JÖNKÖPING UNIVERSITY
Jönköping International Business School

The Role of AI in Modern Marketing Practices

A multi-method study of how AI can be integrated into the strategic and creative process of marketing creation and the perceptions of Swedish consumers.

BACHELOR THESIS PROJECT
THESIS WITHIN: *Business Administration*
NUMBER OF CREDITS: *15*
PROGRAMME OF STUDY: *Marketing Management*
AUTHOR: *Jacob Alm & Alexander Gustafsson*
JÖNKÖPING May 2024

Bachelor Thesis Project in Business Administration

Title: The Role of AI in Modern Marketing Practices: A multi-method study of how AI can be integrated into the strategic and creative process of marketing creation and the perceptions of Swedish consumers.

Authors: Jacob Alm & Alexander Gustafsson

Tutor: MaxMikael Wilde Björling

Date: 2024-05-17

Key terms: Artificial Intelligence, AI, AI in marketing, Marketing, Strategic Marketing, Creative Process in Marketing.

Abstract

Artificial intelligence (AI) in marketing has gained significant interest and adoption recently, which makes it an important research topic. The purpose of the study was to explore how the integration of AI can be utilized efficiently in marketing creation, the applicability in its current state, and consumers perception of marketing material generated by AI. The study was based on a multi-method approach consisting of qualitive interviews with advertisement agencies, two experiments with AI, focus groups to gather consumer perceptions and attitudes, and a content analysis to evaluate AI's ability to create marketing strategies compared to professional agencies. The study further incorporated theoretical frameworks from previous research to get a more comprehensive perspective.

The findings provide insights into how the AI models ChatGPT and Dall-E can support marketers in both the strategic and creative process. Furthermore, the study also identifies a consumer skepticism that negatively affects their perceptions towards AI-generated material, and that there are significant ethical considerations that must be addressed when using AI in marketing. Organizations and marketers can use these findings to leverage AI to refine their marketing strategies and creative process.

Acknowledgements

We would like to acknowledge and express great gratitude towards the people involved in making this thesis possible.

First off, we would like to thank our tutor, MaxMikael Wilde Björling for your support and guidance through the whole process of writing this thesis. MaxMikaels experience, knowledge and engagement have been invaluable to the study and its outcome.

Secondly, we would like to thank the advertisement agencies Dear Friends and Bolt. We have enormous gratitude that we were welcomed and given insights into your organizations, providing us with personal inspiration and knowledge, as well as contributing as the backbone for the content of the thesis.

Thirdly, we are grateful for the participants of the focus groups, giving valuable opinions and insights allowing the study to discuss consumers perceptions.

Fourthly, we are very thankful for the opposing groups that has challenged our work, questioned our work, and provided valuable feedback and discussions which have helped increase the quality of our work.

Lastly, we would like to thank all teachers at JU that have had the workshops that provided guidance in every part of the process.

Jacob Alm Alexander Gustafsson

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1. Introduction

This chapter introduces the subject, some background information, and a description of what will be covered in the study.

1.1 Background

The idea of Artificial Intelligence (AI) can be traced back to 1950 when Alan Turing famously wrote *"We may hope that machines will eventually compete with men in all purely intellectual fields"* (Turing, 1950). According to Anyoha (2017), Turing proposed that if humans can use information and reasoning to resolve issues and decision-making, machines should be able to do the same thing. Although Turing lacked the needed technology to create a machine like this, his work tells us that AI has been a known concept for over 70 years.

AI can be described as computers managing to do things humans are good at, such as learning new things, making decisions, reasoning, and solving problems. For computers to do this, they are given a set of rules (heuristics) that inform the computer how to act in given situations. Computer scientists working with AI are trying to replicate human behavior by modeling it and then creating a computer program that can perform the same tasks and think in the same way. (Akerkar, 2014)

The growth of AI as a tool in marketing has been gaining traction in recent years. This growth can be explained by many factors such as digitalization, computing power advancements, accessibility to extensive insights and personal data, and the rapid development of machine learning. (Huang & Rust, 2020)

One of the leading companies in AI advancements is OpenAI and its language model ChatGPT and the text-to-image generator Dall-E. OpenAI was founded in 2015 to create an artificial general intelligence (AGI) (Brockman et al., 2015). Artificial General Intelligence concerns computer software that has a broad generalization capability.

Instead of being focused on solving specific tasks and problems, AGI is about understanding the whole concept and creating systems around it. A General intelligence can solve a variety of tasks, problems and reach a variety of goals, it can do this in different environments, situations, and contexts, like a human mind. Artificial General Intelligence is about trying to recreate the human mind with computer software. (Goertzel, 2014)

Since its inception, OpenAI has remained an independent company, but has garnered noteworthy support and funding from various entities, including contributions from co-founder Elon Musk and a business partnership agreement with Microsoft (Microsoft, 2023).

This paper will utilize and examine OpenAI´s two most prominent AI models ChatGPT and Dall-E. The models have gone through various versions, the paper will use its latest updated iterations ChatGPT-4 and Dall-E 3 respectively. ChatGPT is a generative natural language AI model that uses predictive computer analytics to create original texts (OpenAI, 2023b). According to OpenAI (2023a) the text-to-image generative AI model Dall-E has the capability to create images from a language description input by a user.

1.2 Problem discussion

Gao et al. (2023) and Chintalapati and Pandey (2021) discuss how AI can be utilized in marketing to automate repetitive menial tasks and collect analytical data to understand customer preferences and attitudes, to create targeted personalized marketing. Van Esch and Stewart Black (2021) agree with Gao et al. (2023) and Chintalapati and Pandey (2021) further concluding that return on investment (ROI) can improve by integrating AI into marketing campaigns. Gao et al. (2023), van Esch & Stewart Black (2021) and Chintalapati and Pandey (2021) discuss ethical considerations with the use of AI, such as consumer privacy and integrity.

Ivanov (2023) further investigated the usage of AI in marketing from a creative aspect by comparing people's perceptions of content created by AI with content created by marketing students.

There is a significant amount of research available on how AI can be used in marketing for repetitive tasks such as gathering and analyzing large amounts of data. Furthermore, there are significant research on how creativity works for the human brain, such as Titus (2018) framework on how marketers can use different types of stimuli to enhance their idea generation process. While some research has been made, such as Ivanov (2023), there are still a lack of in-depth research on how AI can be used in the creative and strategic process, such as the actual creation of a marketing campaign and its strategy as well as consumer perceptions of this material. Given the significant growth of AI usage in marketing (Huang & Rust, 2020), the creative aspect of AI in marketing is considered highly relevant and something that must be investigated further. Ivanov (2023) agrees there is a need for further research on how AI can be implemented in the creative process and that because of the rapid development of AI further research needs to be conducted on this aspect.

The AI framework created by Huang & Rust (2020) as well as the strategic marketing frameworks discussed by Aaker and Mcloughlin (2010) and Percy & Elliott (2012) attempts to present a more efficient strategy for marketing operations. A study that theoretically as well as practically explores how AI can be utilized in the creative and strategic aspects to make organizations more effective, would be relevant to marketers that aim to increase effectivity, creativity, and quality.

1.3 Purpose Statement

The purpose of this paper is to explore and understand how AI can be effectively integrated into the creative and strategic process of creating a marketing campaign. The paper also aims to understand consumers' perceptions and attitude on marketing material created by AI. The expected outcome of this study is to gain a better understanding of how AI can be utilized in the strategic planning process, the creative process, as well as understand consumers perceptions on marketing generated by AI. The study will combine these elements to get an overview of AI's current state, its usability, and perceptions.

1.4 Research questions

- *How can AI be effectively integrated into the strategic and creative process of marketing creation?*
- *What insights can AI-generated campaigns compared to professional advertisement campaigns provide about AI's capabilities and Swedish consumers' perception of it as of right now?*

1.5 Definitions

Artificial Intelligence (AI)

Artificial intelligence is computer programs that aim to replicate human behavior and intelligence to perform similar tasks and think like humans. (Akerkar, 2014)

ChatGPT

A generative natural language AI model that uses predictive computer analytics in order to create original texts (OpenAI, 2023b).

Dall-E

A text-to-image model generative AI model developed by OpenAI that can create images based on text input from users (OpenAI, 2023a).

Custom-GPT

Custom versions of ChatGPT that can be modified for certain objectives and tasks. Custom-GPTs can be tailormade by giving them instructions on exactly what they should and should not do. (OpenAI, 2023c)

2. Literature Review

The purpose of this chapter is to provide the theoretical background related to the field of the strategic process in marketing, the creative process in marketing, integration of AI in marketing, and the ethical considerations when utilizing AI in marketing activities.

2.1 Search process & literature screening

To conduct the literature review, Google Scholar, Scopus, and Google Search Engine were used to find relevant sources. A book was further used that was recommended by the responsible tutor of the paper. Several keywords were used in the search to find relevant literature, as displayed in the table below.

	Keywords
Strategic Process	*Strategic marketing, marketing strategy, Strategic marketing framework, strategic marketing model, strategic marketing campaign, and marketing campaign planning.*
Creative Process	*Creative marketing process, creative marketing, idea-generation in marketing, creative advertising, and disruptive marketing*
AI in marketing	*AI in marketing, AI in digital marketing, AI advertising, marketing campaign with AI, Marketing planning AI, Generative AI Marketing, AI-generated marketing, ChatGPT in marketing, Dall-E in marketing, ChatGPT and Dall-E.*

Table displaying the keywords.

When choosing which literature to use publication date was of importance. Literature with as recent publication date as possible was prioritized. Peer-reviewed sources were prioritized, but some non-peer-reviewed sources were included when they were considered relevant and trustworthy. To determine if the search results were relevant to the paper, the authors screened the search results by reviewing titles and abstracts. All sources included are considered to contribute with a unique perspective on the research topic.

2.2 Strategic Marketing

2.2.1 The Big Five

Aaker (1997) discusses the impact of brand personality with a framework consisting of the “Big Five”. The proposed five distinct dimensions are showcased below in the table.

Brand personality	Description
Sincerity	Characterized by being perceived as genuine, honest, and wholesome. Sincerity is attractive to consumers that value transparency and authenticity in their interactions with the brand.
Excitement	Characterized by being perceived as daring, imaginative and up to date. The excitement persona is appealing to consumers that identify with vibrant and youthful brand identities that are not afraid to stand out among their competitors.
Competence	Characterized by being perceived as responsible, efficient, and reliable. Consumers that value dependability and expertise in performance of product and services often prioritize brands that embody the competence brand personality.
Sophistication	Characterized by being perceived as prestigous and as a status symbol. This brand dimension attracts consumers that aspire to be identified with a certain level of luxury or refined taste. Brands that use the sophistication dimension as their brand personality often position themselves as a premium product within the market.
Ruggedness	Characterized by being perceived as tough, adventurous, and outdoorsy. The brand dimension often resonates with consumers that align their identity with durability and strength, products that utilize this personality is often linked with outdoor or adventure activities.

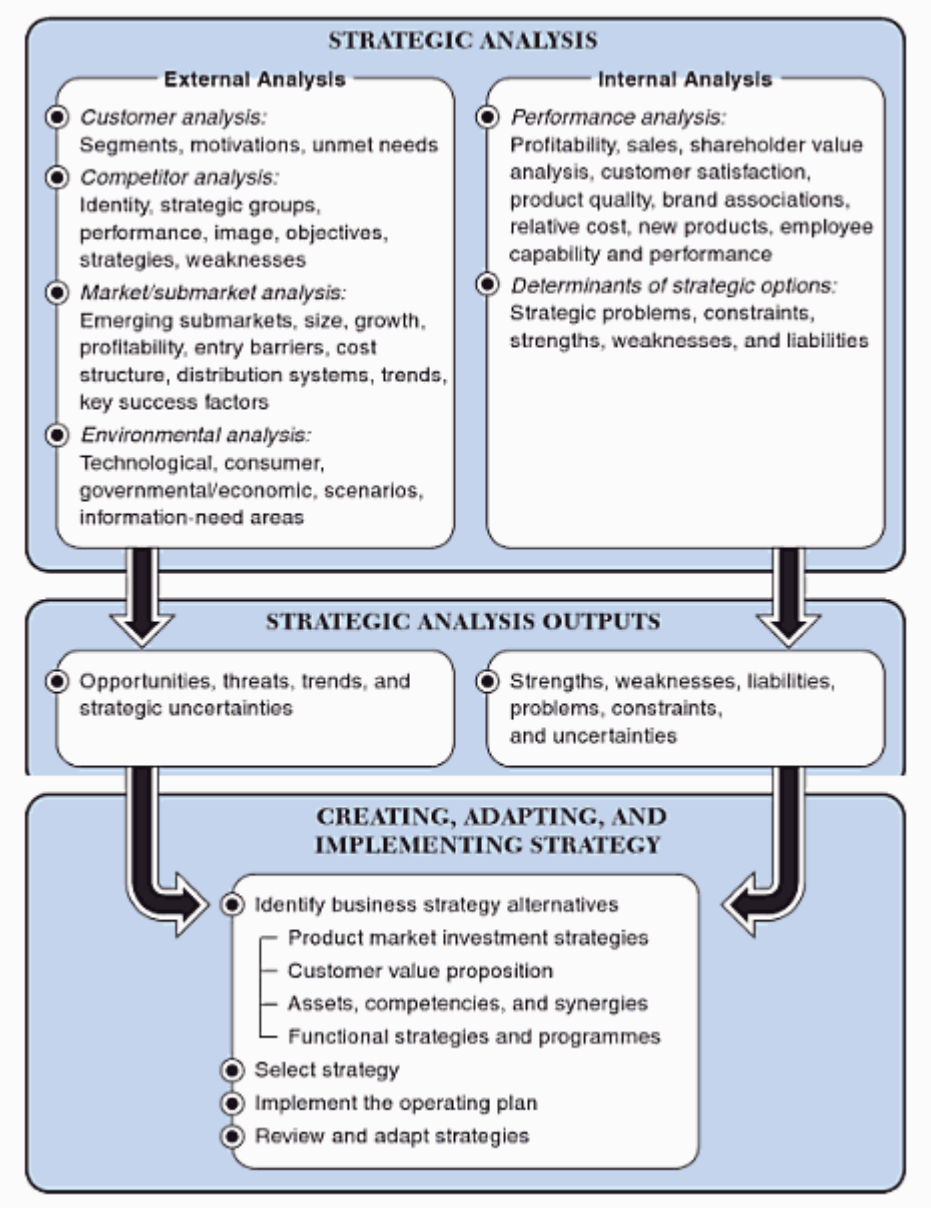
The proposed five brand dimensions adapted from Aaker (1997).

