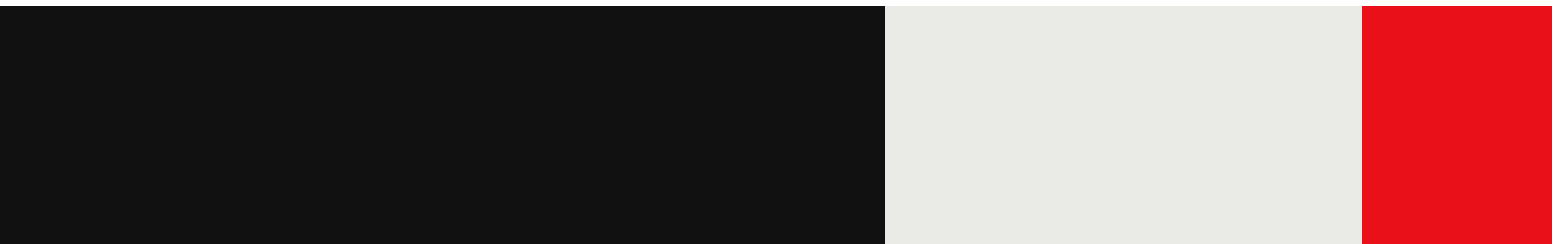# The Daily: How building creatives is changing; marketers' 2024 genAI priorities; and goodbye cookies, hello *blank*

Audio

On today's podcast episode, we discuss the main problems folks are facing today when it comes to building creatives, how to overcome them, and what the creative problems of the future might be. "In Other News," we talk about the generative AI (genAI) priorities for marketers this year and what will actually replace cookies. Tune in to the discussion with our analyst Bill Fisher and Aarjav Thakore, senior product manager at StackAdapt.

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Episode Transcript:

Marcus Johnson:

This episode is made possible by StackAdapt. Need digital creatives fast and don't have time or resources to hire a design team? With StackAdapt, you can build Captivating Creatives to

take your brand from your idea bank to your audience, straight to them. The Creative Builder in StackAdapt will save you time, cut costs and simplify your creative workflow. If you want to learn more, you can go to go.stackadapt.com/creativebuilder and there is a video there explaining everything you need to know.

Aarjav Thakore:

Just trying to figure it out, this is like a win-win situation for both agencies and for both of us to just make sure that we produce this self-serve tool that gives them the freedom and the ability to produce ad at any given point in time and to not have to rely on a person or an agency to be able to make variations and versions out of it.

Marcus Johnson:

Hey gang. It's Tuesday, February 27th. I'm well aware of how I sound. Bill, Aarjav and listeners, welcome to The Behind the Numbers daily: an eMarketer podcast made possible by StackAdapt. I'm Marcus. Today, I'm joined by two folks. Let's meet them.

We start with our principal analyst covering everything in the UK. Based in the country as well. Makes sense. On the south coast, it's Bill Fisher.

Bill Fisher:

Hello Marcus, how are you doing?

Marcus Johnson:

Hey fella. Very good sir. Very good. How are you?

Bill Fisher:

I'm good, thank you.

Marcus Johnson:

Very nice. Also, host of our Around the World Show, which has its episode once a month, came out yesterday, we're also joined by the Senior Product Manager for StackAdapt, Aarjav Thakore. Welcome Aarjav.

Aarjav Thakore:

Thanks, Marcus. How are you doing? Thanks for having me.

Marcus Johnson:

Very good, sir. Of course. Absolute pleasure. Welcome to the show. So folks, let's get to know these guests a little bit better. Before we start the episode, we, of course, begin with a speed intro.

So, here we go, gents. Five questions, we move quick. Aarjav, I'll start with you for the first one. Where are you from and based?

Aarjav Thakore:

Sure. My name is Aarjav. I was born and raised in India, but from the age of 18 I've been living in Melbourne and UK for a while, but since last few years I've settled in Toronto, Canada.

