

The Future of AI and Advertising Study



Yahoo and Publicis teamed up to take a closer look at AI

THE STUDY IN NUMBERS

QUALITATIVE B2B INTERVIEWS

21 INTERVIEWS WITH AI EXPERTS,
SENIOR LEADERS, AND PRACTITIONERS
IN ADVERTISING AND MARKETING

B2B SURVEY

351 US ADVERTISING PROFESSIONS
CONDUCTED BETWEEN
OCT 20TH - NOV 1ST, 2023

CONSUMER SURVEY

1,202 US GEN POP CONSUMERS
18 - 65 YEARS OLD
INCLUDING AN AI-GENERATED
IMAGERY AD EXPOSURE TEST
CONDUCTED BETWEEN
OCT - NOV 13TH, 2023

We had three objectives in mind

1

Understand overall consumer and advertiser awareness, acceptance, familiarity and usage of AI

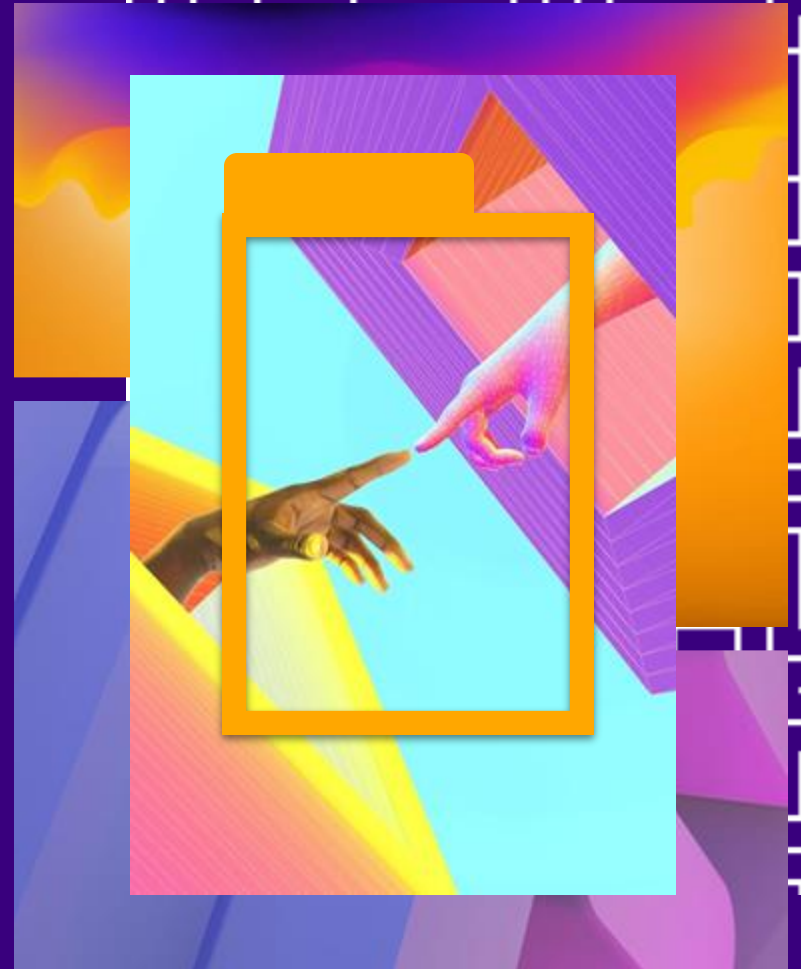
2

Ascertain acceptance of AI-generated imagery and impact of AI disclosures in digital ads

