CREATING MARKETING VALUE WITH GENERATIVE AI

Insights from a NIM study of 600 marketers
in the USA, the UK, and Germany

BEYOND THE BUZZ

NIM
Nuremberg Institute
for Market Decisions

What we did

THE GOAL

Assessing the use, benefits, and challenges of generative AI in marketing

STUDY PARTICIPANTS

600 B2C marketing professionals in Germany, the United Kingdom, and the US
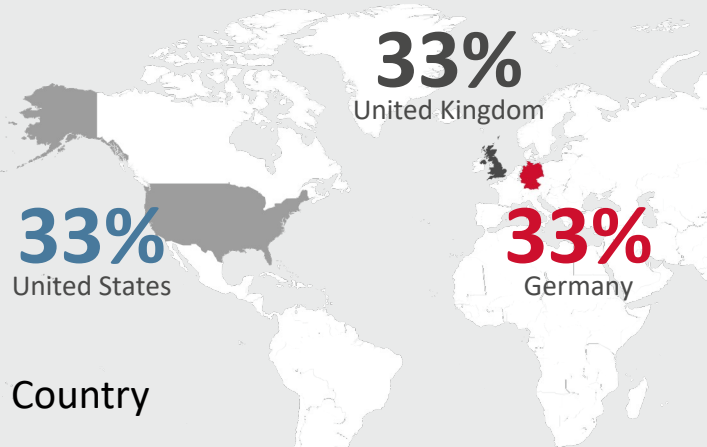
METHOD

Computer-assisted telephone interviews
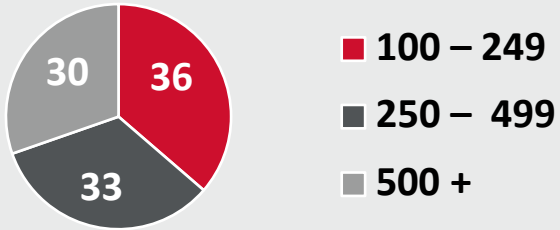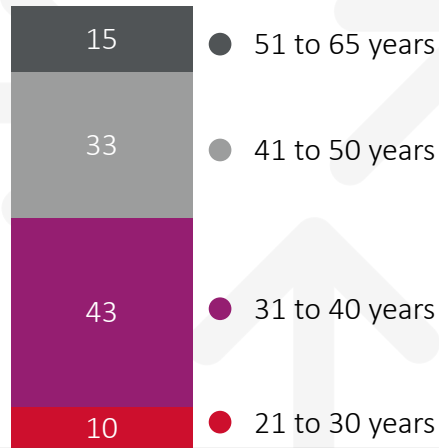
FIELDING TIME

End of October to the middle of December 2023

Participants

Wide range in age, position and experience

Company Size Employees
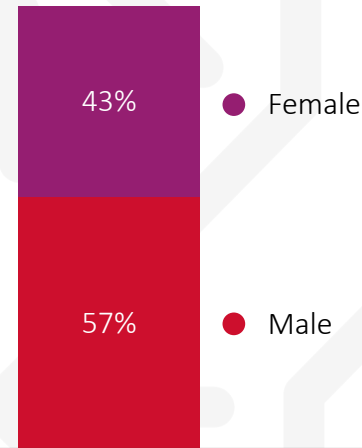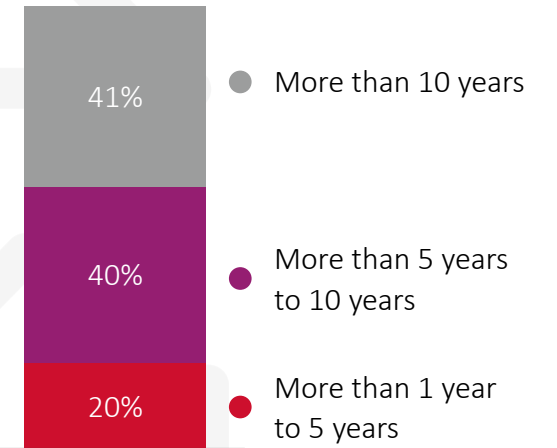
- ■ 100 – 249 — 36
- ■ 250 – 499 — 33
- ■ 500 + — 30

33% United Kingdom

33% United States

33% Germany

Country

Age

- 15 — ● 51 to 65 years
- 33 — ● 41 to 50 years
- 43 — ● 31 to 40 years
- 10 — ● 21 to 30 years

Gender

- 43% — ● Female
- 57% — ● Male

Marketing experience

- 41% — ● More than 10 years
- 40% — ● More than 5 years to 10 years
- 20% — ● More than 1 year to 5 years

Job role

20% Marketing Manager

7% Content Creator/Writer

11% SEO Specialist

13% Marketing Analyst

18% Brand Specialist

11% Digital Marketing Specialist

9% PR Specialist

11% Social Media Manager

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This is the new reality in marketing:
Everyone uses generative AI – at least to some extent

