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AI in Advertising: Ethical Risks, Consumer Protection, and Policy Implications

¹Nayab Farooq, ²Dr. Shazia Hashmat, ³Ayisha Hashim

Article Details

ABSTRACT

Keywords: AI-driven marketing, data privacy, By allowing highly targeted ads, tailored campaigns, and automated judgments, accountability, transparency & fairness, artificial intelligence (AI) is revolutionizing the advertising sector. These tools consumer manipulation, algorithmic bias, create major ethical questions even if efficiency increases output. They endanger ethical guidelines

Nayab Farooq

MPhil Student, Communication and Media examined in this study article under ethical perspective. AI systems can, for Studies Department, Fatima Jinnah Women example, use personal data to affect consumer behavior in ways that blur the University, Rawalpindi, Pakistan. ORCID ID: [0009-0009-2869-0502](https://orcid.org/0009-0009-2869-0502)

Dr. Shazia Hashmat

Assistant Professor, Communication and intelligence into advertising by combining academic study findings and regulatory Media Studies Department, Fatima Jinnah agency guidelines. One of them is the development of ethical guidelines for the Women University, Rawalpindi, Pakistan. development of artificial intelligence (such as fairness and privacy concerns). By ORCID ID: [0009-0002-3384-670X](https://orcid.org/0009-0002-3384-670X)

Ayisha Hashim

MPhil Student, Communication and Media between innovative thinking and accountability. Companies can build confidence Studies Department, Fatima Jinnah Women and prevent harm by emphasizing ethical procedures. These principles include University, Rawalpindi, Pakistan. ORCID ID: [0009-0005-9513-9455](https://orcid.org/0009-0005-9513-9455)

trust, fairness, and consumer rights. The ethical problems in AI-driven advertising—including biased algorithms, manipulative strategies, privacy violations, lack of transparency, and hazards to consumer confidence—are explored in this study article under ethical perspective. AI systems can, for example, use personal data to affect consumer behavior in ways that blur the boundaries between persuasion and manipulation. Trained on faulty data, biased algorithms could ethically reject people or propagate prejudices. The article explores practical solutions to the ethical challenges raised by the use of artificial intelligence into advertising by combining academic study findings and regulatory agency guidelines. One of them is the development of ethical guidelines for the development of artificial intelligence (such as fairness and privacy concerns). By using thorough audit methods, biases can be discovered and transparency increased. The findings emphasize the significance of maintaining a balance between innovative thinking and accountability. Companies can build confidence and prevent harm by emphasizing ethical procedures. These principles include clarifying artificial intelligence-driven decisions, respecting user consent, and limiting data collection. According to the study's conclusions, long-term development in advertising driven by artificial intelligence depends on properly linking ethical duty with technological advancement. Unless these concerns are addressed, businesses run the risk of facing backlash from the public, legal challenges, and the loss of long-term consumer confidence. The ultimate objective is to ensure that the use of artificial intelligence in marketing does not violate the rights of consumers, in addition to maintaining fairness and respect for human dignity.

INTRODUCTION

The advent of artificial intelligence marks major changes in many spheres of marketing, especially in the domains of digital marketing and personalized advertising (Vukmirovi et al., 2025). The entrance of artificial intelligence has brought about these significant transformations. The flip side of the coin is that these technological innovations carry significant ethical issues that must be resolved if we are to guarantee their proper application. Artificial intelligence driven marketing most of the time depends on data usually gathered from a variety of platforms, including websites, social media, emails, and mobile apps. among the platforms are Included in this data are personal details such biometric data, shopping patterns, geographical location, and browsing history. This data includes other kinds of information, like shopping trends.

