



Generative AI and the evolving role of marketing:

A CMO's PLAYBOOK

#GetTheFutureYouWant

Executive Summary

Generative AI in marketing: A revolution unfolding

In a remarkably short time, generative AI has gained widespread popularity, emerging as a transformative force in marketing. Its rapid adoption rate is extraordinary. Currently:

- almost 60% of organizations are integrating generative AI into their marketing efforts, from minimal to no adoption just a year ago,
 - of these, 37% are actively implementing it across various initiatives, while an additional 21% are in the experimental phase
- close to 80% of organizations have either already allocated budget or plan to do so in the next six months to integrate generative AI into their marketing initiatives

- those investing in generative AI are dedicating 62% of their marketing tech investments to it, reflecting the growing maturity of both current and upcoming generative AI solutions.

Marketers are using generative AI to craft compelling campaigns, elevate and personalize customer service and experiences, analyze data, optimize search, and undertake various other transformative initiatives.

Unlocking value: Embracing the benefits of generative AI

The technology has rapidly proven itself. Nearly 60% of organizations surveyed believe the benefits of generative AI outweigh its costs and risks. These benefits span brand enhancement, cost efficiency, innovation, time optimization, and improved and personalized customer experience.

Executive Summary

Redefining and augmenting, not replacing human creativity

Generative AI is not replacing human creativity; instead it's redefining it and acting as a catalyst for innovation. More than half of the organizations surveyed say that balancing AI and human creativity is an ongoing challenge. But the strong consensus among marketers is that generative AI will not diminish but rather augment human creativity in the long run.

It seems inevitable that marketing roles will be profoundly impacted by generative AI. From customer insights specialists to SEO experts, copywriters, digital marketers, and data analysts, all can expect to experience a new era of creative possibilities and related productivity gains.

Addressing ethical and copyright challenges

While the potential impact of generative AI on marketing is vast, there are ethical and copyright concerns that require clear regulation and new guidelines. As AI adoption in marketing increases, there is an urgent and growing need to ensure responsible practice. The current lack of comprehensive and clear guidelines means that 70% of organizations are potentially exposed to ethical challenges over their use and oversight of AI.

Simultaneously, copyright challenges around AI-generated content indicate a need for decisive regulation and guidelines. At present, only 42% of organizations address these issues adequately by using robust cybersecurity protocols and monitoring for AI-derived versions of their work, for example.

Executive Summary

Integrating generative AI into marketing

To seamlessly integrate generative AI, organizations should take a comprehensive approach. This means:

- **Strategic direction:** Precisely define integration goals, adopt a pragmatic investment approach, and assess tech infrastructure.
- **Leadership and oversight:** Mobilize generative AI specialists, establish a task force, craft robust ethical guidelines, and remain vigilant while navigating the evolving regulations and compliance.
- **Iterative execution:** Initiate selective, small-scale initiatives, drive iterative implementation with robust data security, and navigate responsibly considering the environmental impact of generative AI.

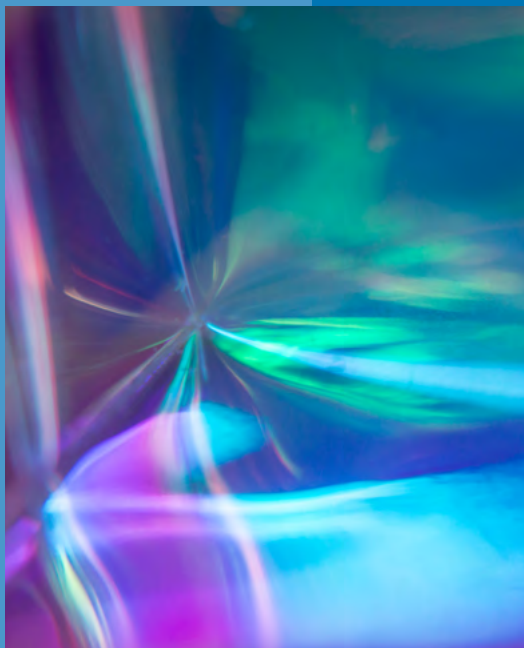
Finally, growing and **expanding boundaries** requires marketing departments and organizations to cultivate partnerships and encourage upskilling, balancing generative AI with human ingenuity, and embracing a new era of tech-driven collaboration.

Unleashing the generative AI playbook

To fully embrace the transformative potential of generative AI in marketing, organizations must foster a culture of innovation and experimentation. In this way, they can strategically integrate AI technologies to unlock novel approaches, enhance customer experiences, and gain a competitive edge.

76%

of organizations have either already allocated budget or plan to do so in the next six months to integrate generative AI into their marketing initiatives



Who should read this report and why?

This report is written for leaders of marketing functions in all business sectors. In particular, it will be useful for chief marketing officers (CMOs) and other senior marketers in larger organizations. Its insights will also extend its relevance not only to CEOs and senior sales leaders but also to individuals with a strategic stake in marketing. It caters to tech team leaders fostering marketing functions, as well as advisors and consultants specializing in the dynamic realm of marketing strategies.

This report provides an in-depth exploration of the transformative potential of generative AI within the marketing landscape across all sectors. Through insightful use cases, the report elucidates practical applications of generative AI across diverse marketing domains. As well as discussing the benefits of generative AI, the report addresses the challenges its adoption can bring and proposes effective remedial strategies.

This report is based on:

- the findings of a comprehensive survey of 1,800 CMOs and business leaders (director-level and above) from 14 countries *and*
- 25 in-depth interviews with leading CMOs and industry experts.

For a comprehensive understanding of the broader landscape, we encourage you to explore our first two reports, which cover consumer and industry perspectives on generative AI:

- Why consumers love generative AI:
<https://www.capgemini.com/insights/research-library/creative-and-generative-ai/>
- Harnessing the value of generative AI:
Top use cases across industries:
<https://www.capgemini.com/insights/research-library/generative-ai-in-organizations/>

Introduction

In a span of about one year, the generative AI market is on the verge of significant growth. It is expected to reach \$1.3 trillion in the next decade, growing from \$40 billion in 2022.¹ No technology has reached 100 million users faster than ChatGPT, which crossed that threshold in just two months.²

Based on our recent cross-sector and cross-functional research, generative AI shows the greatest potential within IT, sales and customer service, and marketing functions.³ Furthermore, our consumer research on generative AI reveals that consumers who use generative AI tools are satisfied with them. In addition, 62% of consumers are comfortable with the implementation of generative AI in marketing and advertising, provided it doesn't negatively impact their overall experience.⁴

Consequently, we have undertaken this in-depth exploration of its impact on marketing.

Generative AI can be leveraged to create, innovate, and adapt autonomously. And it is reshaping traditional marketing strategies.

This study, the second in the chief marketing officer (CMO) playbook series,⁵ explores the following:

1. The rapid integration of generative AI in the marketing domain.
2. Implementation areas for generative AI within marketing and anticipated benefits.
3. Generative AI's role in augmenting – but not replacing – human creativity within marketing.
4. The urgent need for organizations to address ethical and copyright concerns arising from the use of generative AI in marketing.

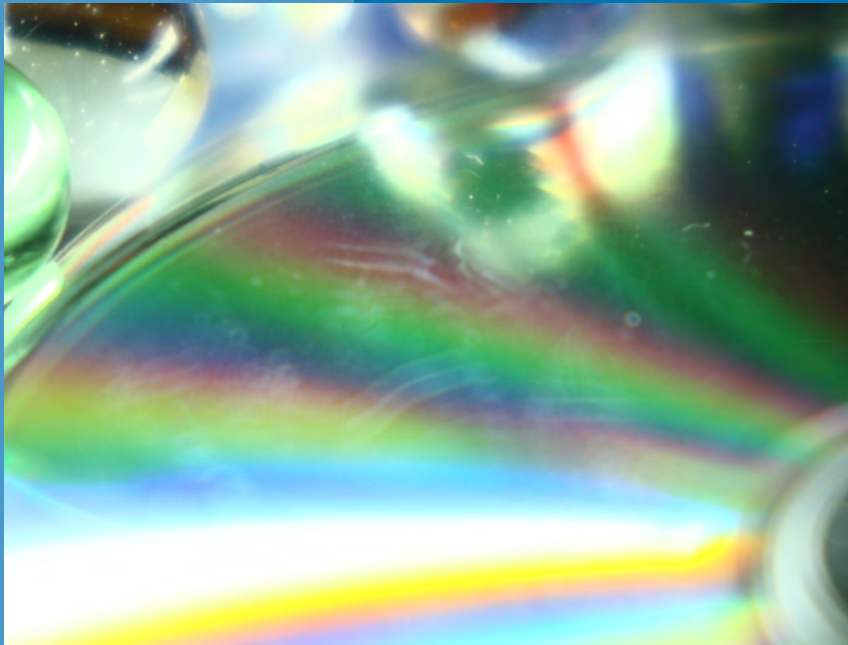
We conclude the report by outlining key best practices for organizations to effectively harness generative AI technology in marketing.

Introduction

In addition to delving into generative AI, the report showcases the evolution of the marketing function, taking on vital roles in business decision-making and customer experience shaping. It also emphasizes increased data adoption, empowering marketers with agile marketing strategies.

For our research we surveyed 1,800 CMOs or executives responsible for marketing within their organizations. The respondents were drawn from organizations with over \$1 billion annual revenue, across Australia, Brazil, Finland, France, Germany, India, Italy, the Netherlands, Norway, Singapore, Spain, Sweden, the UK, and the US. We spoke to executives from multiple sectors, including automotive, consumer products, retail, financial services, telecom, utilities, high-tech, industrial manufacturing, life sciences, public sector, and media. In addition, we conducted 25 in-depth interviews with CMOs and other marketing executives with firsthand knowledge or awareness of their organization's generative AI initiatives. For more details on the survey sample, please refer to the research methodology.





Definition of generative AI

Generative AI is technology that has the capability to learn from and reapply the properties and patterns of data for a wide range of applications, from creating text, images, and videos in different styles to generating tailored content. It enables machines to perform creative tasks previously thought exclusive to humans. The following table summarizes the top generative AI applications and gives some examples.

		Selected generative AI applications	Indicative examples
	Text	Generating new text/reports, summarizing and translating into multiple languages	OpenAI's GPT-4, Google Palm 2, Scribe, Claude
	Images and video generation	Generating new images/videos, analyzing existing images/video (e.g., video games, VR, animation)	Adobe Firefly, Stability AI, Midjourney, Nvidia, Dall-E2, Synthesia, Nvidia, Runway ML
	Audio	Generating music and remixing, speech synthesis, sound effects, voice conversion, audio enhancement	Synthesia, Amazon Polly, Sonix.ai
	Chatbots	Generate human-like contextually relevant text responses in real-time to expand and improve customer service and advice	OpenAI's ChatGPT, Amazon Lex, Google Bard
	Search	Enhanced search functions, adding language capabilities to search (e.g., "RAG," retrieval augmented generation)	Google Bard, Landing AI, Azure, Facebook Llama 2, Perplexity AI



01

GENERATIVE AI IN MARKETING IS RAPIDLY GAINING PACE

Marketers are moving fast to embrace the possibilities of generative AI

The marketing function is swiftly adopting generative AI, witnessing substantial adoption of a technology that gained popularity within the past 12 months. In our [report on generative AI](#) across sectors and functions published this year, approximately 40% of organizations were adopting a “wait and watch” approach. This approach now applies to only 12% of organizations in terms of the marketing function (see Figure 1).

FIGURE. 1

The marketing function is rapidly embracing generative AI

ORGANIZATIONS WHO ARE ADOPTING A "WAIT AND WATCH" APPROACH ON GENERATIVE AI

39%

Share of organizations across all functions,
April 2023

12%

Share of organizations in marketing function,
October 2023

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,800 executives with marketing responsibilities from unique organizations; *Generative AI Executive Survey, April 2023*.

Most organizations already use generative AI in marketing

Currently, almost 60% of organizations have adopted generative AI into their marketing initiatives, including 37% who have progressed from experimentation to active implementation (see Figure 2).

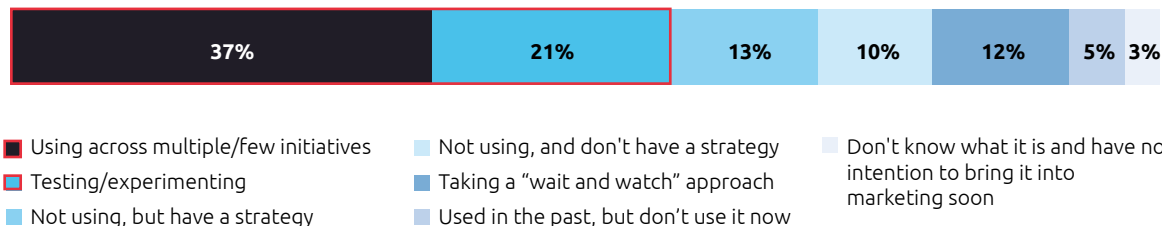
58%

of organizations are integrating generative AI into marketing

FIGURE. 2

Marketing functions are deploying generative AI at pace

STATE OF IMPLEMENTATION OF GENERATIVE AI IN MARKETING



Percentages represent share of organizations.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,800 executives with marketing responsibilities from unique organizations.

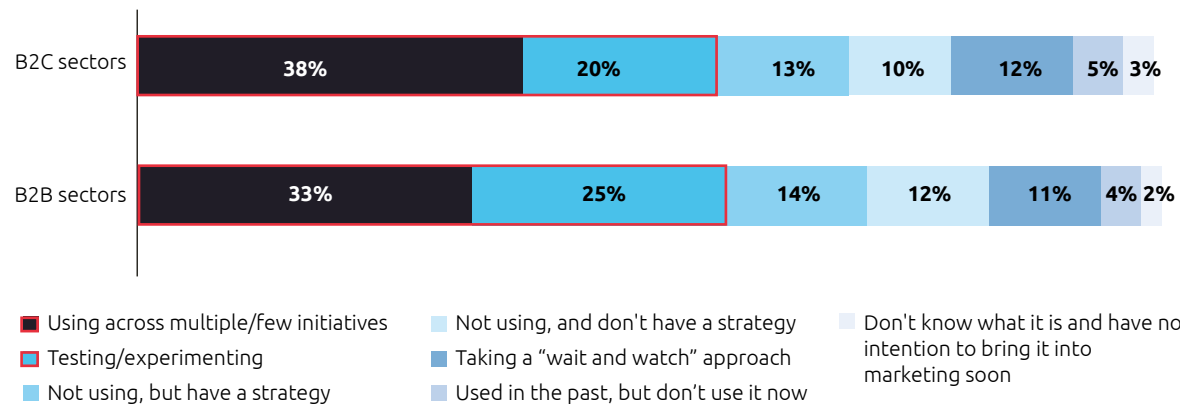
Business-to-business (B2B) sectors (e.g., manufacturing, life sciences) are only very slightly behind their business-to-consumer (B2C) counterparts (e.g., consumer products, retail, automotive) in incorporating generative AI into marketing strategies (see Figure 3).



FIGURE. 3

Both B2B and B2C sectors are actively deploying generative AI in marketing

STATE OF IMPLEMENTATION OF GENERATIVE AI IN MARKETING, BY SECTOR



Percentages represent share of organizations.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,800 executives with marketing responsibilities from unique organizations.

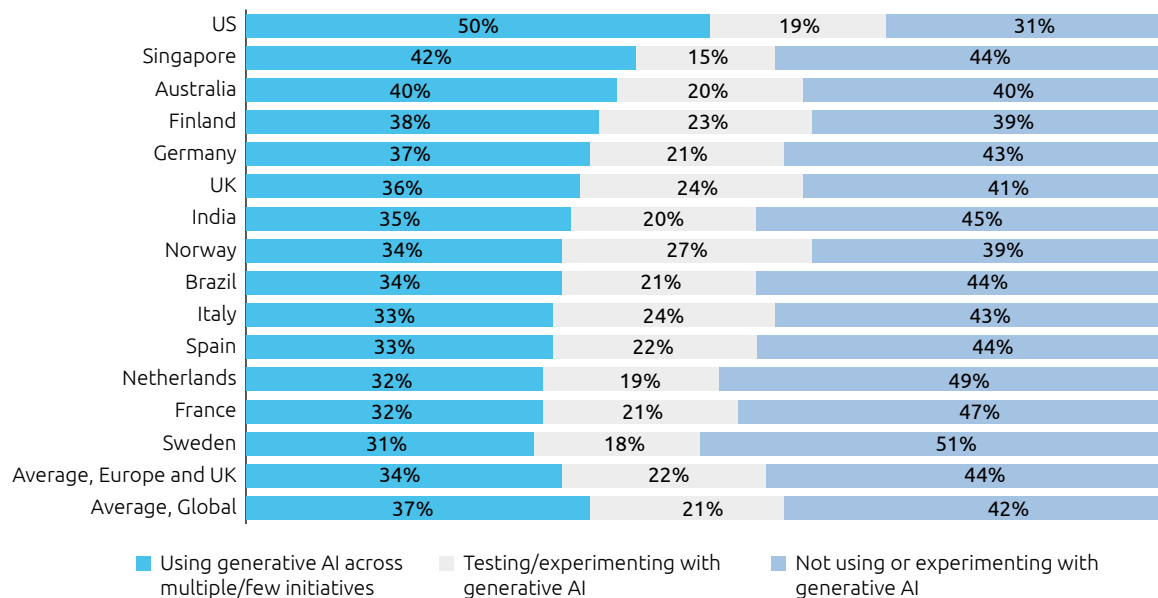
Generative AI is gaining traction not just in B2C but also in B2B sectors. Forrester predicts that, by 2024, B2B teams will use generative AI to swiftly extract valuable insights from diverse customer data to streamline idea generation and innovation, ultimately identifying unique capabilities in a fifth of launched products.⁶

Moreover, the US already stands out for their robust embrace of generative AI in marketing. On average, Europe lags behind the U.S. in implementing generative AI, potentially attributable to its more stringent regulations in the field of AI (see Figure 4).

FIGURE. 4

The US is ahead in implementing generative AI in marketing

STATE OF IMPLEMENTATION OF GENERATIVE AI IN MARKETING, BY COUNTRY



Percentages represent share of organizations.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,800 executives with marketing responsibilities from unique organizations.

Organizations investing in generative AI are allocating a significant portion of their marketing technology budget to it

Marketing functions are actively establishing governance systems and practices to leverage generative AI.