49% already report significant or even predominant use of AI in marketing

49%
Significant or predominant use
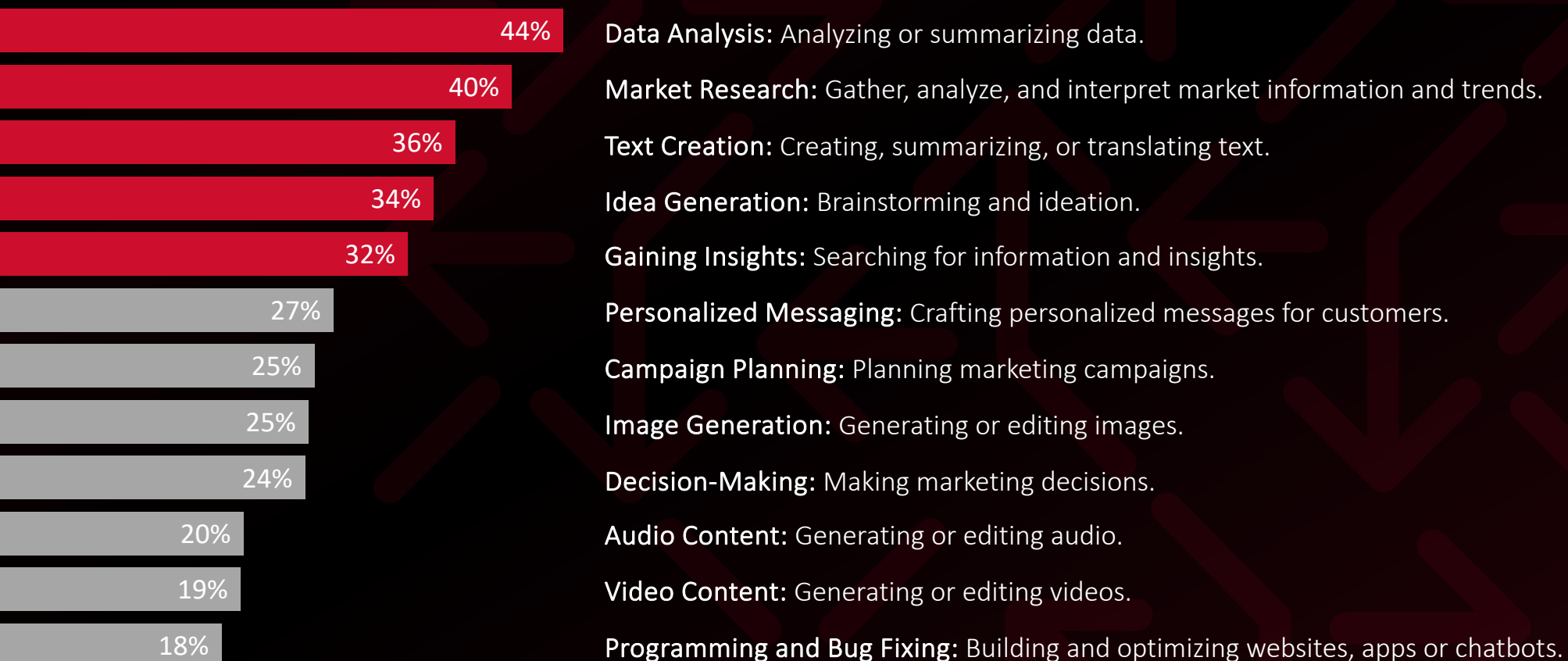
38%
Moderate use

14%
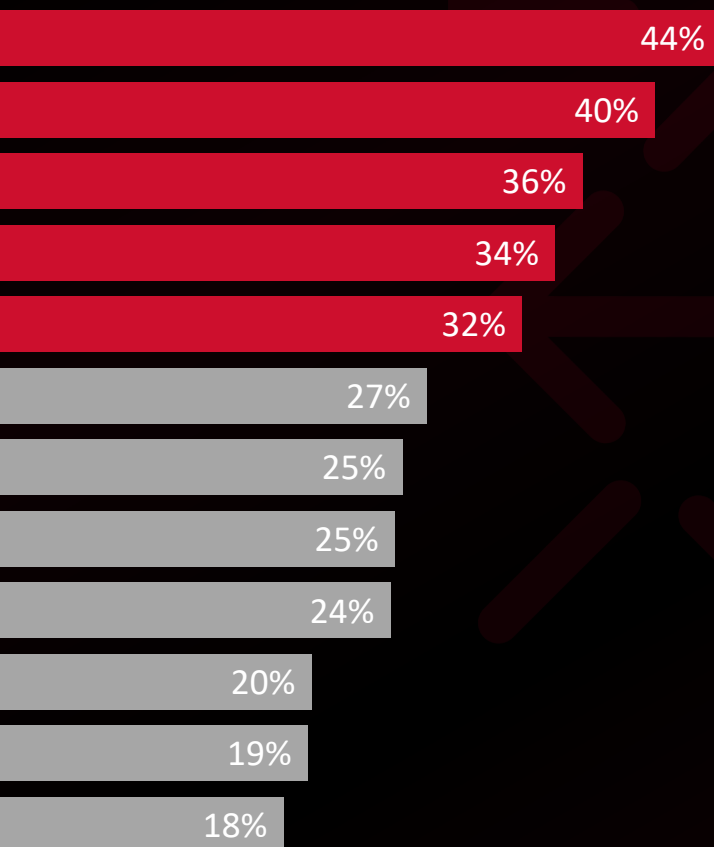Minimal or limited use

0%
No use

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AI is used in all different kinds of marketing activities

