Revealing the Machine Behind the Message

The Impact of AI Disclosure and Consumers' Attitude Toward AI on Consumer Decision-Making in Digital Advertising

Student Name: Leonie Julia Dildey
Student Number: 743185

Supervisor: Dr. Aviv Barnoy

Master Media Studies - Media & Business
Erasmus School of History, Culture and Communication
Erasmus University Rotterdam

Master's Thesis
June 2025

Word Count: 19,046

REVEALING THE MACHINE BEHIND THE MESSAGE

ABSTRACT

As artificial intelligence becomes increasingly embedded in advertising workflows, particularly through the advancement of generative tools, questions arise about how consumers perceive and respond to AI-generated advertisements, especially when AI involvement is disclosed. While legislative efforts, such as the EU AI Act and California AI Transparency Act, aim to enhance transparency, limited empirical evidence exists on how consumers interpret such disclosures and how this affects decision-making. Existing research on advertising disclosures presents inconsistent findings, with some studies suggesting transparency builds trust, while others report it can induce skepticism. This study addresses this gap by investigating how different AI disclosure formats (explicit, implicit, none) affect consumer decision-making, and how these effects are moderated by consumers' pre-existing attitudes toward AI. The research is grounded in the Persuasion Knowledge Model (PKM), which posits that consumers activate their persuasion knowledge when they recognize persuasive intent, potentially influencing their responses. To explore these dynamics, a quantitative between-subjects experiment (N = 138) was conducted utilizing a fictional AI-generated shampoo advertisement that was disclosed in three distinct formats. Brand trust served as a mediator, while consumers' general attitude toward AI functioned as a moderator, employing validated scales. The results revealed that AI disclosure, whether explicit or implicit, did not significantly influence purchase intention or brand trust. However, a mediation analysis demonstrated that brand trust significantly mediated the relationship between AI disclosure and purchase intention, suggesting that trust acts as a key determinant of consumers' behavioral intentions in this context. Moreover, attitude toward AI did not significantly moderate this relationship, indicating that general attitudes toward AI may be too broad to capture the nuances of the perception of AI in advertising. These findings offer both theoretical and practical implications. Theoretically, this study extends the PKM to AI-generated content and highlights the central role of brand trust in persuasive digital advertising. Practically, the results indicate that advertisers can integrate AI into their workflows without risking consumer backlash, provided that trust is maintained. For policymakers, the findings underscore the need for clearer regulatory frameworks on AI disclosure.

KEYWORDS: *Artificial Intelligence, Disclosure, Brand Trust, Purchase Intention, Consumer Attitudes, Persuasion Knowledge*

Table of Contents

Preface

For Mia, who's both my biggest cheerleader and sharpest humbler, always knowing when to lift me up and when to challenge me to do better.

For my parents, whose unwavering trust allowed me to explore freely, make my own choices, and always feel their support behind me.

For my friends from home, Lilly, Jan, Lea, Pauli, and Malin, who I don't see as often as I'd like, but who are always there, constant anchors no matter the distance.

For my friends from a home away from home, Sanya, Clara, Giulia, and Virginia, whom I didn't know a year ago, but now can't imagine life without.

And for my roomies, Emily, Cristina, and Emma, who make the place I live feel like home and filled with love.

Acknowledgements

The inspiration for this thesis stemmed from my deep interest in the intersection of technology, communication, and society – particularly how emerging technologies like AI are reshaping the way we interact with brands and media. Throughout the research and writing process, I've had the opportunity to dive deep into a topic that I believe will grow in importance in the years to come and I am very grateful for the journey this project has taken me on.

I would also like to express my sincere thanks to my supervisor, Aviv Barnoy, whose constructive feedback and analytical perspective have been invaluable to me. Your guidance not only helped me to improve the structure and depth of this thesis but also gave me the confidence to trust my own academic voice. I'm especially thankful for your responsiveness and support throughout every phase of this thesis.

I would also like to extend my heartfelt thanks to all professors whose courses and feedback have shaped my academic development over the past year. The discussions, lectures, and assignments have left a lasting impression on how I think and work. This program helped me grow in ways I could not have anticipated, and I will carry these learnings with me moving forward. This thesis has taught me a lot, and I am proud of the result.

1. Introduction

Advertising plays a central role in shaping consumer perceptions, attitudes, and behaviors in a media-saturated world. With an annual growth of 7.7%, global advertising revenue reached over 1 trillion U.S. dollars in 2024 and is expected to surpass 1.1 trillion U.S. dollars in 2025 (Navarro, 2025, section 1). Involving publicly and widely disseminating a message via a specific form of media, at a defined cost, fulfilling a particular purpose or need (Chen, 2024, p. 31), advertising is both a strategic tool for persuasion and a reflection of cultural and technological shifts. As artificial intelligence (AI) becomes increasingly integrated into the creative industries (Jain et al., 2023, p. 676), the advertising sector stands at the forefront of this transformation.

One of the most prominent players embracing this shift is .monks, a global digital-first creative agency recognized for its innovative use of AI. Through its own system, the agency exemplifies the integration of AI across the entire advertising production process (Monks, n.d.-a). For instance, the 'From Dreams to Reality' campaign for Hatch was entirely created leveraging AI, including concept development, voiceover, and postproduction (Monks, n.d.-b). As agencies such as .monks increasingly employ AI into the core of their creative output, concerns emerge about the transparency of such content, particularly as consumers may be unaware that they are engaging with AI-generated content (AIGC). Additionally, AIGC advances rapidly as recent developments in generative models, such as DALL-E 3 and Sora, present enhanced content generation capabilities (Xu, 2024, p. 1), whereas consumers increasingly struggle to distinguish human- and AI-generated content (Kamath & Alur, 2024, p. 2).

As these practices become more widespread (Jain et al., 2023, p. 676), questions unfold on how consumers perceive AI-generated advertisements, especially when the utilization of AI is disclosed. While AI offers improved efficiency and effectiveness of advertising campaigns (Chen, 2024, p. 31), its growing role in shaping persuasive content raises ethical concerns that this study seeks to explore.

1.1 Context and rationale

Disclosing the involvement of AI in advertisements introduces new questions about how such transparency impacts consumer perceptions in an increasingly AI-driven advertising industry. AI is reshaping the advertising landscape by enabling creation, personalization, targeting, and optimization of advertisements (Gao et al., 2023, p. 1). Legislative frameworks are growingly emphasizing the importance of transparency in this context. For instance, the upcoming California AI Transparency Act and the European Union Artificial Intelligence Act (EU AI Act) aim to regulate AI in public-facing content and mandate the disclosure of AI involvement in advertising to foster ethical communication and

enhance public trust (Becker, 2024, para. 2; European Commission, 2024, section 1f; Gunderson Dettmer, 2024, para. 4).

Research indicates that AI disclosures in advertisements may influence consumer decision-making through affecting trust, perceived transparency, and emotional responses (Gu et al., 2024, p. 2232; Weismueller et al., 2020, p. 167). Moreover, consumer attitudes toward AI may significantly shape their responses to AI disclosures. This study investigates the impact of AI disclosure in advertisements on consumer decision-making and examines the moderating role of pre-existing attitudes toward AI. It aims to provide insights for advertisers, consumers, and policymakers on how AI disclosures shape consumer decision-making.

1.2 Societal relevance

The increasing utilization of AI in advertising raises societal concerns about transparency and ethical communication. Transparency is crucial to educate consumers about the advertisement's origin, as AI-generated content may influence purchasing behavior and trust differently from human-created advertisements (Arango et al., 2023, pp. 498f). The societal relevance of transparent AI employment is underscored by recent regulatory measures in both the U.S. and EU. By mandating disclosures (Becker, 2024, para. 1f), these frameworks aim to accommodate the growing demand for transforming 'black box' AI systems into more transparent 'glass box' models to foster ethical and trustworthy AI (Franzoni, 2023, p. 118). Addressing consumer demands for transparency, this research aims to explore AI disclosure in advertisements and its influence on consumer decision-making. The results might have an impact on how businesses can ethically and effectively disclose AI involvement.

1.3 Academic relevance

Despite the increasing integration of AI in advertising (Arango et al., 2023, p. 487), there is limited research on how AI disclosure affects consumer decision-making. Furthermore, due to the rapid pace of advancement of AI (Chen, 2024, p. 31), continuous research is necessary to investigate, understand, and keep up with its evolving capabilities and implications. Given that consumers engage with AI's applications across various platforms and touchpoints, it is critical to examine how such interactions influence consumer behavior and its dimensions, including "personality, attitude, engagement, decision-making, and trust" (Jain et al., 2023, p. 676). Existing studies recognize that transparent communication of brands fosters brand trust and influences behavioral intentions (Yang & Battocchio, 2020, p. 1185), yet findings on advertisement disclosure effects remain inconsistent. Some research indicates that

disclosure enhances trust (Yang & Battocchio, 2020, p. 1187), while others suggest that it triggers skepticism (Evans et al., 2017, p. 141). This inconsistency underscores the need for a deeper examination of how AI disclosure affects consumer decision-making. Recent studies of disclosing advertisements focus on traditional advertising or influencer disclosures (Evans et al., 2017, p. 138), leaving a gap in understanding how disclosing AI-generated advertisements affects consumers. Addressing this gap will enrich academic knowledge on the interplay between AI disclosure, consumer attitudes, and decision-making in digital advertising. By bringing forth the following research questions, this research aims to generate insights that benefit academia, industry, and society:

RQ1. To what extent does the disclosure of AI-generated advertisements influence consumer decision-making?

RQ2. How is this relationship affected by pre-existing attitudes toward AI?

To scrutinize these dynamics, this study draws on the Persuasion Knowledge Model (PKM), which posits that consumers develop knowledge about advertisement tactics over time and effectively cope with these, affecting their responses to advertising attempts (Friestad & Wright, 1994, p. 2-3). This research conceptually distinguishes related constructs that may interact with persuasion knowledge, such as transparency, in the form of AI disclosures, and brand trust, as an outcome of transparent, persuasive communication. While related, transparency and persuasion knowledge serve different functions: transparency is a communication strategy, whereas persuasion knowledge is a consumer's awareness of and ability to critically evaluate advertising efforts. In the context of AI-generated advertisements, AI disclosures provide transparency and may act as a cue activating consumers' persuasion knowledge, therefore shaping how consumers perceive the advertisement and the brand behind it. PKM offers a useful lens to understand how disclosing AI involvement in advertisements influences consumer decision-making, yet research is limited on how distinct AI disclosures are perceived, especially across differing attitudes toward AI of consumers.

1.4 Outline of chapters

This study is structured into five chapters. The second chapter introduces the theoretical framework, drawing from the PKM and reviewing literature on AI disclosure in advertising, brand trust, purchase intention, and attitude toward AI. While explaining the relationship between disclosure of AI and purchase intention, this chapter will investigate how brand trust mediates this relationship and how consumers' pre-existing attitudes toward AI moderate it. Chapter three describes the methodology, including the research design, sample and sampling strategy, description of stimuli and procedure,

operationalization of variables, data analysis, validity and reliability, and ethical considerations. Subsequently, the fourth chapter presents empirical results, outlining the findings of the hypothesis testing after data analysis. Chapter five provides a critical discussion of the findings, their theoretical, managerial, and societal implications, as well as the study's limitations and suggestions for future research. Finally, this study concludes by summarizing key insights and addressing the research questions.

2. Theoretical framework

This section provides the foundation for the current research by presenting and evaluating relevant theories, concepts, and previous empirical research on the subject that inform the research questions. It aims to position this study within existing literature on AI-generated content, advertising effectiveness, and consumer decision-making. By drawing on the Persuasion Knowledge Model (PKM) and synthesizing empirical findings on AI disclosures, brand trust, purchase intention, and attitude toward AI, the framework introduces the conceptual model and hypotheses guiding the research.

2.1 Artificial intelligence in the advertising industry

Artificial intelligence is transforming the advertising sector by automating and accelerating the creation of advertisements, enhancing personalization, and optimizing efficiency (Gao et al., 2023, p. 1). Traditional marketing strategies are no longer sufficient for capturing the complexity of modern consumer behavior. In response, companies are increasingly adopting AI-driven approaches to better address consumer needs (Jain et al., 2023, p. 676). AI's capacity to process vast amounts of data and forecast consumer behavior has improved the efficiency and effectiveness of advertising campaigns, ultimately resulting in increased returns on investment (ROI) (Chen, 2024, p. 31). This makes AI-generated content highly effective and efficient for media and marketing professionals (Wortel et al., 2024, p. 548). Generative AI (GenAI) is an emerging technology in advertising, with leading firms such as Google and Meta providing prompt-driven ad creation tools aimed at enhancing performance. Gen AI enables the efficient and cost-effective production of ad copy, video, and visual assets and is expected to revolutionize the advertising industry (Campbell et al., 2022, p. 22; Deck, 2023, para. 7, 10). Integrating AIGC in advertising not only improves efficiency but provides personalized and intelligent experiences for consumers, offering new possibilities for companies in advertising and emotional communication (Huang & Shen, 2024, p. 1f).

In general, the advertising process can be divided into four main aspects: market positioning, creation, evaluation, and feedback (Qin & Jiang, 2019, p. 338). AI as an advanced technology has the ability to improve each of these phases. Notably, the creative outcome is the element that directly interacts with the consumer, whereas the other stages usually occur internally within organizations, retaining less transparent and visible to consumers (Gu et al., 2024, p. 2218). Thus, this study concentrates on the visual features of AI-generated advertisements, particularly emphasizing the creative outcome-stage.

Additional to its ability to enhance efficiency, Du et al. (2023, p. 121) reported that AIGC is able to influence consumers' psychological and behavioral engagement. When comparing the effect of

traditional versus personalized AI-generated advertisements, Guo and Jiang (2023, p. 1305f) discovered that personalized and AI-generated advertisements elicited significantly higher consumer engagement in cognitive, behavioral, and emotional aspects. Although synthetic content is expected to become a central element in the future of advertising and marketing, limited research as well as inconsistent findings exist on consumer perception and the impact AIGC has on consumer decision-making, partly due to its novelty (Campbell et al., 2022, p. 26; Sands et al., 2022, p. 1722).

As AI-generated advertisements become more prevalent, regulations have emerged to promote transparency. The California AI Transparency Act, which will go into effect on January 1, 2026 (CalMatters, 2024, section 4), represents a pivotal step in the regulation of AI in public-facing content by mandating that AI-generated content, such as AI-generated advertisements, must include clear and concise disclosures to educate consumers on its origin (Becker, 2024, para. 2; Gunderson Dettmer, 2024, para. 4). AI disclosure refers to the act of informing consumers that AI was employed in creating certain content. By educating consumers, disclosures can enhance transparency of AIGC (Iena, 2023, p. 841). Moreover, the forthcoming EU AI Act establishes clear guidelines and obligations to foster transparency. Through ensuring the alignment with safety and ethical frameworks it aims to enhance European's trust in AI (European Commission, 2024, section 1f).

To comply with these regulations, Meta - the parent company of social media platforms Instagram and Facebook - implemented various measures of AI disclosure (Clegg, 2024, para. 1-5). Instagram, which is estimated to generate 37 billion U.S. dollars in advertising revenue in 2025 (Willens, 2025), now requires companies to integrate Instagram's 'AI-info' disclosure label when AI was involved in the ad creation process, indicating the production by or assistance of AI in creating the advertisement (Instagram, n.d., section 4). According to the California AI Transparency Act, disclosures must be clear, conspicuous, and understandable to ensure consumers discern the origin of the information and can formulate reasoned choices (Becker, 2024, para. 2). The Federal Trade Commission (FTC) encourages companies to embrace transparency when utilizing AI (DiResta & Sherman, 2023, "External"), while the EU AI Act focuses on certain AIGC such as deep fakes to explicitly require clear and visible labels disclosing AI involvement (European Commission, 2024, section 6).

There is limited research on how AI disclosure affects consumer decision-making, therefore this study investigates the influence of different AI disclosure formats in AI-generated advertisements on consumer decision-making, taking consumer attitudes toward AI into account. Thus, the following section will lay the groundwork for understanding this dynamic through the lens of the Persuasion Knowledge Model.

2.2 Persuasion knowledge and AI disclosure

Understanding the influence of AI disclosure in advertisements on consumer decision-making, and how this connection is shaped by attitude toward AI, requires a strong theoretical foundation. This research employs the Persuasion Knowledge Model (PKM) as a framework, providing a perspective on how AI disclosure affects consumer decision-making, namely brand trust and purchase intention, as well as on the moderating role of attitude toward AI. Previous studies on disclosures in advertising present positive effects, due to honesty (De Jans et al., 2018, p. 309), as well as negative effects since the disclosure reveals the sender's persuasive intent (Boerman et al., 2017, p. 82). Furthermore, the effectiveness of disclosures is context-dependent (Boerman et al., 2017, p. 90), yet disclosures in the context of AI remain underexplored (Wu et al., 2022, p. 685f). This may root in the limited understanding of consumer attitudes toward AI (Wortel et al., 2024, p. 548; Wu et al., 2022, p. 690) and advertisements generated by AI (Wu et al., 2022, p. 686).

Pre-existing consumer attitudes toward AI play a crucial role in shaping responses to AI disclosure, whereas public opinion toward AI varies widely. While certain individuals welcome its advantages, others respond with uncertainty or concern (Fast & Horvitz, 2017, p. 963). Although attitudes are known to significantly influence consumer behavior (Weismueller et al., 2020, p. 162), their contribution to the literature on AI-generated advertisements remains limited (Kamath & Alur, 2024, p. 5). Since it is indicated that consumer behavior often is affected by an individual's attitude toward the ad (Kamath & Alur, 2024, p. 5), Weismueller et al. (2020, p. 168) suggest including attitude constructs when researching the impact of advertising disclosure. Therefore, it is argued that it is crucial to examine the impact of AI disclosure on consumer decision-making in a for-profit context while also considering the moderating effect of consumer attitudes toward AI. This study aims to extend the literature on the effect of different AI disclosure formats, namely explicit, implicit, and no disclosure. It is particularly relevant to explore the impact of AI disclosures in AI-generated advertisements since they not only disclose AI involvement, but also the persuasive intent of the advertisement.

