

Original Article

ARTIFICIAL INTELLIGENCE IN CROSS-BORDER ADVERTISING AND AUDIENCE TARGETING

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Abstract

This paper was an exploration of the use of Artificial Intelligence (AI) in cross-border advertising and audience targeting in global marketing settings. AI's swift integration into digital marketing platforms had revolutionized the way businesses analyzed consumer data, tailored content, and optimized campaigns in global markets. Even as this increased adoption continues, there were still significant knowledge gaps regarding the real-world applicability of AI and the ethical considerations of using it in varying cultural and regulatory contexts. The study focused on two research questions: How did AI impact cross-border advertising and how did it impact targeting the audience? A literature-based research design was followed, and the literature was analyzed through content analysis to identify and synthesize the academia's existing works on AI-driven marketing strategies. AI's impact on enhancing personalization, segmentation accuracy, cultural adaptation, and real-time campaign optimization at the cross-border level was prominent, with AI-powered predictive analytics and decision-support systems contributing to improved engagement and efficiency. Meanwhile, the review highlighted a number of common concerns related to privacy, algorithmic bias, governance and regulatory compliance. The research found that the adoption of AI in marketing was effective throughout the world, but that it could only be adopted responsibly by adhering to ethical considerations, good governance, and culturally responsive marketing strategies.

Keywords: Artificial Intelligence, Cross-Border Advertising, Audience Targeting, Predictive Analytics, Digital Marketing

Introduction

Background to the Study

Artificial Intelligence (AI) is the creation of machines that can mimic human intelligence, reasoning, problem-solving and decision-making. It involves the use of computational mechanisms, algorithms, and data-driven approaches to mimic human thinking processes (Gkikas et al., 2021). AI systems are capable of analyzing vast amounts of structured and unstructured data and producing predictive results that can be utilized in various operational and strategic processes throughout industries. As time went on, AI started to shift its reliance on rules to adaptive models that learn over time as new data is introduced, like machine learning and deep learning (Amudha, 2021). This transformation has broadened AI's reach and impact on innovation, competition, and value creation in digital environments (Shah & Murthi, 2021), making it a catalyst for change in today's economic and social frameworks (Abrardi et al., 2022).

In addition to its technical uses, AI is also transforming the way that decisions are made within organizations, providing a new approach to the creation, execution, and monitoring of decisions in complex systems (Erensoy et al., 2024). AI is revolutionizing decision support by generating real-time insights and making large-scale data analysis more efficient and accurate, as well as scalable across industries and sectors (Leszczelowska et al., 2023). But the rise in autonomy and complexity of AI systems brings about governance, accountability, and ethics (Narain et al., 2019), and with its integration

into consumer-facing and strategic processes, transparency, fairness, and responsibility continue to be cited as key concerns. AI is thus an opportunity, but also a high managerial and ethical challenge for organizations (Du & Xie, 2021), particularly so in marketing where AI-driven systems are increasingly integral to global communication strategies.

Businesses have expanded into online marketing and advertising to a global audience, making international

advertising a fundamental part of contemporary marketing, as they go beyond local markets (Ma et al., 2025). AI can generate promotional materials that cater to the nuances of each region, such as cultural, regulatory, and consumer expectations, while advanced analytics enable companies to gain insights into consumer behavior across markets, ensuring adaptive and responsive advertising strategies. Meanwhile, the use of AI in various sociocultural contexts poses ethical issues that require responsible cross-cultural communications (Hermann, 2022).

Audiences targeting is an operationalization of the idea of audience insight, and it is closely related to cross-border advertising. Today, targeting is not just about identifying demographic segments; instead, it involves using AI to understand individual behavior, context, and buying habits to time and tailor messages, allowing companies to predict customer needs and make the most of engagement opportunities (Saxborn et al., 2024) (Shah & Murthi, 2021) (Mogaji & Nguyen, 2022). As algorithmic targeting becomes more prevalent, however, issues of privacy, bias, cultural sensitivity and legal compliance

within different jurisdictions also emerge (Du & Xie, 2021). Combined, AI integration, cross-border marketing and audience targeting are a major transformation in the marketing performance of companies around the world: by analyzing vast amounts of consumer data, AI systems can predict audience preferences and preferences across different cultures, and provide immediate and personalized content (Shi et al., 2025). However, even though these capabilities can lead to increased efficiency and competitive edge, there are concerns regarding their effectiveness, ethical application, and applicability in global environments. In this context and in the context of change the current study is set.