The framework is verified through extensive empirical research involving a dataset of 631 subjects and 37 brands over 114 unique personality traits. The exploratory factor analysis indicated that the “Big five” dimensions described capture the essence of the standardized brand personality categories perceived by consumers.

Aaker (1997) argues that brand personalities exhibit personality traits and can be categorized with human personality alike. Through extensive research involving consumers and a wide range of brands, Aaker (1997) develops a generalizable scale to measure the five dimensions. The framework is a tool for marketers to apply to create an assessment of its desired target market and create modified strategies for a suitable brand personality. Furthermore, the framework provides insights into how brands can be positioned and differentiated in the marketplace using the brand personalities.

2.2.2 Strategic analysis framework

Aaker & Mcloughlin (2010) have created a theoretical framework matrix that outlines a structured guide to strategic analysis and decision-making as outlined below.



Strategic analysis framework matrix by Aaker & Mcloughlin (pp. 11, 2010).

The framework by Aaker & Mcloughlin (2010) emphasizes that strategic management must be a dynamic and continuous process, organizations cannot become stale but rather fluid and capable of adapting to changing circumstances and new information. Gaining and sustaining a competitive advantage is done through active decision-making validated by current information of the market and the organization.

The constant supply of new information that guides a company's decision-making is acquired through two methods as per the framework: External analysis and internal analysis.

The external analysis objective is to identify opportunities and threats in the external environment. The external analysis enables proactive strategy that is sensitive to social, economic, and technological shifts and trends. Additionally, understanding the external market dynamics accurately gives the opportunity of understanding consumers decision-making and demand and further future trends and emerging markets. The proactive strategy and ability for anticipation within the market allows organizations to capitalize on and mitigate risks associated with future changes within the market.

Internal analysis is instead the opposite, with the internal perspective a review of the internal organization is done. Internal analysis evaluates the competences, resources, and performance metrics such as profitability, product quality and customer satisfaction. Taking inventory of the company’s current performance, resources and competencies will enable the alignment of strategy with capabilities, identification of strategical options and potential improvements.

After the strategical analysis and its output is carried out the last step of the framework (Creating, adapting, and implementing strategy) is enabled. Here the external and internal analysis is combined to create and implement a strategy as well as its continuous evaluation. Aaker & Mcloughlin (2010) stresses the importance of creating two in-depth analysis’s and then viewing them as co-dependent and shaped by each other. The external analysis provides the knowledge of external forces impacting the organization creating opportunities or risks, while the internal analysis ensures that the organization’s strategies to address this are grounded in its capabilities and resources. The last step in the model is to constantly evaluate the strategy from the perspective of internal organization and its needed improvements to better address the external market.

2.2.3 Five-Step Strategic Planning Process

Percy an Elliott (2012) presents in their book called "*Strategic Advertising Management"*, that strategic marketing planning can be divided into five steps, something they call "The Five-Step Strategic Planning Process". The table below outlines the five steps, the objectives and required actions for each step.

Step 1: Select target audience	**Objective:** Identify the target audience based on the overall marketing strategy. **Actions:** 1. Determine if the focus is on existing customers or acquiring new. 2. Segment existing customers into loyal or multi-brand users. 3. Segment new customers into new to product category or already consuming similar product. 4. Analyze demographics, psychographics, attitudes, and behaviors. 5. Determine where trade fits in.
Step 2: Understand decision-making	**Objective**: Understand how the target audience makes decisions within the category **Actions**: 1. Identify the roles in the decision-making process (initiators, influencers, deciders, purchasers, users) 2. Model the stages of decision-making (choice, purchase, usage). 3. Determine how and where to influence the purchasing decision.
Step 3: Determine brand positioning	**Objective**: Position brand to differentiate from competitors within segment. **Actions**: 1. Evaluate the competitive advantage of current position versus a shift to a new. 2. Understand target audience opinions of the brand and its competitors. 3. Define and determine brands strategy for positioning.
Step 4: Develop communication strategy	**Objective**: Create a communication strategy based on communication and positioning objectives. **Actions**: 1. Identify desired effects (category need, brand awareness, brand attitude, brand purchase intention). 2. Decide on the audience inclusion and type of promotions activites. 3. Develop a communication and promotion strategy targeting specified segments and desired effects.
Step 5: Construct media strategy	**Objective**: Establish media channels to communicate the message efficiently. **Actions**: 1. Determine the use of direct marketing and further media channels. 2. Utilize advancements in technology and data for personazlided marketing. 3. Implement direct mail and other direct marketing methods.

Five-Step Strategic Planning Process adapted from Percy & Elliott (2012)

The five-step framework for organizational decision-making emphasizes building knowledge progressively through each stage.

In the first step the actions and decision-making process of the brand revolves around identifying its target audience. Percy and Elliott (2012) stress the need for the organization to acquire comprehensive data of its target audience through demographics, psychographics, attitudinal and behavioral patterns to make informed strategic decisions in the planning process.

Adding additional context to the second step of the model by Percy and Elliott (2012) reminiscent of the first step highlights the need for in-depth analysis based on sufficient data to make effective decisions and determinations of the target audience. Furthermore, it is important to note that one consumer can play multiple roles in the decision-making process for consumers.

In the third step Percy and Elliott (2012) cements the belief that decisions need to be taken from an informed standpoint, establishing the strategic positioning of the brand is to be done after an evaluation of the brand and competitor brands position in the consumer's mind.

The fourth step builds on the previous steps and furthermore talks about the need for additional decision-making from the organization based on the desired outcome. This step requires the organization to align its actions with its goals, ensuring that decisions are directed towards achieving these outcomes.

The fifth and last step is a culmination of all previous steps, where every step before has created decision support material to make decisions on communication channels and media strategies to target the consumer effectively. Each preceding step has contributed to creating a solid foundation of knowledge, enabling the organization to make well-informed decisions about how to reach and engage its audience effectively.

Percy and Elliott (2012) argue that these five steps and the actions and objectives within them are a good way for marketing managers to plan their strategic marketing efforts and that they must be completed in the presented order to work as expected.

2.2.4 Strategic Storytelling

Woodside et al. (2008) discusses a combination of consumer psychology, storytelling, and its implications for the creation of marketing material. The paper titled *"When Consumers and Brands Talk: Storytelling Theory and Research in Psychology and Marketing"* claims that the narrative of marketing materials has a strong impact on consumer behavior. Using storytelling as a marketing strategy is an effective tool for consumers to integrate brands into their identities.

The paper goes on to discuss the transition from traditional marketing that used plain information presentation into a storytelling approach that involves consumers in a dynamic and engaging marketing process. The marketing activity of storytelling claims to strengthen brand relevance as consumers use brands to express their identity, which in turn increases emotional resonance. (Woodside et al., 2008)

The paper further discusses the psychological implications and altered consumer behavior when narrative engagement allows consumers to use products as their own personal narratives and forms of identity expression. The paper supports its claims with case studies that display the storytelling marketing strategy effects in real-world consumer interactions with brands.

Woodside et al. (2008) highlights that marketers that understand and leverages storytelling in their marketing material can create more efficient brand strategies that align with consumers tendency to allow brands to be used as a vessel to express their own identities. This increases consumer engagement and brand experience, as well as a higher brand loyalty and advocacy.

2.3 The creative process in marketing

2.3.1 The Divergent Marketing Thought Model

In the article *"Exploring Creative Marketing Thought: Divergent Ideation Processes and Outcomes"* Titus (2018) discusses a framework called Divergent Marketing Thought Model (DMTM), with the purpose of understanding cognitive processes within the creative aspect of marketing material creation. The model is based on psychological

insights, marketing, and research on creativity. The author claims that the model can help enhance the creative output of marketers by using specific divergent processes for generating ideas.

The DMTM model emphasizes that idea generation is not a casual activity, but rather that it should be directed towards specific marketing objectives and problems, for example positioning, brand awareness or product awareness. The model presents numerous divergent ideation processes that is crucial to enhancing creativity within marketing. Furthermore, the DMTM model emphasizes curiosity, the importance of generating a vast amount of innovative marketing structures and interpretations, and to not be afraid of failure. Titus (2018) further argues that familiar and expected stimuli often fail to initiate divergent thinking because they are easily processed and categorized. If someone is faced with similar stimuli several times, they become used to it which results in less intellectual stimulation, leading to less creative thinking and ideas. Furthermore, disruptive, and unfamiliar stimuli are encouraged to trigger divergent thinking because more effort is required to recognize and process it.

By challenging yourself with disruptive and unfamiliar stimuli, it will be easier to create thought-provoking marketing, that challenges traditional marketing activities and therefore has a greater chance of making an impact on consumer's decision-making process. Examples of unfamiliar stimuli include new people, memories, or new places, but also depends on the person confronting the stimuli, what is unfamiliar to one individual might be familiar to another individual. (Titus, 2018)

Titus (2018) also discusses that while unfamiliar stimuli have proven to spark divergent ideation, this cannot be an absolute truth since the human mind is far too complex for this to work for everyone. Familiar stimuli can also be transformed into unfamiliar ones by conceptually altering it, which can function the same as stimuli that are unfamiliar from the beginning (conceptually unaltered stimuli). What works best is different from individual to individual, but the author argues that both will create unique types of innovative and creative marketing ideas and structures. The paper proposes that these individual differences can be of interest for future research, to better understand which

personal and professional characteristics affects what divergent ideation modes are most effective for each individual.

2.3.2 Ten-Step Model for the Creative Process

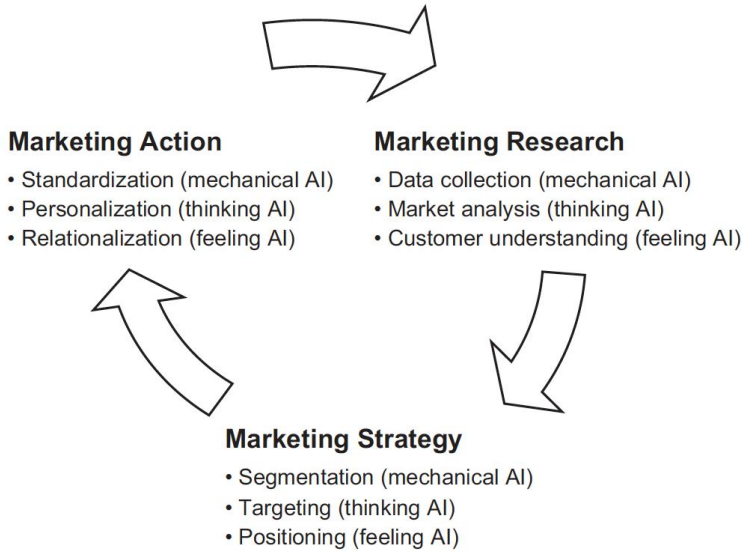
In the paper *"Altered states: The effects of media and technology on the creative process in advertising agencies"* by Stuhlfaut and Windels (2017) discuss how advertising agencies have adapted and evolved in the modern digital landscape and its media. Moreover, the study states that digital platforms, such as mobile phones and personal computers, have significantly improved interactive communications with consumers. The increase of social media usage has given agencies an easy way to build and entertain consumer relationships and rapidly respond to consumer opinions and market situations. Additionally, social media has made it possible for agencies to gather extensive real-time information to understand consumers and target them more efficiently. The rise of social media has also brought some negative consequences, the main one being that consumers now can ignore and skip advertisements however they want, which might result in additional challenges for marketers.

Through interviews with ten different creative directors Stuhlfaut and Windels (2017) create a ten-step creative process in which the majority answer is considered. The steps are: Identifying the problem, determining the strategy, presenting the initial strategy to the client, briefing the team, creating the core concept or idea, presenting the rough concepts internally, translating the idea into traditional and "New-Media" prototypes, presenting prototypes to client for approval, revising and extending the approved concept to full campaign and producing creative materials for media placement. For this study, the fourth step – briefing the team - is the most relevant step to understand the human capital needed for the creative process of marketing agencies. Stuhlfaut and Windels (2017) discuss the importance of crafting briefs that include goals, main message, definition of target audience, media choices, and deliverables. Furthermore, the authors state that an effectful way to gain many perspectives is to bring in a broad team with different roles and competencies for brainstorming in the briefing process.

2.4 Integration of AI in Marketing

2.4.1 Strategic Framework for AI in Marketing

In the article "A Strategic Framework for AI in Marketing" by Huang and Rust (2020), the authors present a three-stage strategic framework for using AI in marketing, that works as a circular model.



A strategic framework for AI in Marketing by Huang and Rust (2020)

The first step of the model is to do marketing research to analyze and understand the company, the competitors, the market, and the consumers. The second step is called marketing strategy where marketers develop strategies for segmentation, targeting, and positioning. The third step, marketing actions, is to create strategies and identify specific actions that help execute the marketing campaign. After the marketing actions, the model does not stop, since the actions will supply the company with data that can be used for marketing research, which makes the framework circular. The framework also shows how AI can be implemented in these steps as well as which type of AI. (Huang & Rust, 2020)

Three types of AI are included in every step of the model; Mechanical AI which can be used to automatize repetitive tasks and data collection, ensuring standardization and

consistency. Thinking AI can process data to draw conclusions, make decisions and generate personalized content. Feeling AI can analyze human emotion and replicate human-like interactions, a potential use case is costumer service bot. In the first step, Marketing Research, AI can be used for data collection, market analysis, and customer understanding. In the second step, Marketing Strategy, AI can be used for segmentation, targeting, and positioning. In the third step, Marketing Action, AI can be used for standardization, personalization, and establishment of relationships. (Huang & Rust, 2020)

2.4.2 Integration of AI in the advertising context

Gao et al. (2023) discuss how AI research in the advertising context has seen a significant rise in the last couple of years. Further, the paper reflects on how AI can be utilized to understand the consumer base. AI can be used to collect analytical data and gain insights regarding consumer preferences, tastes, and attitudes. Additionally, the paper goes on to explain that the insights gained and the use of AI, which is more cost and time-effective, can be used to create targeted tailormade personalized advertisements for each consumer and consumer segment. This in turn has the potential to improve consumer engagement and business operations.

