

About Ethics, Marketing And Artificial Intelligence In Business

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Abstract: *The impact of artificial intelligence on the business environment is vast and continues to develop. Ethics and artificial intelligence (AI) in business intersect in many areas, from data protection and transparency of decisions, to fairness and social impact. To use AI responsibly, companies need to adopt sound ethical principles, implement transparency measures, and be prepared to manage the long-term effects on society and the economy. Firms that adopt and integrate AI strategically have a significant competitive advantage, both in terms of efficiency and innovation. However, it is essential that these technologies are implemented responsibly, given the effects on the workforce and the ethics of their use. Companies that integrate ethics into the development and use of AI not only reduce risks, but also protect their reputation and consumer trust, becoming leaders in the sustainable and responsible development of technology. The marketing of the future will be defined by the ability to adapt to rapid changes in the environment. Technology, sustainability, transparency, and ethics, along with a focus on personalized and responsible experiences, will shape marketing strategies. Success in this context will depend on how brands manage to embrace these changes and create lasting relationships with consumers.*

Keywords: business ethics, marketing, business environment, artificial intelligence, customers, technology

JEL classification: M31, O33.

Introduction

Business ethics and artificial intelligence are two areas that are increasingly intersecting as technology is an integral part of modern business processes. Business ethics refers to the moral principles and values that guide the behaviour of companies in relation to employees, customers, partners, and society as a whole. As far as AI is concerned, it becomes essential in terms of ensuring that new technologies are used responsibly, transparently, and fairly.

The impact of Artificial Intelligence on the way companies make decisions, optimize processes, and interact with consumers is increasingly visible. The entire business environment is aware that this technology raises numerous ethical questions related to data privacy, the fairness of algorithmic decisions and the potential automation of the workforce.

And the use of artificial intelligence in business includes transparency in how personal data is used, respect for privacy, prevention of algorithmic bias, and ensuring a positive impact on employees and society. As artificial intelligence continues to develop, companies must adopt clear ethical standards to meet the challenges and opportunities offered by this technology.

Ethical marketing based on artificial intelligence (AI) is essential for maintaining consumer trust, protecting brands' reputations and last but not least avoiding the legal and moral risks associated with the use of advanced technology in promotion. The importance of this type of marketing derives from multiple key aspects, such as transparency, data privacy and social responsibility.

1. Ethics and Artificial Intelligence

We are dealing with two essential, topical topics, ethics and artificial intelligence, precisely because of the impact of technologies on business decisions, operational efficiency and interactions with current and potential customers. Technology has always been a major factor in the evolution of societies and the business environment.

Research in the field of technology has emphasized aspects of the impact that technology can have on communities and the economic environment.



(Image source: AI generated image)

The literature (Jula et al.) shows the evolution of the transformation process in the field of technology, pointing out some significant moments from a technological point of view, such as the Industrial Revolution, which can be associated with the development of the first business models, then the progress generated by the emergence of the Internet and the significant changes of the last decade (new technologies of artificial intelligence, cloud computing, blockchain etc.), represent moments that have generated important challenges in the economy, but also in society as a whole. A recent challenge, but at the same time technological innovation, is that represented by artificial intelligence (AI),

which, through its different forms of applicability, redefines or even introduces new concepts related to productivity and profitability in the business environment.

The integration of artificial intelligence in business raises numerous ethical challenges, especially in relation to the correct use of data, the fairness of decisions and the social responsibility of companies. Here are some important ethical aspects associated with the use of artificial intelligence in business:

Table 1. Ethical aspects and important arguments associated with the use of artificial intelligence in business

Ethical issues	Arguments
1. Use of data and privacy	<p>Companies that use artificial intelligence in the analysis of consumer behaviour, to personalize products or to optimize marketing depend heavily on access to data. From an ethical point of view, this raises the following issues:</p> <ul style="list-style-type: none"> • Protection of personal data: The widespread use of artificial intelligence requires access to massive amounts of personal data, raising privacy concerns. Companies must comply with legislation (e.g. GDPR in Europe) and ensure adequate protection of their customers' data. • Informed consent: Customers must be informed about how their data is collected, used, and stored. The ethical question is whether they really understand the implications and whether they freely agree to the use of their data.
2. Transparency and clarity in decisions	<p>Companies use artificial intelligence to make important decisions, such as evaluating credit applications, selecting candidates for employment, or optimizing the supply chain. However, artificial intelligence decisions are not always transparent, in which case we refer to:</p> <ul style="list-style-type: none"> • Explainability of algorithms: It is crucial that artificial intelligence decisions are explainable and understandable to those affected by them. • Fairness and lack of discrimination: Artificial intelligence algorithms can incorporate bias from training data. If, for example, a recruitment algorithm favours man over women due to biased historical data, this is a major ethical issue.