Furthermore, the use of third-party data brokers to gather and sell customer data is an invasion of privacy and a matter for concern. This is because consumers frequently have little to no control over the manner in which their data is collected and made available to others. Transparency and fairness in the algorithms used by artificial intelligence are absolutely necessary for the implementation of ethical marketing practices. In order to ensure that the operation of artificial intelligence systems, the processing of data, and the decision-making process are all easily understood, it is vital to provide explanations that are both clear and straightforward. Regarding artificial intelligence systems, bias frequently arises from the data that is used to train the algorithms. This is because the data is used to train the algorithms. In the event that the training data is representative of pre-existing prejudices in society, such as those associated with age, gender, race, or socioeconomic position, the artificial intelligence system has the potential to learn and reproduce these biases in its decision-making functions if it is provided with the opportunity to do so. (V. Sharma & Yadav, 2023)

While integrating artificial intelligence technology into marketing plans creates great difficulty in the current economic context, it also offers great transforming possibilities(Alhitmi et al., 2024a). AI makes it possible to utilize of an enormous data in order to create more precise market segmentation, optimal marketing campaigns and tailored messaging so improving the effectiveness and value of marketing initiatives (Benkert, 2019) . But the questions of data security and privacy in AI-driven marketing present a difficult problem in the domains of business and economics. (Alhitmi et al., 2024)

AI technology let companies create massive databases of consumer information for tailored experiences and exact, targeted advertising. Still, using artificial intelligence also begs

serious questions about protecting private data (Alhitmi et al., 2024) . Data breaches, misuse, illegal access have a great potential to erode consumer confidence and expose companies' reputation at risk. Furthermore, with the advancement of AI algorithms in evaluating consumer behaviour, there is a growing concern about violating individual privacy rights, which could lead to augmented regulatory scrutiny and legal consequences. This research aims to address the substantial gap by reviewing literature on modern ethical challenges in AI-driven advertising and examining potential solutions. Moreover, the research includes future recommendations. A review approach was employed to present an overview of academic research.

PROBLEM STATEMENT

Advancements in technology are much faster than legal regulations, and the data on which AI algorithms are trained is primarily concentrated in global centers of digital power (Vukmirovi et al., 2025). Integrating artificial intelligence (AI) in marketing has transformed the industry, offering unprecedented opportunities for efficiency and personalization. However, this advancement raises significant ethical concerns that must be addressed to ensure the responsible use of AI in marketing. Using AI for personalized marketing raises lots of ethical issues that we need to address and be accountable and fair. One of the major problems is data privacy. We have to make sure that when we collect and look at people's info for personalized ads, we follow rules like the GDPR to keep their information safe (Chandra, 2024)

Another core issue is algorithmic bias. Sometimes AI programs can have unfair biases from the data they learn, leading to biased outcomes. To make sure that AI-driven personalized ads are unbiased and equal, we need to fix these biases and have clear and authentic AI systems (Chandra, 2024) .This article perceives the ethical considerations of these technologies, including consent, data privacy, and the potential for manipulation or bias. While AI-driven personalization can lead to more pertinent and engaging consumer experiences, it raises critical ethical questions that must be addressed to ensure fair and responsible use.

RESEARCH OBJECTIVES

O₁ – To assess the present regulatory system and policies that address ethical issues in advertising powered by AI

O₂ -To identify and assess security weaknesses related to AI-driven advertising, including data privacy risks and algorithmic biases.

O₃ -To propose strategic solutions and regulatory recommendations for alleviating ethical and security challenges in AI-centric advertising.

RESEARCH QUESTIONS

RQ₁ - How efficient are existing regulatory frameworks in addressing ethical concerns such as transparency, accountability, and fairness in AI-driven advertising?

RQ₂ - What are the major privacy and security threats posed by AI-driven advertising, and how do they influence consumer trust?

RQ₃ - What approaches and policy recommendations can help alleviate ethical and security risks in AI-driven advertising?

