

THE ETHICS OF AI IN THE TOURISM INDUSTRY: A CONCEPTUAL STUDY ON AI USE AND THE CHALLENGE OF DIGITAL HONESTY IN SHAPING INDONESIA'S IMAGE

Hilmi Ardani Nasution¹, Fuzi narindrani²

Badan Riset dan Invoasi Nasional Republik Indonesia¹⁻²

Email: hilm007@brin.go.id

Abstract

The swift development of Artificial Intelligence (AI) has the potential to change the tourism sector by redefining the visualization, narrative, and promotion of destinations to the population. Although this technological advancement brings forth innovational prospects, it also brings forth ethical issues pertaining to authenticity and digital trustworthiness in presenting tourism experiences. This is a conceptual study, which explores the ethical aspects of AI use in the tourism industry of Indonesia through the perspective of how algorithmic content generation and visual editing may influence the levels of trust and general perception of tourism destinations. Adopting a literature-based analytical methodology, the research reveals such imperative matters as digital manipulation, deceptive narratives, and the loss of authenticity as new ethical dilemmas. The discussion also highlights the necessity to practice AI transparently and responsibly to ensure credibility in communication and marketing in tourism. The results indicate that building digital honesty via ethical design of AI, regulatory consistency, and moral responsibility among tourism professionals may contribute to the enhancement of the global reputation of Indonesia as a reliable and sustainable destination. The article will help in building up a conceptual ethical framework, one that incorporates the principles of AI governance into the larger framework of responsible tourism promotion

Keywords: Artificial Intelligence, Tourism Ethics, Digital Honesty, Destination Image, Indonesia, AI Governance.

A. INTRODUCTION

The global tourism and hospitality industry is undergoing a major transformation driven by the rapid adoption of Artificial Intelligence (AI). This technological shift is reshaping almost every aspect of the travel experience, including operations, logistics, and customer interaction. AI systems are now widely used to improve efficiency through automation that increase the revenue and provide personalized services through chatbots and recommendation engines. These technologies offer travelers greater convenience by providing customized itineraries and real-time assistance that simplify their journeys. For businesses, AI represents a new era of marketing effectiveness, enabling them to analyze large volumes of data to predict behavior and deliver highly targeted promotional content.(Aliah & Kwong, 2024)

However, the rapid spread of AI has created a significant ethical gap because governance and legal frameworks have not advanced as quickly as technological innovation. As a result, the tourism industry faces a range of complex ethical challenges. One of the most urgent issues involves the ethical use of AI, since the creation of content to promote tourism destinations become easier with the assistance of AI. The emergence of Generative AI (GenAI) introduces critical ethical issue, which is the risk of misinformation, deepfakes, and a general decline in consumer trust. GenAI can create highly realistic yet idealized images of tourist destinations, blurring the distinction between authenticity and digital fabrication. "Can I trust what I see?"

When AI generates perfect landscapes or cultural scenes that do not exist, it undermines the foundation of trust upon which the tourism industry depends.(Tham et al., 2024)

This study explores the central research problem arising from this shift, namely the conflict between AI's ability to digitally manipulate tourism marketing content and the need to maintain authenticity to build a credible and sustainable destination brand. To address this issue, the paper introduces the concept of Digital Honesty as its main theoretical contribution. Digital Honesty is defined as a comprehensive ethical principle that includes transparency, accountability, and a strong commitment to truthful representation in digital communication.

This conceptual study focuses on Indonesia, a country that is currently undergoing rapid digital transformation while positioning tourism as a key sector of national economic growth. The Indonesian government has launched an ambitious strategy called Making Indonesia 4.0, which aims to build a competitive digital economy and promote tourism and the creative industries as priority sectors. However, this ambition faces several challenges, including a persistent digital divide, limited AI readiness among micro, small, and medium-sized enterprises (MSMEs) in the tourism sector. These circumstances make Indonesia an important and relevant case for studying the ethical governance of AI in tourism.

The purpose of this paper is to conduct a conceptual analysis of the ethical aspects of AI use in Indonesia's tourism industry. It seeks to examine the challenge of maintaining authenticity in an era dominated by AI-generated content and to propose a Conceptual Framework for Digital Honesty that can guide the responsible and ethical application of AI in shaping Indonesia's international tourism image. The framework aims to ensure that technological progress supports Indonesia's long-term vision of sustainable, credible, and trustworthy tourism development.