3

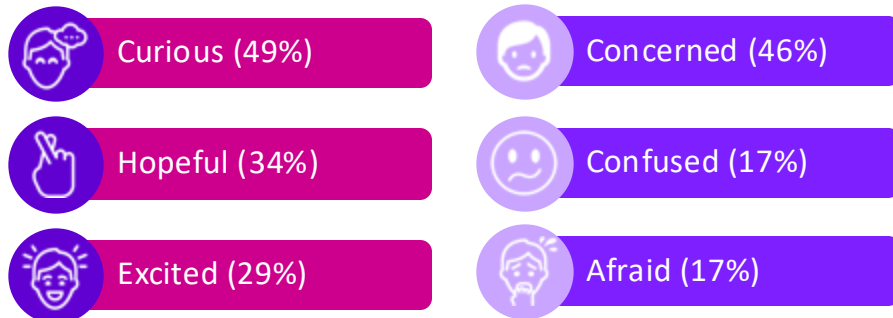
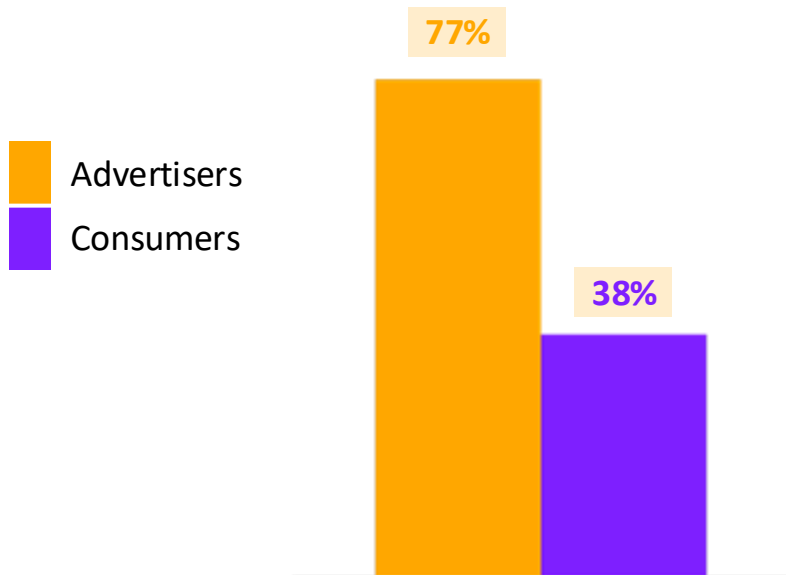
Uncover ways of building trust with both advertisers and consumers when it comes to AI

