

NEW RESEARCH:

GenAI powers content marketing advantage for early adopters.

October 2023

Great content generates powerful business results—and marketing leaders know it. Across B2C and B2B industries, 8 in 10 surveyed leaders say that content marketing is very or extremely important to their company's overall digital marketing strategy—and 9 in 10 say that importance grew between 2022–2023.¹

At the same time, leaders recognize that **yesterday's ways of producing content aren't meeting today's customer and business demands.** Customers expect a brand's ads, emails and other content-driven experiences to feel personally relevant, always right on time and in the right place. Businesses need to address new opportunities across owned, direct and in-house channels—creating demand for *more* digital content in *more* places with *more* personalization.

To solve these ever-expanding expectations, marketers are looking to produce higher *quality* and greater quantity of marketing content—and identify new ways of adapting and distributing it whenever and wherever it can have impact. New Deloitte Digital research conducted in late summer 2023 illuminates the escalating challenges content marketers face—and how **forward-thinking brands are generating eye-opening results from Generative Artificial Intelligence.**

1.5x

Demand for marketing content grew by 1.5x in 2023.

55%

Just 55% of the time, marketing teams are able to meet that demand.

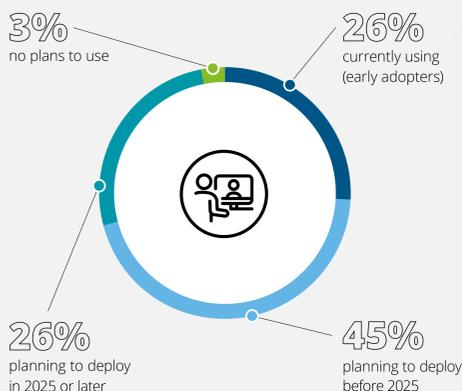
The GenAI content marketing revolution has begun.

We've all seen how Generative Artificial Intelligence (GenAI) models trained on massive datasets can mimic human thinking, creativity and even empathy. Marketing leaders see it too—and recognize its business value. Most are working to implement the processes, guardrails and training programs to seize the opportunities afforded by GenAI.

A significant number of companies are well past planning. **One in 4 organizations have already implemented GenAI in marketing operations.** Our research gives a first look at what's being done and what's working for this first wave of GenAI-powered marketing organizations.



ONE IN FOUR COMPANIES ARE COLLABORATING WITH GENAI FOR MARKETING CONTENT.

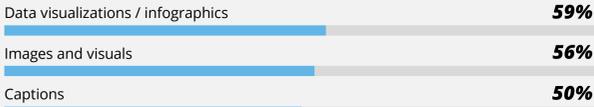


Taking small steps while addressing big questions.

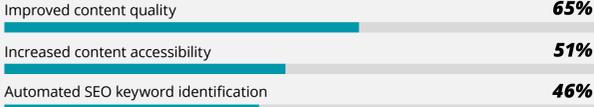
Most early adopters are just beginning to tap GenAI's potential as a content collaborator. While those companies report that **GenAI is involved in the development of 46% of content**, most say they are focused on using the technology to *improve and adapt* marketing content rather than *generate* complex or complete content.

The reason? **More than 3 in 4 early adopters remain significantly concerned about potential brand risks introduced by GenAI**, including intellectual property and legal jeopardy, cultural sensitivity mistakes, impersonal experiences and lower creative quality. Nearly as many remain concerned about talent and change management challenges.

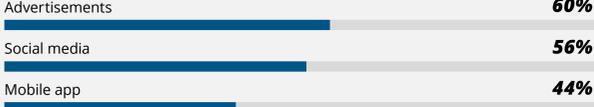
EARLY ADOPTERS ARE FINDING VALUE BY PRODUCING CONTENT ELEMENTS ...



WITH A PRIMARY FOCUS ON IMPROVING QUALITY ...



FOR A SELECT RANGE OF CHANNELS.



Early adopters achieve unanticipated value.

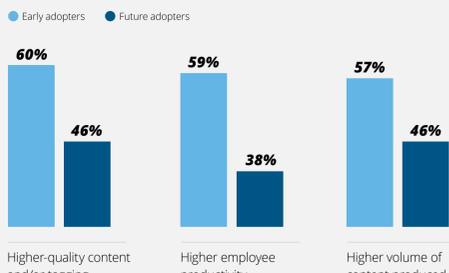
The results achieved by early adopters of GenAI should give other companies reason to accelerate their plans. Despite being a tool that marketers have collaborated with for only a few months, GenAI is already proving itself across a range of business priorities.