Percentage of "heavy users" of generative AI tools

Percentage	Activity
44%	**Data Analysis:** Analyzing or summarizing data.
40%	**Market Research:** Gather, analyze, and interpret market information and trends.
36%	**Text Creation:** Creating, summarizing, or translating text.
34%	**Idea Generation:** Brainstorming and ideation.
32%	**Gaining Insights:** Searching for information and insights.
27%	**Personalized Messaging:** Crafting personalized messages for customers.
25%	**Campaign Planning:** Planning marketing campaigns.
25%	**Image Generation:** Generating or editing images.
24%	**Decision-Making:** Making marketing decisions.
20%	**Audio Content:** Generating or editing audio.
19%	**Video Content:** Generating or editing videos.
18%	**Programming and Bug Fixing:** Building and optimizing websites, apps or chatbots.

AI becomes a contributor to creative and strategic aspects of marketing

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# CREATING MARKETING VALUE WITH GENERATIVE AI

Opportunities & Challenges

Almost everyone believes that AI will improve marketing activities
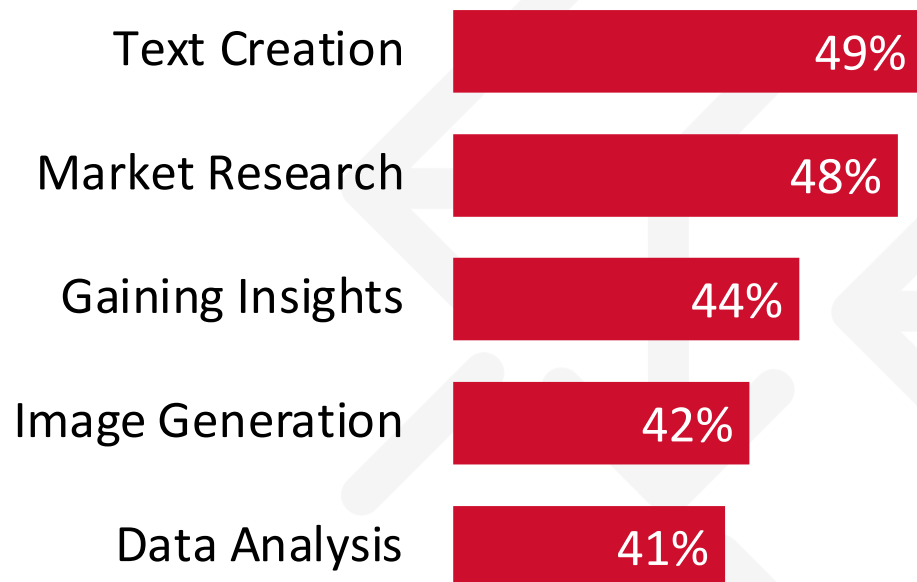## – at least to some extent

63%
Very much or extremely improve

5%
Not at all or slightly improve

33%
Moderately improve

63% believe in great improvement of marketing activities by the use of AI

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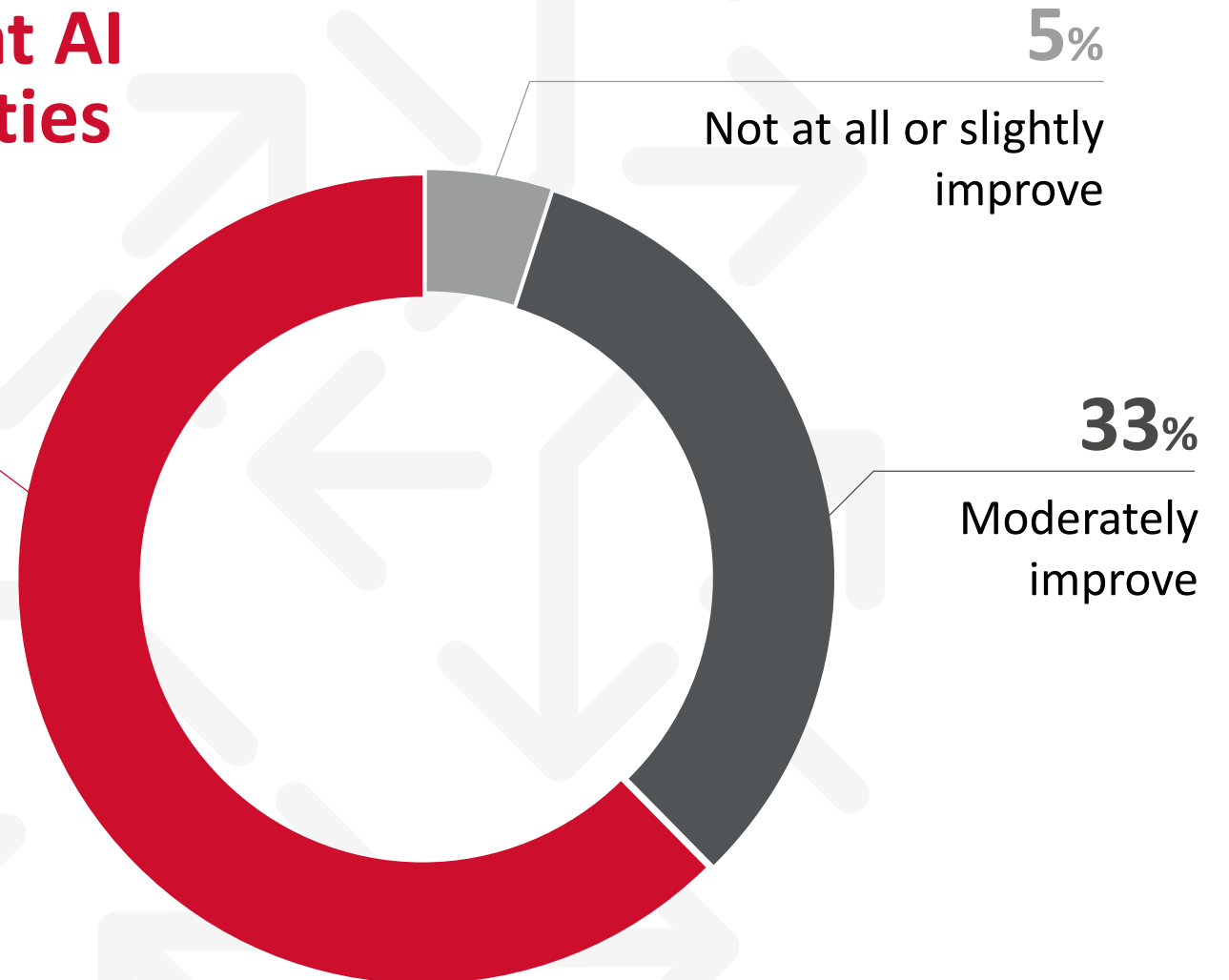
The upside of generative AI: Speed

