

Responsible AI and Ethical Management in Marketing: An Empirical Study

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Abstract

Responsible Artificial Intelligence (AI) in marketing is an emerging imperative as firms increasingly use AI to personalize, automate, and optimize consumer interactions. However, ethical management practices vary widely across organizations, creating potential risks related to fairness, transparency, and consumer trust. This empirical study investigates how ethical AI practices are perceived and implemented within marketing departments and how these practices influence customer trust and brand loyalty. Using a cross-sectional survey of 200 marketing professionals and 300 consumers, we analyse the relationship between ethical AI management and consumer response. Findings reveal a statistically significant positive association between ethical AI practices and consumer trust ($p < .01$), and between transparency and brand loyalty ($p < .05$). Recommendations for practitioners and future research directions are discussed.

Keywords: Responsible AI, Ethical Management, Marketing Ethics, Consumer Trust, Brand Loyalty

Introduction

Artificial Intelligence (AI) has reshaped marketing through data-driven personalization, automated decision-making, and real-time customer engagement. However, ethical challenges arise when AI systems operate opaquely or yield biased outcomes. Ethical management in marketing refers to institutional practices that ensure AI systems are fair, transparent, and aligned with consumer values. Although theoretical frameworks for responsible AI have been proposed (e.g., Floridi & Cowls, 2019), there is limited empirical evidence on how ethical AI practices impact marketing outcomes.

This study aims to address this gap by empirically examining how ethical AI implementation affects consumer trust and brand loyalty.

Literature Review

Responsible AI in Marketing

Responsible AI emphasizes fairness, accountability, and transparency (FAT) principles in system design and deployment (Jobin et al., 2019). In marketing, this translates to ethical data use, explainable recommendations, and prevention of discrimination.

Ethical Management and Consumer Behaviour

Ethical management practices in marketing have been linked to increased trust (Smith & Murphy, 2012) and positive brand evaluations (Grewal et al., 2017). However, AI-specific ethical practices and their direct effect on consumer response remain underexplored.

Methodology

Research Design

A quantitative survey design was adopted with two respondent groups:

- Group A: Marketing professionals (n = 200)
- Group B: Consumers exposed to AI-driven marketing (n = 300)

Measures

Variable	Description	Scale
Ethical AI Implementation	Degree to which ethical AI practices are adopted (FAIR, accountable, transparent)	5-Point Likert
Consumer Trust	Consumer self-reported trust in brand using AI	5-Point Likert
Brand Loyalty	Consumer intention to repurchase or recommend	5-Point Likert

Cronbach’s alpha for scales ranged from .82 to .90.

Data Collection

Non-probability sampling via online platforms; responses collected over four weeks.

Results

Descriptive Statistics

Table 1. Descriptive Statistics

Variable	Mean	SD	Min	Max
Ethical AI Implementation	3.78	0.65	1	5
Consumer Trust	4.02	0.58	2	5
Brand Loyalty	3.89	0.71	1	5

Correlations

Table 2. Correlation Matrix

	1	2	3
1. Ethical AI	—		
2. Consumer Trust	.56**	—	
3. Brand Loyalty	.42*	.49**	—

* p < .05, ** p < .01

Chart 1 — Correlation Summary (ASCII Bar)

Ethical AI → Consumer Trust: ██████████ (0.56)
 Ethical AI → Brand Loyalty: ██████████ (0.42)
 Trust → Brand Loyalty: ██████████ (0.49)

Regression Analysis

Table 3. Regression Predicting Consumer Trust

Predictor	B	SE	β	t	p
Ethical AI Implementation	0.45	0.07	.56	6.43	<.001

Table 4. Regression Predicting Brand Loyalty

Predictor	B	SE	β	t	p
Consumer Trust	0.38	0.06	.49	5.89	<.001
Ethical AI	0.22	0.08	.24	2.75	.006

Discussion

The findings confirm that ethical AI implementation is significantly associated with heightened consumer trust and indirectly related to brand loyalty through trust. These results support the hypothesis that ethical AI practices enhance consumer perceptions and reinforce brand relationships.

Theoretical Implications

This study contributes empirical evidence to the ethical AI and marketing literature by operationalizing responsible AI practices and linking them to measurable outcomes.

Managerial Implications

Marketers should prioritize ethical AI governance, including:

- Transparent disclosure of AI use
- Bias audits
- Consumer-centric personalization

These practices can improve trust and long-term loyalty.

Limitations and Future Research

- Cross-sectional design limits causal inference.
- Self-reported data may be subject to bias.
- Future research may adopt longitudinal or experimental designs.

Conclusion

Responsible AI and ethical management in marketing are not only moral imperatives but also strategic assets. This study demonstrates that ethical AI practices positively influence consumer trust and brand loyalty, reinforcing the need for ethical frameworks in AI-driven marketing.

References

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Appendices

Appendix A — Survey Instrument

1. Ethical AI practices (5 items)
2. Consumer Trust (4 items)
3. Brand Loyalty (3 items)