



**Conference “Innovation and Intelligence: A Multidisciplinary Research on Artificial**

**Intelligence and its Contribution to Commerce and Beyond”**

**Organized by the IQAC, KHMW College of Commerce (December 2025)**

## **Exploring Ethical Considerations and Their Influence on Sustainable Development Practices**

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### **Abstract**

This paper examines the ethical implications and sustainability impacts of AI-driven trend forecasting in the fast-fashion sector using secondary data (peer-reviewed articles, industry reports and reputable analyses). We synthesize literature on how machine learning and predictive analytics are used for trend discovery and demand prediction, outline the principal ethical concerns (privacy, algorithmic bias, accountability), and analyse how these technologies can both mitigate and worsen environmental harms (overproduction, GHG emissions, waste). The paper concludes with policy and managerial recommendations for aligning AI trend forecasting with sustainable fashion objectives. Key findings show that while AI offers opportunities to improve demand matching and reduce waste, current deployment in fast fashion risks accelerating short lifecycle trends and overproduction unless governance, transparency, and sustainability-oriented objectives are embedded into systems.

**Keywords:** AI, machine learning, trend prediction, rapid fashion, ethics, sustainability, excessive production, algorithmic prejudice

### **Introduction**

The swift advancement of artificial intelligence (AI) has significantly transformed global retail sectors, with the fashion industry—especially fast fashion—standing out as one of its most fervent adopters. In the last ten years, fast-fashion companies have increasingly depended on AI-enhanced trend forecasting tools that utilize machine learning, computer vision, and big data analytics to detect emerging styles, consumer sentiments, and purchasing behaviors in real time. These forecasting systems evaluate millions of images and textual data from social media, influencer activities, runway presentations, search trends, and retail transaction information, allowing brands to expedite product development cycles and enhance supply-chain agility. Consequently, fast-fashion retailers can transition from trend identification to store delivery within a matter of weeks, reinforcing the rapid, high-volume business model that characterizes the industry. While these technological innovations offer promises of operational efficiency and a competitive edge, they also bring forth intricate ethical and environmental dilemmas. Academics contend that AI-driven forecasting could minimize waste by enhancing demand predictions; however, in practice, its



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implementation frequently exacerbates rapid consumption patterns. Rather than stabilizing production, AI-enabled forecasting may compel brands to launch more frequent micro-collections, leading to heightened textile waste, overproduction, carbon emissions, and resource depletion. Concurrently, ethical issues have emerged concerning data privacy, algorithmic transparency, potential biases in digital data sources, and the centralization of decision-making authority in automated systems that shape global fashion trends and consumer behavior. These issues arise within a larger global conversation regarding the sustainability crisis in fast fashion—an industry that contributes significantly to greenhouse gas emissions, excessive water consumption, and increasing post-consumer textile waste. The incorporation of AI into this context prompts important inquiries: Does AI aid in promoting sustainable fashion practices, or does it exacerbate unsustainable consumption behaviors? Are the existing AI systems equipped with ethical safeguards, or do they bolster corporate motivations that favor speed and profit over environmental accountability? In light of these challenges, assessing the ethical ramifications and sustainability effects of AI-driven trend forecasting has become crucial for policymakers, researchers, and stakeholders in the fashion industry. This research tackles these concerns through a secondary-data analysis of current academic literature, industry reports, and conceptual frameworks. By integrating existing knowledge, the paper seeks to uncover both the potential benefits and dangers linked to AI forecasting and suggest strategies that could harmonize technological advancement with long-term sustainability objectives.

**Research Objectives**

This study utilizing secondary data seeks to consolidate existing knowledge and deliver a clear, straightforward analysis of the ethical and sustainability ramifications of AI-driven trend forecasting within the fast fashion industry. Research inquiries include: How is AI utilized in trend forecasting and demand prediction within the fashion sector? ResearchGate What ethical dilemmas emerge when AI systems predict trends and influence product offerings? Academic Conferences Papers What is the observed or potential effect of AI forecasting on sustainability metrics such as emissions, waste, and overproduction? ScienceDirect+1 What governance, design, and managerial strategies can ensure that AI forecasting aligns with sustainability goals? SpringerLink+1