Statement of the Problem

Despite the rise of artificial intelligence (AI) in marketing, there is a lack of knowledge regarding the potential application of AI in cross-border advertising and audience targeting in practical and ethical aspects. Language, culture, consumer habits, and regulations continue to be a challenge for companies trying to effectively reach markets around the world. Although there is a strong consensus that AI can enhance audience segmentation, personalization, and campaign results, its impact on cross-border advertising strategies has not been thoroughly studied in the literature and empirical evidence on the impact of AI on consumer response, brand awareness, and engagement in cross-border advertising campaigns across jurisdictions is limited. The implementation is complicated by further legal, privacy and ethical issues concerning algorithmic targeting, especially when there are differences between countries regarding laws and societal expectations.

This study fills this missing void in the literature regarding the impact of AI on cross-border advertising and audience targeting results, as well as the ethical conditions for its advantage. This study combines existing literature to develop a holistic perspective of the strategic advantages and risks of applying AI in global marketing, which will help both academics and managers to better understand the landscape and make informed and strategic marketing decisions for global operations.

Objectives of the Study

The specific objectives of the study were to:

Examine the influence of artificial intelligence on cross-border advertising.

Investigate the influence of artificial intelligence on audience targeting.

Research Questions

What is the influence of artificial intelligence on cross-border advertising?

What is the influence of artificial intelligence on audience targeting?

Definition of Terms

Artificial Intelligence (AI): The simulation of human intelligence processes by computer systems to carry out tasks such as learning, reasoning, and decision-making.

Cross-Border Advertising: Advertising and promotion aimed at a multinational or multiregional audience.

Audience Targeting: The process of identifying and reaching particular groups of consumers based on demographics, behavior, preferences, or location.

Programmatic Advertising: The automated buying and placement of advertisements using AI algorithms to select specific audiences in real time.

Consumer Behavior: The study of how individuals or groups decide upon, acquire, consume, and respond to products, ser-

vices, and marketing messages.

Digital Marketing: Marketing conducted using the internet, social media, and other online platforms.

Customer Segmentation: The division of a broad audience into smaller groups with shared characteristics so that they can be targeted more precisely.

Literature Review

Conceptual Review

Artificial Intelligence

Artificial Intelligence (AI) is an area of computer science that focuses on the development of computer systems that can perform tasks that are typically done by humans, such as learning, reasoning, and problem-solving. The main characteristic of an AI system is its ability to analyze data, detect patterns, and make decisions that closely mimic human judgment (Amudha, 2021). In addition to theoretical models, AI has been used to create real-world applications, including systems that learn and grow more effective as they gain new data. Outside of theory, AI has been used in numerous industries to create systems that can adapt to new information and become more effective over time (Du & Xie, 2021). AI is not a technology, rather a technology family that enables machines to emulate dynamic and adaptive aspects of human intelligence (Hermann, 2022).

AI can, in practice, process vast amounts of data to aid in decision-making, enhance operational efficiency, and predict outcomes in complex scenarios. For instance, AI algorithms can optimize supply chain processes through consumer data analysis, forecasting demand, and reducing waste (Md Nur Hasan et al., 2022). AI also enhances the customer experience by making recommendations based on their preferences, automatically responding to feedback, and implementing intelligent interaction systems, making data analysis more than just a skill; it's a process that transforms raw data into actionable insights that would be hard to produce without AI assistance (Shah & Murthi, 2021). AI also elevates the customer experience by providing personalized recommendations, automated responses to feedback, and intelligent interaction systems, turning data analysis into more than a skill—it's an art that could help transform raw data into actionable insights that are hard to achieve without the help of AI (Mogaji & Nguyen, 2022).

AI is a large group of technologies that enable machines to perform cognitive tasks, such as machine learning, natural language processing, computer vision, and robotics (Narain et al., 2019). It also has implications for ethics and social issues, as AI can impact human behavior, decision-making, and strategy (Pratesi et al., 2021). AI is a transformative technology and its ability to transform economic, social and organizational systems makes it a key technology of the future of everyday life and business (Shang et al., 2024).

