IPSOS VIEWS

MISFITS AND THE MACHINE

Why AI alone can't crack creative effectiveness

Dr. Diana Livadic

At Ipsos, we champion the unique blend of Human Intelligence (HI) and Artificial Intelligence (AI) to propel innovation and deliver impactful, human-centric insights for our clients.

Our Human Intelligence stems from our expertise in prompt engineering, data science, and our unique, high quality data sets – which embeds creativity, curiosity, ethics, and rigor into our AI solutions, powered by our Ipsos Facto Gen AI platform. Our clients benefit from insights that are safer, faster and grounded in the human context.

Let's unlock the potential of HI+AI!

#IpsosHiAi

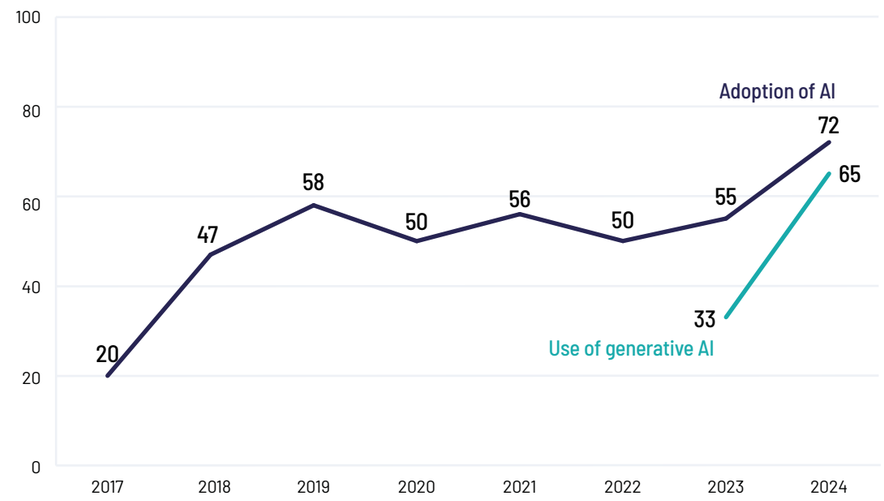
Productivity gains vs. effectiveness risks

We are in the midst of a transformation, with a dramatic increase in the adoption of AI over the past year, after years of little meaningful change. This boost in AI-adoption is driven by Generative AI (Gen AI), which can create content that would previously have been unique to human intelligence and creativity: text, video, audio, pictures – every digital medium can now be powered by Gen AI[1]. While earlier versions of AI were used for more analytical applications, such as predictive analytics, image and speech recognition to complete specific tasks faster, we can now use AI to produce creative content, based on limited human prompting. This means, instead of solely being more productive and efficient by outsourcing specific tasks, we can now also outsource our thinking and creativity. Sounds tempting… but the question is: can we truly rely on AI to replace human creativity? Particularly in the business context, where creativity is one of the key drivers of brand success.

Along with the mass adoption of Gen AI – it took ChatGPT an impressively short time of just five days to reach its first million users[2] – there is also fast development and adaption within organisations. McKinsey reports a 31% increase in the adoption of AI within at least one business function of an organisation, and an even stronger increase (97%) in the use of Gen AI[3] (Figure 1).

Figure 1: Organisations that have adopted AI in at least 1 business function*, % of respondents

* In 2017, the definition of AI adoption was using AI in a core part of the organisation's business or at scale. In 2018 and 2019 , the definition was embedding at least 1 AI capability in business processes or products. Since 2020, the definition has been that the organisation has adopted AI in at least 1 function.



Source: McKinsey Global Survey on AI, 1,363 participants at all levels of the organiation, Feb 22 – Mar 5, 2024

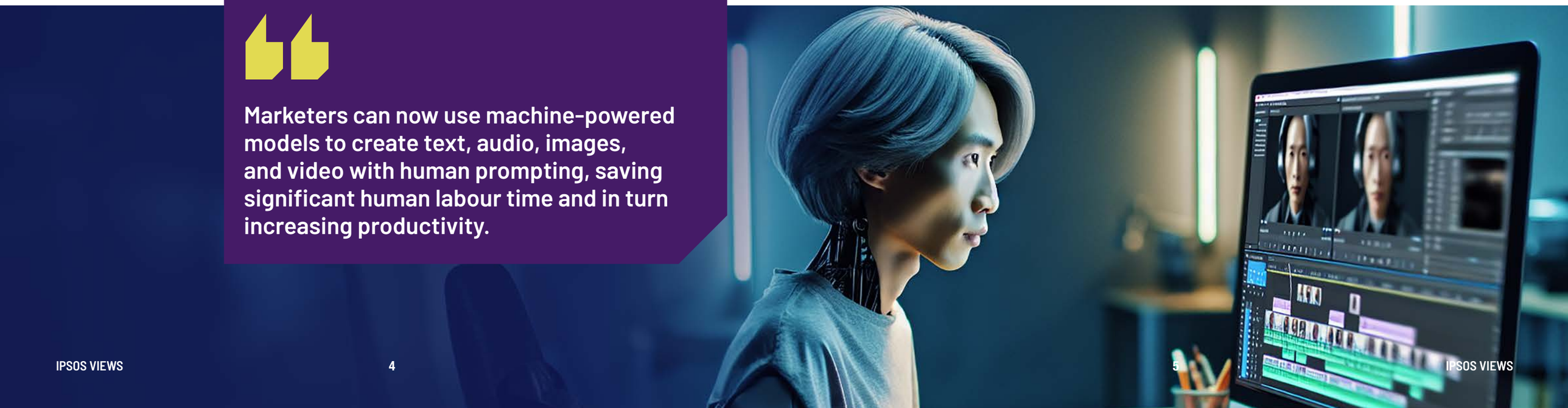
At Ipsos, we are leveraging Gen AI to understand the evolving world, to guide clients in navigating the new landscape and successfully integrating these new technologies into their business, and to enhance the insights and recommendations we provide. Ipsos is at the forefront of implementing and understanding Gen AI, as demonstrated by a series of publications aimed at fostering knowledge and discussions about the opportunities and risks of the use of AI across different use cases. This paper specifically explores the effectiveness of Gen AI-created advertising, to contribute to best practices and guidelines on combining human intelligence (HI) and AI for creative excellence and long-term brand success.