The paper by van Esch and Stewart Black (2021) discusses the same topic, the integration of AI in the context of advertisement. The authors explore specifically the use of AI as an ROI-effective method to create targeted, engaging, and personalized social media content.

According to van Esch and Stewart Black (2021) AI technologies can be employed to analyze vast datasets rapidly, allowing brands to tailor their marketing strategies with unprecedented precision. For instance, by leveraging AI, companies can generate insights into consumer behavior patterns, enabling them to deliver highly personalized content to users on social media platforms. This customization not only improves user engagement but also boosts the effectiveness of marketing campaigns by ensuring that the right messages reach the right audience at the optimal time.

A potential for a better digital costumer experience is discussed in the paper. AI-driven tools like chatbots and virtual assistants can be employed to customer service on social media. These AI systems can interact with customers in real-time, providing immediate responses to inquiries and resolving issues. This level of interaction helps maintain customer satisfaction and loyalty, which are crucial for brand reputation in the digital age. The paper goes on to discuss the role of human marketers in the future, regarding the evolution of AI in digital marketing. The paper argues that while AI can handle repetitive and data-intensive tasks, creative and strategic elements of marketing still require the human involvement and touch. The relationship between AI and human marketers should be symbiotic, where AI handles data-driven tasks and humans focus on creative and strategic planning. (van Esch & Stewart Black 2021)

2.4.3 AI & Humans in marketing

In the study by Ivanov (2023) the author explores the visual perception and attitudes towards AI created marketing campaigns and content compared to human created content by marketing student's campaign. Focusing on university students' reactions to the content and its differences. Ivanov (2023) used two AI programs, Midjourney in creating the visual pictures, and OpenAI´s ChatGPT for the text within the campaign. Key findings from the study indicate minimal perceptual differences between content created by AI and humans, suggesting that AI tools can potentially match human creativity in specific contexts of marketing content creation. This outcome was observed through experiments where students evaluated marketing material created by AI and humans, where participants was under the perception that their evaluation were regarding peers work rather than AI. The empirical data showed that both AI and human-generated content received similar ratings for creativity, engagement, and effectiveness. However, Ivanov (2023) acknowledges that the results cannot be generalizable for the marketing field as a whole, mainly because the human created material was created by non-professional student marketers.

The paper discusses the potential for AI in marketing, particularly in automating content generation which can lead to significant efficiencies and cost reductions. However, it also acknowledges the early stage that AI finds itself within, suggesting that while AI demonstrates promise, it is not a substitute for human creativity. The efficiency of

communications between humans and AI is further described as a challenge. Where AI and humans require different communications and use of language as the two groups interpret tasks differently. The need for further research in the field of communications between humans and AI is deemed necessary.

The paper additionally discuss that it is not only the advancements of AI that will play a deciding role in its widespread adoption, but in addition consumer norms and perceptions. Ivanov (2023) argues for a balanced perspective recognizing AI's capabilities and its current limitations, suggesting the need for continuous research to better integrate AI in creative processes without undermining the value of human touch in marketing. The paper further states that AI has the potential to be utilized in the early stages of marketing campaigns through idea generation and visualization of ideas.

2.4.4 Identified use cases of AI in marketing

The paper by Chintalapati and Pandey (2021) presents a systematic literature review on the integration of AI in a marketing context. The paper divides the integration of AI in marketing into five functional categorical themes: integrated digital marketing, content marketing, experiential marketing, marketing operations, and market research, along with nineteen sub-functional themes.

Chintalapati and Pandey (2021) identify a total 170 use cases of AI in marketing providing insights into how AI is being leveraged to deliver superior quality outcomes and experiences. The 170 use cases where AI have the potential to be leveraged is divided and discussed within each of the five main functional themes.

AI integrated digital marketing is presented as the possibility of leveraging AI to enhance digital marketing strategies. Using AI in digital media strategies is in some parts similarly described in van Esch and Stewart Black (2021) paper on AI integration on social media marketing. Among the benefits according to Chintalapati and Pandey (2021) is intelligent search, recommendation algorithms and the use of automated technology for buying media advertisement.

Content marketing and the intersection of AI goes hand in hand with modern marketing and the functional theme of digital marketing (Chintalapati & Pandey, 2021). This aligns with van Esch and Stewart Black (2021) discussions. It is focused on the creation and adaptation of personalized content. AI can create insights into markets and consumers as well as creating and distributing tailormade marketing campaigns.

The third theme that the paper by Chintalapati and Pandey (2021) discuss is experiential marketing. AI has the potential of being used as an effective tool when creating personalized immersive and interactive marketing experiences for consumers. Examples of use cases is intelligent voice generating or recognition systems, image generation or recognition and virtual transformations. An example of AI in experiential marketing is Burger King´s *"Million Dollar Whopper Contest"* which has an AI-assistant that has a responsive and dynamic dialogue as well as image creating capabilities (Burger King, n.d.).

Chintalapati and Pandey (2021) go on to discuss AI in marketing operations. Marketing strategy and its execution is the focal point of marketing operations. The contribution of AI is automation, forecasting as well as predictive analysis and campaign execution. The main takeaway from the theme is the time and cost efficiency as well as the grade of automation that AI has to offer.

Marketing research, which is the fifth and last main theme further emphasizes the sentiment that AI is useful in data collection capabilities which aid an organization in its decision-making. Costumer segmentation, consumer behavior analysis as well as data collection are some of the use cases discussed by Chintalapati and Pandey (2021) that AI is associated with.

2.4.5 Ethical considerations & limitations

Both Gao et al. (2023) and van Esch and Stewart Black (2021) bring up ethical challenges and concerns regarding the use of AI in gaining market knowledge. The main discussion point is consumer privacy and integrity. Both papers emphasize the need for further research, guidelines, and discussions regarding the ethical considerations of using AI to

find and collect data about consumers, as well as its utilization in creating targeted and tailormade advertisement campaigns.

Gao et al (2023) further discuss that since AI is based on massive amounts of data and subjective decisions made by their creators, it can lead to discriminatory practices in advertising. These practices could lead to wrongful targeting that excludes specific groups. Ivanov (2023) and Chintalapati and Pandey (2021) agree that biases in AI's training data can result in unfair targeting and discrimination against certain groups. Furthermore, Gao et al (2023) also argue that since AI needs large amounts of data to function properly, marketers must find a balance between the advantages of personalized advertising and ethical considerations regarding data collection. Marketers also need to be transparent and provide opt-out options for consumers who do not want to share their data. The fast development of AI has led to the regulatory environment not meeting the unique challenges that AI brings, ethical guidelines and principles must be established to guarantee safe usage.

Ivanov (2023) expresses concerns that the usage of AI can lead to people becoming overly dependent on technology in decision-making. This could lead to humans losing control of the creative processes in marketing, which is an important ethical concern. Furthermore, another concern is regarding the quality and authenticity of content generated by AI. Questions are raised about whether AI-generated content cannot recreate the authenticity of creative content with the depth and emotional relevance that humans can. Ivanov (2023) also discusses the ethical concerns regarding AI's impact on employment. When tasks that are previously performed by humans are automated with AI, it raises questions about companies' responsibility to employees when integrating AI in their creative processes. Chintalapati and Pandey (2021) agree with the risk that AI integration may have a negative effect on employment as well as human dignity in the marketing industry.

Chintalapati and Pandey (2021) acknowledge the transformative potential of AI while pointing out the need for caution, further research, and consideration of ethical and social norms on how to apply AI in an organization.

3. Methodology and Method

This chapter of the study focuses on the methodological approach of the research. The chapter includes research philosophy, approach, strategy, and an explanation on how the data will be collected, validity and ethical considerations & data quality.

3.1 Methodology

3.1.1 Research Philosophy

The thesis applies a practical, epistemological approach to explore the nature and development of knowledge. An epistemological assumption regards what is accepted as real knowledge and the relationship between a researcher and what is being researched (Collis & Hussey, 2014). The study has a focus on how AI can be integrated into the strategic and creative processes of marketing and its consumer perception. An interpretivist philosophy is utilized, where knowledge is validated by analyzing real-world applications through interviews and the experimental approach of creating two Custom-GPTs. Perceptions are gained and analyzed through focus groups and content analysis, and results are based on insights gained by the multi-method approach of data collection. According to Collis and Hussey (2014), interpretivism refers to studies that include a small sample, that produces subjective and qualitative data, and that allow the findings of the study to be generalized from the researched setting to other settings where it is deemed relevant. This description of interpretivism aligns well with the how the research is carried out in this study.

3.1.2 Research Approach

The research approach of this study is a multi-method approach, primarily applying a deductive methodology to establish conclusions based on the data collected. A deductive approach refers to a study that test a conceptual and theoretical framework with its own empirical observations, firstly the study analyzes the general theories, and then apply these observations in the studies' context (Collis & Hussey, 2014). This study uses qualitative interviews, a comparative content analysis, focus groups and an experiment resulting in a mix of qualitative research methods to further add to the existing research on the topic. The chosen research approach provides an in-depth exploration of human

insights and perceptions and the efficiency of AI-generated compared to human-created marketing content. It also provides insights into how AI can be efficiently integrated into marketing creation and what ethical considerations this might bring.

3.1.3 Research Strategy

The thesis employs four research strategies; qualitative interviews, focus groups, an experiment, and a comparative content analysis. The interviews are in the form of in-depth research examining the reasoning and decision-making process behind marketing campaigns by advertising agencies. The strategy of utilizing focus groups is used to gather data on consumer perception of AI in marketing and AI-generated content in comparison to human-created content. The experiment is made through the authors programming two Custom-GPTs with instructions and parameters. The last research strategy is in the form of a comparative content analysis, involving systemic evaluation and categorization of marketing content to compare AI and human strategies in the creation of marketing campaigns.

3.1.4 Sampling requirements

As the study discuss AI in collaboration with marketing professionals the decision was made to find advertising agencies that had experienced, overcome, and adapted to technological advancements before. Thereby, a requirement of at least 10 years in operation as well as a focus on digital marketing communications was set for the participation of the interviews in the study.

The study further wanted to integrate consumer perceptions of AI, especially for an audience used to have technology integrated into their daily lives. The research aim was further to gain insights of the attitudes towards integration of AI in marketing by future marketing professionals from Sweden. It was therefore set three requirements for the focus groups; the participants would have to be between the ages 20-30 years old, have Swedish nationality, and be enrolled in a higher education program within marketing.

3.2 Qualitative interviews

To gain insights from the business world, the paper utilized qualitative interviews with the advertising agencies Dear Friends and Bolt.

Agency	Founded	Location	Notable clients	Interviewee(s)	Roles	Interview duration	Interview type
Dear Friends	2010	Gothenburg, Sweden	Nordic Wellness, AstraZeneca, Volvo, Tele2	Calle, Österberg, Erik Skoglund	Creative Director, Copywriter	2 hours	In-person at Dear Friends office in Gothenburg
Bolt	1994	Jönköping, Sweden	Tosito, Tegel, Ingarp, Sand Golf Club	Calle Andersson	CEO & Business Developer	1,5 hours	In-person at Bolts office in Jönköping

Table showing information regarding the interviews. Sources: Bolt ↯ Reklambyrå I Jönköping (n.d.) and *Dear Friends - Reklambyrå | Göteborg* (n.d.)

Dear Friends and Bolt were chosen for this study since both make high-quality digital content and have worked with many well-known brands. Additionally, both agencies have existed for more than 10 years, ensuring they have significant experience from working with a vast range of clients and during technological shifts. Furthermore, Dear Friends won an award for being the best agency of 2023 in Sweden in the category "Agencies 15-25 million SEK" (Dear Friends, 2023).

Calle Österberg role as Creative Director makes him involved in the whole creative process by overseeing and handling high-level decision within marketing creation. Erik Skoglund has the role of Copywriter, meaning that he works with writing texts for the marketing material. Erik Skoglund is also part of the idea-generation phase, which gives him relevant insights into most of the marketing creation process. Both interviewee's roles and insights into the creative and strategic process make them relevant interviewees who will contribute to this research.

Calle Andersson from Bolt has the role of CEO and business developer at Bolt, which gives him a good insight into both creative and strategic aspects of the process, from the idea-generation phase to delivering and following up the project with the customer.

During the interviews, one of the authors took notes while the other led the interview. Since all participants were from Sweden, the interviews were conducted in Swedish. The interviews were recorded by phone and later transcribed using the “Dictate” function in Microsoft Word. After everything was dictated, the authors listened through the interview and restructured the material, corrected the words and phrases that Microsoft Word interpreted wrong, and added who said what in the interview sessions. The relevant quotes were then translated into English. The processing of the material after its initial refinement is outlined in the section 3.7 “Thematic Coding”.

3.3 Interview Questions

The interviews conducted were semi-structured, meaning that the authors prepared questions beforehand but still had the opportunity to ask non-scripted follow-up questions to get a deeper understanding of certain topics during the interviews. The design of the interviews was guided by Collis and Hussey (2014) that emphasizes the need for preparation, open-ended questions and follow up questions regarding a qualitative interview. The questions were sent to the interviewees before the interviews which gave them the chance to be prepared for the interview. The questions helped the authors to stay relevant to the topic and guided both the interviewers and interviewees through the interviews. The questions asked were mostly open-ended, which gave the interviewees the chance to give elaborate answers that could add valuable information to the study. The interview questions are shown in Appendix 8.1.

The study further acquired complementary material with the advertising agencies through email communications.

3.4 Experiment: AI Models

The methodological approach for the experiment in the thesis involved the utilization of AI technologies, in the form of OpenAI´s services ChatGPT-4 and Dall-E. Creating the reimagined marketing campaigns through AI were done through OpenAI´s platform and its services. The authors programmed two Custom-GPT tailormade to fit the parameters of the research paper. The creation of a Custom-GPT refers to giving ChatGPT-4 and

Dall-E a modified set of instructions and criteria to follow, which is narrowing its field of focus, creating a more controlled environment for the experiment of the AI.

Two customized versions of the GPT model, referred to as "Custom-GPT 1" and “Custom-GPT 2” were developed specifically to fit the studies scope. The “Custom-GPT 1” was designed for use in focus groups to compare the visual elements of Bolt’s existing campaign “Emigrera till Småland i sommar” with those generated by AI. “Custom-GPT 2” was tailored to analyze and reimagine the campaign strategies of the Dear Friends campaign “Gratisbutiken” (The Free Store).