METHODOLOGY

This study is based on the systematic literature review approach. The review-based studies are a significant part of the existing literature as they closely witness the ongoing trends and complexities in the field. The data is gathered from different databases like Taylor and Frances, Science Direct, Springer link and Google Scholar. Mostly the data was collected from Google Scholar. The selected research design encompassed various study design like articles, journals, and conference papers. With this qualitative, quantitative, mix method research were also included for the research. The methodology used in this study was double checked to make sure it is reliable and it covers everything needed.

FIG 1: PRISMA FLOW CHART

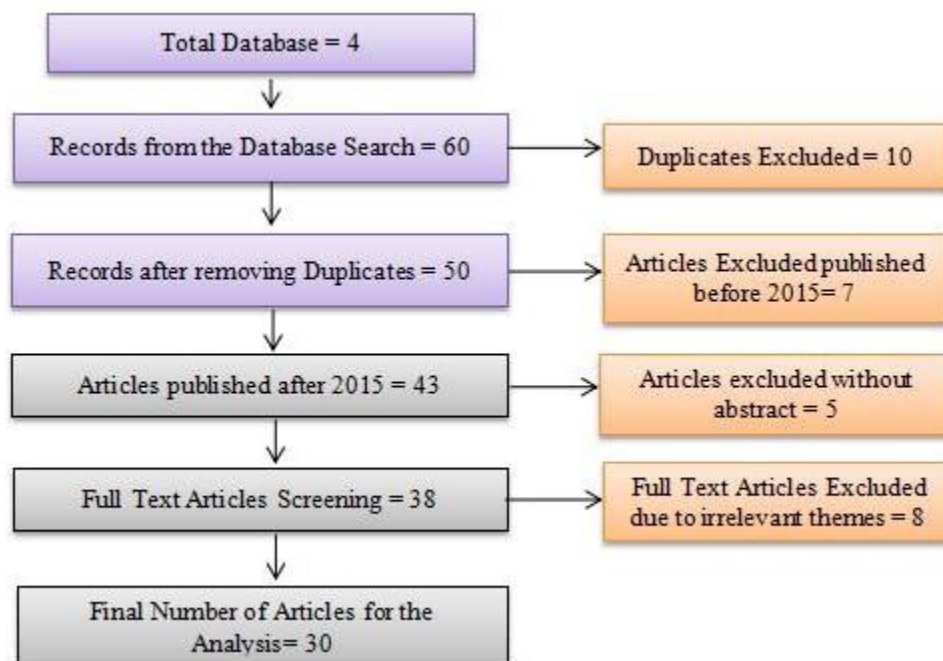


Table 2 shows the percentage of articles selected from database. Mostly articles are selected from Google Scholar (n=14), Science direct (n=8), Springer link (n=3) and Taylor and Francis (n=5).

Table 3 shows the percentages of selected literature according to their publication years. As it is clearly shown that studies (n= 02) were published from 2015 to 2020, followed by (n=28) published from 2021 until this year 2025.

In terms of research methods (n=13, 43%) studies used quantitative approach, (n=7, 7%) studies used qualitative approach and (n=3, 15%) study used a systematic literature review. The researchers looked at how the studies collected their data and calculated how many used each method.

TABLE 2: NUMBERS AND PERCENTAGES OF LITERATURE ACCORDING TO THEIR DATABASE

Database	Number	%
Google Scholar	14	46%
Science Direct	8	26%
Springer Link	3	10%
Taylor and Francis	5	16%

TABLE 3: NUMBER AND PERCENTAGES ACCORDING TO THE PUBLICATION YEAR

Year	Number	%
2015-2020	2	6%
2021-2025	28	93%

TABLE 4: NUMBERS AND PERCENTAGES ACCORDING TO THEIR PARADIGM MODEL

Paradigm Model	Qualitative	Quantitative	Systematic Review
	13 (43%)	7 (23%)	9 (30%)

TABLE 5: INCLUSION AND EXCLUSION CRITERIA

Inclusion	Exclusion
Articles published after 2015 and onwards	Articles published before the year 2015