Gen AI is seen to be a game changer in the advertising ecosystem, from ad development to measurement. Marketers can now use machine-powered models to create text, audio, images, and video with human prompting, saving significant human labour time and in turn increasing productivity. The efficiency gains in the production process are likely high, with McKinsey estimating in the region of $500 billion in increased productivity[4] – clearly a strong motivator of the Gen AI dissemination.

But as we are entering a new era of advertising, let's pause and shortly review the history of advertising: In the early 1900s, the advent of radio and television revolutionised the industry, allowing advertisers to reach directly into people's homes. This 'Golden Age of Advertising' saw the rise of iconic jingles, slogans, and characters that became ingrained in popular culture. Print media also played a crucial role, with ads evolving from text-heavy formats to incorporate more visuals and space for greater impact. The emphasis was on crafting compelling copy and eye-catching graphics to capture attention. The rise of the internet marked another turning point. Banner and pop-up ads emerged, followed by the explosion of social media. Within the last few years new technologies helped to create new realities, and some brands have already entered the space of augmented reality (AR) and virtual reality (VR) to connect with people. With access to vast amounts of data, personalisation became paramount – but not necessarily with the expected effects. Today, brands can unlock brand success by creating impactful advertising experiences focusing on people: shaping their expectations about the brand and category; understanding their context and the role that brands play in their lives; and, finally, acting with empathy.

While advertising is constantly changing and each new technology delivers a new type of advertising experience, we are now witnessing a seismic transformation of the advertising ecosystem. Until now, it was always us humans using whatever new tool was available, our creativity combined with our understanding of people, the brand and the context, to create advertising that stands out, connect to the people and positively impact the brand. But now, for the first time ever, we are in the position of stepping back and allowing the machine to become the creator.

This brave new world of advertising might hold both tantalising opportunities and significant risks for advertising production. While outsourcing creative tasks to AI can drastically slash costs, tempting marketers with ever-tightening budgets, it's a double-edged sword. One might save hundreds of thousands in production, but what about the millions lost in potential sales? The key question is: **can a machine create effective advertising?**



Marketers can now use machine-powered models to create text, audio, images, and video with human prompting, saving significant human labour time and in turn increasing productivity.

Scope of research

To provide initial answers to this question we tested 10 ads from major brands across a range of industries from beverages, food, telco, apparel, toys and automotive. We used our sales validated pre-testing solution Creative|**Spark** to collect opinions from 1,500 respondents from the US, Germany and Japan.

We categorised each ad based on five distinct areas of the ad development process with a score of 1–5, with one point being assigned for each area that distinctly uses AI according to the ad production notes.

Concept

using AI to draft an ad based on input data/ brief or to inform the concept

Script

using AI to write a script based on either an AI or HI generated brief

Audio

Either music or voiceover created using AI

Visual

Contains AI elements e.g. visual content generation based on user prompts

Production

Compiled by AI or uses AI techniques to product continuous footage. e.g. Sora, DeepFakes

Based on this score, we classified each ad either as "more HI, less AI" or "more AI, less HI":

"More HI, less AI" are ads with a score of 1 or 2, which means that humans are leading more areas in the production process and AI is used as a tool. We consider this ad as **human-led.**

"More AI, less HI" are ads with a score of 3 to 5, which means that AI is leading more areas in the production process and AI becomes the creator of the ad. We consider this ad as **AI-led.**

ADS CREATED WITH MORE HI, LESS AI

Coke
Masterpiece

Heinz
AI Ketchup

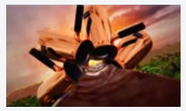
Oi Ocha
Green Tea

Deutsche Telekom
Message from Ella

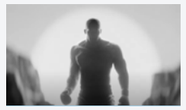
Lexus
Lexus ES Driven by Intuition

ADS CREATED WITH MORE AI, LESS HI

BODYARMOR
Field of Fake



Hotel Chocolat
Velvetise into happiness



Under Armour
AJ Forever is made now

Toys'R'Us
Sora AI Brand Film

Oreo
What if the universe bakes a cookie

◆ Finding #1: Ads cut through well if humans lead the ad development

Capturing attention in today's fragmented and overloaded media landscape is crucial for ad effectiveness. If an ad doesn't grab attention in the first place, it can't influence people's behaviour. We measure cut-through via our **Brand Attention Index**, which consists of a measure of **memory encoding** – did the ad cut through the media clutter and made it into people's minds – and **brand linkage**. Brand linkage helps us to understand the power of the ad to leave a branded memory, i.e. a memory of the ad that is linked to the correct brand.

The Brand Attention Index shows that, on average, all tested ads score slightly higher than our norm based on traditional, human-created ads (purple bar). However, the subgroup analysis reveals that this is strongly driven by the ads created with humans in the lead of ad development

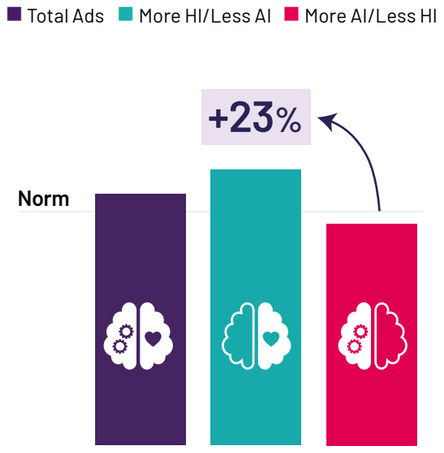
◆ Finding #2: Augmenting human creativity with AI can boost effectiveness

To assess short-term ad effectiveness, i.e. the short-term sales lift potential, we use our sales validated **Creative Effect Index**, which is **Brand Attention plus Behaviour Change**.

The results indicate the power of AI: If considerately used as a tool to enhance the ad development, ads have the potential to be highly effective. The human-led ads we tested outperform our norm and scored +38% stronger than ads created with AI in the lead.

AI-led ads might pose a general risk on short-term ad effectiveness, as they score below our norm. This suggests that human involvement is still crucial in the development of effective ads to deliver impactful advertising experiences.

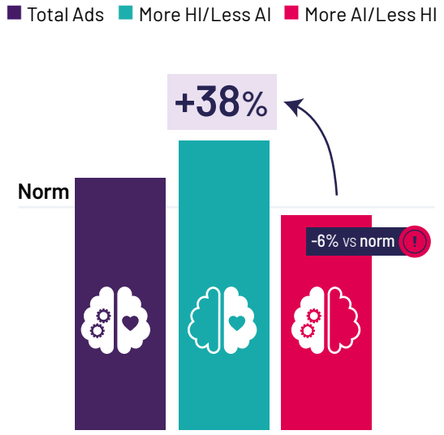
Figure 2: Brand Attention Index



Source: CreativeSpark 10 ads, n=1500 respondents

(green bar). They score +23% stronger than AI-led ads (red bar), suggesting that human creators are better at creating advertising experiences that enable lasting brand memories.