Mind the knowledge gap



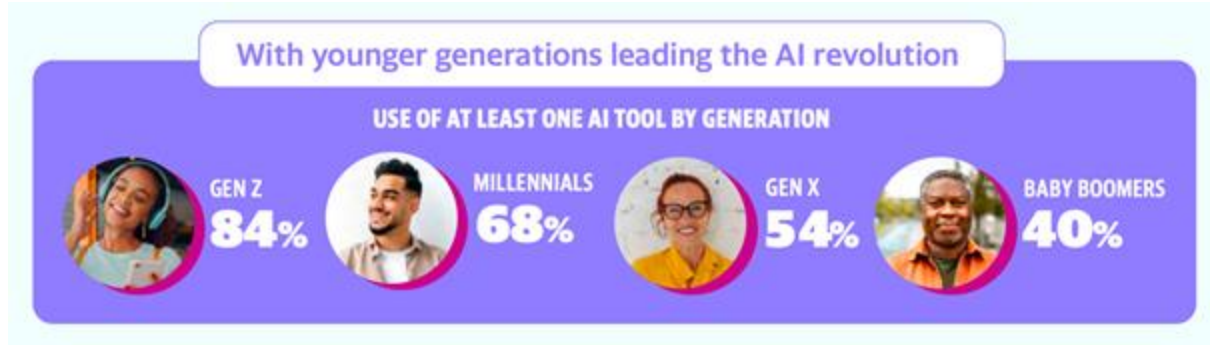
A gap in trust and acceptance

Positive Sentiment Toward AI



**69% of consumers, when prompted, selected at least one positive sentiment toward AI*

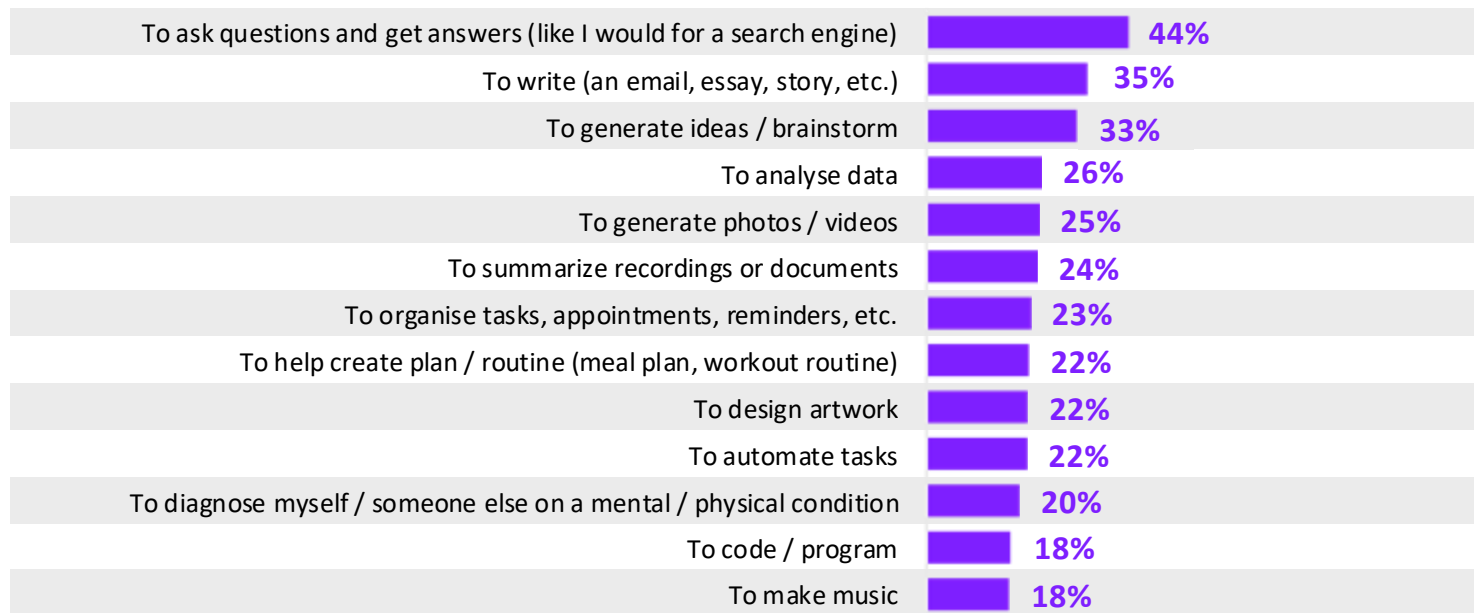
AI is still relatively nascent amongst the gen pop



But consumers are finding utility in several places

Top Use Cases

% Selected Among Consumers Who Use Any AI Tool



Advertisers, on the other hand, are well acquainted

86% of advertisers have already used an AI-enabled tool in their role

1

GREATER EFFICIENCY

87% Reduces the time I spend on manual tasks

85% Produces content faster

82% Helps me get ideas and inspiration

2

HIGH-ORDER TASKS

83% Allows me to spend more time on the creative and strategic aspects of my role

74% Helps me enjoy my job more

3

FINANCIAL RESULTS

81% Can increase sales for the organisation

81% Increase awareness

75% Reduce costs (CPA, etc.)

Delivering benefits for advertisers and consumers



8 in 10 advertisers agree that...

81%

AI will elevate ad experiences by delivering at the right place and time

80%

AI will increase ROI through real-time campaign optimisation and insights

79%

AI will allow for pivoting strategies and campaigns in response to real-time market shifts

78%

AI personalisation in creative will improve emotional connections with audiences

77%

AI's accuracy will further shorten the period between ad exposure and purchase

Brands will look to DSPs who can help realise these benefits

yahoo!