Generative AI makes this marketing activity …

Text Creation — 49%
Market Research — 48%
Gaining Insights — 44%
Image Generation — 42%
Data Analysis — 41%

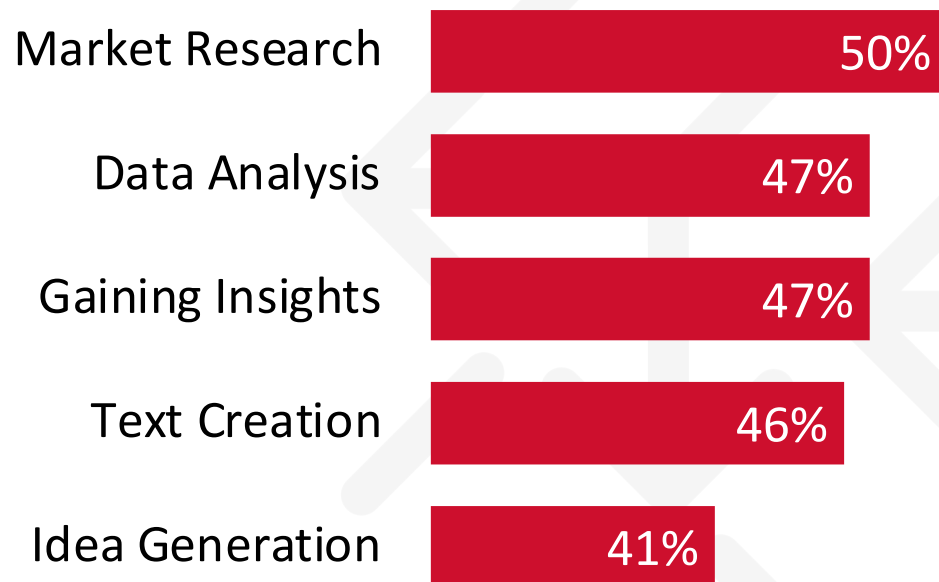**Generative AI speeds up market research, insight generation, and content creation**

AI's ability to process large data sets and summarize information allows marketers to gain insights and adjust strategies.

AI helps overcome the challenges of producing customized text and images quickly, thus increasing productivity.

… much faster.

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The upside of generative AI: Quality