Companies currently working with GenAI for content marketing report they are ...



OUTPERFORMING THEIR OWN EXPECTATIONS:

Early adopters are experiencing **greater improvements than future adopters expect** regarding content quality, employee productivity and content volume—by an average gap of 15 percentage points.



BEATING MARKET EXPECTATIONS:

Early adopters report their companies **topped revenue goals** by an average of 14% in the prior year—whereas companies with no GenAI plans beat expectations by just 2% on average.

MEETING DEMAND:

Early adopters are able to **meet content demands 1.5x as often** as companies with no plans to use GenAI, while saving the average content marketing employee **11.4 hours/week**.

ACHIEVING RAPID ROI:

GenAI is generating positive ROI for *all early adopters surveyed*. On average, these companies have already experienced a **12% return on GenAI investments**.

Modeling a path to growth.

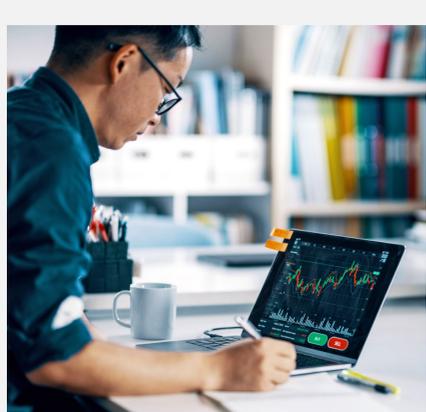
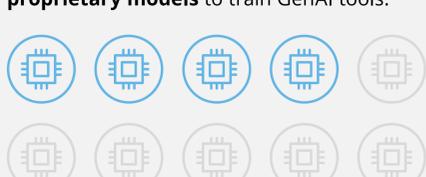
An important consideration for all companies is whether to deploy GenAI using public or private learning models.

Public models are built on massive datasets—text, images and videos, sound and music—making them useful for capturing a broad swath of cultural information.

Private models—those trained on a company's own creative assets and trusted data—can help produce content that feels not only human and relevant, but also strategic and on-brand.

However, both bring potential blind spots that businesses must solve—including legal and intellectual property concerns, as well as the potential for bias.

4 in 10 early adopters are **primarily using proprietary models** to train GenAI tools.



Advancing on the path.

For those starting the journey, the decisions you make today will help determine how much and in what ways GenAI creates value into the future: the trustworthiness of your models, quality of outcomes, scale of application, and variety of uses. So, it's important to ensure that the tools, capabilities, processes and priorities are in place—along with a clear vision for high-impact use cases. Also, governance standards should be implemented to identify and reduce risks and ensure adherence to brand standards and voice.

Compared to other companies, early adopters are ...

3x as likely to have a formal, analytics-driven process to **balance content supply and demand**.

3x as likely to have a **fully functioning project planning process** using dedicated tools for content marketing.

3x as likely to have a **very high level of automation** for content fulfillment and distribution.

For those already on the journey, it's critical to recognize that the rapid evolution of GenAI means that agile processes, testing and learning strategies, training programs, and measurement and optimization capabilities should not only be implemented, but continually improved over time—particularly as use cases expand. "Set it and forget it" will never be a smart path with GenAI; rather, it should always be treated as a powerful collaborator that can continually help your team of human marketers improve their own speed, insights and creativity as they monitor and adapt campaigns over time.

56% of early adopters **conduct A/B testing** on GenAI-produced content **"most of the time."**

62% of those using GenAI **extensively say their teams are now expert or highly skilled**, compared to just 20% of early adopters where GenAI use is still limited.

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METHODOLOGY (1)

Statistics cited in this report are based on a blind survey conducted by LawResearch on behalf of Deloitte Digital between August and September 2023.

Respondents included 650 leaders at US business-to-consumer and business-to-business companies with 100 or more employees and \$50 million or more in annual revenue. Respondents represented the following types of businesses: automotive, consumer goods / services, education, energy / utilities, financial services, insurance, health care, life sciences, hospitality, manufacturing, media / entertainment / publishing, real estate, retail, technology, telecommunications, travel and transportation.

All respondents were senior managers or above working in e-commerce, marketing and/or product marketing departments, with responsibility for one or more of the following: communications, content creation / marketing, and/or editorial / publishing.

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