

# How ad agencies like WPP, Publicis Groupe, and Omnicom innovate with AI

Article

Ad agencies are split on generative AI. Some are diving into the emerging tech with partnerships and acquisitions. Others—like Batten, Barton, Durstine & Osborn (BBDO)—are

wary of the hype.

**Why are agencies acting now?** Meta, Google, and TikTok are all working on their own AI ad creation tools. The generative tech will transform the role of the agency, and could even replace it in some aspects of ad creation. Agencies will need to figure out how to work with these tools, develop their own exclusive tech, become experts in managing AI campaigns across platforms, or find a unique draw that AI can't replicate.

**AI deals are a big deal:** These are some of the latest moves and statements by the biggest agencies.

- **WPP and Nvidia:** The ad agency and tech company paired up to create a **generative AI content engine**, which they unveiled at the end of May. The tech can churn out hyper-specific images and videos at scale, eliminating the need for shoots and edits for different markets.
- **Publicis Groupe and Publicis Sapient AI Labs:** The **agency acquired the joint venture** in May and has mandated generative AI use and experimentation. Publicis Groupe already had a stake in the labs, but the agency is clearly looking to own its AI capabilities, which could give it more control over its tech than other agencies have via partnerships.
- **Omnicom and Microsoft (or Google):** These deals have been teased by Omnicom's CEO John Wren, who told JPMorgan Chase analysts that the company was working with **AI from both Microsoft and Google**. "We are partnering with them, and we will service them in ways too," said Wren.
- **BBDO and skepticism:** BBDO has a differing AI philosophy. In April, the company's CEO Andrew Robertson **warned against AI use for client work**—or even discussions of the matter—unless approved by the legal department. BBDO is clearly wary of copyright complications as a result of generative AI.

**What's at stake:** Generative AI revenues will total \$67 billion worldwide this year, according to Bloomberg Intelligence. Come 2032, that figure will explode to \$1.3 trillion.

- Marketers worldwide consider basic content creation and copywriting to be the most promising uses for generative AI, according to a Salesforce and YouGov survey.
- The biggest ad agency use case for AI and machine learning (ML) may not be generative. Almost half of US agency and brand marketers who use AI and ML are focusing the tech on **targeting and measurement**, according to Advertiser Perceptions.

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