Cross-Border Advertising

Cross-border advertising is a marketing method and menu of campaign techniques that aim to attract consumers in several countries. It is the process of adjusting the advertising materials to the cultural, legal and social norms of the target market while maintaining the brand's international identity (Turki, 2025). Moreover, technology, especially AI, has revolutionized cross-border campaigns by delivering the ability to target the right consumers with the right content in the right way (Du & Xie, 2021), and many businesses are now using AI-powered decision-making tools to help them better understand consumer behavior and optimize their advertising strategy across borders (Md Nur Hasan et al., 2022). It is also crucial to grasp the ethical implications of AI in advertising, as

businesses need to ensure they do not deceive consumers internationally, nor misapply the regulations and standards of a specific country (Hermann, 2022).

Companies must strike the balance between standardization and localization when creating content for international advertising to ensure that the material is relevant at the local level and maintains a consistent global brand voice. The balance is key to the marketing mix and rests on the understanding of AI and digital tools that managers have as it impacts on both marketing strategy and consumer engagement (Mogaji & Nguyen, 2022). Cultural factors play a significant role in the way advertising messages are processed, the products' purchase intentions are created, and the brands are evaluated between different countries (Pratesi et al., 2021). New technologies like AR and VR continue to enhance the possibilities for companies to connect with foreign markets, providing a more immersive and interactive experience (Rumokoy & Frank, 2025), making it essential to align technological skills with cultural sensitivity to ensure the success of cross-border campaigns (Shah & Murthi, 2021).

Audience Targeting

Audience targeting is the process of identifying and targeting a specific group of consumers according to their characteristics, behaviour and preferences to increase the effectiveness of the marketing effort (Verhagen & Bloemers, 2018). Data-driven tools and AI can create more specific audience segments and help companies send personalized messages and product suggestions to each. Using data-driven tools and AI, companies can break up audiences with greater clarity and send them messages and product suggestions specific to each audience segment (Du & Xie, 2021). Sensitivity to cultural and demographic differences also contributes to enhancing the relevance of marketing messages by resonating with audience expectations and values, thereby boosting conversion rates (Shah & Murthi, 2021), and AI-driven analytics enable marketers to predict consumer needs and behaviour patterns, further increasing conversion rates (Pratesi et al., 2021).

Targeting the audiences is done using AI technologies that use large amounts of data to provide actionable information that can help managers optimize what they publish and better understand their audiences and thus tailor their strategies accordingly (Mogaji & Nguyen, 2022). AI also guides supplier selection and supply chain planning decisions, depending on customer preferences and buying behaviour, as well as helping to optimize the targeting strategy more generally (Tahmina Akter & Abdur Razzak, 2022). The ethical implications of AI driven targeting are also worth considering: companies need to be transparent and not resort to any tactics that might taint the customer experience (Hermann, 2022).

Theoretical Framework

The study was anchored on the Technology Acceptance Model (Davis, 1989) and the Diffusion of Innovations Theory (Rogers, 1962).

Technology Acceptance Model (Davis, 1989)

Davis (1989) proposed an explanation of how new technologies are accepted and used, the Technology Acceptance Model (TAM). It has two key constructs of perceived usefulness and perceived ease of use that affect a person's attitude toward technology use, which then affects the behavioural intention and actual use. The relevance of TAM for cross-border advertising and audience targeting lies in the fact that it can be used to explain why marketers and consumers will accept AI-based tools in tailored advertising campaigns (Wang et al. 2022). Evaluating the perceived usefulness and ease of use of AI systems allows companies to more accurately predict adoption

rates and adjust their AI strategies to international audiences to foster engagement and conversion across markets.

Diffusion of Innovations Theory (Rogers, 1962)

Rogers introduced the Diffusion of Innovations Theory in 1962 to describe the process of the spread of a new idea, technology or practice over time within a social system. The theory points to five attributes which influence adoption: relative advantage, compatibility, complexity, trialability and observability and identifies the attitudes of adopter categories (innovators, early adopters, and laggards) towards these attributes. Theory provides insights into how AI-driven marketing technologies are adopted by consumers and enterprises in various cultural and regulatory contexts (Yao et al., 2024). With these insights, marketers can create strategies that foster a greater adoption of AI in audience segmentation, predictive analytics, and targeted marketing, ultimately enhancing the effectiveness and efficiency of global marketing initiatives.

