

AI in India – The Urgent Need for a Policy-Based Marketing Approach

Dr. Anjna Dubey

Associate Professor, MBA, Oriental College of Technology, Bhopal

anjnamba06@gmail.com

Abstract

The intersection of Artificial Intelligence (AI) with both law and marketing offers unique challenges and opportunities, making it a critical area for policy development and research. AI's role in these fields extends beyond basic application, requiring a deeper understanding of reasoning, representation, and learning. In law, AI helps in not only reaching legal conclusions but also in justifying, comparing, and evaluating alternatives. Similarly, in marketing, AI drives innovation by analyzing consumer behavior, personalizing experiences, and automating decision-making processes. In modern domains such as e-commerce, AI aids in data mining, addressing grey areas, and retrieving relevant information to optimize legal and marketing strategies. Despite being relatively new—AI in law and marketing has only matured over the past three decades—AI's ability to generate intelligent outcomes through algorithms, patterns, and rules is clear. These technologies can provide intelligent results without human-like cognition, enabling the creation of actionable legal decisions and personalized marketing solutions. This paper examines the strengths and weaknesses of current AI technologies, focusing on their applications in both the legal and marketing sectors. It also highlights how AI can significantly impact the practice of law, marketing strategies, and the need for robust policies to manage AI integration effectively.

Keywords: AI technologies, law, marketing, legal decisions, consumer behavior, policymaking.

I. INTRODUCTION

The convergence of Artificial Intelligence (AI) and law has become a major focus of research, offering both obstacles and possibilities. This area covers a broad spectrum of topics that go beyond simple technological applications. At its core, AI in law involves three critical aspects: reasoning, representation, and learning. Regardless of how researchers arrive at legal conclusions, the findings must be articulated, justified, and evaluated against alternative perspectives. In contemporary legal fields, such as e-commerce and data mining, AI plays a crucial role in navigating complex and ambiguous situations. AI technologies have matured over the past three decades, producing intelligent outcomes through algorithms and patterns, often without genuine understanding. This capability allows for informed decision-making that can enhance legal processes. However, the implications of AI extend beyond law into the marketing sector, where AI is reshaping consumer interactions and driving data-informed strategies. In this context, AI can optimize marketing efforts by personalizing consumer experiences and enabling precise targeting based on data analytics.

The rapid advancement of Artificial Intelligence (AI) has ushered in transformative changes across multiple domains, notably in law and marketing. AI's integration into legal practice promises to enhance the efficiency and accuracy of legal processes, facilitating better access to justice and streamlined case management. By automating repetitive tasks and providing sophisticated analytical tools, AI aids legal professionals in navigating complex legal landscapes, ultimately contributing to the improvement of legal outcomes.

However, the adoption of AI in law is not without its challenges. Ethical issues such as data privacy, algorithmic bias, and the potential erosion of fundamental legal principles like equality and natural justice necessitate a careful and responsible approach. The legal fraternity must prioritize transparency and fairness while leveraging AI technologies, ensuring that the use of these tools enhances rather than undermines the core values of the legal system.

Similarly, in the marketing realm, AI has emerged as a powerful ally, enabling businesses to tailor their strategies and engage customers in unprecedented ways. By harnessing vast amounts of data, AI facilitates personalized marketing experiences that resonate with individual consumers, driving engagement and loyalty. The automation of marketing processes through AI not only enhances operational efficiency but also provides valuable insights that inform strategic decision-making. The intersection of AI and marketing presents immense opportunities for businesses to connect with consumers more effectively. By leveraging data-driven insights and automation, marketers can create personalized

experiences that resonate with their audience. However, ethical considerations regarding data privacy, algorithmic bias, and responsible AI usage must guide the implementation of AI technologies in marketing strategies. By navigating these challenges thoughtfully, businesses can harness the power of AI to enhance their marketing efforts while maintaining consumer trust and loyalty.

Yet, as marketing increasingly relies on AI technologies, ethical considerations come to the forefront. Concerns regarding data privacy, algorithmic bias, and the potential for over-reliance on technology must be addressed to foster consumer trust. Marketers are tasked with ensuring transparency in data practices and promoting responsible AI usage to navigate these complexities effectively.

Ultimately, both the legal and marketing sectors stand at a pivotal crossroads where AI's potential can be harnessed for societal benefit. By embracing AI thoughtfully and ethically, professionals in these fields can create a future that enhances efficiency and accessibility while upholding the principles of fairness, transparency, and responsibility. As society continues to grapple with the implications of AI, ongoing dialogue, regulation, and innovation will be essential to navigate the challenges and opportunities that lie ahead.