Existing research on AI-generated advertisements applied various theories, such as the theory of reasoned action and stimulus-organism-response (SOR) model (Gu et al., 2024, p. 2220; Kamath & Alur, 2024, p. 4). Thus, this research provides a relevant perspective by employing the Persuasion Knowledge Model (PKM) as a framework. PKM explains how consumers utilize their knowledge of persuasion tactics to evaluate advertising attempts. It posits that consumers develop knowledge about advertisements' aims and tactics over time and effectively cope with these, which impacts their responses to advertising attempts. Persuasive attempts describe consumer perceptions of advertisements influencing beliefs,

attitudes, decisions, or actions, whereas coping depicts how consumers respond to such attempts, aiming to govern the results (Friestad & Wright, 1994, p. 2f). Persuasion knowledge refers to consumers' awareness of and ability to critically examine marketing efforts. This knowledge helps consumers identify how, when, and why advertisements endeavor to affect them, and adjust dynamically to these efforts to achieve their own objectives (Tarrahi & Eisend, 2021, p. 115f). It is activated when consumers recognize a persuasive intent, such as being exposed to an advertisement (Friestad & Wright, 1994, p. 1). When consumers recognize an advertisement's persuasive intent, they form coping strategies that impact trust, attitude toward the advertisement, brand perception and behavioral intent (Beckert, 2024, p. 368; Friestad & Wright, 1994, p. 1). Therefore, persuasion knowledge enables consumers to resist persuasive attempts (Friestad & Wright, 1994, p. 2f; Rahmani, 2023, p. 19).

PKM suggests that individuals process messages in a distinct way when they recognize them as persuasive. In essence, if consumers do not identify a message as an advertisement, their persuasion knowledge may not be activated. An effective advertising disclosure can support consumers' identification of the content as advertising, thereby activating their existing persuasion knowledge and coping strategies (Evans et al., 2017, p. 140). This framework is pertinent for studying AI disclosures, as distinct formats of disclosure may activate persuasion knowledge in varying ways, therefore possibly impacting brand trust and purchase intention differently (Rahmani, 2023, p. 14). Moreover, when consumers encounter AIGC, they might be more prone to persuasion (Ienca, 2023, p. 833). Beyond that, PKM considers both cognitive and emotional responses to AI disclosures, thus the employment of PKM in this study is particularly relevant since AI disclosures identify both persuasive attempts of advertisements as well as AI involvement in advertisements, which may influence or limit consumer responses.

One approach to protect consumers from unwanted persuasive attempts involving AI is incorporating disclosures indicating the use of AIGC (Wortel et al., 2024, p. 548). In general, advertising disclosures are designed to transparently signal the persuasive attempt of an advertisement and shield consumers from potential deception or misleading (Hoy & Andrews, 2004, p. 170). According to Rozendaal et al. (2011, p. 348-350), effective and clear disclosures should clarify both the nature of the persuasive content and its underlying purpose, thereby assisting consumers to reflect on the advertisement's objective.

Recent studies of disclosing advertisements focus on traditional advertising or influencer disclosures (Evans et al., 2017, p. 138), leaving a gap in understanding how disclosing AI-generated advertisements affect consumers. Addressing this gap will enrich academic knowledge on the interplay between AI disclosure, consumer decision-making, and consumer attitude toward AI in digital advertising.

2.3 AI-generated advertisements and consumer decision-making

Understanding how consumers respond to and form attitudes toward AI-generated advertisements is crucial for brands and often assessed through the concepts brand trust and purchase intention (Wortel et al., 2024, p. 549). Consumer decision-making is a cognitive process involving five stages: need recognition, information gathering, alternative evaluation, purchase decision, and post-purchase behavior (Hosaini et al., 2020, p. 1201f). This research focuses on the first four stages of the process, where brand trust is significantly shaping consumer decision-making during the information gathering and alternative evaluation stages, leading to a potential purchase intention in the purchase decision stage. By linking these concepts to specific stages of the consumer decision-making process, this study outlines how AI disclosure in advertisements may affect consumers' decision-making process through brand trust and eventual behavioral intention.

2.3.1 AI disclosure and purchase intention

Purchase intention is frequently operationalized to capture consumers' behavioral intentions toward a brand and refers to consumers' propensity or likelihood to buy a product or service (Ghosh, 2024, p. 1). It emerges in the purchase decision stage of the consumer decision-making process, where the consumer has gathered information and evaluated alternatives, and demonstrates readiness to complete the purchase. Occasionally, consumers utilize mental shortcuts, such as buying brands they trust, to make purchase decisions (Hosaini et al., 2020, p. 1203).

To evaluate consumer responses to AI-generated advertisements, such as purchase intention, Wu and Wen (2021, p. 143f) suggest exploring these advertisements utilizing experimental research. Furthermore, the findings of Kamath and Alur (2024, p. 11) indicate that AI-generated ads can increase brand trust, thus showcasing their potential effectiveness, although the authors appeal for further research to fully comprehend the influence of this specific form of advertising on concepts in consumer decision-making, particularly purchase intention.

Although research on AI-generated advertisements gains traction and consistently emphasizes the impact of advertisement disclosures on consumers' behavioral responses, exploration is limited and findings are ambiguous (Evans et al., 2017, p. 141). Weismueller et al. (2020, p. 167) found that disclosure statements in advertisements, which enhance transparency, are closely linked to consumer's purchase intention. Whereas Yang and Battocchio (2021, p. 1187) reported that increasing transparency through disclosing further brand information has a positive impact on brand trust and purchase intention, Tessitore and Geuens (2013, p. 428) state that advertising disclosures have a negative effect on purchase intention. Consumers seem to hold a general negative attitude toward disclosures since

disclosures trigger their persuasion knowledge (Boerman et al., 2017, p. 82), potentially resulting in negative effects such as decreased purchase intention (Rahmani, 2023, p. 19). However, disclosures can also be perceived as transparent revelation, which may positively influence consumer decision-making, such as purchase intention (De Jans et al., 2018, p. 321). A study of Semaan et al. (2018, p. 770) reported similar results, whereby disclosing visually modified advertisements showed increased brand attitudes toward disclosed advertisements as a result of their transparency. If consumers perceive disclosures as transparent revelation, these labels could therefore have a positive effect on consumer decision-making (Wortel et al., 2024, p. 551).

To understand how AI disclosures impact purchase intention, this study distinguishes between explicit and implicit disclosure formats. In this research, explicit disclosures clearly state the advertisement's AI origin as well as its persuasive attempt. Conversely, implicit disclosures refer more subtly to the technological nature of the advertisement. From the perspective of PKM, such distinct disclosure formats may activate persuasion knowledge differently, possibly influencing brand trust and purchase intention differently (Rahmani, 2023, p. 14). Explicit disclosures are expected to trigger persuasion knowledge to a greater extent, as the statement's transparency makes the persuasive intent as well as the involvement of AI in the advertisement highly salient. In contrast, implicit disclosures are anticipated to activate persuasion knowledge to a limited extent, as the persuasive attempt of the advertisement is not revealed, and AI involvement is only implied. Hence, by applying PKM, this study considers AI disclosure format as a cue triggering persuasion knowledge differently, ultimately impacting consumer decision-making, such as purchase intention.

Applying a PKM lens, disclosures serve as cues that potentially activate consumers' persuasion knowledge. When persuasion knowledge is activated, consumers are more likely to process the message critically, engage in coping strategies, and form judgements (Beckert, 2024, p. 368; Friestad & Wright, 1994, p. 1; Tarrahi & Eisend, 2021, p. 115f). Therefore, AI disclosure format, by affecting the degree of persuasion knowledge activation, is expected to impact the effectiveness of persuasive outcomes such as purchase intention.

Thus, it is argued that it is likely that the disclosure of AI in advertisements will induce a positive effect on purchase intention. Hence, it is hypothesized that the format of AI disclosure positively influences purchase intention.

H1. Explicitly AI-disclosed advertisements lead to higher purchase intentions than implicitly AI-disclosed advertisements or advertisements without AI disclosure.

H2. Implicitly AI-disclosed advertisements lead to higher purchase intentions than advertisements without AI disclosure.

2.3.2 AI disclosure and brand trust

Brand trust as a key construct central to this process in advertising contexts describes consumers' willingness to rely on a brand despite risks, expecting positive outcomes (Mckinney & Benson, 2013, p. 76f). Thus, it plays a pivotal role during the information search and alternative evaluation stages of the consumer decision-making process. By providing a sense of reliability and reduced perceived risk (Mckinney & Benson, 2013, p. 76f), trust functions as a heuristic in these stages. When consumers gather information and evaluate alternatives, trust helps them consider and differentiate between brands. Brand trust is a crucial aspect, particularly in the interrelation between consumer and brand which necessitates confidence in the brand's "reliability and integrity" (Morgan & Hunt, 1994, p. 23) as well as "safety and honesty" (Chaudhuri & Holbrook, 2001, p. 82) to occur. It is built and maintained by brands focusing on transparency, authenticity, and staying true to their purpose (Mckinney & Benson, 2013, p. 76f).

Transparency specifies "the extent to which an entity reveals information about its decision process, procedures, functioning and performance" (Grimmelikhuijsen & Meijer, 2012, p. 139), which has been reported to enhance trust in stakeholders (Parris et al., 2016, p. 238) and reflect a brand's accountability for its activities (Yoo & Jeong, 2014, p. 10f). Lee et al. (2005, p. 619) argue that in commercial environments, perceived brand transparency through transparent guidelines can increase purchase intention. Moreover, previous research showed that brand transparency fosters trust of consumers as well as behavioral intentions toward the brand (Yang & Battocchio, 2020, p. 1177). Brand transparency can be examined through information type and degree of disclosure (Yang & Battocchio, 2020, p. 1176). It differs from persuasion knowledge in that it refers to what the advertiser reveals, while persuasion knowledge refers to how consumers process and react to that revelation. The interplay of these two constructs is crucial to this study since AI disclosures are a form of transparency that serve as cues for activating persuasion knowledge, which can affect brand trust and purchase intention.

Furthermore, McKay (2008, p. 26f) and Tapscott and Ticoll (Simon & Schuster, 2003, para. 3-6) put the idea forward that transparency surpasses fully disclosing information. It involves disclosing important information that consumers expect and seek from brands. As AIGC becomes increasingly indistinguishable from human-created content, arrangements to ensure transparency, such as disclosures, are vital. While disclosing AI involvement promotes transparency, consumers' skepticism regarding the technology's reliability may still hinder full trust in AI-generated content (Glikson &

Woolley, 2020, p. 648). However, disclosures can educate consumers and enhance the transparency of AIGC (Ienca, 2023, p. 841). Yet, the impact of AI disclosures on consumer decision-making and advertising effectiveness remains unclear (Wortel et al., 2024, p. 548). Some research indicates that disclosure enhances trust (Yang & Battocchio, 2020, p. 1187), while others suggest that it triggers skepticism (Evans et al., 2017, p. 141). This inconsistency underscores the need to examine how distinct AI disclosure formats affect consumer decision-making.

The connection between AI disclosure and brand trust is central to this research to evaluate the effectiveness of AI-generated advertisements, namely their impact on purchase intention. Yang and Battocchio (2020, p. 1178) established that transparency through disclosure can strengthen brand trust, as it demonstrates alignment between brand claims and actions. Moreover, Böhler (2024, p. 17) identified transparency as a key driver of purchase intention through increasing consumer trust. Consumers are more likely to trust brands providing transparent information (Beldad et al., 2010, p. 861). Therefore, building trust in advertisements is crucial for consumers when making purchase decisions, regardless of the ad creation process (Kamath & Alur, 2024, p. 10).

This relationship can be further understood through the lens of the PKM, positing that consumers utilize their knowledge of persuasion tactics to evaluate advertising attempts as well as the advertiser (Friestad & Wright, 1994, p. 2f). Within the context of AI-generated advertisements, disclosure statements allow consumers to recognize persuasive intent and adjust their responses accordingly. To clarify their analytical distinction, transparency and persuasion knowledge operate at different levels of the persuasion process. In this research, transparency is a characteristic of the advertisement or the brand's communication strategy and refers to the degree to which the brand discloses information about its practices, such as the involvement of AI in ad creation. It is operationalized through the AI disclosure formats, namely explicit, implicit, and none. In contrast, persuasion knowledge reflects the consumer's awareness of persuasive intent and their ability to critically assess and respond to it (Tarrahi & Eisend, 2021, p. 115). While transparency can activate persuasion knowledge, the two are not synonymous: transparency is externally provided and observable whereas persuasion knowledge is internally triggered and not directly measured in this research. Instead, PKM serves as the theoretical framework employed to explain potential consumer responses to the varying levels of transparency in the disclosures.

Consequently, if an AI disclosure conveys transparency, the coping response triggered by persuasion knowledge may result in increased brand trust. In contrast, ambiguous or absent disclosures may fail to activate persuasion knowledge effectively, leaving consumers uninformed and potentially skeptical. Thus, AI disclosure format is expected to influence brand trust by varying levels of persuasion knowledge

activation and consumer coping. Following this logic, it is hypothesized that AI disclosure format is positively associated with brand trust and, further, that disclosure formats influence purchase intention through brand trust as a mediator.

H3. Explicitly AI-disclosed advertisements are positively associated with brand trust.

H4. Brand trust mediates the relationship between AI disclosure format and purchase intention.

The role of disclosure effectiveness in the context of AI-generated advertisements plays a crucial role in understanding consumer-decision-making and recognition of the content as AI-generated since consumers are finding it increasingly difficult to differentiate between content created by humans and that generated by AI (Kamath & Alur, 2024, p. 2). Thus, this study aims to understand how transparency through disclosing AI involvement in advertisements can impact consumer decision-making, namely brand trust and purchase intention.

2.3.3 Attitude toward AI as a moderator

The rapid advancement and integration of AI has led to an increasing need to understand consumers' attitudes towards it (Grassini, 2023, p. 1), as well as its impact on consumer decision-making. Building on the relationship between AI disclosure, brand trust, and purchase intention, this section further explores the conditions under which this relationship may be strengthened or weakened. Attitude toward AI is introduced as the moderating variable, capturing consumers' predispositions toward the technology. Attitudes are recognized as significant moderators in consumer behavior studies (Weismueller et al., 2020, p. 162), yet their role within the context of AI-generated advertisements remains underexplored (Kamath & Alur, 2024, p. 5). Weismueller et al. (2020, p. 168) suggest including attitude constructs when researching the impact of advertising disclosure, while Kamath and Alur (2024, p. 5) indicate that behavior often is affected by an individual's attitude toward the ad. Large-scale studies validated experts, the public, and the media having mixed perspectives and attitudes toward AI (Zhang & Dafoe, 2019, p. 5). Whereas concerns focus on possible job displacement, ethical issues, and lack of transparency, positive attitudes include AI's potential to enhance efficiency and innovation (Grassini, 2023, p. 2). Notably, research identified the phenomenon 'algorithm appreciation', in which individuals favored AI over humans in specific situations (Logg et al., 2019, p. 90).

According to the PKM, consumers form coping strategies that impact trust, attitude toward the advertisement, brand perception and behavioral intent, when they recognize an advertisement's persuasive intent (Beckert, 2024, p. 368; Friestad & Wright, 1994, p. 1). From this viewpoint, the activation of persuasion knowledge and the way it influences trust and purchase intention may not be uniform across consumers. Individuals more positively predisposed to AI may perceive AI disclosures as a

signal of transparency, reinforcing trust in the brand. Conversely, individuals with more negative or skeptical attitudes toward AI may consider the same disclosure as manipulative, intensifying resistance and possibly reducing brand trust. Thus, PKM provides a rationale for the moderating role of attitude toward AI in the effectiveness of AI disclosure formats. Additionally, it is important to note that the scale utilized to evaluate attitude toward AI in this study is general in nature and not advertisement-specific (Grassini, 2023, p. 6). This is acknowledged as a limitation, but also an opportunity to assess whether this general predisposition is still a meaningful moderator in the advertising context, which will be explicitly tested in this research.

Therefore, it is suggested that the effectiveness of AI disclosure formats is contingent on consumers' pre-existing attitudes, forming the basis for moderation.

H5. Attitude toward AI moderates the relationship between AI disclosure format and brand trust, such that a positive attitude toward AI strengthens the positive effect of explicitly AI-disclosed advertisements on brand trust.

The purpose of this study is twofold. First, it aims to examine the impact of AI disclosure in AI-generated advertisements on consumer decision-making. Second, it investigates how this relationship is shaped by consumers' pre-existing attitude toward AI. Understanding how pre-existing attitudes moderate AI disclosure effects addresses gaps in consumer behavior research. Since the connection between AI disclosure and brand trust is not isolated but part of the consumer decision-making process including purchase intention, this study proposes a moderated mediation model by combining mediation (via brand trust) with moderation (via attitude toward AI). This structure reflects how brand trust partially explains how AI disclosure influences purchase intention, and pre-existing attitudes shape the strength of this connection. Thus, it is hypothesized that the indirect effect of AI disclosure format on purchase intention, via brand trust, will be contingent on consumers' attitude toward AI, with explicit AI disclosure expected to produce the strongest positive effect. This leads to the evaluation of the following hypotheses of the conceptual model in Figure 1:

H6. The indirect effect of AI disclosure format on purchase intention via brand trust is moderated by attitude toward AI.

H7. The moderated mediation effect will differ across formats of AI disclosure, with explicit AI disclosure showing the strongest mediation effect compared to implicit and no AI disclosure.

2.3.4 Conceptual model

Each hypothesis in this study is grounded in the theoretical mechanism of the PKM. Hypotheses 1 and 2 posit that disclosure format influences purchase intention depending on how it activates persuasion

knowledge. Hypotheses 3 and 4 argue that this process impacts brand trust, which is itself a potential consequence of activated persuasion knowledge and transparency through disclosure. Finally, hypotheses 5, 6, and 7 extend this by incorporating consumers' predispositions, their pre-existing attitude toward AI, as a moderator of how persuasive attempts are interpreted.

To guide the reader, the conceptual model presented in Figure 1 visually summarizes key constructs and hypothesized relationships among variables examined in this study. The independent variable, AI disclosure (explicit, implicit, none), is expected to directly impact purchase intention (H1, H2) and brand trust (H3). Brand trust, in turn, is hypothesized to mediate the relationship between AI disclosure format and purchase intention (H4). Pre-existing attitudes toward AI serve as moderator, expected to shape the strength and direction of the effect AI disclosure has on brand trust (H5), and consequently, on purchase intention through a moderated mediation (H6, H7). While solid lines indicate direct effects, dashed lines indicate mediation, and the model distinguishes between main effects and indirect pathways to give a comprehensive view of proposed relationships.

