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GENERATIVE AI
and the Future of Marketing

Less than one year after its public debut, generative AI has the marketing and advertising world's full attention.

The next-generation artificial intelligence tech burst onto the scene late last year with the debut of **ChatCPT** and **DALL-E 2**, both from Silicon Valley AI pioneer OpenAI. ChatGPT, in particular, has grown into a near-overnight sensation, reaching a million users in just five days and hitting 100 million active users faster than any consumer app in history to that point.

One of OpenAI's biggest early investors, Microsoft, has since poured an additional $10 billion into OpenAI while beginning to introduce a host of new AI-powered features, including a ChatGPT-powered version of Bing search engine.

In turn, Google—a generative AI innovator in its own right and the first company to utilize large language models (LLMs)—has introduced its own AI chatbot, **Bard**, its own AI chatbot, while promising new, soon-to-launch AI-powered features in Google Search, Gmail and more. Another major player, Meta, has spent nearly 10 years and billions of dollars on AI and has taken to touting its **LLaMA** as a powerful open-source language model. And dozens of other companies have also begun introducing generative AI-powered tools into the marketplace.

Altogether, AI is already proving to be a powerful disruptive force in the marketing and advertising world, and the wider implications of this AI revolution could be extraordinary. Microsoft founder Bill Gates has called AI as major a tech innovation as the internet or the PC,[1] while also warning that AI's emergence will inevitably result in the loss of white-collar jobs.[2] Or, as the Harvard Business Review put it, "The question isn't whether AI will be good enough to take on more cognitive tasks but rather how we'll adapt."[3]

How will the next generation of AI affect marketing and advertising?

For this report, we surveyed over 200 marketing and advertising professionals from top agencies, B2B and B2C companies, non-profits, and publishers to see how marketers are feeling about AI today and how they believe it will shape the industry going forward.

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[1] https://www.forbes.com/sites/alexonrad/2023/02/06/bill-gates-openai-microsoft-ai-hottest-topic-2023/?sh=1e3bf53b4777
[2] https://www.afr.com/technology/ai-is-coming-for-white-collar-jobs-gates-warns-20230123-p5cev7
[3] https://hbr.org/2022/12/chatgpt-and-how-ai-disrupts-industries

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Marketers have found a lot to like about generative AI—embracing its ability to identify patterns, offer predictive text, and generate images to inspire and enhance their work.

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How are marketers and advertisers using generative AI to enhance their work?
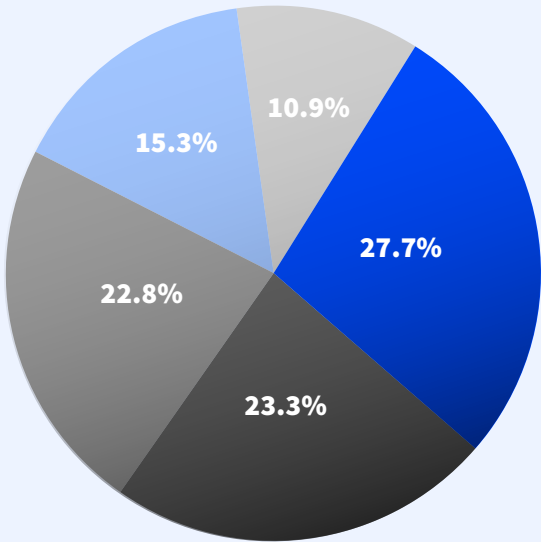
ChatGPT *(Note: The following is AI-generated content)*

Marketers and advertisers are leveraging generative AI to enhance their work in various ways. Generative AI helps create visually appealing ads and designs by automatically generating graphics and layouts. It enables personalized experiences by analyzing user data and behavior to generate tailored recommendations and targeted ads. Marketers use it to generate personalized content at scale. They also employ generative AI to develop intelligent chatbots and virtual assistants for improved customer support and engagement. Predictive analytics powered by generative AI help forecast consumer behavior and market trends. It automates A/B testing and optimization processes, allowing marketers to test and identify the most effective variations. Generative AI also aids in market research and insights, analyzing vast data sets to uncover patterns and trends. However, ethical considerations regarding data privacy, bias, and transparency should be prioritized in the use of generative AI.