II. ETHICAL ISSUES OF AI IN LAW AND MARKETING

The legal system of any country is grounded in fundamental principles such as equality, natural justice, procedural fairness, and integrity. These core values must be preserved while enhancing legislative, administrative, and judicial efficiency. The deployment of AI in legal contexts has the potential to both uphold and challenge these values. On one hand, AI could enhance the efficiency of legal processes, streamlining operations and reducing delays in the judicial system. On the other hand, there is a significant risk that AI-driven decisions may inadvertently undermine principles of equality and fairness, particularly if the algorithms used are biased or flawed.

In the marketing sector, ethical considerations are equally paramount. AI technologies can facilitate targeted advertising and data-driven strategies that enhance consumer engagement. However, concerns arise regarding data privacy, consent, and the potential for manipulation. As marketers increasingly rely on AI to analyze consumer behavior and preferences, they must ensure that their practices align with ethical standards and respect consumer rights.

Before delving deeper into the ethical and policy implications of AI, it is essential to clarify what constitutes Artificial Intelligence. While there is no universally accepted definition, a practical understanding of AI can be framed as the "use of technology to automate tasks that would traditionally require human intelligence." This contrasts with automation, which merely accelerates tasks without requiring higher-order cognitive functions such as reasoning and judgment. In legal and marketing practices, AI serves as a powerful tool that can support research, analysis, and decision-making processes, enabling professionals to navigate complexities with greater efficacy.

Ultimately, practitioners in both the legal and marketing fields must consider how AI technologies can enhance their work while remaining mindful of the ethical and policy frameworks that govern their use. As AI continues to evolve, the responsibility lies with professionals to ensure that its application aligns with the core values of justice, fairness, and integrity.

III. AI AND LAW

The rise of sociological jurisprudence and legal realism in the 20th century shifted the focus from the essence and origin of law to a more detailed exploration of legal institutions, their structure, objectives, and functions. As a tool of social regulation, the law must be efficient, fair, and precise. AI's integration into the legal system offers the potential to influence societal dynamics positively.

Before evaluating the fairness of using AI in legal contexts, thorough research is necessary to establish a baseline of pre-technology legal processes and identify any discrepancies that have emerged since AI's introduction. AI serves as a valuable tool in legal systems and jurisprudence, but it cannot replace legal professionals. It can assist judges in resolving some legal issues. AI's usefulness in the legal field is especially evident in legal reasoning, where it helps clarify ambiguities in existing texts and suggests improvements to legislation, aiding parliamentary processes. Moreover, AI is being used in the automation of legal tasks, including online dispute resolution, and even in criminal investigations, potentially assisting law enforcement.

Recent trends in AI and law revolve around the need for intellectual property (IP) protection regimes to adapt to AI advancements. This involves input from technology experts, academics, professionals, and policymakers, who offer insights on AI-related research and IP management. The incorporation of AI into legal systems raises important questions that may require the creation of specialized legal frameworks due to the unique nature of AI. Although there are various definitions of AI, there is no universally accepted one, as the concept remains complex and multifaceted. AI can be understood as encompassing both software and hardware, ranging from programs and robots to systems run on networked computers.

From a legal perspective, AI-created works can be considered products of creativity, deserving protection under IP law. This protection can be achieved through copyright or software patents, though the latter raises concerns about the adequacy of protection. Due to AI's continuous development, patents may be susceptible to infringement and manipulation.

Another legal issue arises from AI systems used in physical products, such as robots. Under consumer protection and tort laws, products must meet safety and quality standards, and manufacturers are held liable for any defects. However, in the case of AI, both the manufacturer and the client play a role in creating the final product, complicating liability issues. English tort law and Indian tort law provide clear guidelines for determining liability in cases of product failure, and AI systems should not be exempt from these rules.

AI is increasingly used in sectors such as healthcare, transportation, telecommunications, and manufacturing, including hazardous environments and autonomous weapons systems. Although AI can be beneficial to society, it also carries the potential for harm, depending on how it is used. With the rising autonomy of AI systems, the shift from AI as a tool to AI as an agent has created new legal challenges. While current laws governing product liability are sufficient when AI acts on behalf of a human or legal entity, human oversight is crucial to prevent AI from becoming uncontrollable.

In India, the government has formed a committee led by retired Supreme Court Justice B.N. Srikrishna to draft a law on data protection. Based on these guidelines, a future Indian AI Act could address both national and international considerations. Comprehensive legislation should include protections for software, as data is often stored and processed through software, which requires robust protection.

A key legal issue is AI's legal personality. Questions arise as to whether AI can be granted constitutional or trustee status. AI could potentially be given trustee status when tasked with managing certain affairs, provided it meets requirements of capacity and responsibility. When AI is combined with human intelligence, constitutional personality might be attributed, as concepts like consciousness, intention, and emotion come into play. Laws must evolve to assign liability when AI merges with human abilities. For instance, in the case of autonomous vehicles, liability should be shared between the manufacturer and the driver, with the driver possibly receiving the status of "electronic person."