For this marketing activities, generative AI helps to achieve …

Market Research ████████████ 50%

Data Analysis ██████████ 47%

Gaining Insights ██████████ 47%

Text Creation █████████ 46%

Idea Generation ████████ 41%

Quality enhancement in market research and text creation

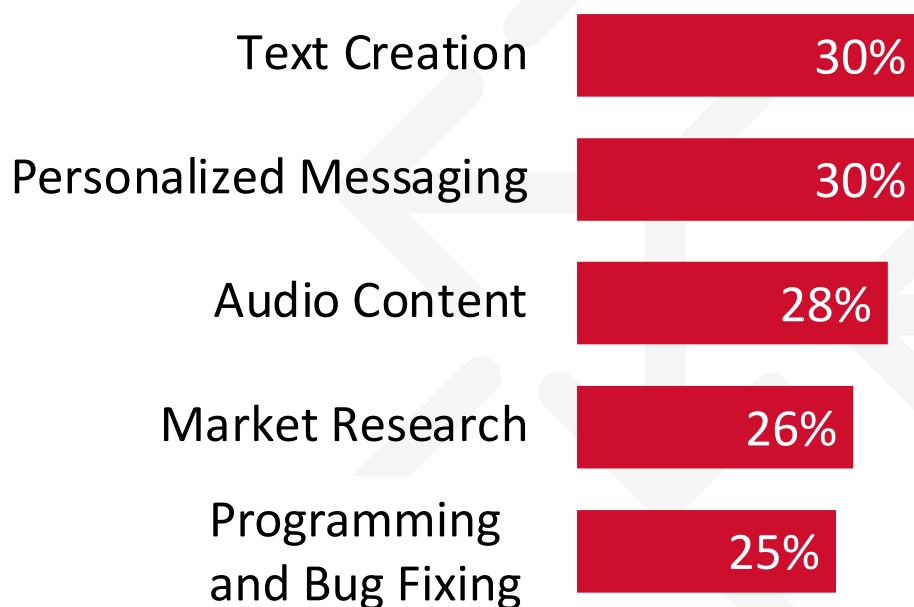Experienced users report much higher quality when using generative AI tools for market research and data analysis.

AI helps to create higher-quality text content.

AI also helps to generate higher-quality ideas for differentiating marketing strategies.

… much higher quality.

The upside of generative AI: Cost

Activity	Percentage
Text Creation	30%
Personalized Messaging	30%
Audio Content	28%
Market Research	26%
Programming and Bug Fixing	25%

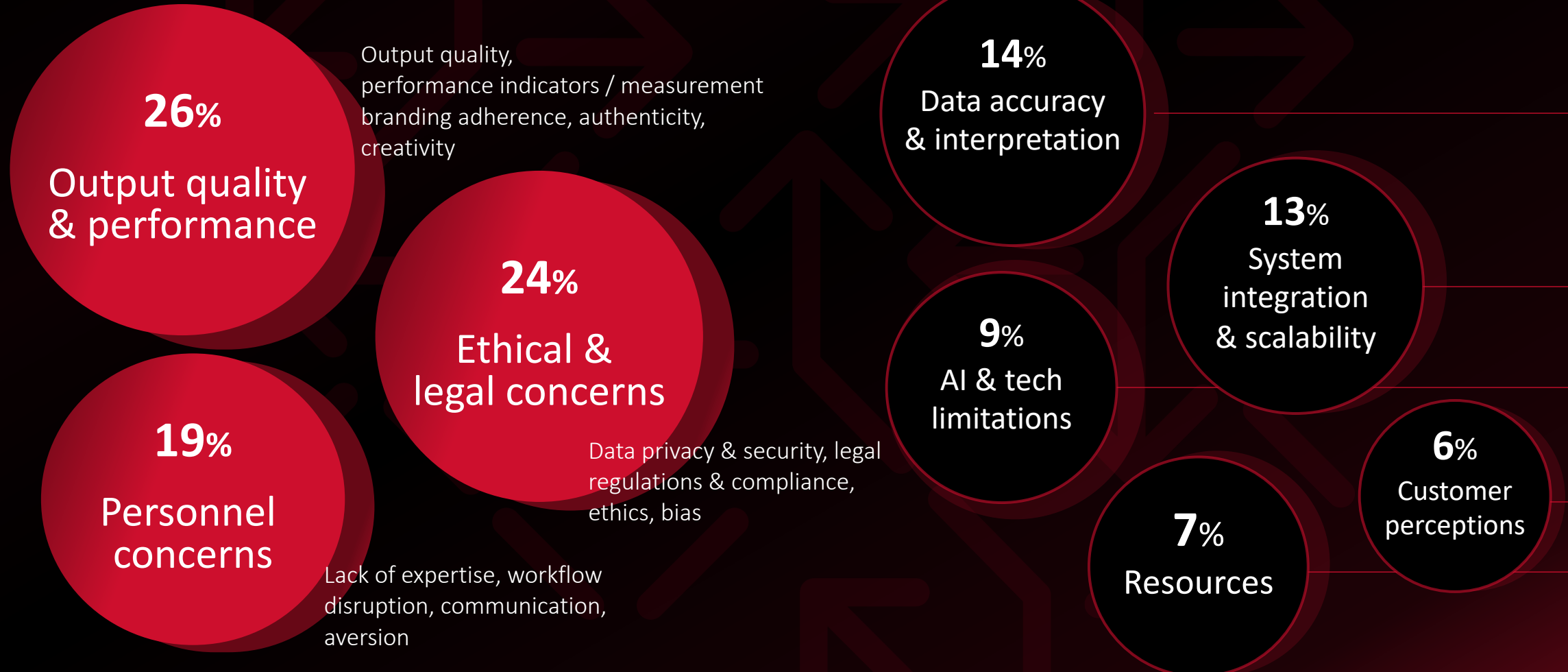**Realizing cost savings in content creation and personalization**

AI offers cost-effectiveness, especially evident in tasks with high external costs, like content creation and market research.

... much less expensive.

CREATING MARKETING VALUE WITH GENERATIVE AI

Opportunities & **Challenges**

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Challenge of generating creative brand content

"The primary challenge is striking a balance between personalization and authenticity."