Figure 3: Creative Effect Index



Source: CreativeSpark 10 ads, n=1500 respondents

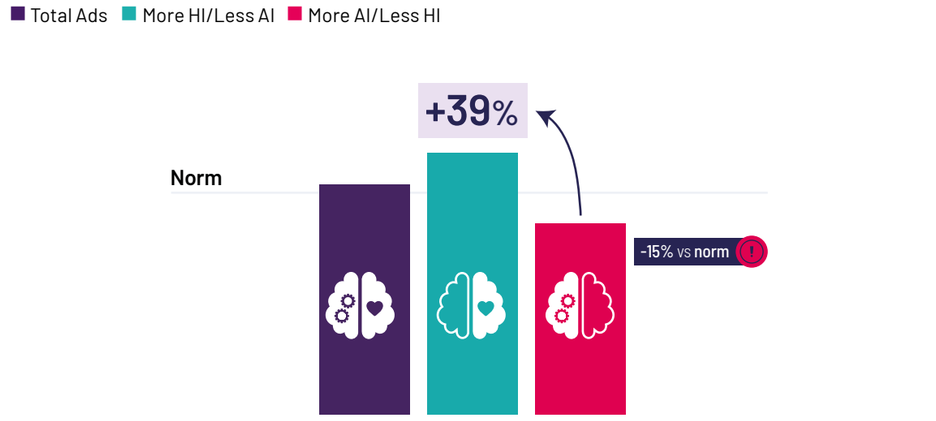
> Prioritising AI-driven efficiency in the ad creation process could jeopardize long-term brand building and market share growth.

◆ Finding #3: Relying on AI too much can pose a risk to long-term ad effectiveness

Along with short-term ad effectiveness, long-term ad effectiveness is also important for brand success. We use our **Equity Effect Index**, which is validated against market share gains, consisting of **Brand Attention + Brand Relationship**.

The results are similar to those for short-term ad effectiveness, but there is need for caution: for the Equity Effect Index, we see a bigger gap of AI-led ads versus our norm. This suggests that there is a risk for brands seeking sustained success: prioritising AI-driven efficiency in the ad creation process could jeopardize long-term brand building and market share growth.

Figure 4: Equity Effect Index



Source: CreativeSpark 10 ads, n=1500 respondents

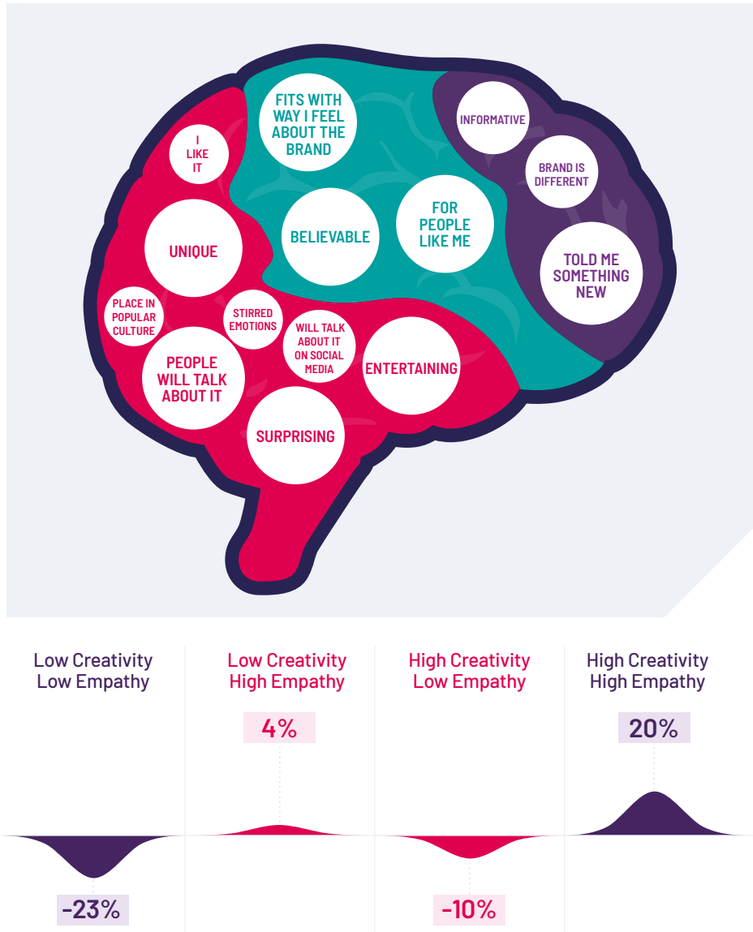
Misfits: Unpacking the opportunities and risks

To better understand why ads created with more human intelligence are more effective in the short and long term, we assessed their performance using our Misfits framework for ad effectiveness.

Within this framework, we identified three advertising experiences, representing an interaction of creativity and empathy: Creative Experiences, Empathy and Fitting In, Creative Ideas[5].

Figure 5: Effective creatives need Empathy x Ideas x Entertaining Experiences

■ Creative Experiences ■ Empathy & Fitting In ■ Creative Ideas



Source: Ipsos Global Ad Testing Meta-Analysis (n=1,734 cases)