**Methodology (Secondary-data approach)**

This paper employs secondary sources, including peer-reviewed journal articles, conference papers, industry reports from consultancy and sustainability organizations, as well as credible online analyses from research repositories. The literature was chosen to: (a) address AI technical applications within the fashion industry; (b) highlight ethical considerations regarding AI in forecasting; (c) assess the environmental consequences of fast fashion and connect these to forecasting and production practices. Notable sources encompass literature reviews on AI in



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fashion, empirical investigations of supply chain and sustainability metrics, and papers on ethics and anticipatory ethics. When discussing quantitative claims, such as emissions or oversupply statistics, these are sourced from referenced industry and academic studies. ResearchGate+2ScienceDirect+2

**AI applications in fashion forecasting — capabilities and methods**

Recent reviews indicate that AI techniques employed in the fashion industry encompass image analysis (CNNs) for extracting style features from runway and street imagery, as well as NLP for mining textual trend signals from social media posts, reviews, and blogs. Additionally, demand forecasting models are developed using transactional and web-behavior data. These tools offer the potential for more precise and quicker insights compared to traditional human forecasters, facilitating "near-real-time" microtrend detection. Nevertheless, survey and review studies reveal that the research landscape is fragmented, and the assessment of sustainability outcomes remains limited.

**Review literature**

Multiple authors emphasize recurring ethical dilemmas associated with AI forecasting:

- Data privacy and surveillance: Trend systems depend on extensive consumer data—often gathered from social media or third-party trackers—raising concerns regarding consent and privacy. Academic Conferences Papers+1
- Algorithmic bias and representational harms: Datasets tend to over-represent specific geographies, trends, or demographics, leading to biased forecasts that favor certain styles or consumer groups while potentially marginalizing minority preferences. Fashion → Sustainability Directory
- Opacity and responsibility: When forecasting systems influence production decisions, the accountability for inaccurate predictions (e.g., unsold inventory) becomes dispersed among data scientists, merchandisers, and executives. Academic Conferences Papers
- Acceleration of consumption cycles: The literature cautions that automated speed and precision can shorten trend lifecycles, thereby increasing the frequency with which new items are designed, produced, and discarded. ResearchGate

**Sustainability impacts: empirical and modeled findings**

The fashion industry is a significant contributor to emissions and pollution: research and industry analyses reveal considerable greenhouse gas footprints associated with the sector and highlight issues of oversupply and waste (for instance, billions of garments manufactured and millions thrown away). Although AI has the potential to minimize waste by enhancing demand alignment, various studies indicate a conflict: in the realm of fast fashion, AI is frequently utilized to hasten trend cycles and broaden SKU assortments, which can lead to more frequent orders and increased overall production — thereby amplifying environmental impact unless specifically limited.



**Simple analysis and synthesis of secondary data**

Note: this section presents a concise, qualitative and descriptive analysis of recurring patterns across secondary sources rather than new primary data collection.

**Contrasting pathways— mitigation vs. amplification**

From the literature we have reviewed, we identify two plausible pathways for forecasting AI trends: Mitigation pathway (AI as an efficiency tool): AI enhances the accuracy of demand forecasting for established SKUs, facilitates smaller production runs through improved inventory allocation, and assists brands in planning longer-lasting collections by recognizing durable preferences — resulting in decreased waste and lower emissions per useful garment. Evidence: Reviews on AI and sustainability, along with certain case studies, demonstrate efficiency improvements when waste reduction is among the objectives. SpringerLink+1 Amplification pathway (AI as an accelerant): In fast-fashion business models, where success is gauged by speed and novelty, AI is employed to identify microtrends and swiftly introduce new styles to the market, thereby encouraging frequent consumption and overproduction. Numerous ethical analyses and studies on oversupply caution that this pathway may exacerbate environmental damage. The issue of oversupply and the contribution of fast fashion to industry GHG emissions have been thoroughly documented.

