Ad industry picks up 2,600 jobs in May, amid Al concerns

Article



The news: In May, the US advertising and public relations sector recorded its highest employment levels since 2001, with a notable increase of 2,600 jobs, per Bureau of Labor Statistics (BLS) data.

- Total employment in the sector (adjusted for seasonality) reached 496,600 jobs, marking the zenith since the dot-com bubble era in March 2001.
- Ad agencies, contributing roughly 47% of these positions, also reached a record 229,800 jobs in April, and the trend suggests a strong performance in May, although precise figures aren't yet available (the BLS reports these figures on a one-month delay).

The elephant in the room: Meanwhile, a contrasting trend is emerging, brought about by artificial intelligence. In its May 2023 research, a Challenger, Gray & Christmas study reported that 3,900 jobs were lost to AI—the first time such losses were attributed to this technology.

A recent Salesforce/YouGov study of marketers in the US, UK, and Australia revealed that generative AI is seen as a transformative tool by marketers, perceived to save about five hours of work each week—equating to over a month annually, considering eight-hour workdays. A significant 51% are either using or experimenting with generative AI at work, while 22% intend to integrate it into their workflow soon.

Why it matters: The significant job surge indicates a robust recovery in the ad industry, especially amid the challenges of the past few years. It not only underscores the resilience of the sector but also points to a potentially flourishing job market within related services, including media buying, outdoor advertising, and direct mail, among others.

Our take: The rise in employment within the advertising industry and the introduction of Aldriven efficiencies present a complex scenario. While these high employment numbers suggest a vibrant industry, the increasing adoption of Al could reshape the job market.

For instance, AI use in tasks like basic content creation and marketing copywriting is already popular, with 76% using generative AI apps like **ChatGPT**. It's likely that AI will be a godsend for certain marketing roles and a death knell for others.

Select Concerns that US Adults Have About Artificial Intelligence, Feb 2023

% of respondents