◆ Finding #4: Ads created with more HI can deliver stronger Creative Experiences

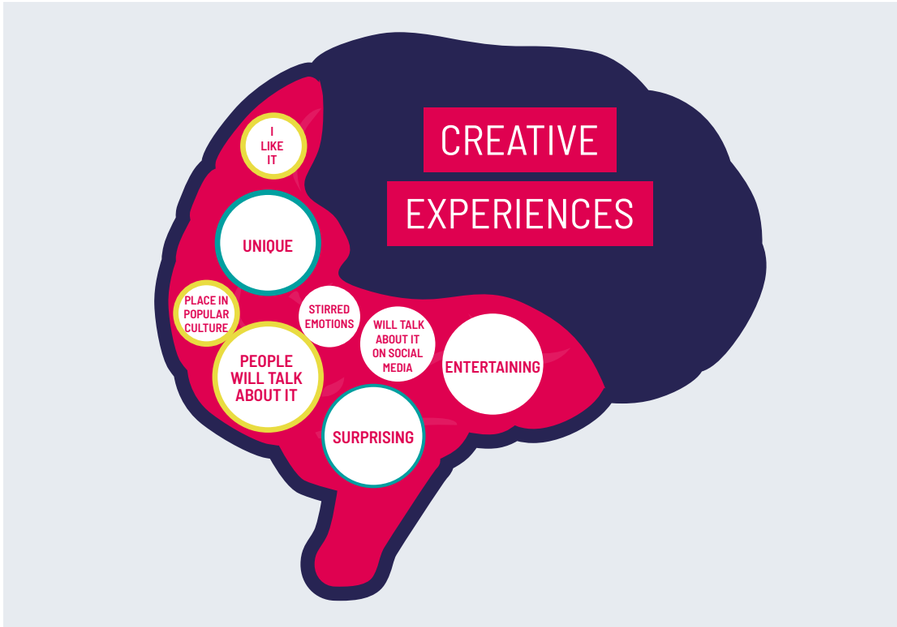
A unique and engaging creative experience is crucial for cutting through the noise of our crowded media landscape. Our research shows that **Creative Experiences**, which entertain and spark conversation, are **key drivers of branded memory**. Nearly all ads resonated with people on at least one aspect of Creative Experiences, most scoring high on "unique" and "surprising", as indicated by the green circles.

Interestingly, ads created with more HI performed strongly for "people will talk about it", "relevance to popular culture" and "likeability", as indicated by the yellow circles. This suggests that human-led creatives, drawing on real-time cultural context and insights, are still better equipped than AI to tap into the zeitgeist and create truly engaging advertising experiences.

> **Human-led creatives, drawing on real-time cultural context and insights, are still better equipped than AI to tap into the zeitgeist.**

Figure 6: Creative Experiences

■ Above norm for most ads ■ Above norm for most ads created with more HI, less AI



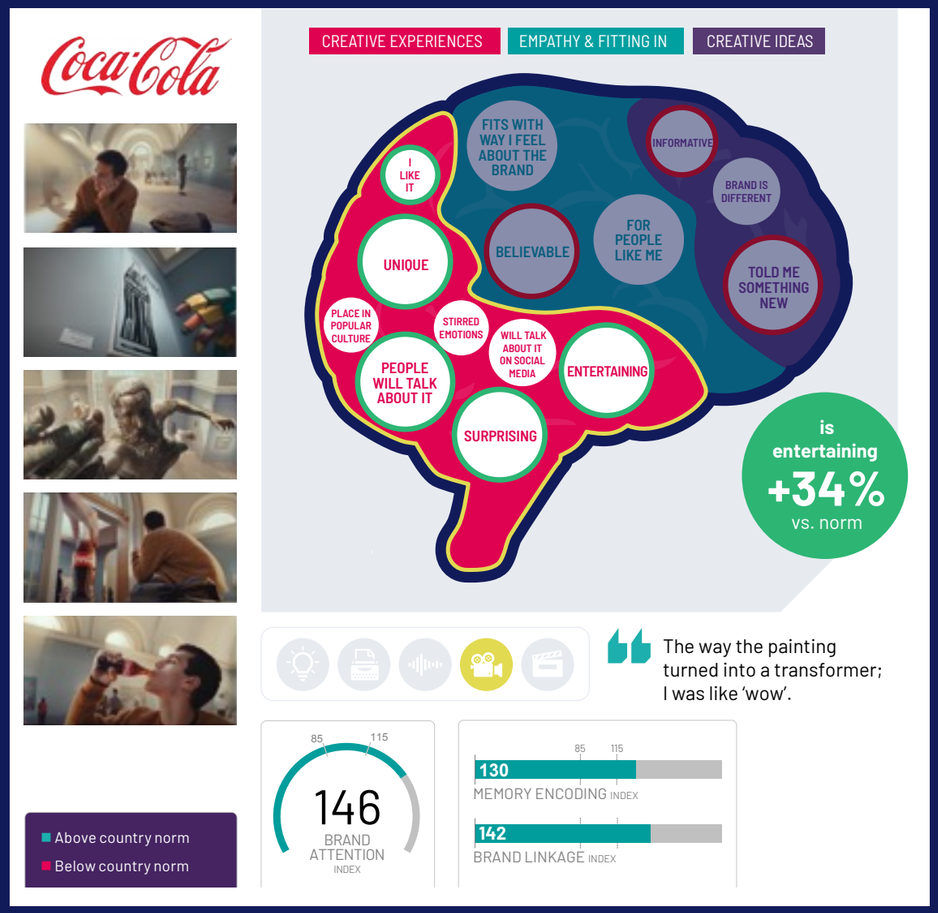
Source: Misfits Analysis 10 ads, n=1,500 respondents

From Canvas to Conversation: Coke's masterpiece of engagement

Coke's "Masterpiece" is an ad created with human intelligence in the lead, using AI as a tool for the ad's visuals to create a fascinating animation style. It is a great example of how AI can be used to create stunning visuals for an eye-catching mini movie that sparks conversation. This ad is the one that scored strongest on Brand Attention and Brand Linkage: Coke made their iconic bottle the hero of this ad, taking viewers on a journey through famous artwork, which they had fun recognising. Using their strongest brand asset to tell the story helped the audience to quickly connect to the brand[6], leading to the strong brand link score.

This advertising experience is all about delivering entertainment, via surprise and uniqueness, driven by its exciting visual style – which people also commented on in their spontaneous feedback to us.

Figure 7: Masterpiece - successfully delivering a creative experience



Use the QR code to watch the ad

Source:
Misfits Analysis
CreativeSpark
US, n=150

◆ Finding #5: Only human creativity enables feelings of empathy and fitting in

The second advertising experience is less about difference, originality and entertainment, and more about the familiar and known. The perception of advertising is relatable and has connection with what is already known or in some form has been experienced. It meets the core human need of certainty and familiarity and our Misfits framework highlights **empathy as a key driver of behaviour change**.

> **Our Misfits framework highlights empathy as a key driver of behaviour change.**

Ads created with HI in the lead are more likely to score above norm on "for people like me", indicating that people believe that the advertising is aimed at them. AI-led ads score mostly at, or even below, norm for most empathy ratings, highlighting an area to improve.