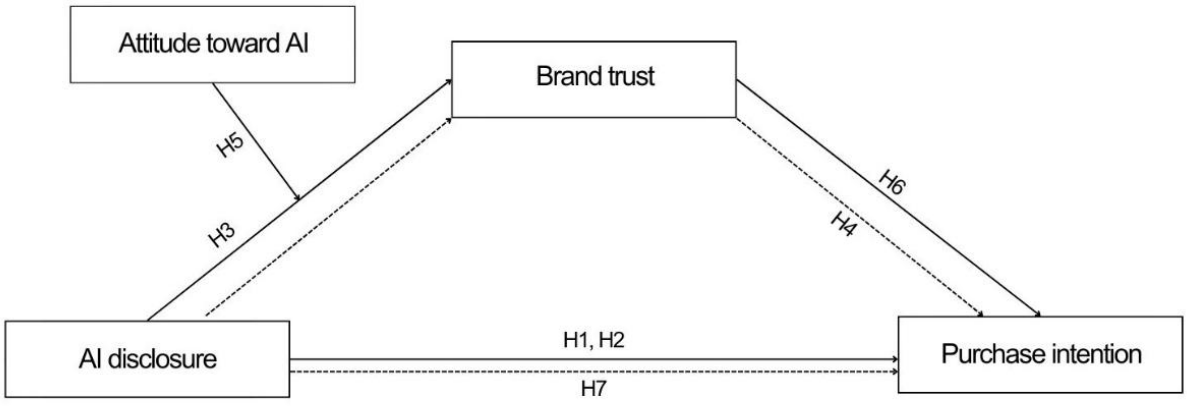

Figure 1. Conceptual model.

This model is based on the theoretical framework that consumer decision-making is shaped not only by AI disclosure but also by underlying persuasion knowledge and individual predispositions toward AI. It offers a structured foundation for investigating how AI disclosure formats in AI-generated advertisements influence consumer behavior.

3. Methodology

This section presents the research design, sampling strategy, stimuli, procedure, and ethical considerations applied in this study. It outlines how the data is collected, measured, and analyzed to address the research questions. The methodology functions as a bridge between the theoretical framework and the empirical results by detailing steps taken to operationalize concepts and ensure reliability and validity of research findings.

3.1 Description and justification of research design

To examine the influence of AI disclosure formats in advertisements on consumer decision-making, focusing on the mediating role of brand trust and the moderating role of attitudes toward AI, this study employs an experimental design as a quantitative method. A quantitative approach is selected because it enables the systematic testing of hypothesized relationships between concepts, allowing for the assessment of causal connections with statistical rigor (Harrison, 2010, p. 129f). Furthermore, an experiment was chosen as the specific method for this research as it offers robust control over confounding variables, facilitating strong causal inferences between independent and dependent variables (Neuman, 2014, p. 282f). Moreover, as a cross-sectional design, this study examines data collected from a sample population at one specific point in time (Babbie, 2010, p. 110).

This study follows a multifactorial and multivariate experimental design, as it investigates both the main effects and potential interaction effects between multiple variables. The independent variable, AI disclosure format, is manipulated across three levels, explicit disclosure, implicit disclosure, and no disclosure to observe its causal effects on the mediator and dependent variable, being brand trust and purchase intention. Additionally, the study examines how these effects are mediated by brand trust and moderated by participants' pre-existing attitudes toward AI. Conducting an experiment is therefore particularly appropriate for the research questions as it allows manipulation of independent variables, such as format of AI disclosure, and measurement of their causal effects on dependent variables, such as purchase intention, as well as mediators, such as brand trust and via moderators, such as pre-existing attitudes toward AI, under controlled conditions (Neuman, 2014, p. 290f). A between-subjects design was implemented with three experimental conditions: 1) explicit disclosure, 2) implicit disclosure, and 3) no disclosure. These conditions follow previous studies on gradations in advertising disclosures (Evans et al., 2017, p. 143). Participants were randomly assigned to one of the three conditions to assure internal validity.

In order to collect data efficiently, this research employed an experimental survey as it is ideal to acquire large amounts of consumers' responses on their opinions, perceptions, and attitudes. Thus, surveys are optimal for capturing concepts such as attitude toward AI, brand trust, and purchase intention in a standardized and measurable manner. Data was collected employing the online survey tool Qualtrics (Qualtrics, n.d.). Online surveys are suitable for this experimental design as they are cost-effective and fast (Burruss & Johnson, 2021, p. 104). Additionally, they allow for consistency in stimulus presentation and minimize interviewer bias (Roberts & Jäckle, 2006, p. 4226). Moreover, online surveys potentially reduce social desirability bias (SDB) (Burruss & Johnson, 2021, p. 104), which is a prevalent issue in academia where participants provide responses presenting themselves favorably rather than truthfully (Beins, 2013, para. 1). Since AI is a polarizing topic, participants may overestimate their attitude toward AI, especially in academic research settings, which may lead to SDB in responses. Additional limitations of experimental online surveys, such as low participation rates, exist (Lefever et al., 2006, p. 574f) but were mitigated by utilizing research platforms based on mutual support, such as SurveyCircle, to access a larger participant pool.

This study aims to explore how distinct formats of AI disclosure in AI-generated advertisements influence consumer decision-making, particularly focusing on brand trust and purchase intention. By integrating participants with varying attitudes toward AI, the research captures diverse perspectives on how consumers perceive and respond to AIGC. This approach supports the study's objective to contribute to the underexplored intersection of AIGC in advertising and consumer behavior. Hence, this methodological decision is justified by the study's objective to examine how consumers perceive and respond to different AI disclosure formats in advertising, allowing to systematically test these effects while ensuring the measurement of key concepts, such as attitude toward AI, brand trust, and purchase intention, in a controlled and replicable manner.

To analyze the data, this study employs a structured data analysis aligned with the hypotheses and conceptual model. One-way ANCOVAs with post-hoc tests will be conducted to examine the effects of AI disclosure formats on purchase intention (H1, H2) and brand trust (H3). The ANCOVAs will evaluate group differences in purchase intention and brand trust across AI disclosure formats, leveraging age, gender, and level of education as control variables. To test the proposed mediation of brand trust (H4), the PROCESS macro Model 4 by Andrew Hayes (2018) for SPSS will be applied. For the moderated mediation hypotheses (H5, H6, H7), the PROCESS macro Model 7 will be employed to assess whether attitude toward AI moderates the indirect effect of AI disclosure on purchase intention via brand trust.

The PROCESS macro by Hayes (2018) is selected due to its robustness in estimating mediation and moderation effects using bootstrapped confidence intervals (Hayes, 2022, section 2).

3.2 Sampling strategy and sample

A non-probability sampling strategy was utilized in this research due to its cost-efficiency and convenience (Sarstedt et al., 2017, p. 651). Particularly, convenience sampling as a non-probability sampling strategy was employed given that "the ease with which potential participants can be located or recruited is the primary consideration" (Baker et al., 2013, p. 17). This sampling method involves selecting participants based on the researcher's convenience, as the name suggests (Sarstedt et al., 2017, p. 654), thus suiting this research's resource constraints and timeframe. Participants were recruited through the research platform SurveyCircle and the researcher's personal network, which was leveraged by distributing the experimental survey via multiple social media channels, including Instagram, Facebook, and WhatsApp. SurveyCircle is an academic platform to exchange surveys, which is based on mutual support. This crowd-sourced, reciprocal approach facilitates access to a more diverse pool of engaged participants and enhances efficient and ethical recruitment beyond personal networks (SurveyCircle, n.d., section 1-7). Additionally, snowball samples as a form of convenience sampling occurred as initial participants supported sharing the survey beyond the researcher's network. Although this approach may limit generalizability and representativeness due to potential sampling bias (Sarstedt et al., 2017, pp. 652-654), it enables efficient access to a relevant population regularly exposed to digital advertisements and is suitable for experimental research. Therefore, leveraging SurveyCircle and the researcher's personal and extended network was particularly advantageous for this study, as it enabled recruiting relevant respondents in a cost- and time-efficient manner, positioning convenience sampling as the most suitable method for this study. Furthermore, the combined utilization of Qualtrics to design the experimental survey and online platforms for its distribution enhances the accessibility for participants and facilitates efficient processing by the researcher.

The target population consists of consumers aged 18 years and older who are fluent in English and regularly exposed to digital advertisements. This demographic is appropriate for assessing AI disclosure effects as it encompasses distinct attitudes and behavioral responses toward AI and advertising content. By targeting adults with frequent digital advertisement exposure, the study aimed to ensure participants possessed sufficient contextual understanding to engage with AI-generated advertisement stimuli and to make informed judgements about the operationalized concepts. However, given the reliance on non-probability sampling methods, the sample cannot be considered representative of the broader

population. Therefore, while the findings may offer valuable insights into a relevant segment of digitally engaged consumers, they should be interpreted with caution in terms of generalizability.

A power analysis using the tool G*Power Version 3.1.9.7 determined the minimum required sample size of 159 participants to detect medium effect sizes (d = .5) with a power of 0.8 and $\alpha = 0.05$, based on Cohen (1988)'s recommendations (Kang, 2021, p. 4). However, following Erasmus School of History, Culture and Communication (ESHCC)'s guidelines, at least 30 participants per condition, thus a total of minimum 90 participants were required (Department of Media and Communication, 2024, p. 13).

In total, 285 participants were recruited, of whom 183 completed the study. Of the initial sample, 45 participants were excluded for failing the manipulation check (see 3.4 Procedure), thereof 8 respondents of the explicit AI disclosure condition and 37 respondents of the implicit AI disclosure condition. No participants were excluded from the no AI disclosure condition. This leaves a sample of 138 for analysis. The fact that the participants were randomly assigned to one of the three conditions resulted in the following distribution: 48 (34.8%) respondents saw the advertisement with an explicit AI disclosure format, 31 (22.5%) with an implicit AI disclosure format and 59 (42.8%) with no AI disclosure. The strict manipulation check significantly affected the group sizes, particularly reducing the number of participants in the implicit condition, thus the resulting group sizes are unequal, which may affect the robustness of statistical comparisons, particularly ANCOVA (Johnson & Rakow, 1994, pp. 1-3). This imbalance is acknowledged as a limitation and addressed in the discussion.

The sampling method resulted in a total sample of 138 participants, whereby 34.8% are male and 65.2 % are female. There also was the option to select other as gender (0.0%). The age ranges between 19 and 73 years (M = 30.62, SD = 12.65). 1.4% of the participants stated a professional degree as their highest level of education, whereas 1.4% obtained a doctoral degree, 37.7% a master's degree, 39.9% a bachelor's degree, 17.4% specified a high school degree, and 2.2% have less than a high school or no degree. Hence, a bachelor's degree is the highest level of education of most participants (39.9%).

3.3 Stimuli

The stimulus materials were specifically constructed for this study and comprise three AI-generated advertisements, all derived from a single AI-created image, each marked with one of the three distinct disclosure formats. All visual elements, including placement of product and disclosure, lighting, typography, and composition, were held consistent across the three stimuli to ensure that the only variable affecting participants' perceptions was the format and presence of the AI disclosure. Since

visual-based advertisements enhance brand recall compared to text-based advertisements (Hartnett et al., 2016, p. 20), this study utilizes AI-generated visuals as stimuli.

The advertisement was formatted in a 9:16 aspect ratio, widely applied in mobile and digital media, to reflect a familiar visual structure for participants who regularly view content on smartphones and social media platforms. As it was anticipated that most participants would fill out the survey on their smartphone, this format was particularly appropriate. Moreover, this vertical format was chosen to enhance validity by creating a similar appearance of actual mobile advertising, which dominates platforms such as Instagram Stories. The importance of mobile advertising in marketing strategies is increasing, thereby highlighting the need for continued research in this field (Okazaki & Barwise, 2011, p. 59f). However, to prevent platform-specific biases in consumer responses, the advertisements were presented without a visible social media interface or branding. By explicitly introducing the stimulus as an advertisement in the instruction guiding the stimuli, the participants recognizing the stimulus as an advertisement with persuasive intention is ensured.

The stimuli consist of a static, photorealistic, AI-generated image of a fictional dark blue shampoo bottle labeled 'Shampoo, with Argan oil,' featuring the fictional brand name 'Aphrosa'. The shampoo bottle is placed against a light blue background with water droplets to evoke fresh- and cleanliness. The disclosure statement distinguishing the advertisements is placed at the bottom center of each ad. Following Kamath and Alur (2024, p. 7), the fictional shampoo brand 'Aphrosa' serves as the advertised brand to ensure that the responses are exclusively influenced by the stimuli provided rather than pre-existing attitudes toward brands. To minimize attention shift during exposure to the stimuli, no additional brand imagery, human models, or other objects are included, and the product is centered in the frame. Additionally, ensuring that the advertisement focuses only on the product avoids distraction, ethnicity- or gender-based biases and improves external validity (Weismueller et al., 2020, p. 164).

The stimuli were generated employing ChatGPT-4o's image generator released by OpenAI in March 2025, providing improved capabilities to follow specific prompts to create high-quality visuals (OpenAI, 2025, section 1f). The decision to leverage OpenAI's ChatGPT-4o was based on its ability to produce photorealistic and visually appealing images based on detailed text prompts in a cost-effective manner. The prompt utilized by means of the 'Create image' tool within ChatGPT-4o to generate the stimulus was 'Please create an advertisement for a shampoo of the brand Aphrosa only showing the product'. The stimulus for the explicit disclosure condition is presented in Figure 2 below. All stimuli, including advertisements for the implicit disclosure and no disclosure condition are included in Appendix A for reference.

Figure 2. Stimulus shown in the 'explicit AI disclosure format' condition.

Shampoo is leveraged as the advertised product, as it is classified as a low involvement product in advertising literature (Mueller, 2006, p. 5). Additionally, it is the predominant type of hair care product (Patil et al., 2023, p. 1), which is applied by various age groups and genders. Low involvement products tend to be inexpensive, frequently purchased items that require minimal decision-making effort from consumers (Mueller, 2006, p. 9). Thus, low involvement products are particularly suitable for studies on advertising effects, as consumers' responses are more likely to be influenced by cues such as the content

of the advertisement itself, rather than extensive cognitive evaluation of the product. Therefore, the low involvement, mundane nature of shampoo is suitable to serve as the advertised product in this research.

The advertisements are identical across all three experimental conditions, aside from the variation in disclosure statements. AI disclosure format, being the independent variable, is manipulated through three distinct formats: explicit AI disclosure, implicit AI disclosure, and no AI disclosure. After generating the stimuli with ChatGPT-4o, the different AI disclosure formats were added through the creative tool Canva. The formats vary in explicitness, whereby 'This advertisement was created using AI, to improve your experience' is considered as explicit AI disclosure and 'Brought to you by advanced technology' as implicit AI disclosure. The stimulus not communicating AI involvement in the advertisement is regarded as the stimulus with no disclosure. The explicit disclosure statement offers a clear and concise statement, revealing the utilization of AI, its intended benefit and persuasion. Meanwhile the implicit disclosure provides an indirect reference to AI involvement without explicitly naming it or the advertisement's persuasive intention. Serving as the control condition, the no disclosure condition contains no disclosure statement.

To guarantee the clarity and effectiveness of the stimuli as well as the questionnaire, a pretest was conducted with a small group of participants from the researcher's personal network. The pretest aimed to evaluate the recognizability and differentiation of the AI disclosure formats, the comprehensibility of the advertisement, and the overall clarity of the questionnaire. Based on the feedback received, minor adjustments were made to improve the wording and visual presentation of the disclosure statements to ensure each experimental condition was distinct and understood as intended.

3.4 Procedure

The 5-minute online survey was conducted using the program Qualtrics, ensuring a consistent presentation of experimental stimuli across all conditions and structured data collection throughout the survey.

Before measuring the relevant constructs, Erasmus University's disclosure template was utilized to share information about this study's goals with the participants. In the introduction, participants were also informed about the procedure, voluntariness and anonymity. Participants had to give active informed consent to participate in this research and were able to withdraw from the study at any point during or after the data collection process. By continuing, they agreed to the above information to participate in this study and confirmed that they are 18 years or older. Subsequently, all participants were randomly assigned to one of the three experimental conditions representing the AI-generated

advertisement labelled with one of the three distinct disclosure formats corresponding to their assigned condition - explicit, implicit, or no AI disclosure. Participants were encouraged to carefully observe the advertisement. After exposure to the stimulus, participants first completed the scale to assess purchase intention, then brand trust, followed by the AI Attitude Scale. Next, participants responded to the manipulation check, comprising the question 'Did the advertisement mention that it was created using AI?' with response options including 'Yes', 'No', and 'I am not sure'. Finally, respondents were asked to complete demographic questions, including items on age, gender, and level of education. In the debrief at the end of the survey, participants received complete and accurate information about the goals of this research, whereas no important details about the purpose of the research were withheld or misrepresented. The data remains anonymous and confidential, stored on Erasmus University's cloud to provide data security.

As for the exclusion criteria for participants, only complete responses were included in the analysis. Moreover, respondents were required to pass the manipulation check to be eligible for evaluation. The manipulation check is considered passed if participants being exposed to the explicit or implicit disclosure statement in the advertisement answered the manipulation check with 'Yes' or 'I am not sure'. Respondents within these two conditions selecting 'No' as answer option were excluded from analysis. In contrast, participants assigned to the no disclosure condition were retained regardless of their response to the manipulation check, given that AI involvement was not disclosed and therefore AI detection was not expected. This exclusion procedure was applied to include cases of successful or partial recognition of AI involvement in the advertisement, while excluding cases in which the intended manipulation, recognizing AI involvement through AI disclosure, failed.

3.5 Operationalization

This survey measures relevant constructs through validated scales from previous research. The operationalized variables are AI disclosure format, purchase intention, brand trust, and pre-existing attitude toward AI.

AI disclosure. In this research, AI disclosure refers to informing consumers about AI involvement in advertisement creation. The independent variable will be operationalized as categorical with three distinct formats. The formats vary in explicitness, ranging from explicit to implicit to no AI disclosure, following prior studies on gradations in advertising disclosures (Evans et al., 2017, p. 143). While the explicit disclosure condition clearly states the AI origin of the advertisement, the implicit disclosure

format utilizes a more ambiguous technological reference, whereas the control group omits any disclosure.

