“Made with AI” but why? How Beneficiary Framing shapes Consumer Evaluation of AI-generated Advertising

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Abstract

As generative AI becomes increasingly prevalent in advertising, regulators and platforms are mandating AI disclosure labels. Prior research demonstrates that disclosing AI involvement reduces consumer evaluations, yet little is known about how to mitigate this penalty. This study introduces *beneficiary framing* — explanations communicating why AI was used and who benefits — as a strategy to improve evaluations of AI-disclosed advertising. Through a mixed-design experiment (N = 340) testing 13 disclosure statements across four advertising contexts, we find that specific explanatory disclosures outperform minimal labels ("Created with AI") and shorter, unspecific explanations. However, the stated beneficiary (consumer, company, society) does not significantly influence evaluations. AI aversion emerges as the strongest predictor of negative responses and is not mitigated by beneficiary framing, though its effect is attenuated in lower-involvement and prosocial contexts. These findings indicate that effective AI disclosure depends less on selecting the right beneficiary frame than on providing clear, specific explanations.

Keywords: generative AI; AI disclosure; advertising effectiveness; beneficiary framing; AI aversion.