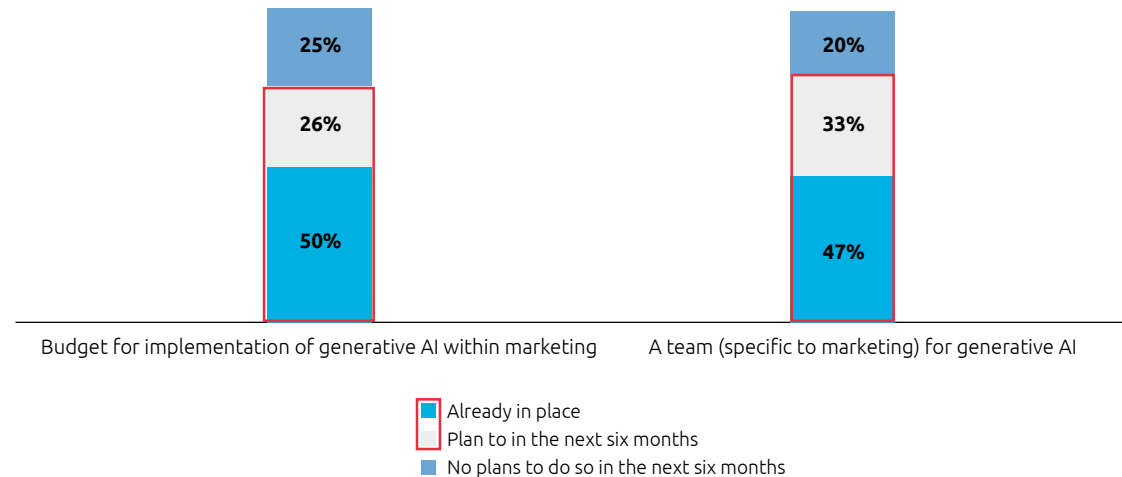
Half of the organizations we surveyed have a dedicated budget to implement generative AI within marketing, and a quarter plan to create one in the next six months. When this is considered alongside the nearly 40% of organizations that already have progressed from experimentation to implementation (as established above), it is evident that organizations are proactively investing in their forthcoming generative AI initiatives within marketing.

Moreover, nearly half have formed dedicated teams within marketing to implement generative AI. A third more plan to establish them in the coming months (see Figure 5).

FIGURE. 5

Marketing teams are swiftly allocating budgets and establishing dedicated teams for generative AI initiatives

THE BUDGET AND TEAM STRUCTURE FOR IMPLEMENTING GENERATIVE AI WITHIN MARKETING



Percentages represent share of organizations.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,752 executives with marketing responsibilities from unique organizations who are aware about generative AI.

A breakdown of budget allocation specifically for generative AI in marketing across various sectors, highlights that although there are variations, the allocation remains substantial across all sectors (see Figure 6).

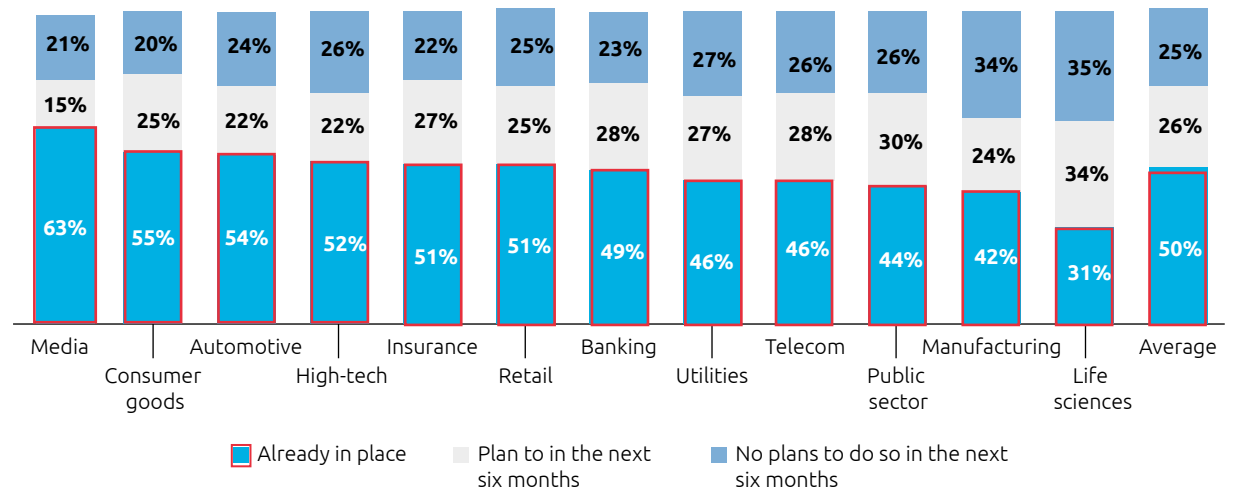
Figure 6 illustrates that three-quarters of the B2C organizations surveyed have allocated or plan to allocate budgets for generative AI within the next six months. Even for B2B sectors at the opposite end of the spectrum, such as life sciences and manufacturing, this figure remains high at 65%. This underscores the swift and substantial commitment of resources to generative AI in marketing across diverse sectors.

Moreover, the budget for generative AI now represents a substantial portion of the total marketing technology budget, as businesses increasingly recognize the potential of generative AI. As shown in Figure 7, those organizations that currently invest in generative AI have earmarked 62% of their marketing technology budget for such initiatives. These investment plans reflect the rapidly advancing maturity of both existing and forthcoming generative AI solutions and offerings.

FIGURE. 6

Three in four organizations have either already allocated a budget for generative AI marketing initiatives or have plans to do so within the next six months

BUDGET ALLOCATION PLANS TOWARDS GENERATIVE AI WITHIN MARKETING, BY SECTOR



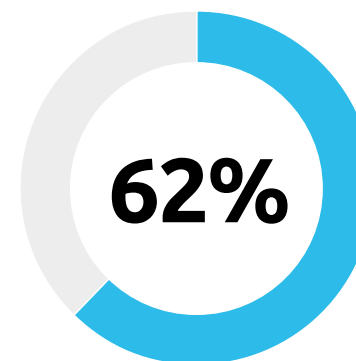
Percentages represent share of organizations.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,752 executives with marketing responsibilities from unique organizations who are aware about generative AI.

**FIGURE. 7**

Among those investing in generative AI, over half of their marketing technology budget is specifically allocated to these initiatives

**SHARE OF MARKETING TECHNOLOGY BUDGET ALLOCATED
TO GENERATIVE AI AMONG ORGANIZATIONS INVESTING IN
THIS TECHNOLOGY**



Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,142 executives with marketing responsibilities from unique organizations who invest in generative AI.

HOW MARKETING HAS EVOLVED INTO A STRATEGIC BUSINESS DRIVER

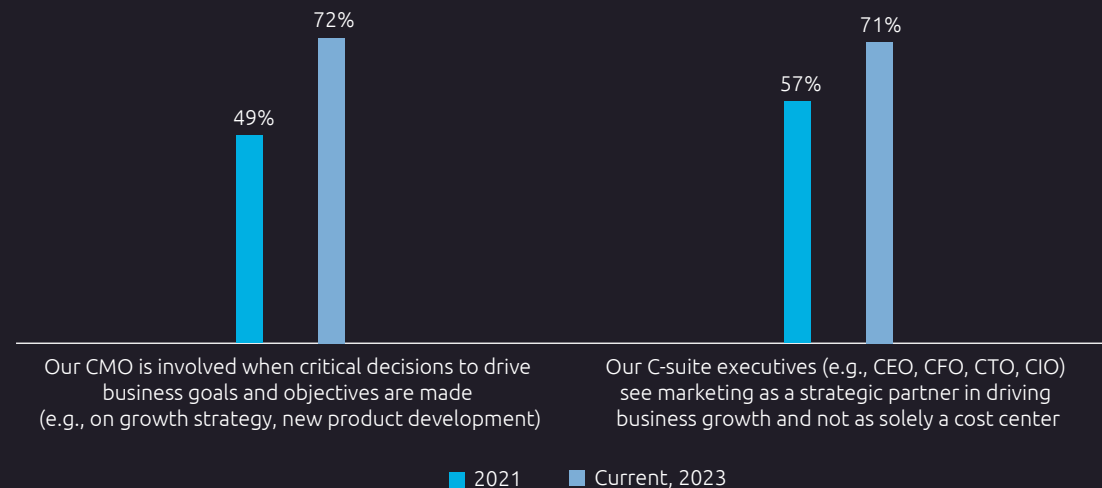
Marketing has been transformed in recent years, emerging as a strategic force driving organizational success. CMOs now play a central role in shaping the decisions that steer businesses towards their goals and objectives. Armed with a good understanding of market trends, consumer behavior, and digital technologies, CMOs can now contribute significantly to the development of growth strategies and new products (see Figures 8 and 9).

Dustin Sedgwick, Chief Marketing Officer and Managing Director – Payments, JPMorgan Chase & Co, says: *“Marketing is more and more going to be seen as revenue generator and a profit center as opposed to a cost center.”*

FIGURE. 8

CMOs at B2C organizations are increasingly pivotal in strategic decision-making processes

B2C ORGANIZATIONS ACKNOWLEDGE THE GROWING IMPORTANCE OF MARKETING IN STRATEGIC DECISION-MAKING



Percentages represent share of B2C organizations.

Note: Research conducted in 2021 exclusively focused on B2C sectors.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,404 executives with marketing responsibilities from unique B2C organizations; A new playbook for chief marketing officers, September 2021.

FIGURE. 9

CMOs at B2C organizations are assuming greater accountability for revenue and profit-related decisions

	DIRECT RESPONSIBILITY OF CMOs		SHARED RESPONSIBILITY OF CMOs		INFLUENCING ROLE / NO RESPONSIBILITY	
	2021	2023	2021	2023	2021	2023
Contribution to revenue growth	24%	49%	59%	33%	17%	18%
Contribution to profit	25%	44%	53%	36%	23%	21%

Percentages represent share of B2C organizations.

Note: Research conducted in 2021 exclusively focused on B2C sectors.

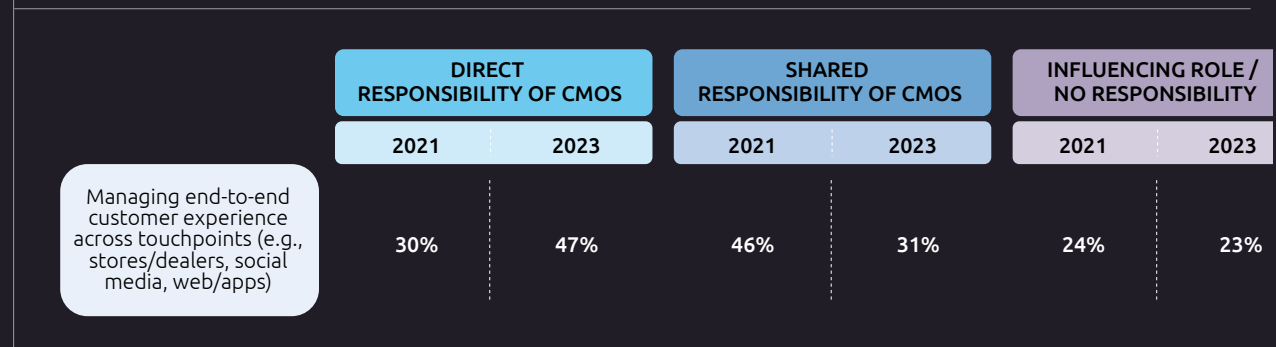
Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,404 executives with marketing responsibilities from unique B2C organizations; A new playbook for chief marketing officers, September 2021.

WHY MARKETING IS PROGRESSIVELY TAKING RESPONSIBILITY FOR CUSTOMER EXPERIENCE

Marketers have evolved beyond promoting products; they now focus on creating personalized customer interactions. Our research shows that 66% of B2C organizations believe their CMOs have increased responsibility for customer experience, compared to 46% in 2021. By understanding the entire customer journey, marketers can tailor strategies to engage consumers effectively. Consequently, the direct involvement of CMOs in managing the end-to-end customer experience has risen significantly since 2021 (see Figure 10).

FIGURE. 10

CMOs at B2C organizations are taking on more significant roles in managing the customer experience



Percentages represent share of B2C organizations.

Note: Research conducted in 2021 exclusively focused on B2C sectors.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,404 executives with marketing responsibilities from unique B2C organizations; A new playbook for chief marketing officers, September 2021.

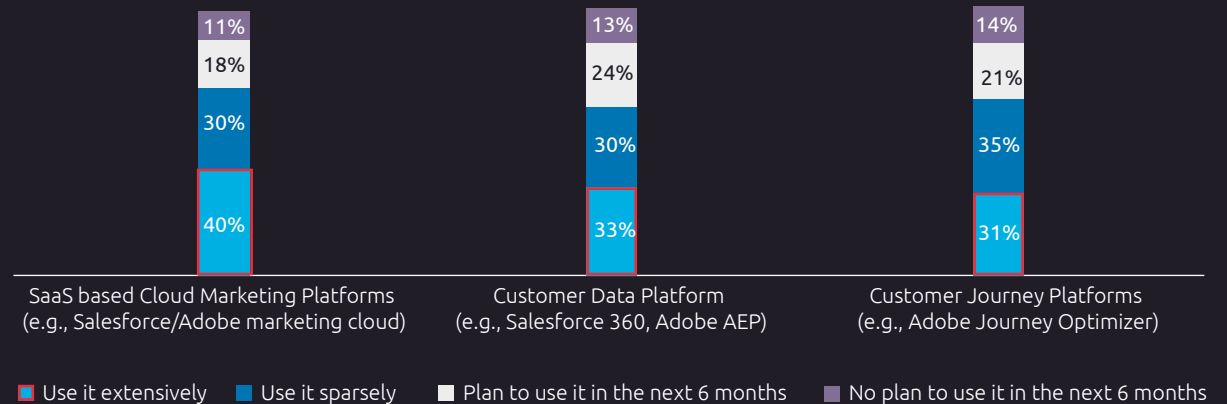
To ensure a seamless end-to-end customer experience, marketers have a wide range of tools and platforms at their disposal. However, our findings suggest that, on an average, less than four in 10 organizations use such tools extensively to map and track customer interactions and touchpoints (see Figure 11).

Linda Ha, Global Customer Engagement & Loyalty Manager, Ikea Ingka, says: *"We've transitioned from transactional interactions to fostering genuine relationships with our customers. This shift allows us to create a meaningful value exchange, enabling us to collect valuable data about our customers – understanding and supporting their needs and life stages. This proactive approach not only strengthens our foundation in first-party data but also prepares us for a cookie-less future. Leveraging Salesforce Marketing Cloud and integrating data from Google Cloud Platform, we've developed customer-centric programs, incorporating customer journeys across emails, SMS, and now extending to data from the Ikea app."*

FIGURE. 11

Most organizations do not use digital tools extensively to optimize customer experience

USAGE OF TOOLS AND PLATFORMS BY ORGANIZATIONS TO OPTIMIZE CUSTOMER EXPERIENCE



Percentages represent share of organizations.

Note: Research conducted in 2021 exclusively focused on B2C sectors.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,800 executives with marketing responsibilities from unique organizations.

02

HOW MARKETERS ARE USING GENERATIVE AI AND WHY

Marketers employ generative AI for creating campaigns, enhancing customer experiences, and conducting data analysis

Our research shows widespread integration of AI in marketing, touching upon diverse marketing activities that encompass both internal operations and customer-centric areas. Not confined to any specific domain, the applications span across diverse functions, ranging from ideation and campaign creation to data analysis, personalized customer experiences, and search engine optimization.

For example, 32% of the marketers we interviewed use generative AI extensively for data analysis, including managing data, predictive modeling, A/B testing, and social media listening. The same percentage focus on delivering personalized customer experiences, indicating a targeted and customer-centric approach (see Figure 12).



"As a marketer, it's crucial for me to experiment with this new technology and explore its possibilities."

DEEPAI NAIR

Group Chief Marketing Officer,
CK Birla Group, an Indian
multinational conglomerate

Deepali Naair, Group Chief Marketing Officer, CK Birla Group, an Indian multinational conglomerate, emphasizes on the need to embrace generative AI: *"As a marketer, it's crucial for me to experiment with this new technology and explore its possibilities."*

Further, the executives we interviewed shared insights on how they are integrating generative AI within their marketing initiatives –

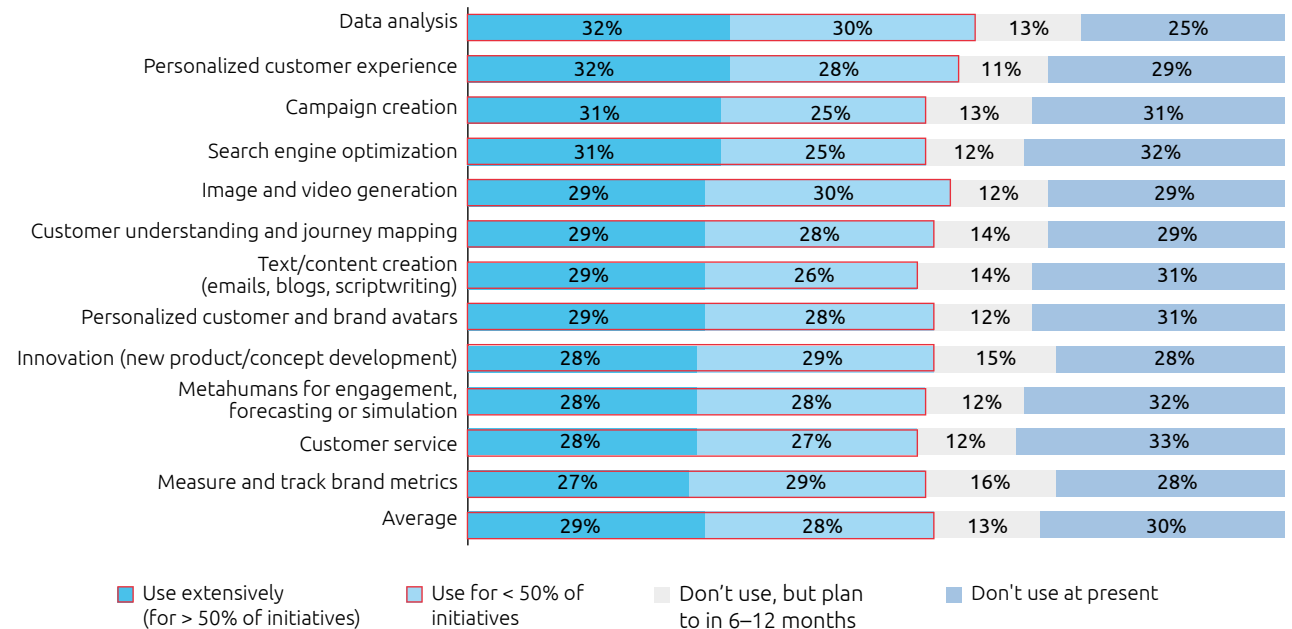
Strategy and decision-making: Aaren Ekelund, Chief Marketing Officer & Chief Communication Officer, Microsoft Denmark: *"As a CMO, utilizing generative AI and machine learning for tasks like forecasting, strategy alignment, and pipeline management is vital. We've developed an advanced financial modeling platform over the years. With the accessibility of technology, we now efficiently cluster customers, conduct AB testing, and leverage data-driven insights for informed decision-making."*

Customer experience: Veronique Bruhat, Head of Digital Health Specialty Care, Sanofi: *"Generative AI has accelerated the speed of delivering the right personalized message to the patient when it matters."*

FIGURE. 12

Use of generative AI is widespread within marketing

IMPLEMENTATION OF GENERATIVE AI USE CASES IN MARKETING, CURRENT



Percentages represent share of organizations.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,112 executives with marketing responsibilities from unique organizations who are using generative AI.