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How Marketers Are Using Generative AI

Less than a year after exploding onto the scene, generative AI is already changing the way marketers work. Nearly three-quarters (72%) use generative AI tools as part of their digital marketing/advertising work at least once a month, 49% are leveraging generative AI tools in their work at least once a week, and 11% turn to generative AI every day.

But not all organizations have been quite so quick to embrace the technology: More than a quarter of respondents (28%) say they and their organizations don't use generative AI at all. This hesitance may reflect a lack of best practices around the generative AI usage for marketing purposes, skepticism and fear of the new technology, a lack of time to experiment and explore, or even just the newness of these tools.

Approximately how often do you or your organization use generative AI tools as part of your digital marketing/ advertising work?

- Not at all
- A little (1-2 times a month)
- Sometimes (1-2 times a week)
- Often (3-4 times a week)
- Every day

10.9%
15.3%
27.7%
22.8%
23.3%

202 respondents

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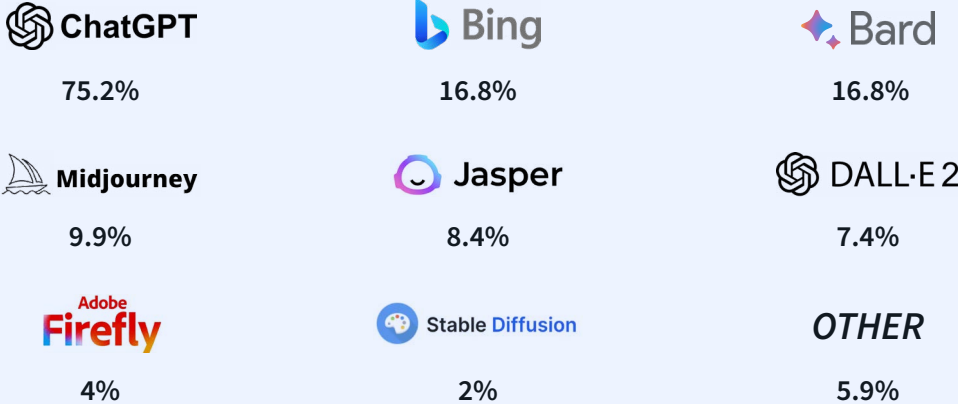
How Marketers Are Using Generative AI

While a recent Pew Research Center study found that only 14% of US adults have tried ChatGPT[4]—and only 12% have used it for tasks at work—that number appears to be far higher among marketers and advertisers.

When it comes to generative AI apps, ChatGPT is far and away the most popular tool among marketing and advertising professionals, with 75.2% saying they or their organization use the pioneering platform in their marketing/advertising work, showcasing both the benefits of being first-to-market as well as the strength of the app itself.

Microsoft's AI-powered Bing—which relies on the same foundational LLM as ChatGPT, OpenAI's GPT-4—is used by 16.8% of industry professionals. The same number (16.8%) say they use Google's Bard AI.

Design resources such as Midjourney (9.9%), DALL-E 2 (7.4%) and Adobe Firefly AI (4%) have also seen some adoption, as has the marketing-focused generative AI tool Jasper (8.4%).

Which of the following tools and platforms you (or your organization) use in your marketing/advertising work?