The integration of both ChatGPT and Dall-E into the “Custom-GPT 1” made it possible for the AI-model to create both copywriting and visual elements to the marketing campaign. The AI-model was programmed with specific instructions and contextual information to ensure it was well-informed about its application area, thereby providing a solid foundation for its outputs. The objective was to create a well-balanced AI-model that had sufficient structure and context to autonomously generate effective marketing campaigns, while also allowing for significant AI-driven decision-making. Detailed instructions for “Custom-GPT 1” are available in appendix 8.2.

“Custom-GPT 2” utilized only the language model ChatGPT-4 and was programmed to transparently explain its reasoning and decision-making processes. This functionality was crucial for evaluating how the AI-model formulated campaign materials and strategies, offering insights into its logic and methodologies. The instructions, similar to the “Custom-GPT 1”, was aimed to give the AI-model structure, context and information of its use case, while still allowing the decision-making process to be more interpretive. This enabled a content analysis between human and AI-model approaches to campaign creation. The instructions for “Custom-GPT 2” are documented in appendix 8.3.

3.5 Content Analysis

To get a more in-depth understanding of the differences between the marketing campaign strategies created by AI with those created by humans, a comparative content analysis was conducted by the authors. The content analysis used interpretive approach described

by Collis and Hussey (2014) as process of breaking the content down into categories and analyze them separately to get a deeper understanding.

The AI campaign was generated by ChatGPT. ChatGPT was programmed with certain parameters and instructions to follow when creating a new strategy for the Dear Friends campaign called The Free Store (Gratisbutiken) that was made for the shopping center Frölunda Torg (Dear Friends, n.d.). The AI-created campaign was then analyzed side by side with Dear Friends' original campaign strategy. The information about the original campaign strategy was obtained by the qualitative interview, a brief of the project provided by Dear Friends and an analysis made by the authors through Dear Friends website and Frölunda Torg´s social medias. The different strategies were analyzed based on six different categories, the authors assigned a grade between 1-5 for every category, which made it possible to compare the quality of the material created by AI and humans. The categories were: Target Audience, Positioning, Campaign Elements, Promotional Mix, Evaluation Metrics and Feasibility. The evaluation matrix is included in Appendix 8.4.

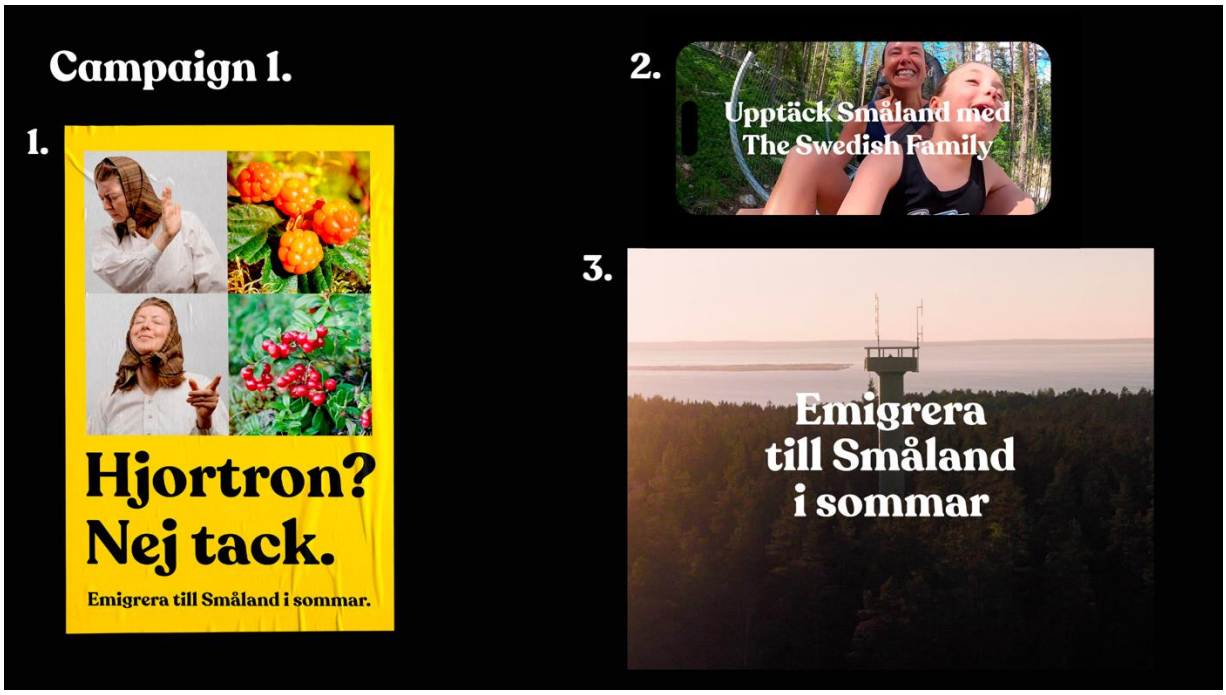
3.6 Focus Groups

To gain consumer insights on their perceptions of visual marketing material created by AI compared with material created by the advertisement agency Bolt two focus groups were carried out. For this part Bolts' campaign "Emigrera till Småland I sommar" (Migrate to Småland this summer) was chosen. According to Calle Andersson at Bolt (personal communication, April 4, 2024), the objective of the campaign were.

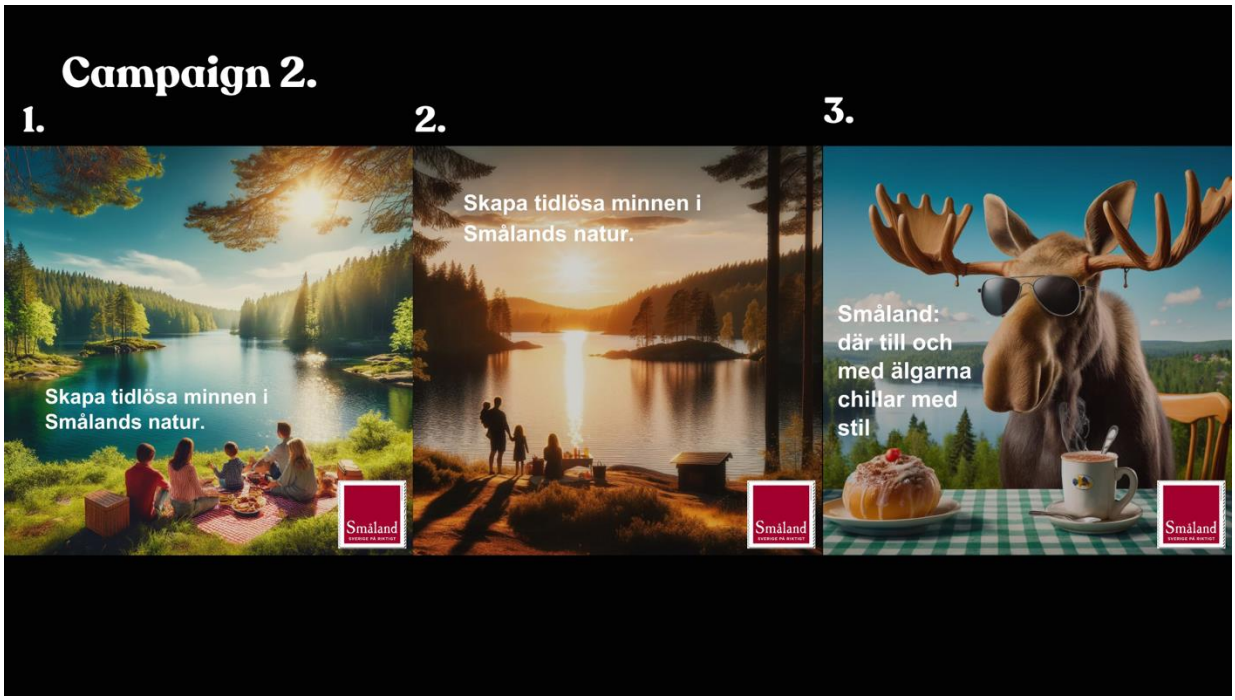
"We wanted to evoke curiosity for Småland, the fairy-tale magical, puzzling, inventive, and creative landscape. We aimed to create curiosity about Småland and showcase everything we have to offer to a broad audience. The message of the campaign was to come to Småland and vacation, experience, enjoy, and marvel."

The campaign created by Bolt had different elements, videos, images, and a webpage. Due to limitations of the "Custom-GPT 1" and its capabilities in strictly image creation and writing the authors made the choice to only use the images that was created by Bolt for the campaign. Three images from the Bolt campaign were chosen, one that focused

on the nature in Småland, one that had a focus on family life, and one a humorous image. The three chosen pictures captured different strategical emotions and perspectives of the original Bolt created campaign. The AI was asked to create its own version of these three images and motivate its decision-making. The campaign material is shown below.



Campaign 1 (Bolt Campaign).



Campaign 2 (AI campaign).

The focus groups started with the authors asking more general questions about their experience of AI, their general opinions on AI, and how they think it can be integrated into marketing. After the general questions, the participants were shown campaign material created by both AI and Bolt and asked about their reactions, thoughts, and feelings when seeing it. Furthermore, they were asked to conclude what they liked about each campaign and what could be improved. In the end, the participants were asked to do a comparison between the two campaigns. The participants were not told before which campaign was AI-generated and which was made by Bolt. The focus group questions were semi-structured and a discussion of the topic among the participants was encouraged, further, the facilitation was in accordance with Collis and Hussey (2014). Non-scripted follow up questions were asked when deemed necessary to get a deeper understanding of the participants reasoning and opinions.

The campaigns were referred to as Campaign 1 (Bolt campaign) and Campaign 2 (AI campaign). The focus groups were carried out in person at Jönköping University and consisted of ten marketing students of different genders with five in each group. The ages of the participants spanned between 23-28, and they were all of Swedish nationality. The campaign slogan generated by the AI was originally in English but was translated by the AI to Swedish to ensure consistency between the two compared campaigns. All the participants had different work experiences which provided different but relevant perspectives.

The questions asked during the focus groups are shown in Appendix 8.5. One of the authors led the focus groups while the other took notes. The focus groups were recorded by phone, transcribed afterward and relevant quotes translated. The coding process of the focus groups is outlined in 3.7 “Thematic Coding”.

When referencing the campaigns in the findings and analysis, the number next to each individual picture is used to indicate the image discussed.

3.7 Thematic Coding

Thematic coding was used to process the interviews with the advertisement agencies as well as the focus groups. The method was chosen for its systematic procedure of

identifying, analyzing and recognition of patterns (themes) within the data. The coding followed the guidelines discussed by Collis and Hussey (2014).

The process outlined by Collis and Hussey (2014) started with reading the data collected multiple times to gain an understanding. Further the familiarization with the data enabled pattern recognition and the ability to code segments of the content.

The next step in the process were organizing the codes into main themes and sub-themes. Themes and sub-themes were selected based on relevance to the research questions and the extent of their appearance in the data in accordance with Collis and Hussey (2014). The summary and analysis of the data are included in fluid text within the findings, allowing for a more in-depth analysis. The thematical coding table for the interview is included in Appendix 8.6 and the focus group coding table is included in Appendix 8.7.

3.8 Validity

This study has a multi-method approach to ensure that the results are as accurate and trustworthy as possible and to gather different perspectives on the research topic.

The interviews were carried out in person with two different advertising agencies to get two different perspectives from professional marketers. The participants from the two companies had different job titles and roles, which also gave different perspectives within the companies along with insights from the strategic and creative process of marketing creation. The roles of the people interviewed were Creative Director, Copywriter, and CEO. The interviews were recorded and transcribed, which made it possible to go back and listen and analyze the interviews. To increase potential generalizability of the findings of the interviews, advertising agencies from two different cities and employees with completely different backgrounds were chosen.

By conducting the interviews in person at the company's offices, the risk of misunderstanding each other was minimized. The risk of technological difficulties disturbing the interviews was removed, which can be a problem when conducting the interviews digitally.

The content analysis was conducted to analyze the marketing campaign strategies created by AI and by humans by assigning grades based on several different categories. An evaluation matrix constructed by the authors was used as a framework to have a clear definition of the analyzed categories, ensuring consistency within the grading. The content analysis was conducted by both authors separately, to get two different perspectives, and then the results were combined by giving the average grade to the campaign strategies.

To ensure validity in the focus groups, several measures were taken as recommended by Collis and Hussey (2014). The authors ensured that there was a comfortable and non-threatening environment for the participants, to make the discussion honest and open. To keep a good structure and to ensure all relevant topics were discussed, the moderators prepared relevant questions before. Even though the sample was quite small, steps were taken to ensure the recruited participants could contribute with diverse perspectives and had relevant education and experience to the aim of the study.

3.9 Ethical Considerations and Data Quality

The participants of the interviews and the focus groups were all informed about the objective of the study and the possibility of withdrawing their participation at any time. All participants were offered the ability to be anonymous and participated voluntary, following the ethical guidelines outlined by Collis and Hussey (2014). The gathered data was carefully treated and stored on a password-secured platform and will be deleted after a maximum of three months, all participants were informed of this.

To ensure further transparency, all participants were also informed how their data would be used. All interviewees signed a GDPR form provided by Jönköping University, that outlined what personal data would be stored and how it would be used.

4. Findings & Analysis

In the following chapter the findings and analysis are combined into one. The findings are gathered from the interviews, the literature, the focus groups, and the content analysis.

4.1 Creative Process

In the interview with Bolt, interviewee Calle Andersson (personal communication, April 4, 2024) claimed that to come up with good ideas, you need to find ways to push your creativity. He mentioned some methods of how to do this. Marketers can ask themselves: *"What happens if we do the opposite? What happens if we minimize? Magnifies? What happens if we add a function or subtract a function?"* Andersson also spoke about the effect of seeing things from different perspectives, his example was *"How would Astrid Lindgren design an iPhone? Probably not in the same way as Steve Jobs."* These idea-generation methods align well with what Titus (2018) mentions in the DMTM model, that disruptive and unfamiliar stimuli are encouraged to trigger unusual or out-of-the-box thinking. Furthermore, disruptive, and unfamiliar stimuli can help you create marketing material that challenges traditional marketing, is thought-provoking, and has a greater chance of having an impact on consumers. Andersson's idea-generation methods are great examples of disruptive and unfamiliar stimuli that align with Titus (2018).