Top 5 Most Important AI-Enabled Features/Tools when considering DSP Partners:

1

Creative optimisation (DCO etc.)

2

Media planning

3

Automated campaign optimisation

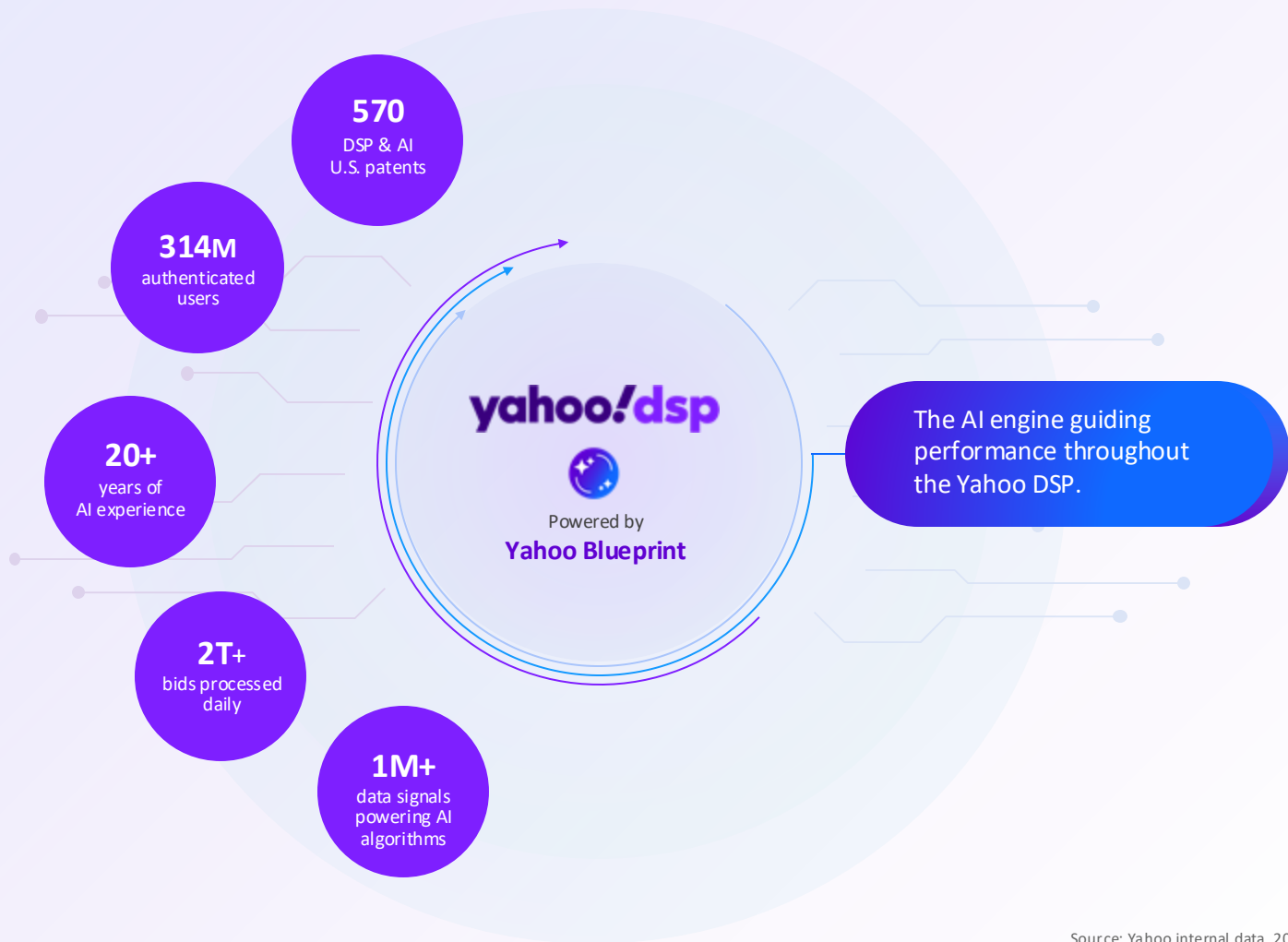
4

Providing campaign measurement, insights & recommendations

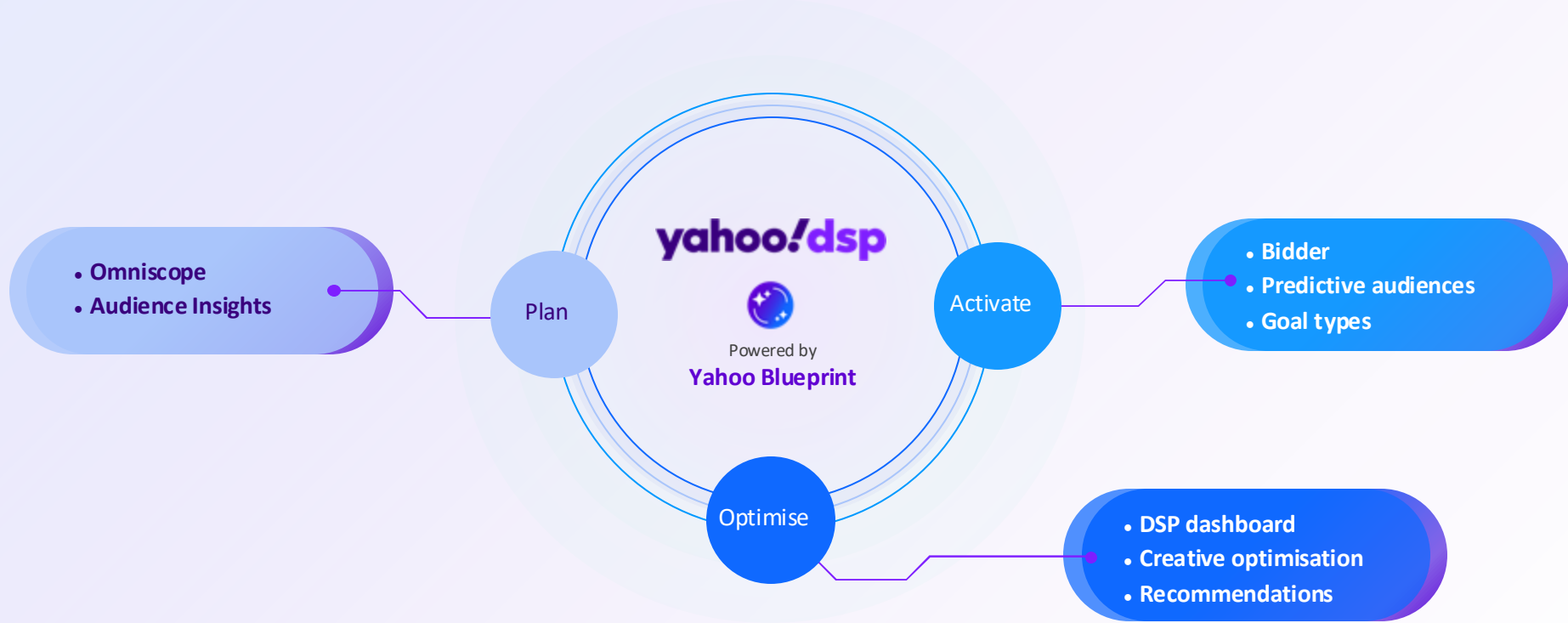
5

Predictive audiences

Yahoo Blueprint



Always-on AI, powering key features throughout the campaign lifecycle



Consumers are happy with AI in advertising where it can deliver quantifiable results

Acceptance of Uses of AI in Advertising



65%

of consumers would interact with ads in the moment to tailor their ad experience

(i.e. interactive ad units in which consumer feedback / engagement is directly embedded within an advertisement)

**But tensions
remain**



Will AI remove our autonomy and identity?