Marcus Johnson:

Very nice. Bill?

Bill Fisher:

I'm originally from the northwest of England, but as you mentioned, I'm about as far away from that as you can get without crossing any major body of water. I live on the south coast, near Brighton.

Marcus Johnson:

Very good, very good. Secondly, Bill, what do you do in a sentence? Annoy Marcus regularly. Apart from that.

Bill Fisher:

There is that. I research, read around everything media, marketing-related in Western Europe, then synthesize it into actionable insight for our clients.

Marcus Johnson:

Aarjav.

Aarjav Thakore:

Imagine me being like the Bugs Bunny cartoon, playing in all positions in basketball. And we look at the business, we look at technology, we work with cross-functional teams and build

pretty cool features for our platform, making sure that our customers are happy and the company is happy, too.

Marcus Johnson:

Very nice. Good visual. What's your morning drink, sir?

Aarjav Thakore:

I would say like a traditional Indian chai with a bit of ginger, mint and spice mix.

Marcus Johnson:

Very good. Bill?

Bill Fisher:

I'm going to annoy the purists here. I start the day with a cup of black decaf, instant coffee.

Marcus Johnson:

Instant, fine. Decaf? No Bill. People hate instant. By people, I mean Paul Verna. Favorite book, Bill, of all time.

Bill Fisher:

It's one I've just finished reading. It's by a British comedian called Bob Mortimer. It's called The Satsuma Complex and it made me laugh out loud.

Marcus Johnson:

Oh, he's fantastic. National treasure. How about you Aarjav?

Aarjav Thakore:

I was going to say the Harry Potter books, but I recently read The Thursday Murder Club from Richard Osman. I think that's one of the favorites. All time.

Marcus Johnson:

Very good. And Aarjav, if you had to move, if you got kicked out of your home city, where you live, where would you go?

Aarjav Thakore:

I would say Cambridge, England. I used to work there a few years ago. It's one of my favorite towns. It's pretty nice, beautiful, good architecture, pretty, I would say cozy, slow living. I would love that.

Marcus Johnson:

Aarjav wins. Yes. That is the answer we were looking for, Aarjav. That's right close to where I grew up. Beautiful part of the world. Bill, how about you? There's no real answer that will beat that. So there's no real point of you going, but for the sake of being fair.

Bill Fisher:

What if I said Cambridge?

Marcus Johnson:

No, you'd just be copying him, at this point.

Bill Fisher:

Well it's interesting Aarjav, you said you lived in Melbourne for a bit. I lived in Australia for a year, loved the way of life out there. I actually was tempted to get an employer sponsor whilst I was out there. It was on offer, but for some reason I was tempted back to the gray, gloomy UK. But, it would be Australia and if you were to push me for a city, I'd say Brisbane. I lived there for three months. I enjoyed it.

Marcus Johnson:

Very nice, sir. Very nice. All right, their our two guests. We start with today's fact before we get into the episodes. Today's fact is who's the oldest person to have ever lived? Quick guess from each of you, gents. How old do you think is the oldest person?

Bill Fisher:

Is this from the bible or something?

Marcus Johnson:

No, recent.

Bill Fisher:

Okay. I'll go 120, then.

Marcus Johnson:

Aarjav?

Aarjav Thakore:

110?

Marcus Johnson:

That's what I would've said, or way lower to be honest. But the oldest person ever to have lived, whose age could be authenticated, was a French woman called Jean Louise Calment, who was 22 years old. Sorry, that's not right. That's too young. Who was 122 years old when she died in 1997. So if you met her in 1996 or whatever and you were like, "Oh, when were you born?" 1875. Shocking.

Bill Fisher:

So I did pretty well. I was two years out.

Marcus Johnson:

You were suck. I never would've gone that high. But, women in France, they can expect to live to 85 years on average. So Ms. Calment, she lived for another 37 years after hitting 85. I'm just trying to get to 45. She's amazing. Just remarkable.