Content creation: Rupert Bedell, Chief Marketing Officer, Paysend, a global fintech company from the UK: *"We're delving into generative AI for video production, a domain where we typically engaged external video production agencies. It crafts exceptionally high-quality custom videos, even achieving cinematic standards. This opens up exciting possibilities for our creative endeavors."*

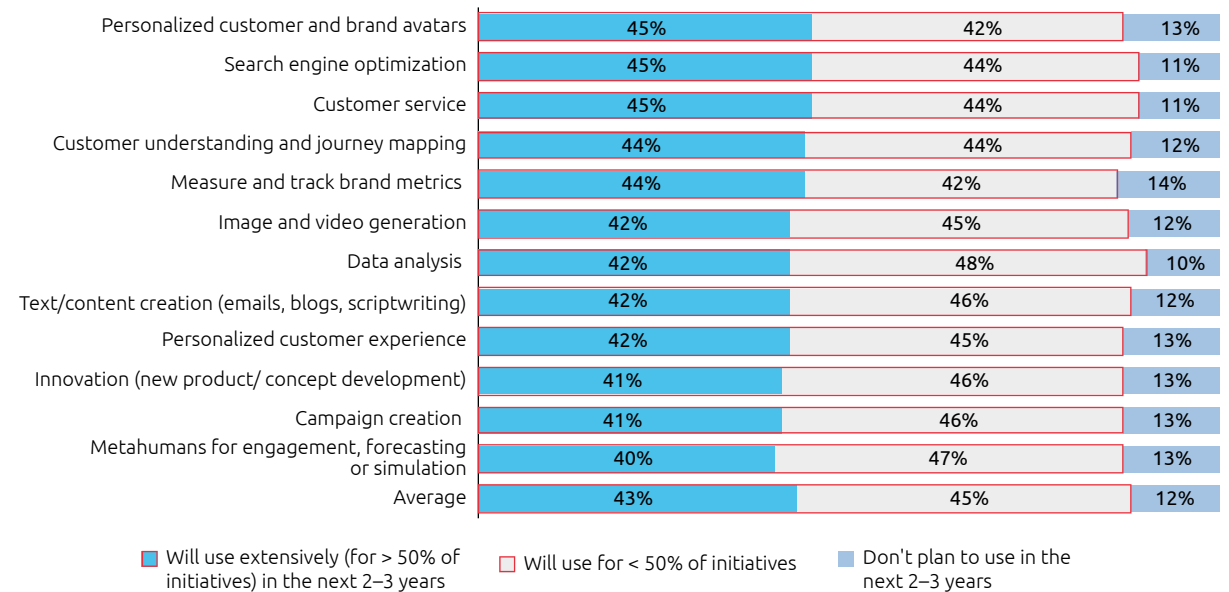
Search engine optimization: Torie Wilkinson, Chief Marketing Officer, Lovat Park, a privately-owned company in hospitality from the UK: *"ChatGPT is instrumental for us, especially when dealing with extensive content from an organic SEO perspective. It aids in crafting the initial draft by amalgamating diverse possibilities, forming an itinerary for visitors, such as suggesting activities, local coffee shops, and more. These foundational details, which remain relatively consistent year after year, are efficiently organized with the help of ChatGPT."*

Moreover, the utilization of generative AI across all the aforementioned marketing use cases is anticipated to see a rise in the next 2–3 years (see Figure 13).

FIGURE. 13

The use of generative AI in marketing is set to increase over the next 2–3 years

IMPLEMENTATION OF GENERATIVE AI USE CASES IN MARKETING, NEXT 2–3 YEARS



Percentages represent share of organizations.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,112 executives with marketing responsibilities from unique organizations who are using generative AI.

Here are some examples of how organizations are using generative AI for marketing:

Use case	Example
 Personalized customer experience	Continental has partnered with Google Cloud to enable drivers to interact with their car in a natural dialogue. The vehicle can inform the driver about tire pressure, local points of interest at their destination, and so on, and can respond to driver questions.⁷ Nike uses generative AI to create custom-designed sneakers through their “Nike By You” platform. Customers can personalize and design their shoes, leveraging generative AI to generate unique design combinations based on user preferences.⁸ Walmart is experimenting with generative AI to help shoppers in all stages of the shopping experience, from the search and discovery phase to making a purchase. Three features in development include a shopping assistant, generative AI-powered search, and an interior design feature.⁹
 Search engine optimization	Google deployed the Search Generative Experience (SGE) to combine reliable data from multiple organic search results and turn it into a prose answer to a user's search – all without having to click on any links in the results page.¹⁰
 Image and video generation	IKEA is using generative AI to generate realistic images of its products in customer homes. This helps customers to visualize how IKEA products would look in their own homes before making a purchase.¹¹
 Content creation	Unilever uses generative AI to craft tailored product descriptions for e-commerce platforms like Amazon UK. This helps to improve the ranking of their product pages in Search Engine Results Pages (SERPs) and drives more traffic to their websites.¹²
 Campaign creation	Adobe integrated generative AI into a digital marketing platform called “Adobe GenStudio.” The platform uses generative AI to automate and optimize the creation of digital advertisements.¹³
 Customer service	Allstate has developed a generative AI application based on ChatGPT 3.3, MyStory, which reduces the time for customers to report a claim. Customers can now recount the incident just once, which then gets delivered to all necessary parties.¹⁴ Marqeta, a global issuing and payment processor, uses an external-facing question and answer tool powered by generative AI called Marqeta Docs AI, which helps users quickly navigate the site and reduces the overall time to value for customers.¹⁵
 Data analysis	Moody's has formed strategic partnerships to use generative AI to conduct faster financial analysis and insights for its customers and employees.¹⁶
 Innovation	Bayer Pharmaceuticals explores generative AI to speed up drug development, aiding data analysis and correlation, and automating tasks like drafting clinical trial communications. This may cut down time and costs in bringing new drugs to market.¹⁷ Coca-Cola launched Coke Y3000, their eighth iteration in the Coke Creations platform and the world's first futuristic flavor co-created with AI. The launch has demonstrated strong initial results.¹⁸

Marketers expect a wide range of benefits from generative AI

Our research indicates that 57% of organizations believe the benefits of generative AI outweigh its costs and risks. This figure, although significant, has decreased from 74% in our previous report on generative AI across sectors and functions published earlier this year (see Figure 14). This decline might suggest an acknowledgment of the current challenges of generative AI, including data security risks, copyright issues, and ethical concerns.

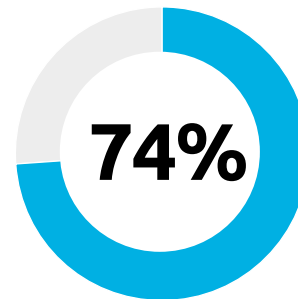
David Hirsch, General Manager, Marketing at QBE, a multinational insurance group headquartered in Sydney says: *“Generative AI is not just another buzzword; its tangible impact is becoming increasingly apparent and is poised to grow significantly. Marketers have only begun to explore its potential, and it presents a significant opportunity. However, it also comes with risks - understanding how to harness this technology effectively and without detriment to customers is key to staying ahead.”*

FIGURE. 14

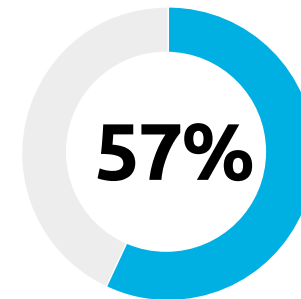
Organizations believe that the benefits of generative AI use will outweigh its costs

ORGANIZATIONS AGREEING THAT THE BENEFITS OF UTILIZING GENERATIVE AI OUTWEIGHS ITS ASSOCIATED COSTS AND RISKS

Share of organizations across all functions, April 2023



Share of organizations in the marketing function, October 2023



Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,752 executives with marketing responsibilities from unique organizations who are aware about generative AI; *Generative AI Executive Survey, April 2023*.



“Generative AI is not just another buzzword; its tangible impact is becoming increasingly apparent and is poised to grow significantly. Marketers have only begun to explore its potential, and it presents a significant opportunity. However, it also comes with risks - understanding how to harness this technology effectively and without detriment to customers is key to staying ahead.”

DAVID HIRSCH

General Manager Marketing,
QBE, a multinational insurance group
headquartered in Sydney

By harnessing the power of generative AI, businesses expect to fuel innovation, enhance satisfaction, conduct scenario analysis, and save time. For example, 67% of organizations believe generative AI will be helpful in long-term brand building (see Figure 15).

Generative AI is poised to enhance efficiency and customer satisfaction

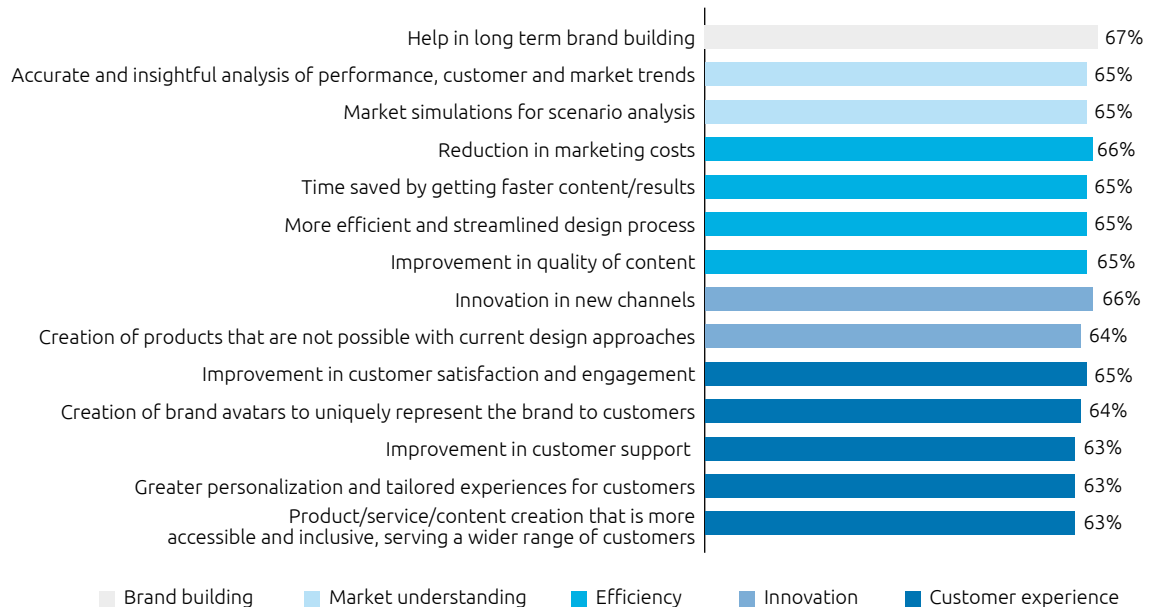
Figure 16 illustrates the extent of the benefits organizations expect to gain by integrating generative AI into their marketing strategies over the next 2–3 years. The anticipated advantages include accelerated content creation, prompt results leading to streamlined marketing processes, heightened customer satisfaction and engagement, lowered marketing costs, and an improvement in content quality, reaching up to 14%.

We are in the early stages, and generative AI technology is just over a year old. Given this, organizations exhibit cautious optimism in anticipating benefits from adopting generative AI in marketing. However, considering the swift advancement and integration of this technology within marketing, the actual benefits are likely to surpass current expectations among marketers.

FIGURE. 15

Expected benefits from the use of generative AI in marketing encompass brand building, cost reduction, innovation, enhanced customer satisfaction, and more

SHARE OF ORGANIZATIONS STATING VARIOUS BENEFITS OF USING GENERATIVE AI IN MARKETING



Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,137 executives with marketing responsibilities from unique organizations who are using generative AI.

We have already seen those implementing generative AI realizing greater benefits. For example, Heinz used an AI image generator to create a ketchup bottle image and invited people to propose new ketchup-based ideas. These suggestions were transformed into the company's inaugural campaign featuring visuals entirely generated by AI. The campaign received 850 million earned impressions globally (a 2,500% + return on media investment) and a 39% higher engagement rate than previous campaigns.¹⁹

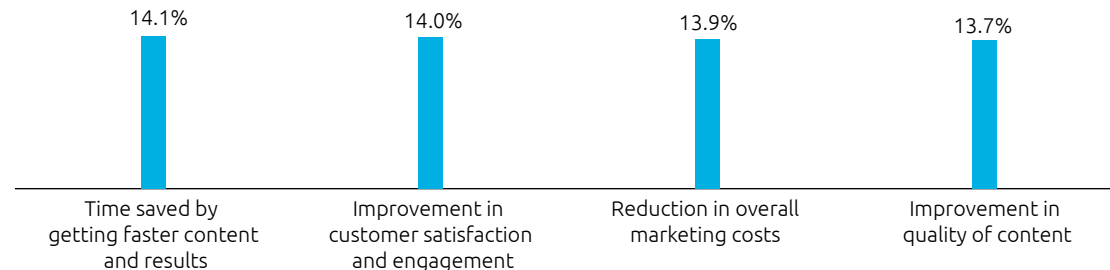
Generative AI is also instrumental in enhancing personalized experiences across channels, ensuring consistency and relevance. It can ensure that each interaction through each touchpoint (such as SMS, social media, etc.) contributes to a consistent and personalized customer experience. By integrating data from diverse channels, it provides a comprehensive customer view, facilitating tailored content and promotions that are not only personalized but also aligned with the customer's buying journey stage.

For example, Spotify's GenAI DJ tool curates personalized playlists and audio ads based on users' listening habits. This has helped increase user engagement and reduce churn.²⁰ Similarly, Sephora's chatbot, Sephora Virtual Artist, utilizes generative AI to provide personalized makeup recommendations based on customer preferences and facial features.²¹

FIGURE. 16

Marketers expect both operational and customer benefits by integrating generative AI

EXTENT OF BENEFITS PERCEIVED BY MARKETERS BY USING GENERATIVE AI IN MARKETING OVER THE NEXT 2-3 YEARS



Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,137 executives with marketing responsibilities from unique organizations who are using generative AI.

More examples of benefits from using generative AI are highlighted in the following table.

Industry	Example
 Automotive	To enhance the driver experience, Mercedes has integrated a GPT model into over 900,000 cars as part of a beta program. Drivers can access this model through the company's voice assistant, enabling inquiries about destination locations and answering various questions.²²
 Food	Coca-Cola has rolled out its third generative AI initiative of the year. As part of a global holiday campaign, it allows people to experiment with holiday-themed content, from selecting images to personalizing holiday greetings through generative AI-driven text capabilities, shareable across social platforms and WhatsApp.²³
 E-commerce	Casper, the mattress company from the US, launched a generative AI enabled bot to engage with customers who cannot sleep. Insomnobot3000 is "extra chatty between 11 PM and 5 AM," providing companionship for night owls.²⁴ Flipkart, an Indian e-commerce company, has a three-pronged approach to generative AI. It plans to create chat-led experiences for customers and sellers, upgrade the search function based on large language models (LLMs), and build internal tools for productivity and efficiency.²⁵ Amazon is using generative AI to simplify how sellers create more thorough and captivating product descriptions, titles, and listing details. This simplifies and expedites the process of listing new products and enhancing existing ones, ultimately aiding customers in making confident purchase decisions.²⁶

HOW MARKETING HAS BECOME INCREASINGLY DATA-POWERED

Marketing leaders are increasingly using data and technology to drive marketing strategies and business outcomes. As shown in Figure 17, marketing is more technology and data-powered today than it was in 2021, with a growing number of CMOs having joint responsibility for driving digital transformation within their organizations.

Monica Gonzalez Peñas from Allianz underscores the significance of data and analytics for marketers, emphasizing: *"In today's landscape, understanding data and digital platforms is crucial for success. A mindset rooted in data analytics and digital is increasingly indispensable for marketers."*

Likewise, Rupert Bedell of Paysend delves into the growing partnership between marketing professionals and technology leaders: *"There's significant overlap between my role and the CTO, and we're collaborating effectively to determine the necessity of implementing a new CRM system."*

FIGURE. 17

An increasing number of CMOs at B2C organizations are now at the forefront of driving digital transformation in marketing

	2021	2023
In our organization, the CTO/CIO and the CMO have a shared responsibility for driving digital transformation in marketing	52%	65%
Our organization believes that marketing must be technology and data driven today	50%	61%

Percentages represent share of B2C organizations.

Note: Research conducted in 2021 exclusively focused on B2C sectors.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,404 executives with marketing responsibilities from unique B2C organizations; A new playbook for chief marketing officers, September 2021.

It is imperative for organizations to break down silos in order to harness extensive data more effectively. Simon Rost, Chief Marketing Officer for Enterprise Imaging, GE Healthcare, explains: *"Healthcare generates enormous datasets, especially in imaging. Leveraging technology can unlock the potential of this often untapped and isolated data, extracting valuable insights and optimizing decision-making processes."*

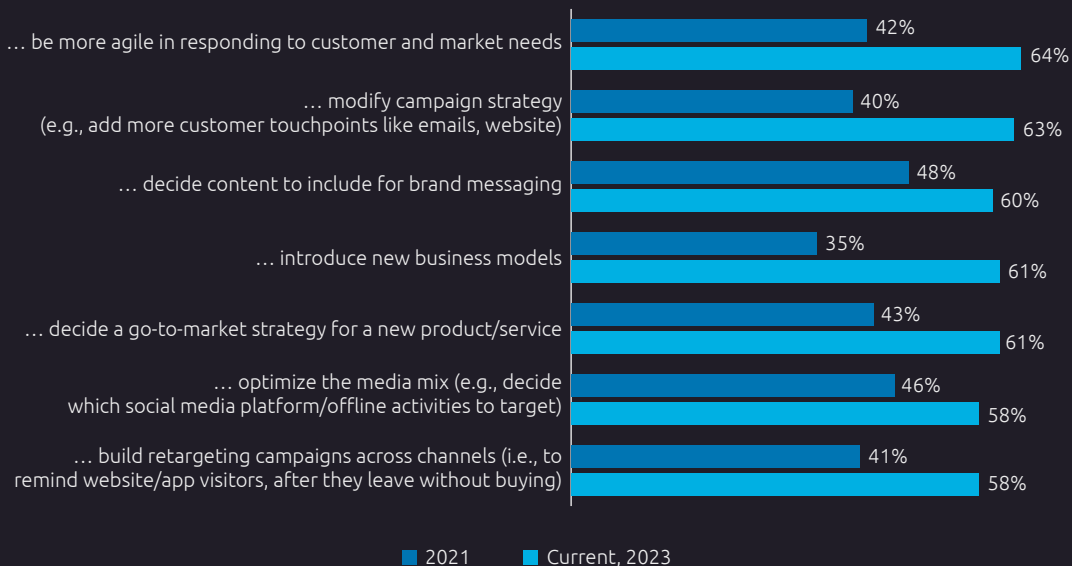
Figure 18 explores how marketing teams use data-powered strategies. It shows the increase in the share of organizations using data since 2021. For example, almost 65% employ data-driven methods to adapt to shifting market dynamics and customer demands or to adjust their campaign strategies. In 2021, only around 40% used such approaches.

