Marketing's AI Era

Strategies & Measurement Driven by AI-Powered Prediction

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Executive Summary

Marketers often use ChatGPT or Midjourney as a cultural shorthand for AI.

This shorthand misses a bigger picture: it doesn't allow for a complete system change, one that would see Marketers generate, drive, and measure real business value within their organizations.

This survey of 200 Chief Marketing Officers (CMOs) from mid- to large-sized organizations across six industries recognizes the diverse priorities and challenges faced by Marketers. Marketers can be comforted knowing that they are not alone if their embrace of AI is lagging, as 43% of respondents see AI's potential but have found challenges in its implementation.

It is the predictive prowess of AI that promises a transformative shift in business practices, but only if Marketers choose to embrace it. In our survey, 75% of CMOs said they have not yet taken steps to prepare for measurement in a world without third-party cookies.

We also discovered that, although AI is widely embraced for planning marketing campaigns by 81% of CMOs, only 36% of respondents said they use AI for creating attribution models.

Make no mistake: indecision is a decision.

There is an urgency for businesses to prepare for a paradigm shift – that is the impetus for our study. Soon, we will be in a cookieless world, and we will need to find new ways to plan for and measure success.

Marketing's AI Era: Strategies & Measurement Driven by AI-Powered Prediction highlights the critical need for industry players to use AI to chart their own course to understand advertising measurement tracking and consumer preferences, identify audiences, and quantify creative impact. It offers a glimpse into the evolving role of Marketers, and what is needed to succeed in the marketing department of the future.

This report equips marketers, advertisers, and industry participants with critical questions to consider as they gauge their AI-readiness in measurement and attribution, and provides them with knowledge to help them make informed decisions in a rapidly evolving digital ecosystem.

About the Authors

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Unleashing AI Wizardry

Redefining Marketing Magic

81% of Marketers say they're using AI for planning marketing campaigns, but only **36% are using it for attribution**

Unleashing AI Wizardry: Redefining *Marketing Magic*

It's not surprising that only one-third of CMOs are using AI to create attribution models. There is a lack of solutions for audience-level measurement to allow Marketers to assess the performance of advertising investment.

Faced with a cookieless world, Marketers will soon be forced to think differently. AI is here to help them fill the gaps.

In our survey, CMOs interviewed said they were using AI to increase efficiencies, particularly in creative production. Now, it is time to move to the next level of AI maturity: leveraging data to make smarter decisions and drive business value.

AI has long been used to automate decisions. With the introduction of Generative AI, and the rise of tools like ChatGPT and Midjourney, the focus has moved from decision-making to creation. In marketing, AI tools and the underlying technologies that power them are seen primarily as a way to improve production costs and efficiency.

While that opportunity is real, generative techniques can also be applied to customer journey data as a way of predicting interactions that have the potential to make the biggest impact on sales: AI enables prediction without cookies.

Marketing is in its AI era. Are you ready?

"We are entering a post third-party cookie era and yet, according to the study, although AI is widely embraced by 81% of CMOs for the planning of marketing campaigns, only 36% of respondents use AI for creating attribution models."

Michael Cohen
Chief Data & Analytics Officer, Plus Company

C is for Cookieless

Using AI to Master the Art of Adaptation

75% of Marketers say they have not implemented specific actions to prepare for a cookieless world

C is for Cookieless:
Using AI to Master the Art of Adaptation

Marketers are about to face a new frontier – a cookieless world. And yet, 75% of respondents say they have not taken action to prepare.

The digital marketing ecosystem is changing. Google, with leading advertising products, announced it will fully deprecate third-party cookie tracking of all users. This phase-out of third-party cookies is a nail in the coffin of the standard approach to advertising measurement tracking.

Despite the promising results observed by early adopters, the majority of CMOs have yet to take action. Among the surveyed CMOs who claim to be implementing AI in their marketing strategies, only a small percentage, 25%, have actually taken concrete steps to tackle the challenges posed by a cookieless environment.

When we asked these Marketers who have already adopted AI into their marketing business practices, 100% of respondents said they have clear understanding and visibility of their buyer journey, and 88% said they can accurately predict their campaign's Return On Ad Spend (ROAS).

