

5 takeaways on generative AI, data, and personalization from Advertising Week New York 2023

Article

Advertising Week New York 2023 wrapped up yesterday. This year, conversations moved away from Web3 and NFTs and toward generative AI and retail media. Advertisers were focused on increasing market share and creating shoppable ads. Here are five key lessons we learned from the events.

1. Brand marketing and performance marketing are two sides of the same coin

“All media should perform,” said Vinny Rinaldi, US head of media at The Hershey Co., indicating that even ads traditionally seen as upper funnel should have a measurable impact, especially as they are increasingly shoppable.

Diana Haussling, senior vice president and general manager of consumer experience and growth at Colgate-Palmolive, said she considers all channels useful for both branding and performance channels.

2. Advertisements need to feel personal

“Our role is to make customers feel special, every way that we can,” said Jill Smith, vice president of media sales, Kroger Precision Marketing at 84.51°. Smith spoke specifically of retail media, but the quest for personalized ads extends to social media and beyond.

Elizabeth Preis, global CMO of Anthropologie, said that advertising is moving away from the old days of one ad that could appeal to many. Now, a brand creates several ads with the hope that each will resonate with different audiences. For example, ads featuring Anthropologie’s recognizable chunky sweaters and candles are geared toward the brand’s established, older consumers and not the younger ones the brand is trying to attract. Those new consumers are looking for edgier content without overpolished production value and sheerer, shinier looks.

3. Generative AI gets marketing closer to one-to-one messaging

True one-to-one personalization has long been the goal for marketers, and AI can help make that possible, said Vincent Yates, chief data scientist at consulting firm Credera. In a future state, generative AI could produce personalized ads at scale to target each consumer’s needs and contexts.

Generative AI is already helping with personalization from a shopping perspective. “The thing about generative AI is it’s an expert. It’s an expert in things that I am not an expert in,” said

Alex Kazim, vice president and general manager of global advertising at eBay. For example, AI can offer more information to a shopper searching for an air conditioner or suggest gift ideas to a shopper describing the demographics of a recipient.

4. Establish the right KPIs

Kazim noted just how much data a company like eBay Ads pulls in each day—billions of clicks—and it's hard to make sense of that. Advertisers need to zero in on exactly which KPIs matter to them.

Before doing anything, figure out which business objective you're trying to drive for and how granular your focus should be, advised Carolyn Han, senior manager of digital media and audience strategy at Nestlé USA. "Definitely ask the question, 'Why are we doing this again?'" said Han.

5. Don't sit on data—use it now

"Fail fast, fail forward," said Nestlé's Han, emphasizing the importance of using data to inform dynamic, in-flight change, rather than waiting to influence future campaigns.

"If I could have my wish, it would be to have measurement influence not the next campaign, but the next impression," said Dan Mouradian, vice president of global client solutions at analytics platform Innovid. A format like connected TV offers this advantage over linear because it can allow for changes when and where ads are being served or offer retargeting potential through retail media partnerships.

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