Loss of control

*"The greatest difficulty, in my opinion, would be the possible **loss of control** over messaging and branding."*

Lack of brand consistency and authenticity

*"It can be challenging to ensure that AI-generated content **aligns with the core values** of brand."*

Lack of innovativeness

*"Overuse of AI techniques can lead to extremely **homogenized** material [...]"*

*"The main issue we have is [...] marketing content to **lose its uniqueness** and genuine creativity."*

Navigating challenges of generating creative brand content

Human-AI Iteration

> Augment AI content with human creativity and emotional intelligence.
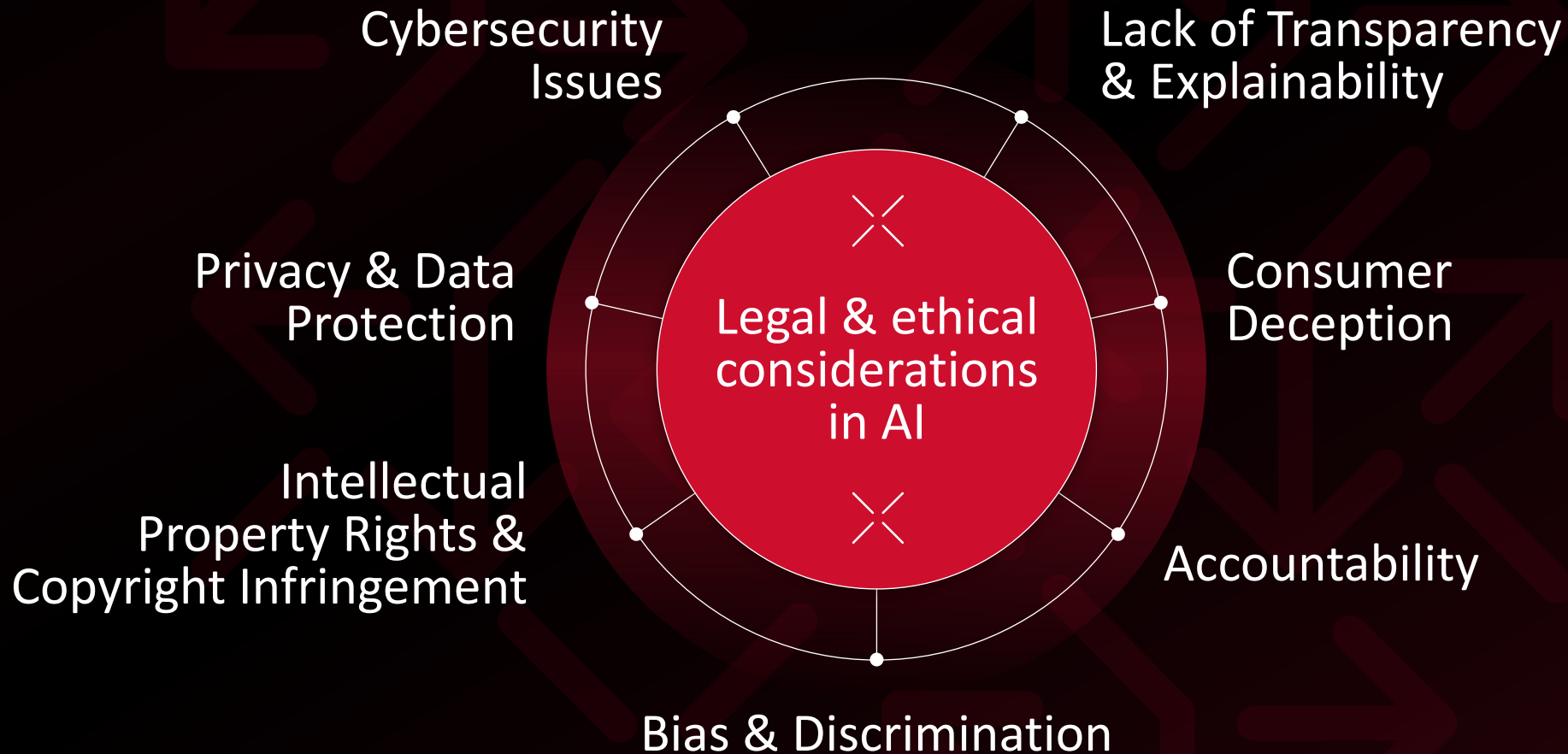> Provide a feedback system on AI output to train models.

Brand Guidelines for generative AI

> Create specific brand standards that include visual components.
> Establish a briefing template for gen AI.

Update and training for AI models

> Include brand-specific constraints into the AI model.
> Update models regularly based on market trends and feedback.

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Ethical and legal challenges in AI

Cybersecurity Issues

Lack of Transparency & Explainability

Privacy & Data Protection

Legal & ethical considerations in AI

Consumer Deception

Intellectual Property Rights & Copyright Infringement

Accountability

Bias & Discrimination

© Nuremberg Institute for Market Decisions 2024 | n=600 marketing professionals working for companies in Germany, the UK, or the USA
Insights and verbatims based on the open question: *What is the greatest challenge that you anticipate when integrating generative AI into your marketing workflows?*

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Navigating challenges of ethical and legal implications

Take proactive measures

> Set up guidelines & reporting systems
> Seek professional advice, not only from lawyers, but also from ethicists
> Stay up to date on changing regulations
> Continuous training of employees and AI models

Install ethical guidelines and create awareness

> Regularly check models for bias and include diverse teams in AI creation.
> Diversify training datasets to ensure cultural diversity comprehension.