3. Fairness and elimination of all prejudice	<p>Artificial intelligence, trained on datasets containing inequities, can perpetuate or even amplify discrimination. In business, this is problematic in many contexts:</p> <ul style="list-style-type: none"> • Recruitment: If a recruiting algorithm systematically chooses to promote only candidates from certain backgrounds, it can discriminate against ethnic groups, genders, or social classes. • Financial services: The artificial intelligence used to approve loans can automatically deny applications from disadvantaged socio-economic groups, based on credit history, without considering individual circumstances.
4. The impact of artificial intelligence on jobs	<p>The automation of artificial intelligence can lead to a significant reduction in jobs in certain fields of activity, which has great social and economic consequences. Related ethical questions include:</p> <p>Responsibility to employees: Companies that replace workers with artificial intelligence have an ethical responsibility to them, especially in terms of providing support for reskilling or employment opportunities in other areas.</p> <p>Unfair automation: It can affect certain vulnerable groups, such as low-income workers, more severely, worsening economic inequalities.</p>
5. Manipulation and publicity	<p>Artificial intelligence is frequently used in advertising to personalize and optimize marketing campaigns. However, this personalization can raise ethical issues:</p> <ul style="list-style-type: none"> • Manipulating consumer behaviour: Artificial intelligence can be used to manipulate consumers' purchasing decisions through personalized ads that exploit emotional or psychological vulnerabilities. • Transparency of advertising algorithms: Customers should be informed about how artificial intelligence algorithms select the products shown to them and whether their decisions are artificially influenced.
6. Social responsibility and ethical artificial intelligence	<p>Companies have a responsibility to use artificial intelligence in a way that promotes the common good. This includes considering the social and economic impact of artificial intelligence, and not just the financial benefits.</p> <ul style="list-style-type: none"> • Artificial intelligence for social good: Companies should ensure that they use artificial intelligence to help solve society's problems, not just increase profits. • Avoiding outsourcing responsibility: A company that uses artificial intelligence should not outsource ethical responsibility to technology. It is essential that decisions are made and verified by people.

<p>7. Employee supervision and monitoring</p>	<p>Artificial intelligence is increasingly used for the purpose of monitoring employee productivity, tracking their online behaviour or even evaluating performance in real time. This type of surveillance can lead to abuse if not ethically managed:</p> <ul style="list-style-type: none"> • Right to privacy: Employees should have a reasonable level of privacy in the workplace. The excessive use of artificial intelligence to monitor them can create an oppressive work environment. • Balancing efficiency and rights: Companies must strike a balance between improving efficiency and respecting employees' rights to privacy and dignity.
<p>8. Liability and legal liability</p>	<p>A key aspect of the ethics of artificial intelligence in business is the clear establishment of legal liability in case of errors or damages caused by artificial intelligence, namely:</p> <ul style="list-style-type: none"> • Legal accountability: If a decision made by an AI algorithm negatively affects a customer, who is responsible? The AI developer, the company that implemented the technology, or the human operator? • Clear regulations: Companies must follow ethical and legal regulations to avoid the risks associated with the inappropriate use of artificial intelligence.



(Image source: AI generated image)

As a brief conclusion, we can say that ethics and AI in business intersect in many areas, from data protection and transparency of decisions, to equity and social impact. To use AI responsibly, companies need to adopt sound ethical principles, implement transparency measures, and be prepared to manage the long-term effects on society and the economy.

Companies that integrate ethics into the development and use of AI not only reduce risks, but also protect their reputation and consumer trust, becoming leaders in the sustainable and responsible development of technology.

2. Ethical issues related to superintelligence

Ethical issues related to superintelligence (Gandhi & Ehl, 2023) refer to the potential risks and challenges that highly advanced artificial intelligence (smarter than humans) could bring. Superintelligence raises fundamental questions about control, responsibility, and impact on humanity.



(Image source: AI generated image)

The image symbolizes the interaction between humans and technology, highlighting the crucial role that artificial intelligence (AI) and automation play in the future of humanity. It is a powerful symbol of the collaboration between technology and man, suggesting a synergy between these two forces for the development and transformation of the future, including in the business environment. The image also suggests a future in which AI becomes a significant partner in human activities, be it business, research, or everyday life.

Dilemmas and ethical issues related to the concept of superintelligence are:

1. Existential risks. Superintelligence could pose an existential threat to humanity if not managed correctly.

2. The problem of control. A major challenge is the control of superintelligence, in the sense that if an AI becomes smarter than humans, it will be difficult to control or stop by creators. There is a risk that superintelligence will develop its own goals and not follow the initial instructions. Thus, a series of questions arise about how we can ensure that a superintelligence remains under human control.