Methodology

The design of this study was literature-based (narrative-integrative) review that examined and synthesized all available literature dealing with artificial intelligence, cross-border advertising and audience targeting. The goal was to synthesise existing state of the art knowledge, theories and empirical studies of AI-driven advertising and targeting in international markets, as well as look for commonalities, patterns and gaps in the literature. Content analysis was employed as a method for data analysis, which involved identifying themes from the existing journal articles, reports, and previous studies, and the connections between the applications of AI and how advertising performs.

Search Strategy and Databases

Data were obtained from Google Scholar. Search terms included the keywords "artificial intelligence," "cross-border advertising," "audience targeting," "programmatic advertising," and "consumer segmentation" to broaden or limit the search by applying Boolean operators (AND/OR). The articles were limited to the period 2018-2025 to capture the latest developments with AI in marketing.

Eligibility Criteria

Sources were selected if they were peer-reviewed journal articles, book chapters, or reports in English that discussed the use of AI in advertising, marketing, or audience segmentation. Sources that were not peer-reviewed, could not be retrieved in full text, or was not applicable to marketing/advertising AI were excluded.

Screening Process and Number of Sources Reviewed

Titles and abstracts were initially screened for relevance and full texts of sources that may have been relevant were then evaluated for eligibility criteria listed above. There were an initial 50 sources identified but 31 were selected that are relevant to the study.

Analytical Procedure

Thematic content analysis was used for analyzing the retained sources. Personalization, segmentation accuracy, cultural adaptation, predictive analytics, privacy, algorithmic bias, and governance were the areas explored to identify key themes across each source. The codes were categorized into larger themes which correspond to the two research questions in the study so that the findings could be organized and reported thematically instead of simply narrated as a summary.

Data Presentation and Findings

Table 1 summarizes the themes identified in the literature and links each to the relevant research question.

Research Question	Themes Identified	Key Sources
RQ1: Influence of AI on cross-border advertising	Personalization & recommendation systems; predictive campaign optimization; cultural adaptation; immersive (AR/VR) experiences	Zhang & Xiong, 2024; Das & Ghose, 2022; Gupta et al., 2022; Hariguna & Ruangkanjanases, 2024; Meißner et al., 2020; Rumokoy & Frank, 2025
RQ2: Influence of AI on audience targeting	Micro-segmentation & predictive behavioral modeling; immersive/interactive targeting data; ethical and governance considerations	Kotler et al., 2021; Shah & Murthi, 2021; Md Nur Hasan et al., 2022; Meißner et al., 2020; Du & Xie, 2021; Hermann, 2022; Narain et al., 2019

RQ1: How Does Artificial Intelligence Affect Cross-Border Advertising?

Personalization and Recommendation Systems

Huge amounts of customer data can be harnessed by AI, providing companies with the ability to send highly individualised messages to markets as they happen (Zhang & Xiong, 2024). AI-powered analytics technology can help multinational brands tailor campaigns to specific language, culture and behaviour by analysing vast amounts of customer interaction data (Das & Ghose, 2022). AI recommendation systems enable global e-commerce platforms to offer relevant product recommendations to consumers across various countries according to their browsing behavior, seasonal trends and buying history, and enhance brand visibility and targeting through online channels, thereby extending the ad reach and ensuring accuracy in targeting (Shah & Murthi, 2021). AI algorithms also use demographic data, browsing habits, buying trends, and social media data to deliver personalized ads to people in various nations (Ekanem & Nwagbara, 2024); however, consumer responsiveness to AI-recommended ads differs by product category, making it important to adapt them according to the market (Shang et al. 2024).

Predictive Optimization and Decision-Support

Companies can use AI decision support systems to predict response and conversion rates, thereby optimizing their advertising investments on a global scale and studies indicate that it leads to significant improvements in advertising campaign efficiency (Gupta et al., 2022). AI can also help digital retail value chains by turning customer data into business intelligence that can be leveraged for action and matching advertising strategy with inventory and demand forecasts in different markets (Md Nur Hasan et al, 2022). Concurrently, AI's impact on cross-border advertising reaches the consumers themselves and how they are perceiving products as well as their reactions to persuasive messages in various institutional settings (Abrardi et al., 2022), while companies need to weigh the advantages of personalization against consumer worries about privacy (Du & Xie, 2021).