Consumers

37% are concerned that overly personalised content would limit their ability to discover new brands on their own.

36% are concerned that brand advertisements would become too biased and exclude certain groups of people.

67% wish AI was trained on unbiased and fair data.

Brands

77% say it will be more important to maintain brand consistency despite greater personalisation for consumers.

42% say that tools/strategies to protect against brand dilution would help alleviate concerns about using AI.

“

There's some hesitancy around using AI to generate images and content because we want to ensure that the voice and tone of the brand are consistent. It brings us to this question: 'How can we get artificial intelligence to understand the nuance in that? How do we ensure that through prompts and brand guardrails, we adhere to that integrity model we want to keep in place?

Ben, Global Marketing, Finance

Consumers are looking for trust & transparency

75%

consumers feel AI
should be better
regulated

74%

consumers wish “more
companies disclosed when
they use AI and why it was
used.”

72%

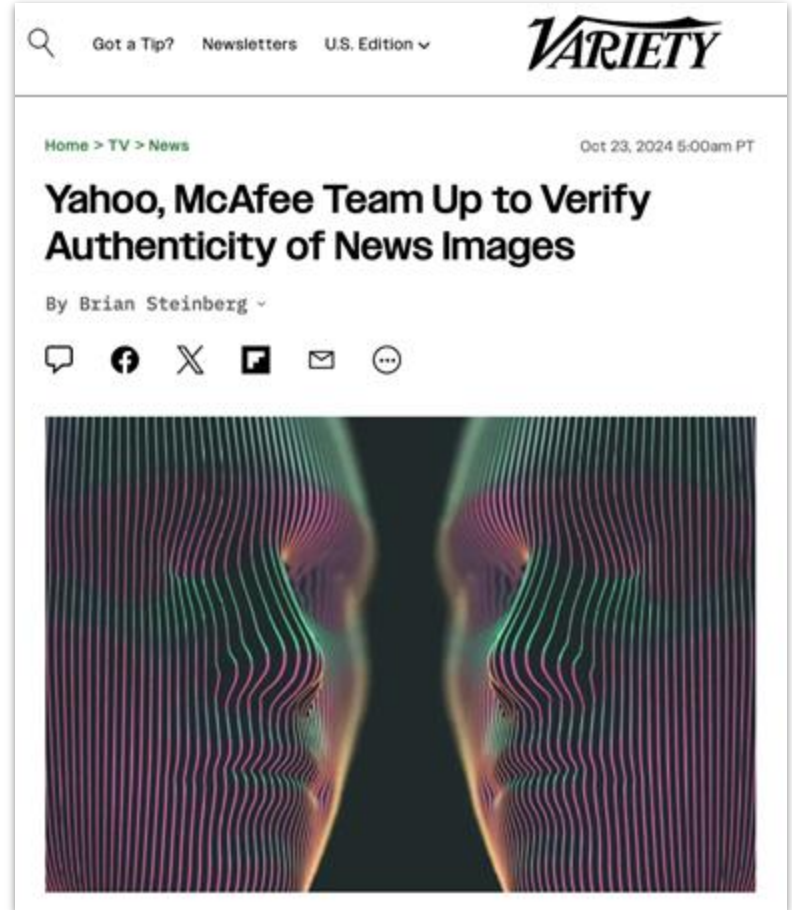
consumers agree that
AI “makes it difficult
to know what is
authentic.”

What do Laila and Luiza have in common?



The digital ecosystem is awash with misinformation and deepfake imagery

yahoo!



Ad Test Example

AI Generated Model

AI disclosure



The advertisement features the Future Wise Banking logo on the left, a central image of a man wearing a headset, and promotional text on the right. A yellow oval highlights the text 'MODEL PRODUCED VIA AI' located at the bottom left of the ad.