Purchase intention. Purchase intention refers to consumers' propensity or likelihood to buy a product or service (Ghosh, 2024, p. 1). The continuous dependent variable will be assessed using Evans et al. (2017, p. 143)'s adaptation of Baker and Churchill (1977, p. 544)'s scale. Participants will answer to four items on a 7-point Likert scale (1 = strongly disagree, 7 = strongly agree), such as "I would like to try this brand" (Evans et al., 2017, p. 143). To examine the underlying dimensions of the four items, a Principal Component Analysis (PCA) was conducted using direct oblimin rotation based on eigenvalues (> 1.00). Given the sample size of 138 participants, the dataset meets recommended thresholds for factor analysis, suggesting a minimum of 100 to 200 respondents (Mundfrom et al., 2005, p. 167). Moreover, the Kaiser-Meyer-Olkin value of .79 confirmed the sampling adequacy for the analysis, as this exceeds the acceptable minimum value of .60 (Kaiser, 1970). Bartlett's Test of Sphericity was significant, $\chi 2(6) = 214.61$, $p < .001$, therewith indicating that the correlations between the items were sufficiently large for a PCA (Bartlett, 1954). The resultant model comprised of one factor, which explained 66.7% of the variance in purchase intention. The factor loadings and Cronbach's alphas of each factor are presented in Table 1. The scale has demonstrated strong internal consistency in prior studies, as Evans et al. (2017, p. 143)'s research ($\alpha = .874$).

Table 1. Factor loadings, explained variance, and reliability of the one factor found for the scale 'purchase intention'.

Item	*Purchase intention*
I would like to try this brand.	.87
I would buy this product if I happened to see the brand.	.85
I would buy other products of this brand.	.83
I would actively seek out this product in a store in order to purchase it.	.71
R^2	.67
Cronbach's α	.83

Brand trust. Brand trust describes consumers' willingness to rely on a brand despite risks, expecting positive outcomes. It is built and maintained by brands focusing on transparency, authenticity, and

staying true to their purpose (Mckinney & Benson, 2013, pp. 76-77). This continuous mediating variable will be measured using Yang and Battocchio (2020, p. 1180f)'s adapted version of the Brand Trust Scale (Erdem & Swait, 2004, p. 193). Participants will rate five 7-point Likert scale items, such as "Brand delivers what it promises" from "strongly disagree = 1" to "strongly agree = 7" (Yang & Battocchio, 2020, p. 1180f). A Principal Component Analysis (PCA) was executed to scrutinize the underlying dimensions of the five items using direct oblimin rotation based on eigenvalues (> 1.00). The Kaiser-Meyer-Olkin value of .72 verified the sampling adequacy for analysis, as this surpasses the acceptable minimum value of .60 (Kaiser, 1970). Bartlett's Test of Sphericity was significant, $\chi 2(10) = 132.60$, $p < .001$, confirming that the correlations between these items were sufficiently large for a PCA (Bartlett, 1954). The resultant model included one factor, which explained 47.4% of the variance in brand trust. The factor loadings and the Cronbach's alphas of each factor are presented in Table 2. This scale is expected to yield high reliability, with reported Cronbach's alpha coefficients exceeding 0.87 in previous applications (Yang & Battocchio, 2020, p. 1180).

Table 2. Factor loadings, explained variance, and reliability of the one factor found for the scale 'brand trust'.

Item	*Brand trust*
Aphrosa does not pretend to be something it isn't.	.75
Over time, my experiences with Aphrosa have led me to expect it to keep its promises, no more and no less.	.70
Aphrosa has a name you can trust.	.67
Aphrosa's product claims are believable.	.66
Aphrosa delivers what it promises.	.66
R^2	.47
Cronbach's α	.72

Attitude toward AI. Perspectives on AI are mixed – experts, the public, and the media indicate positive as well as negative perceptions of AI. Concerns encompass job loss, ethical challenges, and non-transparency, whereas positive perceptions agree on potentially improved efficiency and innovative solutions (Grassini, 2023, p. 2). The continuous moderating variable pre-existing attitude toward AI will be assessed employing the AI Attitude Scale (AIAS-4), which uses four items and was adapted to a 7-

instead of 10-point Likert scale (1 = strongly disagree, 7 = strongly agree) to align with the other scales employed in this research. An example item includes "I believe that AI will improve my life". The scale is intended to measure general attitude toward AI by assessing its perceived usefulness and potential effects on society and humanity (Grassini, 2023, p. 1). To examine the underlying dimensions of the four items, a Principal Component Analysis (PCA) was conducted using direct oblimin rotation based on eigenvalues (> 1.00). The Kaiser-Meyer-Olkin value of .69 confirmed the sampling adequacy for the analysis, as this exceeds the acceptable minimum value of .60 (Kaiser, 1970). Bartlett's Test of Sphericity was significant, $\chi 2(6) = 225.36$, $p < .001$, thereby demonstrating that the correlations between the items were sufficiently large for a PCA (Bartlett, 1954). The resultant model comprised of one factor, which explained 63.3% of the variance in attitude toward AI items. The factor loadings and the Cronbach's alphas of each factor are presented in Table 3. This scale from Grassini (2023, p. 6) demonstrates good reliability and validity of 0.90.

Table 3. Factor loadings, explained variance, and reliability of the one factor found for the scale 'attitude toward AI'.

Item	*Attitude toward AI*
I believe that AI will improve my life.	.90
I believe that AI will improve my work.	.88
I think AI technology is positive for humanity.	.71
I think I will use AI technology in the future.	.68
R^2	.63
Cronbach's α	.80

All measurement instruments were chosen due to their fit to the context of this study and were included in the pretest to test for clarity and relevance.

3.6 Reliability and validity

This study's experimental approach examines the influence of AI disclosure on consumer decision-making, accounting for consumer attitudes toward AI and applying validated measures and robust analysis to provide valuable insights. Construct validity is enhanced through the application of established scales, while internal consistency is assessed via Cronbach's alpha, with $\alpha \geq 0.70$ considered

as good (Kilic, 2016, p. 47). Internal validity is prioritized by minimizing extraneous influences and achieved through random assignment of participants to conditions, stimulus control through a consistent design, and exclusion of participants who failed manipulation checks. Thereby reliable insights into the causal relationships under investigation will be provided (Neuman, 2014, p. 298f). Internal validity is critical in experimental research as it confirms that observed effects on the dependent variable are the result of the manipulated independent variable (Cook & Rumrill, 2005, p. 279). However, the emphasis on experimental control inherently limits the extent to which findings can be generalized beyond the laboratory setting. External validity, the extent to which laboratory findings can be generalized to non-laboratory contexts, is addressed through the use of a diverse sample and the grounding of the experimental design in a theoretical framework (Garcia & Wantchekon, 2010, p. 132). Nonetheless, this study acknowledges the inherent tension between internal and external validity, while control enhances causal inference, it may simultaneously constrain real-world generalizability. This trade-off is a central consideration in experimental research and should be reflected in the interpretation of the results, especially when experiments aim to investigate phenomena or inform policy decisions (Lin et al., 2021, p. 854), such as the disclosure of AIGC.

3.7 Research ethics

Social science researchers should remain aware of the established consensus within the academic community concerning which practices are deemed appropriate or inappropriate in the conduct of scientific research (Babbie, 2010, p. 67). Thus, before measuring the relevant constructs in the survey, Erasmus University's disclosure template was utilized to share information about this study's goals with participants. Respondents had to give active informed consent to participate in this research and were able to withdraw from the study at any point during or after the data collection process. Data will remain anonymous and confidential, stored on Erasmus University's cloud to provide data security. In the debrief at the end of the survey, participants received complete and accurate information about the goals of this research, whereas no important details about the purpose of the research are withheld or misrepresented.

4. Results

This chapter presents the findings of the statistical analyses conducted to evaluate the hypotheses posed in this research, structured to directly support the overarching research questions and the theoretical framework grounded in the Persuasion Knowledge Model (PKM). The results are presented in alignment with the study's research questions and hypotheses, progressing from the effects of the independent variable, AI disclosure format, on the dependent variable, purchase intention, to the mediating role of brand trust as well as to the moderating impact of attitude toward AI. Age, gender, and educational level functioned as control variables. Where hypotheses were not supported, the direction and descriptive trends of effects are discussed, as these may still yield theoretical insights into how consumers interpret and respond to AI disclosures.

All inferential statistical methods were performed utilizing the software program for statistical analysis in social science research IBM SPSS Statistics Version 29.0.1.0 (171), along with the PROCESS macro v4.2 by Hayes (2018), which enables robust testing of mediation and moderated mediation effects (Hayes, 2022, section 2). The employment of SPSS and PROCESS in this study is justified by their prevalent application in psychological and behavioral research for testing complex models involving indirect and interaction effects. All results are based on a total sample of N = 138 participants, recruited over a period of 20 days, from April 8 to April 28, 2025. Descriptive statistics of the sample were computed and reported in the methodology (3.2.2) to summarize demographic and categorical data.

Three different statistical analyses were performed to test seven hypotheses. Two one-way ANCOVAs were executed to test H1, H2, and H3, a mediation analysis using PROCESS Model 4 to examine H4, and a moderated mediation analysis employing PROCESS Model 7 to evaluate H5, H6, and H7. The significance level for all tests was set at $\alpha = .05$. The sample of N = 138 is unequally distributed across the three experimental conditions with n_E = 48 in the explicit AI disclosure condition, n_I = 31 in the implicit AI disclosure condition, and n_N = 59 in the no AI disclosure condition.

4.1 Descriptive statistics

To provide an overview of the sample's responses, the descriptive statistics of the variables are reported in the following. As for purchase intention, an average of M = 4.23 (SD = 1.00) on a 7-point Likert scale indicates a moderately positive tendency toward purchasing the advertised product across conditions, whereas brand trust reports a mean value of M = 4.50 (SD = 0.68) on a 7-point Likert scale, reflecting a moderate level of trust in the fictional brand Aphrosa advertised in the stimuli. Participants' attitude toward AI is considered a generally positive orientation with an average of M = 5.04 (SD = 1.07)

on a 7-point Likert scale. These descriptives provide a basis for examining the effects of AI disclosure format, brand trust, and attitude toward AI in subsequent inferential analyses.

4.2 Effect of AI disclosure format on purchase intention

Before computing the one-way ANCOVA to examine H1 and H2, the underlying assumptions were tested. First, the independence of observations was achieved through randomly assigning the participants to the three experimental groups (Holland, 1986, section 4.23). Second, the assumption of normality was assessed employing the Shapiro-Wilk test, as recommended by Field (2009, p. 545f). The explicit AI disclosure group, $W(48) = .97$, $p = .296$, and the no AI disclosure group, $W(59) = .97$, $p = .087$, did not significantly deviate from normality. However, the implicit AI disclosure group showed a significant deviation from normality, $W(31) = .90$, $p = .008$, therewith mildly violating the normality assumption in this condition. Given the relative robustness of ANCOVA to violations of normality, this was deemed acceptable (Field, 2009, p. 545f). Third, Levene's test indicated the homogeneity of variances was met, $F(2, 135) = 1.14$, $p = .322$, justifying the employment of the one-way ANCOVA as a statistical method (Field, 2009, p. 388).

To test H1 and H2, a one-way analysis of covariance (ANCOVA) was conducted, including age, gender, and level of education as covariates, to examine the effect of AI disclosure format on purchase intention. In this unifactorial design, the format of AI disclosure served as the categorical independent variable and purchase intention as the continuous dependent variable. Based on the conceptual model presented in Chapter 2, a positive effect of AI disclosure, particularly explicit AI disclosure, on purchase intention was expected, as transparency was assumed to enhance behavioral intentions (Lee et al., 2005, p. 619; Yang & Battocchio, 2020, p. 1177). However, no significant main effect of AI disclosure format on purchase intention was found when controlling for age, gender, and education, $F(2, 132) = 0.08$, $p = .927$, partial $\eta^2 = .00$, so no post-hoc-tests were conducted. Purchase intention was not significantly higher in the explicit AI disclosure condition ($M = 4.28$, $SD = 0.86$) than in the implicit AI disclosure condition ($M = 4.22$, $SD = 1.08$), $p = 1.000$ (Bonferroni-adjusted), or the no disclosure condition ($M = 4.20$, $SD = 1.08$), $p = 1.000$ (Bonferroni-adjusted). These results contradict the expectation that greater transparency through disclosure enhances consumer decision-making. Hypothesis 1, stating that explicitly AI-disclosed advertisements lead to higher purchase intention than implicitly or not AI-disclosed advertisements, is therefore rejected. Furthermore, the implicit AI disclosure condition did not report significantly higher purchase intention than the condition without AI disclosure, $p = 1.000$ (Bonferroni-adjusted). Thus,

hypothesis 2 comprising that implicitly AI-disclosed advertisements lead to higher purchase intention than non-AI-disclosed advertisements, is also rejected.

None of the control variables, namely the covariates age, gender, and level of education, significantly predicted purchase intention (all $p > .05$), indicating that the pattern of results was robust across demographic subgroups.

Although no significant differences emerged, the direction of means across conditions remained roughly aligned with theoretical expectations, with slightly higher purchase intentions observed in the explicit AI disclosure condition. This pattern may hint at underlying dynamics worth further exploration, as these small differences could become more pronounced under alternative conditions, such as repeated exposure. These results highlight the importance of mediating constructs such as brand trust, which are further examined in the mediation analysis.

4.3 Effect of AI disclosure format on brand trust

Prior to conducting the one-way ANCOVA to test H3, the necessary assumptions were evaluated. Through randomly assigning participants to three conditions, the independence of observations was achieved (Holland, 1986, section 4.23). The assumption of normality was examined utilizing the Shapiro-Wilk test, whereby the explicit AI disclosure group, $W(48) = .96$, $p = .097$, and the implicit AI disclosure condition, $W(31) = .97$, $p = .409$, can be considered normally distributed. In contrast, the no AI disclosure condition presented a significant deviation from normality, $W(59) = .95$, $p = .014$, indicating a minimal violation of the normality assumption in this condition (Field, 2009, p. 545f). Considering ANCOVA's relative robustness to normality violations, this deviation is acknowledged as permissible (Field, 2009, 359f). Finally, the assumption of homoscedasticity was confirmed through Levene's test, $F(2, 135) = 0.28$, $p = .757$, supporting the appropriateness of applying a one-way ANCOVA for analysis (Field, 2009, p. 388).

A one-way ANCOVA was executed, including age, gender, and level of education as covariates, to assess H3, examining the effect of AI disclosure format on brand trust. Applying a unifactorial design, AI disclosure format functions as categorical independent variable and brand trust as continuous dependent variable. Based on the conceptual model presented in Chapter 2, a positive association between more explicit AI disclosure formats and brand trust was expected, as transparency is presumed to enhance consumer trust (Beldad et al., 2010, p. 861; Yang & Battocchio, 2020, p. 1178). The moderate main effect of AI disclosure format on brand trust was found to be not significant when controlling for covariates, $F(2, 132) = 2.12$, $p = .124$, partial $\eta^2 = .03$, thus no post-hoc-tests were conducted. Although

brand trust was descriptively higher in the explicit AI disclosure condition (M = 4.63, SD = 0.67) than in the implicit (M = 4.54, SD = 0.73), p = 1.000 (Bonferroni-adjusted), and no disclosure conditions (M = 4.37, SD = 0.65), p = .134 (Bonferroni-adjusted), this difference did not reach statistical significance. Moreover, none of the control variables, being the covariates age, gender, and level of education, significantly influenced brand trust (all p > .05), suggesting that demographic factors did not affect the observed effects. Therefore, hypothesis 3 suggesting that explicitly AI-disclosed advertisements are positively associated with brand trust, is not supported. However, the observed descriptive trend is directionally consistent with the theoretical assumption that more transparent disclosures foster trust, hinting at a possible underlying relationship that may be more pronounced under different conditions. This finding sets the stage for the mediation analysis, where brand trust is further examined as a key mechanism linking AI disclosure and consumers' behavioral intention.

4.4 Mediating role of brand trust

Before performing the mediation analysis for H4, statistical assumptions were evaluated as required for conducting regression analyses, which are involved when performing mediation analysis (Clement & Bradley-Garcia, 2022, p. 262). First, the assumption of independence of observations was addressed through randomly assigning participants to three experimental conditions, therewith minimizing the risk of interdependence between treatment status and outcomes (Holland, 1986, section 4.23). Then, homoscedasticity and linearity were tested employing a scatterplot of standardized residuals against standardized predicted values. The scatterplot showed random and approximately symmetrical distribution, therefore meeting the assumptions of homoscedasticity and linearity (Clement & Bradley-Garcia, 2022, p. 262f). Subsequently, multicollinearity was assessed through collinearity diagnosis in SPSS, focusing on Variance Inflation Factors (VIF). The results present VIF values below 10, precisely 1.03 for AI disclosure format and brand trust. Thus, the assumption of no multicollinearity in this model is confirmed (Clement & Bradley-Garcia, 2022, p. 263). Lastly, PROCESS employs bootstrapping and therefore does not require the assumption of normality for the sampling distribution of the indirect effect (Regorz, 2018, section 3). Bootstrapping is especially useful in addressing the normality assumption in small sample groups. The analysis was conducted utilizing 5,000 bootstrap samples to generate percentile bootstrap confidence intervals (CI), with the confidence level set to 95% for all intervals, which is sufficient in most cases according to Hayes (2018, p. 103).

A mediation analysis was conducted to examine H4, analyzing whether AI disclosure format predicts purchase intention and whether the direct path would be mediated by brand trust. Connecting back to

the conceptual model developed in Chapter 2, it was assumed that more transparent AI disclosure formats would enhance brand trust, which in turn would lead to higher purchase intention (Böhler, 2024, p. 17). To perform the mediation analysis utilizing PROCESS Model 4, AI disclosure format as the independent variable was transformed into a continuous variable, whereas brand trust served as the continuous mediator, and purchase intention as the continuous dependent variable. In addition to the independent, mediator, and dependent variables, the covariates age, gender, and education were included in the mediation analysis. None of these covariates were found to have a significant effect on brand trust or purchase intention (all $p > .05$), indicating that these demographic variables did not impact the mediation pathway.

The total effect of AI disclosure on purchase intention was found to be not significant, $b = -0.02$, $p = .815$. This indicates that, on its own, AI disclosure format did not directly influence purchase intention. After entering the mediator into the model, AI disclosure predicted the mediator, namely brand trust, significantly, $b = -0.14$, $p = .043$, which in turn predicted purchase intention significantly, $b = 0.59$, $p < .001$. Thus, the relationship between AI disclosure format and purchase intention is fully mediated by brand trust. The analysis revealed a significant indirect effect of AI disclosure on purchase intention through brand trust, $ab = -0.08$, BootSE = 0.04, 95% CI [-0.17, -0.00], not including zero and thus, indicating full mediation.