Anyway, today's real topic, How Building Creatives is Changing.

So in today's episode, first of the lead we'll cover how creating creatives is evolving. Then for in other news we'll discuss what replaces cookies and marketers GenAI priorities. But we start, of course, with the leads.

So Aarjav, I'll start with the today, what's going on at the moment and what you are seeing when it comes to the main problems folks are facing when they're trying to build creatives.

Aarjav Thakore:

I can think of a few. In the last few months we've been talking to a lot of clients and agencies and one of the few things that came to mind is like creative automation and lack of resources. A lot of brands and agencies do not have in-house creative team or nor have the resources to

build one. Advertising space, as we know, is changing rapidly, becoming more and more complex, competitive for agencies and brands. So how do you automate to keep up with the demands while maintaining your costs and resources in check?

And the second side of the coin is there are a very lack of options in terms of self-serve tools to produce ads at a level of scale and quality. So a lot of clients, especially mid-size agencies that we've spoken with are trying to innovate in the creative building space but do not see a lot of avenues that are simple, easy on the wallet and scalable to match the overgrowing demands.

And I would say the second few problems I've seen across is the time-consuming aspect of it. Agencies always rely on third party creative services to build ads and it can be both expensive and time-consuming. If you have a fast approaching, let's say event like a Black Friday sale or Boxing Day promotions and stuff and you need to promote creatives ASAP, might be difficult for you to build quality ads quickly, while it's easy on your wallet. The turnaround times can be really long and then there's a billing aspect. So you can also get billed on how many ads you build for how many clients or how many brands, the number of variations, number of versions and stuff. So, this adds a lot of burden from the agency standpoint and in terms of the cost they have to bear. These are huge roadblocks for them. The lack of tools is what I'm seeing a lot of the biggest issues for agencies at the moment

Bill Fisher:

And just our job's already alluded to a lot of what I would say actually, but cost and talent, I think, is some of the big issues as well. So zooming out if you're doing in-house creative, attracting and retaining talent, certainly coming from a European perspective and specifically UK perspective, we are in a bit of a state economically at the moment and cost as well. If you are getting your creative, external creative, the costs for that can be incredibly prohibitive. So as Aarjav says, being able to get something that automates this for you and is very light touch is a really, really good idea at this moment in time.

Marcus Johnson:

I liked also what you said, I mean there's planning ahead, which ideally is the case when you are thinking about advertising, but there's also, it sounds like this tool giving you the ability to pivot quickly if you see that, oh actually we want to go in a different direction. A lot of the time before these tools existed, you would've been like, okay, we don't have time to create it

and pivot and actually go with something that's going to be much more culturally relevant or whatever. And so that immediacy, that ability to pivot quickly, I think is also really important.

So, speaking to the motivations of the StackAdapt team to build the Creative Builder, which is the tool that you have, talk to us a bit about that and the gap that you saw in the programmatic space that this tool fills.

Aarjav Thakore:

Absolutely. I think this is obviously the answer could be in threefold. When we were looking up into what sort of tools that we should be building, what are the core problems we wanted to solve? First of all, we wanted to be inclusive. By that I mean the tool that we build is not just scalable, customizable and user-friendly, but we wanted to bring this out so that everybody and anybody at the agency level can use this. You don't really have to be a design expert or have technical prowess to be able to use this kind of tools and still be able to produce quality ads in multiple size aspect ratios in bulk. So we do not want to gate keep any technology. We wanted to open this out for everybody on the agencies and brands level, especially small and mid-size agencies. And we wanted to strike that balance where we let our clients build ads with enough customization options so that they can adhere to the brand guidelines but also not overwhelm them with lots of different options out there.