Florence Lemetais, VP Customer, Marketing and Business Development at Fnac Darty, a multinational retail company headquartered in France: *"Now we measure everything, and we take the decision linked by measurement and performance. So, the data has become the center of everything."*

FIGURE. 18

Use of data in different marketing scenarios at B2C organizations has increased over the past couple of years

OUR MARKETING TEAM USES DATA TO ...



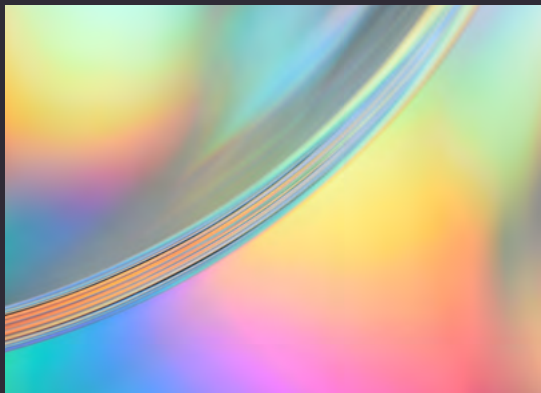
Percentages represent share of B2C organizations.

Note: Research conducted in 2021 exclusively focused on B2C sectors.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,404 executives with marketing responsibilities from unique B2C organizations; A new playbook for chief marketing officers, September 2021.

Executives we interviewed elucidated the uses of data for their operations:

- Rupert Bedell from Paysend: *"The two applications of big data that we spend a lot of time analyzing and based on which we make continual changes are the acquisition funnel and our search marketing."*
- Torie Wilkinson from Lovat Park: *"We are using data for A/B testing across our website, SEO and journey mapping based on search traffic, pricing strategies, UX projects, analyzing paid traffic, etc."*



"Now we measure everything, and we take the decision linked by measurement and performance. So, the data has become the center of everything."

FLORENCE LEMETAIS

VP Customer, Marketing and Business Development,
Fnac Darty, a multinational retail company
headquartered in France

THE CHANNELS MARKETERS USE TO ENGAGE WITH CUSTOMERS EFFECTIVELY

Marketers use diverse channels to engage their audience. Social media platforms like TikTok, Meta, and X (formerly known as Twitter) are used by nearly 80% of marketers, highlighting the enduring significance of social networks. Around 75% use direct messaging platforms such as WhatsApp Business and Facebook Messenger for personalized communication, emphasizing the value of one-on-one interactions. Voice Search Optimization (VSO) platforms such as Amazon's Alexa, Google Assistant, and Apple's Siri are also important (see Figure 19).

According to the Harvard Business Review, the pandemic pushed businesses to adopt new marketing channels to engage with customers. Nearly two-thirds (61%) reported increasing the

FIGURE. 19

Social media is being used extensively by marketing teams to engage with customers

	Use it frequently	Use it occasionally	Plan to use in the next 6 months	No plans to use it in the next 6 months
Social: e.g., TikTok, Instagram, Facebook, X (formerly known as Twitter)	44%	34%	16%	6%
Direct messaging: e.g., WhatsApp Business, Facebook Messenger	42%	33%	22%	3%
Voice search optimization (VSO) e.g., Amazon's Alexa, Google Assistant, Apple's Siri	40%	34%	21%	5%
Chatbots and AI-driven customer support: e.g., Drift, Intercom, ManyChat	36%	33%	20%	10%
Augmented reality (AR), virtual reality (VR): e.g., Facebook's Oculus, Roblox	29%	27%	29%	16%
The metaverse	16%	37%	30%	17%

Percentages represent share of organizations.

The figures may not sum to 100% due to rounding.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,800 executives with marketing responsibilities from unique organizations.

FIGURE. 20

Usage of immersive technologies such as the metaverse and augmented/virtual reality will pick up in the next few years

	Will use it frequently in the next 2–3 years	Will use it occasionally in the next 2–3 years	Won't use it in the next 2–3 years	Can't say/don't know
Social: e.g., TikTok, Instagram, Facebook, X (formerly known as Twitter)	46%	31%	3%	20%
Direct messaging: e.g., WhatsApp Business, Facebook Messenger	45%	32%	4%	20%
Voice search optimization (VSO) e.g., Amazon's Alexa, Google Assistant, Apple's Siri	45%	33%	5%	16%
Chatbots and AI-driven customer support: e.g., Drift, Intercom, ManyChat	43%	33%	6%	19%
The metaverse	39%	33%	5%	23%
Augmented reality (AR), virtual reality (VR): e.g., Facebook's Oculus, Roblox	37%	31%	10%	21%

Percentages represent share of organizations.

The figures may not sum to 100% due to rounding.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,800 executives with marketing responsibilities from unique organizations.

number of channels they use. This is more marked in the case of B2C services, where 77% reported an increase in the number of channels used.²⁷ In the next few years, the metaverse, along with immersive technologies such as augmented and virtual reality, are poised to grow, offering new ways to reach customers through interactive experiences and innovations. Again it seems likely that B2C organizations will embrace these technologies the fastest (see Figure 20).

A report from the Harvard Business Review suggests that enterprises, alongside consumer adoption, will be pivotal in revealing the value of metaverse technology. The pace of metaverse adoption hinges on government support. Notably, Asia, MENA, and Europe exhibit higher adoption rates owing to improved access to necessary devices.²⁸ Our 2022 report on immersive technologies reveals that 93% of consumers express curiosity about the metaverse, while 51% express a willingness to use it once it becomes accessible to them.²⁹



"Generative AI has accelerated the speed of delivering the right personalized message to the patient when it matters."

VERONIQUE BRUHAT

Head of Digital Health Specialty Care,
Sanofi



03

GENERATIVE AI WILL AUGMENT HUMAN CREATIVITY IN MARKETING

Finding a balance between generative AI and human creativity is an ongoing challenge

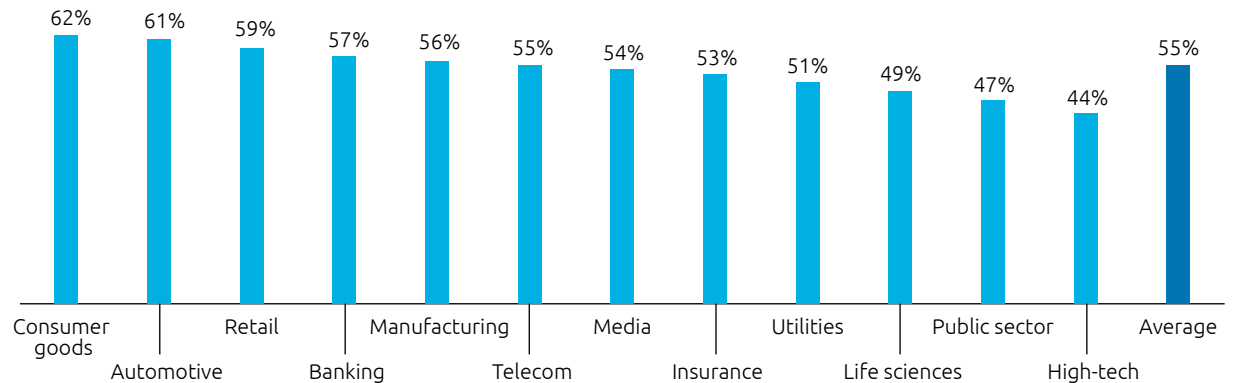
Navigating the relationship between generative AI and human creativity poses an ongoing challenge for organizations. While generative AI streamlines tasks and content creation, excessive reliance on this technology may undermine the spontaneity and emotional depth of human creativity. Additionally, the AI-generated content may contain factual errors and flawed logic, as discussed later. Thus, humans will need to dedicate time to checking and editing.

Consequently, striking the right balance between generative AI and human engagement in creative work is a critical challenge, as acknowledged by 55% of organizations surveyed. Analyzed by sector, consumer products and automotive sectors express the strongest concerns about this issue compared to high-tech, public sector, and life sciences (see Figure 21).

FIGURE. 21

Organizations within the consumer products and automotive sectors are particularly challenged about finding a balance between generative AI and human creativity

SHARE OF ORGANIZATIONS STATING THAT FINDING THE BALANCE BETWEEN GENERATIVE AI AND HUMAN CREATIVITY IS AN ONGOING CHALLENGE



Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,752 executives with marketing responsibilities from unique organizations who are aware about generative AI.

55%

of organizations say striking the right balance between generative AI and human engagement in creative work is a critical challenge

Florence Lemetais from Fnac Darty says: *"We are striving to strike a balance between algorithms, automated generation, and human input. While humans alone may not suffice, relying solely on automation doesn't capture the complexities of the real world."*

Analyzing this challenge by country, it is evident that organizations in the US, UK, India, Brazil, and Australia are the most concerned about maintaining a balance between generative AI and human creativity. Organizations in Sweden and Norway have fewer concerns.



"Machines excel at recognizing patterns and enhancing efficiency by mimicking human communication. However, they lack the ability to convey genuine human emotions authentically, connecting with others on a deep emotional level. I don't know how AI is ever going to do that."

CHRISTOPHER WILLIAMS

Chief Communications Officer,
COMPASS Pathways, a biotechnology
company from the UK

In time, generative AI will augment human creativity, not replace it

In the longer term (next 5–10 years), marketers believe that generative AI will augment rather than replace human creativity. Talking about how generative AI cannot replace creativity, Christopher Williams, Chief Communications Officer, COMPASS Pathways, a biotechnology company from the UK, adds: *“Machines excel at recognizing patterns and enhancing efficiency by mimicking human communication. However, they lack the ability to convey genuine human emotions authentically, connecting with others on a deep emotional level. I don't know how AI is ever going to do that.”*

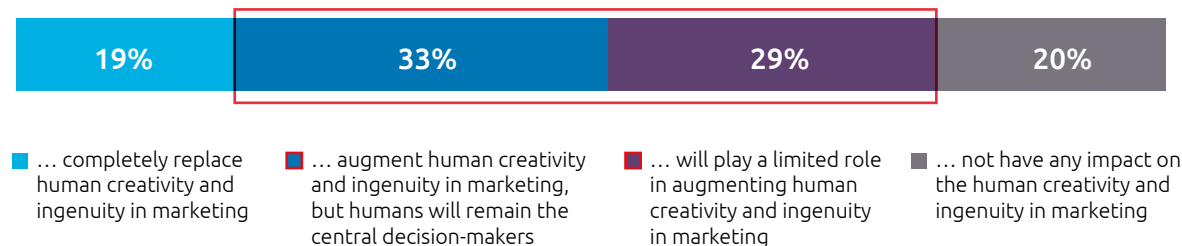
While AI is poised to replace human labor on mundane, repetitive tasks, marketers acknowledge the unique human elements of creativity, such as intuition, emotion, and context understanding. AI is viewed as a potent tool to augment these intrinsic qualities (see Figure 22).

Organizations adopting a cautious “wait and watch” stance, and those without a strategy for incorporating generative AI in marketing tend to believe less in its significant impact on creativity. Conversely, those actively experimenting with or implementing generative AI more robustly acknowledge its role in augmenting human creativity.

FIGURE. 22

In the long-run (next 5–10 years), generative AI will serve as a catalyst for human creativity

IN THE NEXT 5–10 YEARS, GENERATIVE AI WILL ...



Percentages represent share of organizations.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,735 executives with marketing responsibilities from unique organizations who are aware about generative AI.



"At this moment, what we truly value is the innate human qualities of insight, empathy, and creativity. Can a machine match the depth of human creativity? While AI certainly has its place, I remain unconvinced as yet about its ability to replace the human touch in marketing."

ELIZABETH CUNNINGHAM

Head of Loyalty, Marketing and Brand,
IAG Loyalty, part of International Airlines
Group (IAG)

Pratik Thakar, global head of generative AI at Coca-Cola underscores that the collaboration of AI and human intervention is essential for achieving their notable output: *"I think it will be a long time before human creativity can be completely simulated. Our generative AI advert Masterpiece couldn't have been made without human input. And I don't think it would be able to come up with something that could become as iconic as the Coca-Cola logo. That doesn't mean businesses won't try to use it to save money, particularly on repetitive work such as mass personalization. But in the near term, being able to augment your skills with AI is likely to open doors to new and interesting opportunities."*³⁰

Further emphasizing the crucial role of human creativity in the era of AI adoption Elizabeth Cunningham, Head of Loyalty Marketing and Brand at IAG Loyalty, part of International Airlines Group (IAG), adds: *"At this moment, what we truly value is the innate human qualities of insight, empathy, and creativity. Can a machine match the depth of human creativity? While AI certainly has its place, I remain unconvinced as yet about its ability to replace the human touch in marketing."*

Marketers view generative AI as a catalyst for innovation

Marketers envision a future where generative AI acts as a catalyst, unlocking new creative possibilities. As shown in Figure 23, 57% of respondents anticipate creative teams leveraging generative AI outputs as a starting point in their creative process as part of a collaborative relationship between human creativity and AI-driven innovation. Moreover, 55% foresee generative AI as a catalyst for innovation, motivating teams to think beyond conventional boundaries.

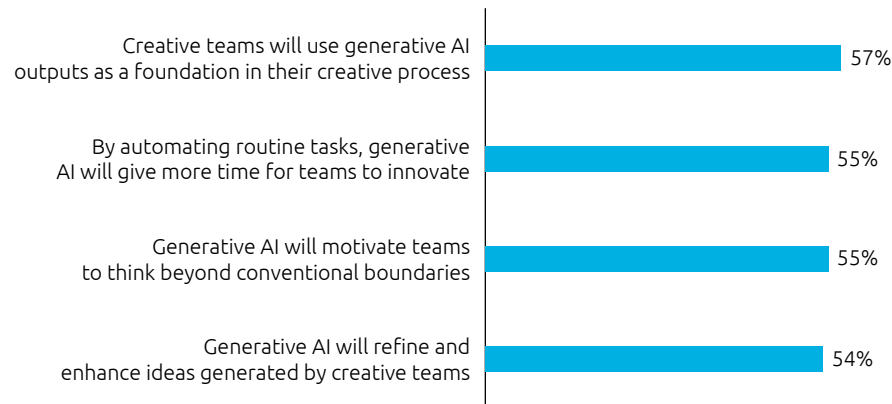
For instance,

- Nestle used generative AI to refine and add significant details and new characters to an original painting created more than 360 years ago to promote their La Laitière yogurt.³¹
- Wendy's, an American international fast food restaurant chain, employs a generative AI tool to automate routine tasks such as drive-thru customer orders. This innovation enables human employees to concentrate on essential duties like food preparation.³²

FIGURE. 23

Generative AI will play a crucial role in enhancing the creative process

SHARE OF ORGANIZATIONS STATING THE IMPORTANCE OF GENERATIVE AI IN THE CREATIVE PROCESS



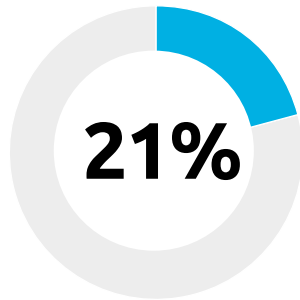
Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,752 executives with marketing responsibilities from unique organizations who are aware about generative AI.

FIGURE. 24

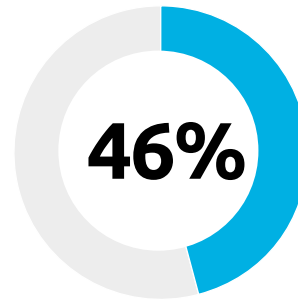
Organizations believe that generative AI is disruptive for marketing

ORGANIZATIONS AGREEING WITH GENERATIVE AI BEING DISRUPTIVE

Share of organizations across all functions, April 2023



Share of organizations in the marketing function, October 2023



Percentages represent share of organizations.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,736 executives with marketing responsibilities from unique organizations; *Generative AI Executive Survey, April 2023*.

A director of digital marketing at a multinational cosmetic company emphasizes that while generative AI is valuable for refining ideas, the task of revealing and effectively communicating the underlying meaning behind the idea remains fundamentally human-led: *“Generative AI can help you find variations. It can help you find the right lexicon, hitting the right tone. But the authentic idea and the campaign message or the deeper meaning behind a campaign, I think that is going to be human led.”*

Further underscoring the significance of human involvement in strategy and vision creation, Dustin Sedgwick from JPMorgan Chase & Co adds: *“In creative industries, human involvement remains essential for shaping the vision, strategy, and direction. Generative AI acts as a tool, opening new creative avenues.”*

Generative AI is seen as an increasingly disruptive force, reshaping nearly every role in the field of marketing

While generative AI is not set to replace human creativity, its impact will be felt across marketing teams, enhancing the efficiency and effectiveness of various marketing roles.

Nearly half of the marketers surveyed believe that generative AI will significantly disrupt the marketing function. This perception has intensified in the last six months – only 21% of executives across sectors and functions shared this belief earlier in 2023, as highlighted in our recent report on generative AI across sectors and functions (see Figure 24).



“In creative industries, human involvement remains essential for shaping the vision, strategy, and direction. Generative AI acts as a tool, opening new creative avenues.”

DUSTIN SEDGWICK

Chief Marketing Officer and
Managing Director – Payments,
JPMorgan Chase & Co.

Marketers in high-tech, consumer products, retail, life sciences, media, public sector, insurance, and automotive sectors express a stronger belief in the disruptive potential of generative AI. Notably, these sectors also align with those that have actively allocated budgets for generative AI in marketing.

Generative AI's impact on marketing is evident in the ease with which it can generate personalized campaigns and predict consumer responses, as well as its speed in crafting visually appealing content, all of which can help foster customer engagement and brand loyalty.

