

Coca-Cola's message to brands: Invest in AI, not Web3

Article

The news: Coca-Cola creative strategy head **Pratik Thakar** had a counter-intuitive message for marketers at AdAge's [Web3 Marketing Summit](#) earlier this month—invest in artificial intelligence instead of Web3.

Thakar's presentation outlined why Coca-Cola thinks it's more worthwhile to invest in artificial intelligence than Web3 for marketing purposes. The main argument: "AI is going to be more fundamental" than Web3 technologies like NFTs and the metaverse.

More than a fad: There's more than a few similarities between the current zeitgeist surrounding artificial intelligence and last year's Web3 frenzy. Both seemingly appeared out of nowhere, were more appealing to corporations than consumers, and were buzzy new technologies heralded as "the future" of, well, everything.

- But now, Web3 technologies are fading in relevance. Cryptocurrency exchanges have collapsed, NFTs have plummeted in value and only appealed to a small part of the population, and metaverse platforms have run into [serious advertising hurdles](#). Even **Meta**, which changed its name to reflect a new era in technology, has put its virtual reality aspirations [on the back burner](#).
- AI has already had a more tangible impact on advertising than Web3 tech ever did. Use of AI for data management is commonplace. In August 2022, even before the current AI boom, a Salesforce survey found that 90% of marketers were using AI to automate customer interactions. Other common uses were automating data integration (89%) and personalization (88%).

Generative AI and brands: Other than data management, one of the most promising AI uses for marketers is content generation. Generative AI platforms like **Midjourney** can create compelling, high-quality images that can help major brands cut down on creative costs significantly.

- There are legal questions about copyright that have stifled brand adoption of generative AI, but that hasn't stopped experimentation. Coca-Cola is one brand leading that charge: It recently [launched a consumer-facing generative AI tool](#) that uses only assets owned by Coke to skirt legal issues.

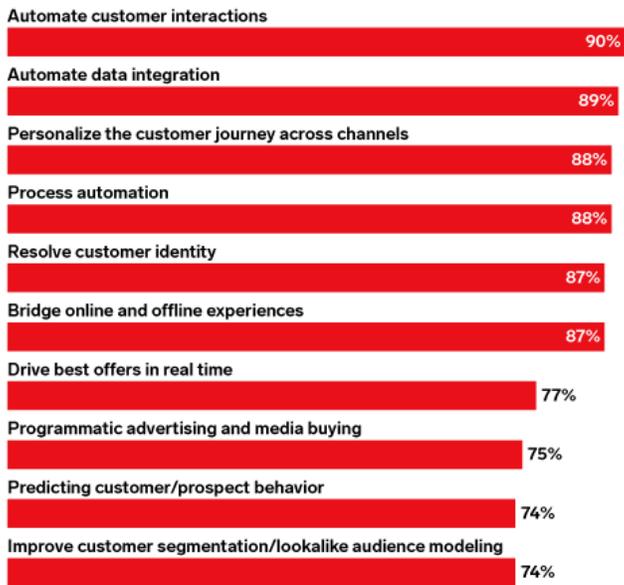
Our take: Coca-Cola is one of the predominant brands in the world, and its commitment to generative AI is part of a wave of advertising developments that make it clear that the technology is here to stay.

- That's not to say that Web3 is *totally* irrelevant. The two main metaverse platforms, **Roblox** and **Fortnite**, continue to see steady brand investment and are an effective way for

advertisers to reach young audiences.

AI Uses for Marketers Worldwide, Aug 2022

% of respondents



Note: among respondents who use AI

Source: Salesforce, "The 8th Edition State of Marketing Report," Nov 1, 2022

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