And the overall idea was to just ship out ads as quickly as possible, but do not compromise on quality. And I would say the second option going into the future would bite like scalability. The Creative Builder allows users to produce customized ads in bulk, which is what our primary goal was. And to be able to produce ads quickly and immediately, you can add them to your campaigns. If it's one ad, 10 ads, 100 ads, you can think of anything. But on top of that, clients can also store, host and manage all of the ads on our creative's library, which is like one single space on the platform to manage everything in terms of creatives.

So from ad production to hosting to management, all can be done from a single location without lagging us, spending a single penny on top of what you're paying to StackAdapt, which is what our goal was. And eventually it all connects to providing self-serve options and giving control and freedom back to the users, to our agencies. And so brands have now the ability to produce ads at their own will, at their own pace, add their own customization, figure out what they want to build, how they want to build. They can just simply put their assets, add their content, add styling, and publish the ads immediately and all of this without relying on external teams with a hefty price tag.

Bill Fisher:

I have a question. 'Cos this sounds fantastic. Almost democratization of the process, right? Are there guardrails in place? Is there any way that control is built in? Because if you are allowing everybody to make any changes rapidly, is there any risk that control of the brand can be lost?

Aarjav Thakore:

There is no particular risk I would say, but it mostly comes to user discretion at the end of the time. So there could be different users who want to use these tools on the agency and brand level. We can have controls on user level or brand level just to make sure that whatever the brand and agencies are producing are all well within the guidelines of what is approved. We also have a quality team on our side to make sure that all the ads that are being produced are all within the quality and the regulations. But even on the brand level they can add all the customization they need, but at the end we also allow approval options and stuff so that you can also reach out to your clients to make sure the ads look nice, get approved, and then get published to our platform. So, there are different ways to manage about it, but we just don't want to put any hard, I would say, guardrails around the production process.

Marcus Johnson:

All right, so let's talk through an example of how someone has used the Creative Builder. What does this look like in practice?

Aarjav Thakore:

One of them, I was just chatting with a client recently on a feedback call. They mentioned this use case. It was near Boxing Day sales on December 26th. It was a website that has a retail e-commerce store online who sells like accessories and jewelries and stuff. And they already had, I would say Boxing Day sale event plan for certain rings or certain bracelets, but at the last minute they had an issue in production, some items were out of sale and they had to quickly pivot and make new ads because they now have to promote a different kind of product with a two days notice. And they reached out to our team, we introduced them to the Creative Builder because it was just one month since it was launched, timing was perfect and they were able to build those ads in a matter of let's say half an hour.

They produced, I would say, over three dozen ads with different rings, different accessories that they wanted to pivot to and were able to add them to campaigns, what, like 400K in budget? So I would say two main things on their minds was the amount of time it took for them to produce the ads and quality ads and they had the control over what they wanted to build.

Marcus Johnson:

You said you have maybe one more example for us as well?

Aarjav Thakore:

Absolutely. This was another company with, I would say rooftop finishing. So they were managing roofs and stuff in certain houses. And this is something which is an unfortunate because there was a storm in Ontario a few months ago and then these particular companies wanted to reach out to clients who had issues with their house, their roofs gone over with the storm and everything. They wanted to produce ads as quickly as possible, getting local data in [inaudible 00:13:58]. And we introduced Creative Builder to them as well. They were able to produce those ads, just making sure that they are producing ads in a timely manner.

This was due to an unforeseen event, but they were able to save that time, produce ads, reach out to right users and they saw a lot of success because a lot of the people had their issues with their houses, they were able to fix those houses and they were able to reach to right people. If you didn't have the creatives in right space, timing is very key in these kind of situations. So we wanted to make sure that the most critical part of the advertising campaign, the creative part? That was done in a matter of minutes and they set up the campaigns and they just ran with it.

Marcus Johnson:

All right, let's end the lead by talking about some of the problems that you anticipate in the medium term future for creative building. We talked a bit about the problems that you saw recently, which is why the Creative Builder exists, but looking down the roads months, maybe a year or two in the future, what are some of the problems you anticipate?