Figure 8: Empathy & Fitting In

Above norm for most ads created with more HI, less AI

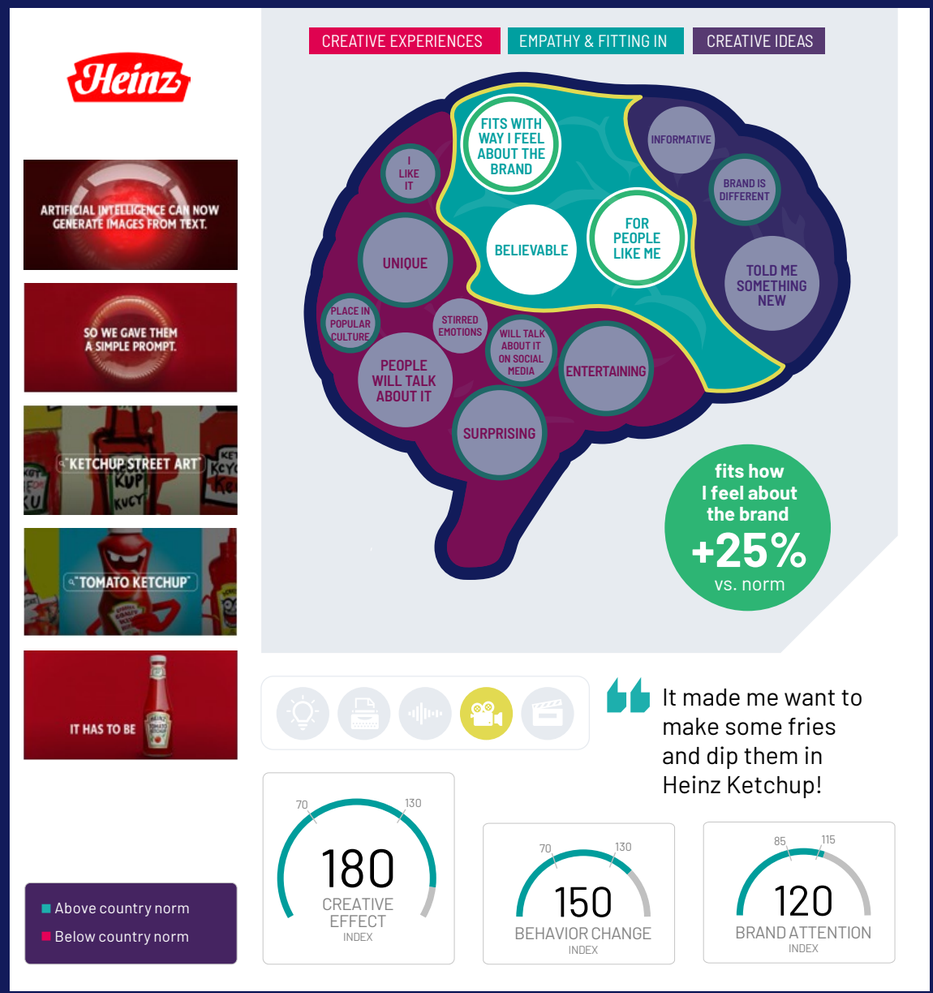
Source:
Misfits Analysis
10 ads, n=1,500 respondents

The perfect match: Amplifying HI with AI to create Heinz' love story with every bottle

Heinz' "AI Ketchup" is another human-led ad and also uses AI as a tool for the ad's visuals. It is a great example of how AI can be used to connect with people and emphasise their expectations of the brand. People loved and enjoyed the creative AI-powered integration of arts – and similarly to the Coke ad – enjoyed recognising the different styles of ketchup bottles.

On top of delivering a unique and surprising visual experience, the ad also taps into feelings of brand love and reinforces positive perceptions of the product, fuelling short-term ad effectiveness.

Figure 9: AI Ketchup - successfully delivering feelings of empathy and fitting in



Use the QR code to watch the ad

Source:
Misfits Analysis
CreativeSpark
US, n=150

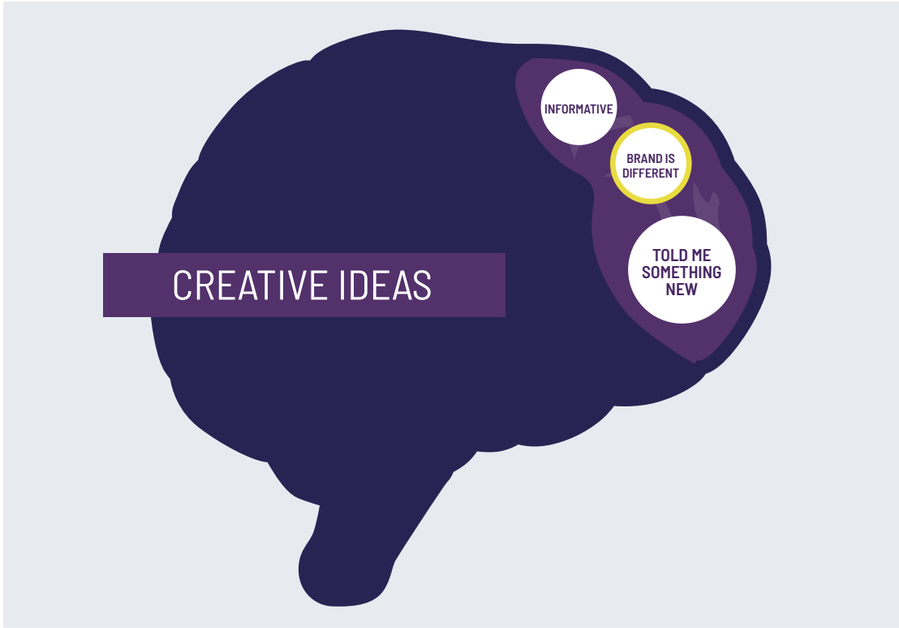
◆ Finding #6: Only human intelligence can come up with truly creative ideas

Our third advertising experience is Creative Ideas. Within our Misfits framework, we have proven that groundbreaking **creative ideas are essential for capturing attention and long-term ad effectiveness**. Creative Ideas are our definition of creativity, though rather than the experience, the concepts are perceived to be "new", and this also relates to an expectation the advertised "brand is different". In the advertising experience we see a potential to introduce new or original ideas, with the possibility to deliver more deliberate thinking and break free from the automatic, familiar and safe. This approach seeks to provide value to people by offering new perspectives, while establishing a differentiated brand image – and as such shape brand expectations.

HI-led ads are more likely to score above norm on "brand is different", whereas AI-led ads score mostly at or even below norm for most ratings related to Creative Ideas, highlighting another area to improve.