Studies focusing on the ethical challenges arising from integrating artificial intelligence in advertising or marketing practices.	Studies that do not directly address AI technologies or their application in advertising will be excluded.
Studies addressing ethical issues such as data privacy, accountability, transparency, fairness, or consumer trust in AI-driven advertising.	Research that does not explore ethical concerns, such as bias, transparency, or consumer trust, will be excluded.
Articles published in English language	Articles published in languages other than English
Research articles, and books	Non-academic sources, blogs, or non-peer-reviewed publications will not be considered to maintain rigor in the review process.
Articles with an Abstract and text.	Articles without an Abstract or text.

VALIDATION OF SELECTED METHODOLOGY

The method used in this review was carefully checked to make sure it was reliable and covered everything needed. Here are main steps taken to validate it:

ADHERENCE TO PRISMA GUIDELINES

PRISMA guidelines are a set of rules that help researchers systematically collect, analyze, and report information from different studies in a clear and organized way. They ensure that the review process is thorough, transparent, and easy to understand.

INCLUSION AND EXCLUSION CRITERIA

The criteria for this study is designed to select those articles that focused on the use of artificial intelligence technologies in marketing practices. The article addresses ethical issues such as data privacy and security, transparency and fairness, accountability, algorithm bias, consumer manipulation in AI-driven advertising.

The articles that did not address AI technologies or their application in advertising were excluded. Similarly, articles that did not explore ethical concerns or failed to highlight ethical guidelines for the future were also excluded.

SEARCH STRATEGY

The strategy for searching articles was to use two specialized platforms: Google Scholar, Taylor and Francis, Springer Link and Science Direct. The right keywords were chosen, ensuring no important studies were missed.

DATA TABULATION AND ANALYSIS

We used Microsoft Excel to organize the data collected from the selected articles. This helped us sort the information clearly and calculate how often certain things appeared (frequencies and percentages). It made sure our results were correct and easy to understand.

PRISMA FLOW CHART

A PRISMA flowchart (Fig.1) is a visual way to show how researchers select, review, and include articles in their study. It helps make the process clear and proves that the researchers were done carefully and systematically.

REVIEW OF SELECTED LITERATURE

THE TRANSFORMATIVE ROLE OF AI IN ADVERTISING

Artificial intelligence has brought about considerable transformations in multiple areas of marketing, especially in digital marketing and tailored advertising (Vukmirovi et al., 2025) . It has quickly become a revolutionary force across numerous industries, with digital marketing as a key beneficiary. As AI technologies are making advancements, their ability to transform the digital marketing landscape becomes increasingly evident, bringing significant inferences for businesses and their online engagement strategies (Ziakis & Vlachopoulou, 2023)

According to (Natu & Aparicio, 2022), companies now use the Internet as the main base for production development and strategic management. In the reign of this paradigm shift, marketing and communication strategies have become essential for companies to reach a global audience. AI-driven personalization equips businesses with data-driven insights into consumer behavior. These insights enable marketers to constantly refine their strategies and respond efficiently to evolving consumer demands. By analysing the real-time data, companies can make well-informed decisions, such as modifying products, refining messaging, or enhancing the user experience on digital platforms (Brooklyn et al., 2024)

KEY ETHICAL CONCERNS IN AI-DRIVEN ADVERTISING

DATA PRIVACY & SECURITY

Integrating AI with advertising raises many ethical concerns that need to be addressed to ensure fair and ethical advertising. The theme discusses one big problem that is data privacy (Chandra, 2024) . When it comes to AI-driven customer relationship platforms like Salesforce, privacy isn't just a checkbox; it's a primary concern that impacts real people. These systems handle massive amounts of personal customer information, from contact details to purchasing habits. This means they're constantly at risk of breaches and cyberattacks. But the stakes go

beyond a data breach. Trusting a company with your data, only to have an AI analyze it in ways that feel intrusive. That’s where the real fear lies. If sensitive details like private interactions or financial records fall into the wrong hands, whether through accidental exposure, misuse or unethical AI practices, it doesn’t just harm a company’s reputation; it damages the trust of individuals who believed their information was safe (Koppanathi, 2022) . But when people see the bounties, they often share their data willingly, especially if they know they’ll get an incentive or a reward in exchange (Kumar et al., 2024)