Cultural Adaptation

AI can be applied to analyze language, emotion, and cultural context of online consumer behaviors and ensure advertising content is culturally appropriate and locally relevant (Hariguna & Ruangkanjanases, 2024). For example, sentiment analysis can be used to gauge which methods are more effective in collectivist markets than in individualist ones—whether that's humour, emotional appeal or price-based promotion—but that requires AI models to be trained on data unique to the region to interpret the cultural cues. (Pratesi et al., 2021). This replication was observed in approximately 80% of cases in subsequent meta-analysis (Pratesi et al., 2021), but the applications of AI are region-specific as they rely on region-specific data to form a model for understanding region-specific cues. Regulatory and cultural differences are significant, as in the financial sector, where campaigns must be crafted to ensure

they are not targeted or information is not provided in a discriminatory way, and in the healthcare sector where the regulatory environment varies from country to country (Mogaji & Nguyen, 2022; Hermann, 2022).

Immersive Technologies (AR/VR)

Immersive technologies with AI, such as virtual reality (VR) and augmented reality (AR), are becoming more common to present uniform yet localised experiential campaigns. Global brands have also employed AR apps to enable customers to imagine furniture in their living spaces to boost engagement and mitigate hesitancy in their buying decision. Customers, for example, can use IKEA's Place app to visualize how furniture will fit, look, and feel in their actual home, and this has turned them from searching for a 'reliable buying decision' to delaying or forgoing an actual purchase, IKEA has said (Ozturkcan, 2021). It has been found that immersive technologies affect the decisions that consumers make when purchasing a product, as they make their product seem more suitable and make them feel more involved with the product (Meißner et al., 2020), therefore the value of the AR is related to the match of technology, task, and consumer familiarity, which means that, in order to be successful, the AR must be matched with the consumer's capability (Rumokoy & Frank, 2025). In addition, AI-driven strategic decision models also assist in managing vendor performance and global supply chains, ensuring that advertising commitments and realities are aligned across borders (Tahmina Akter & Abdur Razzak, 2022).

RQ2: How Does Artificial Intelligence Affect Audience Targeting?

From Demographic Segmentation to Micro-Targeting

AI has brought about a paradigm change in the way audiences are targeted, moving from broad targeting to data-driven targeting, targeting individual consumers. Unlike traditional targeting, AI systems can now use real-time data on consumer behaviour, including their browsing history, click patterns, purchase frequency, and device usage (Kotler et al., 2021). In this broader trend, machine learning models can be applied to large amounts of interaction data to continuously update customer profiles, which is key to developing customer acquisition and retention strategy for streaming and online retailers (Shah & Murthi, 2021). The recommender system of Netflix, for instance, accounts for about 80% of the content streamed on the platform and is said to bring in more than \$1 billion of retained subscription revenue per year via reduced churn (Gomez-Urbe & Hunt, 2015). The use of AI in recommendation engines allows for more personalized product placements and relevant exposure, making the experience for customers more enjoyable (Shang et al., 2024), while companies are turning to AI-driven tools to fine-tune segmentation algorithms and optimize campaign placement to create the best possible experience for their customers (Gupta et al., 2022).

Predictive Behavioral Modeling

AI can be used for predictive targeting, which is more than a reactive approach, and can predict what consumer behavior is likely to be based on previous patterns. Retailers, for instance, can produce purchase-probability scores that can be utilized for automated and targeted promotions. In production, the company Mercari, which is Japan's biggest customer-to-customer marketplace, used such a system where the machine learning model is used to predict the probability that each customer will purchase during a promotion period, and then the most cost-effective incentive is automatically assigned to each customer within a fixed budget, tested on live promotions targeting over 600,000 customers (Yang et al., 2022). AI powered business intelligence systems break down raw customer data into strategic segments that enhance targeting accuracy and supply chain inventory management (Md Nur Hasan et al., 2022), while AI models and algorithms leverage consumer insights to directly inform supply chain and marketing practices (Tahmina Akter & Abdur Razzak, 2022). In operational terms, AI-powered decision support systems are linked to a better targeting rate and lower waste in marketing efforts, such as significant decreases in customer acquisition cost in data-heavy industries (Gupta et al., 2022).