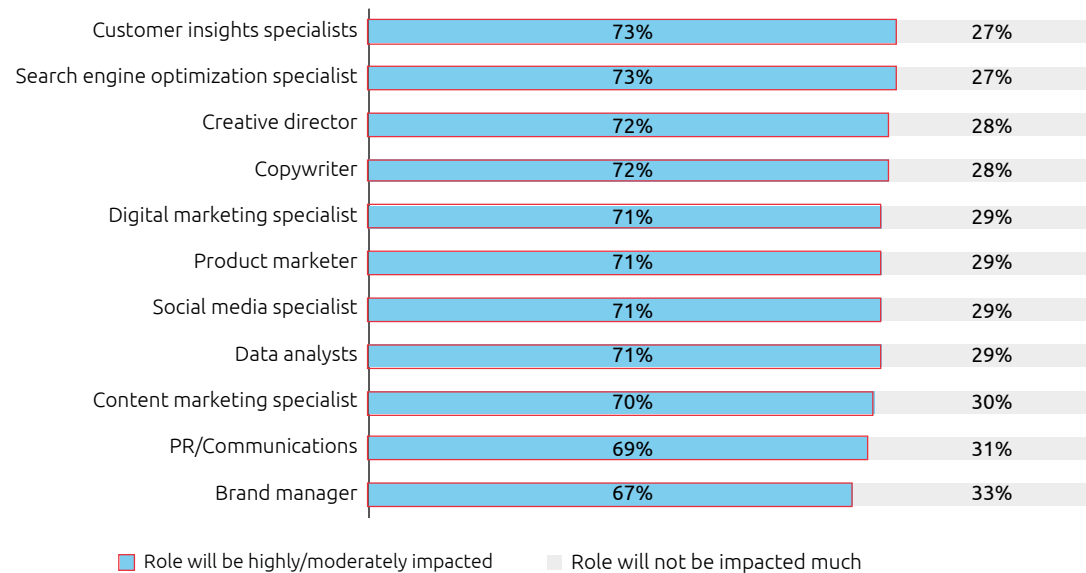
Consequently, as shown in Figure 25, while 29% of organizations, on average, believe generative AI will not affect job roles, the majority anticipate significant or moderate impact on key positions. For example:

- SEO specialists – significant impact in refining online visibility and content optimization strategies.
- Digital marketing specialists and creative directors – significant impact in enhancing digital strategies and creative campaigns.

FIGURE. 25

Almost all marketing roles will be impacted by generative AI

IMPACT OF GENERATIVE AI ON MARKETING JOB ROLES



Percentages represent share of organizations. High impact=must gain extensive knowledge about generative AI for very frequent use, Moderate impact= need some knowledge about generative AI for occasional use, Little impact= need very limited/no knowledge about generative AI for rare use.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,783 executives with marketing responsibilities from unique organizations.

- Customer insights specialists, data analysts and social media specialists – significant impact in processing extensive data and optimizing social media interactions.
- PR/communications specialists and brand managers, copywriters, and content marketing specialists – impact in communication and storytelling aspects.

Dustin Sedgwick from JPMorgan Chase & Co. says: *"I think we will go through a short-term displacement and role composition change, similar to previous technological step-changes throughout history. It'll be hard at first, but we'll eventually adapt and evolve. People really underestimate humans' ability to identify new areas not previously explored that need their unique skills and perspectives. While certain tasks or functions will get replaced by automation and AI, humans will inevitably find new areas to add value that AI isn't trained for and can't replicate."*

Conrad Bird, Director, Campaigns & Marketing at the Cabinet Office, UK, says: *"Despite fears about AI, I believe that AI will not replace humans, but it will challenge marketers who don't use AI."*



"Despite fears about AI, I believe that AI will not replace humans, but it will challenge marketers who don't use AI."

CONRAD BIRD

Director, Campaigns & Marketing,
Cabinet Office, UK

ORGANIZATIONS ARE USING BOTH EXTERNAL COLLABORATIONS AND INTERNAL INITIATIVES TO BRIDGE THE AI SKILLS GAP

A majority (63%) of organizations say demand for generative AI skills in marketing significantly outstrips supply. This reflects the growing recognition of the potential of generative AI in enhancing marketing strategies and initiatives.

Analyzing hiring behavior, freelance work marketplace Upwork noted that posts for generative AI jobs increased more than 1000% in Q2 2023 compared to the end of 2022.³³

Some examples of skills that are gaining prominence in marketing are:

- Prompt engineering skills to get the desired information.

- Verification skills to evaluate responses to identify biases, inconsistencies, misleading information and ethical considerations.³⁴

To address this skills gap and harness the full potential of generative AI in marketing, organizations are implementing internal and external strategies.

On an average, 53% of companies have definite plans to provide generative AI training for their marketing teams in the next six months, particularly companies from the Netherlands, India, Australia, and the US. Sectors such as media, insurance, automotive, and life sciences also show higher-than-average commitment



to generative AI training for their marketing teams. Linda Ha from Ikea Ingka says: *"People are worried that their jobs will be replaced by generative AI, but I think this is our opportunity to empower our teams – to upskill and reskill the teams we have in order to meet the new capabilities."*

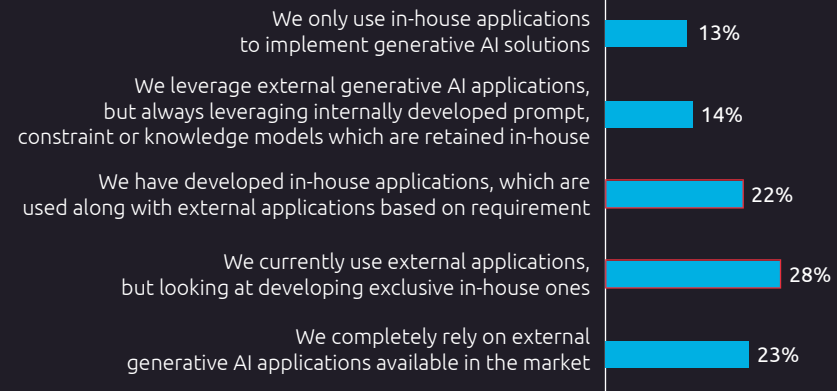
Marketing leaders must look not only for technology and AI skills but also need an understanding of how to balance AI with human creativity. Christopher Williams from COMPASS Pathways adds: *"The skillset that people like me are going to need is knowing how to balance what something like generative AI can do against the unique thing that a human being can bring to it. This is the key skill that I'm looking for when it comes to bringing talent onto my team."*

Nearly a quarter of organizations rely solely on external applications and platforms for generative AI in marketing. However, half of them are in the process of either developing or using in-house applications alongside external ones. A smaller group leverages external generative AI applications but relies on internally developed prompt, constraint, or knowledge models, and another group exclusively uses in-house applications and platforms (see Figure 26).

FIGURE. 26

Half of the organizations are either developing or using in-house applications alongside external ones for generative AI solutions in marketing

APPROACH TOWARDS LEVERAGING GENERATIVE AI SOLUTIONS FOR MARKETING



Percentages represent share of organizations.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,051 executives with marketing responsibilities from unique organizations who have implemented at least one generative AI initiative.



04

**URGENT ACTION IS NEEDED TO
ADDRESS ETHICAL AND COPYRIGHT
ISSUES ASSOCIATED WITH
GENERATIVE AI IN MARKETING**

The ethical concerns around generative AI use in marketing are significant

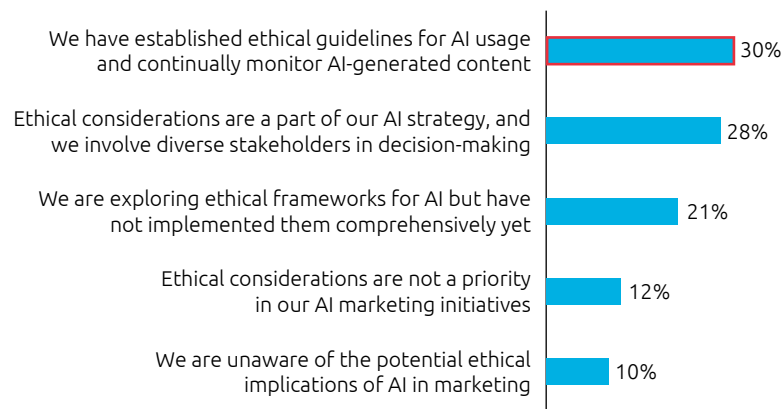
As AI algorithms become increasingly sophisticated, marketers face enduring ethical considerations around issues such as the responsible use of customer data, the transparency of AI-driven decision-making processes, and ensuring algorithms do not reinforce social inequalities.

Our research indicates that 70% of organizations are potentially exposed to ethical challenges due to the absence of comprehensive and clear guidelines for the use and oversight of AI systems (see Figure 27).

FIGURE. 27

Seven in ten organizations have not established ethical guidelines for use of AI in marketing

STATE OF ADOPTION OF ETHICAL GUIDELINES AND FRAMEWORKS IN MARKETING



Percentages represent share of organizations.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,800 executives with marketing responsibilities from unique organizations.

Various ethical issues could give rise to problematic output, including :

- inappropriate or inaccurate content, commonly termed as AI “hallucinations”
- bias, skew, or discrimination arising from the training data-set
- generation of content based on copyrighted or unauthorized data.

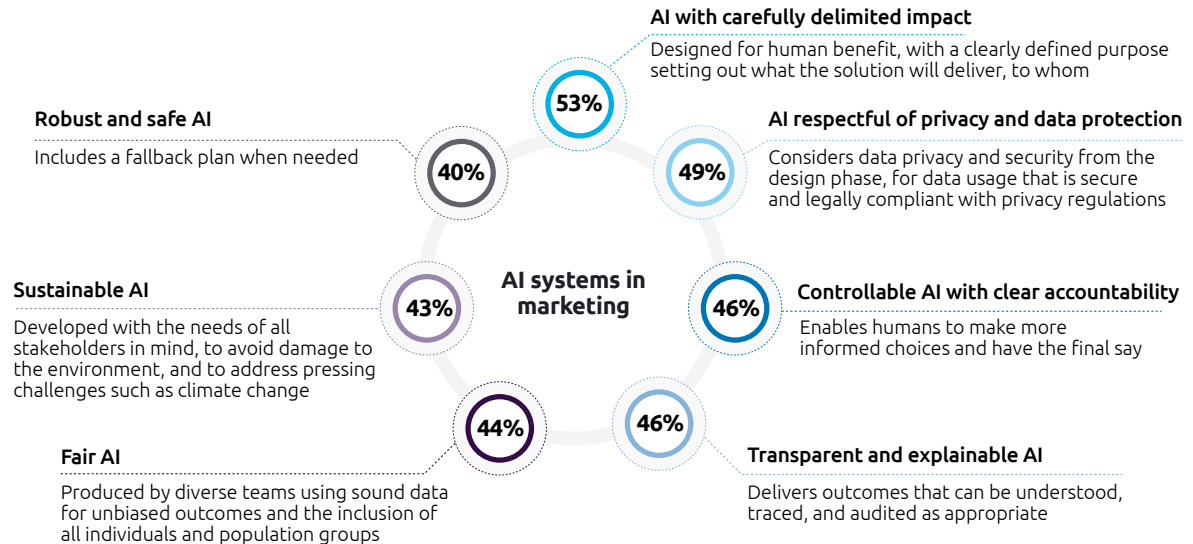
Recent instances illustrate how prominent organizations have incurred financial losses due to inaccuracies propagated by their generative AI tools, stemming from inadequate and questionable ethical practices.

Our research shows that organizations often overlook attributes such as trust and responsibility when selecting AI systems, and less than half consider issues like transparency, human involvement, legal compliance, social benefit, and environmental consciousness (see Figure 28).

FIGURE. 28

Less than 50% of organizations consider attributes of trust and responsibility when selecting AI systems for marketing

ORGANIZATIONS CONSIDERING ATTRIBUTES OF TRUST AND RESPONSIBILITY WHILE SELECTING THE AI SYSTEMS FOR MARKETING



Percentages represent share of organizations.

Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,800 executives with marketing responsibilities from unique organizations.

The use of generative AI in marketing raises copyright issues

Generative AI in marketing might raise significant copyright concerns, as AI-generated content can create challenges in determining ownership and intellectual property rights and, consequently, legal disputes could arise.

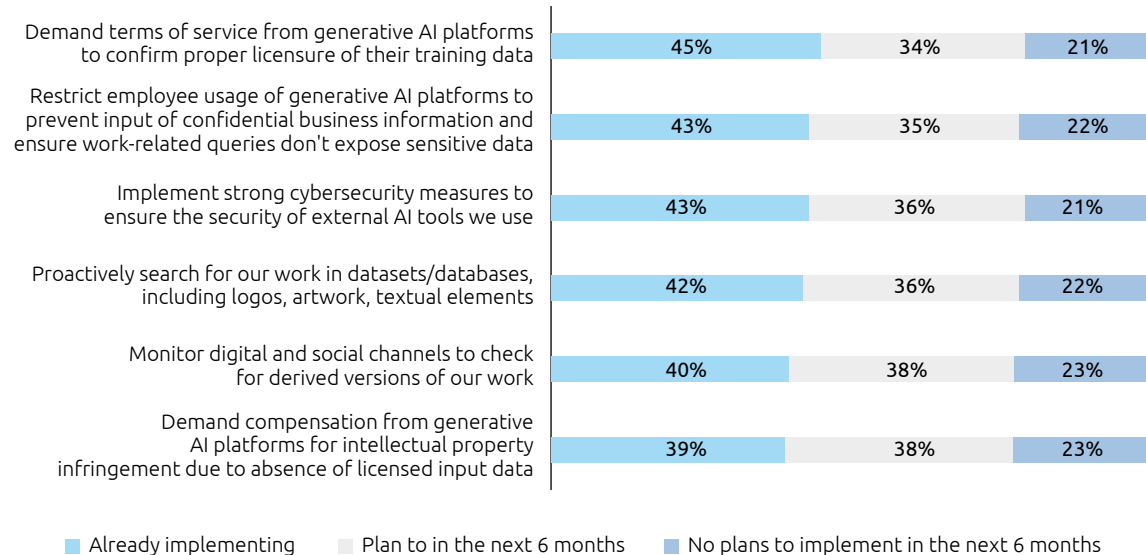
Stock photo provider Getty Images sued Stability AI, creators of AI art tool Stable Diffusion, over alleged copyright violation, accusing them of misusing more than 12 million Getty photos to train their Stable Diffusion AI image-generation system.³⁵

Despite this, organizations are not currently implementing sufficient measures to address copyright issues. Our research indicates that, on an average, only 42% of organizations are implementing measures, such as strong cybersecurity protocols, monitoring or searching for AI-derived versions of their work, including logos and artwork. We note that 36% of organizations expressed an intention to implement such measures within six months (see Figure 29).

FIGURE. 29

A little over 40% of organizations, on average, have taken concrete steps to address copyright issues

STEPS TAKEN TO ADDRESS COPYRIGHT ISSUES ARISING OUT OF USE OF GENERATIVE AI IN MARKETING



Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,752 executives with marketing responsibilities from unique organizations who are aware about generative AI.

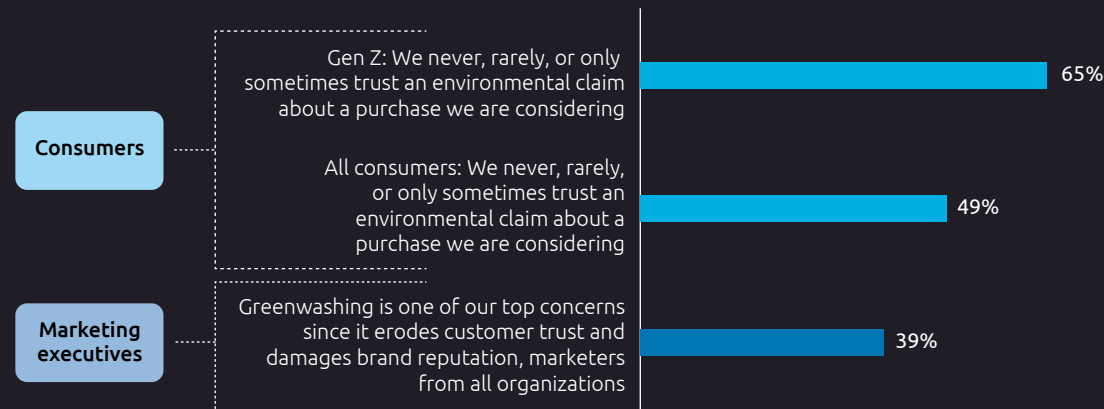
THE NEED TO ADDRESS GREENWASHING IN MARKETING CLAIMS

Organizations frequently overlook the issue of greenwashing (the practice of overselling or overstating an environmental claim for a product or service) in their marketing. Our research indicates that only 39% of marketing leaders consider greenwashing a significant concern, although we find that consumers globally are becoming more wary of it. Our recent sustainability research revealed that 49% of consumers never, rarely, or only sometimes trust an environmental claim about a purchase they are considering, rising to 65% among Gen Z consumers (see Figure 30).³⁶

FIGURE. 30

There is a perception gap between marketing executives and consumers on the significance of greenwashing

SHARE OF ORGANIZATIONS AND CONSUMERS ON THE IMPORTANCE OF GREENWASHING



Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,800 executives with marketing responsibilities from unique organizations; *A world in balance 2023: Heightened sustainability awareness yet lagging actions*, November 2023.

The research also showed that a third of consumers believe that organizations/brands greenwash their initiatives. This rises to 45% for Millennials and 50% for Gen Z consumers.³⁷

Despite this, most organizations do not take measures to tackle the problem – only 39% of marketers use independent sustainability certifications to uphold their brand reputation and only 42% substantiate their sustainability marketing claims with concrete evidence (see Figure 31).

As consumers become increasingly discerning and environmentally conscious, marketers must prioritize transparency and authenticity, ensuring their claims align with concrete eco-friendly practices to build credibility and maintain consumer trust. A Harvard Business Review study estimates that organizations perceived to be greenwashing suffer, on an average, a 1.34% drop in their American Customer Satisfaction Index (ACSI) score and are open to accusations of corporate hypocrisy.³⁸

The EU and the UK both implemented new or updated regulations to combat greenwashing and protect consumers in 2023.³⁹

FIGURE. 31

Most organizations do not consistently adhere to sustainability monitoring and reporting practices

SHARE OF ORGANIZATIONS FOLLOWING SUSTAINABILITY MONITORING AND REPORTING PRACTICES TO ADDRESS GREENWASHING



Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,800 executives with marketing responsibilities from unique organizations.

05

**A GUIDE TO MOVING FORWARD
WITH GENERATIVE AI IN
MARKETING**

Figure 32 shows areas for organizations to focus on to accelerate the use of generative AI in marketing.

STRATEGIC DIRECTION

Precisely outline integration objectives for generative AI

- **Set clear, strategy-aligned goals** for generative AI implementation in marketing. Whatever the focus of implementation. These goals pinpoint areas for value addition and relevant use cases, which helps in selecting tailored tools.