Ensure compliance with data security, privacy, and copyright regulations

> Incorporate, for example, encryption and access limits, effective threat detection, and privacy-preserving AI techniques.
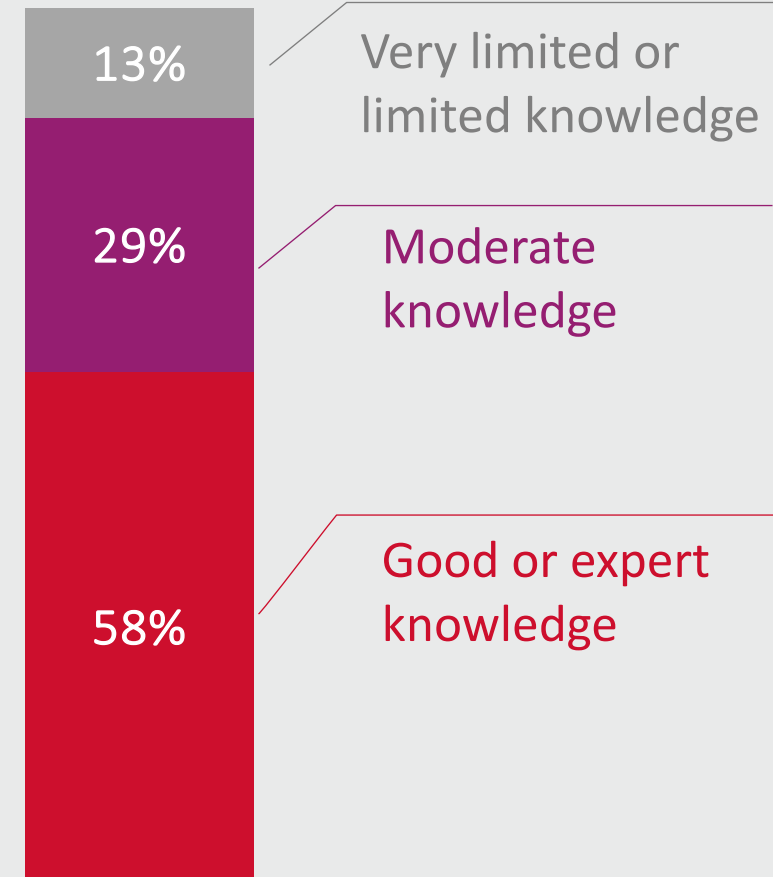
Lack of Expertise

*Lack of knowledge of generative AI is a **barrier** to its adoption.*
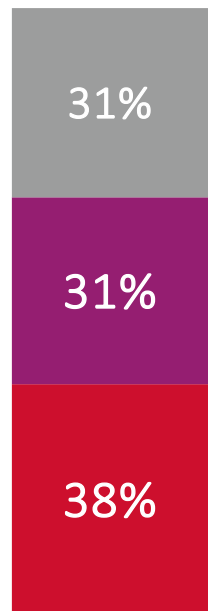
Knowledge about generative AI
Effectively employing AI hinges on understanding its capabilities and limitations

- 13% would describe their knowledge as limited or very limited.

- 58% of respondents state they are well-acquainted or even have expert knowledge on generative AI in marketing.
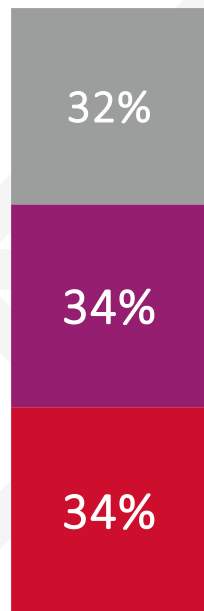
13% Very limited or limited knowledge

29% Moderate knowledge

58% Good or expert knowledge

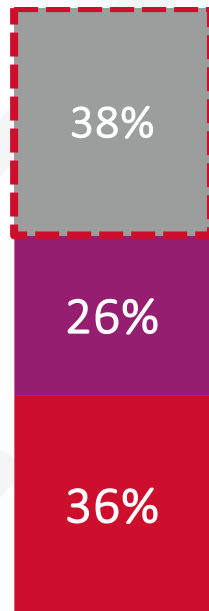**NIM** Nuremberg Institute for Market Decisions

Critical knowledge gaps
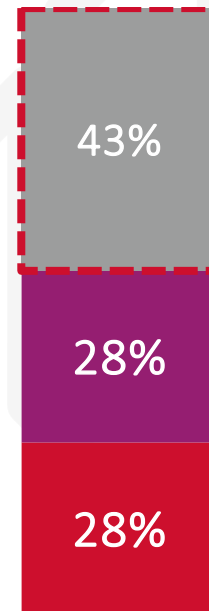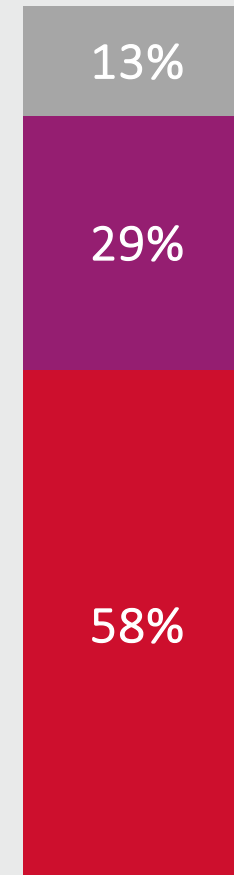## When it comes to ethical and legal implications