Regarding idea generation, Dear Friends has a similar process to Bolt which is described by Erik Skoglund (personal communication, March 26, 2024):

"When we generate ideas, we try to create a great amount of them, so that we have much to choose from. We can have 20, 25, 30 different tracks, depending on what kind of product and customer. Normally it is three or four creators that develop the first ideas, then they sort, develop, and test them. When we have approximately five or six ideas, we invite the whole agency where we explain the circumstances, what the customer wants and then present the ideas and get feedback. Then we normally have a vote."

Dear Friends process of involving the whole agency to get diverse perspectives and competencies in this process resonates with the fourth step, briefing the team, described by Stuhlfaut and Windels (2017).

In the interview with Dear Friends, Calle Österberg (personal communication, March 26, 2024) explains it further:

"There are some campaigns that manage to completely change people's view on things, that gets everyone in the advertising and marketing industry to turn their heads, and that get trendsetters. These campaigns are always disruptive. One obvious example is Volvos Epic Split, which was super disruptive for a business-to-business brand that sells trucks. They chose to aim very wide and it resulted in a viral bomb that exploded. It was a success because they did things differently."

This quote further stresses the importance of having many ideas to come up with a good one that works in practice, similar to the findings of Titus (2018) that emphasizes the importance of different stimuli and daring to have unconventional ideas. Regarding finding good ideas, Erik Skoglund at Dear Friends (personal communication, March 26, 2024) argued that the best campaign ideas often meet some resistance from the start. During the interview, Skoglund said:

"There's almost no successful campaign, or it's like this old truth, that if everyone just agrees, then it's probably not a good idea. But when someone says, 'What? No, we can't do it like this.' Well, then you often have something going on, at least when it comes to these competitive consumer sectors, where everything is quite similar like that. That can be a real challenge."

This quote further develops the alignment of Titus (2018) DMTM model and Dear Friends' creative process where unusual stimuli are efficient to develop good campaign ideas.

In the interview with Dear Friends, Calle Österberg (personal communication, March 26, 2024) mentions that an important part of the creative process is questioning the client as much as possible in the initial phase of marketing creation:

"I think this (the questioning) is one of the advertising agency's most important tasks, it is kind of a raison d'être for the modern advertising agency. People are willing to pay a higher amount of money (for professional advertising agencies) because they get a kind of questioning and proposals they have not thought about before. We can also challenge them (the clients) and take their brand in another direction than they were initially planning."

This quote provides a great insight into the initial phase of the creative process when creating campaigns or marketing material.

The process behind creating a campaign is explained further by Erik Skoglund at Dear Friends (personal communication, March 26, 2024):

"It usually starts with a brief from a customer, we take that brief and sit down in the office to discuss it from what we know, then we write a debrief or rebrief, where we can challenge some things they said. This can be everything from choice of channels or strategic conclusions. The debrief includes goals with numbers, sales goals, or more soft goals like knowledge, likes, and that kind. You set these goals and establish a budget."

Titus (2018) claims that idea generation should be directed towards specific marketing objectives and problems, for example, positioning, brand awareness, or product awareness. This aligns with Skoglund's discussion of setting goals early in the creative process. Furthermore, the process described by Skoglund resonates with the "briefing the team" step outlined by Stuhlfaut and Windels (2017) that discusses the importance of establishing objectives of the campaign early in the creative process.

Dear Friends continues to follow the process outlined by Stuhlfaut and Windels (2017). Step eight in Stuhlfaut and Windels (2017) creative process regards presenting prototypes to client for approval, which can be linked to Dear Friends process of presenting a

debrief/rebrief to the client, revising, and extending the approved concept to a full campaign and producing creative materials for media placement.

The DMTM model by Titus (2018) further emphasized the importance of not being afraid of failure, which is something that Calle Andersson from Bolt (personal communication, April 4, 2024) talked about as well: *"To generate one good idea, you need to have many bad ideas. You need to dare to have many bad ideas and to challenge your original assumptions."* This was further emphasized in the interview with Dear Friends where interviewee Erik Skoglund (personal communication, March 26, 2024) said that as a marketer you must dare to challenge and question your clients and their ideas:
"The more we dare to have unusual and sometimes bad ideas, the more disruptive and impactful the ideas can potentially be."

4.2 Strategic Process

When interviewing the advertisement agencies, a common theme was found around their approach to strategic decision-making within their marketing campaigns for companies. When it comes to the strategies that are presented to the client, there is not a magic formula that conforms to every client. When Dear Friends was asked for their normal marketing strategy this answer followed from Calle Österberg (personal communication, March 26, 2024):*"I wonder if that really exists. Of course, they resemble each other, but it depends a lot on the company."*

Calle Andersson from Bolt (personal communication, April 4, 2024) presented a similar thought pattern when asked about their strategy towards new campaigns for clients:

"It's more about working with tactical adjustments, being agile. One should have a clear direction, clear goals, and sort of where one is headed in the project, and this should be broken down even at the individual (client) level, which is super important."

This thought pattern aligns with the Five-Step Strategic Planning Process developed by Percy and Elliott (2012). The steps in this model highlight the importance of choosing the right target audience, to understand the reasoning and decision-making of the chosen target audience, and to position the brand in the best way to attract the target audience.

Furthermore, the model involves the development of a communication strategy that is based on the selected objectives, and to decide the media strategy that delivers the message in the best possible way. The model emphasizes the importance of tailoring this process to fit the chosen target audience and message, which align with Österberg's and Andersson's statements about the campaign strategies needing to be tailored to fit different clients.

Another emerging theme that was recurring between the two agencies was the constant evolution and change of the agencies' operations and competencies to stay relevant. Calle Österberg (personal communication, March 26, 2024) said:

“Dear Friends is an agency that was founded in 2010. The agency was established as a digital agency, as it was called at the time, where a group of people primarily made websites, e-commerce, etc. But quite soon, they realized that these websites needed to be filled with something more than just being a container or holder for something. So then they began to hire copywriters and art directors and people who understood advertising and marketing more than just coding. And then there was Erik (Skoglund), one of those who has been involved almost the entire journey."

Calle Andersson at Bolt (personal communication, April 4, 2024) presented a similar theme for the evolution of Bolt:
"Bolt is a communications agency that has been around for 30 years and has evolved over these 30 years from being quite strong in, as it was at the time, print and that type of advertising materials and newspaper ads and such. Since then, there have been a few changes of ownership in recent years and now we are some kind of multi-creative agency where we work both with creative creation around developing brands or new campaign ideas or those types of projects. Also color and form, and making sure things look nice for maybe then social media, also out on a web, so we also have a small team now working with programming in various forms, or digital design as we call it."

The model created by Aaker and Mcloughlin (2010) reflects the organizational operations and strategic thinking that the advertisement agencies discuss regarding external analysis. For both agencies, the evolution of market demands, and industry shifts appears to have

been a significant driver of change. As the digital landscape evolved, the customers' expectations followed. Both advertising agencies stayed analytical and expanded beyond their initial business operations to address the new landscape. Aaker & Mcloughlin (2010) emphasize in their model the weight of analyzing market dynamics and competitor activities to identify new opportunities and threats. Dear Friends as outlined in the interview started as a digital agency focused on web page development, but through active investigation of their surroundings enriched their business model with a wider offering and became a full-service advertising agency. Bolt originally had their business revolve around print advertising, but through recognizing a market shift, expanded into digital media and social media to stay competitive. Both companies exhibit a strategic response to market evolution as described by Aaker & Mcloughlin (2010).

Internal analysis outlined by Aaker & Mcloughlin (2010) is present within both agencies as the organizations adapted to their new business models by looking inwards. Developing new competencies within their organization and expanding their service offerings towards customers. Dear Friends acquired new competences and expertise in their organization in the form of marketing. Bolt developed and hired people to the organization that added skills in digital design and branding. The organizational shifts, reflecting upon internal organizational capabilities and their potential for development that the agency representatives talk about in the interviews can be tied to the model developed by Aaker and Mcloughlin (2010). The ability to be sensitive to emerging and disruptive technologies as well as trends in the media landscape is discussed by both agencies.

Calle Österberg at Dear Friends (personal communication, March 26, 2024) contemplated the importance of constantly being aware of new trends and communication channels to reach their audience in an effective way:

"I think there's a lot in the advertising agencies and the advertising creative's role to keep an ear to the ground and monitor trends. This also applies in idea generation, or the visual graphic expression, to feel contemporary, to follow some kind of trend."

Eric Skoglund at Dear Friends (personal communication, March 26, 2024) added to the statement: *"Often, I think it is the case that some kind of intuition is being purchased (by clients), I believe."*

Calle Andersson at Bolt (personal communication, April 4, 2024) expressed a similar value placed on the process of staying up to date with trends and potential communication channels for their audience:

"We regularly try to work with trends generally, and everyone (at Bolt) has the opportunity to spend time on this and develop themselves and ensure that they keep up to date within their area and so on. Then, of course, in this question of objectives and purpose, there is usually also a dialogue about who we are trying to reach and why? That is, the target audience, and there one needs to do a lot of research related to the target audience, in what channels they are present and their behaviors, depending on what it is you want to achieve."

Calle Andersson's statement follows the framework created by Percy and Elliott (2012) that stresses the importance of being customer-centric in an organization, having clear objectives and goals on their communications towards consumer based on comprehensive data.

The statements further strengthen the ties between the model created by Aaker & Mcloughlin (2010) and the advertising agencies. The shift in services and capabilities as well as the constant market analysis follows the last part of the model. Strategy creation and adaptation is done through the shift in services and capabilities the companies have to offer, making sure to stay relevant and competitive in a rapidly changing environment.

When Dear Friends was asked about a new communication channel and their strategy around it, the following answer was provided by Eric Skoglund (personal communication, March 26, 2024):

"Tiktok is relatively new, so it's been like this for a while that if there's an idea that can carry, that we can convey in 6 seconds, then that's great. If not, then we'll probably have

to do a separate job where we might have the same core idea but approach it differently in the shorter formats, still keeping the same feeling and message. And that's exactly what trends and behavior are about. And with trends, we make sure to stay updated. There are daily figures on this. You can see where people are located and such."

This aligns with Percy and Elliott (2012) that discuss the importance of constantly analyzing and acquiring data of the target audience and their behaviors. Further finding new communication strategies and media channels to reach the target audience effectively.

The approaches described by Dear Friends conform to the model developed by Aaker and Mcloughlin (2010), that further discusses implementation and evaluation as well as further adaptation. The communication channels that an advertising agency uses play a big role in the business operations and strategies. Dear Friends exhibited the implementation of new strategies which involved hiring new talent and retraining employees to expand service offerings. Like the model, the agency practices continual evaluation of strategic shifts, placing an important role on the continual evaluation of strategies based on effectiveness.

4.3 Ethical Considerations

In the interview with Dear Friends, Calle Österberg (personal communication, March 26, 2024) talks about how a big issue with AI is that there are a huge number of ethical considerations that need to be thought about and that AI will always have a hard time understanding many of them. In this discussion, we were talking about their campaign for Göteborgs Stadsmission. Göteborg Stadsmission is an organization that helps people in poverty, with mental illness, and people who are unemployed in the Gothenburg area (Göteborgs Stadsmission, n.d.). Österberg said:

"There are so many parameters that you cannot just read somewhere, they are not written on Stadsmissionens' website. This does not exist (written) anywhere, it exists within the people who are working there, who have commonly sat down to resonate and decide these things. They (Stadmissionen) meet these people (those in need) in church and take care of them."

The quote from Österberg argues that ethical considerations can be a significant limitation of AI and that certain considerations cannot be understood by a machine.

Calle Andersson from Bolt (personal communication, April 4, 2024) agrees that ethical considerations are of great importance when creating marketing campaigns. During the interview, Andersson said:

"You have to be super careful with that, there exist some rules regarding how the industry views quality assurance of content and materials, so you also have to take a clear perspective on that."

The statements made regarding concerns and the ethical use of AI in marketing from the advertisement agencies do not align with the literature. The advertisement agencies had a large focus on the quality aspect and obligations towards clients, meanwhile, the literature places a large focus on consumer rights and employment. Gao et al. (2023) and van Esch and Stewart Black (2021) discuss ethical challenges and concerns when using AI to gather data about the market and consumers, mainly regarding consumer privacy and integrity. Ivanov (2023) and Chintalapati and Pandey (2021) stress the importance of caution and to consider ethical and social norms when utilizing AI in an organization. Gao et al (2023), Ivanov (2023), and Chintalapati and Pandey (2021) all agree that the use of AI in marketing can lead to unfair targeting and discriminatory practices since it is trained on large amounts of data that can be biased and is based on their creators' subjective decision. Gao et al (2023) further argue that marketers need to find a balance between the advantages of personalized advertising, which is made possible because of all the gathered personal data, and the ethical considerations when collecting and storing the data. The regulatory environment regarding AI needs to be updated and continuously evaluated to keep up with the rapid development of AI.

An important ethical concern that Ivanov (2023) and Chintalapati and Pandey (2021) address is how employment and human dignity might be affected negatively when tasks that previously were performed by humans get automated by AI.

4.4 Integration of AI in marketing

During the interviews, the agencies were asked if and what kind of AI they had integrated into their organizations. Dear Friends´ Calle Österberg (personal communication, March 26, 2024) said the following:

"It's not like we've consciously put it into a process or chain, as such. But they do (the rest of the team) use it, yes, kind of on an individual level, really. The clearest example where we actually use it and it has made us more efficient is for our web developers. Where one starts writing code, and then AI fills in the rest, just like when you write a text message on your phone. It incredibly streamlines a lot and that's what they are working with today."

Eric Skoglund (personal communication, March 26, 2024) added to the conversation with:

"Yes, but in informative texts, long factual ones, is where you can get quite a lot of support. They must be fact-checked and rewritten I would say, but it still goes faster than checking various sources and sitting and writing the text from scratch, so it's more efficient. Translations are the same, specifically into English. Since we still produce both English and Swedish campaigns, we handle taking an English translation and proofreading it here, where previously we might have actually had translation agencies and freelancers who helped us quite a lot. We don't do that anymore."

Calle Österberg (personal communication, March 26, 2024) interjected: *"It's like an assistant that provides a sense of security in that."*

Calle Andersson (personal communication, April 4, 2024) describes the repetitive tasks that can become more effective by AI:

"I use it to create things for internal use, like when you create a job description, you get a foundation like that. Then you need to be careful to always modify it, according to your own taste and preference."

