an Add to Cart + Approval model.
- **The Minority of Full Autonomy:** Only 33.3% were comfortable with Full Autonomy (Auto-buy).
- **Interpretation:** This defines the strategic boundary of Assisted Autonomy. Consumers want AI to do the work (finding, negotiating, carting) but want to retain control (the final click).

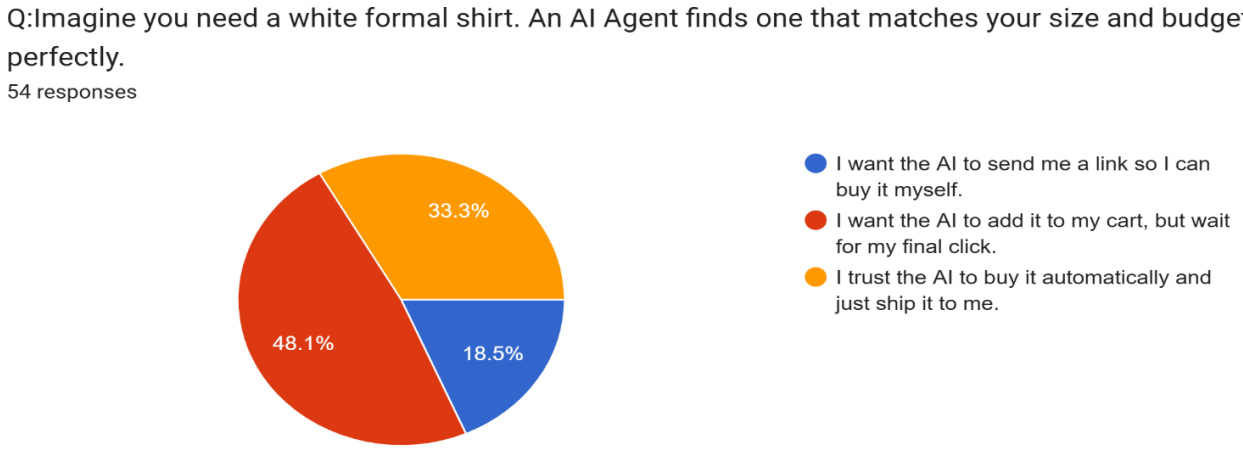

Fig 5: The Autonomy Threshold: Preferred level of AI intervention in the purchase execution process.

5. Findings & Discussion

5.1 The Visual Parity Milestone

The study finds that Generative AI has achieved Visual Parity with human photography in the Indian fashion sector. With a <2% difference between perceived quality of AI and real models (35.2% vs. 33.3%),

brands can now deploy AI-generated displays for mid-tier collections without risking significant consumer alienation. This challenges the traditional reliance on expensive physical photoshoots.

5.2 The Convenience Over Empathy Shift

Data indicates a cultural shift in Customer Relationship Management (CRM). The 63% preference for AI Chatbots proves that Gen Z consumers in Delhi value Resolution Speed over Human Empathy. The traditional fear that AI feels cold is being replaced by the pragmatic view that Human support is too slow.

5.3 The emergence of Assisted Autonomy

The research identifies Assisted Autonomy as the optimal operational model for 2026. Since 48.1% of users want to approve the final cart, fully autonomous Black Box shopping agents face significant adoption barriers in India. Instead, Grey Box agents, which prepare the transaction but pause for confirmation, will see rapid adoption.

6. Conclusion

The transition from Predictive to Agentic AI represents a fundamental restructuring of the fashion retail interface. This study concludes that the Trust-Aesthetics Paradox—the fear that AI looks good but feels fake—is diminishing rapidly in the Indian market.

Primary Conclusion: Delhi's Gen Z consumers have effectively normalised Generative AI visuals (35.2% preference) and are aggressively adopting Agentic AI for service tasks (59.3% trust in refunds).

Secondary Conclusion: However, the Financial Autonomy barrier persists. The market is not yet ready for set-it-and-forget-it shopping agents. Trust is currently Transactional, not Absolute: consumers trust the AI's competence to find the best deal, but not its integrity to spend their money unsupervised.

7. Recommendations & Business Implications

1. **Adopt Hybrid Visual Merchandising:** Since visual trust is split (35% vs 33%), use AI for digital catalogues (High Volume/Low Cost) but retain human models for Hero Products and sizing guides to ensure fit confidence.
2. **Deploy Negotiator Bots:** With 59.3% trust in AI refunds, retailers should automate their Returns & Refunds process immediately. This reduces support costs while aligning with consumer preferences for speed.
3. **Design for The Nudge:** Do not build agents that auto-buy. Build agents that send a push notification requesting approval. (I found the white shirt for ₹800. Swipe to Buy.) This aligns with the 48.1% preference for Assisted Autonomy.

8. Limitations & Future Scope

1. **Geographic Limitation:** This study was restricted to Delhi (NCR), and findings may not represent Tier-2 or Tier-3 Indian cities where Digital Trust may be lower.
2. **Sample Size:** With N=54, the data provides a directional signal rather than absolute statistical significance [1].
3. **Future Research:** Future studies should investigate the Liability Question—if an Agentic AI buys the wrong product, is the brand or the user liable?

9. Declaration of Generative AI and AI-Assisted Technologies in the Writing Process

During the preparation of this work, the author used **Google Gemini (Advanced)** to assist with language

refinement, structural organisation, and the synthesis of secondary industry data. The author also used **Midjourney/Flux** to generate the visual stimuli (Image B) used in the primary survey. After using these tools, the author reviewed and edited the content as needed and takes full responsibility for the publication's content.

10. Appendix A: Survey Questionnaire

Section 1: Demographics

1. Age Group: (18-24) / (25-30) / (30+)
2. Gender: Male / Female / Prefer not to say
3. Shopping Frequency: How often do you shop for fashion online? (Weekly / Monthly / Rarely)

Section 2: Visual Perception (Generative AI)

Participants were shown two images: Image A (Real Photography) and Image B (AI-Generated).

4. Quality Perception: Comparing Image A and Image B, which garment appears to have higher fabric quality?
5. Fit Confidence: Which image makes you feel more confident in the product's fit?
6. Deception: On a scale of 1-5, how deceived would you feel if a brand used AI models without disclosure?

Section 3: Agentic AI & Automation

7. Refund Scenario: Would you trust an AI Agent to negotiate a refund with a customer support bot on your behalf? (Yes / No)
8. The White Shirt Scenario: Imagine an AI finds the perfect white shirt for you. Which action do you prefer?

Level 1: Send me a link.
Level 2: Add to cart, then wait for my approval.
Level 3: Buy it automatically.

9. Support Preference: When facing an order issue, do you prefer an Instant AI Chatbot or a Human Agent (15 min wait)?

11. Acknowledgement

I would like to express my sincere gratitude to the VSBS Department at Vivekananda Institute of Professional Studies for providing the academic foundation for this research.

I am deeply thankful to the 54 respondents from the Delhi-NCR region who participated in this study. Their honest feedback and willingness to engage with complex Artificial Intelligence scenarios provided the primary data that form the backbone of this report [1].

I also wish to acknowledge the rapid advancements in Generative AI, which inspired the premise of this study. This research would not have been possible without access to the latest industry reports on Agentic Commerce, which helped benchmark local consumer sentiment against global trends.

Finally, I thank my family and peers for their continued encouragement and support throughout this project.

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