Writing appropriate prompts	Curating and refining AI-generated content	**Ethical use of gen AI content in marketing**	**Understanding the legal implications of using gen AI**
31%	32%	38%	43%
31%	34%	26%	28%
38%	34%	36%	28%

overall knowledge of generative AI

- 13% — Very limited or limited knowledge
- 29% — Moderate knowledge
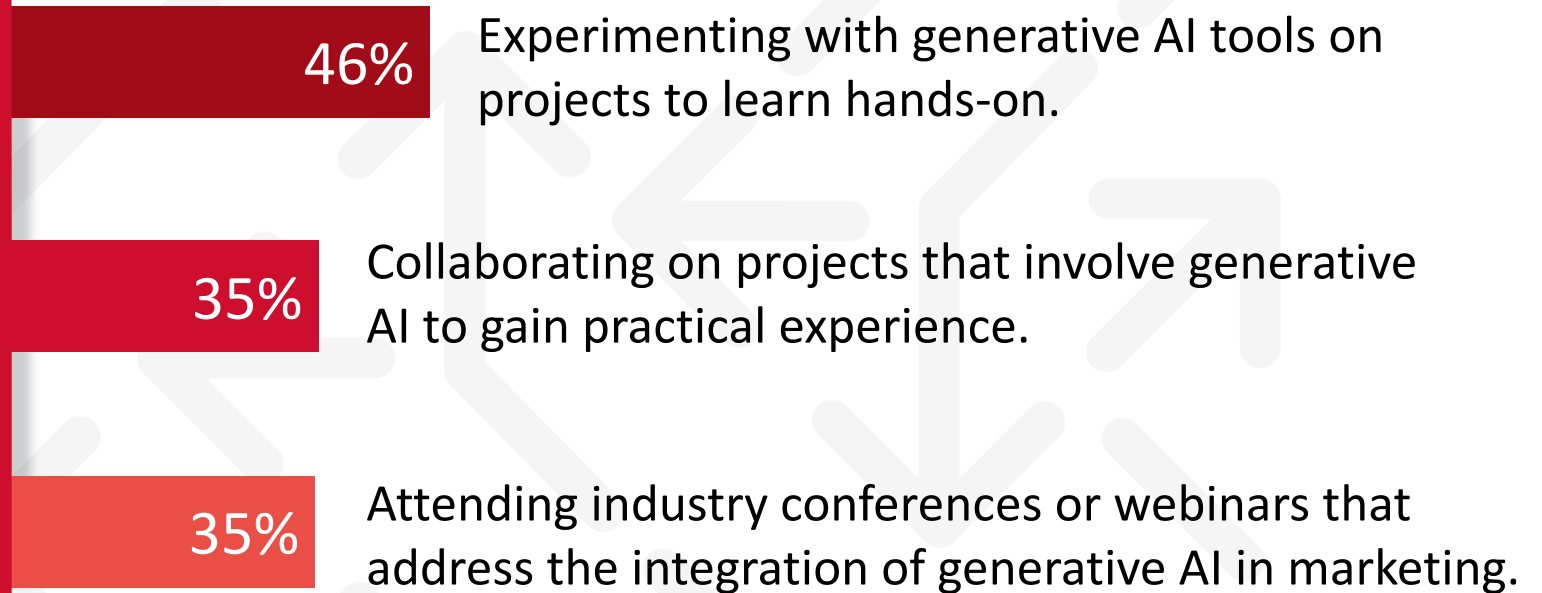- 58% — Good or expert knowledge

overall knowledge of generative AI

Navigating Knowledge Gaps

The ways of upskilling marketers prefer when it comes to generative AI

Learning by generating with AI

46% Experimenting with generative AI tools on projects to learn hands-on.

35% Collaborating on projects that involve generative AI to gain practical experience.

35% Attending industry conferences or webinars that address the integration of generative AI in marketing.

© Nuremberg Institute for Market Decisions 2024 | n=600 marketing professionals working for companies in Germany, the UK, or the USA | Question: *Which of the following ways to upgrade one's knowledge and skills in the context of generative AI in marketing are most helpful from your point of view? Select up to three items.*

Key Insights

Opportunities

- Generative AI tools are the "new reality" in marketing.

- Using these tools might make marketing activities not only faster, but also better and more cost-effective.

- AI is developing into a partner for creativity, idea generation and marketing planning.

Challenges (and Solutions)

- Make sure you protect your brand while taking advantage of personalization and new creative opportunities.

- Take proactive measures to be equipped for legal and ethical challenges.

- Ensure that your employees are adequately trained, as knowledge gaps could hinder the effective use of AI.

Want to know more about our study?
Contact us directly

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