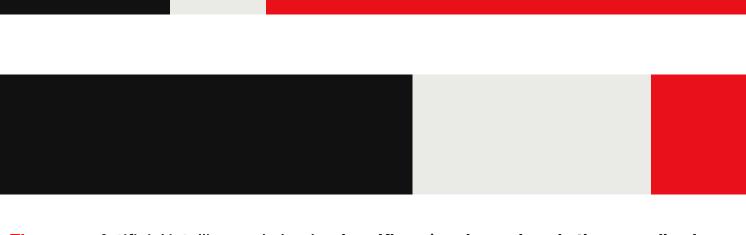


GenAl fuels marketing efficiencies despite limitations and challenges

Article



The news: Artificial intelligence helped reduce Klarna's sales and marketing spending by 11% in the first quarter, even as it launched more campaigns.

Al saved Klarna about \$10 million annually, the buy now, pay later provider noted. It uses Al
for copywriting, generating images, and other tasks.

• The company cut external agency expenses by 25% and credited AI with making it "leaner, faster, and more responsive."

Time and task saver: Klarna's moves reflect a broader trend. Marketers are embracing generative AI for content creation and time savings, <u>our report</u> explains.

- Over half of marketers use genAl tools for website content, email copy, and social media, per a September 2023 CMO survey from Deloitte, Duke University, and the American Marketing Association.
- They're also using genAl to create text and designs for ads, per the survey.

But integrating AI is not without challenges. Concerns about copyright infringement, privacy, and misinformation persist.

Our take: The efficiencies that genAl delivers showcase its transformative potential in marketing.

However, human oversight remains crucial for quality control and ensuring content aligns with brand standards. Marketers need to set clear guidelines for genAl use to address ethical and legal issues.

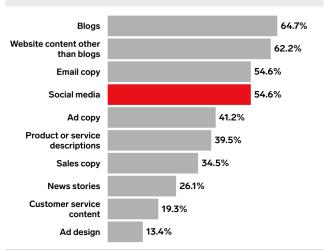
Go deeper: For more on the promises and perils of genAl's use in marketing, read our GenAl and Social Media Marketing report.



The Majority of Companies Leveraging AI for Content Creation Use It for Social Media

% of US CMOs, July-Aug 2023

Q: How is your company using AI to create content?



Note: n=119; whose companies have used AI for content creation Source: Deloitte, Duke University's Fuqua School of Business, and American Marketing Association (AMA), "The CMO Survey: Managing AI, Digital Strategies and Spending, and DE&I in Marketing," Sep 27, 2023

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