TABLE 6: INSIGHTS ON DATA PRIVACY AND SECURITY IN AI FROM LITERATURE

Theme	Key Points	References
Data Privacy in AI Advertising	AI systems create major questions regarding the methods of consumer data collecting and application in advertising.	(Chandra, 2024)
Vulnerability to Breaches	AI might examine user data in ways that seem invasive or outside of intended.	(Chandra, 2024)
Invasive Data Analysis	AI may analyze user data in ways that feel intrusive or beyond original intent.	(Koppanathi, 2022)
Trust and Ethical Responsibility	Mishandling data can damage user trust and reflects a lack of corporate responsibility.	(Koppanathi, 2022)
Informed Consent and Trade-offs	Many users willingly share data when offered clear benefits or incentives.	(Kumar et al., 2024)
Human-Centric Data Perspective	Behind every data point is a person, making ethical handling of data a human issue.	(Koppanathi, 2022)

TRANSPARENCY AND FAIRNESS

Building customer confidence in artificial intelligence driven advertising depends on transparency. Generally speaking, transparency in advertising refers to revealing to customers how and why particular ads are shown to users (Kapoor et al., 2025). Consumers have the right to be informed about how their information is utilized and how customized advertising experiences are produced (Brooklyn et al., 2024) . In the age of AI-powered marketing, transparency and obtaining permission from consumers are key to maintaining ethics and earning their trust. As AI takes over more marketing activities and tailors experiences to

individual preferences, it's crucial for individuals to know how their information is being handled and to feel confident in giving their consent (V. Sharma & Yadav, 2023). Consumers have been increasingly described as valuing brand transparency, with 75% of them regarding it as important and two-thirds showing a desire to switch to brands that prioritize it. (Sansome et al., 2025).

TABLE 7: INSIGHTS ON TRANSPARENCY AND FAIRNESS IN AI FROM LITERATURE

Theme	Key Points	References
Role of Transparency	Transparency in AI advertising is essential for building and maintaining consumer trust.	(Kapoor et al., 2025)
Consumer Right to Know	Consumers have the right to understand how their data is collected, used, and personalized in advertising.	(Brooklyn et al., 2024)
Consent and Ethical AI Use	Gaining informed consent is critical for ethical AI marketing practices.	(V. Sharma & Yadav, 2023)
Impact of Brand transparency on Loyalty	Brand transparency significantly influences consumer loyalty and willingness to switch brands.	(Sansome et al., 2025)

ACCOUNTABILITY

As AI technologies increasingly influence marketing practices, ensuring accountability and responsibility becomes crucial for maintaining ethical standards and protecting consumer interests. (Brooklyn et al., 2024) highlights one of the primary ethical concerns in AI-generated advertising is the lack of transparency in how AI systems make decisions. Customers might not know that artificial intelligence algorithms produced the advertising are viewing, which can lead to a breakdown of trust between brands and their audiences. Many times, consumers are not aware about the data collection processes that power AI algorithms, and this brings issues of accountability and ethical advertising practices (Eriksson, 2024). Advertisers must be transparent and ethical in collecting consumer's data, respect privacy rights and provide a friendly opt-out process. (Gao et al., 2023)

