Study Finds Consumers Are Actively Turned Off by Products That Use AI

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Trough Luck

Researchers have found that including the words "artificial intelligence" in product marketing is a major turn-off for consumers, suggesting a growing backlash and disillusionment with the tech — and that startups trying to cram

"AI" into their product are actually making a grave error.

As detailed in a <u>new study</u> published in the *Journal of Hospitality Marketing & Management*, researchers presented 1,000 respondents with questions and descriptions of products. Surprisingly — or <u>perhaps not</u>, depending on <u>your perspective</u> — they found that products described as using AI were consistently less popular.

"When AI is mentioned, it tends to lower emotional trust, which in turn decreases purchase intentions," said lead author and Washington State University clinical assistant profess of marketing Mesut Cicek in a <u>statement</u>. "We found emotional trust plays a critical role in how consumers perceive AI-powered products."

Strong Pass

In an experiment, the researchers found that a group of participants were far less likely to purchase a smart television when its description included the words "artificial intelligence." A separate group was far *more* likely to buy it when the

words were omitted from an otherwise identical description.

For "high-risk" purchases such as expensive electronics or medical devices, the effect was even more pronounced, with Cicek suggesting that consumers are more wary of monetary loss or danger to physical safety.

"We tested the effect across eight different product and service categories, and the results were all the same: it's a disadvantage to include those kinds of terms in the product descriptions," Cicek said.

That kind of growing mistrust is symptomatic of a much larger trend.

Earlier this year, technology research and consulting firm Gartner found that the hype surrounding generative AI had passed the "peak of inflated expectations," which is marked by "overenthusiasm and unrealistic projections."

Companies are feverishly trying to stuff what they claim to be AI into every product, from <u>dating apps</u> to <u>automated</u> <u>car salesmen</u> — despite <u>glaring</u>

<u>shortcomings</u> that have yet to be solved and <u>mounting</u>, <u>astronomical costs</u>.

And consumers are getting tired of their desperate attempts to capitalize on all the hype.

"Marketers should carefully consider how they present AI in their product descriptions or develop strategies to increase emotional trust," said Cicek. "Emphasizing AI may not always be beneficial, particularly for high-risk products. Focus on describing the features or benefits and avoid the AI buzzwords."

More on AI: <u>Meta's AI Says Trump Wasn't</u> <u>Shot</u>