B. RESEARCH METHOD

The research adopts a literature-based analytical approach that combines systematic review, synthesis, and critical evaluation of existing academic and institutional publications. The main goal is to develop a comprehensive understanding of the ethical implications of Artificial Intelligence in tourism, with a particular focus on the Indonesian context. The process of selecting literature followed several stages. A broad search was carried out using major academic databases, as well as institutional repositories from organizations including UNESCO. The search strategy employed key terms such as "Artificial Intelligence," "tourism ethics," "digital honesty," "destination image," "AI governance," and "Indonesia."

Sources were included based on their credibility and relevance, giving priority to peer-reviewed journal articles, conference papers, and official reports from recognized institutions. In accordance with conference requirements, the study emphasized literature published within the last five years to ensure that the discussion reflects the most recent research developments and technological trends.

C. FINDINGS AND DISCUSSION

a. The Potential of Artificial Intelligence in Boosting Tourism

The integration of AI, and particularly GenAI, represents a paradigm shift in the creation and perception of destination imagery, fundamentally altering the landscape of tourism marketing. AI-powered tools provide marketers with the ability to automate and dramatically accelerate the production of high-quality, emotionally resonant visual content, moving far beyond the constraints of traditional photography and graphic design. This technological leap allows for the creation of hyper-targeted and personalized marketing narratives at a scale previously

unimaginable.(Chatzigeorgiou et al., 2025, p. 6) By analyzing vast datasets related to the tourism activities, AI can fine-tune marketing campaigns in real-time, delivering accurate content that aligns with individual preferences and engages potential tourists on a deeper, more emotional level.(Beyari & Hashem, 2025)

This capability is most potent in the crafting of "aspirational" and "idealised versions of destinations".(Yu & Meng, 2025, p. 2) Marketers can now generate visuals depicting perfect weather conditions, natural and uncrowded landscapes, or flawless images designed to maximize aspirational appeal and trigger a strong desire to travel. This marks a significant evolution in destination branding, from conventional promotional campaigns to a dynamic, AI-driven dialogic engagement where narratives are continuously personalized and reconfigured to maximize relevance and impact. In essence, AI empowers marketers to construct a digital "paradise," a perfected vision of a destination designed for maximum appeal in the competitive global tourism market.(Chatzigeorgiou et al., 2025, p. 1)


b. Ethical Use of Artificial Intelligence in Promoting Tourism



While AI provides marketers with powerful new tools, it also brings serious ethical challenges that may lead to a crisis of authenticity. The boundary between improving an image and deceiving an audience is becoming less clear. The same AI that can present perfect weather or untouched landscapes can also create unrealistic expectations that real destinations cannot fulfill. This situation often results in tourist disappointment and long-term harm to the credibility of the destination. Furthermore, the growing use of AI generated content, from slightly edited images to completely fake videos such as deepfakes, raises major ethical concerns about misinformation and the risk of manipulating public perception.(Gössling & Mei, 2025, p. 3)

A major ethical concern for a culturally rich and diverse country like Indonesia is the tendency of AI to strengthen stereotypes. Because generative AI models are trained on large collections of online images and texts, they often produce uniform visuals that repeat common clichés about a destination instead of reflecting its real social and cultural diversity. For example, when asked to show a traditional Indonesian village, AI may frequently generate a limited and stereotypical image of Bali, ignoring the many other cultures and landscapes across the archipelago. This not only gives the world a distorted picture of Indonesia but also risks undervaluing the cultural diversity that represents one of the nation’s greatest tourism strengths.(Bui et al., 2024, p. 9)

To provide a clearer understanding of how the ethical principles of Digital Honesty can be applied in visual content creation, this study presents an analysis table comparing different levels of AI involvement in image enhancement. Visual representation plays a crucial role in shaping destination image and influencing tourist perception. Therefore, evaluating the ethical boundaries between acceptable enhancement and digital manipulation becomes essential. The following table illustrates three different approaches to image presentation—ranging from unedited images to heavily AI-generated visuals—along with their ethical implications in the context of tourism marketing.

Table 1. Analysis Tabel on The Ethical Use of Ai in Image Enhancement

Analysis Tabel on The Ethical Use of Ai in Image Enhancement	
<p>Image Without AI</p> <p>The original image presents the destination, though it may appear less vibrant or slightly dull due to lighting and weather conditions. This approach fully upholds <i>digital honesty</i> and transparency. It portrays reality without manipulation, ensuring visitors’ expectations align with the actual experience. Ethically, this is the most responsible form of representation.</p>	