TABLE 8: INSIGHTS ON ACCOUNTABILITY AND AI FROM LITERATURE

Theme	Key Points	References
AI and Marketing Accountability	AI's role in marketing demands clear accountability to uphold ethical standards.	(Brooklyn et al., 2024b)
Transparency in AI Advertising	Lack of clarity in AI-driven ad decisions raises ethical concerns.	(Brooklyn et al., 2024b)
Consumer Awareness and Trust	Uninformed consumers may lose trust in brands using AI-generated content.	(Brooklyn et al., 2024b)
Data Collection Ethics	Ethical concerns arise from opaque data collection practices powering AI algorithms.	(Eriksson, 2024)
Privacy and Consent	Advertisers should ensure privacy, ethical data use, and easy opt-out options.	(Gao et al., 2023)

CUSTOMER MANIPULATION

Often in its own best advantage, a company can affect the decision-making process of the consumer by means of covert and focused techniques. In this instance, even if the customer could believe they are making options on their own, most of these choices are really moulded inside the pre-determined structure of the company (Abbasoğlu et al., 2025)

There are quite ethical issues about artificial intelligence in customized marketing. There are questions about how consumer behaviour and permission are being manipulated (Chandra, 2024) . Highly tailored and able to leverage consumers' cognitive biases, AI driven advertising can encourage impulse decisions or purchase of things they might not have otherwise explored. It begs significant concerns about the way consumers' behaviour is being moulded and controlled in ways that might not coincide with their tastes or interests (Eriksson, 2024).

Hyperpersonalized adverts based on behavioural data, for example, can appeal to consumers' weaknesses and gently encourage them towards buying purchases they might not have thought of otherwise (Vukmirovi et al., 2025) . This can remove the capacity of the customer to make autonomous decisions. Ethical rules should be developed that respect consumer choice while also enabling companies to reach their objectives in which case artificial intelligence marketing helps (Chinnathurai, 2025)

TABLE 9: INSIGHTS ON CUSTOMER MANIPULATION AND AI FROM LITERATURE

Theme	Key Points	Reference
Manipulation and Consent	The use of AI in marketing to change consumer behavior without explicit consent raised ethical questions around the manipulation of human behavior.	Chandra, 2024
Exploitation of Cognitive Biases	Customized Artificial Intelligence ads can use mental shortcuts to generate either deliberate purchases or ethical accidents.	Eriksson, 2024
Loss of Consumer Autonomy	Excessive personalized marketing could replace personal choice, hence guiding decisions free from real preferences.	Vukmirovi et al., 2025
Need for Ethical Guidelines	Ethical rules are an important boundary to set to ensure that Artificial Intelligence respects consumer agency and supports business goals.	Chinnathurai, 2025

ALGORITHMIC BIAS

Ensuring that artificial intelligence algorithms are free of prejudice and discrimination is a major ethical question (Soundarapandiyan & Prasanthi, 2024). Based on facts they are taught on, artificial intelligence systems can inadvertently treat some groups unfairly. This can result in unfair targeting or exclusion of some individual, hence producing discriminating marketing (Chinnathurai, 2025). Algorithmic bias in AI systems might cause unfair targeting and exclusion of particular consumer groups (Chandra, 2024). Because of their self-learning capacity algorithms enabled advanced personalization, for example by choosing the content displayed to the most responsive people depending on their past behavior, and help them to always enhance their own performance (Voorveld et al., 2024)

TABLE 10: INSIGHTS ON ALGORITHMIC BIAS OF AI FROM LITERATURE

Theme	Key Points	References
Algorithmic Bias in AI	Biases present in training AI systems might inadvertently reflect or amplify.	(Soundarapandiyan & Prasanthi, 2024)
Discriminatory Marketing Risks	Biased algorithms can lead to unfair targeting or exclusion of certain consumer groups.	(Chinnathurai, 2025)

Ethical AI Decision-Making	Ensuring fairness and equity in AI marketing requires constant monitoring of algorithmic decision-making	(Chandra, 2024)
AI Personalization Capabilities	AI enables advanced personalization through behavioral data and continuous self-learning for marketing optimization.	(Voorveld et al., 2024)