This outcome highlights the central role of brand trust in consumer decision-making processes involving AI-disclosed advertising, even when the disclosure itself does not directly influence purchase intention. It reinforces the assumption that mediating constructs, rather than transparency alone, drive consumers' behavioral intentions. These results suggest that H4, comprising brand trust as a mediator of the relationship between AI disclosure format and purchase intention, is supported. Table 4 presents an overview of the outcomes of all tested direct effects of the mediation analysis.

Table 4. Results of all tested effects of the mediation analysis.

Variable	*Brand trust*		*Purchase intention*	
	b	*p*	*b*	*p*
AI disclosure	-0.14	0.043	0.06	.543
Brand trust	-	-	0.59	< .001
Age	0.00	.504	-0.00	.750

Gender	-0.07	.569	-0.18	.302
Level of education	0.01	.916	-0.08	.430
R^2	.04		.17	

Note. *N* = 138. Model for a-path, $F(4, 133) = 1.23$, $p = .302$, model for b-path, $F(5, 132) = 5.51$, $p < .001$.

4.5 Moderated mediation analysis

Building onto the mediation analysis, a moderated mediation model was employed, therewith adding a moderator to the model to examine whether the indirect effect of AI disclosure format on purchase intention via brand trust differs depending on participants' attitude toward AI. Prior to calculating the moderated mediation analysis for H5, H6, and H7, necessary statistical assumptions evaluated for the mediation analysis (H4) also apply to this analysis, given that both rely on regression-based procedures (Clement & Bradley-Garcia, 2022, p. 262). As established in 4.4, assumptions of independence of observations, linearity of relations among the variables, homoscedasticity, and non-existence of multicollinearity were assessed and met (Clement & Bradley-Garcia, 2022, p. 262). To further address potential heteroscedasticity, a heteroscedasticity-consistent standard error and covariance matrix estimator (HC4) were applied, ensuring more accurate estimation of standard errors and confidence intervals under potential violations of homoscedasticity (Regorz, 2020, section 1). Similarly to the mediation analysis, this analysis was conducted utilizing 5,000 bootstrap samples with percentile bootstrap confidence intervals set at 95%, therefore not requiring confirming the assumption of normality for the sampling distribution (Hayes, 2018, p. 103).

Before conducting the analysis, the format of AI disclosure was dummy-coded to serve as the continuous independent variable (DF_NUM), whereas attitude toward AI functioned as the continuous moderator (ATAI), brand trust as the continuous mediator (BT), and purchase intention as the continuous dependent variable (PI). Dummy coding was utilized for the continuous independent variable AI disclosure format, with the no AI disclosure condition serving as the reference group. Two dummy variables were created to represent the explicit AI disclosure condition (DF_Expl) and the implicit AI disclosure condition (DF_Impl). All comparisons across AI disclosure formats are therefore made relative to the no disclosure condition.

To test H5, H6, and H7, a moderated mediation analysis was executed employing PROCESS Model 7 to assess whether attitude toward AI moderates the relationship between AI disclosure format and brand trust, as well as the relationship between AI disclosure format and purchase intention via brand trust.

These hypotheses were derived from the assumption, grounded in the conceptual model introduced in Chapter 2, that a more positive pre-existing attitude toward AI would enhance the persuasive impact of disclosure, especially through increased trust. Additionally, age, gender, and level of education were included as covariates in the moderated mediation model. None of these control variables had a significant effect on brand trust or purchase intention (all $p > .05$), suggesting that the tested demographic factors did not influence the conditional indirect effects in the model.

4.5.1 Moderation effect of attitude toward AI on brand trust

Examining H5, the results did not support the expected moderation by pre-existing attitude toward AI. There was no significant interaction between AI disclosure format and attitude toward AI for the a-path from AI disclosure format to brand trust, $b = -0.01$, $p = .867$, $\Delta R^2 = .00$, revealing no moderating effect of attitude toward AI on the relationship between AI disclosure format and brand trust in this model. Furthermore, analyzing the conditional effects of AI disclosure format on brand trust showed that the relationship between explicit AI disclosure and brand trust did not vary significantly across levels of attitude toward AI. The effect was not significant at low values of the moderator (- 1 *SD*), $b = 0.09$, $SE = 0.10$, 95% CI [-0.08, 0.30], at medium values (*M*), $b = 0.10$, $SE = 0.07$, 95% CI [-0.03, 0.25], or at high values (+ 1 *SD*), $b = 0.11$, $SE = 0.10$, 95% CI [-0.08, 0.30], indicating that a positive attitude toward AI did not significantly strengthen the effect of explicitly AI-disclosed advertisements on brand trust. Similarly, the relation between implicit AI disclosure and brand trust did not differ significantly across levels of attitudes toward AI. For low values (- 1 *SD*), $b = 0.04$, $SE = 0.17$, 95% CI [-0.28, 0.41]; for medium values (*M*), $b = 0.03$, $SE = 0.09$, 95% CI [-0.15, 0.21]; and for high values of attitude toward AI (+ 1 *SD*), $b = 0.02$, $SE = 0.13$, 95% CI [-0.25, 0.27]. Although the direction of the effect was descriptively aligned with expectations, brand trust increasing with higher attitudes toward AI, none of the conditional effects reached significance. Thus, it cannot be concluded that a positive attitude toward AI strengthens the effect of explicitly AI-disclosed advertisements on brand trust. As a result, H5 is not supported.

While no significant interaction effects were found, the analysis revealed that attitude toward AI was a significant predictor of brand trust, $b = 0.15$, $SE = 0.05$, $p = .004$. This suggests that, regardless of the AI disclosure format, individuals with more positive attitudes toward AI exhibited higher levels of brand trust.

4.5.2 Moderated mediation effect of attitude toward AI on purchase intention

For H6, conditional indirect effects of AI disclosure on purchase intention via brand trust were tested at low (- 1 *SD*), medium (*M*), and high (+ 1 *SD*) values of attitude toward AI. At all levels, the indirect

effects were nonsignificant, with 95% confidence intervals including zero: For low values, *b* = -0.06, *SE* = 0.05, 95% CI [-0.18, 0.03]; for medium values, *b* = -0.07, *SE* = 0.04, 95% CI [-0.15, 0.00]; and for high values of attitude toward AI, *b* = -0.07, *SE* = 0.05, 95% CI [-0.18, 0.02]. These findings suggest that the presumed reinforcing effect of AI-positive attitudes on disclosure persuasiveness did not materialize in the form of increased effects. Considering the b-path from brand trust to purchase intention, the analysis identified a significant effect, *b* = 0.59, *p* < .001. However, the direct effect from AI disclosure to purchase intention was not found significant, *b* = 0.06, *p* = 0.538. In conclusion, H6 suggesting the indirect effect of AI disclosure format on purchase intention via brand trust being moderated by attitude toward AI, is rejected.

4.5.3 Moderated mediation effect across AI disclosure formats

Although the overall index of moderated mediation was not significant, *b* = -0.01, *SE* = 0.03, 95% CI [-0.07, 0.06], further comparison of the indexes across conditions revealed minor, nonsignificant differences. The index of moderated mediation was strongest for the explicit AI disclosure condition, *b* = 0.01, *SE* = 0.06, 95% CI [-0.13, 0.13], and weaker for the implicit AI disclosure condition, *b* = -0.01, *SE* = 0.11, 95% CI [-0.26, 0.19]. Since the no AI disclosure condition functioned as the reference group, it was not estimated separately. Although the descriptive pattern hints at a potentially stronger conditional effect in the explicit disclosure condition, statistical support for this hypothesis was lacking. As such, H7 comprising that the moderated mediation effect differs across AI disclosure formats, with explicit AI disclosure showing the strongest mediation effect, is not accepted. To aid interpretation, Table 5 provides an overview of interaction and conditional effects, as well as covariates included in the moderated mediation model. It is recommended as a supplement to this section.

Table 5. Results of all tested effects of the moderated mediation analysis.

Variable	*Brand trust*			*Purchase intention*		
	b	*SE*	*p*	*b*	*SE*	*p*
AI disclosure	-0.12	0.06	.067	0.06	0.09	.538
Brand trust	-	-	-	0.59	0.14	< .001
Attitude toward AI	0.15	0.05	.004	-	-	-
Age	0.01	0.01	.435	-0.00	0.01	.791

Gender	-0.08	0.13	.549	-0.18	0.17	.300
Level of education	0.00	0.09	.980	-0.08	0.11	.481
R^2		.09			.17	

Note. *N* = 138. Model for a-path, *F*(6, 131) = 1.98, *p* = .073, model for b-path, *F*(5, 132) = 4.35, *p* = .001.

Table 6 displays a final overview of this study's hypotheses and their acceptance or rejection according to the results.

Table 6. Overview of hypotheses and decisions.

Hypothesis	*Decision*
H1. Explicitly AI-disclosed advertisements lead to higher purchase intentions than implicitly AI-disclosed advertisements or advertisements without AI disclosure.	Rejected
H2. Implicitly AI-disclosed advertisements lead to higher purchase intentions than advertisements without AI disclosure.	Rejected
H3. Explicitly AI-disclosed advertisements are positively associated with brand trust.	Rejected
H4. Brand trust mediates the relationship between AI disclosure format and purchase intention.	Accepted
H5. Attitude toward AI moderates the relationship between AI disclosure format and brand trust, such that a positive attitude toward AI strengthens the positive effect of explicitly AI-disclosed advertisements on brand trust.	Rejected
H6. The indirect effect of AI disclosure format on purchase intention via brand trust is moderated by attitude toward AI.	Rejected
H7. The moderated mediation effect will differ across formats of AI disclosure, with explicit AI disclosure showing the strongest mediation effect compared to implicit and no AI disclosure.	Rejected

4.6 Reliability

To ensure internal consistency of the scales employed in this study, Cronbach's α coefficients were calculated. The scale to assess purchase intention, namely Evans et al. (2017, p. 143)'s adaptation of Baker and Churchill (1977, p. 544)'s scale, consisted of four items and demonstrated good reliability, α

= .83. Brand trust evaluated though five items of Yang and Battocchio (2020, p. 1180f)'s adapted version of the Brand Trust Scale (Erdem & Swait, 2004, p. 193), showed sufficient internal consistency, $\alpha = .72$. Finally, attitude toward AI, measured through Grassini (2023, p. 6)'s AI Attitude Scale (AIAS-4) comprised of four items and yielded good reliability, $\alpha = .80$. These values exceed the benchmark of .70, indicating that these constructs were measured with sufficient internal consistency (Field, 2009, p. 681).

5. Discussion

This chapter synthesizes the research findings by addressing the research questions posed in the theoretical framework. The sub-conclusions derived from the previous chapters laid the groundwork for understanding the relevance of this research, its theoretical framework, research design, and findings in the context of AI disclosures in advertising. However, the findings should be evaluated with caution as there are certain limitations to this study. This section offers a critical reflection on the research, discussing the limitations and possible consequences of its design. Further, it explores how these factors affect the interpretation of the results. The chapter concludes by presenting recommendations and suggestions for future research to build upon these findings.

5.1 Contribution and theoretical implications

Although there is a certain volume of literature on advertising disclosures, there is limited research on the disclosure of AI involvement in advertisements, specifically. While AI is being increasingly integrated in advertising (Arango et al., 2023, p. 487), research on how AI disclosures affect consumer decision-making is limited. Recent studies of disclosing advertisements focus on traditional advertising or influencer disclosures (Evans et al., 2017, p. 138), therefore leaving a gap in understanding how disclosing AI-generated advertisements affects consumers. Whereas certain studies explored AI disclosures in advertisements (Arango et al., 2023; Grigsby et al., 2025; Wortel et al., 2024; Wu & Wen, 2021), research investigating underlying factors in greater depth remains insufficient, particularly within the realm of digital advertising. Despite existing studies acknowledging that transparency in brand communication fosters trust in brands and influence behavioral intentions (Yang & Battocchio, 2020, p. 1185), empirical evidence on the effect of advertisement disclosures remains inconsistent. Diverse findings on one hand indicate that disclosure enhances trust (Yang & Battocchio, 2020, p. 1187), on the other hand they suggest disclosure triggering skepticism (Evans et al., 2017, p. 141). The diversity and inconsistency in empirical evidence on these relationships, especially in the context of AIGC, underscore a notable gap in literature.

This research addresses this gap by applying the Persuasion Knowledge Model (PKM) as a theoretical framework, following prior studies (Evans et al., 2017; Weismueller et al., 2020; Wortel et al., 2024; Yang & Battocchio, 2020) and therewith emphasizing that consumer responses to AI disclosures are shaped by the activation of persuasion knowledge and corresponding coping strategies. For this purpose, the following research questions were brought forth: To what extent does the disclosure of AI-generated advertisements influence consumer decision-making? How is this relationship affected by pre-existing

attitudes toward AI? Specifically, this research explored how distinct AI disclosure formats in AI-generated advertisements, namely explicit, implicit, and no disclosure, influence brand trust and purchase intention, as part of the consumer decision-making process, and how this connection is shaped by consumers' attitudes toward AI. Hereby, the focus lies on the mediating effect of brand trust and the moderating role of attitude toward AI. Unlike certain prior studies assuming a linear relationship between transparency and behavioral responses (De Jans et al., 2018, p. 321; Rahmani, 2023, p. 19; Tessitore & Geuens, 2013, p. 428; Weismueller et al., 2020, p. 167), this research reveals that disclosure alone is not a sufficient predictor of trust or behavioral intention. It offers a more critical lens on the assumed persuasive effectiveness of transparency but also highlights trust as crucial mediator in digital contexts.

The central premise of this research proposed that AI disclosure in AI-generated advertising affects consumer decision-making by shaping brand trust, which in turn influences purchase intention. Further, it expected consumers' pre-existing attitudes toward AI to impact this relationship. Grounded in PKM, the conceptual model posits a moderated mediation in which the relationship between AI disclosure and purchase intention is mediated by brand trust and the relationship between AI disclosure and brand trust is moderated by attitudes toward AI. Overall, explicit AI disclosures were expected to show the highest impact on brand trust and purchase intention, whereas more positive attitudes toward AI were anticipated to strengthen this connection.

This study contributes to the literature by critically extending the PKM through demonstrating that not all persuasive cues, such as AI disclosures, trigger uniform coping mechanisms. Particularly, the non-significant effects highlight the theoretical limitation of assuming that transparency alone equates to enhanced trust or increased purchase intention. In addition, the lack of moderation by pre-existing general attitudes toward AI emphasizes the importance of context-specific, rather than generalized moderators in PKM-based models. The results indicate the need for a more nuanced understanding of how consumers interpret AI involvement in advertisements, especially in a context marked by evolving technological norms (Kučinskas, 2025, p. 727f). Drawing upon the PKM, this research enriches theoretical discussions about transparency, trust, and persuasion in digital advertising contexts, therewith generating insights that benefit academia, industry, and society.

5.1.1 AI disclosure and purchase intention

Unexpectedly, the results of evaluating H1 and H2 revealed that AI disclosure has no significant effect on consumers' purchase intention, particularly the level of explicitness of AI disclosure format is not positively associated with purchase intention. These findings suggest that disclosing AI involvement in

advertisements might not be a predictor of consumers' purchase intention in digital advertising. More precisely, informing consumers about AI involvement in the advertisement creation does not enhance consumers' propensity or likelihood to buy a product (Ghosh, 2024, p. 1). This contradicts prior studies suggesting that transparent brand communication, such as disclosures perceived as transparent revelations, generally enhances advertising effectiveness (De Jans et al., 2018, p. 321; Wortel et al., 2024, p. 551; Yang & Battocchio, 2021, p. 1187). The findings also diverge from previous studies stating the negative effect of advertising disclosures on purchase intention (Rahmani, 2023, p. 19; Tessitore & Geuens, 2013, p. 428), as this research did not reveal a significant negative relationship. This suggests that AI disclosures, though theoretically positioned as transparency-enhancing cues through prior studies, may be too weak or cognitively distant to alter behavioral intentions without a stronger emotional or brand-related context. While consumers might notice AI disclosures, this does not automatically translate into behavioral intention. This underscores a key limitation in applying PKM: unless the cue is personally salient or interpreted as meaningful, the persuasive attempt might not lead to enhanced trust or behavioral intention.

It is possible that purchase intention, as an indicator of consumer behavior (Morwitz, 2012, pp. 181-183), is not immediately sensitive to the AI disclosure format in advertisements, especially in a single exposure, cross-sectional experimental design. Additionally, purchase intention and actual purchasing behavior are correlated, but purchase intention is not a predictor of future consumer behavior, as individuals sometimes over- or underestimate themselves (Morwitz, 2012, p. 183f). Alternatively, these results imply that predictors beyond AI disclosure format, such as brand preferences, may play a far more crucial role in shaping consumers' behavioral intentions, including purchase intention (Clarence & Keni, 2022, p. 481). Previous research highlights that brand familiarity leads to positive brand attitudes, which in turn increases purchase intention (Yu et al., 2017, p. 1). In the context of the present study, the advertised brand, namely Aphrosa, was fictional and thus unfamiliar to participants (Kamath & Alur, 2024, p. 7). This choice was methodologically intended to ensure that consumer responses were exclusively affected by the AI-generated advertisement provided (Kamath & Alur, 2024, p. 7), rather than pre-existing attitudes toward brands. However, it is possible that the absence of these predictors limited participants' responses, potentially constraining the formation of trust in the brand and consumer behavior tendencies and, consequently, purchase intention (Clarence & Keni, 2022, p. 482).

These insights reflect the need for PKM to better integrate contextual and dispositional moderators, such as brand familiarity or emotional relevance, to accurately model when and how disclosure leads to persuasive effects.

5.1.2 Predicting brand trust

Similarly, the examination of H3 reports that AI disclosure format does not significantly affect brand trust. More precisely, explicitly AI-disclosed advertisements are not significantly positively associated with brand trust. This indicates that disclosing AI involvement in advertisements is not predictive of consumers' trust in a brand in digital advertising. Furthermore, the three different formats of informing consumers about AI involvement within the advertisement creation process did not evoke statistically meaningful differences in brand trust. This finding adds theoretical weight to the argument that AI disclosure solely fails to generate meaningful consumer coping strategies leading to the formation of brand trust. From a PKM standpoint, even if persuasion knowledge is theoretically activated, the absence of brand familiarity or emotional investment may dampen the effect. Furthermore, Wei et al. (2008, p. 34) found that the activation of persuasion knowledge can negatively affect brand evaluation, particularly for unfamiliar brands applying marketing tactics perceived as inappropriate. Therefore, brand trust may require more than transparency through disclosure, it may depend on brand familiarity, consumer's attitude toward the brand, or relevance to the message.