ChatGPT	Bing	Bard
75.2%	16.8%	16.8%

Midjourney	Jasper	DALL·E 2
9.9%	8.4%	7.4%

Adobe Firefly	Stable Diffusion	OTHER
4%	2%	5.9%

202 respondents
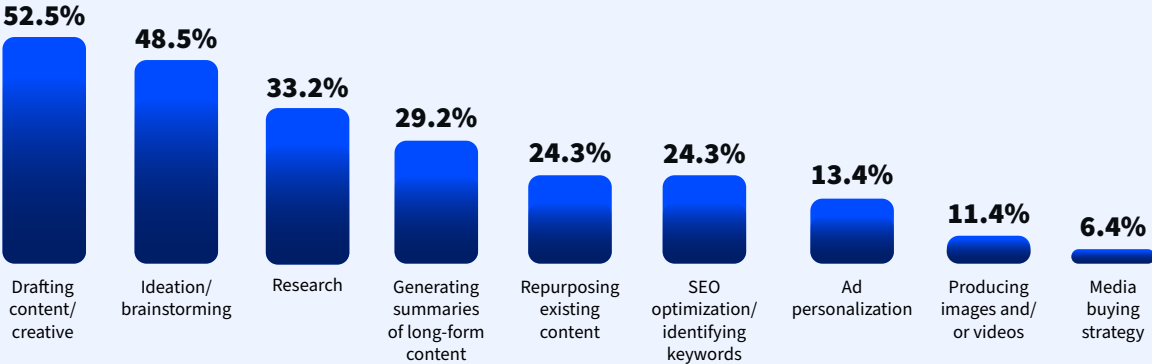
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How Marketers Are Using Generative AI

When it comes to how marketing and advertising professionals are leveraging generative AI today, more than half (52.5%) say they use it to draft content/creative, while nearly as many (48.5%) say they use it for ideation and brainstorming purposes.

About one-third (33.2%) of marketers are turning to generative AI during the research process, though hopefully they are verifying those findings elsewhere to avoid hallucination-related risks.

Other top uses for generative AI are generating summaries of long-form content (29.2%), repurposing existing content (24.3%), and optimizing content for SEO optimization (24.3%).

For what types of tasks do you or your organization use generative AI?

Task	Percentage
Drafting content/creative	52.5%
Ideation/brainstorming	48.5%
Research	33.2%
Generating summaries of long-form content	29.2%
Repurposing existing content	24.3%
SEO optimization/identifying keywords	24.3%
Ad personalization	13.4%
Producing images and/or videos	11.4%
Media buying strategy	6.4%

202 respondents

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Generative AI and Content Creation

While a majority of marketing and advertising professionals have begun embracing generative AI as part of their content creation process, most still view the resulting work as inferior to their own. Nearly three-quarters (70.3%) said they don't think AI-generated content is as good as their organization's human-generated content.

Is AI-generated content as good as (or better than) your organization's current human-generated content?

YES **29.7%**

NO **70.3%**

202 respondents

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Is content created by generative AI as good as content created by humans?

**ChatGPT** *(Note: The following is AI-generated content)*

Content created by generative AI is impressive and has its advantages in terms of scale and efficiency. However, whether it is as good as content created by humans depends on the specific context and requirements. Generative AI can produce content that is coherent and tailored to certain specifications, but it may lack the human touch, creativity, and nuanced understanding that humans bring to the table. Human-generated content often exhibits deeper emotional intelligence, contextual understanding, and the ability to connect with readers on a more personal level. Balancing the capabilities of generative AI with human creativity and expertise can result in the most impactful and high-quality content.

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Generative AI and Content Creation

Glancing ahead, 54.5% of marketers see content creation being the aspect of the digital marketing process most impacted by AI. Much of this may well be recency bias: the latest buzz around AI has largely stemmed from the advent of chatbots like ChatGPT and Bard. However, given AI's propensity for pattern recognition and data processing, it's easy to imagine a world where analysis (13.9%), creative optimization (12.9%), and even media buying (8.9%) are significantly impacted by the emerging technology.

What part of the digital marketing process do you expect to be most impacted by AI?

- Content Creation
- Analysis
- Creative Optimization
- Media Buying
- Design
- Strategic Decision-making
- Other
- Email

