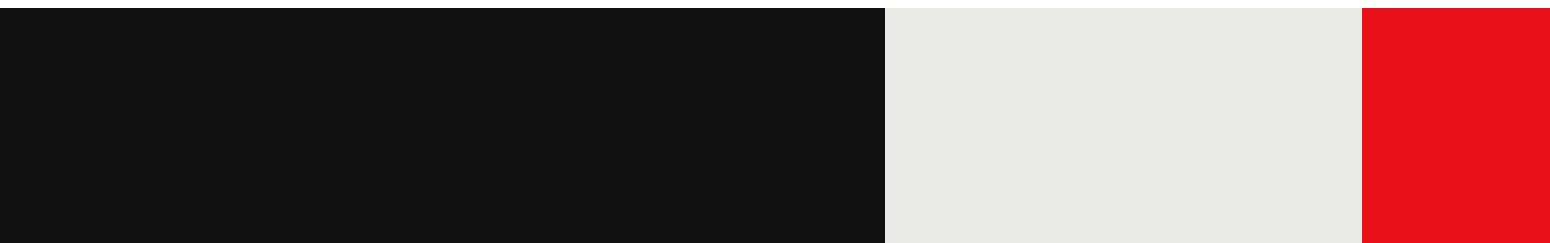



Coca-Cola used AI to generate its holiday ad campaign

Article



The news: Coca-Cola launched a series of AI-generated TV spots and ads for the holiday season. The most notable is a remake of its 1995 “The Holidays are Coming” spot, which depicts Coca-Cola trucks driving through a snowy forest and town, illuminating the surroundings with Christmas lights as they pass.

- The holiday spot was made entirely with generative AI, with help from three AI studios and several large language models.

How did it turn out? You be the judge. The AI-generated ads at times appear convincing but show some of the trademark limitations of current AI video generation tools.

- An uncanny gloss, diffuse lighting, rubbery facial features, frequent cuts, and a lack of spoken dialogue—all hallmarks of AI—are evident throughout the spots.
- Similar to an AI-generated ad from **Toys R Us** earlier this year, Coca-Cola's use of AI has prompted criticism from ad creatives.
- While a trained eye may be able to spot indicators of AI, the average consumer may not. Ad Age noted that consumers surveyed by System1 Group initially rated the ad similarly to the original 1995 spot—**though they were also not told the ad was made with AI.**

Why this matters: Coca-Cola is perhaps the most high-profile brand to launch an ad campaign made with generative AI, making this a significant moment for advertiser adoption of the tech.

- Coca-Cola began experimenting with genAI for ad creative early on. The company launched an AI image generator that used its own assets in 2023. Shortly after, executives said the technology was more crucial for brands to invest in than Web3. (Remember Web3?)
- While the holiday ads have ruffled some feathers, the initial consumer sentiment could be what brands hone in on. Several surveys have shown that consumers want brands to disclose AI use. But data also shows that many consumers fail to identify AI if it isn't disclosed—and sometimes even miss the disclosures.
- The ads' timing is also noteworthy. Consumers pay more attention to brand marketing during the holiday season, and Coca-Cola's campaign is swinging big by visibly leveraging the technology during a period of increased awareness.

Our take: Coca-Cola is among the most well-known brands in the world, and its full-throated embrace of genAI will likely inspire others to follow suit. Without clear rules about disclosures in place, it's up to brands to determine how to communicate their AI use—and data shows they may benefit from keeping quiet.

Generative AI (GenAI) Use Cases for Ad Creative

Use case	Description of use case	Examples of companies using AI
Enhance localization and personalization	Tailor content to specific regions and audiences	<ul style="list-style-type: none"> • Cadbury's "Not Just a Cadbury Ad" campaign personalized ads for 2,000 local stores in India • Nerf AX used AI to tailor characters for regional brand consistency • Hotel search firm Trivago used genAI to produce ads in more than 10 different languages featuring the same actor
Enhance user-generated content campaigns	Enable consumers to create personalized content	<ul style="list-style-type: none"> • Cadbury's AI campaign let users star in vintage ads with personalized likenesses
Generate images	Create custom images via AI tools	<ul style="list-style-type: none"> • Whirlpool used AI to generate holiday campaign images, achieving 2 million impressions • Coca-Cola's "Masterpiece" campaign used AI-generated animated artwork from famous paintings • Klarna saved \$6 million by using AI for image production
Generate text and headlines	Generate copy for marketing content	<ul style="list-style-type: none"> • JPMorgan Chase used Persado for copywriting, doubling ad click-through rates
Generate video	Produce AI-driven video content	<ul style="list-style-type: none"> • Cyber Inc. used Synthesia to create videos for online courses at scale • Nike's "Never Done Evolving" campaign used AI to simulate Serena Williams' tennis matches • Volkswagen's AI-generated ad featured Elis Regina performing with her daughter, Maria Rita
Improve operational workflows	Automate creative processes for faster output	<ul style="list-style-type: none"> • Klarna used AI to automate copywriting, saving \$10 million annually • Commercetools saved 93% on campaign creation time using Jasper
Simplify A/B testing and optimization	Test and refine campaigns using AI insights	<ul style="list-style-type: none"> • Whirlpool used AI-generated images to A/B test campaigns and boost engagement • Allied Global Marketing's AI-driven Nerf AX campaign tested and refined illustrations to align with branding

Note: only select use cases shown; list is not exhaustive
Source: EMARKETER Analysis, Sep 2024

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