7 ways brands, marketers, and retailers will use generative AI like ChatGPT and Lensa in the next few years

Article

AI chatbot ChatGPT and digital portrait generator Lensa have seen a lot of hype over the last couple of weeks. There's every chance their buzz is a passing fad. What's not a passing fad? The use of generative AI in marketing, which will increase significantly over the next few years.

Here are seven ways you might use the tech:

1. Create visual content for listings and social posts

At the center of AI's marketing takeover (okay, "takeover" might be a bit fatalistic) is creative content. Images taken by IRL people will be replaced partly by AI renderings. Why? The same reason tech often takes over (less fatalistic here): Because it's faster and cheaper. Commercial photography and logo design can cost thousands of dollars. AI costs less.

2. Generate marketing copy for product listings

This feature goes hand in hand with visual content. Why pay real people to write descriptions if an AI can do it faster and cheaper? One reason is people may do a better job.

In his The Rebooting Substack, Brian Morrissey described the soullessness of a worst-case generative AI future: "We'll have bots writing for bots, monetized by bots."

For both image and copy generation, human finesse is necessary to prevent what would essentially become marketing battle bots. Kate Lindsay argued in her Embedded Substack that the social media screenshots of silly ChatGPT conversations are "more about people showing off their prompts than it is the text. The reason they're interesting to anyone at all is due to what a human did, not a robot."

This reflects Morrissey's philosophy that "jobs displaced by technology are often replaced by other jobs." But no matter the human influence, AI will certainly be involved in the coming interaction of creative marketing content.

3. Allow users to change visual features of products

AI's marketing influence (that word is less scary than "takeover") will allow user interaction with products.

Rather than shooting a 360-degree video of a pair of shoes, AI could render a sneaker from any angle, in any size, with any background, and any modifications, as Troy Young mentioned

in his People vs Algorithms Substack. Digital merchandising is costly and laborious. AI will cut those corners.

That presents an opportunity for retailers like Shein, which our analyst Sky Canaves predicted will push into custom goods and on-demand fashion. Visualizing those customizations via AI rendering tools will push consumers closer to purchase.

4. Personalize marketing campaigns

If AI can visualize custom products, it can certainly personalize custom campaigns. Ads are already targeting consumers, but marketers and brands are limited to images and copy they have on hand. With AI cutting labor, consumers could see hyperpersonal campaigns.

That said, regulators already have data privacy concerns about targeted advertising. And tech companies like Apple and Google have already taken steps to limit third-party data collection. Just because AI will have the capability for hyperpersonalization doesn't mean regulators will let that happen.

5. Visualize try-ons via virtual avatars

If augmented reality (AR) doesn't make the dressing room virtual, AI will. It's likely we will see some combination of the two. Walmart already has an AI-powered virtual dressing room, which allows users to visualize products on different body types. And the company is still considering adding a social sharing component to virtual try-ons, which would turn a product listing feature into a social media marketing one.

Amazon has something similar in the works, and is already ahead of the curve on AR try-ons.

6. Optimize pricing and inventory

Technically this is a bit less generative, but it's one of the biggest retail use cases for AI. One brand doing this at scale is Shein, which uses AI to predict consumer demand and manage inventory. Shein has claimed it lists hundreds of thousands of new items daily, a feat that would be very difficult without an algorithm determining which items stay and which ones go.

7. Chat with customers to answer questions and resolve issues

It's not new to outsource customer service. It's not even new to outsource it to AI chatbots—customer service tech company Zendesk put out a guide for this. As chat gets better and more humanlike, the advantages of offering AI chatbots will only grow.

Bonus: Futurize gaming to boost another ad channel

What do improved nonplayer characters in video games have to do with marketing? A lot, considering they may give way to a "banner year" for the industry. AI will improve the gaming experience, which could lead to more gamers, expanding an industry that already comprises more than half of the US population, according to our forecast.

You're probably already keeping a somewhat suspicious eye on marketing in the metaverse. But don't let metaverse malcontents keep you from exploring gaming as a channel.

AI's Cambrian explosion will bring more complex tech to more companies, but AI has many more capabilities we don't yet know about. James Vincent explained this complexity in The Verge, calling it "capability overhang." Essentially, we do not know what we do not know about the things AI can do.

So yes, these seven (plus a bonus) features of generative AI will become common in the next couple of years. But so will more features that exist beyond the horizon of what we can envision.

The big picture: Marketers will need to take advantage of AI and keep an open mind to its changes. But taking advantage of AI doesn't mean sinking creative teams. Rather, AI will foster an era of human use of machines to optimize outcomes, just like digital art did before it.

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