54.5%
13.9%
12.9%
8.9%
3.5%
3%
2.5%
1%

202 respondents

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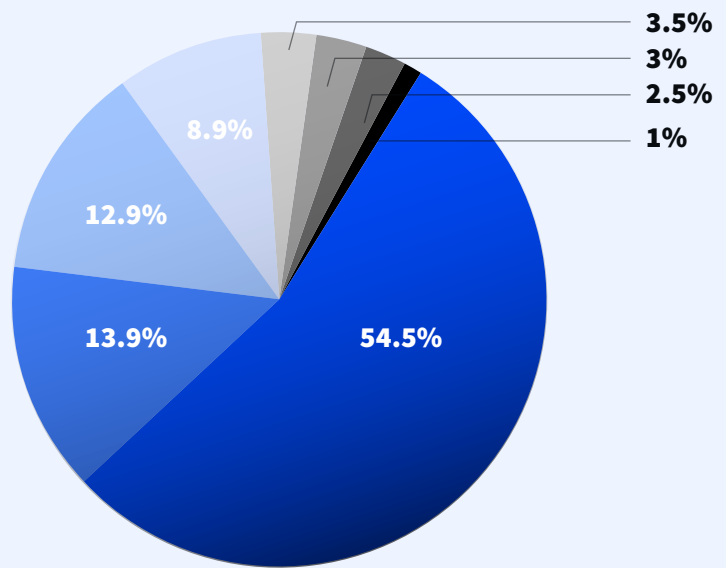
Looking Toward the Future

AI is poised to reshape advertising in the most significant and meaningful way since the emergence of the smartphone or even programmatic advertising. With digital ad giants like Google, Microsoft, Meta, and others investing heavily in the technology and already beginning to infuse it in their suite of products—and with agencies and in-house marketing teams among the most prominent early adopters of the technology—marketers are recognizing AI's potential to revolutionize the industry.

An overwhelming 86.6% of marketing and advertising professionals believe AI will radically transform digital advertising within the next 3-5 years.

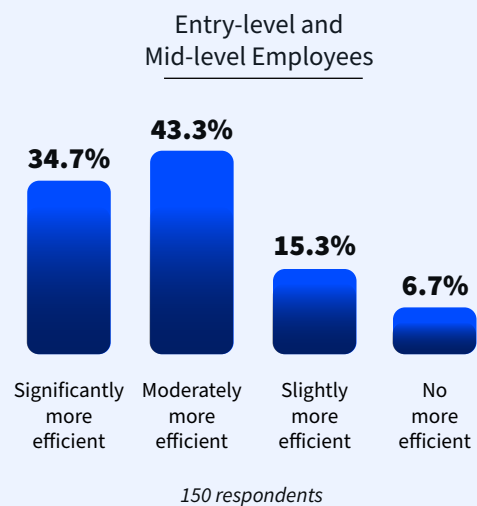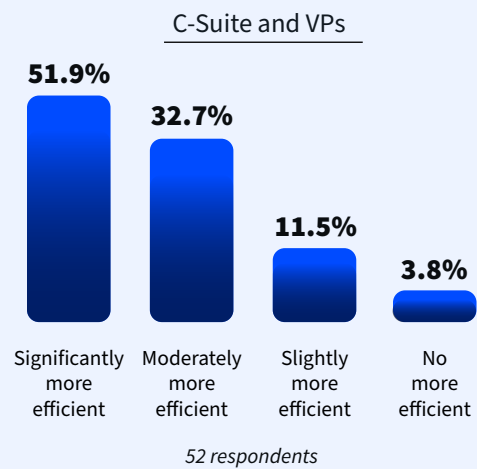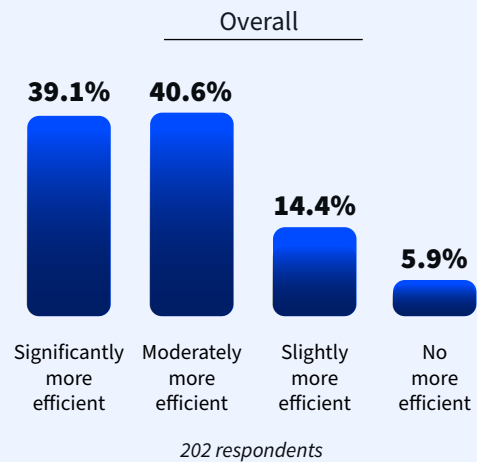**Do you believe AI will radically transform digital advertising within the next 3-5 years?**

YES   86.6%
NO   13.4%

202 respondents

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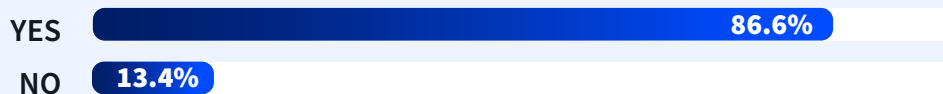
Looking Toward the Future

As for how generative AI will affect the people working in this industry, marketers generally agree that it will make them more efficient at their jobs. The question, however, is just how *much* more efficient.