These results oppose previous studies reporting that transparency fosters trust in stakeholders (Parris et al., 2016, p. 238). This research includes transparency as a key aspect by disclosing AI involvement in advertisements, as AI disclosures enable educating consumers and enhance transparency of AIGC (Ienca, 2023, p. 841). As the association of AI disclosure and brand trust was not significant, neither literature indicating a positive relationship between disclosure and trust (Yang & Battocchio, 2020, p. 1187), nor studies suggesting the triggering of skepticism through disclosures could be supported (Evans et al., 2017, p. 141; Glikson & Woolley, 2020, p. 648).

Thus, this study advances the literature by arguing that transparency must be embedded in a broader relational and contextual framework to influence brand trust outcomes.

5.1.3 Brand trust as a mediator

The mediation analysis executed for H4 revealed AI disclosure significantly predicting brand trust and brand trust significantly anticipating purchase intention, thereby indicating a full mediation effect of brand trust. Notably, the direction of the indirect effect indicates that more explicit AI disclosure is associated with higher brand trust, thereby enhancing purchase intention through the mediating role of brand trust. This therewith provides a more refined perspective, although no significant effect of AI disclosure format on brand trust was found, which reveals that varying levels of disclosure, whether explicit, implicit, or none, do not produce statistically meaningful differences in brand trust. This may be the result of subtle perceptual differences across AI disclosure conditions not being sufficiently strong to

drive perceptions of trust in a single exposure context, particularly in the absence of familiarity with the brand (Ha & Perks, 2005, p. 438). However, despite the lack of a significant direct effect, the mediation analysis revealed that brand trust fully mediates the relationship between AI disclosure and purchase intention and thus, supports previous research (Beldad et al., 2010, p. 861; Böhler, 2024, p. 17; Lee et al., 2005, p. 619; Yang & Battocchio, 2020, p. 1177). While the format of AI disclosure did not significantly affect purchase intention on its own, it significantly predicted brand trust, which in turn exerted a strong influence on purchase intention.

This suggests that brand trust may serve as the primary pathway through which disclosure of AI has any impact on behavioral intention. In terms of PKM, this implies that even weak cues, such as more implicit AI disclosures, may gradually activate persuasion knowledge, which shapes brand trust. Repeated exposure may even increase this effect over time. Trust, in this model, results from a coping mechanism that may not be formed instantly or solely based on transparency through disclosure in the advertisement. In the absence of brand familiarity or stronger cues, AI disclosure may not suffice to build trust. These results call for a broader understanding of mediation in PKM, showing that some effects may be indirect and dependent on additional moderating or contextual variables.

These findings highlight the importance of mediating constructs, such as brand trust, as a predictor of behavioral intentions (Böhler, 2024, p. 17). Hence, although AI disclosure is not a direct factor for persuasion, it is crucial for building trust in AI-generated advertisements when making purchase decisions. Therewith, this research adds to the existing literature of disclosures in advertising and extends its scope to include AI-generated advertisements.

5.1.4 Attitude toward AI as a moderator

Furthermore, the results for H5, H6, and H7 yielded no significant effects, suggesting that consumers' pre-existing attitude toward AI does not significantly impact the relationship between AI disclosure and brand trust, nor the indirect effect of AI disclosure on purchase intention via brand trust. Despite descriptive trends indicating a slight increase in brand trust among consumers with more positive attitudes toward AI, hypothesis 5 proposing a moderation effect was not statistically supported. However, it is noteworthy that attitude toward AI significantly predicted brand trust directly. This implies that individuals with more favorable predispositions toward AI tend to exhibit higher levels of brand trust regardless of the AI disclosure format. Although this finding does not support the proposed moderation mechanism, it underscores the role of general AI attitudes in shaping trust perceptions toward a brand, aligning with Schepman and Rodway (2022, p. 2724f)'s results demonstrating an association of general trust perceptions and positive general attitudes toward AI. The absence of a

significant interaction effect suggests that attitude toward AI impacted trust independently, but did not strengthen or weaken the relationship between AI disclosure and brand trust as hypothesized. Therefore, the findings confirm previous studies highlighting the influence of attitudes toward AI on brand trust while their role as a moderator remains unestablished and underexplored (Wortel et al., 2024, p. 561; Wu et al., 2022, p. 690). This reflects a limitation of general attitudinal constructs, which can shape overall dispositions but may not interact with specific persuasive cues in line with assumptions of the PKM.

Similarly, the findings of hypothesis 6 imply that the moderated mediation, where the indirect effect of AI disclosure on purchase intention via brand trust would be conditioned by attitude toward AI, was not confirmed. Although brand trust remained a significant predictor of purchase intention, the strength of the indirect pathway was unaffected by consumers' attitudes toward AI. This opposes Kamath and Alur (2024, p. 5) stating that behavior often is affected by an individual's attitude toward the ad but aligns with Wortel et al. (2024, p. 561)'s research reporting an absence of moderation of predispositions toward AI. Furthermore, it contradicts theoretical expectations embedded in PKM, assuming that relevant factors, such as pre-existing attitudes toward AI, can shape how persuasive cues, such as AI disclosures, are processed. Employing a PKM lens, Watson et al. (2024, p. 4) found that whereas AI-related cues can indeed activate persuasion knowledge, the strength of this activation depends more on individual distinctions and contextual alignment than solely on general attitudes, therewith challenging simplistic applications of the model.

Since hypothesis 7 testing the overall index of moderated mediation failed to reach significance, the limited explanatory power of attitude toward AI as a condition in this conceptual model is reaffirmed. This contradicts previous studies recognizing attitude constructs as a significant moderator in consumer behavior studies (Weismueller et al., 2020, p. 162). However, when comparing the descriptives, explicit AI disclosure showed a stronger moderated mediation effect compared to implicit AI disclosure, although not significantly. Thus, this potentially aligns with prior research stating that transparency fosters consumers' trust as well as behavioral intentions toward the brand (Böhler, 2024, p. 17; Lee et al., 2005, p. 619; Yang & Battocchio, 2020, p. 1177).

A plausible explanation for these nonsignificant findings lies in the generality of the attitude toward AI scale utilized (Grassini, 2023, p. 2). The concept of general attitude toward AI may be too broad to meaningfully capture consumers' attitudes toward AI in advertising. Unlike context-specific trust measures, such as trust in AI (Gillath et al., 2021, p. 1), a general attitude scale likely lacks the contextual relevance needed to influence how consumers evaluate persuasive attempts in a commercial setting.

Moreover, the nonsignificant moderation suggests that consumers rely less on general predispositions toward AI when evaluating brand trust in digital advertising. This may reflect a normalization effect: as AI becomes increasingly present in everyday applications (Budic, 2022, p. 892), its involvement may be perceived as routine, thereby reducing the salience of AI disclosures as persuasive cues. This would explain the absence of the impact of attitude toward AI on the model and indicates that AI disclosures in advertisements might lose persuasive potency over time. From a theoretical perspective, this null effect introduces a critical condition to the PKM: general moderators may be too abstract to influence specific persuasion processes. It challenges the assumption within PKM-based models that dispositional attitudes reliably moderate persuasive outcomes, showing that context-specific factors or repeated exposure may be more relevant moderators than general attitudes. As such, future research should focus on context-specific constructs to more accurately assess how individual differences shape disclosure effectiveness.

In sum, while brand trust emerged as a central driver of purchase intention, attitude toward AI did not shape how AI disclosure format translated into trust, nor how brand trust influenced purchase intention. The non-significant moderation underscores the limits of utilizing general attitudes in PKM-based models, reinforcing the importance of salience, relevance, and contextual fit in moderating variables. Still, the significant effect of attitude toward AI on brand trust signals its relevance as a stable predictor and suggests that future models may consider both direct and interactive roles of attitudinal constructs. These results further emphasize brand trust as a construct in digital persuasion while cautioning against overestimating the impact of consumers' pre-existing general attitudes toward AI in shaping advertising effectiveness.

5.2 Managerial and societal implications

Aside from its theoretical implications and contributions, the present study offers insightful managerial and societal implications for academia, industry, and society. Stakeholders such as advertisers, policymakers, and consumers navigating AI in advertising may profit from this research's implications.

First, the findings imply that AI disclosure, whether explicit or implicit, does not directly enhance purchase intention, suggesting that transparency alone, in the form of disclosing AI involvement, may not be a sufficient persuasive strategy. Consumers are neither more nor less likely to purchase a product solely because an AI-generated advertisement is revealing its AI origin. The neutrality in this research is advantageous for advertisers, as the integration of AI in advertising increases (Arango et al., 2023, p. 487), thus enabling efficiency without mitigating effectiveness (Gao et al., 2023, p. 1; Wortel et al., 2024,

p. 548). Advertisers should therefore focus on building brand trust, as it emerged as a key driver of consumer behavioral intentions, such as purchase intention. Although explicit AI disclosures led to descriptively higher brand trust among consumers with more positive attitudes toward AI, this effect was not significant and therefore highlights the limited impact of AI disclosure in isolation.

Second, the fact that many participants failed to detect AI involvement in the advertisement when seeing the implicit AI disclosure underscores a critical point. AI-generated content advances rapidly as recent developments in generative models, such as DALL-E 3 and Sora, present improved content generation capabilities (Xu, 2024, p. 1), whereas consumers increasingly struggle to distinguish human- and AI-generated content (Kamath & Alur, 2024, p. 2). This raises ethical concerns about uninformed consumers and calls for companies to implement explicit, clear and conspicuous AI disclosures when integrating AIGC.

Third, for policymakers, these results highlight the need for specific regulatory standards mandating clear AI disclosures, building on existing frameworks such as the recently enacted California Artificial Intelligence Transparency Act (Becker, 2024, para. 2; Gunderson Dettmer, 2024, para. 4). As the integration of AI in advertising is increasing (Arango et al., 2023, p. 487), so is consumers' interaction with AI-generated advertisements which poses a risk of eroding informed consent in advertising. Hence, ensuring transparently disclosing AI involvement in advertisements is not just a matter of ethics but of consumer rights and digital literacy.

Finally, for consumers, the findings emphasize the importance of AI literacy, which is defined as the "ability to comprehend, implement, and evaluate AI technologies critically" (Ghani et al., 2024, p. 112). Consumers who do not recognize AI-generated content may base their decision-making process on inaccurate assumptions about origin or intent. Training in literacy and awareness could support individuals in critically engaging with digital content and avoiding misplaced trust.

In conclusion, while AI-driven advertising offers efficiency (Gao et al., 2023, p. 1), its advancement in content generation demands greater responsibility across industry, governance, and society to ensure transparency and trust in consumer communication (Xu, 2024, p. 1)

5.3 Limitations and future research

Despite its theoretical and managerial implications, this study has several limitations that offer direction for future research.

First, the generalizability of the research's findings is limited due to the sample and sampling strategy. This study applied convenience sampling as a non-probability sampling approach and, further, snowball

sampling as an additional strategy to support the recruitment of participants. This approach limits generalizability and representativeness due to potential sampling bias (Sarstedt et al., 2017, pp. 652-654). Furthermore, the size of the sample, albeit consisting of a minimum of 30 participants per condition, may not comprehensively reflect the diverse global population regularly exposed to digital advertisements in the results. Moreover, although participants were recruited via multiple platforms, the sample was predominantly comprised of individuals holding a bachelor's or master's degree and showed an average age of 31 years. While this indicates a relatively young and highly educated sample, this is not considered representative of the global population in terms of level of education and age. Consequently, this limits the generalizability of findings, which is why future studies should strive to recruit larger and demographically diverse samples mirroring the general population to enhance external validity. Another way to establish the generalizability of the results of non-probability samples, as utilized in this study, is through replication studies, as argued by academics in marketing research (Sarstedt et al., 2017, p. 652). Furthermore, as the country of residence of participants was not part of this research and therefore not part of the data collected in the survey, this is considered a limitation. Previous studies showed that cultural differences can significantly influence consumers' evaluations and responses (Kastanakis & Voyer, 2012, p. 966). For instance, individualistic cultures, such as the Netherlands, may value transparency differently than collectivistic cultures, such as China (Cho, 2011, p. 37). Future research should therefore aim to integrate culturally diverse populations or adopt cross-cultural comparative designs to explore how distinct cultural backgrounds of participants impact responses to AI disclosures in advertisements. This would contribute to a more comprehensive understanding of the impact cultural settings have on consumer responses to AIGC, thereby enhancing the theoretical robustness of research on AI-generated advertisements and the results' applicability across distinct cultures.

Second, utilizing a cross-sectional design limits the results' applicability since this design restricts investigating changes over time and the establishment of casual relationships between variables (Kesmodel, 2018, p. 2). Therefore, this design does not account for changes in consumers' attitudes toward AI and brand trust and how these have different effects on consumers' purchase intentions over time since the results may be impacted by situational and contextual factors at the time of measurement. As AI is increasingly integrated in advertising (Arango et al., 2023, p. 487), future research could adopt a longitudinal approach to allow exploring how consumers' perceptions of transparency, trust, and intention evolve over time, especially as society becomes more familiar with AI in advertising. Additionally, this study relied on self-reported data, which is subject to social desirability biases and potential inaccuracies due to self-assessment (Demetriou et al., 2015). Participants may have under- or

overassessed their actual attitudes or behavioral intentions. Thus, future research could complement self-reported data with methods measuring actual consumer behavior in response to AI-generated advertisements or rely on alternative assessment procedures without self-reported data.

Third, the scope of this research was limited to a single product type, namely shampoo, and advertising format, possibly restricting the applicability of results to other product types and advertisement formats. Consumers may respond differently to AI-disclosed advertisements depending on whether a product is considered low- or high-involvement (Limbu & Torres, 2009, p. 107). Similarly, responses of consumers may vary by advertisement format: social media posts, TV spots, or out-of-home advertisements may affect consumers' responses to disclosed AI-generated advertisements differently. Furthermore, future experimental designs could benefit from leveraging familiar, but neutral brands as stimuli, as prior research showed that brand familiarity fosters positive brand attitudes, which in turn enhance purchase intention (Yu et al., 2017, p. 1). Hence, future investigations should explore a wider range of product categories, brands, and advertisement formats to enrich academic research on this topic as well as practical implications.

Fourth, additional factors to the ones examined in this study could play a crucial role in shaping consumer perception and behavioral intentions in response to AI-generated advertisements. For instance, AI literacy could affect how AI disclosures are interpreted and trusted. With AI technologies being increasingly integrated into contemporary media, the ability to understand and critically interact with these systems has become crucial (Ghani et al., 2024, p. 112). By including such variables, future studies could offer a more comprehensive picture of consumer decision-making in digital advertising in the context of AI. Additionally, this study utilizes the AIAS-4 by Grassini (2023, p. 6) to examine consumers' general attitude toward artificial intelligence. A potential limitation lies in the use of this general attitude measure as a moderator, as general attitudes can restrict the interpretive power and statistical models in this context, compared to specific attitude measures (McClelland, 2001, p. 6). Although attitude toward AI significantly predicted brand trust, it did not moderate the relationship between AI disclosure format and brand trust. This indicates that while such dispositional attitudes are relevant for understanding the formation of brand trust, they may be insufficiently specific to detect interaction effects with specific advertising cues. Future investigations could implement scales assessing consumers' attitude toward AI in the context of advertising and creativity to capture more contextualized attitudes and gain context-specific insights into how consumers perceive AIGC in advertising. Furthermore, this research focused solely on purchase intention as an indicator for consumer behavior. However, assessing actual purchase behavior or post-purchase evaluation as in

stage four and five of the consumer decision-making process (Hosaini et al., 2020, p. 1201f), could generate more practically relevant insights on AIGC in digital advertising. Moreover, following studies should incorporate brand preferences and brand familiarity as predictors, as these concepts may significantly affect consumer behavioral intentions, including purchase intention (Clarence & Keni, 2022, p. 481; Yu et al., 2017, p. 1). Thus, future research should integrate additional variables to understand how disclosures in AI-generated advertisements impact consumer decision-making throughout the entire process and how this is shaped through distinct predictors.

Fifth, while each AI disclosure condition met the minimum threshold for analysis, the group sizes across the three conditions are unequal. This imbalance is acknowledged as a limitation as it may affect the robustness of comparisons and the validity of the ANCOVA results since unequal group sizes can influence Type I error rates and reduce statistical power (Johnson & Rakow, 1994, pp. 1-3). Although ANCOVA is able to tolerate certain violations if group sizes are relatively equal (Johnson & Rakow, 1994, p. 3), groups with the sizes of 59, 48, and 31 necessitate caution when interpreting results. To mitigate this, future studies should aim for more balanced group distributions or apply statistical procedures such as bootstrapping. Moreover, as six of the seven hypotheses were found not significant, further research is needed to investigate alternative explanations for the nonsignificant findings regarding the relationship between AI disclosure and brand trust, as well as purchase intention and attitudes toward AI as a moderator in the context of AI-generated advertisements.

Lastly, that this study drew upon previous literature and findings on advertisement disclosures given the lack of literature on AI disclosures in advertising, specifically, is considered a limitation. Future investigations should aim to explore mechanisms through which certain AI disclosure formats in advertisements affect consumer decision-making, especially under the influence of distinct attitudes toward AI. By implementing qualitative methods, such as focus groups or interviews, assessing consumers' experiences and responses could support the discovery of underlying dynamics (Sofaer, 2002, p. 329).

5.4 Conclusion

As AI becomes increasingly embedded in advertising processes (Chen, 2024, p. 31), understanding how consumers respond to AI-generated advertisements, and whether disclosure of AI involvement influences their decision-making, gains importance. This study investigated to what extent different AI disclosure formats, namely explicit, implicit, and no disclosure affect purchase intention, and how this relationship is mediated by brand trust and moderated by consumers' pre-existing attitudes toward AI.

This conclusion builds on the theoretical framework, hypotheses, and statistical results discussed in the previous chapters.

Drawing on the Persuasion Knowledge Model (PKM), the study hypothesized that transparency through disclosure would enhance trust toward the brand and purchase intention. The findings challenged this assumption. AI disclosure showed no significant direct effect on either brand trust or purchase intention, and general attitudes toward AI did not moderate these effects. However, attitude toward AI significantly predicted brand trust across all conditions, implying that individuals with more favorable views of AI tend to express greater trust toward the presented brand regardless of the AI disclosure format. Furthermore, brand trust emerged as the central mechanism linking AI disclosure to behavioral intention. The full mediation observed suggests that disclosure of AI alone does not persuade consumers to buy a product, rather it may support trust-building processes that ultimately drive the intention to purchase. However, this effect may be constrained by certain limitations of the study, such as the utilization of a fictional brand and the reliance on a single-exposure design, which may have reduced the salience of AI involvement or hindered trust development and brand familiarity. These limitations highlight that transparency through AI disclosure, in isolation, is insufficient.

