Omnicom and Google's generative Al partnership will light a fire under the ad industry

Article



The news: Omnicom Group, one of the world's largest advertising companies, announced at Cannes Lions that it's integrating **Google**'s generative AI tools into its ad tech system, "**Omni**,"

in what it's calling the first commercial use of Google's AI technology.

 Specifically, Omnicom is working with two Google AI models: image generator Imagen and large language model PaLM 2.

All systems go: Al had an initially slow adoption in the ad industry over several legal concerns, but now that fear is being pushed aside. Omnicom's announcement follows another major advertising group's Al partnership and will pressure the industry to adopt the tech sooner than later.

- Last month, WPP and Nvidia announced a landmark partnership that would give agencies access to powerful creative AI tools to create advertising material at significant scale. In an announcement, the companies called it "the next evolution of the \$700 billion digital advertising industry."
- But AI has been top of mind for nearly a year now—why didn't that evolution happen sooner? <u>The answer is copyright</u>. Generative AI companies were hit with repeated lawsuits alleging that their models were trained on copyrighted material, raising questions about liability for any brand that uses their services.
- But both WPP and Omnicom have made it a point to clarify that their tech partners train their
 Al on copyright-free material—a signal to agencies that they can hop aboard the train scot-free.

Our take: Google and Meta bothannounced generative AI advertising tools earlier this year that suggested widespread adoption was ahead. Now, with industry leaders like Omnicom and WPP in their corner, the rest of the industry will feel pressured to begin integrating AI or risk being left behind.

Factors That US Brand Marketers Are Most Excited About When It Comes to Generative AI in Marketing, March 2023

% of respondents

Speed up market research on prospects ar	nd customers	70%
Create and scale content faster	65%	
Use as springboard for future creative cam	npaigns and ideas 63	5%
Get close to customers and delight them	54%	
Create custom images faster	51%	
Transform back-end processes	50%	
Note: n=408; responses of "none of the above" not Source: Sitecore, "AI & Composable Marketing Soft		
281816	eMarketer InsiderIntelligen	ce.com