With its ability to support audience targeting and measurement, AI is a vital strategy for Marketers, allowing them to navigate this cookieless world.

Hungry for more?
Embracing Change: AI's Role in the Post-Cookie Era

Leading, not lagging

What steps has your organization taken to adjust its measurement and attribution strategies in anticipation of a cookieless world?*

25% specific actions have already been implemented

56% planning to take specific actions in the future

19% no action has been taken yet

Trend 03

Foot on the Gas

— How Marketers Apply AI to Planning, Measurement, and Attribution

43%
see AI potential but find challenges to implement it

Foot on the Gas: How Marketers Apply AI to Planning, Measurement, and Attribution

43% of CMOs see AI's potential, but find challenges in how to implement it.

Although there is acknowledgement of AI's potential for automation, its implementation often remains confined to isolated point solutions rather than a holistic system solution or comprehensive integration across various marketing functions.

However, there's a discernible trend indicating growing interest among Marketers in leveraging AI for tasks such as defining target audiences, projecting pacing results, personalizing content, and modeling campaign scenarios. This suggests a shift towards more strategic applications of AI in marketing practices.

69% of CMOs believe AI-driven insights can assist in optimizing ad spend and maximizing their ROI. However, two out of five CMOs said they perceive challenges in quantifying the impact of creativity against business outcomes, and the impact of individual creative concepts.

Despite its potential, there's a reluctance among CMOs to use AI for budget allocation across channels. This hesitancy might be due to a lack of trust, the perceived political and relational complexities involved in budgeting, or a preference for more control over high-stakes decisions.

From repetitive tasks to customer insights

To what extent do you agree with the following statements about the benefits of AI in enhancing marketing performance, campaign planning, measurement, and optimization?*

AI's deep learning capabilities provide profound insights into customer behavior and preferences

75%

AI enables continuous monitoring and tweaking of campaigns for peak performance

73%
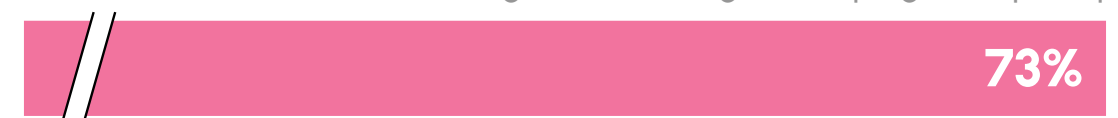
AI-driven insights assist in optimizing ad spend across channels for maximum ROI

69%

AI helps anticipate and mitigate marketing risks by modeling potential outcomes

66%

Marketing's Quantum Leap

into Uncharted AI Frontiers

63%

will explore Artificial Intelligence and Machine Learning to gain insight into consumer behavior while adhering to privacy standards

Marketing's Quantum Leap into Uncharted AI Frontiers

63% of Marketers surveyed say they will explore Artificial Intelligence and Machine Learning to gain insight into consumer behavior while adhering to privacy standards.