Overall, approximately four in five marketers believe that AI will make them either moderately or significantly more efficient at their jobs within the next 3-5 years. Notably, expectations around efficiency appear considerably higher among industry leaders, with 51.9% of C-Suite and VP-level professionals saying they believe AI will make digital marketers significantly more efficient vs. just 34.7% of entry-to-mid level employees—aka the people most likely to use the tech (or even, potentially, have their jobs replaced by it).

Do you believe that AI will make digital marketers more efficient at their jobs within the next 3-5 years?

Overall

Significantly more efficient	Moderately more efficient	Slightly more efficient	No more efficient
39.1%	40.6%	14.4%	5.9%

202 respondents

C-Suite and VPs

Significantly more efficient	Moderately more efficient	Slightly more efficient	No more efficient
51.9%	32.7%	11.5%	3.8%

52 respondents

Entry-level and Mid-level Employees

Significantly more efficient	Moderately more efficient	Slightly more efficient	No more efficient
34.7%	43.3%	15.3%	6.7%

150 respondents

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AI and Marketing: The Risks

For all the excitement over the many time-saving possibilities that generative AI affords marketers, there are nevertheless some very real, very substantial risks to widespread use of the technology. From concerns around authenticity, brand safety and misinformation, to job security risks, to even greater existential threats, AI is far from a panacea for today's marketing and advertising world.

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AI and Marketing: The Risks

More than half (55%) of industry professionals believe consumers will find a brand less authentic if it uses AI-generated content in its marketing or advertising efforts, a significant downside at a time when authenticity is valuable currency among Gen Z and millennials, among others.

Do you believe consumers will find a brand less authentic if it uses AI-generated content in its marketing or advertising efforts?

YES	55%
NO	45%
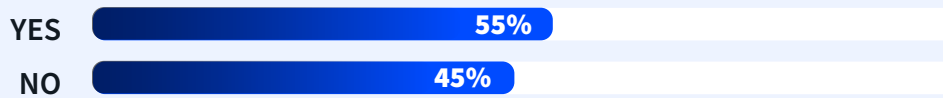
202 respondents

Experts on misinformation have flagged generative AI as a potentially destructive presence that could lead to soaring rates of mis- and disinformation across the internet. To advertisers, this means escalating brand safety concerns—not to mention those posed by publishing inaccurate content generated by AI on own channels.

Marketing and advertising professionals have recognized these threats, with 99.5% agreeing that generative AI poses a brand safety and misinformation risk for digital marketers, and 84.2% calling it a moderate to significant risk.

Do you believe generative AI poses a brand safety and misinformation risk for digital marketers?

Significant risk	Moderate risk	Little risk	No risk
29.2%	55%	15.3%	0.5%

202 respondents

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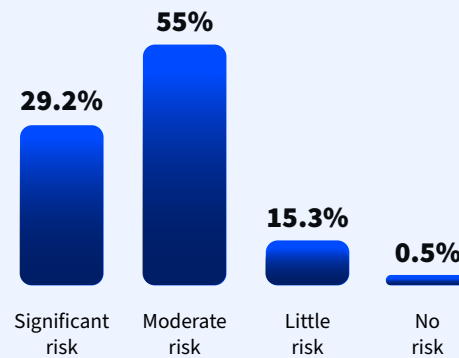
AI and Marketing: The Risks

Many of the greatest fears around AI circle around its potential threat to marketing and advertising jobs. As for how this risk is manifesting in the real world, it appears that AI has not yet led to significant job losses in the marketing and advertising industry…so far.

Just 10.4% of marketers say their organization has replaced human tasks with AI solutions in the last 12 months.