ETHICAL CONSIDERATIONS

Firstly, it is crucial to understand that, especially in marketing, AI use will rise in the future, specifically and most affecting marketing (Benkert, 2019) . Given the fast growth of data collecting and use for tailored advertising and customer profiling, it is imperative to address ethical concerns in AI-powered advertising in the corporate and economic environment (Alhitmi et al., 2024a). The implementation of AI in marketing necessitates adherence to ethical guidelines to guarantee responsible and equitable utilization of these technologies. The development and deployment of AI systems are guided by ethical considerations, aiming to balance business objectives with the protection of consumer rights and societal values. (Soundarapandiyam & Prasanthi, 2024) . A significant difficulty arises in the potential biases inherent within AI algorithms, which could lead to unjust or discriminatory targeting and distribution of information (Gao et al., 2023). The initial step before executing the guidelines is to evaluate the context and availability of resources such as which application is (going to be) used, if it is used in a B2C or B2B environment, or a combination of thereof, as well as the resources are available at hand/want to be acquired in order to tackle the ethical issues of AI (Benkert, 2019)

Authorities must review present data privacy rules and establish new regulations addressing the particular difficulties AI-driven marketing poses. These regulations ought to demand open data practices, informed permission, and hefty penalties for non-compliance. Encouragement of the acceptance of international data protection standards can also help to develop a consistent framework enhancing customer confidence all around. (Chandra, 2024).

RULES AND REGULATION

To tackle ethical issues in AI advertising, businesses and policymakers must collaborate. Companies should follow data laws like GDPR to protect privacy, adopt ethical AI rules ensuring fairness and transparency in personalization, and educate users about their data rights. These steps empower consumers and build trust in AI-driven ads. Policies for digital payments

systems may establish stringent security protocols (Alhitmi et al., 2024b) . To establish a regulatory framework capable of counterbalancing chilling effects of transparency information – in specifically privacy concerns and feelings of vulnerability and intrusiveness – it is advisable to implement rules that highlights beneficial effects of AI-driven, personalized advertising visible to consumers (Senftleben, 2022) . The goal of data privacy laws like the GDPR is to provide customers with the ability to manage their own data. Even though these regulatory frameworks have been a big improvement, there are still issues in practice (Lindholm & Metsola, 2025)

Consumers must be informed about the data being collected and how it will be used. Ensuring that consent is obtained in a clear and transparent manner is crucial for respecting consumer privacy. Protecting consumer data from breaches and unauthorized access is a critical ethical responsibility. This means offering easy-to-understand privacy policies and giving users control over their data through accessible options. To safeguard user information, prioritize strong security measures like encryption, secure storage, and regular audits to prevent unauthorized access and protect against breaches (Brooklyn et al., 2024).

Discussions and measures are taking place globally to exploit the potential benefits of AI for the benefit of humankind and society, General Data Protection Regulation, GDPR currently governs privacy and security law initially developed in the European Union and has become a model for most nations exploring (Hari et al., 2025). Adopting industry standards and ethical guidelines, such as those provided by companies like the IEEE, AI Now Institute, or national data protection authorities. These recommendations provide standards for responsible AI development and deployment. (Brooklyn et al., 2024).

The Global Partnership on Artificial Intelligence, established in 2020, aims to promote the responsible advancement and use of AI technologies, while addressing the inherent risks these technologies present (Ministry of Science, Technological Development, and Innovation, 2024). This international coalition comprises 29 member nations, including Canada, France, Germany, the United States, India, Japan, Italy, and the United Kingdom, with Serbia joining in 2022. Furthermore, the European Union implemented the Artificial Intelligence Act (AI Act) on June 14, 2023 (EU in Serbia, 2023) (Vukmirovi et al., 2025) . The European Commission's Ethical Guidelines for Trustworthy AI (2019) underlines consumer rights protection, stopping deceptive advertising, and providing equal opportunities to AI platforms. According to AI ethics research, consumer trust is elevated through adopting explainable AI (XAI) technologies,

making AI-powered advertising ethical and socially responsible (Deckker & Sumanasekara, 2025).