Secure YOUR tomorrow with smart savings today
Your path to financial freedom starts here

Take control of your future

MODEL PRODUCED VIA AI

No AI disclosure

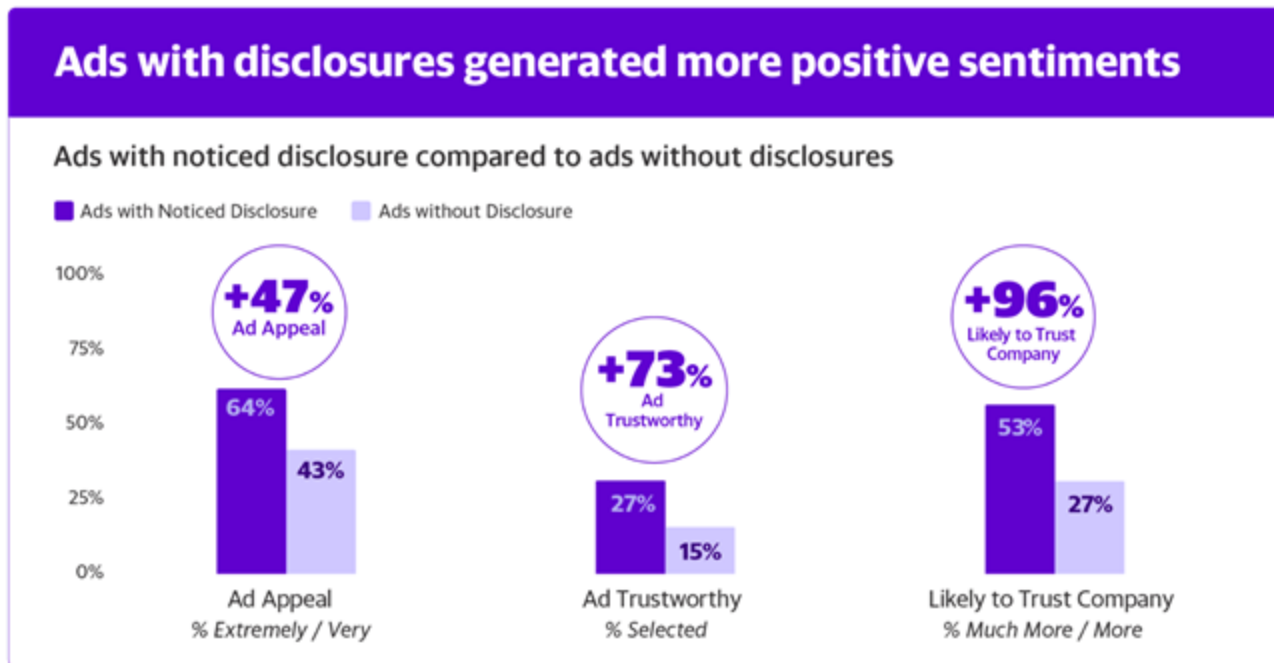


This advertisement is identical to the one above but lacks the 'MODEL PRODUCED VIA AI' disclosure.

Secure YOUR tomorrow with smart savings today
Your path to financial freedom starts here

Take control of your future

Disclosure of AI-use is a clear driver of brand trust



**So where does this
leave us on AI best
practices?**



Trust through Transparency

What does it mean
for AdTech?



Develop an AI ethics framework, outlining your organisation's values, principles and policies for developing responsible AI development and use



Provide partnership and transparency in AI deployment to empower and inform advertisers about their choices



Guide advertisers in how AI data is collected, stored and deployed. Define an integrated vision and roadmap for what AI has the potential to unlock



Provide advertisers the ability to test and optimise disclosures, to ensure they are building positive sentiment in exposure with consumers

Trust through Transparency

What does it mean
for Brands?



Brands that are responsible data stewards will earn consumer trust and have potential to develop first-party flywheels



Explore ad formats that encourage interactivity and a sense of play with co-creation: personalisation should feel like a service rather than feeling intrusive



Disclosure of AI usage in creative is a matter of integrity and ethical responsibility



Be accountable for how AI is used. Establish consumer feedback loops to capture concerns.

THANK YOU