The present study finds that AI disclosure in AI-generated advertisements influences consumer decision-making indirectly through brand trust, but not directly - answering RQ1. The AI disclosure format did not significantly affect purchase intention or brand trust on its own, but brand trust fully mediates the effect on purchase intention. Attitude toward AI did not moderate these relationships, suggesting its limited role in shaping consumers' responses to AI disclosures, thereby addressing RQ2. Still, the significant main effect on brand trust highlights that general attitudes toward AI may affect consumers' trust in a brand, even if they do not condition the persuasive effectiveness of distinct AI disclosure formats. Theoretically, this research extends the PKM to AI-generated advertisements by showing that brand trust, not AI disclosure alone, drives behavioral intention, particularly purchase intention. It highlights the importance of mediators in consumer decision-making and questions the relevance of general attitudes toward AI in this context.

This research contributes to theoretical discourse by employing the application of the PKM in AI advertising contexts. It reveals that traditional assumptions about transparency and persuasion may not hold when AI is involved and underscores the importance of mediators such as trust in understanding consumer responses. It also encourages advertisers and policymakers to consider the complexity behind AI disclosure effectiveness. The findings offer routes for future research to explore context-specific attitudes toward AI, the role of brand-related variables, and different formats of advertisement. As AI is

already revolutionizing the advertising industry (Chen, 2024, p. 31), the challenge lies not in merely disclosing its involvement but in doing so in ways that resonate, build trust, and align with evolving consumer expectations. Thus, these insights support paving the way for ethically sound advertising practices that align technological advancement with consumers' trust.

References

Arango, L., Singaraju, S. P., & Niininen, O. (2023). Consumer Responses to AI-Generated Charitable Giving Ads. *Journal of Advertising*, *52*(4), 486–503. https://doi.org/10.1080/00913367.2023.2183285

Babbie, E. (2010). *The basics of social research*. https://ci.nii.ac.jp/ncid/BB12429869

Baker, M. J., & Churchill, G. A. (1977). The Impact of Physically Attractive Models on Advertising Evaluations. *Journal of Marketing Research*, *14*(4), 538–555. https://doi.org/10.2307/3151194

Baker, R., Brick, J. M., Bates, N. A., Battaglia, M., Couper, M. P., Dever, J. A., Gile, K. J., & Tourangeau, R. (2013). Non-probability sampling. Report of the AAPOR task force on non-probability sampling. In *AAPOR*. AAPOR. https://www.aapor.org/wp-content/uploads/2022/11/NPS_TF_Report_Final_7_revised_FNL_6_22_13-1.pdf

Becker, S. (2024, August 23). *SB-942 California AI Transparency Act*. California Legislative Information. https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB942

Beckert, J. (2024). Friestad & Wright (1994): The Persuasion Knowledge Model. In *Springer eBooks* (pp. 365–376). https://doi.org/10.1007/978-3-658-45292-6_32

Beins, B. C. (2013). Social desirability bias. *The Encyclopedia of Cross-Cultural Psychology*, 1203–1205. https://doi.org/10.1002/9781118339893.wbeccp501

Beldad, A., De Jong, M., & Steehouder, M. (2010). How Shall I Trust the Faceless and the Intangible? A Literature Review on the Antecedents of Online Trust. *Computers in Human Behavior*, *26*(5), 857–869. https://doi.org/10.1016/j.chb.2010.03.013

Boerman, S. C., Willemsen, L. M., & Van Der Aa, E. P. (2017). "This Post is Sponsored" Effects of Sponsorship Disclosure on Persuasion Knowledge and Electronic Word of Mouth in the Context of Facebook. *Journal of Interactive Marketing*, *38*(1), 82–92. https://doi.org/10.1016/j.intmar.2016.12.002

Böhler, R. S. H. (2024). The Influence of Transparency in Personalized Recommendation Ads on Consumer Privacy Concerns and Purchase Intentions. *Law And Economy*, *3*(8), 13–21. https://doi.org/10.56397/le.2024.08.03

Budic, M. (2022). AI and US: ethical concerns, public knowledge and public attitudes on artificial intelligence. In *AIES '22: Proceedings of the 2022 AAAI/ACM Conference on AI, Ethics, and Society* (p. 892). Association for Computing Machinery. https://doi.org/10.1145/3514094.3539518

Burruss, G. W., & Johnson, A. (2021). Online survey research. *The Encyclopedia of Research Methods in Criminology and Criminal Justice*, 104–107. https://doi.org/10.1002/9781119111931.ch21

CalMatters. (2024). *SB 942: California AI Transparency Act*. Digital Democracy CalMatters. https://calmatters.digitaldemocracy.org/bills/ca_202320240sb942

Campbell, C., Plangger, K., Sands, S., & Kietzmann, J. (2022). Preparing for an Era of Deepfakes and AI-Generated Ads: A Frameworkfor Understanding Responses to Manipulated Advertising. *Journal of Advertising*, *51*(1), 22–38. https://doi.org/10.1080/00913367.2021.1909515

Chaudhuri, A., & Holbrook, M. B. (2001). The Chain of Effects from Brand Trust and Brand Affect to Brand Performance: The Role of Brand Loyalty. *Journal of Marketing*, *65*(2), 81–93. https://doi.org/10.1509/jmkg.65.2.81.18255

Chen, Y. (2024). Advertising in the Era of Artificial Intelligence. *Communications in Humanities Research*, *39*(1), 31–38. https://doi.org/10.54254/2753-7064/39/20242180

Cho, G. H. (2011). A Psychological Inquiry into the Confucian Origins of East Asian Collectivism*. *Korean Social Sciences Review*, *1*(1), 37–103. https://www.proquest.com/scholarly-journals/psychological-inquiry-into-confucian-origins-east/docview/1314489921/se-2

Clarence, C., & Keni, K. (2022). The prediction of purchase intention based on digital marketing, customer engagement, and brand preference. In *Proceedings of the tenth International Conference on Entrepreneurship and Business Management 2021 (ICEBM 2021)*. Atlantis Press International B.V. https://doi.org/10.2991/aebmr.k.220501.073

Clegg, N. (2024, February 6). *Labeling AI-generated images on Facebook, Instagram, and Threads*. Meta. https://about.fb.com/news/2024/02/labeling-ai-generated-images-on-facebook-instagram-and-threads/

Clement, L. M., & Bradley-Garcia, M. (2022). A Step-By-Step Tutorial for Performing a Moderated Mediation Analysis using PROCESS. *The Quantitative Methods for Psychology*, *18*(3), 258–271. https://doi.org/10.20982/tqmp.18.3.p258

Cook, L., & Rumrill, P. D., Jr. (2005). Internal validity in rehabilitation research. *Work*, *25*(3), 279–283. https://doi.org/10.3233/wor-2005-00511

De Jans, S., Cauberghe, V., & Hudders, L. (2018). How an Advertising Disclosure Alerts Young Adolescents to Sponsored Vlogs: The Moderating Role of a Peer-Based Advertising Literacy Intervention through an Informational Vlog. *Journal of Advertising*, *47*(4), 309–325. https://doi.org/10.1080/00913367.2018.1539363

Deck, A. (2023, July 11). The workers at the frontlines of the AI revolution. *Rest of World*. https://restofworld.org/2023/ai-revolution-outsourced-workers/

Demetriou, C., Ozer, B. U., & Essau, C. A. (2015). Self-Report questionnaires. *The Encyclopedia of Clinical Psychology*, 1–6. https://doi.org/10.1002/9781118625392.wbecp507

Department of Media and Communication. (2024, January). *Methodological Guidelines Thesis Research* [Slide show]. Erasmus University Rotterdam.

DiResta, A. E., & Sherman, Z. E. (2023, July 25). *The FTC is regulating AI: A Comprehensive analysis*. Holland & Knight. https://www.hklaw.com/en/insights/publications/2023/07/the-ftc-is-regulating-ai-a-comprehensive-analysis

Du, D., Zhang, Y., & Ge, J. (2023). Effect of AI Generated Content Advertising on Consumer Engagement. In *Lecture notes in computer science* (pp. 121–129). https://doi.org/10.1007/978-3-031-36049-7_9

Erdem, T., & Swait, J. (2004). Brand Credibility, Brand Consideration, and Choice. *Journal of Consumer Research*, *31*(1), 191–198. https://doi.org/10.1086/383434

European Commission. (2024, October 14). *AI Act*. https://digital-strategy.ec.europa.eu/en/policies/regulatory-framework-ai

Evans, N. J., Phua, J., Lim, J., & Jun, H. (2017). Disclosing Instagram Influencer Advertising: The Effects of Disclosure Language on Advertising Recognition, Attitudes, and Behavioral Intent. *Journal of Interactive Advertising*, *17*(2), 138–149. https://doi.org/10.1080/15252019.2017.1366885

Fast, E., & Horvitz, E. (2017). Long-Term trends in the public perception of artificial intelligence. In *Proceedings of the Thirty-First AAAI Conference on Artificial Intelligence (AAAI-17)* (Vol. 31, Issue 1). https://doi.org/10.1609/aaai.v31i1.10635

Field, A. (2009). *Discovering statistics using SPSS*. SAGE Publications.

Franzoni, V. (2023). From Black Box to Glass Box: Advancing Transparency in Artificial intelligence Systems for ethical and trustworthy AI. In *Lecture notes in computer science* (pp. 118–130). https://doi.org/10.1007/978-3-031-37114-1_9

Friestad, M., & Wright, P. (1994). The Persuasion Knowledge Model: How People Cope with Persuasion Attempts. *Journal of Consumer Research*, *21*(1), 1–31. https://doi.org/10.1086/209380

Gao, B., Wang, Y., Xie, H., Hu, Y., & Hu, Y. (2023). Artificial Intelligence in Advertising: Advancements, Challenges, and Ethical Considerations in Targeting, Personalization, Content Creation, and Ad Optimization. *SAGE Open*, *13*(4). https://doi.org/10.1177/21582440231210759

Garcia, F. M., & Wantchekon, L. (2010). Theory, external validity, and experimental inference: some conjectures. *The Annals of the American Academy of Political and Social Science*, *628*(1), 132–147. https://doi.org/10.1177/0002716209351519

Ghani, M. M., Mustafa, W. A., Bakhtiar, D. L. S., & Khairudin, M. (2024). A Comprehensive Study: AI Literacy as a Component of Media Literacy. *Journal of Advanced Research in Applied Sciences and Engineering Technology*, *53*(2), 112–121. https://doi.org/10.37934/araset.53.2.112121

Ghosh, M. (2024). Meta-analytic review of online purchase intention: conceptualising the study variables. *Cogent Business & Management*, *11*(1). https://doi.org/10.1080/23311975.2023.2296686

Gillath, O., Ai, T., Branicky, M. S., Keshmiri, S., Davison, R. B., & Spaulding, R. (2021). Attachment and Trust in Artificial Intelligence. *Computers in Human Behavior*, *115*, 106607. https://doi.org/10.1016/j.chb.2020.106607

Glikson, E., & Woolley, A. W. (2020). Human Trust in Artificial Intelligence: Review of Empirical Research. *Academy of Management Annals*, *14*(2), 627–660. https://doi.org/10.5465/annals.2018.0057

Grassini, S. (2023). Development and validation of the AI attitude scale (AIAS-4): a brief measure of general attitude toward artificial intelligence. *Frontiers in Psychology*, *14*. https://doi.org/10.3389/fpsyg.2023.1191628

Grigsby, J. L., Michelsen, M., & Zamudio, C. (2025). Service Ads in the Era of Generative AI: Disclosures, Trust, and Intangibility. *Journal of Retailing and Consumer Services*, *84*, 104231. https://doi.org/10.1016/j.jretconser.2025.104231

Grimmelikhuijsen, S. G., & Meijer, A. J. (2012). Effects of Transparency on the Perceived Trustworthiness of a Government Organization: Evidence from an Online Experiment. *Journal of Public Administration Research and Theory*, *24*(1), 137–157. https://doi.org/10.1093/jopart/mus048

Gu, C., Jia, S., Lai, J., Chen, R., & Chang, X. (2024). Exploring Consumer Acceptance of AI-Generated Advertisements: From the Perspectives of Perceived Eeriness and Perceived Intelligence. *Journal of Theoretical and Applied Electronic Commerce Research*, *19*(3), 2218–2238. https://doi.org/10.3390/jtaer19030108

Gunderson Dettmer. (2024, October 29). *Client Insight: Artificial intelligence Insights the current regulatory landscape*. https://www.gunder.com/en/news-insights/insights/client-insight-artificial-intelligence-insights-the-current-regulatory-landscape-published-october-29-2024-by-katie-gardner-aaron-rubin-and-erica-davis

Guo, B., & Jiang, Z. (2023). Influence of Personalised Advertising Copy on Consumer Engagement: A Field Experiment approach. *Electronic Commerce Research*. https://doi.org/10.1007/s10660-023-09721-5

Ha, H., & Perks, H. (2005). Effects of Consumer Perceptions of Brand Experience on the Web: Brand Familiarity, Satisfaction and Brand Trust. *Journal of Consumer Behaviour*, *4*(6), 438–452. https://doi.org/10.1002/cb.29

Harrison, L. (2010). Quantitative designs and statistical analysis. In *Doing Early Childhood Research* (2nd ed., pp. 127–154). Routledge. https://doi.org/10.4324/9781003115397-9

Hartnett, N., Romaniuk, J., & Kennedy, R. (2016). Comparing Direct and Indirect Branding in Advertising. *Australasian Marketing Journal (AMJ)*, *24*(1), 20–28. https://doi.org/10.1016/j.ausmj.2015.12.002

Hayes, A. F. (2022). *My Macros and Code for SPSS, SAS, and R*. Andrew F. Hayes, Ph.D. https://afhayes.com/spss-sas-and-r-macros-and-code.html

Holland, P. W. (1986). Statistics and Causal Inference. *Journal of the American Statistical Association*, *81*(396), 945–960. https://doi.org/10.1080/01621459.1986.10478354

Hosaini, A., Hosaini, A., & Rasoli, M. S. (2020). Research Paper on Consumer Purchasing Decision Making Process and Factors Affecting Consumers Purchasing Decisions. *International Journal of Science and Research (IJSR)*, *9*(4). https://doi.org/10.21275/SR20420213654

Hoy, M. G., & Andrews, J. C. (2004). Adherence of Prime-Time Televised Advertising Disclosures to the "Clear and Conspicuous" Standard: 1990 versus 2002. *Journal of Public Policy & Marketing*, *23*(2), 170–182. https://doi.org/10.1509/jppm.23.2.170.51397

Huang, H., & Shen, L. (2024). Research on the Effects of AIGC Advertisement on Prosumer Behavior. *Economics and Management Innovation*, *1*(1), 1–9. https://doi.org/10.71222/f5q5pe25

Ienca, M. (2023). On Artificial Intelligence and Manipulation. *Topoi*, *42*(3), 833–842. https://doi.org/10.1007/s11245-023-09940-3

Instagram. (n.d.). *Label AI content on Instagram*. https://help.instagram.com/761121959519495/?helpref=uf_share

Jain, V., Wadhwani, K., & Eastman, J. K. (2023). Artificial Intelligence Consumer Behavior: A hybridreview and research agenda. *Journal of Consumer Behaviour*, *23*(2), 676–697. https://doi.org/10.1002/cb.2233

Johnson, C. C., & Rakow, E. A. (1994). Effects of Violations of Data Set Assumptions When Using the Analysis of Variance and Covariance with Unequal Group Sizes. In *Annual Meeting of the Mid-South Educational Research Association*. http://files.eric.ed.gov/fulltext/ED389729.pdf

Kamath, C., & Alur, S. (2024). Ad generation modalities and response to in-app advertising – an experimental study. *Global Knowledge Memory and Communication*, *ahead-of-print*(ahead-of-print). https://doi.org/10.1108/gkmc-04-2024-0245

Kang, H. (2021). Sample Size Determination and Power Analysis Using the G*Power Software. *Journal of Educational Evaluation for Health Professions*, *18*, 17. https://doi.org/10.3352/jeehp.2021.18.17

Kastanakis, M., & Voyer, B. (2012). Cultural Effects on Perception and Cognition: Integrating Recent Findings and Reviewing Implications For Consumer Research. *Advances in Consumer Research*, *40*, 966–967.

Kesmodel, U. S. (2018). Cross-Sectional studies – what are they good for? *Acta Obstetricia Et Gynecologica Scandinavica*, *97*(4), 388–393. https://doi.org/10.1111/aogs.13331

Kilic, S. (2016). Cronbach's alpha reliability coefficient. *Journal of Mood Disorders*, *6*(1), 47. https://doi.org/10.5455/jmood.20160307122823

Kučinskas, N. G. (2025). Revealing AI Involvement in Ad creation: Effects on Authenticity, Brand Perceptions and Consumer Intentions. *Journal of Information Systems Engineering & Management*, *10*(16s), 727–740. https://doi.org/10.52783/jisem.v10i16s.2659

Lee, B., Ang, L., & Dubelaar, C. (2005). Lemons on the Web: A Signalling Approach to the Problem of Trust in Internet Commerce. *Journal of Economic Psychology*, *26*(5), 607–623. https://doi.org/10.1016/j.joep.2005.01.001

Lefever, S., Dal, M., & Matthíasdóttir, Á. (2006). Online Data Collection in Academic Research: Advantages and Limitations. *British Journal of Educational Technology*, *38*(4), 574–582. https://doi.org/10.1111/j.1467-8535.2006.00638.x

Limbu, Y., & Torres, I. M. (2009). The Effects of Involvement and Ad Type on Attitudes toward Direct-To-Consumer Advertising of Prescription Drugs. *Journal of Health and Human Services Administration*, *32*(1), 51–82. https://doi.org/10.1177/107937390903200102

Lin, H., Werner, K. M., & Inzlicht, M. (2021). Promises and Perils of Experimentation: The Mutual-Internal-Validity Problem. *Perspectives on Psychological Science*, *16*(4), 854–863. https://doi.org/10.1177/1745691620974773

Logg, J. M., Minson, J. A., & Moore, D. A. (2019). Algorithm Appreciation: People Prefer Algorithmic to Human Judgment. *Organizational Behavior and Human Decision Processes*, *151*, 90–103. https://doi.org/10.1016/j.obhdp.2018.12.005

McClelland, E. (2001). Measurement Issues and Validity Tests for Using Attitude Indicators in Contingent Valuation Research. *NCEE Working Paper Series*, *1*(1), 1–21. https://doi.org/10.22004/ag.econ.280790

McKay, L. (2008). Transparency: CRM. *Customer Relationship Management*, *12*(12), 24–29. https://www.proquest.com/magazines/transparency/docview/222767442/se-2

Mckinney, M. E., & Benson, A. (2013). The Value of Brand Trust. *Journal of Brand Strategy*, *2*(1), 76. https://doi.org/10.69554/fzhs8281

Monks. (n.d.-a). *From dreams to reality: AI-powered performance creative for Hatch*. https://www.monks.com/case-studies/hatch-dreams-to-reality-monksflow

Monks. (n.d.-b). *Monks.Flow*. https://www.monks.com/monks.flow

Morgan, R. M., & Hunt, S. D. (1994). The Commitment-Trust theory of relationship Marketing. *Journal of Marketing*, *58*(3), 20. https://doi.org/10.2307/1252308

Morwitz, V. (2012). Consumers' Purchase Intentions and their Behavior. *Foundations and Trends® in Marketing*, *7*(3), 181–230. https://doi.org/10.1561/1700000036

Mueller, B. (2006). The role of product involvement in advertising message perception and believability. In *International Advertising and Communication* (pp. 3–22). DUV. https://doi.org/10.1007/3-8350-5702-2_1

Mundfrom, D. J., Shaw, D. G., & Ke, T. L. (2005). Minimum Sample Size Recommendations for Conducting Factor Analyses. *International Journal of Testing*, *5*(2), 159–168. https://doi.org/10.1207/s15327574ijt0502_4

Navarro, J. G. (2025, January 8). *Ad media owners' revenue worldwide from 2019-2029*. Statista. https://www.statista.com/statistics/236943/global-advertising-spending/

Neuman, W.L. (2014). Experimental research. In *W. L. Neuman, Social research methods: Qualitative and quantitative approaches* (7th ed., pp. 281-313). Pearson.