Despite CMOs showing considerable excitement about the potential of AI, this enthusiasm often doesn't translate into concrete commitments or actions. This gap between enthusiasm and putting AI into practice highlights the need for guidance in effectively leveraging AI.
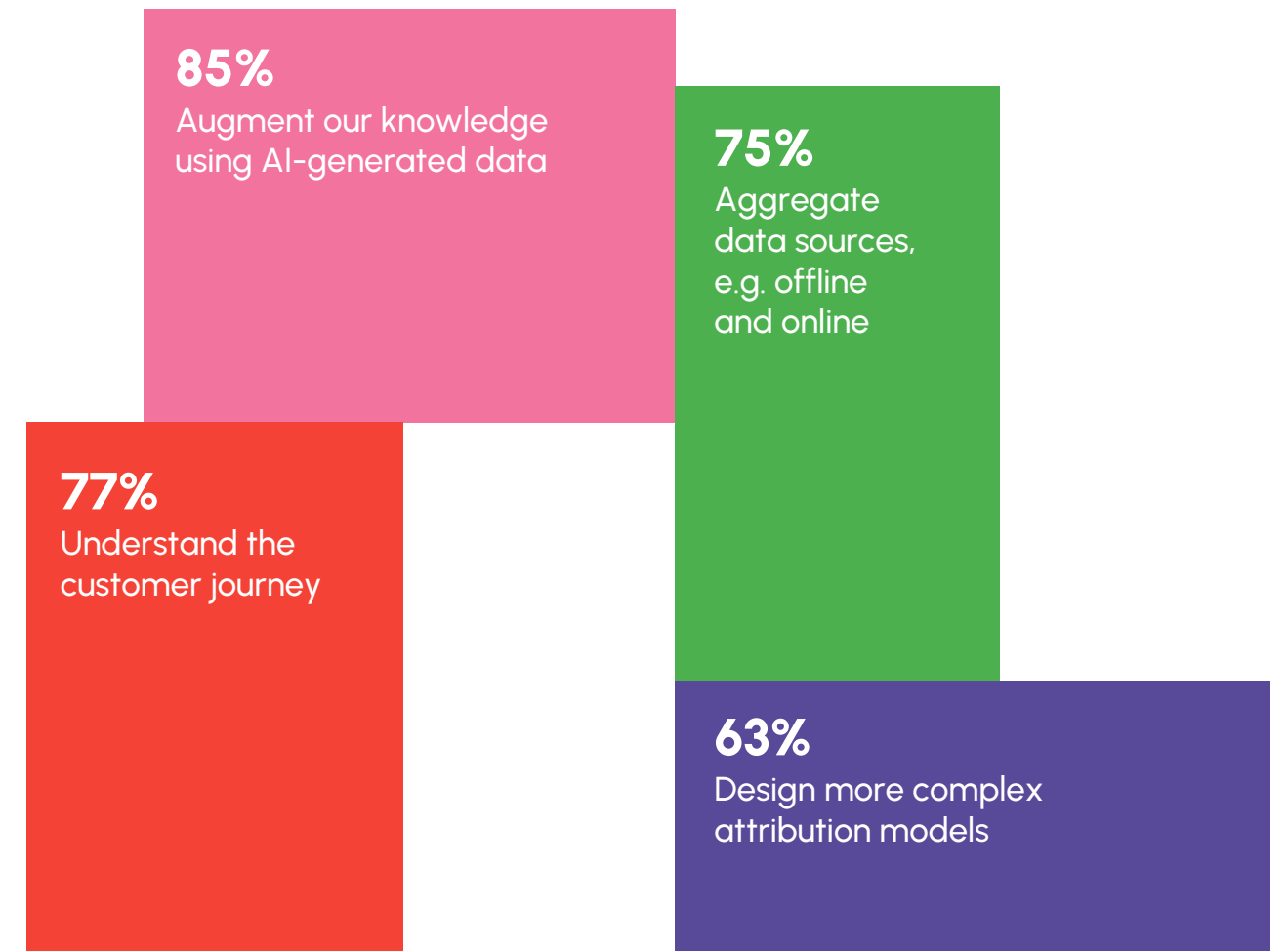
A significant portion, 74%, of CMOs express intentions to employ AI for campaign planning and measurement and attribution. Despite this enthusiasm, achieving substantial advancement in AI implementation requires CMOs to not only acknowledge their own gaps in understanding

but also assess the capabilities of their organization. This holistic approach is essential for effectively integrating AI into marketing strategies and maximizing its benefits.

AI is not a magic solution: it requires skilled human intervention for effective programming and operation. This highlights the critical importance of investing in the training and development of teams to effectively collaborate with AI technologies. Rather than viewing AI as a replacement for human workers, the focus should be on fostering a collaborative environment where humans and AI complement each other's strengths, leading to enhanced productivity and innovation.