Within the last 12 months, has your organization replaced any human tasks with AI solutions?

YES 10.4%

NO 89.6%
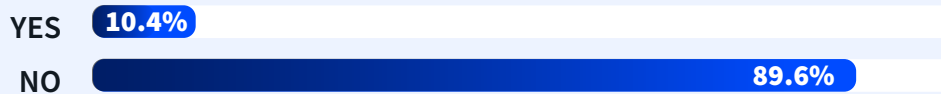
202 respondents

Meanwhile only 11.5% of C-Suite and VP-level professionals say they have used AI to replace human employees (and/or that they have existing plans to do so at this time).

C-Suite and VPs

Have you used AI to replace human employees, and/or do you presently have plans to do so?

YES 11.5%

NO 88.5%

52 respondents

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AI and Marketing: The Risks

Looking ahead, marketing and advertising professionals are far less optimistic about future human job security in an AI-driven world. Nearly half (48.5%) of all marketers believe AI will lead to substantial job losses in their industry within the next 3-5 years. Among C-Suite level respondents, that number is even higher, with 54.8% saying they expect to see substantial AI-related job losses in the coming years.
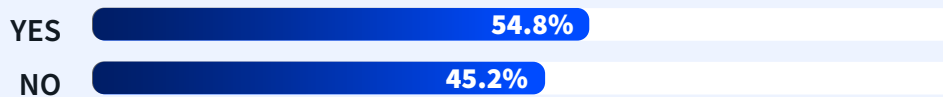
Overall

Do you believe that AI will lead to substantial job losses in digital marketing within the next 3-5 years?

YES — 48.5%
NO — 51.5%
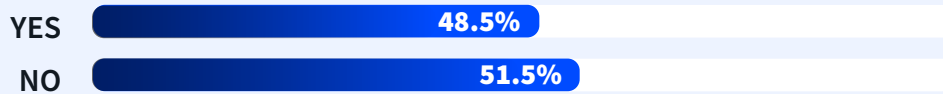
202 respondents

C-Suite and VPs

Do you believe that AI will lead to substantial job losses in digital marketing within the next 3-5 years?

YES — 54.8%
NO — 45.2%

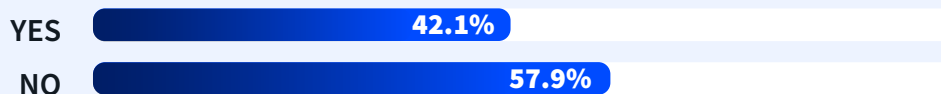*31 respondents*

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AI and Marketing: The Risks

In a larger sense, the potential of AI—both upsides and downsides—extend far beyond the marketing realm. The Al industry's own leaders and top experts have warned that the technology could pose the same risks to humanity as pandemics or nuclear war.[5]

This fear has permeated marketing and advertising as well, even as the industry has embraced the technology to support its work, with nearly half (42.1%) of marketing and advertising professionals believe that AI poses an existential threat to humanity.

These seemingly-conflicting sentiments—"AI is both good for efficiency and content creation, but may cost me and my colleagues our jobs or even destroy humanity"—seem like they would inevitably come to a head in a sort of marketing reckoning. But with generative AI still in its early days as a consumer-facing tool, there's plenty of time for that sentiment to evolve.

## Do you believe that AI poses an existential threat to humanity?

YES   42.1%

NO   57.9%

202 respondents

[5] https://www.safe.ai/statement-on-ai-risk

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AI and Marketing: The Risks

Just as marketers are trying to determine the right balance between AI's upsides and downsides, so too are another key group of decision-makers: regulators.

