



2024 Ethical Marketing Survey: Expectations and Concerns in the Face of Modern Marketing A new national report from Washington State University reveals American expectations, skepticism and confidence in current Al-driven marketing practices.

PULLMAN, Wash. – Washington State University's Carson College of Business released a <u>new report</u> featuring insights into Americans' perceptions of AI, mis- and disinformation and ethical and influencer marketing practices in corporations across the country.

One of the top findings in the report reveals a majority of Americans (75%) believe businesses committed to ethical marketing practices are more likely to be successful in the long term. However, more than half of Americans (69%) think businesses market *as ethically* or *less ethically* than they did five years ago (38% the same, 31% less ethically).

"As AI technologies continue to evolve and become more widely adopted across industries, it's crucial for marketers to gauge how their audiences perceive these tools," said Andrew Perkins, professor of marketing at the WSU Carson College of Business. "While AI offers exciting possibilities for personalization and efficiency, businesses must be mindful of potential consumer hesitations. By understanding and addressing these perceptions early, companies can leverage AI responsibly and effectively, avoiding pitfalls that arise from overlooking customer concerns."

The Carson College report, conducted in collaboration with KRC Research, examines insights into American adults' perceptions of ethical marketing and other topics, including AI use, mis- and disinformation, brand activism and more.

Key findings include:

Honesty and transparency drive consumer expectations of what they view as "ethical marketing," with expectations falling on corporations to ensure accuracy.

- When asked to explain "ethical marketing" in their own words, 48% of Americans associated the
 concept with truthful, transparent and upfront messaging, while 19% focused on inclusivity and
 unbiased marketing, and 13% prioritized responsibility and professionalism in marketing. Only
 4% of Americans mentioned sustainability.
- 64% believe marketers bear the primary responsibility for ensuring accurate advertising, compared to 11% who assign most or all responsibility to consumers for assessing the accuracy themselves.

Most Americans are worried about AI in marketing and its potential to mislead and hurt consumers.

- Just 37% of Americans are generally comfortable with marketers using Al.
- 94% are worried about some aspects of AI in marketing. Their primary concerns about AI in marketing include misleading or deceptive AI-generated content (39%), job loss due to AI replacing human roles (34%), privacy violations and data misuse (32%).
- 47% of Americans said they are most uncomfortable with AI being used to dynamically change the price of products or services.





Americans are skeptical about Al's place in marketing: Despite concerns, most Americans believe marketers are already using Al in some form. Encountering Al-generated marketing rarely leaves people with a more favorable view of the brand.

- 90% of Americans think AI is currently being used by marketers in some way, including generating media or content (69%), operating chatbots or virtual assistants (52%) and analyzing customer data (47%).
- 44% report having encountered Al-generated marketing content, with 42% saying the interaction had a negative effect on their perception of the brand. Only 19% said it left them with more positive feelings. Alternatively, 42% of Americans report they *aren't sure* if they have ever encountered Al-generated content.

Many Americans are not confident in their ability to identify mis- and disinformation online, with massive gaps in confidence between the generations.

- Just one in six Baby Boomers are confident they could identify mis- or disinformation.
- Most Americans (69%) are at least *somewhat confident* in their ability to differentiate between the concepts of "misinformation" and "disinformation." Slightly more than half (57%) feel confident, while only 23% report feeling very confident.
- About half (53%) say traditional media sources are more trustworthy than social media at
 providing accurate information. In fact, 74% of people think social media companies should
 regulate online content to prevent the spread of false or misleading information, while 63% say
 governments should relegate online content to do the same.

Americans expect companies to disclosure AI use in their marketing materials and don't believe current regulations are sufficient.

- More than three out of four Americans (76%) agree it is important for companies to disclose their marketing and advertising efforts use AI tools or systems. More than half (53%) *strongly agree*.
- Only 28% think current government regulations are sufficient regarding the use of AI in marketing.

Americans are broadly uncomfortable with the use of AI within politics.

- Almost three quarters of Americans (71%) think mis- and disinformation has significantly influenced recent political elections. Nearly half (45%) are comfortable with Al-generated content being used in educational content and entertainment, while 22% are comfortable with Al-generated content in political campaigns and messaging. Most (57%) are uncomfortable with Al-generated content in political campaigns and messaging.
- About half (49%) are uncomfortable with AI-generated content in "personal contexts" such as for face-swapping apps.

Read the full report <u>here</u>.





About the Survey

The survey was conducted online from Oct. 7-18, 2024, among 1,000 American adults aged 18 years or older. The survey sample is demographically representative of the U.S. population on age, gender, geographic region, race and ethnicity and education; U.S. Census data are used as targets for data weighting on these variables.

About the Carson College of Business

The WSU Carson College of Business is accredited across all business disciplines at the baccalaureate, master's and doctoral levels by the Association to Advance Collegiate Schools of Business. Faculty across disciplines produce scholarly and applied research at the main campus in Pullman and at Vancouver, Everett and Tri-Cities locations and Global Campus. International activities include academic centers in China and Switzerland and thriving partnerships with several schools around the globe. Innovative, online programs supplement face-to-face offerings.

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