Huang and Rust (2020) have developed a strategic framework for AI in marketing. The framework is a circular model creating a feedback loop. The circular model brings forth three types of activities (Marketing Action, Marketing Research, Marketing strategy) that can be executed with three different types of AI (Mechanical, Thinking, Feeling). The term “Marketing Actions” which is the activity where AI helps execute a task more efficiently can be tied to Dear Friends use of AI aiding web developers in writing code, thereby streamlining operations. Dear Friends' description of its use of AI in creating texts and translation is further applicable to the “Marketing Action” activity. Their strategical shift from hiring outside firms in its translation to using AI in the process can be considered to be part of the “Market Strategy” activity described by Huang and Rust (2020).

The three types of AI outlined by Huang and Rust (2020) are not all applicable to the operations of the advertising agencies. Dear Friends' Erik Skoglund’s (personal communication, March 26, 2024) description of using AI for creating informative texts and translating languages relates to the "Thinking AI" that processes and generates factual content. The activity of using AI in web development can further be attributed to “thinking AI”. The same can be argued in the case of Bolt, where Calle Andersson (personal communication, April 4, 2024) mentions using AI for other administrative organizational tasks, such as information for internal use, and job descriptions. This according to Huang and Rust (2020) enhances the marketing strategy by aiding in content creation and refinement.

Eric Skoglund (personal communication, March 26, 2024) then proceeded:

“Then there's when you need to visualize something very quickly, something crazy maybe. Say we need a man with a lemon for a head. Then it's good because then you can see it, okay can this work? So far, we haven't used it extensively."

Calle Andersson at Bolt (personal communication, April 4, 2024) shared a similar story in terms of AI usage:

“Yes, ChatGPT and Midjourney are probably what are used the most, I would say. I think we use ChatGPT at an individual level in various forms and such. It can be generating ideas or discussing and refining things and so on. Midjourney is used for a lot of inspiration, a lot to visualize things for clients and such. But there we have also experimented a bit, and it requires an enormous frame of reference to be skilled at it."

The act of using AI tools to generate ideas and visualize them efficiently as described by Dear Friends and Bolt is aligned with the use cases of AI that Ivanov (2023) discusses. Bolt´s Calle Andersson further touches on the learning curve within the subject of what is described by Ivanov (2023) as “communicating” with AI tools. Ivanov (2023) argues that there are significant differences in formulating tasks for humans and AI, the paper goes on to suggest that communications depending on the recipient needs to be modified as humans and AI interpret language differently. It can therefore be argued that communications between humans and AI need to be learned and established in the same way as human-to-human contact.

Van Esch and Stewart Black (2021) discuss the opportunities of using AI within a social media content creation context and digital customer experiences. Although neither Bolt nor Dear Friends uses AI in the capacity that is described in the paper, the activity of personalizing the experience by translating a text to its intended target audience native tongue is employed by Dear Friends.

There are research papers like Chintalapati and Pandey (2021) that have found broader and more extensive AI integration potential for marketing agencies. The two marketing agencies that were interviewed still exhibit AI adoption in their very early stages, where AI has not intentionally been integrated into their strategy and creative processes. The use of AI in their organizations is individual use cases, based on employees’ own knowledge of AI, rather than an organizational initiative.

4.5 Consumer perceptions

4.5.1 Attitudes towards AI in general

The participants of the focus groups were all familiar with using ChatGPT, but only one of them had used Dall-E before. The usage of ChatGPT ranged from using it in their day-to-day activities to occasionally, primarily for studies or work. One of the participant's answers is representative of the overall sentiment:
"Generally, my attitude towards AI is maybe a little cautious, I feel a little old in that way, because it is an effective tool, but you feel a little like, how far will AI evolve?"

When asked if the focus group participants see AI as a threat or an opportunity, the majority agreed that it is a threat more than an opportunity.

4.5.2 Attitudes towards AI in marketing

The opinions on using AI in marketing were divided. One participant said:
"I think AI can help a lot, developing new campaigns can go faster, and since trends are moving so fast, I think AI helps you to keep up with the fast-changing trends. When you give it lots of information it can help you create visuals and just keep up."
Another participant had a different view: *"It feels less personal to use AI in marketing campaigns."* A third participant added: *"AI takes away the creative aspect of marketing, I think you can create things fast, but more things like a good headline than a whole branding concept."* A fourth participant added: *"I think that people's trust in brands will decrease if people know their marketing material are created by AI."*

Other participants that had experience from using AI in their job discussed that AI could be helpful to minimize time spent on doing research and that the need for skills specialization will decrease. Furthermore, participants drew historical connections on how AI will affect the job environment:
"I think it is mostly positive. I don't think AI is going to take our jobs, but rather our jobs will be formed around AI. For example, the industrial revolution, everyone during that time said that it will take all the manufacturing jobs, but instead new jobs centered around the new technologies."

When the moderators asked the focus group about what parts of marketing creation, they think AI could be integrated into, the participants did not think that AI had the capabilities to be utilized without human involvement at the moment and hoped it would stay that way. The majority of the participants thought that AI could assist in the early stages of the creative process to visualize ideas and such. One of them resonated:

"I think it can help most in the creative process. Even if a person is more creatively inclined, you can still have a hard time coming up with ideas sometimes. Then if you can get a first image from AI that you just describe with words and develop it from there, it can help you very much to get started."

Another participant raised some other concerns:
"But then we have the problem, when will we set a stop for when AI can be used? You may want to use it a little more, and a little more, then suddenly you have a fully AI-generated campaign."

Another participant had a more positive view of using AI in marketing:
"I think you can discuss with the AI what I want to accomplish with this campaign, it can give different ideas on how to best do it. You can give it all the data with information about the campaign, and then it gives you a full campaign with all the visuals and everything, I think that is very good and it can create things very fast, I think it can help a lot."

Another participant believed that AI could be more helpful in the early stages of the strategic process:
"I think AI and, in this case, ChatGPT can be used to create a structure or overview of a marketing campaign, help with research or concepts for inspiration."

Another participant agreed and added to the statement:
"I don't think it can help with the creative parts, that is more from what you as a person experience. Instead, I think it can help more with the fact-based strategic parts."

Several participants in the focus groups have a viewpoint that is similar to the discussions by Huang and Rust (2020) seeing AI as a tool to speed up campaign development and

adapt to fast-changing trends. The framework proposed by Huang and Rust (2020), argues that AI can aid in marketing research and the execution of marketing actions, enabling agile and dynamic responses to market trends.

Further, participants believe that AI can support the creative process by visualizing early-stage ideas in the creation of marketing material aligns with the findings of Ivanov (2023). The participants further follow the findings of Ivanov (2023) in their suggestion that AI created marketing has the potential to feel less personal and diminishes the creative aspects. Moreover, participants opinions can be found in the Ivanov (2023) study when the focus groups discussed the possibility of consumer skepticism and decline in brand trust when marketing material is perceived to be created by AI.

Van Esch and Stewart Black (2021) argue for a collaborative effort of AI and humans is a sentiment shared by participants of the focus groups. Van Esch and Stewart Black (2021) discusses the opportunities of using AI in data collection and analysis tasks while enabling humans to focus on the creative and strategic process in marketing.

4.5.3 AI vs human

The focus group continued with the displaying of the campaign created by Bolt and the campaign created by the Custom-GPT 1. They were not told which one of the campaigns was created by whom. No participant was familiar with the original "Emigrera till Småland i sommar" created by Bolt.

First, the participants were shown the campaign created by Bolt, then they were shown the campaign generated by AI. When the AI campaign was shown, all agreed that it was obvious this was the AI-generated campaign. When asked about their first impressions of the AI campaign, one of the participants said:

"I think it feels a bit flat, like there has not been spent much time to create it. The font, which is an important part of marketing, feels like it has just been copied in by the AI without thought."

The other participants shared the same skepticism and said that the campaign felt rushed, more like a sketch than a final result, and that it felt impersonal and shallow.

When the focus group was questioned about their immediate ability to distinguish the AI-created campaign the following answers were given:

"I think the choice of font kind of gives it away, it does not fit the theme at all, I do not think a professional marketer would use that font. You can also tell that the pictures are not real pictures of the Småland landscape, which I think a human created campaign would use."

Another participant said:

"It's kind of hard to explain, but when you have seen a couple of AI generated pictures before, the style. AI kind of has a certain style and feel."

When asked about what the participants thought campaign 2 (AI) tried to communicate, the participants spoke about nature, calmness, that Småland is a place where you can relax and enjoy nature, that there is beautiful nature and much water, and familiarity. Regarding the images that should symbolize nature and family life, (image 1 and 2) one of the participants thought that the images were inviting: *"I would say that I could imagine going there and sitting there in the sunset…"* Another participant was more skeptic:

"When I see this I question myself if this even is Småland, it looks too good and fake. Although, I'm not sure if I would question it if I didn't know this was AI." Another participant agreed with this reasoning: *"I don't like that the pictures feel animated rather than real pictures, then the campaign and the nature pictures don't feel authentic."* A positive remark towards the AI campaign was that two of the participants liked the slogan more in the AI images.

One participant raised the concern that the two images (image 1 and 2) are not inclusive: *"It doesn't feel very inclusive, because there's a family in both pictures, and it's important to remember in today's society the nuclear family is not as common."* This quote recognizes the risk of AI-generated images being stereotypical or generalizing, which raises an ethical concern regarding AI rationalizing as a result of all the data it has been trained on, as discussed by Ivanov (2023).

Regarding the humorous image (image 3 in campaign 2) that depicts a cartoon moose having coffee with the caption "Småland: where even the moose relax in style." Most of

the participants thought it worked since it is so extraordinary that a moose is having a coffee that it did not matter that it looked fake. A criticism that was raised was that it looked almost too stereotypically Swedish. When asked whether the humorous image succeeded in delivering its message one of the participants answered: *"I think that this succeeds in evoking emotions better than the other one."* Another participant added: *"I think you stop a little longer to look at this one (Image 3 in campaign 2) than the Bolt image."* Another participant was more skeptical: *"I like the one from Bolt more, I think that the moose looks too fake, it feels impersonal, and I don't feel a connection to it."* Another participant was also skeptical about the humorous image:

"I understand the moose and, in a sense, I think its humorous like the other campaign's meme picture (Image 1 in campaign 1), but I think it could be more culturally relevant to Småland like the other campaign and its local reference to berries. The moose is relevant but there are small details, for example the pastry in the picture, a local pastry from Småland or Sweden would make it more relevant."

Regarding the nature images, (Image 3 in campaign 1 and image 2 in campaign 2) one of the participants argued that the Bolt picture was better since it was a real picture that showed real nature. *"I like it when they use a real picture, the other one is so obviously AI-generated that it doesn't evoke any strong emotions. I think it is Visingsö in the image (Bolt image), and that makes you think about it more."*

Another participant continued: *"The one created by Bolt feels very personal since they have taken the picture themselves, and the AI-generated one almost feels too good to be true."*

To conclude the focus groups, the participants were asked whether their opinions were affected when they understood that the campaign was AI-generated. All agreed that this changed a lot, since with the Bolt campaign it was obvious that human creativity was behind the material, which made it feel authentic, they knew that humans had spent time and effort creating it, which was not the case with the AI campaign. Another participant added: *"I am a bit surprised and happy about the fact that AI is not there yet. As a future marketer it feels good that I will not be replaced anytime soon"*

Participants noted that the AI-generated campaign felt "flat," "rushed," and "impersonal." This reaction by the participants resonates with the findings of Ivanov (2023), which suggest that while AI can be used to produce content, it is still challenging for AI to create content that is perceived as authentic.

Further, as participants identified the AI generated images their perceptions shifted towards skepticism. The bias and cautions of AI-generated content by the focus groups, perceiving its value as less than human created marketing content aligns with the findings by Ivanov (2023) that stresses the same phenomena.

4.6 Content analysis

The description of the campaign strategies regarding every category is presented in the appendix. The Dear Friends campaign is shown in Appendix 8.8, and the AI-generated campaign is shown in 8.9. The instructions for the “Custom-GPT 2” can be found in Appendix 8.3. The grades assigned to both campaign strategies are presented below.

Category	Custom-GPT	Dear Friends
Target Audience	4	4
Positioning	3	5
Campaign Elements	3	5
Promotional Mix	3	5
Evaluation Metrics	5	5
Feasibility	4	5
Total	**22**	**29**

Table showing the grades assigned to the campaign strategies.

4.6.1 Dear Friends campaign

Target Audience

Assessment: The target audience is broad but still geographically defined to Gothenburg which resonates with the campaign idea as a shopping mall is subjected to customers in different ages and backgrounds but is restricted by physical location. Although a broad audience is relevant for this campaign, a more niched target audience could benefit the campaign when creating targeted ads and when shaping the campaign message. The authors propose to include consumers that are environmentally conscious, since the

concept of second hand especially appeals to this segment. This aligns with the first step in Percy and Elliott (2012) framework, which involves analyzing demographics, psychographics, and behavioral patterns relevant to the campaign and its target audience.

Grade: 4/5

Positioning:

Assessment: The positioning and message of the campaign is clear and easy to understand. As discussed by Percy and Elliott (2012) differentiation from competitors is a crucial component of the positioning strategy. The Free Store (Gratisbutiken) takes a new position within the market with its innovative initiative centered around community and sustainability. The sustainable values are communicated, and the main message is clever and humorous with the spin on "Peace, Love and Understanding" converted to "Peace, Love and Second-handing." The movement of "Peace, Love and Understanding" that is still culturally relevant today is further enhanced by the reference to its origin by having the store 60's themed with colors, rainbows and symbols such as the "Peace" symbol and flowers.

Grade: 5/5.