Aarjav Thakore:

I would say the first one would be how all of our clients and their businesses are unique. They have unique requirements, they have unique demands on what sort of advertising creatives

that they wanted to build, how do they want to reach out to users? I would say the variety of options, be it just different kind of creative templates or multichannel solutions. So right now we have, I would say Creative Builder for display ads. I'm already seeing a trend growing where people are asking for similar self serve tool for video building ads, audio ads where you can just generate a script, you can add an audio track and you can just produce a audio ad immediately or a video ad where you can add interactivity layers on top. I'll make it a shoppable video or add a video topper in the beginning, make it a bit more interactive.

So video and CTV channels that we've seen are growing at a rapid pace. They're right next to display when it comes to the top growing channels. And I'm seeing a lot of requirements because producing those ads are even more complex and even more time-consuming and cost ineffective. So if we were able to put that onto self-serve platform, that's going to relieve a lot of the cost on agency side to be able to produce ads easily using self-serve tools. And the second biggest thing I'm seeing right now is the wave of generative AI in the whole realm of business, especially in the creative side. If you're just adding content manually, a lot of the, I would say, clients, agencies have content ready, but at some point you're going to reach creative fatigue. You will want to make sure the creatives are new, fresh, looking up for new demographics and stuff.

So introducing generative AI on top of it, which will be like, okay, suggest some alternate headlines, suggest some new descriptions. I can write in a prompt and you give me a complete script out of it and stuff. So that saves a lot of time, gives them a new perspective. So integrating that technology in just text generation, content generation, image generation, image scaling and stuff. So those are some of the, I would say, emerging fuels I see in terms of creative building aspects, ad production aspects and how do we make sure that it's scalable and how do we make sure we save further more time by introducing more automation to it. I think that's the key area of focus, I think, in the midterm area for the Creative Builder stuff.

Bill Fisher:

If I can just go off on a tangent from this, because talking about video, that's what I would've thought would be interesting to talk about. Certainly as GenAI and as we've seen with Sora going on in the background. I thought it was quite interesting listening to OpenAI CEO, Sam Altman, last month at the World Economic Forum and he admitted, I think, for the first time that the next wave of GenAI, and I assume he was referring to video that would consume vastly more power than expected. And I just wonder if this is something that's bubbling under

the surface because I mentioned this because I'm writing about sustainability and advertising at the moment, and as generative video comes to the fore, I can just see emissions going through the roof and I just wonder if this is a problem that we'll have to get to grips with across, I mean not just in creative building, but across creative full stop and across ad tech full stop as well.

Marcus Johnson:

Something that people might want to get there but they can't because you have to get there sustainably, so to speak. Very nice, gents. That's all we've got time for, for the lead.

Today, in Avenues, what are marketer's GenAI priorities for 2024 and goodbye cookies, hello question mark. Story one. What are marketer's GenAI priorities for 2024. Trishla Ostwal of Adweek writes that as the GenAI hype cycle cools down from the launch of ChatGPT last November, marketers 2024 expectations for the technology extend beyond simple chats to decoding client briefs, gathering real-time campaign performance data and cleaning up reams of unstructured data.

But Aarjav, I'll start with you. What do you think are marketers GenAI priorities for the year?

Aarjav Thakore:

So I think last year we saw a lot of products hit the market, but this time, this is the year for execution. And I'm thinking about two major themes. One is about AI agents. To be able to optimize your day-to-day jobs operations, but more into hybrid targeting or analysis into your Lego campaign strategy. Understand which ads or which campaigns work with what kind of an audience. And the second one being the creative tech. How do I produce creatives using the exact information from AI as to which creatives, which campaigns will work better, what element should I be using in my creatives? And in the end, just help me get rid of the creative fatigue to be able to keep sure my creators are refresh, give me new insights and figure out the areas of the platform or the audiences that I didn't know. But we can analyze that using the campaign, historical data, performance data, demographics data, and suggest it to users that hey, maybe these elements in the creators will work better with the audience you're targeting as opposed to this one. And then help me improve the campaign performance afterwards.

