

11,000 ad agency jobs will be replaced with Al by 2030

Article



The news: Some **33,000** ad agency jobs could be replaced by automation as soon as **2030**, according to a report from Forrester Research, amounting to 7.5% of the total agency workforce.

One-third of the losses, or 11,000 jobs, will be directly attributable to artificial intelligence.



Unease: It's clear that artificial intelligence is going to significantly reshape American business in the next few years, but what's less clear is whether that will be a boon or a negative. For brands, it means cheaper access to creative work and smoother processes. But for employees, it means panic about disappearing jobs.

A partnership between WPP and Adobe in late May hurdled the industry in an uneasy direction. The tech on display promised a new era of advertising but came with the caveat of WPP CEO Mark Read admitting that "it's much easier to identify the jobs that AI will disrupt than it is to identify jobs that AI will create."

Is it already happening? There are conflicting reports about the effect AI is already having on ad industry employment.

- Forrester predicts that the majority of those losses will not occur in the next two years, and the <u>ad industry added 2,600 jobs in May</u>, according to the Bureau of Labor Statistics.
- But at the same time, a study from Challenger, Gray & Christmas reported that 3,900 jobs across industries were replaced by AI in May.
- The top three job categories at risk of replacement are clerical, secretarial, and administrative jobs (28% of losses), sales jobs (22%), and market research (18%), according to Forrester.

Our take: Ad agency employment is still swirling around an all-time high, but that will likely be little solace to the 33,000 who may lose their jobs in the coming years.

It's clear that agencies have a desire to lean out and cut costs after record hiring during the pandemic, but fear of AI has triggered significant <u>labor clashes</u> in <u>adjacent industries</u>.

Impact That US Adults Think Generative AI Will Have on Select Industries, March 2023

% of respondents