CONCLUSIONS

The application of artificial intelligence in terms of ethical norms provides a number of meaningful advantages, one being the diminution of the possibility that it could be used for unethical purposes. By applying this technology, organizations can leverage societal values as a reference point for determining actions that are ethically warranted (Vukmirovi et al., 2025).

The study shows that although AI poses great prospects of innovation in advertising, it also creates ethical challenges that require proactive examination. The advertising sector can leverage the power of AI while ensuring consumer trust by developing ethical standards and focusing on educating customers (G. Sharma & Lal, 2024). The use of AI technology in online advertisement leads to lower advertisement expenses as a result of improvement in delivery speed optimization, customized personalization, and accurate targeting. The application of AI algorithms for processing large databases of customers makes it easier to have personalized advertisement because of its predictive analytical capability, which personalizes ads for individual consumers (Deckker & Sumanasekara, 2025). AI marketing raises serious ethical concerns, especially regarding data privacy, customer manipulation, algorithmic bias, and poor regulatory regimes. Businesses must ensure transparency, fairness, and consumer control in a bid to avoid unethical actions regardless of the potential capability of AI to improve marketing (Chinnathurai, 2025).

In order to maintain transparency, transparency, fairness, and brand safety we must strive towards explainable algorithms, which require new types of data clustering that more accurately mirror our human conceptions of similarity. In addition to technical solutions, an understanding of how marketers effectively interact with and understand AI systems is required (Häglund & Björklund, 2024).

RECOMMENDATIONS FOR FUTURE STUDIES

The rapid growth of AI in marketing practices needs regulations regarding its ethical use. Regulations are necessary for protecting consumer rights and ensuring that businesses abide by ethical standards (Abbasoğlu et al., 2025). Content creation will flourish without any doubt with increased creativity using automation tools for advanced and refined content creation. This will provide advertisers to explore new opportunities (Gao et al., 2023).

The training and development of AI technologies provide logical explanations of their decision-making processes. This will contribute to the establishment of consumer trust and the facilitation of accountability (Soundarapandiyan & Prasanthi, 2024). Ethical implementation of AI should be given priority as technology advances, and people should be given priority over profit. AI decision making should be easily understandable by people, and it should not be a bulk of cryptic jargon. Biases should be addressed through proper training and constant audits of AI across diverse cultures, and ensure that algorithms don't overlook marginalized communities or favor certain groups (Brooklyn et al., 2024).

TABLE 11: KEY RECOMMENDATIONS FROM LITERATURE

Author	Year	Recommendations
Abbasoglu et al.,	2025	Establish stronger and more appropriate regulations to ensure the ethical use of algorithm-driven marketing practices.
Gao et al.,	2023	Take up AI for creativity and automation in promoting content creation.
Soundarapandiyan Prasanthi	2024	Invest in AI-based technologies that give clear explanations of decision-making to build consumer reassurance.
Brooklyn et al.,	2024	Prioritize ethical practices over profit-making; ensure transparency and an unbiased algorithm.
V. Sharma & Yadav	2023	Develop inclusive and fair AI systems; update IP law for AI-generated content.
Lindholm & Metsola	2025	Conducting future research on personalized AI ads to promote brand loyalty and respect ethical concerns.

The tech industry must design algorithms that are fair, unbiased and inclusive in nature. The industry should continuously work, viewing the rigorous aspects of artificial intelligence that are evolving every second. Data used to train these algorithms should represent the wide range of voices and experiences. Intellectual property laws, too, need to evolve to address the complexities of AI-generated content, protecting the rights of creators, companies, and users. (G. Sharma & Lal, 2024) . Future studies can advance academic knowledge and real-world application of AI-personalized advertising, fostering brand loyalty while honoring consumer choices and ethical issues (Lindholm & Metsola, 2025).

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