Upward trend for AI utilization

When it comes to measuring marketing performance, how likely would you be to use AI to...*

85% Augment our knowledge using AI-generated data

75% Aggregate data sources, e.g. offline and online

77% Understand the customer journey

63% Design more complex attribution models

The Marketing Department of the Future:
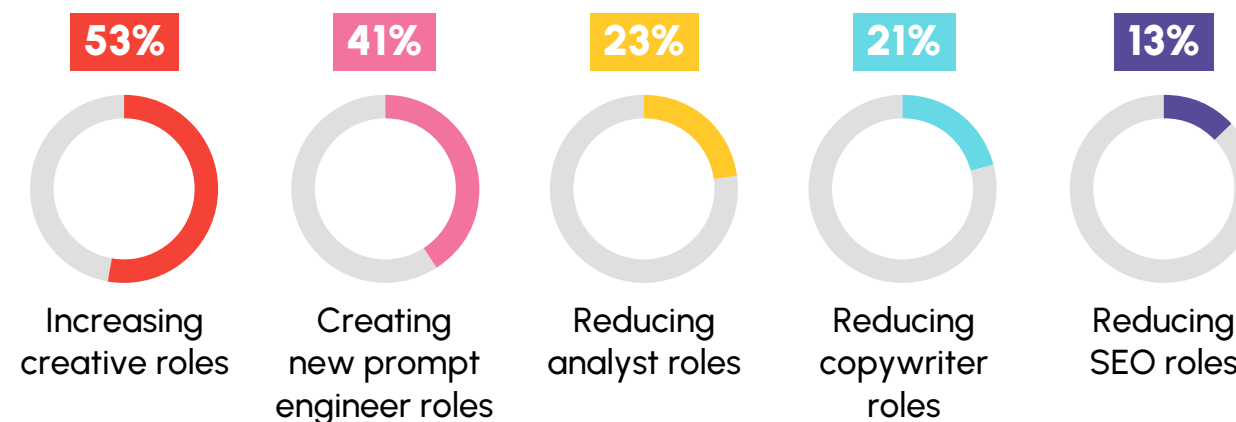# AI & New Roles Enhancing Creative Impact

Creating a symbiotic harmony of AI and human expertise

Examining survey data, it becomes evident that CMOs are increasingly placing their trust in AI's ability to forecast the effectiveness of creative work. This growing confidence signifies a shift in attitudes towards AI, with more professionals recognizing its potential to assess and enhance creative strategies within the realm of marketing.

Contrary to the fear of AI replacing creative jobs, 53% said there will be an increase in creative roles. This optimistic outlook suggests that rather than displacing human creativity, AI is expected to complement it, contributing to the evolution of creative functions within marketing teams.

Organizational shifts: human-AI symbiosis

Do you anticipate any organizational shifts over the next 2 years as a result of increased use of AI?*

53%	41%	23%	21%	13%
Increasing creative roles	Creating new prompt engineer roles	Reducing analyst roles	Reducing copywriter roles	Reducing SEO roles

Despite the optimism, the actual challenges faced in planning, measuring, and optimizing creative content with AI are not as widely recognized or addressed. There is a gap between anecdotal experiences and broader industry discussions regarding AI's impact on creative planning, measurement, and optimization, indicating a need for more in-depth exploration and understanding of AI's role in creative fields.

"CMOs are not alone in needing to learn more about AI. This is a wide-open vista where everyone is learning. The only mistake is not pushing forward with AI."

Brett Marchand
CEO, Plus Company

Key Considerations for Marketers Embracing the AI Era

Are you harnessing AI to its full potential?

Ask your marketing team's leaders to explore how you're using AI. Is it effective and yielding results? Is AI meeting your strategic needs and identifying obstacles?

The cookieless world is coming. Are you ready to work differently using AI?

How can your team draw clearer connections between marketing efforts and key business metrics? How will you track and predict the communications metrics and behavioral profiles of your buyers over a mix of media channels and creative messages?

How will you put AI to work in your marketing department of the future?

What fears or concerns might stand in the way of AI adoption to drive real business value in your creative processes? How effectively are you integrating data into your creative strategy?
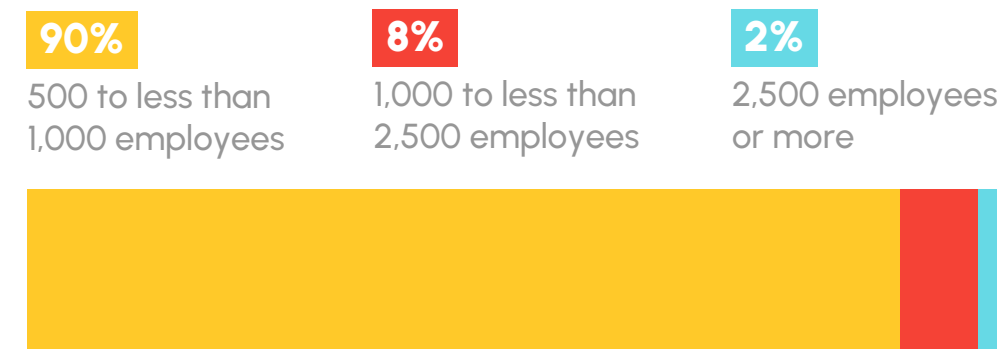
Methodology