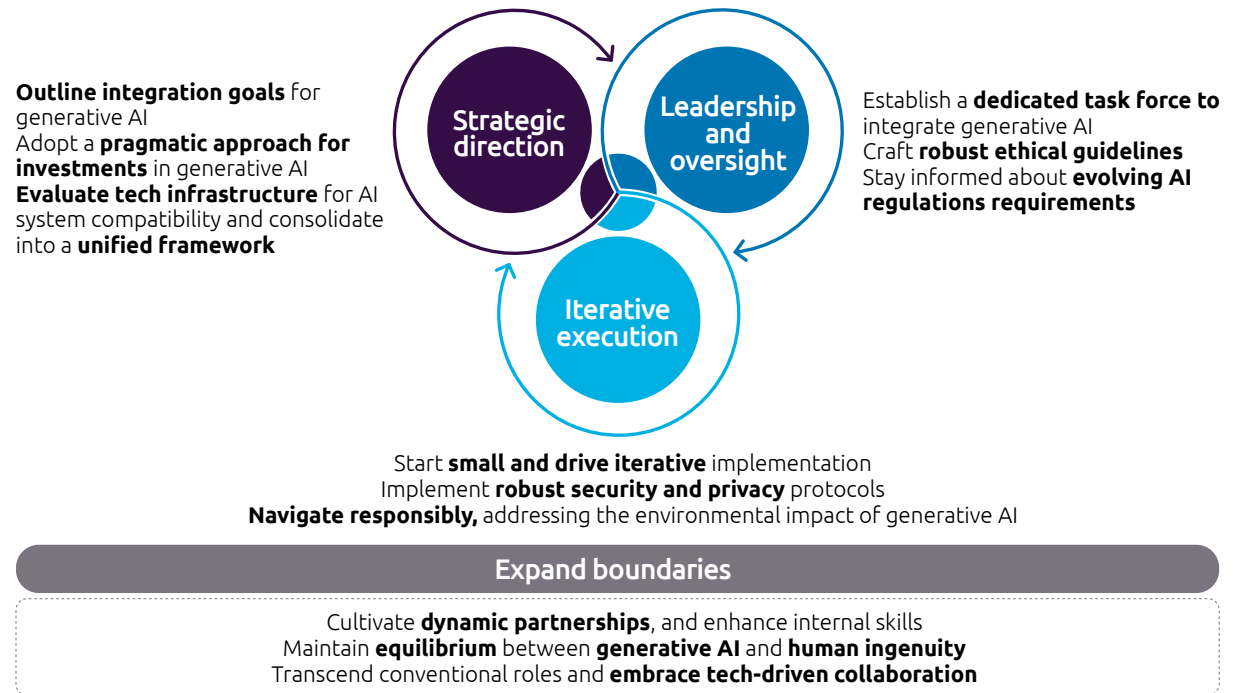
Simon Rost from GE Healthcare says: *"Define your use case clearly upfront. It is very important to understand what you want to achieve before you think about the tool. The tool should basically help you get to that goal faster or better."*

- **Align generative AI objectives with broader business goals** for impact and relevance. Close collaboration between marketing teams and key stakeholders is essential. Ensure generative AI objectives complement business goals like revenue growth or customer satisfaction.

The director of marketing at a global e-commerce company says: *"It is super important to get to understand goals in advance, understand what each organization is capable of, and define priorities. There might be occasions where we want to automate, but there might be other occasions where the customer needs human interaction for a specific reason."*

FIGURE. 32

Key considerations for organizations to drive generative AI initiatives in marketing



Source: Capgemini Research Institute analysis.

Adopt a pragmatic approach for investments in generative AI

Over the last 12 months, generative AI has garnered substantial attention, prompting significant investments.

Recognizing the substantial initial investment required for venturing into this domain, it is imperative for companies to adopt a **pragmatic approach to their investment decisions**. It is crucial for them to craft a

strategic roadmap that meticulously prioritizes short and medium-term objectives.

Furthermore, foresight is paramount, as companies should **anticipate the necessity for continuous investments over time** to guarantee the sustained maintenance and augmentation of their capabilities. This approach ensures alignment with the dynamic nature of technology development and deployment.



“Define your use case clearly upfront. It is very important to understand what you want to achieve before you think about the tool. The tool should basically help you get to that goal faster or better.”

SIMON ROST

Chief Marketing Officer
for Enterprise Imaging,
GE Healthcare

Evaluate tech infrastructure for AI system compatibility and consolidate into a unified framework

Ensure compatibility and integration capabilities.

Begin by evaluating your marketing infrastructure to pinpoint potential bottlenecks, ensuring a seamless integration between generative AI tools and existing platforms. Recognizing the strengths and limitations of current technologies empowers strategic adjustments and investments, facilitating the smooth incorporation of generative AI.

Integrate diverse solutions into a unified framework.

Marketers face a multitude of generative AI tools and solutions, necessitating a strategic architecture to avoid being overwhelmed. Consolidating these tools into a single platform is vital, transitioning from isolated point solutions to a unified framework. This also facilitates ethical and responsible architecture management, and streamlining the incorporation of brand standards across all solutions.

LEADERSHIP AND OVERSIGHT

Assemble specialized marketing task forces to integrate generative AI

For expediting adoption, organizations should establish a well-defined ownership and governance framework –

- **Create a specialized marketing team to explore generative AI.** This team's role involves pinpointing specific areas and use cases where generative AI can yield significant outcomes.
- **Allow for interdisciplinary collaboration** (include sales and IT teams as a minimum) to develop customized solutions that align with marketing goals and customer needs.

A director of digital marketing at a multinational cosmetic company says: *"Establishing a clear governance structure is crucial. It delineates responsibilities, defines remits, and ensures the availability of necessary resources and tools for agile and consistent implementation. Equally important is appointing a dedicated leader for generative AI and determining its organizational placement."*

Craft robust ethical guidelines for the conscientious use of AI

Establishing robust ethical guidelines for AI usage in marketing is essential to ensure responsible and inclusive practices within the industry.

Conrad Bird from the UK Cabinet Office says: *"When employing AI in our communication efforts, we will prioritize transparency and ethical responsibility. We aim to set industry standards in the ethical use of AI. Given our public accountability, we are committed to making decisions that prioritize human values."*

- **Develop ethical guidelines and a comprehensive framework** emphasizing transparency, fairness, and user privacy in AI-driven decision-making processes.

Simon Rost from GE Healthcare says: *"It helps to bring the experts from business, IT, compliance and legal departments together early on in the evaluation of these generative AI tools to understand what to look out for."*

- **Conduct regular audits and assessments of AI systems** to check for biases and discriminatory outcomes.
- **Actively engage with diverse communities and customers** to understand their concerns and perspectives regarding AI applications in marketing so guidelines reflect the values and expectations of the wider society.
- **Participate in workshops** alongside the research, law, and education community to identify comprehensive ways to build trustworthy AI.
- **Train and continuously educate employees across marketing** on the ethical implications of their work, emphasizing the importance of unbiased data sourcing, fairness in algorithms, and the responsible use of AI-generated content. Establish mechanisms for reporting ethical concerns and violations, along with clear consequences for non-compliance.

Aaren Ekelund from Microsoft Denmark says: *“There is a concerted effort at Microsoft to educate all employees on ethics. Comprehensive training sessions have been conducted in marketing and sales organizations, as well as the development sector to ensure employees are well informed and encouraged to voice concerns if they notice any deviations from ethical guidelines.”*

Remain vigilant, navigating the ever-evolving realm of AI regulations and compliance

- **Consider assigning a dedicated compliance officer or team** to track and interpret the rapidly evolving laws and guidelines related to generative AI.
- **Proactive engagement with policymakers, privacy regulators, and global subject matter experts** on an ongoing basis should also be considered.
- **Further steps**, as highlighted in our recent research, could include:
 - requesting disclosures about the capabilities and limitations
 - drafting/revisiting policies
 - establishing accountability
 - providing more control to users.

STEPS TAKEN BY COUNTRIES TO REGULATE AI

- **European Union and Italy:** The EU AI Act is approved and expected to be finalized by the end of 2023, and will classify AI usage based on risk levels, prohibiting certain uses and imposing stringent monitoring and disclosure requirements for high-risk applications. In March 2023, Italy briefly banned ChatGPT, citing concerns about how – and how much – user data was being collected by the chatbot. Since then, approximately \$33 million has been allocated to help unemployed people and workers in positions at risk of automation to boost their digital skills.⁴⁰
- **US:** Initial steps are being taken to produce legislation to regulate AI. Certain interim measures are in place, including the White House recently announcing a voluntary agreement with seven prominent generative AI companies to provide minimum guardrails for safety, security, and public trust, as safeguards.⁴¹
- **UK:** Currently, the UK plans to split responsibility for governing AI between existing regulators for safety, transparency, fairness, and accountability rather than creating a new body dedicated to the technology.⁴²
- **Brazil:** A draft AI law outlines the rights of AI usage and provides guidelines for categorizing different types of AI based on the risk they pose to society.⁴³
- **Japan:** Japan has adopted a “soft law” approach to AI regulation: the country has no prescriptive regulations governing specific ways AI can and can’t be used. Instead, it has opted to wait and see how AI develops, citing a desire to avoid stifling innovation.⁴⁴

Highlighting the importance of governing AI, Aaren Ekelund from Microsoft Denmark says: *"It's essential to govern generative AI effectively, providing adequate education to ensure people understand its implications, rather than outright preventing them from exploring its potential."*

Similarly, Veronique Bruhat from Sanofi underscores the significance of regulations: *"Regulatory processes and data privacy are critical in pharmacovigilance, integrating AI into these processes has the potential to accelerate our ability to meet patients' needs and make more informed decisions about adverse events, in a way that maintains responsibility and ethics in the core of the way we work."*

ITERATIVE EXECUTION

Drive implementation through experimentation and continuous iterations

- **Start with small-scale projects** as testing grounds to help you evaluate the effectiveness of generative AI in specific marketing tasks – look for simple, high-impact, low-risk use cases.

Claudia Willvonseder, Executive Board Member at Dr. Oetker, says: *"We need to exercise caution and not rush into using generative AI simply because it's trending. Strategic and thoughtful implementation is key."*



"It's essential to govern generative AI effectively, providing adequate education to ensure people understand its implications, rather than outright preventing them from exploring its potential."

AAREN EKELUND

Chief Marketing Officer & Chief
Communication Officer,
Microsoft Denmark

Establish a rigorous testing and verification strategy with synthetic scenarios and adversarial testing to monitor AI outputs for incorrect results or invalid representations. Human involvement is crucial to address contextual and nuanced limitations in AI results.

- **Learn from small projects and monitor continuously.** Implement robust monitoring systems to track and analyze data to measure ROI, customer engagement, and overall progress.

Elizabeth Cunningham at IAG Loyalty says: *"Test generative AI on small use cases: learn, tweak, and optimize. In as agile a way*

as possible and using the same process, try to understand how we can use this technology to get the greatest benefit from it."

- **Use a process of iterative refinement**, and adjust strategies based on real-time feedback. This ensures that the marketing team stays agile and responsive.

Linda Ha from Ikea Ingka says: *"The assignment-based approach has proven highly effective in uniting cross-functional teams to define specific use cases and adopt an iterative test-and-learn method for applying new technologies. This approach enables a phased transformation that meets both business and customer needs."*

Safeguard success by implementing robust security and privacy protocols

Our research highlights concerns around data collection, data security, and copyright. For example, nearly seven in ten organizations surveyed agree that the use of sensitive data in generative AI processes could pose a risk of cyberattacks and data breaches. A similar proportion acknowledge issues associated with generative AI content, citing concerns about copyright and intellectual property rights infringement as well as the risk of generating misinformation or inappropriate content, which could lead to reputational damage and legal repercussions. To protect against these issues, we recommend marketers follow the steps below.

- **Curate data meticulously**, verifying its authenticity and relevance to avoid misleading outcomes and skewed results.

The chief marketing and digital officer of an Indian multinational automotive manufacturing corporation says: *"One of the requirements to make generative AI more effective is to have a very clear data strategy in place, because it takes out output from the data which you supply. So, it's important to filter and curate the data which goes in."*

- **Focus on collection of diverse, high-quality datasets** through rigorous validation and cleansing processes, ensuring representative and unbiased data.



"In banking and insurance there is huge amount of critical data for customers. The key challenge for us is ensuring that artificial intelligence stays within regulations on data and security."

MONICA GONZALEZ PEÑAS

Chief Customer and Marketing Officer,
Allianz

- **Collaborate with domain experts** to gain valuable insights, enhancing dataset accuracy.
- **Invest in continuous monitoring and updates** to reflect changing consumer trends.

A product management and marketing executive for a French digital automation and energy management company says: *“Concern arises when data contains biases due to errors in collection or unusual comments, potentially leading to flawed or biased outputs. This issue raises the risk of incorrect implications, a critical concern for us.”*

- **Safeguard sensitive data through robust privacy protocols** to maintain customer trust, ensure legal compliance and prevent breaches. Adhere to data privacy laws such as the EU's GDPR, Japan's Protection of Personal Information Act, Singapore's Personal Data Protection Act (PDPA), the California Consumer Privacy Act (CCPA) enforceable from March 2024, India's Digital Personal Data Protection (DPDP) Act enforceable soon, and other similar legislations.⁴⁵
- **Build a data governance framework** to ensure data is managed, processed, and utilized in a standardized, secure, and compliant manner. Clear guidelines on data access, usage, retention, and organization can mitigate risks associated with data misuse.
- **Review transaction terms** and insist on terms of service from generative AI platforms, ensuring proper

licensure of training data, and seek broad compensation for failure to license data appropriately.

- **Limit employee access to generative AI platforms**, with guidelines encouraging use only when necessary. Protocols should prevent inadvertent input of sensitive business data and address concerns highlighted by incidents such as the Samsung data leakage.⁴⁶

Monica Gonzalez Peñas, Chief Customer and Marketing Officer at Allianz, says: *“In banking and insurance there is huge amount of critical data for customers. The key challenge for us is ensuring that artificial intelligence stays within regulations on data and security.”*

Navigate responsibly, addressing the environmental impact of generative AI

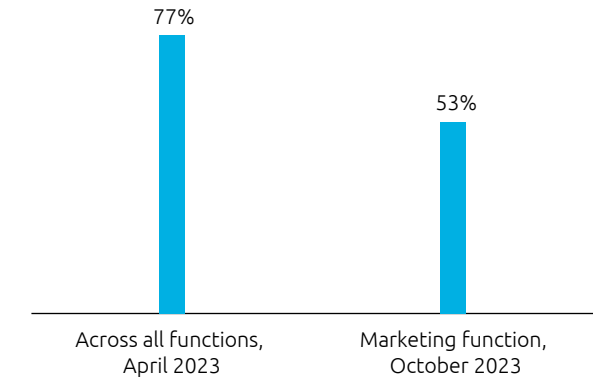
Measuring generative AI's carbon emissions is challenging. Despite its marketing benefits, 50% of organizations fear generative AI's environmental impact might exceed that of traditional methods due to the high energy demand of complex AI models. For instance, GPT-3 training emitted over 550 Mt of CO₂ and OPT surpassed 75 Mt of emissions.⁴⁷

Our survey shows that 53% of organizations now aim for sustainable integration within marketing initiatives, compared to 77% in our previous report across sectors and functions (see Figure 33).

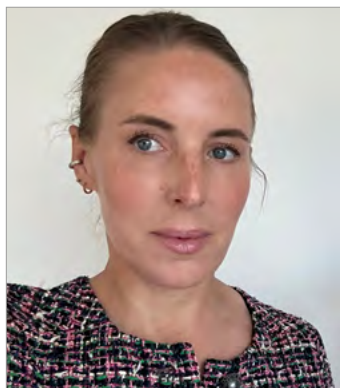
FIGURE. 33

Organizations are less conscious about implementing and scaling generative AI in marketing in a sustainable way

SHARE OF ORGANIZATIONS WHO ARE CAUTIOUS ABOUT IMPLEMENTING AND SCALING GENERATIVE AI IN A SUSTAINABLE WAY



Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,752 executives with marketing responsibilities from unique organizations who are aware about generative AI; *Harnessing the value of generative AI: Top use cases across industries*, July 2023.



“Employees need to learn effective prompting of AI models. Inadequate prompts compromise the quality of output and the possibility of harnessing the full potential of AI and LLMs (large language models).”

FELICIA LEKSELL
Chief Marketing Officer,
Ericsson ONE

The growing awareness of generative AI's energy-intensity highlights the need for sustainable marketing strategies. Organizations should:

- **Establish clear sustainability guidelines**, especially considering the carbon footprint of generative AI. A single query can emit 4–5 times more carbon than a search-engine query⁴⁸ (and ChatGPT had 173 million users/1.8 billion monthly visits in April 2023⁴⁹).
- **Conduct regular training sessions and internal communications** to educate marketing staff about the energy-intensive nature of AI use.
- Our recent report on AI use outlined key ways to promote a sustainable user model, including **optimal model architecture, compression techniques, parallel computing, early stopping, larger batch size, and energy-efficient hardware and data centers**.⁵⁰

Ronaldo Art, Chief Marketing Officer for Kimberly Clark Brazil says: *“The marketing of the future is about what is going on in your surroundings, and that includes sustainability, environmental, social, and governmental aspects in your city/province/country that affect your consumers. Therefore, marketing is required to be done in a more responsible way.”*

EXPAND BOUNDARIES

Cultivate dynamic partnerships and enhance in-house expertise for an expansive utilization

Collaborating with external generative AI experts and simultaneously investing in internal employee training is a powerful strategy. Our research finds that close to half (46%) of organizations intend to partner with external agencies or consultancies for generative AI guidance in the near future.

As we saw earlier, there is a talent gap with respect to generative AI expertise in marketing. Further, 63% of surveyed organizations also feel that new, as yet unknown, job roles in marketing will emerge in the next few years.

To fill in the skills gap and be future-ready, organizations should:

- **Partner with external experts and firms**, including hyperscalers and technology providers (such as AWS, Microsoft, Adobe, Salesforce, Google) to gather fresh perspectives, knowledge, and innovative solutions that might not be available within the organization. These experts can provide insights into the latest trends, best practices, and real-world applications, enabling marketers to stay ahead.



“Strategic thinking, creativity, and the generation of unique ideas remain in the domain of experts – humans. The key is to empower these experts with AI tools.”

CLAUDIA WILLVONSEDER

Executive Board Member,
Dr. Oetker

- **Invest in internal training programs** to equip employees with generative AI skills, reducing reliance on external experts. Offer workshops on generative AI to give the team a sense of potential applications and the confidence to begin experimenting. To ensure meaningful outcomes, train employees on how to prompt generative AI tools correctly. Felicia Leksell, Chief Marketing Officer, Ericsson ONE, says: *“Employees need to learn effective prompting of AI models. Inadequate prompts compromise the quality of output and the possibility of harnessing the full potential of AI and LLMs (large language models).”*

Organizations handling highly sensitive personal data, especially in the public sector, may adopt a hybrid strategy for developing generative AI skills. This approach involves strategic partnerships for specific components while retaining crucial institutional knowledge in-house. Conrad Bird from the UK Cabinet Office says: *“Our primary choice is internal development of the generative AI platform. However, as a contingency, a hybrid approach is considered, outsourcing specific components while preserving vital skills and institutional knowledge in-house. This balances external expertise with internal security protocols.”*

Strike a harmonious equilibrium between generative AI and human ingenuity

Organizations must recognize the distinctive strengths of both AI and humans, ensuring that technology augments rather than replaces human capabilities. Marketing leaders should acknowledge **AI's proficiency in data-driven tasks and content generation**, while valuing **human creativity in storytelling and understanding nuanced emotions**.