Figure 10: Creative Ideas

Above norm for most ads created with more HI, less AI



Source:
Misfits Analysis
10 ads, n=1,500 respondents

> **Creative ideas are essential for capturing attention and long-term ad effectiveness.**

The shocking truth about sharenting: Deutsche Telekom's message of empowerment

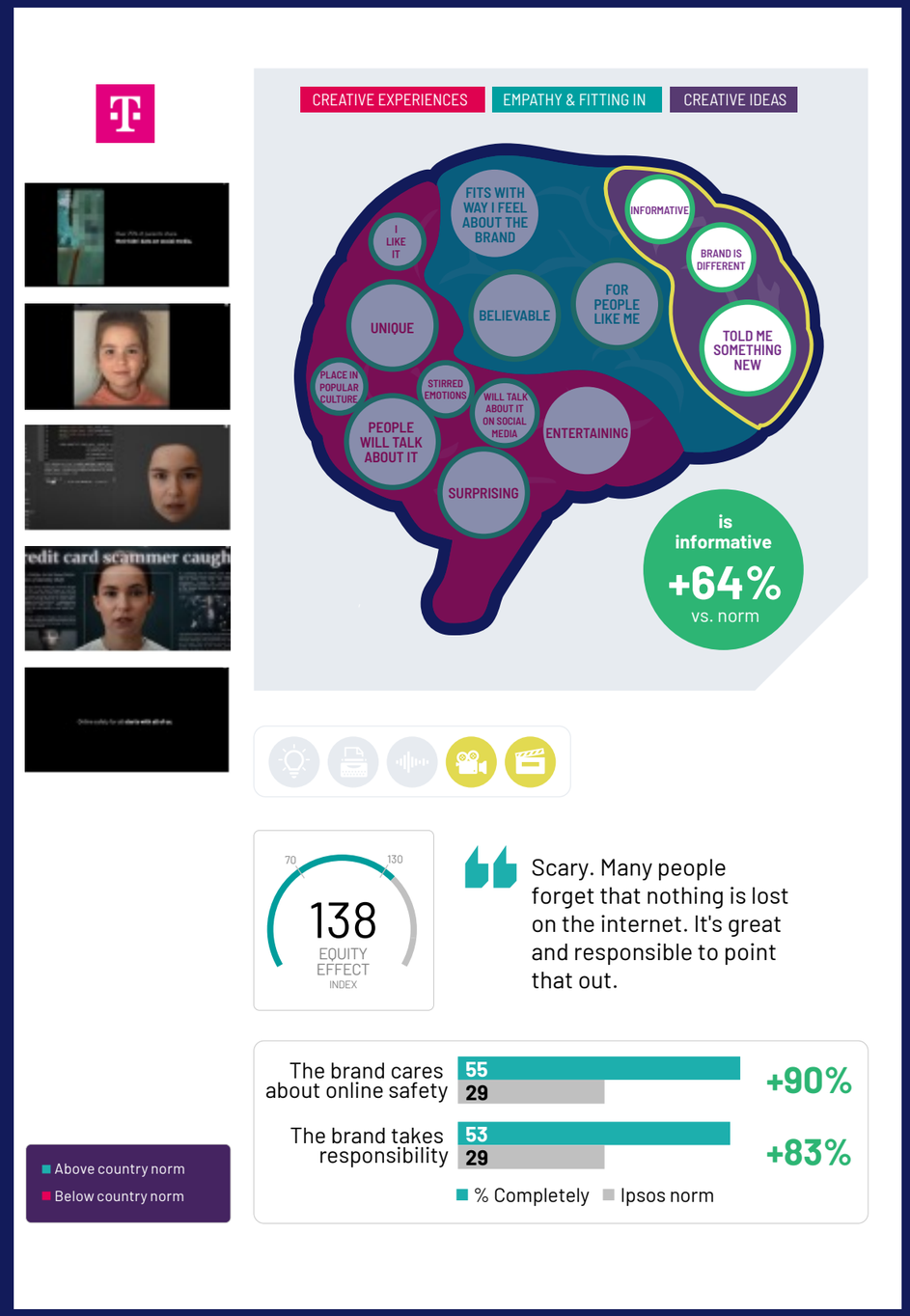
Deutsche Telekom's "Message from Ella" is another human-led ad, but this one is slightly different from the ones we have seen before. It is not focused on a specific product but aims at empowering people, particularly parents, to understand and adapt to our digital life and new technologies that can pose risks. AI was used for visuals and in production, as Ella's older self was created with deepfake tech.

This ad is a great example of how AI can be used to deliver an advertising experience of learning something that is perceived as highly relevant for the audience. It is a powerful eye-opener and although the original ad is nearly 3 minutes long, it retained people's engagement. It is highly emotional and managed to reach people at their core: the need to protect their children, the need for data security and privacy. Viewers perceive the ad as frightening and shocking, but they really appreciate and value the information provided by the brand via an ad, relaying this in their feedback: *"Scary. Many people forget that nothing is lost on the internet. It's great and responsible to point that out."* The ad strongly impacted the perception that the brand cares about online safety and takes responsibility with scores up to 90% vs. our norms.

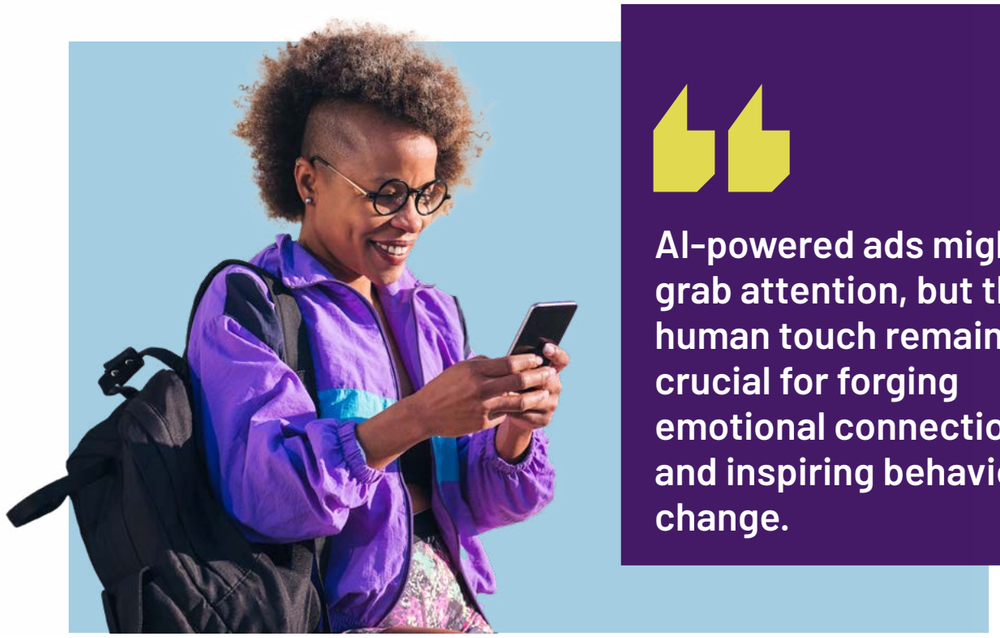
This ad not only performed above norms for all three attributes of Creative Ideas, but also on nearly all attributes of Empathy and Creative Experiences, leading to a strong Equity Effect Index and Creative Effect Index. This ad showcases the successful interaction of creativity and empathy, translating into high scores for short and long-term ad effectiveness.