<p>Image with AI editing With basic AI-assisted editing such as brightness adjustment, color correction, and sharpening the image becomes more appealing while still maintaining authenticity. This level of AI use is considered ethical and acceptable, as it enhances visibility and attractiveness without altering factual reality. It respects both marketing goals and the integrity of the destination.</p>	
<p>Image with heavily edited AI The image is heavily modified using AI, introducing unrealistic elements such as artificial skies, exaggerated colors, or added buildings/boats that do not exist. This practice is ethically problematic and may violate principles of digital honesty. It misleads potential visitors by presenting a false visual narrative, eroding public trust and damaging the credibility of tourism promotion.</p>	

The comparative analysis demonstrates that the ethical use of AI in image enhancement lies in maintaining a balance between aesthetic appeal and factual accuracy. Images without AI intervention or those that employ minimal, transparent adjustments are aligned with the principle of *Digital Honesty*, as they preserve the authenticity and credibility of the destination. Conversely, heavily AI-generated visuals, while visually striking, risk distorting cultural and environmental realities, leading to misinformation and the erosion of consumer trust. Therefore, sustainable tourism communication must prioritize truthfulness and restraint in digital editing practices, ensuring that AI serves as a tool to *enhance* rather than *fabricate* the reality of Indonesia's diverse destinations. (Saleh & Rosli, 2025)

This issue can be explained through the concept of "AI-thenticity", which refers to how genuine or real AI-generated content appears to audiences. Research has shown that this creates a serious dilemma for marketers. On one side, studies reveal that AI-generated images or messages can seem authentic and increase consumer trust and interest, especially when people do not know that AI was used to create them. This situation encourages marketers to hide AI involvement. On the other side, when consumers are informed that AI helped produce the content, their trust often decreases, and they view the promotion as less credible and less persuasive. This puts marketers in a difficult ethical position: they must choose between gaining short-term advantages by hiding AI use or risking their reputation by being transparent. This paradox highlights the urgent need for stronger ethical guidelines to ensure that AI is used responsibly and honestly in tourism marketing. (C. Wang & Adzharuddin, 2025)

c. Digital Honesty and Its Conceptual Frameworks

The resolution to the "AI-thenticity paradox" lies not in perfecting digital illusion, but in reaffirming a fundamental commitment to truthfulness. This paper introduces Digital Honesty as the core ethical foundation for sustainable tourism in the era of Artificial Intelligence. Digital Honesty is defined as the essential commitment to truth and integrity in digital communication and representation. It shifts the objective from concealing AI's role to fostering trust through its responsible and transparent use.

To bridge the gap between global ethical principles, Indonesia's legal framework, and the unique challenges of tourism marketing, this study introduces a conceptual framework of Digital Honesty. The framework serves as a practical guide for policymakers, destination marketing organizations, and tourism operators in Indonesia to ensure the responsible and ethical use of Artificial Intelligence. It integrates the four key pillars of Digital Honesty with the real conditions of Indonesia's tourism sector. While inspired by international models such as UNESCO's ethical principles and multi-layered governance theories, the framework is specifically adapted to Indonesia's social, cultural, and regulatory context. In doing so, it transforms abstract ethical

concepts into actionable guidelines that align with national laws and strategic priorities for sustainable tourism development.(UNESCO, 2022)

Digital Honesty consists of four interrelated components, adapted from established ethical frameworks:

1. **Transparency:** This principle requires clear and open communication regarding the use of AI in tourism marketing and content creation. Transparency means honestly acknowledging when AI tools are used to produce or enhance promotional materials, allowing audiences to understand the creative process behind what they see. Such openness strengthens credibility and nurtures consumer confidence.(Khan et al., 2023)
2. **Authenticity:** This component emphasizes the importance of genuine representation that goes beyond the illusion of “AI-thenticity.” It encourages the use of AI to highlight the true culture, character, and diversity of a destination rather than producing overly polished or unrealistic imagery. Authentic content ensures that what travelers see reflects the genuine essence of the place being promoted.(Radanliev, 2025)
3. **Accountability:** This principle underscores the need for clear responsibility over the ethical use of AI. Tourism operators must take ownership of the outputs their AI systems produce — whether in imagery, text, or recommendations — and establish human oversight to correct misleading or biased content. Responsible governance ensures that technological innovation aligns with ethical standards.(S. Wang et al., 2025)
4. **Fairness:** This element calls for proactive efforts to prevent bias in AI-generated representations and ensure inclusivity. Tourism content should provide equitable visibility for different regions, communities, and cultural identities, avoiding the repetition of narrow or stereotypical portrayals. Fairness ensures that AI supports diversity and shared benefits within the tourism ecosystem.(Tirso Ester Sánchez, 2025)

Ultimately, Digital Honesty is not an anti-technology stance but a pro-trust strategy. By integrating these principles into AI adoption, tourism stakeholders can move beyond short-term digital manipulation and build long-term brand credibility, cultural respect, and visitor trust, all essential for the sustainable growth of tourism in the AI age.