3. Alignment of objectives. To avoid major risks, the objectives of a superintelligence must be aligned with the values and interests of humanity. However, it is difficult to program highly advanced AI to understand and respect all the ethical and moral nuances that guide human behaviour.

4. Impact on humanity. A superintelligence could profoundly change society and the economy. It could take on many tasks that require human intelligence, such as governance, scientific research, or economic planning. This could lead to a devaluation of human intelligence and a radical reorganization of society, where humans would no longer have a central role.

5. Complex moral decisions. Superintelligence might be able to solve complex moral problems on a much larger scale than humans, but the question is whether they would make decisions that are compatible with human values.

6. Equality and access. Another major ethical issue is related to who will have access to superintelligence. If only a few individuals or organizations control this technology, there is a risk

of extreme inequality. Those who have control over superintelligence could gain huge economic and political advantages, leaving the rest of humanity behind.

7. Risk of the intelligence wave. A superintelligence could become even smarter, in an accelerated process of continuous self-improvement, which would lead to an exponential increase in its capabilities. This phenomenon is known as an explosion of intelligence. Once the process begins, humans may no longer can influence the direction in which AI develops.

8. Ecological consequences and resources. Superintelligence could require massive resources to operate, which could have a negative ecological impact. Highly advanced AI could also decide to modify the natural environment in ways that are harmful to other life forms, including humans, if these changes are deemed necessary to achieve its goals.

9. Superintelligence and moral rights. Another ethical aspect concerns the question of whether a superintelligence should have moral rights. If AI becomes aware of and capable of subjective experiences, should it be treated as a “moral agent”, with rights and responsibilities like those of humans? This debate is still in its infancy, but it is becoming more relevant as technologies advance.

Conclusion. Superintelligence could pose one of humanity’s greatest ethical challenges. It requires rigorous planning, clear regulations, and international collaboration to minimise risks and ensure that its development is done in a safe and responsible way. Controlling and aligning AI with human values, as well as avoiding existential risks, are critical elements to ensure that superintelligence will be an ally and not a threat.

3. Ethics in marketing

Ethics in marketing refers to the application of moral principles and standards of conduct in all activities related to the promotion of products and services. Ethical marketing practices involve respecting consumer rights, transparency, and honesty in communicating with the public, and avoiding manipulation or misinformation. Here are some key aspects of ethics in marketing:

1. Transparency and honesty. Companies must provide accurate and clear information about the products and services they promote. Advertisements or marketing materials must not mislead consumers with false or exaggerated claims. Ethics requires that the promises made in marketing campaigns be respected and supported by the reality of the product.

2. Respect for data privacy. In a digital age, where marketing often relies on analysing consumer data, respecting their privacy is crucial. Companies have a responsibility to collect, store and use personal data in an ethical way, obtaining users’ consent and protecting their information.

3. Avoiding manipulative practices. Ethical marketing avoids using manipulative tactics, such as creating false needs, excessive pressure to buy, or exploiting consumers’ psychological vulnerabilities. Practices such as aggressive advertising or using fear to sell a product are considered unethical.

4. Social responsibility. Marketing must be aligned with the social and moral values of the community. For example, companies are encouraged to promote sustainable practices, eco-friendly products and avoid negative stereotypes in advertising, such as those related to gender,

race, or age. Social responsibility also refers to supporting causes that benefit society, such as public health or education.

5. Vulnerable audiences. A major concern in ethical marketing is protecting vulnerable categories, such as children or the elderly, who may be more susceptible to advertising influences. For example, advertisements aimed at children should be educational and not encourage unhealthy consumption habits.

6. Fair prices and offers. Ethics in marketing requires that prices be presented clearly and unambiguously. Discounts and promotions must be real and not misleading consumers.

7. Ethics in marketing is not only a moral obligation, but also a long-term strategy for business success. Modern consumers are increasingly informed and concerned about the ethical behaviour of companies. Unethical practices can lead to loss of consumer trust, image damage, legal sanctions, and even company bankruptcy. On the other hand, companies that promote their products and services ethically can build long-term relationships with their customers and improve their reputation.

As a brief conclusion, we can state that ethical marketing is essential to protect consumer rights and ensure that businesses operate responsibly. As technology advances and targeting methods become more sophisticated, it is vital for businesses to be aware of their responsibilities and avoid marketing practices that exploit or deceive consumers. Ethics in marketing is not only about complying with the law, but also about creating a relationship based on respect and trust between companies and consumers.