Immersive and Interactive Targeting Data

Immersive, interactive technologies like VR and AR provide even more in-depth behavioral information, like eye movement, dwell time, gesture and product interaction. For example, virtual reality retail simulations can give businesses a glimpse into consumer preferences that they may not be able to verbally articulate—based on which product displays receive extended viewing. Immersive environments have been proven to have a strong impact on consumer's choice behaviour by influencing attention and engagement (Meißner et al., 2020), and retail AR aids in creating more individual product visualization, enhancing targeting relevance and perceived value (Rumokoy & Frank, 2025). Furthermore, AI targeting is proposed to be adjusted according to cultural dimensions that influence the online purchasing process to ensure personalization is in line with local perceptions and standards (Pratesi et al., 2021).

Ethical and Governance Considerations

Intention to target responsibly and ethically has been discussed frequently in the literature. AI enhances targeting precision but also introduces privacy, bias, and manipulation concerns: There is a risk that AI models may be biased or ignore certain demographics, and in consumer-driven applications, AI tools can be used for personalization, but also for surveillance. While AI is great for targeting accuracy, it also presents challenges related to privacy, bias, and manipulation: AI algorithms can sometimes be biased or exclude certain populations, and in consumer contexts, AI can be personalized but also used for surveillance. The ethical marketing frameworks call for transparency, explainability and fairness in AI-based targeting mechanisms (Hermann, 2022), and managers are urged to grasp both the strengths and weaknesses of AI and ensure its responsible application, especially in financial and service sectors marketing which involve sensitive customer information in marketing targeting systems (Mogaji & Nguyen, 2022).

Strategic control and organizational adaptation

As AI systems increasingly assume autonomous decision-making functions, companies are increasingly requiring governance structures to manage AI behavior when targeting and managing campaigns. The literature suggests AI models that are able to tune targeting parameters across platforms without much human interaction, expanding the managerial role to the management of high-level algorithmic systems (Narain et al., 2019). AI literature and practices also demonstrate its ability to integrate data processing, prediction, and adaptive learning into unified targeting ecosystems as a persistent learning process across firm–consumer interactions (Abrardi et al., 2022), and its ability to learn the unpredictable nature of consumer behaviour (Amudha, 2021).

Discussion of Findings

The results demonstrated the positive impact of AI on cross-border advertising, highlighting that AI can significantly enhance the precision, adaptability, and productivity of global advertising initiatives. The study answered the first research question by determining that the use of AI-powered analytics, personalization features, and predictive modelling enhanced companies' capacity to tailor ads for various cultural and regulatory environments, thereby boosting campaign responsiveness and engagement and minimizing resource inefficiency. The results, analyzed in light of the Technology Acceptance Model (TAM), indicate that managers' attitudes towards the usefulness and ease of use of AI tools are likely to influence the ease of their acceptance in the global marketing environment. The Diffusion of Innovations Theory also provides insights into how AI-enabled advertising practices are diffused, influenced by their relative advantage and compatibility with the current marketing system. The findings align with existing studies that linked AI with enhanced possibilities for cross-border communication, data-informed decision-making, and global market competitiveness (Shah & Murthi, 2021; Abrardi et al., 2022); and in line with previous studies on ethical and governance issues (Hermann, 2022).

Regarding the second, the results indicated that the audience targeting has evolved from demographic targeting to predictive, behaviour-based targeting due to the use of AI. The study revealed that AI systems boosted segmentation precision, communication timing, and optimized campaign budget allocation by learning from user data over time, leading to greater accessibility, conversion, and raising privacy, bias, and regulatory compliance concerns in response to the second research question. Through the lens of TAM, the sense of reliability and value of AI-powered targeting tools seems to be tightly coupled with the continued intention to use AI-based targeting. And the Diffusion of Innovations Theory helps explain how over time, AI-based targeting tools are adopted as users experience the benefits and understand they are compatible with their current system. The findings are consistent with previous studies on predictive analytics and personalization (Shah & Murthi, 2021; Kotler et al., 2021) and further support a need for ethical transparency and governance to maintain consumer confidence in AI targeting (Hermann, 2022; Du & Xie, 2021).