Where does the industry stand on the issue? More than 70% of marketing and advertising professionals say they believe AI's development and usage should be regulated, joining AI leaders and experts such as OpenAI CEO Sam Altman and Google CEO Sundar Pichai in calling on governments to set regulatory limits on the technology.
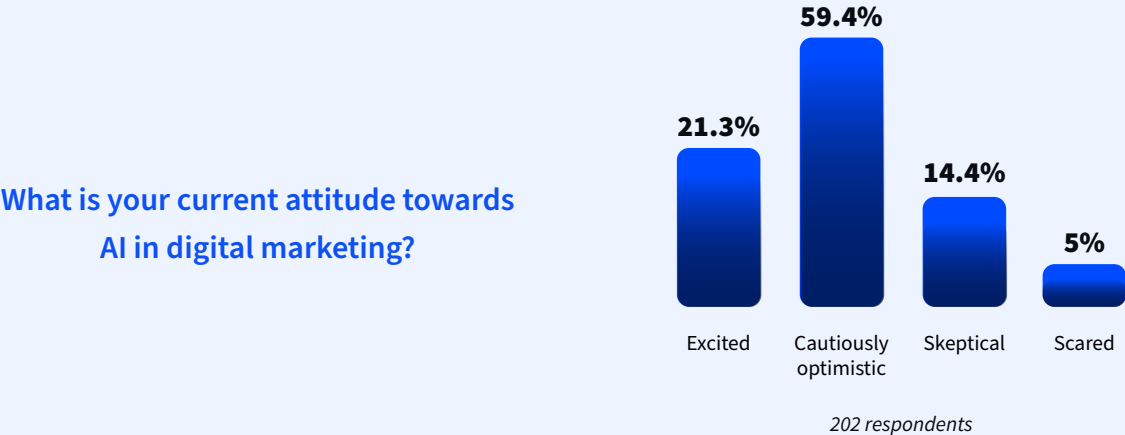
8.9%

20.8%

70.3%
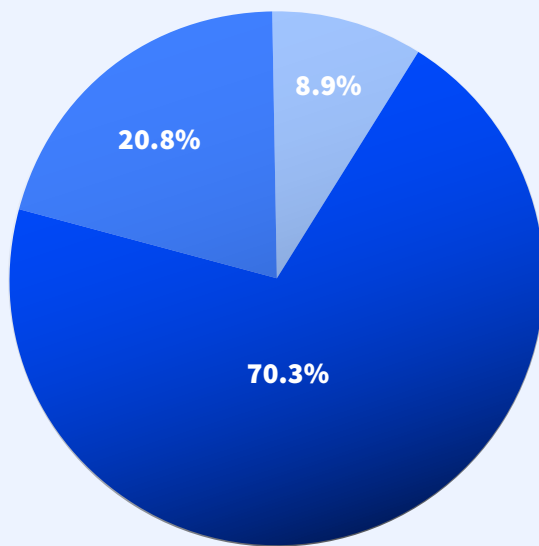
202 respondents

Do you believe AI's development and usage should be regulated?

- Yes
- Unsure
- No

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How Marketers Feel About AI in Digital Marketing

When it comes to current attitudes on AI in digital advertising, the sentiment among industry professionals is largely positive: 59.4% say they are cautiously optimistic about AI, while 21.3% say they're excited about the emerging technology.

That said, not everyone is sold on generative AI, with 14.4% of marketers saying they're skeptical of its use for digital marketing work, and another 5% describing themselves as scared.

What is your current attitude towards AI in digital marketing?

Excited	Cautiously optimistic	Skeptical	Scared
21.3%	59.4%	14.4%	5%

202 respondents

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Generative AI and Marketing: What's Next

Given the extraordinary buzz around generative AI, it's sometimes easy to forget that the technology is still in its early days as a consumer-facing technology. OpenAI's ChatGPT only debuted in November 2022, just a few months after the release of image generating app DALL-E 2, meaning marketers have had less than a year to experiment with the tools and explore their upsides (and downsides).

While there are some preliminary guides and recommendations for how to make the most of generative AI for marketing and advertising purposes, most organizations' experimentation has been conducted in a vacuum—with marketers and organizational leaders reading about the technology online, then testing its viability on their own terms and for their own tasks to gather one-off learnings. With this general lack of standardized processes and best practices—and with the LLMs that power the tools still in development and not yet featuring up-to-the-minute data from the real-world internet—the potential of generative AI, both good and bad, is still not fully realized.

One thing, however, seems clear: Generative AI is no fad, and its prevalence and use will help shape marketing and advertising efforts for years to come.

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