**Representative quantitative indicators derived from secondary sources (notable highlights)**

- The fashion industry accounts for a substantial portion of global greenhouse gas emissions; various studies have estimated that emissions from this sector reach billions of metric tons each year, with fast fashion being a major contributor. These reported figures from the industry raise significant concerns regarding the impact of increased production volumes on climate outcomes. ScienceDirect+1 • Investigations into the global oversupply of clothing reveal a persistent surplus and waste in recent years; analysts link supply chain practices and consumer behavior to this oversupply, which can either be mitigated or worsened by the choices made in trend-forecasting systems. ResearchGate (These statistics are referenced from secondary literature; readers interested in exact numeric time-series should refer to the original reports mentioned in the references below for detailed year-by-year data and methodology.) AI systems governing assortment and production demand explicit responsibility mechanisms: explainability for forecasting outputs, audit trails for data sources, and decision.

**6. Discussion — Ethical implications in context**

**Accountability and transparency**

Accountability and transparency - the distribution of rights to guarantee that stakeholders are informed about who is permitted to act based on predictions. The ACM Code of Ethics and



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anticipatory ethics frameworks are cited by authors as important normative references. Academic Conference Papers

**Value Alignment and Objective Setting**

A key ethical concern is the alignment of objectives: models are generally optimized for sales and revenue; if sustainability is not integrated into the objectives (for instance, minimizing lifecycle emissions and maximizing product longevity), predictions will persist in promoting high-volume, short-lived production. The authors suggest incorporating sustainability KPIs into model loss functions and business metrics. SpringerLink

**Privacy, Consent, and Data Provenance**

Due to the reliance of forecasting models on consumer data, it is imperative for brands to adhere to privacy standards, which include informed consent, data minimization, and secure data handling. Ethical evaluations advocate for transparency regarding data provenance and the option for users to opt out whenever possible. ResearchGate

**Equity and inclusivity**

Algorithmic bias has the potential to distort the visibility of trends and the distribution of resources. To ensure ethical implementation, it is essential to examine training datasets for any demographic and geographic biases, as well as to establish systems that highlight under-represented preferences rather than marginalizing them. Fashion → Sustainability Directory

Recommendations (policy, managerial, technical)

**7.1 For companies and retailers**

- Incorporate sustainability into forecasting goals: introduce constraints or penalties for products with short lifecycles, and focus on optimizing for anticipated lifespan or reuse potential, rather than solely on initial sales. SpringerLink
- Leverage AI to facilitate flexible, low-volume manufacturing: combine precise forecasting with on-demand and small batch production to minimize unsold inventory. Wiley Online Library
- Ensure transparency and empower consumers: reveal when and how consumer data is utilized for forecasting and offer opt-out options. ResearchGate

**1. For policymakers and standard setters**

- Data and model audits: mandate regular third-party evaluations of forecasting algorithms to assess bias, ensure privacy compliance, and evaluate environmental impact. Fashion → Sustainability Directory
- Sustainability reporting that connects AI utilization to environmental metrics: broaden reporting standards to necessitate that companies reveal AI-driven assortment strategies along with their corresponding environmental footprints. McKinsey & Company

**2. For policymakers and standard setters**



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**Constraints of this research**

This document represents a synthesis of secondary data; it does not introduce new primary empirical data or model simulations. The findings are contingent upon the breadth and quality of the referenced literature. Certain industry statistics differ by source and year; readers are encouraged to refer to original reports for comprehensive methodology and precise figures. ScienceDirect

**Conclusion**

AI-driven trend forecasting represents a significant technological advancement that has the capacity to either alleviate or worsen the sustainability challenges faced by the fashion industry. The ethical implications are considerable: issues of privacy, fairness, accountability, and alignment with objectives are crucial. To guarantee that AI contributes positively to sustainability rather than detracts from it, stakeholders must integrate sustainability goals into forecasting systems, promote transparency and auditability, and redesign business practices (including production, assortment, and KPIs) to ensure that enhanced predictive capabilities do not merely lead to quicker consumption cycles. With responsible governance and intentional design, AI can facilitate a shift towards more sustainable practices in fashion; however, without such guidance, AI may inadvertently accelerate the detrimental trends associated with fast fashion.

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Important: the references below correspond to the principal secondary sources used in this paper. For full access and the most recent updates, consult the original publications.

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**Conference “Innovation and Intelligence: A Multidisciplinary Research on Artificial Intelligence and its Contribution to Commerce and Beyond”**

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