

Google will offer a generative AI for advertisers, setting the stage for widespread industry adoption

Article

The news: In a presentation called “**AI-powered ads 2023**,” **Google** announced that it will soon launch generative AI tools for Google Ads that will allow advertisers to produce creative campaigns, according to the Financial Times.

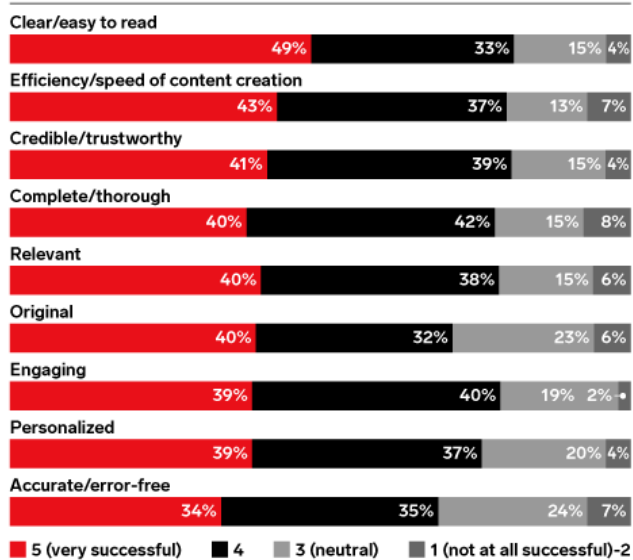
- The move follows several AI-related developments from Google, like early testing of an AI-powered search engine and the introduction of AI tools in services like **Drive** and **Gmail**.

How it will work: Google’s generative AI tools can reportedly create text, images, and even videos based on information and material from advertisers.

- There are thorny legal issues around the use of generative AI, but Google is sidestepping those by putting the onus on advertisers to supply material that the AI is trained on for specific cases. Advertisers can feed the AI information which it will then “remix” to create creative ad campaigns.
- Those campaigns will be used in tandem with **Performance Max**, a service Google has offered since 2020 that algorithmically recommends ad placement, purchases, and text.
- According to the Financial Times, there were concerns that the generative AI, whose priority is to convert ads into purchases, will end up producing misinformation or problematic content. In response, Google said it’s working hard to prevent AI-generated controversies.

Level of Success of AI or ML in Advertising or Content/Copywriting According to US SMB Marketers, July 2022

% of respondents



Note: don't know responses removed from total; numbers may not add up to 100% due to rounding
Source: Capterra, "2022 AI Marketing Survey" as cited in company blog, Sep 13, 2022

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Full-steam ahead: Since generative AI popped on the scene, we've been writing about the tech's obvious advertising implications. Advertisers have been slow to try and cash in on AI's creative, cost-saving potential due to copyright-related lawsuits, but moves from the ad duopoly show that the industry isn't content to sit around and wait for court battles to resolve themselves.

- Major brands have been toying with generative AI behind the scenes—**Coca-Cola** recently offered a consumer-facing generative AI tool trained on decades of company-owned art assets to test out the tech, and other major advertisers have also inquired about how to use generative AI.
- Now, the ad duopoly is following suit. Earlier this month, **Meta** announced that it will be [launching a generative AI tool](#) for advertisers to create creative campaigns in its ecosystem. With Google's announcement, the industry is fully racing toward widespread use of generative AI.

The implications: Thorny legal issues might give advertisers some pause, but with both Google and Meta jumping behind the tech, it won't be long before advertisers give in to the temptations of lower costs for creative work.

- While the duopoly's support might instill confidence, Google's presentation shows that it's offloading some responsibility onto advertisers to make sure they're supplying kosher material to the AI.
- As the tech develops and sees more widespread adoption, there could also be an effect on creative ad agencies, which could lose a significant share of spending to generative AI.