The following table outlines the ethical principles derived from the UNESCO Recommendation on the Ethics of Artificial Intelligence (2021) and their application to AI-powered tourism marketing in Indonesia. It identifies core challenges arising from the integration of AI technologies in tourism promotion particularly regarding transparency, accountability, and fairness and proposes context-specific guidelines to ensure responsible and trustworthy implementation. Each principle is accompanied by a rationale that highlights its ethical and societal importance within Indonesia’s tourism ecosystem.

Table 2. The Ethical Principles

Ethical Principle	Core Challenge in AI-Powered Tourism Marketing	Proposed Guideline for Indonesia	Supporting Rationale
Transparency	Opaque algorithms and unlabeled AI content create a trust deficit and risk of perceived deception in shaping Indonesia’s tourism image through manipulated visuals and narratives.	Mandate clear, understandable labeling for all AI-generated or significantly AI-altered promotional content that influences tourism perceptions. Develop a "Transparency Standard" for tourism platforms detailing how AI shapes personalized image-building.	Ensures visitors recognize AI’s role in crafting idealized yet potentially misleading portrayals, fostering genuine trust in Indonesia's diverse tourism narrative.
Authenticity & Representation	GenAI tends to produce homogenized, stereotypical visuals and narratives that misrepresent Indonesia’s cultural and natural diversity, diluting the unique national tourism brand through content	Promote the use of AI as a tool to enhance authentic local content, not replace it. Establish ethical AI prompt guidelines for tourism authorities and partners to ensure diverse, inclusive, and non-stereotypical representations in image formation.	Preserves the richness of local voices and realities, countering AI-driven homogenization to maintain an

Ethical Principle	Core Challenge in AI-Powered Tourism Marketing	Proposed Guideline for Indonesia	Supporting Rationale
	manipulation.		authentic, multifaceted tourism identity.
Accountability	Unclear responsibility for harms caused by AI-generated misinformation or biased narratives that distort Indonesia's tourism image via content manipulation.	Clearly define the tourism operator as ultimately responsible for the outputs of AI systems they deploy in marketing. Require human oversight for critical decisions in narrative and content creation.	Assigns clear ownership to prevent unchecked AI manipulations from spreading false or skewed tourism impressions, ensuring corrective actions when needed.
Fairness & Equity	Algorithmic bias can lead to discriminatory outcomes in recommendations and content manipulation, exacerbating inequities for smaller tourism stakeholders in shaping a balanced national image.	Mandate regular bias audits for AI systems used in public-facing tourism services. Prioritize government-supported AI literacy and capacity-building programs for tourism MSMEs to enable equitable participation in AI-driven image crafting.	Levels the playing field by mitigating biases that favor dominant narratives, allowing diverse stakeholders to contribute fairly to Indonesia's tourism portrayal.

The proposed framework demonstrates how global ethical standards can be localized to address Indonesia's unique tourism landscape. By emphasizing transparency, stakeholders can mitigate risks associated with misinformation and algorithmic opacity in AI-generated marketing content. Clear labeling of AI-altered visuals or narratives helps maintain visitor trust and promotes ethical storytelling practices in destination branding. Ultimately, such guidelines ensure that the adoption of AI enhances, not undermines authenticity, accountability, and inclusivity in the nation's tourism communication strategies.

D. CONCLUSION

This conceptual study examines the complex and sometimes contradictory role of Artificial Intelligence in the tourism industry. The findings indicate that while AI creates major opportunities for improving efficiency and enabling personalized marketing, its unregulated use especially in the field of generative AI, presents serious ethical challenges. The central issue lies in the gradual loss of authenticity and trust. AI's ability to produce idealized, manipulated, or stereotypical images of destinations can seriously harm the credibility and integrity of a destination's brand. This risk is particularly critical for Indonesia, a country known for its rich cultural and natural diversity.

To address these issues, this paper introduces a Conceptual Framework for Digital Honesty, which rests on four key pillars: Transparency, Authenticity and Representation, Accountability, and Fairness and Equity. The framework is designed not as an abstract ethical model but as a practical tool that connects global ethical principles with Indonesia's legal and developmental realities. By aligning these ethical values with Indonesia's law and national strategic objectives related to the implementation of AI, the framework offers a clear direction for building responsible AI governance. Adopting such a framework is not only a moral responsibility but also a strategic necessity. Promoting digital honesty allows Indonesia to reduce the risks associated

with AI-based marketing while using technology to strengthen its global reputation as a credible, authentic, and sustainable tourism destination.

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