Use the QR code to watch the ad

Figure 11: Message from Ella - successfully delivering a creative idea



Source: Misfits Analysis Creative|Spark DE, n=150



> AI-powered ads might grab attention, but the human touch remains crucial for forging emotional connections and inspiring behaviour change.

How AI can miss the mark

After reviewing three effective ads, all led by humans in the development process and also award winners, the question might be: **what happens when AI takes over and becomes the creator of the ad?**

One of our tested ads was completely AI-led, using AI in all five areas of the ad development process. It was produced and shared by Niccyan, who asked AI to make an Oreo commercial. And although this is not an official, brand produced and aired ad, it is a valuable example of maximum production efficiency and the potential risk on ad effectiveness.

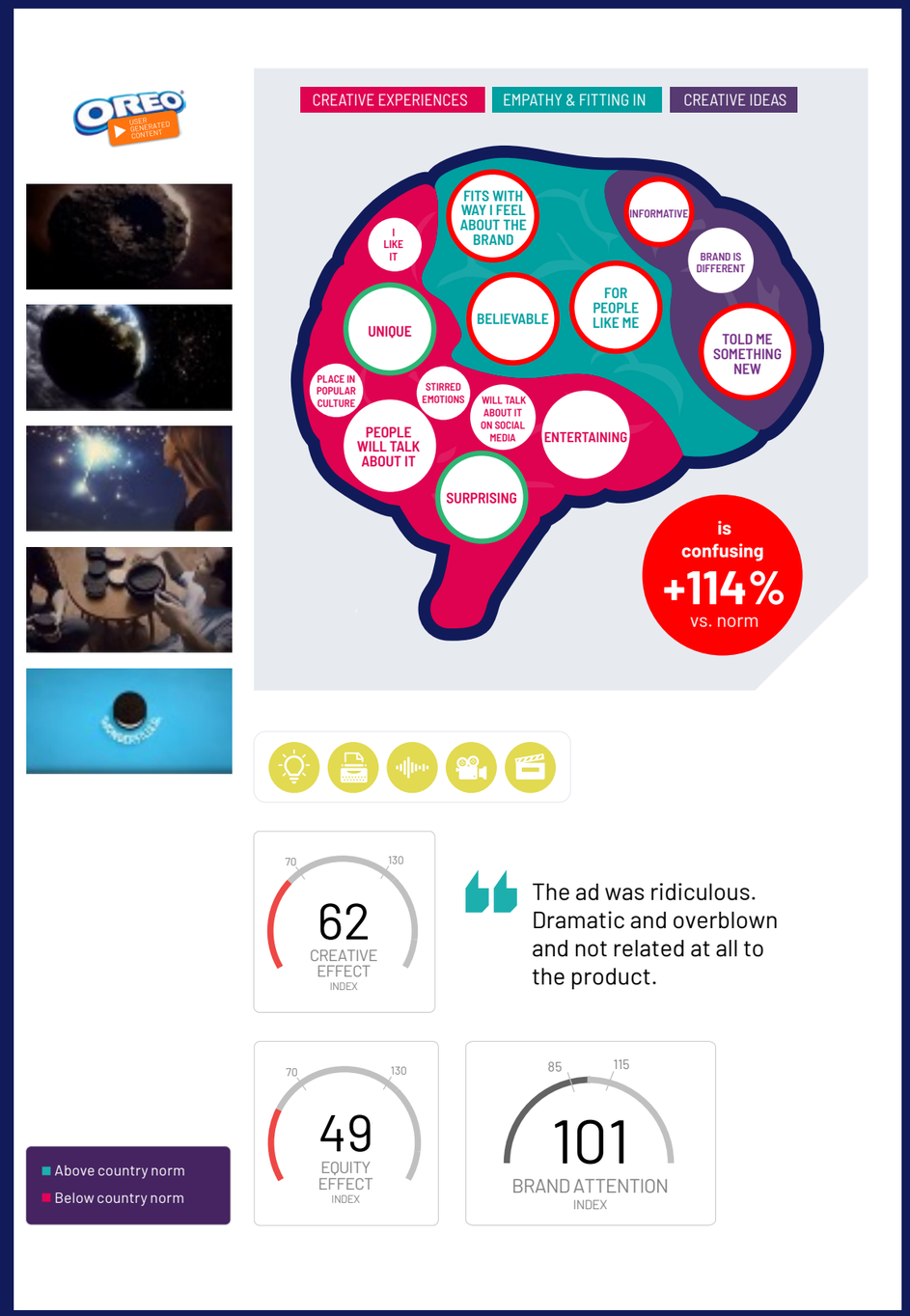
An AI-Baked Cosmic Cookie: Deliciously different or just weird?

This ad stood out as unique and surprising, driven by its visual style and unconventional setting for a cookie ad. It clearly split the audience: some people liked the music, the images and effects, but some others found it simply odd and stupid. And although the ad triggered craving for cookies, the majority couldn't link it immediately to the brand, which leads to an average Brand Attention Index.

The ad performed poorly on our short and long-term ad effectiveness measures, which can be explained by scores significantly below our norms for our Empathy and Creative Ideas ratings. Most people were neither able to connect with the ad and brand, nor did they understand its key message, which they also relayed in their spontaneous feedback. Overall, the ad mainly did one thing: cause a very high level of confusion.