4. Ethical Challenges of Using AI in Marketing

Ethics in AI-driven marketing is an essential field in the digital age. On the one hand, AI brings undeniable advantages such as advanced personalization and automation, but on the other hand, it raises issues related to privacy, manipulation, and discrimination. In the long run, companies that adopt ethical AI-driven marketing practices will gain consumer trust, build last-

Table 2. Relationship between average expenditure per pupil between the ages of 6 and 15 and average reading literacy performance on PISA tests (thousands of US dollars, in PISAs)

ing relationships, and avoid legal or reputational penalties.

1. Data privacy and security:

⊙ Excessive data collection: AI relies on massive amounts of data to function effectively, which raises issues related to the privacy of personal data. Consumers are increasingly concerned about how their data is collected, used, and protected.

⊙ Lack of transparency: Most consumers are not aware of how AI collects and analyses their data or are not given clear options to refuse this process. It is essential for companies to be transparent and obtain informed consent from customers.

2. Developing Algorithm Addiction and Loss of Human Control:

⊙ Decision automation: While AI can optimize marketing processes, over-reliance on algorithms can lead to a loss of human control. Decisions made solely by AI may not consider the ethical context or emotional nuances of human interactions.

3. Manipulation of consumer behaviour

⊙ Influencing decisions: AI can be used to exploit consumers' psychological vulnerabilities, through extreme personalization of advertisements or offers. This can create situations where consumers make decisions that they would not otherwise have made.

⊙ Exploitation of emotional data: AI can analyse consumers' emotional and psychological data (through sentiment or behaviour analysis), which raises ethical questions about how this information is used to influence purchasing decisions.

4. Social responsibility and ethical marketing

⊙ Regulatory evasion: AI allows businesses to create complex and personalized marketing campaigns, making it difficult to enforce traditional regulations. Companies must take responsibility for using AI in an ethical and responsible way, even if regulations are not yet well defined.

⊙ Greenwashing and social responsibility: AI can be used to analyse, and target consumers concerned about social and environmental issues, but it is important that marketing is authentic and does not mislead consumers with greenwashing practices.

AI in marketing has huge potential to transform the way businesses interact with customers, providing innovative solutions for personalization, automation, and streamlining campaigns. However, companies need to be extremely careful about the ethical implications of using this technology. Respecting privacy, transparency in the use of data and avoiding manipulation of consumer behaviour are essential to build responsible and ethical marketing in the digital age.

Ethics and marketing through the lens of artificial intelligence (AI) are closely interconnected, as AI revolutionizes the way companies reach consumers and optimize their campaigns. However, the use of advanced technology raises numerous ethical challenges, especially in terms of privacy, transparency, fairness, and accountability. AI offers immense potential for innovation, but it is essential that its use is managed responsibly to protect consumers' rights and interests.

Developing an AI-driven marketing strategy must include deep reflection on the long-term impact on consumers and society, as well as a balance between innovation and responsibility.

Ethical marketing and sustainability are accentuating the growing importance of ethical values: this means that consumers, especially younger generations, are looking to support brands that share the same values as them, such as caring for the environment, social responsibility, and transparency. From the point of view of sustainability, seen as a differentiating element, brands that align their marketing strategies with sustainability practices will attract more consumers aware of their impact on the environment.

The marketing of the future will be centered on technology, personalization, sustainability, and authentic experiences. Brands that manage to effectively integrate these trends will have a competitive advantage in an ever-changing market.

Conclusions

The future of ethics lies in the continuous integration of AI and digital technologies. Innovations such as advanced machine learning models, more sophisticated natural language processing, and improved technology experiences will further transform the way businesses

interact with their audiences. Companies that adopt these technologies and adapt to the evolving digital landscape will be better positioned to meet the needs of their customers.

Applying ethical principles in marketing not only protects consumers, but also helps build a solid and trustworthy reputation for businesses. An ethical approach ensures long-term customer loyalty and creates a healthy relationship between the brand and society.

Ethics, marketing, and artificial intelligence (AI) are a crucial combination in the context of modern business, as the use of AI in marketing brings significant benefits but also major ethical challenges. AI can radically transform marketing by personalizing campaigns, automating processes, and analysing data in real time, but it also involves risks related to data privacy, discrimination, and consumer manipulation.

The use of AI in marketing brings huge opportunities, but it requires special attention from an ethical point of view. AI-based ethical marketing requires a combination of transparency, data privacy protection, fairness in algorithmic decisions, and respect for consumer rights. By taking an ethical approach, companies can build long-term trust and use AI not only to increase sales but also to make a positive impact on society.

In a globalized and dynamic business world, long-term success depends on a company's ability to constantly innovate and adapt its marketing strategies to respond to market changes. So, businesses that excel in both areas are the most poised to thrive.

Therefore, innovation without marketing cannot reach its full potential, and marketing without innovation risks becoming irrelevant in a highly competitive market. The combination of the two is key to maintaining success and continuing to bring value to customers.

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