A marketing technology executive at an American clothing organization says: *"It's possible for a brand to create and showcase a campaign using generative AI. However, this could demotivate employees who were not involved in this initiative. Leaders need to recognize that happy employees lead to satisfied customers. Balancing technological advancements with human creativity and recognition is essential."*



"The marketing of the future is about what is going on in your surroundings, and that includes sustainability, environmental, social, and governmental aspects in your city/province/country that affect your consumers. Therefore, marketing is required to be done in a more responsible way."

RONALDO ART

Chief Marketing Officer,
Kimberly Clark Brazil

AI should be left to handle repetitive tasks, freeing marketers to focus on creatively interpreting data, infusing campaigns with genuine human experiences, and building meaningful audience connections. Linda Ha from Ikea Ingka says: *"I believe that generative AI will fuel our creativity by automating operational processes, allowing us to free our time and focus on delivering enhanced value to our customers and exploring innovative engagement strategies. It opens up new horizons for creativity."*

By recognizing the unique strengths each brings to the table, organizations can harness the full potential of both generative AI and human input, ensuring a future where human creativity and technology seamlessly coexist. Claudia Willvonseder from Dr. Oetker says: *"Strategic thinking, creativity, and the generation of unique ideas remain in the domain of experts – humans. The key is to empower these experts with AI tools."*

Transcend conventional roles to embrace a new era of tech-infused collaboration

It is crucial for marketing leaders to **transcend traditional roles**, moving beyond brand custodianship and communication management. Modern marketers need to **understand and utilize cutting-edge tools and digital platforms**, including generative AI. Rupert Bedell from Paysend highlights the crucial role of technology adoption for CMOs: *"The demands on a CMO are much greater ... as well as being a creative influencer, you need to understand the technology more than ever before. To transition into a CMO role in the future, understanding AI absolutely needs to be on everybody's development plan."*

By embracing technology, marketers can drive real-time engagement, analyze market trends, personalize customer experiences, and, ultimately, ensure the sustained success of their organizations in the digital age. Highlighting the limitations of inadequate technological capabilities, a marketing technology executive at an American clothing brand asserts: *"If marketing leaders lack a deep understanding of technology's capabilities, they are forced to rely on others. This can create an imbalance, especially with external partners keen on promoting their own products. They might not fully disclose the drawbacks, leaving marketing leaders in a vulnerable position."*



I believe that generative AI will fuel our creativity by automating operational processes, allowing us to free our time and focus on delivering enhanced value to our customers and exploring innovative engagement strategies. It opens up new horizons for creativity."

LINDA HA

Global Customer Engagement &
Loyalty Manager,
Ikea Ingka

Conclusion

Generative AI has emerged as a transformative force in marketing, with almost half of the surveyed organizations dedicating specific resources for its implementation. Currently, nearly 60% of marketers are actively incorporating generative AI into their strategies, leveraging its potential to create content, enhance campaigns, and optimize data analysis. Generative AI is also instrumental in delivering a high level of personalization across various channels.

However, there are challenges, including ethical dilemmas and copyright concerns, surrounding AI-generated content. There is a need for clear regulation and ethical frameworks.

To successfully adopt generative AI in marketing, firms must strategically redefine their direction, outlining integration goals, adopting a pragmatic investment approach, assessing tech infrastructure, and mobilizing marketing specialists. Simultaneously,

they should strengthen oversight with robust ethical guidelines that emphasize iterative execution through experimentation, robust data security, and environmental awareness. These efforts should be integrated and pursued in parallel, for a comprehensive, positive and sustainable approach.

Maintaining a balance between generative AI and human creativity is vital if we are to preserve authenticity and innovation in marketing approaches. The profound impact of generative AI not only promises enhanced creativity and efficiency but also holds unlimited potential for the future. Organizations that hesitate to embrace this technological shift risk falling behind in a rapidly evolving landscape where innovation and adaptability are crucial for success.

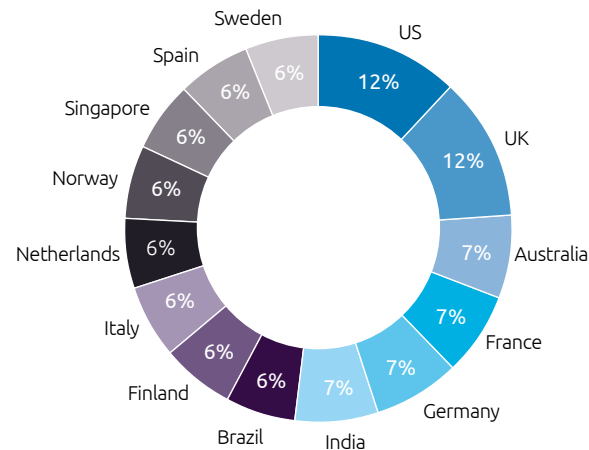
Research methodology

We conducted a focused survey in October 2023, engaging 1,800 executives overseeing marketing strategies across diverse organizations worldwide. To complement this research we interviewed 25 chief marketing officers (CMOs) and marketing leaders with firsthand knowledge or awareness of their organization's generative AI initiatives.

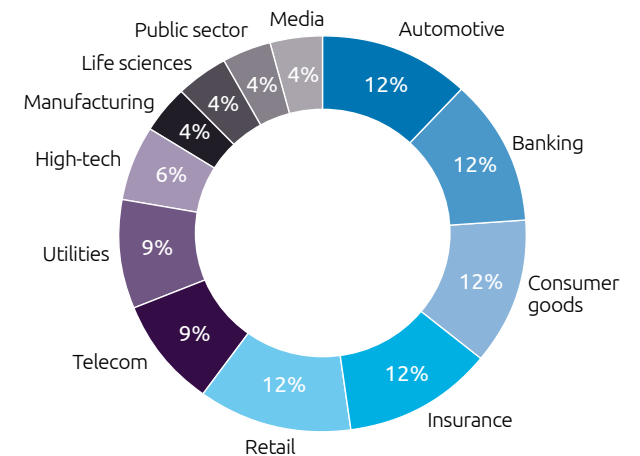
Charts comparing 2021 and 2023 data exclude respondents from B2B sectors, as they were not part of the 2021 survey. The covered sectors include automotive, banking, consumer goods, insurance, retail, telecom, and utilities.

Our findings reflect the views of the respondents to our online questionnaire and are aimed at providing directional guidance. Please contact one of the Capgemini experts listed at the end of the report to discuss specific implications.

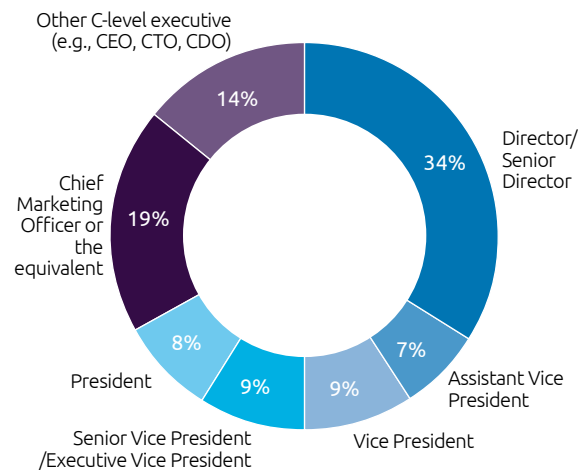
**% OF ORGANIZATIONS
BY HEADQUARTERS LOCATION**



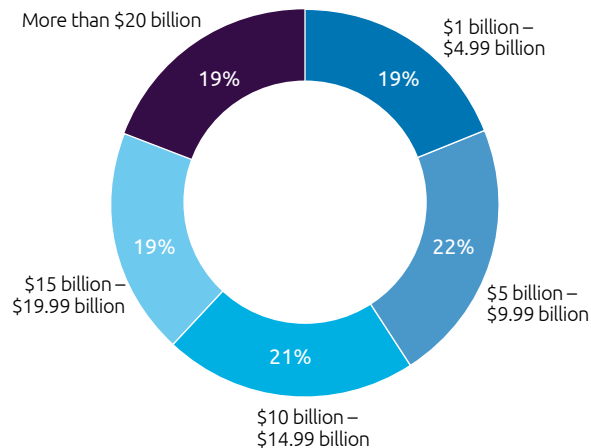
% OF ORGANIZATIONS BY SECTOR



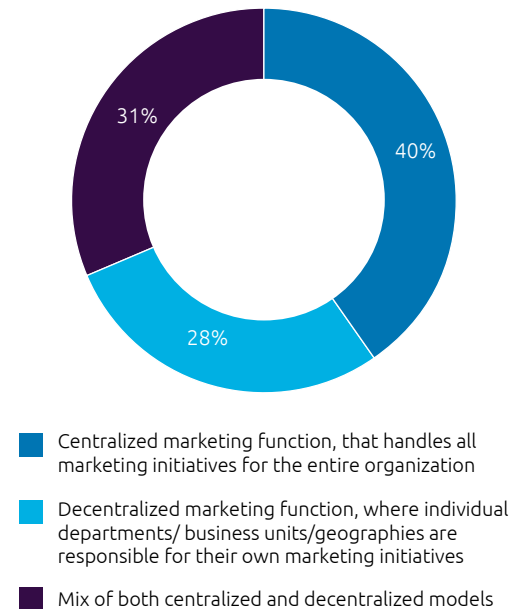
RESPONDENTS BY TITLE



ORGANIZATIONS BY ANNUAL REVENUE



ORGANIZATION BY TYPE OF MARKETING FUNCTION



Source: Capgemini Research Institute, CMO Playbook #2 research, Sep–Oct 2023; N=1,800 executives with marketing responsibilities from unique organizations.

References

1. Bloomberg, "Generative AI to Become a \$1.3 Trillion Market by 2032, Research Finds," June 2023.
2. Mint, "No technology has ever reached 100 million users faster than ChatGPT, which crossed that threshold in just two months," March 2023.
3. Capgemini Research Institute, *Harnessing the value of generative AI: Top use cases across industries*, July 2023.
4. Capgemini Research Institute, *Why consumers love generative AI*, June 2023.
5. Capgemini Research Institute, *A New Playbook for Chief Marketing Officers*, September 2021.
6. Forrester, "Predictions 2024: GenAI And Partners Help B2B Marketing, Sales, And Product Endure A Wild Ride Ahead," October 2023.
7. TechwireAsia, "Google Cloud and Continental to equip generative AI in cars," September 2023.
8. Aum, "Generative AI : How Generative AI Is Revolutionizing the Digital Marketing?", August 2023.
9. Techcrunch, "Walmart experiments with generative AI tools that can help you plan a party or decorate," October 2023.
10. Insight Partners, "Generative AI, SEO, and what leaders should know: Google search in the future," September, 2023.
11. Designboom, "IKEA AI app replaces your furniture with its products to help you shop," June, 2022.
12. Medium, "Companies and Marketing agencies steadily adopting GenAI in Marketing!", August 2022.
13. Adobe, "Adobe Unveils Adobe GenStudio for Enterprises," September 2023.
14. ARN, "Allstate's cloud-first approach to digital transformation pays off," October, 2023.
15. Marqeta, "Marqeta announces new Generative AI investments," August 2023.
16. PR Newswire, "Moody's and Google Cloud partner on generative AI applications tailored for financial services professionals," October, 2023.
17. LinkedIn, "Meaningful Use of Google's Generative AI," August 2023.
18. CGT, "Coca-Cola Creations Travels to Year 3000 With Generative AI-Powered Experience," September 2023.
19. COTW, "Heinz A.I. Ketchup," August 2022.
20. Analytics Vidhya, "Spotify embraces AI: From personalized playlists to audio ads," July 2023.
21. Sephora website, accessed on October 2023.
22. Economic Times, "Generative AI and all about its automotive application," September 2023.
23. Adweek, "Coca-Cola's Holiday Campaign Gets a Generative AI-Powered Makeover," November 2023.
24. Persado, "Generative AI for the customer experience: Understanding 4 big opportunities," August 2023.
25. The Hindu business line, "Flipkart leverages GenAI to improve customer experiences," September 2023.
26. Amazon, "Amazon launches generative AI to help sellers write product descriptions," September 2023.

27. LinkedIn, "The Adoption of Digital Marketing Pre and Post-Pandemic," August 2023.
28. Harvard Business Review, "Yes, the Metaverse Is Still Happening," May 2023.
29. Capgemini Research Institute, *Total Immersion: How immersive experiences and the Metaverse benefit customer experience and operations*, December 2022.
30. Forbes, "The Amazing Ways Coca-Cola Uses Generative AI In Art And Advertising," September 2023.
31. Adweek, "Nestlé Brand Is Latest to Venture Into Brave New World of AI Art Direction," September 2022.
32. WordStream, "How to Harness the Power of Generative AI in Digital Marketing Responsibly & Effectively," July 2023.
33. CIO, "10 most in-demand generative AI skills," September 2023.
34. LinkedIn, "Skills Workers Will Need in the Age of Generative AI – Part 1: Digital and Technical Skills," April 2023.
35. The Verge, "Getty Images is suing the creators of AI art tool Stable Diffusion for scraping its content," January 2023.
36. Capgemini Research Institute, *"A world in balance 2023: Heightened sustainability awareness yet lagging actions,"* November 2023.
37. Ibid.
38. *Harvard Business Review*, "How greenwashing affects the bottom line," July 2022.
39. Capgemini Research Institute, *"A world in balance 2023: Heightened sustainability awareness yet lagging actions,"* November 2023.
40. *Washington Post*, "From China to Brazil, here's how AI is regulated around the world," September 2023.
41. Pillsburylaw, "Unleashing the AI Imagination: A Global Overview of Generative AI Regulations," August 2023.
42. Ibid.
43. *Washington Post*, "From China to Brazil, here's how AI is regulated around the world," September 2023.
44. Ibid.
45. PIWIK, "17 new privacy laws around the world and how they'll affect your analytics," accessed on November 2023.
46. LinkedIn, "Risks and security considerations for organizations starting on Generative AI," August 2023.
47. MIT Technology Review, "We're getting a better idea of AI's true carbon footprint," November 14, 2022.
48. Euronews, "ChatGPT: What is the carbon footprint of generative AI models?" May 2023.
49. Nerdy Nav, "97+ ChatGPT statistics & user Numbers in May 2023," May 2023.
50. Capgemini Research Institute, *Harnessing the value of generative AI: Top use cases across industries*, July 2023.

Key contributors

**Gagandeep Gadri**

Managing Director, frog
and Head of frog, UK
gagandeep.gadri@frog.co

**Bhavesh Unadkat**

Vice President,
Head of Marketing Services, frog
bhavesh.unadkat@frog.co

**Ron Tolido**

CTO,
Insights and Data Global Business Line
Capgemini
ron.tolido@capgemini.com

**Alex Smith-Bingham**

Executive Vice President,
Customer Experience Group Offer Lead,
Capgemini
alex.smith-bingham@capgemini.com

**Mark Oost**

Global Offer Leader AI, Analytics and Data
Science, Insights and Data, Capgemini
mark.oost@capgemini.com

**Steve Jones**

Executive Vice President, Data Driven
Business, Capgemini
steve.g.jones@capgemini.com

**Darshan Shankavaram**

Executive Vice President,
Digital Customer Experience Global
Practice Leader, Capgemini
darshan.shankavaram@capgemini.com

**Yvo Booisma**

Vice President, Global Offer Leader
Marketing, Capgemini
yvo.booisma@capgemini.com

**Valerie PERHIRIN**

Managing Director, Sustainability powered
by Data & AI, Capgemini
valerie.perhirin@capgemini.com

**Christina Schehl**

Executive Vice President
Head of Customer First Germany, Capgemini
christina.schehl@capgemini.com

**Jerome Buvat**

Head of Capgemini Research Institute
jerome.buvat@capgemini.com

**Hiral Shah**

Manager, Capgemini Research Institute
hiral.shah@capgemini.com

**Susan Maginn**

UK Live Marketing Lead, frog
susan.maginn@frog.co

**Subrahmanyam KVJ**

Senior Director,
Capgemini Research Institute
subrahmanyam.kvj@capgemini.com

**Amrita**

Senior Manager,
Capgemini Research Institute
amrita.a.amrita@capgemini.com

The contributors would like to especially thank Marisa Slatter and Anushree Kanodia for their contribution to the research.

The contributors would also like to thank Anu Jain, Naresh Khanduri, Lee E Dempsey, Shawn Goodin, Courtney Holm, Cortney Knoll, Marc Peeters, Alon Tirosh, Ed Bolton, David Robert, Chris Harrison, Markus Cramer, Oscar Olsson, Andreas Markdalen, Philippe Thobie, Christopher Baird, Laurence Parkes, Ross Landles, Rob Bartlett, Aarti Kulkarni, Jane Asscher, Komi Sarna, Marion Lecorbeiller, Kazari Anupam Patra, Kristin Morris, Rupali Chakraborty, Ashwani Kumar and Punam Chavan for their contributions to the research.

ELEVATE YOUR MARKETING POSSIBILITIES WITH THRILLING GENERATIVE AI OPPORTUNITIES

Generative AI, with its unparalleled ability to generate entirely new content, can change how marketers work and how customers interact with their favorite brands. Beyond efficiency gains and enhanced creativity, generative AI can accelerate market research, leading to a more nuanced understanding of customer needs and behaviors. With a better perception of what motivates customers, we can make personalized and contextually relevant interactions an every-moment occurrence for them along any journey.

At Capgemini, we're leading the charge in this era of experience empowerment to give organizations responsible and ethical AI solutions that align with compliance frameworks and their business objectives. Our five offerings represent steppingstones toward making generative AI a valuable tool for CMOs to be more efficient and effective in how they meet today's customer expectations.

1. Understand and tailor each customer journey

Since no two customers or journeys are alike, there's no reason why the content should all be the same. Everyone knows that personalized content will naturally engage more customers. But relevant content is just as important. That's why organizations must first grasp the intricacies behind all the possible paths customers take and make them more compelling for each unique persona.

Depending on the channel, touchpoint, and customer objective, we can build customized generative AI chat interfaces that act like personal assistants, ready to give customers exactly what they want. When queried, these interfaces respond with images, videos, and messaging geared towards moving the journey forward – and every new interaction contributes to AI's goal of refining the next experience.