Marcus Johnson:

Bill?

Bill Fisher:

I agree with Aarjav. It's about execution this year. I'm coming at this from a slightly different angle, execution in terms of ensuring you're using the technology ethically and legally. So I think regulation will be a big thing this year, plus you're going to need to use it professionally or competently. You don't want to damage a brand because you just let GenAI go ahead and create any old junk. So, just figuring out how to use this technology properly and execute properly will be key this year.

Marcus Johnson:

Story two, goodbye cookies. Hello, who knows? The IAB Tech lab recently said that the industry is not ready for Google's post cookie solution, the Privacy Sandbox. Privacy Sandbox, Senior Product Director, Victor Wong told [inaudible 00:20:25] the IAB Tech labs, please for features similar to cross site tracking don't fit under the new privacy landscape. Our Daniel Konstantinovic notes, Google has punted on phasing out third party cookies multiple times after advertisers raised concerns, but after it got the ball rolling this January by turning off cookies for 30 million Google users, that's about 1% of them, it is facing renewed calls for delays. Bill, I'll start with you for this one. What's your take on the impending cookie deprecation coming in Q3?

Bill Fisher:

Goodbye cookies. Hello instability, I think. Obviously the privacy sandbox, if you said, it's not really ready or at least it won't be to the satisfaction of many in the industry. So I think what will be interesting to see will be the growth in advertising that doesn't rely on cookies or whatever their replacement might be. We've been tracking retail media ads, spending growth for example, and we've seen huge growth in all the territories. We cover. North America, Europe, Latin America, APAC. The vast way is a first party data that these retail properties sit on are clearly reaping the benefits of the cookie deprecation. So it'll be interesting to see how much of an advantage they can take in this uncertain period for ad targeting.

Marcus Johnson:

Aarjav?

Aarjav Thakore:

To echo bill's point, I do see, I would say, a genuine concern for advertisers over the transition costs, time commitment, and most importantly to be able to reach the right users at the right time. But I'm already seeing a shift towards a cookie targeting in terms of contextual, 95% of advertisers place at least some priority on finding solutions for a cookie-less future. And over 66% believe that contextual targeting will be more important in a cookie less environment. So the trend is growing. There is much more awareness outside and I think the future is bright regardless of cookies going off because advertising is here to stay and it works. So despite Google's reservation and advertiser reservation, I think there are other options of third party datas and I would say first party data that people can utilize. Right now I'm seeing a lot of trend over there and contextual targeting. So I think there are multiple options that we can choose from.

Marcus Johnson:

It's going to be interesting to see as we get closer and closer how people do move over, whether they wait to the last second and then have a bit of a shock to the system because cookie's are still heavily used. There was some data from 33 across, 80 to 90% of US programmatic ad buys across all industries, still using cookies versus cookie alternatives.

Bill Fisher:

Of course, they'll wait till the last second. They always do.

Marcus Johnson:

GDPR. All right, that's all we've got time for, for this episode. Thank you so much to my guests. Thank you to Aarjav.

Aarjav Thakore:

Thanks, Marcus. Thanks, Bill. Lovely chat. Happy to be here today.

Marcus Johnson:

Thank you for being here. Thank you to Bill.

Bill Fisher:

Thanks for having me, Marcus. Aarjav, nice to speak with you.

Marcus Johnson:

Yes, indeed. Thanks to Victoria who edits the show, James, who's been known to get his copy edit on Stewart, who runs the hell out of the team and Sophie who can't help but crush social media. And thanks to everyone for listening. To the Behind the Numbers Daily and e-Marketer podcast made possible by StackAdapt. You can hang out with Sarah Lebo tomorrow, who's, of course, the host of our Reimagining Retail show as she speaks with Ariel Fager, Blake Droesch and Sky Canaves, all about our February most interesting retailer ranking.