In 2017, the European Parliament suggested creating an "electronic person" status for advanced autonomous robots. This would help address IP-related issues created by AI. AI is already capable of producing artistic, musical, and literary works, and it can even write programs independently. However, current copyright law only recognizes works created by natural persons, leading to a lack of protection for AI-generated content. As a result, companies and developers are less motivated to innovate, as AI creations often end up in the public domain. To address this, AI could be recognized as a non-human entity, with copyright assigned to its creator. The same principle applies to patents, where AI is capable of generating inventions. However, patent rights currently belong to humans, and future patent laws may need to evolve to grant ownership to AI for its inventions.

Another critical legal issue related to AI is human privacy. AI's capacity for automatic decision-making and surveillance poses a threat to privacy. For example, in telecommunications, AI can monitor thousands of phone calls simultaneously, which was previously impossible. With AI-driven voice recognition, this monitoring capability has grown exponentially. AI applications, using metadata, can analyze human behavior to generate big data, enabling algorithms to predict outcomes such as a person's likelihood of repaying a loan. While this can benefit industries, there is a risk of mistakes, such as misclassifying individuals or overproducing goods based on flawed data analysis. Therefore, personal data processing must be transparent, and individuals should have the right to contest decisions made by AI.

IV. AI AND MARKETING

The integration of Artificial Intelligence (AI) into marketing strategies has revolutionized the way businesses engage with

consumers. By harnessing vast amounts of data and employing advanced algorithms, AI is reshaping marketing practices across various industries. The advent of Artificial Intelligence (AI) has transformed the marketing landscape, enabling businesses to gain deeper insights into consumer behavior and tailor their strategies for enhanced engagement and conversion. As organizations increasingly adopt AI technologies, the marketing sector experiences profound changes that reshape how brands connect with their audiences.

Below we explore the transformative effects of AI on marketing, highlighting its benefits, challenges, and ethical implications.

Benefits or Transformative Effects of AI in Marketing

1. Data-Driven Insights

AI's ability to analyze vast amounts of data quickly and accurately is one of its most significant advantages in marketing. By utilizing machine learning algorithms, businesses can extract valuable insights from consumer data, identifying trends, preferences, and purchasing patterns. This data-driven approach allows marketers to create targeted campaigns that resonate with specific demographics, ultimately improving customer satisfaction and loyalty.

2. Personalization and Customer Experience

Personalization has become a cornerstone of modern marketing, and AI plays a pivotal role in its execution. AI-powered tools can analyze individual customer behaviors, enabling brands to deliver personalized content, product recommendations, and marketing messages. This level of personalization enhances the overall customer experience, fostering a sense of connection and engagement with the brand. For example, streaming services use AI algorithms to recommend content based on viewers' previous interactions, significantly increasing user satisfaction and retention.

3. Predictive Analytics

AI's predictive analytics capabilities empower marketers to forecast future consumer behaviors and market trends. By analyzing historical data and recognizing patterns, AI can help businesses anticipate customer needs and preferences, allowing for proactive marketing strategies. This foresight enables organizations to optimize their inventory, tailor promotions, and even refine product offerings to align with evolving consumer expectations.

4. Automation of Marketing Processes

AI-driven automation tools streamline various marketing processes, from managing social media campaigns to email marketing. These tools can schedule posts, segment audiences, and analyze campaign performance, freeing up valuable time for marketers to focus on strategy and creativity. Automation not only enhances efficiency but also ensures consistent messaging across multiple channels.

5. Enhancing Customer Interaction

AI chatbots and virtual assistants have revolutionized customer interaction, providing real-time support and engagement. These AI-driven tools can handle customer inquiries, provide product information, and assist with order tracking, offering 24/7 service that enhances customer satisfaction. By integrating AI into customer service, brands can deliver quick, efficient responses, building trust and loyalty among consumers.

6. Future Trends in AI Marketing

Looking ahead, the role of AI in marketing is expected to expand further. Innovations such as voice search optimization, augmented reality (AR), and virtual reality (VR) will likely integrate AI, providing immersive and personalized marketing experiences. As technology continues to evolve, marketers will need to adapt their strategies to leverage AI's capabilities effectively, ensuring they remain competitive in a rapidly changing environment.

Challenges in AI-Driven Marketing

1. **Data Privacy Concerns:** As AI relies heavily on data collection and analysis, concerns about data privacy and security are paramount. Consumers are increasingly wary of how their data is collected, stored, and used. Marketers must navigate these concerns by implementing transparent data practices and ensuring compliance with regulations, such as GDPR.

2. **Bias in AI Algorithms:** AI systems can inadvertently perpetuate biases present in the data they are trained on. This bias can lead to unfair targeting or exclusion of specific consumer groups, resulting in ethical dilemmas and potential reputational damage for brands. Marketers must actively work to identify and mitigate biases in their AI algorithms.
3. **Dependence on Technology:** While AI enhances marketing capabilities, over-reliance on technology may lead to a lack of human touch in customer interactions. Striking the right balance between automation and personalized engagement is crucial for maintaining meaningful customer relationships.