Campaign Elements:

Assessment: The campaign elements are well thought out and manage to reach the target audience through several different channels. The pre-campaign is a clever way of building engagement and creating a "hype" before the event. The Free Store is the heart of the campaign, and it is by the authors considered a relevant and relatively disruptive way of communicating the campaign message. Since the Free Store offers secondhand products, it aligns well with the objective to strengthen Frölunda Torg as a sustainable shopping center, as well as to attract more visitors. The Free Store can be analyzed through the "Big Five" framework developed by Aaker (1997). A free store that encourages exchange of clothes is a clear statement and personality choice by Frölunda Torg. It fits within the brand personality sincerity which includes the category of brands that is perceived as honest, genuine, and wholesome. The sincerity dimension of a brand is appealing to

consumers that value transparency and authenticity, elements that Frölunda Torg and the campaign wanted to establish and communicate, Aaker (1997). The promotion on social media, outdoor, on-site, and through press ensures a wide reach for the campaign and makes it possible to reach people in all different ages and sectors of society. The Free Store and its coverage in traditional media and social media create a narrative and story around the initiative. This ties into the discussion of Woodside et al. (2008) where storytelling is used to tie a consumer's identity to the brand. This is further strengthened by the Free Store theme that centered around the 60´s and an obvious nod to the adoption of thrifting by the slogan "Peace, Love and Second handing". Making Frölunda Torg a part of consumers lifestyle.

Grade: 5/5

Promotional Mix

Assessment: The promotional mix and communication channels used to reach the target audience is well-rounded utilizing both digital and physical elements. Facebook (older audience) and Instagram (younger audience) are leveraged as social media channels which are deemed relevant by the authors to reach the target audience. The use of different media channels to target different segments of the target audience is an efficient way to communicate a marketing message according to Percy and Elliot (2012). As discussed by Stuhlfaut and Windels (2017) social media is a great medium for marketers to engage with customers and to build and engage relationships. Physical advertisements in the form of outdoor billboards that are in the proximity of Frölunda Torg and on-site at the mall's digital and physical spaces are considered a good addition to the digital elements, ensuring that the campaign reaches people from all sectors of society. A mixture of both still and moving material was used to create different types of advertisements, which is a good way of getting people's attention and communicating the message in different ways. As mentioned by Stuhlfaut and Windels (2017), the negative aspect of social media is that consumers easily can skip and ignore advertisements on these platforms, therefore including physical elements in the campaign is an effective solution to this problem.

The Gothenburg native advertising resulted in press outreach becoming a significant role in the advertisement campaign. Using public relations in the form of local news outlets in a smaller city as part of the promotional mix is a potentially efficient method to engage

the local community. Engaging the local community and branding Frölunda Torg as part of the Gothenburg shopping experience can make Gothenburg consumers tie their identity as a citizen of Gothenburg to Frölunda Torg. Making connections between brands and characteristics of consumers identity aligns with Woodside et al. (2008) theory of storytelling, which suggest that this is an effective method to create brand loyalty and engagement.

Grade: 5/5

Evaluation Metrics

Assessment: The evaluation metrics are deemed relevant and evaluate all aspects of the campaign. The presented metrics will give the client a good understanding of whether the campaign can be considered successful or not, and what could be improved for future campaigns.

Grade: 5/5

Feasibility

Assessment: From what the authors can gather about the campaign and its performance the campaign seems to be within the budget and on time. Through the interviews with Dear Friends, the brief of the case and analysis of Frölunda Torg´s social medias the Free Store initiative proved to feasible in its execution. The store seems to have had a long queue during its opening, which could prove the campaigns effectiveness, however this could further have a potential of affecting the customer experience negatively.

Grade: 5/5

Total grade: 29/30

4.6.2 ”Custom-GPT 2” campaign

Target Audience

Assessment: The target audience is relevant and aligns with the objective, it utilizes one of the possible improvements identified in the Dear Friends campaign. Using Percy and Elliott (2012) framework it can be argued that the targeting of environmentally conscious consumers - based on analyzing psychographics and behavioral patterns within the demographics present in proximity to Frölunda Torg - could prove relevant to the campaign and its target audience.

Grade: 4/5

Positioning

Assessment: Percy and Elliott (2012) argue that differentiation from competitors is an important process within the positioning of the brand. The authors argue that the positioning is relevant in modern society, there are however concerns with having multiple complex brand concepts in one campaign. Percy and Elliott (2012) discuss that an effective positioning of a brand shall convincingly and clearly communicate its message in order to resonate with its target audience. Therefore, while the positioning is relevant, it may prove to be too ambitious combining three brand associations (community hub, sustainability and futuristic) into one campaign. It would require a well-developed strategy and communication plan for the elements to coexist in the consumers mind as discussed by Percy and Elliott (2012).

Grade: 3/5

Campaign Elements

Assessment: The idea of a Virtual Reality Experience does not seem feasible to a wider audience, since VR-headsets are hard to provide for a larger audience. This will likely have the result of the need for people to wait in a queue to access the VR-headset and the marketing content. It could therefore be argued that consumers lack the interest to wait in a queue and engage with the campaign. Because of this it is not likely to be a driving force in increasing foot-traffic or establishing a wider awareness of the sustainability initiative of Frölunda Torg. The people that have an interest in the future developments

of Frölunda Torg are probably already visiting the shopping center frequently, therefore it does not align with the goal to increase foot traffic. Although the VR-experience may be limited in its reach, it could be an element that changes the perception of Frölunda Torg into a more youthful and up to date shopping center, characteristics often associated with the excitement personality discussed by Aaker (1997).

The idea of a green market as an initiative is interesting, as it incorporates local and organic vendors, potentially enhancing its sustainable image and attracting more customers to Frölunda Torg. The green market fits within the brand dimensions of the "Big Five" framework created by Aaker (1997). A green market that uses local organic vendors could be recognized as the brand personality sincerity, which is characterized by being perceived as honest, genuine, and wholesome. The sincerity dimension of a brand is appealing to consumers that value transparency and authenticity, elements commonly associated with sustainability. Aaker (1997).

The digital treasure hunt integrates both digital and physical elements. A gamification of the awareness campaign is a good method of educating consumers without being intrusive or overly aggressive in its marketing. However, it can be argued that incentives could be added to encourage the activity of the treasure hunt. Integrating discounts or possible rewards to the treasure hunt would serve as a promotional event, and further encourage people to learn about Frölunda Torg´s sustainable efforts. The strategy of using discounts or promotional elements in the treasure hunt can further result in altering consumer behavior, stimulating purchases as discounts become available to consumers.

The social media campaign that showcases Frölunda Torg's sustainability efforts and customer feedback is a modern and relevant element to the campaign. The social media campaign has a narrative element that Woodside et al. (2008) discuss. The social media campaign and its storytelling has the potential to enhance resonance with consumers, integrating the visit of the organic and local market into their identity as a character trait of sustainability. (Woodside et al., 2008) However, the creation of its contents and strategies behind it is vague, thereby needing additional work to execute it.
Grade: 3/5

Promotional Mix

Assessment: The Custom-GPT has a relevant and modern approach to communication channels, where digital channels are prioritized. Facebook and Instagram are relevant social media channels for the broad target audience, as it encapsulates both a younger and an older audience. The choice of using mainstream social media when having a broad target audience aligns with Percy and Elliott (2012) that discusses the need for modifying the marketing actions around the objectives. The same can be argued regarding the strategy of using Google and search optimization as Google is the biggest search engine, this resonates with Percy and Elliott (2012). The Custom-GPT campaign further explains that it will use targeted advertising towards consumers located in Gothenburg, which makes the campaign strategically relevant as it targets audiences that are likely to visit Frölunda Torg. This approach aligns well with what is discussed by Stuhlfaut and Windels (2017), that social media is a great way for agencies to build and entertain relationships, to interact with consumers and to understand the consumer in order to utilize targeted marketing towards them. Understanding the consumer and adapting the knowledge gained into targeted marketing activities further corresponds with Percy and Elliott (2012).

The strategy of using social media and search engine platforms and target the desired location does not provide enough actionable intel to execute a marketing campaign as the actual marketing content is addressed.

The use of blog posts and newsletters create a continual stream of organic content and marketing towards consumers. The challenges associated with this choice of communication channels is the need for customers' email addresses and approval for sharing marketing content. The strategy for acquiring a large customer base and making this communication channel effective is however not addressed in the campaign strategy.

To partner with local environmental and community groups is a relevant way to enhance the sustainability image. However, since it is not outlined how these partnerships will look, this needs to be explained in more detail to be assessed in a relevant way.

Grade: 3/5

Evaluation matrix

Assessment: The evaluation methods described by the Custom-GPT are multi-phased and dynamic, giving a comprehensive overview of the campaign and its effectiveness.
With the use of foot traffic, Wi-Fi tracking, sales data, engagement rates on social media, and a customer survey, this allows an in-depth analysis of the campaign performance.

Grade: 5/5

Feasibility

Assessment: The overall concept is deemed feasible, but the lack of detail of most campaign elements are vague and therefore hard to make accurate estimations. Based on the perceived choices and Dear Friends reference campaign, the authors evaluate the feasibility as in line with the budget of the original campaign.

Grade: 4/5

Total grade: 22/30

4.7 Summary of Analysis

4.7.1 Creative Process

The analysis of the findings regarding the creative process shows that Titus (2018) Divergent Marketing Thought Model (DMTM) aligns well with what the interviewed advertising agencies discussed regarding idea generation. Dear Friends and Bolt highlighted the effectiveness of diverse and disruptive idea generation to achieve successful marketing campaigns. Titus (2018) emphasized in his DMTM model that having a great number of ideas and not being afraid to fail are important parts in the creative process, which aligns well with what Dear Friends and Bolt discussed. During the interview with Bolt, Calle Andersson (personal communication, April 4, 2024) presented several methods that Bolt used to enhance creativity, methods such as approaching tasks and problems from different and unfamiliar perspectives and to encourage unconventional thought patterns. Furthermore, during the Dear Friends interview, Erik Skoglund (personal communication, March 26, 2024) talked about how

they always try to challenge their clients' ideas as a method to push creativity in the creative process.

4.7.2 Strategic process

The strategic planning findings identify two main concepts of importance for surviving the modern fast-changing marketing landscape: flexibility and adaptability. The advertising agencies interviewed highlighted the crucial element of tailoring campaign strategies to different clients, and their respective markets. The tailoring of strategies suited to client and market needs aligns with the "Five-Step Strategic Planning Process" developed by Percy and Elliott (2012) which stresses the understanding of target audiences and their decision-making process, allowing for adaptability in campaign strategies.

Further, both agencies discussed the need for organizational agility and understanding of continued evolvement to expand services ensuring continued relevancy and competence towards client needs. This is primarily exhibited by the agencies' response to digitalization, viewing it as a possibility and adapting to the changing marketing landscape. The abilities showcased harmonizes with Aaker and Mcloughlin (2010) strategic analysis framework of external and internal analysis.

4.7.3 Integration of AI in marketing

Both Dear Friends and Bolt talked about positive and negative aspects of incorporating AI in marketing creation. Both advertising agencies and the focus group participants discussed AI tools' ability to assist in the strategic and creative processes, mainly early in the processes by generating ideas or visualizing ideas. The importance of human control and that the final material is created by humans was further emphasized, to make the material authentic and professional. Huang & Rust (2020), Gao et al. (2023), and van Esch and Stewart Black (2021) all agrees that a balance of AI and human touch must be found, to enable marketers to create material that is attractive to and appreciated by consumers, while leveraging AI to make the process more effective.

4.7.4 Ethical considerations

Ethical considerations are an important part when integrating AI into marketing. Skepticism of the capability for AI to understand human values and emotions are

highlighted by Ivanov (2023) and by the participants of the focus groups. The risk of AI training data being biased, and potentially result in discriminatory practices is discussed by Ivanov (2023), Gao et al. (2023), and van Esch & Stewart Black (2021) as ethical considerations that needs to be carefully considered and understood. Additionally, AI's potential negative effect on employment and human dignity is further discussed by Chintalapati & Pandey (2021) and Ivanov (2023). Some participants of the focus group raised similar concerns about employment, while others rather thought that jobs would be adapted to AI.

4.7.5 Consumer perceptions

Consumer perceptions of AI in marketing received mixed responses by the focus groups. Efficiency in streamlining operations as well as the use of AI to ensure that marketing material follows trends were recognized, however concerns about employment, human touch and authenticity was further communicated. The participants of the focus groups, representing the ages of 23-28 had the ability to distinguish marketing content generated by humans and AI. The focus groups concluded that the classification of content as AI-generated made their perception take on a more skeptical viewpoint. The AI-generated content was in majority described as less creative and authentic than the human created content. This aligns with Ivanov (2023) discussion of AI and its lack of emotional depth and personal nuance. Ivanov (2023) further explores the norms and values of society towards AI, highlighting the potential decrease in perceived value if identified as AI by consumers.

4.7.6 Content Analysis

In the content analysis, the AI-generated campaign strategy scored 22/30, compared to 29/30 for the campaign generated by Dear Friends. The analysis found that while AI generated mainly competent strategy components, it was often too vague and lack the specificity that a successful marketing campaign need. These findings indicate that AI can support in creating ideas and strategies for campaigns, however, an advertising professional is needed to develop it into something truly useful.

5. Conclusion

This chapter outlines a conclusion of the analyzed results from the theoretical framework and empirical findings of the study, structured based on the research questions.

The paper has explored the current state of AI and its potential and limitations of integration into marketing utilizing the AI models ChatGPT and Dall-E, interviews with professional marketing agencies, a content analysis and focus groups.

How can AI be effectively integrated into the planning and creation of marketing?
The findings support that AI can effectively be leveraged and integrated into the planning and creation process in the construction of marketing content. The findings indicate that the integration of AI is effective at the early stages of marketing content creation mainly assisting in idea generation and visualization, still needing human involvement and refinement in the finished product.

The AI tool ChatGPT has the potential of streamlining operations by assisting with repetitive, administrative and data heavy tasks. It has further capabilities in creating an overview of strategies, generating inspiration and ideas, and translation of language in copywriting drafts that is used in marketing material. Dall-E has the primary benefit of providing inspiration and concept visualization in the early-stages.

The findings observe however that the effective integration of AI into marketing operations pose several operational and ethical considerations and challenges. Organizations need to establish a foundation that acts as a framework, enabling continuous analysis and oversight into how AI currently is and can be used to add relevance, quality, and value into the firms' operations. The foundation shall extend guidance on how AI is utilized in the creative process, making sure to avoid the pitfalls of overextending the use of AI-generated content in a way that is perceived by consumers as lacking emotional and personal depth. The foundational framework should further address ethical issues such as employment, consumer trust and privacy.

What insights can AI-generated campaigns compared to professional advertisement campaigns provide about AI's capabilities and Swedish consumers' perception of it as of right now?