Okazaki, S., & Barwise, P. (2011). Has the Time Finally Come for the Medium of the Future? *Journal of Advertising Research*, *51*(sup1), 59–71. https://doi.org/10.2501/jar-51-1-057-071

OpenAI. (2025, March 25). *Introducing 4o Image Generation*. https://openai.com/index/introducing-4o-image-generation/

Parris, D. L., Dapko, J. L., Arnold, R. W., & Arnold, D. (2016). Exploring transparency: a new framework for responsible business management. *Management Decision*, *54*(1), 222–247. https://doi.org/10.1108/md-07-2015-0279

Patil, H. I., Mundecha, K., & Patil, S. (2023). Marketing Research - an Examination of Consumer Preferences for Shampoo Brands. *Research Journal of Topical and Cosmetic Sciences*, 1–6. https://doi.org/10.52711/2321-5844.2023.00001

Qin, X., & Jiang, Z. (2019). The Impact of AI on the Advertising Process: The Chinese Experience. *Journal of Advertising*, *48*(4), 338–346. https://doi.org/10.1080/00913367.2019.1652122

Qualtrics. (n.d.). *Qualtrics XM - Experience Management Software*. https://www.qualtrics.com/en-gb/

Rahmani, V. (2023). Persuasion knowledge framework: Toward a comprehensive model of consumers' persuasion knowledge. *AMS Review*, *13*(1–2), 12–33. https://doi.org/10.1007/s13162-023-00254-6

Ratta, A. A., Muneer, S., & Hassan, H. U. (2024). The impact of AI generated advertising content on consumer buying intention and consumer engagement. *Bulletin of Business and Economics (BBE)*, *13*(2), 1152–1157. https://doi.org/10.61506/01.00476

Regorz, A. (2018). *Mediatoranalyse bei multipler Regression: Teil 2: Bootstrapping mit PROCESS*. Regorz Statistik. https://www.regorz-statistik.de/inhalte/tutorial_mediator_bootstrapping_process.html#ergebnisdarstellung

Regorz, A. (2020). *PROCESS Model 7 Moderated Mediation: Running and Interpreting Model 7 of Hayes' PROCESS-macro (Version 3)*. Regorz Statistik. https://www.regorz-statistik.de/en/process_model_7_moderated_mediation.html

Roberts, C., & Jäckle, A. (2006). Causes of Mode Effects: Separating out Interviewer and Stimulus Effects in Comparisons of Face-to-Face and Telephone Surveys. In *AAPOR - ASA Section on Survey Research Methods*. http://repository.essex.ac.uk/8037/1/JSM2006-000424.pdf

Rozendaal, E., Lapierre, M. A., Van Reijmersdal, E. A., & Buijzen, M. (2011). Reconsidering Advertising Literacy as a Defense Against Advertising Effects. *Media Psychology*, *14*(4), 333–354. https://doi.org/10.1080/15213269.2011.620540

Sands, S., Campbell, C. L., Plangger, K., & Ferraro, C. (2022). Unreal influence: leveraging AI in influencer marketing. *European Journal of Marketing*, *56*(6), 1721–1747. https://doi.org/10.1108/ejm-12-2019-0949

Sarstedt, M., Bengart, P., Shaltoni, A. M., & Lehmann, S. (2017). The use of sampling methods in advertising research: a gap between theory and practice. *International Journal of Advertising*, *37*(4), 650–663. https://doi.org/10.1080/02650487.2017.1348329

Schepman, A., & Rodway, P. (2022). The General Attitudes towards Artificial Intelligence Scale (GAAIS): Confirmatory Validation and Associations with Personality, Corporate Distrust, and General

Trust. *International Journal of Human-Computer Interaction*, *39*(13), 2724–2741. https://doi.org/10.1080/10447318.2022.2085400

Semaan, R. W., Kocher, B., & Gould, S. (2018). How Well Will This Brand Work? The Ironic Impact of Advertising Disclosure of Body-Image Retouching on Brand Attitudes. *Psychology and Marketing*, *35*(10), 766–777. https://doi.org/10.1002/mar.21133

Simon & Schuster. (2003, October 7). The naked corporation - How the age of transparency will revolutionize business - By Don Tapscott and David Ticoll. *3BL CSRwire*. https://www.csrwire.com/press_releases/20839-the-naked-corporation-how-the-age-of-transparency-will-revolutionize-business-by-don-tapscott-and-david-ticoll

Sindermann, C., Sha, P., Zhou, M., Wernicke, J., Schmitt, H. S., Li, M., Sariyska, R., Stavrou, M., Becker, B., & Montag, C. (2020). Assessing the attitude towards artificial intelligence: Introduction of a short measure in German, Chinese, and English language. *KI - Künstliche Intelligenz*, *35*(1), 109–118. https://doi.org/10.1007/s13218-020-00689-0

Sofaer, S. (2002). Qualitative research methods. *International Journal for Quality in Health Care*, *14*(4), 329–336. https://doi.org/10.1093/intqhc/14.4.329

Spears, N., & Singh, S. N. (2004). Measuring Attitude toward the Brand and Purchase Intentions. *Journal of Current Issues & Research in Advertising*, *26*(2), 53–66. https://doi.org/10.1080/10641734.2004.10505164

SurveyCircle. (n.d.). *FAQ – Frequently Asked Questions*. https://www.surveycircle.com/en/faq/

Tarrahi, F., & Eisend, M. (2021). Consumer persuasion knowledge as dynamic capability. In *Dynamic Capabilities and Relationships* (pp. 115–126). Springer. https://doi.org/10.1007/978-3-030-83182-0_7

Tessitore, T., & Geuens, M. (2013). PP for 'Product Placement' or 'Puzzled Public'? *International Journal of Advertising*, *32*(3), 419–442. https://doi.org/10.2501/ija-32-3-419-442

Watson, J., Valsesia, F., & Segal, S. (2024). Assessing AI Receptivity Through a Persuasion Knowledge Lens. *Current Opinion in Psychology*, *58*, 101834. https://doi.org/10.1016/j.copsyc.2024.101834

Wei, M., Fischer, E., & Main, K. J. (2008). An Examination of the Effects of Activating Persuasion Knowledge on Consumer Response to Brands Engaging in Covert Marketing. *Journal of Public Policy & Marketing*, *27*(1), 34–44. https://doi.org/10.1509/jppm.27.1.34

Weismueller, J., Harrigan, P., Wang, S., & Soutar, G. N. (2020). Influencer Endorsements: How Advertising Disclosure and Source Credibility Affect Consumer Purchase Intention on Social Media.

Australasian Marketing Journal (AMJ), *28*(4), 160–170. https://doi.org/10.1016/j.ausmj.2020.03.002

Willens, M. (2025, January 6). *Instagram, powered by Reels, ascends the paid social media throne*. EMARKETER. https://www.emarketer.com/content/instagram-powered-by-reels-ascends-paid-social-media-throne

Wortel, C., Vanwesenbeeck, I., & Tomas, F. (2024). Made with Artificial Intelligence: The Effect of Artificial Intelligence Disclosures in Instagram Advertisements on Consumer Attitudes. *Emerging Media*, *2*(3), 547–570. https://doi.org/10.1177/27523543241292096

Wu, L., & Wen, T. J. (2021). Understanding AI Advertising from the Consumer Perspective. *Journal of Advertising Research*, *61*(2), 133–146. https://doi.org/10.2501/jar-2021-004

Wu, L., Dodoo, N. A., Wen, T. J., & Ke, L. (2022). Understanding Twitter Conversations about Artificial Intelligence in Advertising Based on Natural Language Processing. *International Journal of Advertising*, *41*(4), 685–702. https://doi.org/10.1080/02650487.2021.1920218

Xu, Y. (2024). Evolution and Future Directions of Artificial Intelligence Generated Content (AIGC): A Comprehensive Review. *Applied and Computational Engineering*, *95*(1), 1–13. https://doi.org/10.54254/2755-2721/95/2024bj0056

Yang, J., & Battocchio, A. F. (2020). Effects of Transparent Brand Communication on Perceived Brand Authenticity and Consumer Responses. *Journal of Product & Brand Management*, *30*(8), 1176–1193. https://doi.org/10.1108/jpbm-03-2020-2803

Yoo, C. Y., & Jeong, H. J. (2014). Brand Transparency in Social Media: Effects of Message Sidedness and Persuasion Knowledge. *The Korean Journal of Advertising*, *3*(2), 5–44. https://doi.org/10.14377/japr.2014.9.30.5

Yu, U., Cho, E., & Johnson, K. K. P. (2017). Effects of Brand Familiarity and Brand Loyalty on Imagery Elaboration in Online Apparel Shopping. *Journal of Global Fashion Marketing*, *8*(3), 193–206. https://doi.org/10.1080/20932685.2017.1284603

Zhang, B., & Dafoe, A. (2019). Artificial Intelligence: American Attitudes and Trends. *SSRN Electronic Journal*. https://doi.org/10.2139/ssrn.3312874

Appendix A

Stimuli

Explicit AI disclosure condition

Implicit AI disclosure condition

No AI disclosure condition

Appendix B

Questionnaire

Start of Block: Introduction

Dear participant,

Thank you for your interest in this research. You are invited to participate in a questionnaire, where you will be presented with an advertisement and asked to evaluate it based on your personal perceptions. The questionnaire will take approximately 5 minutes to complete. Please answer each question carefully and honestly, as we are sincerely interested in your personal opinions. There are no right or wrong answers.

Confidentiality of data

All research data remain completely confidential and are collected in anonymous form. It will not be possible to identify you. There are no foreseeable risks or discomforts associated with participating in this research.

Voluntary

Participation in this study is entirely voluntary. If you choose not to participate, this will have no consequences. You may also withdraw from the study at any point during or after completing the questionnaire without providing a reason.

Further information

If you have questions about this research, in advance or afterwards, you can contact the responsible researcher, Leonie Dildey, 743185ld@eur.nl. This study has been approved by the Ethics Committee of Erasmus University, Rotterdam. If you want to invoke your rights or if you have a question concerning privacy about this study, you can contact Erasmus University's DPO (Data Protection Officer) at fg@eur.nl.

If you understand the information above and freely consent to participate in this study, click on the “I agree” button below to start the questionnaire.

- ○ I agree (1)
- ○ I disagree (2)

End of Block: Introduction

Start of Block: Debrief

Thank you for participating in this survey. This research investigates how AI disclosure in advertisements influences consumer decision-making. Specifically, the impact of different AI disclosure formats (explicit, implicit, or no disclosure) and whether attitudes toward AI moderate these effects. To ensure unbiased responses, we did not initially reveal the exact focus of this study. However, all responses are anonymous and will only be used for academic purposes. Your input is valuable for advancing research on AI in advertising. If you have any questions about the study or wish to withdraw your participation, please contact the researcher via 743185ld@eur.nl.

End of Block: Debrief

Start of Block: Explicit disclosure

Please carefully observe the advertisement displayed below.

End of Block: Explicit disclosure

Start of Block: Implicit disclosure

Please carefully observe the advertisement for the brand Aphrosa displayed below.

End of Block: Implicit disclosure

Start of Block: No disclosure

End of Block: No disclosure

Start of Block: Purchase intention

Based on the advertisement, please indicate the extent to which you agree or disagree with the following statements about the brand Aphrosa.

	Strongly disagree (1)	Disagree (2)	Somewhat disagree (3)	Neither agree nor disagree (4)	Somewhat agree (5)	Agree (6)	Strongly agree (7)
I would like to try this brand. (1)	○	○	○	○	○	○	○
I would buy other products of this brand. (2)	○	○	○	○	○	○	○
I would buy this product if I happened to see the brand. (3)	○	○	○	○	○	○	○
I would actively seek out this product in a store in order to purchase it. (4)	○	○	○	○	○	○	○

Page Break

End of Block: Purchase intention

Start of Block: Brand trust

Based on the advertisement, please indicate the extent to which you agree or disagree with the following statements about the brand Aphrosa.

	Strongly disagree (1)	Disagree (2)	Somewhat disagree (3)	Neither agree nor disagree (4)	Somewhat agree (5)	Agree (6)	Strongly agree (7)
Aphrosa does not pretend to be something it isn't. (1)	○	○	○	○	○	○	○
Aphrosa's product claims are believable. (2)	○	○	○	○	○	○	○
Over time, my experiences with Aphrosa have led me to expect it to keep its promises, no more and no less. (3)	○	○	○	○	○	○	○
Aphrosa has a name you can trust. (4)	○	○	○	○	○	○	○
Aphrosa delivers what it promises. (5)	○	○	○	○	○	○	○

Page Break

End of Block: Brand trust

Start of Block: Attitude toward AI

Please indicate the extent to which you agree or disagree with the following statements.

	Strongly disagree (1)	Disagree (2)	Somewhat disagree (3)	Neither agree nor disagree (4)	Somewhat agree (5)	Agree (6)	Strongly agree (7)
I believe that AI will improve my life. (1)	○	○	○	○	○	○	○
I believe that AI will improve my work. (2)	○	○	○	○	○	○	○
I think I will use AI technology in the future. (3)	○	○	○	○	○	○	○
I think AI technology is positive for humanity. (4)	○	○	○	○	○	○	○

Page Break

End of Block: Attitude toward AI

Start of Block: Manipulation check

Did the advertisement mention that it was created using AI?

- ○ Yes (1)
- ○ No (2)
- ○ I am not sure (3)

Page Break

End of Block: Manipulation check

Start of Block: Demographic questions

*

What is your age? Please type the answer in full numbers only.

_____

What is your gender?

- ○ Female (1)
- ○ Male (2)
- ○ Non-binary / third gender (3)
- ○ Prefer not to say (4)

What is the highest level of education you have completed?

- ○ Less than high school (no degree) (1)
- ○ High school degree or equivalent (2)
- ○ Bachelor's degree or equivalent (3)
- ○ Master's degree or equivalent (4)
- ○ Doctoral degree or equivalent (5)
- ○ Professional degree or equivalent (6)

End of Block: Demographic questions

Appendix C

Declaration Page: Use of Generative AI Tools in Thesis

Student Information
Name: Leonie Dildey
Student ID: 743185
Course Name: Master Thesis CM5000
Supervisor Name: Aviv Barnoy
Date: 23.06.2025

Declaration:

Acknowledgment of Generative AI Tools
I acknowledge that I am aware of the existence and functionality of generative artificial intelligence (AI) tools, which are capable of producing content such as text, images, and other creative works autonomously.

GenAI use would include, but not limited to:

- Generated content (e.g., ChatGPT, Quillbot) limited strictly to content that is not assessed (e.g., thesis title).
- Writing improvements, including grammar and spelling corrections (e.g., Grammarly)
- Language translation (e.g., DeepL), without generative AI alterations/improvements.
- Research task assistance (e.g., finding survey scales, qualitative coding verification, debugging code)
- Using GenAI as a search engine tool to find academic articles or books (e.g.,

☒ I declare that I have used generative AI tools, specifically [ChatGPT, Grammarly, Languagetool], in the process of creating parts or components of my thesis. The purpose of using these tools was to aid in generating content or assisting with specific aspects of thesis work.

☐ I declare that I have NOT used any generative AI tools and that the assignment concerned is my original work.

Signature: [digital signature]
Date of Signature: [Date of Submission]

Extent of AI Usage
☒ I confirm that while I utilized generative AI tools to aid in content creation, the majority of the intellectual effort, creative input, and decision-making involved in completing the thesis were undertaken by me. I have

enclosed the prompts/logging of the GenAI tool use in an appendix.

Ethical and Academic Integrity

☒ I understand the ethical implications and academic integrity concerns related to the use of AI tools in coursework. I assure that the AI-generated content was used responsibly, and any content derived from these tools has been appropriately cited and attributed according to the guidelines provided by the instructor and the course. I have taken necessary steps to distinguish between my original work and the AI-generated contributions. Any direct quotations, paraphrased content, or other forms of AI-generated material have been properly referenced in accordance with academic conventions.

By signing this declaration, I affirm that this declaration is accurate and truthful. I take full responsibility for the integrity of my assignment and am prepared to discuss and explain the role of generative AI tools in my creative process if required by the instructor or the Examination Board. I further affirm that I have used generative AI tools in accordance with ethical standards and academic integrity expectations.

Signature: Leonie Dildey
Date of Signature: 23.06.2025

These prompts were used for AI utilization:

- Please suggest synonyms for "…"
- Check and correct the grammar for this sentence "…"
- Please share a short summary of this research paper "…"
- Please format this reference according to APA 7th edition "…"
- Please create an advertisement for a shampoo of the brand Aphrosa only showing the product (image generation for stimuli)