Limitations of the Study

This paper is a literature-based study and therefore, conclusions are drawn from secondary sources only, and therefore the conclusions drawn in this paper will be influenced by the scope and quality of the literature reviewed, and the availability of such literature, but not by primary empirical data collected from advertisers, agencies or consumers. The review also relies significantly on information relating to e-commerce and digital retail, and may therefore not be representative of the generalizability of the findings to other non-profit public communication or other cross-border advertising sectors. Moreover, AI marketing technology and regulation is constantly developing, and some of the literature reviewed here may be replaced by more recent advancements in platforms and regulatory frameworks, which are not yet captured in existing research.

Practical Implications

The results indicate that for practitioners, investing in AI systems that can handle cultural and linguistic differences is more advisable than using a standardized implementation across markets when considering expansion into new global markets. It is important for marketing managers to develop enough internal knowledge about the capabilities and limitations of AI to make informed decisions on when and how to use AI tools for predictive targeting, not to rely on them as independent decision makers.

Ethical and Regulatory Implications

The results only confirm that it is not just effectiveness that can be judged with AI advertising and targeting. The data protection landscape is not uniform and is not staying still, as protection legislation, consumer-privacy expectations and cultural norms vary from one jurisdiction to the next. This indicates the ongoing importance of the governance mechanisms implemented at the level of the individual platform or service, including algorithmic audits and policies on data usage, which must be flexible enough to respond to different regulatory frameworks, as well as greater research and policy focus on cross-border governance of the use of AI in targeting.

Summary of Findings

Regarding the first goal, the study revealed that AI plays a significant role in cross-border advertising by enabling personalization, cultural adaptation and optimizing campaigns in real-time in international markets. AI-powered analytics were identified as an effective solution to boost the accuracy of segmentation and better predict consumer reactions, making advertising more effective, and immersive technologies like AR and VR were seen as an effective way to enhance global brand engagement. Meanwhile, ethical issues such as transparency, privacy and regulatory differences became significant issues in cross border implementation.

Regarding the second objective, the study discovered that the use of artificial intelligence has significantly transformed the way in which audiences are targeted, moving from macro-segments to micro-segments based on behaviour. A greater degree of targeting precision, increased customer engagement, and increased conversion rates were identified as benefits of real-time data processing and predictive modelling. But, the study also identified that algorithmic bias, privacy issues and governance concerns go hand in hand with this greater accuracy, thus highlighting the importance of responsible and transparent use of algorithmic targeting.

Conclusion

In this paper the author explores the influence of artificial intelligence (AI) on both cross-border advertising and audience targeting, with a focus on intelligent systems and their impact on marketing practice around the world. The findings show that AI enhances cross-border advertising by enabling companies to process vast amounts of data from global consumers, customize advertising campaigns to better resonate with different cultures, and fine-tune performance as campaigns unfold. Predictive analytics, machine learning, and immersive technologies can help organizations refine global initiatives to ensure they are more accurate, responsive, and efficient. Meanwhile, the paper reveals that the positive future prospects of AI in cross-border environments are interwoven with responsible usage considerations — cultural sensitivity and regulatory adherence are crucial, especially when facing legal and ethical norms that can vary from one jurisdiction to another.

When it comes to audience targeting, the study reveals that AI has transformed marketing from mass segmentation to personalised micro-targeting based on behaviour. With AI-powered systems, businesses can forecast customer demand, fine-tune when to communicate, and dynamically target, tailoring to real-time trends that can boost engagement, drive conversions, and boost competitive edge. While these advantages come with issues of privacy, algorithmic bias, transparency of algorithms, and algorithmic governance, however, precision targeting needs to be balanced with fairness and accountability to maintain consumer trust.

The marriage of AI, international advertising, and audience targeting suggests a bigger trend is afoot in international marketing. AI boosts the efficiency of your business operations and strategic decision-making while also changing the way businesses reach culturally diverse audiences in interconnected digital environments. The benefits of using technology to enhance marketing performance are great, but it is essential to marry up technology with ethical standards, managerial skills and sensitivity to regulatory requirements if it is to achieve sustainable success.

Recommendations

The study suggests that the following should be done:

Invest in culturally sensitive AI systems that leverage local data, regulatory insights, and ethical safeguards, ensuring that global campaigns are both relevant and compliant to local regulations and norms.

To increase targeting accuracy, protect consumer trust, and minimize bias, organizations should create clear and explicit AI governance frameworks like regular algorithmic audits and clearly defined data-privacy policies.

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