[Contact us](#) to learn how this offering can help you define and shape your customer journeys.

2. Design the experience

Generative AI can assist in the rapid prototyping of ideas, providing visual or conceptual models for evaluation, thus reducing the time and resources traditionally required in the design process. During ideation, generative AI becomes a brainstorming partner, suggesting creative concepts and product and service designs based on a blend of historical data, current market trends, and emerging consumer preferences. This ensures the generated ideas are unique and relevant. Although we don't believe generative AI will fully replace human creativity and expertise, it can save marketers valuable time, which they can channel into crafting and launching more exceptional campaigns at record speed. After all, it's much easier to slightly tweak an almost complete marketing asset than it is to build one from the ground up.

Your Gen AI Campaign Builder

Imagine being able to create multiple campaigns targeting diverse audiences across many different channels – with just a single brief. That's the promise of our campaign accelerator. In a pioneering proof of concept, we put this tool in the hands of an automotive marketing department: first they select a car as the focal point for their campaign, then the features to highlight (safety, performance, space, etc.), the target audience (working professionals, parents/families, sports enthusiasts, etc.), and lastly the platform (Facebook, Instagram, Twitter, etc.) on which the campaign will run. With this input, the tool generates a theme, combines images and messages, and filters everything through the company's brand guidelines for consistency and cohesive representation. It provides several initial options from which the marketer can then add the final touchups and deploy the campaign in a matter of weeks – significantly reducing the time to market. The tool has been developed to accommodate any industry's requirements.

[Contact us](#) for a customized demo.

3. Power the experience

After identifying the journeys and creating the bespoke designs, it's time to activate them with real-time customer information. Capgemini's Connected Marketing Engine platform leverages AI, machine learning, and advanced analytics to pool all customer data in one place. With its ability to bridge technology tools and break down marketing silos, the platform can be integrated into any existing ecosystem to:

- Create 360° customer profiles that bring both online and offline touchpoint data together.
- Give marketers and in-store staff access to relevant customer information through dashboards.
- Deliver real-time personalized content using generative AI.

With vital customer data in hand – and generative AI assistance on demand – employees can enhance their marketing, sales, and service capabilities to forge lasting customer connections.

[Contact us](#) for a demo and [read our PoV](#) to learn more about this offering.

4. Scale up marketing assets with greater efficiency

With the engine powering exceptional customer experiences, it's time to speed up content production. Despite being at an all-time high, demand for even more personalized content will keep growing, which means CMOs must find ways to be more efficient and relevant in how they communicate with various audiences.

With this offering, CMOs can integrate generative AI into their creative workflows and quickly put together multiple variations of content that considers a recipient's age, gender, health, political views, important life moments, and more for on-point delivery. This integration will empower marketing teams to increase efficiency, lowering costs per asset, and transform their operating models to rely less on agency involvement.

Adaptive content creation powered by generative AI

Capgemini is making content precision and speed an imperative for many organizations. We're currently working closely with a leading global consumer products brand to strategically place advertisement videos within social media.

The brand knows that to get maximum engagement, the videos must be adapted to suit different audiences, which means one broad stroke likely won't make huge engagement ripples. This is where generative AI's ability to glean real-time customer behaviors comes in handy – in addition to helping create and distribute multiple versions of the same intended message.

5. Deliver concrete business outcomes

How can CMOs ensure their generative AI initiatives meet compliance standards and make a real difference across the organization? Capgemini's Generative AI Lab helps clients adhere to a reliable and secure framework so that all solutions are developed with the best quality and ethical standards in mind. Our lab includes a dedicated team of AI experts, whose priority is to follow the evolution of the technology as well as to research and apply the most relevant generative AI use cases for our clients.

For more information, visit <https://www.capgemini.com/aifutures>

Unlock the future of superior customer experience now

When the power and beauty of human intelligence combine with technological innovation, the imagined possibilities become tangible. Our aim is to help CMOs discover the multitude of possibilities generative AI will unveil as the technology amplifies human potential.

With a global collective of 30,000+ data and AI consultants and engineers, frog, a leading global creative consultancy, part of Capgemini Invent, our exceptional industry experts, and a strong ecosystem of partners all along the generative AI value chain, we bring to life our clients' most relevant use cases for substantial business impact every time.

[Contact us](#) and learn how you can apply generative AI across the full content life cycle, leveraging our five offerings:

Generative AI-Driven Customer Journeys

Generative AI Synthetic Design

The Connected Marketing Engine

Generative AI-Driven Content Velocity

Generative AI Lab

Tackling some generative AI adoption risks

Capgemini is well aware of the risks that leveraging generative AI can pose to businesses. That's why we're building a fully packaged generative AI innovation toolkit to equip organizations with the materials and guidelines they need to dial up their innovation efforts, safely and effectively. We already have a few assets available:

- **Project initiation form:** designed to simplify generative AI project briefings with creative agencies, ensuring clarity and efficiency from the outset while bolstering project scalability and safety.
- **Legal risks and recommendations guide:** guidance covering generative AI legal challenges, from IP ownership to AI ethics, paired with actionable strategies and a handy checklist for safe and responsible adoption.
- **Best practice pilot framework:** an essential guide to navigating generative AI projects with confidence, including legal, data, ethics, and security measures, to help organizations innovate responsibly while maximizing the technology's potential.
- **Generative AI tool selector:** a dynamic framework designed to help organizations select the most suitable generative AI tool for each use case, with a traffic light grading system to clearly indicate tool effectiveness and safety.
- **Tip sheets:** guidelines, including the dos and don'ts of selecting and using generative AI tools.

frog- Unlocking the Power of AI

Defining your GenAI enabled Marketing Strategy

frog is a leading global creative consultancy, part of Capgemini Invent. We enable CMOs and marketing executives to push the frontier of brand and consumer relationships, develop robust capabilities, and launch new ventures that enhance the customer journey. At frog, we help clients imagine new opportunities by leveraging emerging technologies like Gen AI as a tool for accelerating innovation and growth. This includes:

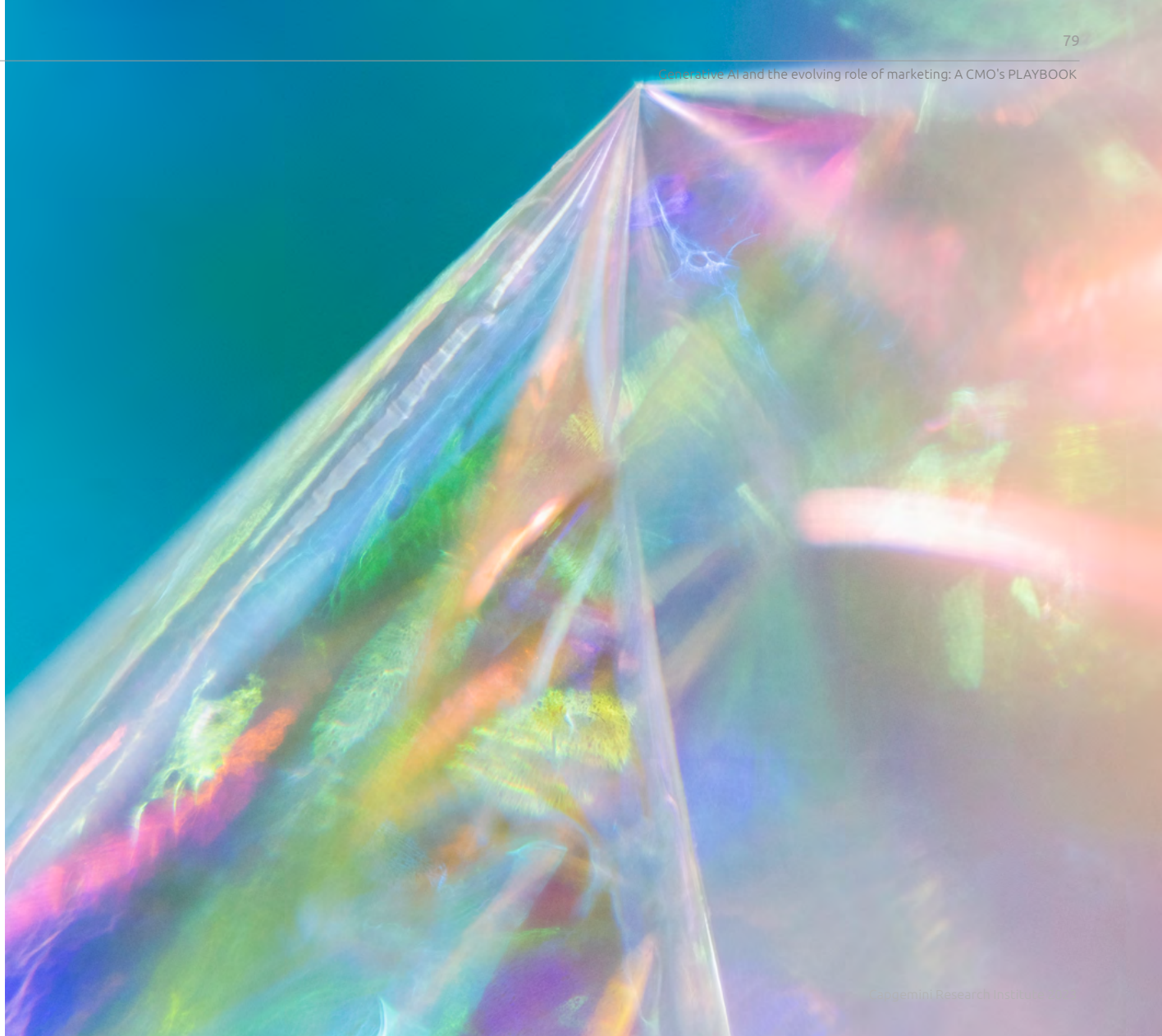
- Crafting brand narratives that engage new audiences and deepen customer loyalty
- Redefining customer experiences through AI-powered hyper-personalization
- Empowering human creativity through AI
- Defining a blueprint for ethical AI through clear and robust governance

Get in touch to learn how to unlock Gen AI's unprecedented creative potential: <https://www.frog.co/contact>

About the Capgemini Research Institute

The Capgemini Research Institute is Capgemini's in-house think tank on all things digital. The Institute publishes research on the impact of digital technologies on large traditional businesses. The team draws on the worldwide network of Capgemini experts and works closely with academic and technology partners. The Institute has dedicated research centers in India, Singapore, the UK, and the US. It was recently ranked number one in the world by independent analysts for the quality of its research.

Visit us at www.capgemini.com/researchinstitute



For more information, please contact:

Global contacts

Alex Smith-Bingham

Customer Experience Group Offer Lead,
Capgemini
alex.smith-bingham@capgemini.com

Gagandeep Gadri

Managing Director, frog
gagandeep.gadri@frog.co

Naresh Khanduri

Global Generative AI for CX Lead,
Capgemini
naresh.khanduri@capgemini.com

Mark Oost

Global Offer Leader AI, Analytics and Data
Science, Insights and Data, Capgemini
mark.oost@capgemini.com

Local contacts

Brazil

Caue Moresi

Insights & Data Practice Leader, Capgemini
caue.moresi@capgemini.com

India

Ramakrishna Srinivasa

Generative AI for CX Lead, Capgemini
ramakrishna.srinivasa@capgemini.com

Syed Husain Imam

Head of frog India
syed-husain.imam@frog.co

The United Kingdom

Rebecca Rusby

Generative AI for CX Lead, Capgemini
rebecca.rusby@capgemini.com

Bhavesh Unadkat

Vice President, Head of Marketing Services, frog
bhavesh.unadkat@frog.co

France

Ramzi Haddad

Generative AI for CX Lead, Capgemini
ramzi.haddad@capgemini.com

Philippe Thobie

Executive Vice President frog, France
philippe.thobie@frog.co

Spain

Raul Bartolome Ruiz

Head of Generative AI and Insights and
Data, Capgemini
raul.bartolome-ruiz@capgemini.com

The United States

Shawn Goodin

Generative AI for CX Lead, Capgemini
shawn.goodin@capgemini.com

Jessica Leitch

Vice President frog, North America
jessica.leitch@frog.co

Germany

Sargon Korkis

Generative AI for CX Lead, Capgemini
sargon.korkis@capgemini.com

Christina Schehl

Head of frog, Germany
christina.schehl@frog.co

The Netherlands

Eric de Wit

Generative AI for CX Lead, Capgemini
eric.de.wit@capgemini.com

Italy

Andreas Markdalen

Global Chief Creative Officer, frog
andreas.markdalen@frog.co

The Nordics

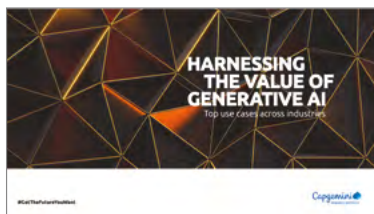
Wei Wei Feng

Gen AI Expert, Insights & Data, Capgemini
weiwei.feng@capgemini.com

Peter Alsterberg

Head of frog Sweden, Denmark & Finland
peter.alsterberg@frog.co

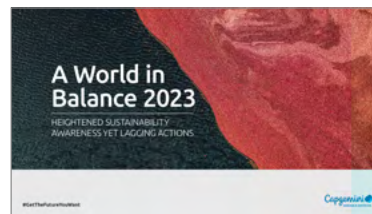
More Capgemini Research Institute Publications



Harnessing the value of generative AI:
Top use cases across industries



Why Consumers love generative AI



A world in balance: Heightened sustainability awareness yet lagging actions



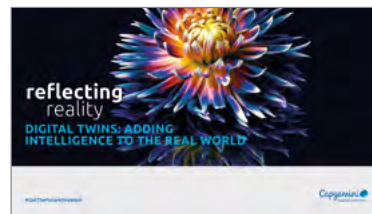
The art of software: The new route to value creation across industries



The power of open minds:
How open innovation offers benefits for all



Intelligent products and services: Unlock the opportunity of a connected business



Digital twins: Adding intelligence to the real world



Networks on cloud: A clear advantage

Subscribe to latest research from The Capgemini Research Institute



Receive copies of our reports by scanning the QR code or visiting

<https://www.capgemini.com/insights/research-institute/subscribe/>

Capgemini Research Institute

×

Fields marked with an • are required

First Name •

Last Name •

Email •

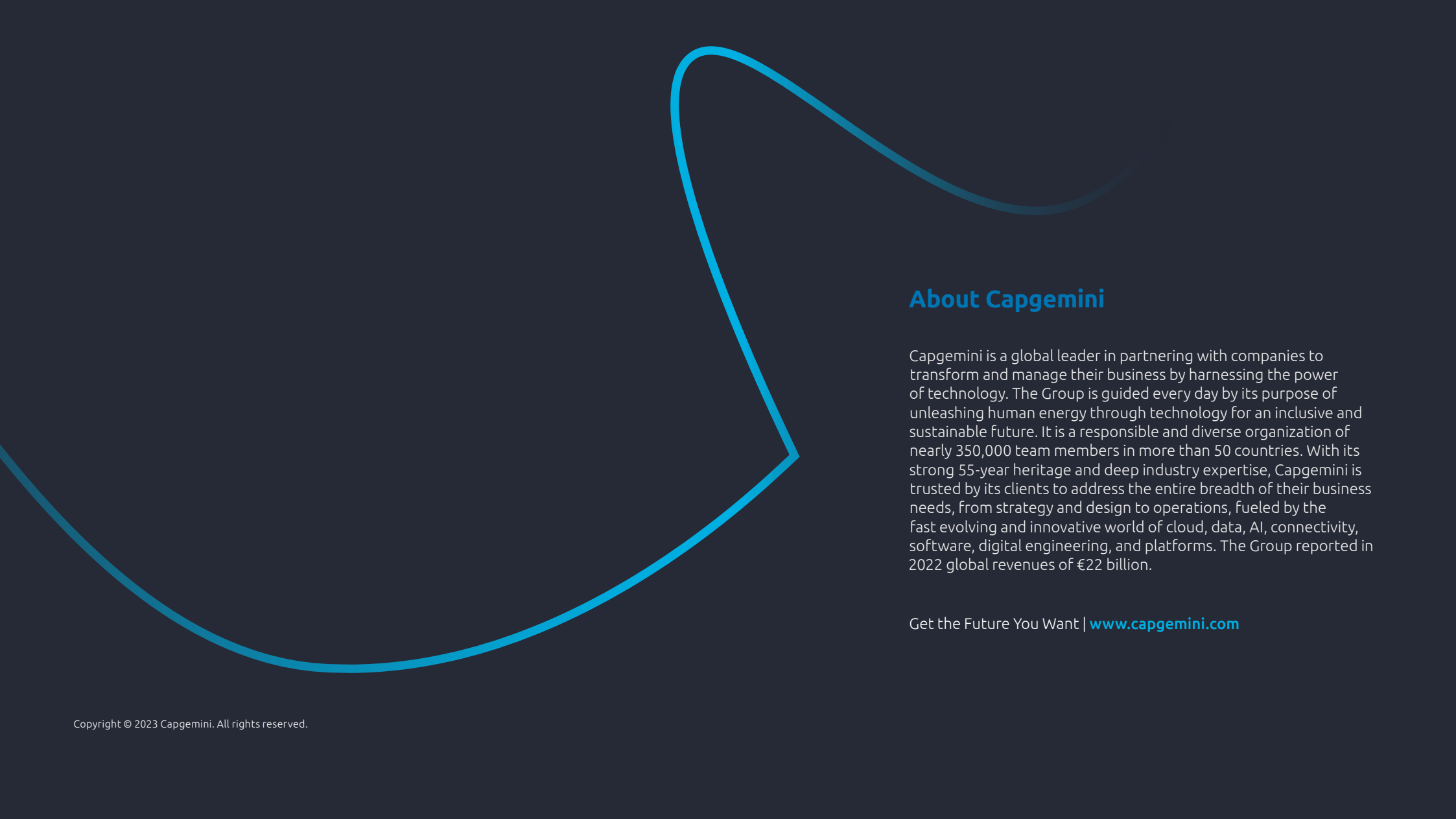
☐

By submitting this form, I understand that my data will be processed by Capgemini as indicated above and described in the [Terms of use](#).

Submit



NOTES

A thick, vibrant blue line that starts from the left edge, curves downwards and then upwards, forming a large, open, abstract shape that frames the text on the right.

About Capgemini

Capgemini is a global leader in partnering with companies to transform and manage their business by harnessing the power of technology. The Group is guided every day by its purpose of unleashing human energy through technology for an inclusive and sustainable future. It is a responsible and diverse organization of nearly 350,000 team members in more than 50 countries. With its strong 55-year heritage and deep industry expertise, Capgemini is trusted by its clients to address the entire breadth of their business needs, from strategy and design to operations, fueled by the fast evolving and innovative world of cloud, data, AI, connectivity, software, digital engineering, and platforms. The Group reported in 2022 global revenues of €22 billion.

Get the Future You Want | www.capgemini.com