Ethical Considerations in AI Marketing

1. **Transparency and Consent:** Ethical marketing practices require transparency regarding data collection and usage. Businesses must obtain informed consent from consumers before using their data for marketing purposes. Clear communication about how data will be used can help build trust and foster positive relationships with customers.
2. **Responsible AI Usage:** Marketers should prioritize responsible AI usage by ensuring that their AI tools operate fairly and ethically. This includes regularly auditing AI systems for bias, ensuring that marketing messages do not manipulate or deceive consumers, and promoting inclusivity in advertising.
3. **Impact on Employment:** The automation of marketing processes through AI raises concerns about job displacement within the marketing industry. While AI can enhance efficiency, businesses should consider how to upskill employees to work alongside AI technologies and create new opportunities in the marketing landscape.

V. CONCLUSION

Since the early 1990s, India's automation sector, driven by the IT industry, has been a critical force in the nation's economic growth. To capitalize on this momentum, the Indian government launched the NITI Aayog initiative in 2018, a national AI program focused on research and development. While healthcare and agriculture were the initial focus due to their direct impact on improving quality of life, AI has the potential to influence all sectors where it intersects with human activity.

As the government continues to push for digitalization and rolls out more AI initiatives, there has been a significant surge in interest across various industries in India. This presents both opportunities and challenges, especially in marketing and commercialization. Companies are now exploring how AI can enhance customer engagement, optimize marketing strategies, and provide data-driven insights to meet evolving consumer demands. The potential of AI in personalized marketing, predictive analytics, and customer service automation is immense, allowing businesses to increase efficiency, reach wider audiences, and deliver more tailored experiences.

However, the collaboration between academia and industry remains a challenge. Despite India's large number of universities, incentives tend to favor the corporate sector, with many tech professionals preferring lucrative roles in multinational corporations over teaching or research positions. To address this, there needs to be greater industry-academia partnerships, where students can work on real-world AI applications and the workforce can be reskilled for AI-driven roles. This alignment will help produce a talent pool equipped to harness AI's marketing and business potential.

From a legal standpoint, AI's development is a global phenomenon with widespread social and economic effects, calling for new international laws. In the field of law, AI offers both advantages and challenges. It can make lawyers more efficient, automate legal services, and transform traditional marketing strategies for law firms by enhancing customer interactions and case management. However, fundamental legal concepts such as "personality," "liability," and "rights" must evolve to accommodate AI applications. For a systematic legal framework to be adopted in India, these concepts must be redefined, allowing AI to not only improve operational efficiencies but also create innovative marketing solutions across industries.

By addressing these legal, economic, and marketing aspects, India can fully embrace the advantages of AI and create a robust framework for its application across sectors.

REFERENCES

1. A Lakshmikanth , ' Judicial Process and precedent' eastern Book Company, Lucknow 2016
2. E.J. Schaal 'Infunging a fantasy: Future obstacles Arise for the U.S patents office and softwaremanufacturers

- using Artificial Intelligence' , Villanova sports & entertainment Law Journal (online).
3. Raghav Bharadwaj ' A.I in India - opportunities, Rusks and future potential, <https://emerj.com>
 4. S. Parton, “Outdated Evolution: Updating Our Governments to Cope with Disruptive Technology”, Singularity Hub, 2018.
 5. J. Bughin, E. Hazan, J. Manyika and J. Woetzel, “Artificial Intelligence: The Next Digital Frontier”, McKinsey Global Institute, 2017.
 6. Ministry of Electronics and Information Technology. (2022). Artificial intelligence committee reports. <https://www.meity.gov.in/artificial-intelligence-committees-reports>
 7. Ministry of Electronics and Information Technology. (2023). National data governance framework policy (draft). Retrieved from <https://www.meity.gov.in/writereaddata/files/National-Data-Governance-Framework-Policy.pdf>
 8. Gillespie, T. (2020). Content moderation, AI, and the question of scale. *Big Data & Society*, 2053951720943234. doi:10.1177/2053951720943234
 9. Economic Times. (2021). Government withdraws data protection Bill. [https://economictimes.indiatimes.com/tech/technology/government-to-withdraw-data-protection-bill-2021/articleshow/93326169.cms?from=mdr\(open in a new window\)](https://economictimes.indiatimes.com/tech/technology/government-to-withdraw-data-protection-bill-2021/articleshow/93326169.cms?from=mdr(open in a new window))
 10. Elish, M. C., & Boyd, D. (2018). Situating methods in the magic of big data and AI. *Communication Monographs*, doi:10.1080/03637751.2017.1375130