Use the QR code to watch the ad

Figure 12: AI-baked Cosmic Cookie

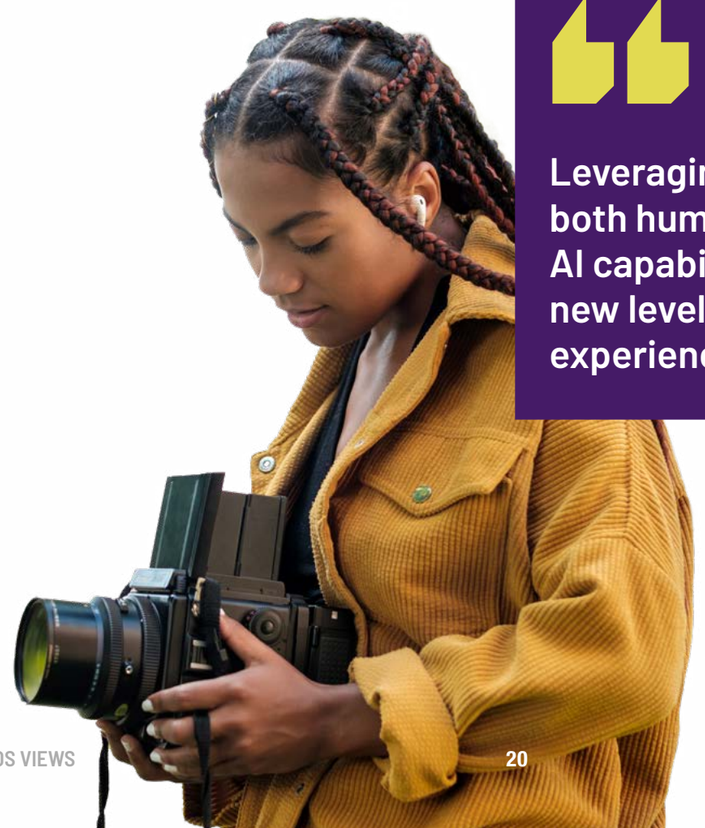


Source: Misfits Analysis CreativeSpark US, n=150

Initial conclusion - the irreplacable human spark

While AI is rapidly changing the advertising landscape with its ability to create unique visual styles, it is struggling to grasp the nuances of genuine creativity and empathy. AI-powered ads might grab attention, but the human touch remains crucial for forging emotional connections and inspiring behaviour change. We have shown that pushing production efficiency to the maximum by relying on AI for the most important parts of creative development can pose some risks on ad effectiveness and that these ads might miss the mark, leading to a disconnect that no amount of cost-cutting can compensate for. The creative quality, brand guardianship, empathy and originality that designers, creatives, and ad agencies bring to the table will ensure the continued creation of advertising experiences that enable brand success in the short and long term. This also means that, at least for now, their jobs remain safe from complete automation.

As with advertising research, the future of advertising production will involve a synergy of human intelligence and AI assistance, leveraging the strengths of both for maximum impact. More as a support to augment and streamline creative efforts, not as a replacement for human ingenuity and insight in crafting powerful, moving brand stories and messages.



> **Leveraging the strengths of both human creativity and AI capabilities can unlock new levels of advertising experiences.**

Key takeaways - ~~HI or AI?~~ #HIAI

01

AI is an enabler of impactful advertising experiences: AI is a valuable tool with opportunities to positively impact brand success, but only if thoughtfully applied and supervised by humans; over-reliance on it for creative development comes with risks.

02

More Human – More Connection: AI can inspire Creative Experiences and drive branded attention when led by human thinking: Ads with more human input in the creation process are more likely to deliver Creative Experiences relating to real-time cultural context and zeitgeist, enabling a stronger connection. Conversely ads created with more AI and little human input tend to lack stronger human connection and therefore miss emotional and behavioural responses.

03

More Human – More Relevance: Empathy is critical for short-term brand impact, and AI cannot yet replace human thinking to deliver this: Empathy is a strong driver of short-term brand choice, but ads created primarily by AI seem to struggle to replicate authentic human connection. There might be a risk in relying too much on AI at the expense of good quality ideas, insights and storytelling that resonate with consumers' needs, context and expectations.

04

More Human – More Originality: We still need human thinking to deliver new and original ideas to change behaviour: While AI supported ads excel at creating unique visual styles, which helps to gain consumers' attention, particularly ads with AI in the lead of development struggle to generate truly original content and new ideas. As these are – besides empathy – key for influencing behaviour change, it seems using AI techniques to a great extent can jeopardize ad effectiveness for the efficiency gains in ad creation.

05

The future of advertising is a collaborative approach: Leveraging the strengths of both human creativity and AI capabilities can unlock new levels of advertising experiences, but also new levels of production efficiency – and most important – ad effectiveness.

Endnotes

1. Ipsos. (2023). "Exploring the Changing AI Landscape". https://www.ipsos.com/en/chatgpt-and-rise-generative-ai-navigating-changing-landscape-ai

2. Buchholz, K. (2023). "ChatGPT Sprints to One Million Users", statista.com. https://www.statista.com/chart/29174/time-to-one-million-users/

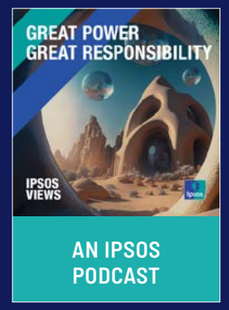
3. McKinsey & Company. (2024). "The state of AI in early 2024". https://www.mckinsey.com/capabilities/quantumblack/our-insights/the-state-of-ai

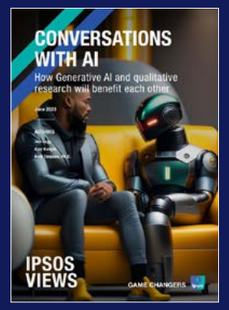
4. McKinsey & Company. (2023). "The economic potential of generative AI". https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/the-economic-potential-of-generative-ai-the-next-productivity-frontier

5. Ipsos. (2022). "Misfits: How creativity in advertising sparks growth". https://www.ipsos.com/en/misfits

6. Ipsos. (2020). "The power of you: why distinctive brand assets are a droving force of creative effectiveness." https://www.ipsos.com/en/power-you-why-distinctive-brand-assets-are-driving-force-creative-effectiveness

Further reading





OCTOBER 2024

MISFITS AND THE MACHINE

Why AI alone can't crack creative effectiveness

AUTHORS

Dr. Diana Livadic
Global Product Director, Ipsos

Ich freue mich auf den Austausch mit Ihnen

Stephan Bradersen
Director Creative Excellence,
ipsos Deutschland
stephan.bradersen@ipsos.com

The **IPSOS VIEWS** white papers are produced by the **Ipsos Knowledge Centre**.

www.ipsos.com
@Ipsos