Quantitative survey among marketing decision-makers

This report showcases current trends in AI usage in marketing and aims to provide insights into possible next steps to better leverage AI tools and solutions for marketing efforts. During a quantitative survey, CMOs working in mid-sized or large organizations were interviewed. Overall, 200 telephone interviews with CMOs were conducted. The respondents and their organizations in the United States, Canada, the United Kingdom, and Germany were distributed across six industries: financial services, retail, consumer packaged goods (CPG), telecommunications, hospitality, and transportation.

How many people are employed in your company (in total, including all locations)?*

90% — 500 to less than 1,000 employees

8% — 1,000 to less than 2,500 employees

2% — 2,500 employees or more

In which industry does your company operate?*

20% Manufacturing, CPG

20% Financial Services

20% Retail, E-Commerce

15% Transport, Logistics

15% Hospitality, Travel, Tourism
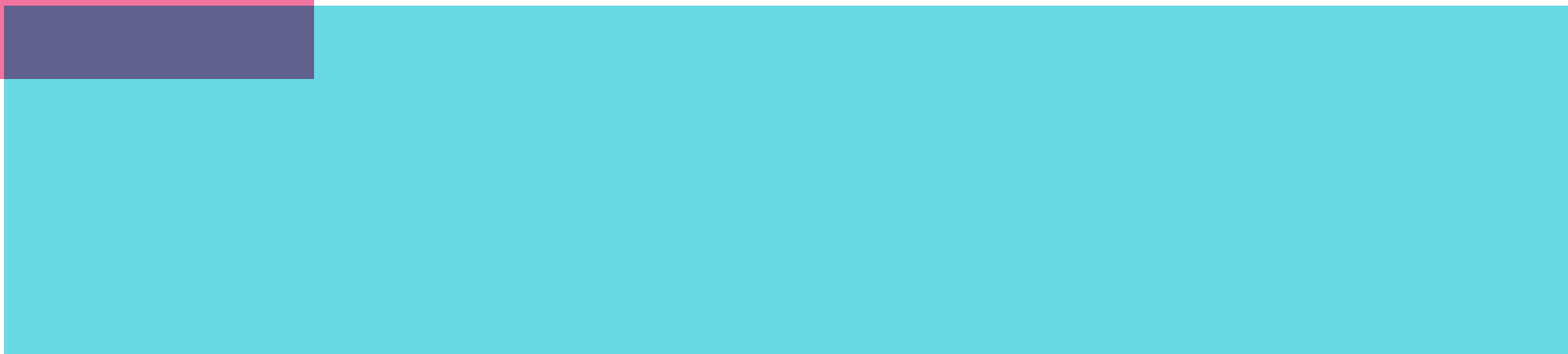
10% Telecommunications

Ready for the future of marketing effectiveness?

Plus AIOS is an intelligent All-in-One System for Marketers to plan, measure, and optimize marketing activity and maximize ROMI.
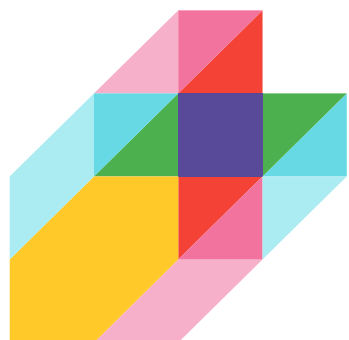
Fueled by predictive intelligence, AIOS gives real-time insights into how consumers connect with your brand across all touchpoints. It evaluates creative impact, and guides you on what, when, and where to invest to prove and improve your marketing impact.

→ Let's Go!

AIOS

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