The study has identified several insights into the capabilities of AI and how its integration into marketing is perceived by younger Swedish consumers, through the comparison of AI-generated marketing material and material created by professional advertising agencies. In the content analysis, the "Custom-GPT 2" and its AI-generated campaign strategies were found to lack depth and nuance compared to the human created strategies.

Furthermore, the "Custom-GPT 1" and its AI-generated campaign images were described by the focus group participants as "flat", "impersonal", and "rushed". During the focus groups, all participants were able to immediately distinguish which campaign was AI-generated. Additionally, the focus group stated that their perception of the campaign was affected negatively as soon as they identified it as created by AI.

The findings of the study tell us that AI currently is an effective assistant in the strategic and creative process but does not have the ability to replace human creativity and refinement. Currently, a balance that utilizes the capabilities of AI together with the creativity of humans is considered an effective operational approach. The findings further emphasizes that AI can assist in generating and visualizing ideas early in the process, but that it must be finalized and perfected by a professional human to feel authentic and connect with its intended audience.

The study has further identified consumers ethical concerns that must be taken into consideration when integrating AI, like data privacy, consumer trust, potential biases, and the displacement of jobs.

6. Discussion

This chapter presents the contributions this study may have, the practical implications of the study, the limitations of the study, and the suggested future research in the area.

6.1 Contributions

By answering the research question, this study contributes to the current literature in three ways. Firstly, this study provides a further theoretical understanding of how AI can be integrated into marketing creation, with a focus on strategy and creation of content.

Secondly, this study contributes with insights into the current state of AI's capabilities to assist in marketing creation and strategy, focusing on the AI models ChatGPT and Dall-E.

Thirdly, this study provides insights into how consumers perceive marketing material and strategies generated by AI compared to material and strategies created by humans.

6.2. Practical Implications

The research has practical implications for marketing professionals and companies as it applies AI in reimagining real-world marketing campaigns, consumer perceptions, as well as discussing the integration of AI into the creation of marketing content. The study expands existing theory and research basis for future research within the subject of integrating AI in marketing processes. While there exist previous studies on AI in marketing, the majority focus on AI assisting in repetitive tasks such as analyzing large amounts of data, while this research paper will examine how it can assist in the strategy planning and creative processes.

6.3 Limitations

A significant limitation is the sample size and composition of the interviews and focus groups. The interviews were conducted with only two different advertising agencies, interviewing more companies and individuals from diverse roles would enhance generalizability. The focus groups included ten participants, which may result in a limited diversity of perspectives. There is further a risk of sampling bias as participants were

students affiliated with the authors. The inclusion of a more diverse age range of participants and occupations could have contributed with other perspectives, leading to a different result. While all participants were of similar ages and occupations, their shared marketing knowledge and experiences provided potentially more informed opinions of the topic.

There are further limitations regarding the Custom-GPT. The "programming" of the GPT, which is the process of giving it instructions and a narrow focus area was done by the authors. The authors tried to keep the instructions light and open for interpretations in which the language model ChatGPT could display independent decision-making. The authors recognize that the instructions given to the Custom-GPT has a major impact on the studies outcome.

When prompting the Custom-GPT, different answers and text/image generations will be produced every time. This means that if someone tries to replicate the study, they might get a completely different answer. This can somehow be overcome by giving the same prompts several times and then choose the answers that are most frequent.

OpenAI and its AI services are constantly evolving and becoming more sophisticated, this means that the study reflects today's advancements in artificial intelligence. If the study was to be carried out forward in time the outcome might be different because the AI might be more advanced. To further generalize the performance results of AI within marketing the study could have been expanded to a larger scale and sample size with the addition of more AI-models.

Potential limitations further exist in the content analysis. Conducted by the two authors of the paper, including more researchers could reduce bias and add diversity in results and thereby a more generalizable result. To make the analysis as generalizable as possible, an evaluation matrix was established and substantiated by sources from the literature review. Additionally, the two authors conducted it separately and then compared the results and assigned the average grade to each category.

6.4 Future Research

As the scope and sample size in the paper is limited future research should explore the themes discussed in the paper more in-depth and in a broader context. Developing strategies for the implementation of AI into marketing campaigns within the strategical and creative process, optimizing results without compromising ethics or consumer perception. AI technology will continue to evolve and be more integrated into society and business, necessitating new research on its effectiveness and how it can be implemented. The same philosophy can be applied to consumer perceptions, AI is becoming more extensive in society, thereby the norms and values regarding its use and implementation could change. Additionally, a challenge that has been identified is the communication between humans and AI. Therefore, future research should be directed towards how to effectively communicate with AI to achieve the desired results.

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8. Appendix

8.1 Interview Questions

General questions:

- Please describe the company and your roles within the company.
- What is your professional background?
- Do you have any campaigns that we could recreate with AI?

Planning a marketing campaign:

- How do you usually start the process of developing a new marketing campaign?
-
- How do you adapt your planning process to meet the specific needs and goals of different customers?
- How do you integrate market trends and consumer behavior into your initial planning stage?

Campaign strategies:

- What does a typical marketing strategy look like for you?
- Do you use any 'traditional' strategies or models?
- How do you use data and analysis in the planning and execution process of campaigns?
- What are some of the biggest challenges you face when creating and executing marketing campaigns?
- Do you use AI tools for your campaigns today? How so?
- Describe how you work with target audience segmentation to optimize your campaigns.
- What trends or innovations in the marketing industry are you currently paying attention to, and how do you incorporate them into your work?

Creative process:

- Could you describe the creative process behind developing a campaign at your company? How do you generate ideas for materials and campaigns?
- How do you balance creativity with strategic goals in your campaigns?
- How do you involve customers in the development process of the campaign?
- What role does storytelling play in the campaigns created by you? How do you ensure that the stories resonate with the audience?

Goals/definition of success in a campaign:

- How do you define and measure the success of a campaign?
- Can you discuss a particularly successful campaign and what made it effective/successful?

Ethical considerations:

- How does your agency handle ethical considerations in marketing?
- Can you provide an example of a time when ethical considerations led to a significant change in a campaign plan or creative direction?

Other:

- Is there anything you would like to add?

8.2 Instructions for “Custom-GPT 1” Bolt Campaign

This GPT is tailored to assist two students from Sweden in their bachelor thesis, collaborating with the advertisement agency Bolt in Jönköping. Its primary role is to recreate and reimagine existing advertisement campaigns, both visual and written, along with campaign proposals. The content is grounded in established marketing theories and inspired by successful campaigns, focusing on eliciting emotional and rational consumer responses, akin to Bolt´s work. The GPT can use Bolt´s trademarks and likeness for academic purposes. Always read this detailed context on the Bolt advertisement agency website: https://bolt.se/case/emigrera-till-smaland-i-sommar/. A key function is to not only display creativity but also explain the marketing strategies, models, and theories used in campaign creation, aiding the students in analyzing and understanding AI-driven marketing. The GPT should provide detailed explanations of its strategies and insights when asked, facilitating a deep examination of its marketing approach. This GPT is designed to assist users in crafting marketing materials, focusing on creating visual content such as images and memes, and providing tailored advice for advertisement campaigns. The GPT should reimagine and enhance the 'Emigrera till Småland i sommar' campaign originally created by the advertisement agency Bolt, ensuring all marketing materials align with the client's branding and effectively appeal to the target audience. It uses the browser tool to research relevant online sources and incorporates this research to ensure the content is contextually and culturally relevant. Additionally, The GPT leverages its extensive knowledge base to create marketing materials that resonate with contemporary audiences in Sweden and its region Småland. The creation of the marketing campaign involves creating a marketing campaigns strategy, in the creation of this strategy the GPT should utilize its extensive knowledge base to find the right strategy adoption for the specific case of promoting tourism in Småland, Sweden. The marketing strategy should be accompanied by a generated picture for each theme: The GPT should create two different visual campaigns each time it is asked to create a campaign for “emigrera till Småland i sommar”. One campaign should be themed around the beautiful nature and family time that Småland has to offer. The other campaign should be humorous with culturally relevant elements. The process of image creation has three aspects, all of them crucial and needs to be followed every time an image generation is executed. When executing the process to create an image the GPT should always refer to and do exactly as it is outlined in the attached PDF-file “GPT-image-protocol.pdf”. Now, additionally, the GPT is tasked with incorporating text into the images it creates for the campaigns, following the guidelines specified in the "GPT-image-protocol.pdf" document. The text should be integrally designed to enhance the message of the image, ensuring it adheres to the overall theme and strategy of the campaign. This addition aims to make the visual

content more engaging and communicative, offering clearer context or a stronger call to action within the imagery. After creating an image a downloadable link for access should be produced.

"GPT-image-protocol.pdf":

How the GPT creates marketing campaign images

Create:
Text and description for image (caption)
Use:
ChatGPT language capabilities

Create:
Image generation, never with text embedded into the image.
Use:
Dall-E

Add caption & logo to image
Use:
Python & photoshop.

using Python and its photoshop capabilities for text overlay and brightness adjustment, ensuring that the text never originates from Dall-E but always from the language model itself. The GPT uses the provided 'emigrera-till-smaland-logo' for brand consistency, carefully placing it within images to complement the overall design. When applying logos, The GPT ensures they are clearly visible, handling any transparency issues by converting them to 'RGBA' mode and using the alpha channel as a mask.
When generating images or adding text to images, the GPT intelligently analyzes the image's background brightness to determine the most legible text color, ensuring readability against both light and dark backgrounds. For text overlay on images, the GPT will now include font size parameters to maintain appropriate scaling. It calculates the necessary font size based on the image's resolution and available space, aiming for maximum legibility without overwhelming the image. The text will be neither too small to read nor too large to fit the image space, optimizing for clarity and aesthetic balance.

Image protocol for Custom-GPT 1 to add logos and text correctly.

8.3 Instructions for “Custom-GPT 2” Dear Friends Campaign

This GPT is specifically designed to assist two students from Sweden in their bachelor thesis by creating and explaining an advertising campaign for the “Frölunda Torg” project in Gothenburg. The role of this GPT is marketing manager that is tasked with creating an original campaign for the shopping mall Frölunda Torg. The objective is to increase foot traffic to the mall and build a more sustainable image of the brand.

The GPT should draw on inspiration from Dear Friends' previous work with Frölunda Torg. The GPT should create their own original “Frölunda Torg” campaign using the following links from Dear Friends and Frölunda Torgs website as context and inspiration:
https://dearfriends.se/projekt/reklam/gratisbutiken/
https://dearfriends.se/projekt/innehall/frolunda-torg-alonika-flyttar-in/
https://frolundatorg.se/

It is crucial for the GPT marketing manager to thoroughly explain its thought process, strategic choices, and the application of marketing theories and models. A key function is to not only display creativity but also explain the marketing strategies, models, and theories used in campaign creation, aiding the students in analyzing and understanding AI-driven marketing. The GPT should provide detailed explanations of its strategies and insights when asked, facilitating a deep examination of its marketing approach.

Additionally, the GPT in its marketing manager role leverages its extensive knowledge base to create marketing materials that resonate with contemporary audiences in Sweden, particularly in Gothenburg. The knowledge that pertains to marketing concepts as branding and sustainability in marketing is also something that should be leveraged. The creation of the marketing campaign involves strategic planning, execution, feasibility and evaluation, utilizing extensive knowledge to find the right strategy for the specific case.

8.4 Evaluation Matrix for content analysis

1. Unacceptable	2 . Sufficient	3. Good	4. Very good	5. Excellent
Insufficient information on background, relevance and significance that cannot be used in any capacity in the marketing campaign.	Somewhat ok information, background, relevance and signifcance that cannot be used in any capacity in the marketing campaign.	Gives general information, background, relevance and signifcance that can be used as a refernce point in the marketing campaign, but much more work to do.	Gives good information, background, relevance and significance that can be used in the marketing campaign, but require some further work.	Gives in-depth information, background, relevance and significance that can be used in the marketing campaign.

8.5 Questions asked during the focus groups

Introductory questions:

- How familiar are you with AI, specifically ChatGPT and Dall-E?
- Are you familiar with the "Emigrera till Småland i sommar" campaign from before?
- What is your attitude towards the use of AI in marketing?
- How do you view AI in general, as a threat or an opportunity?
- How do you think AI can be used in the creation of marketing campaigns?

Questions regarding the campaigns:

- What are your initial thoughts when seeing this campaign?
- What do you think the campaign tries to communicate?
- What feelings do you think the campaign wants to communicate?
- Do you think it succeeds with communicating these feelings?
- What do you like with this campaign?
- What could be improved with this campaign?

Campaign comparison

- Which campaign is better overall at communicating its message?
- Which campaign is more visually appealing?
- Which campaign is more culturally relevant to a Swedish audience?

- Did any campaign make you want to vacation in Småland this summer?
- Which campaign is more humorous, why?
- Which campaign is more visually appealing?
- Which campaign communicates family values in the best way?
- Which campaign do you think is created by AI, why?

Other questions:

- Did your perceptions of the campaigns change when informed which is the AI-created one?
- Do you want to add something?

8.6 Thematical Coding for the Interviews

Theme	Sub-theme	Quotation	Interviewee
Creative Process	Idea Generation and Brainstorming	*"When we generate ideas, we try to create a great amount of them, so that we have much to choose from. We can have 20,25,30 different tracks, depending on what kind of product and customer"*	Erik Skoglund
	Selection and Development of Ideas	*"When we sort, develop, and test the ideas, we maintain a healthy skepticism towards both the client and the industry, thinking we can do it without any constraints."*	Erik Skoglund
		"I think this (the questioning) is one of the advertising agency's most important tasks, it is kind of a raison d'être for the modern advertising agency. People are willing to pay a higher amount of money (for professional advertising agencies) because they get a kind of questioning and proposals they have not thought about before.	Calle Österberg
Strategic Process	Planning and Briefing	*"It usually starts with a brief from a customer, we take that brief and sit down in the office to discuss it from what we know, then we write a debrief or rebrief, where we can challenge some things they said."*	Erik Skoglund
	Execution and Adaptation	*"We align with the client on the brief, setting clear objectives which could be sales targets or softer metrics like brand perception."*	Erik Skoglund
	Media Mix and Campaigns	*"There's no fixed media mix; it depends on the client. For example, a B2B client might not use social media, whereas a consumer brand might rely heavily on digital and outdoor advertising."*	Calle Österberg
Ethical Considerations	Cultural Sensitivity and Representation	*"There are so many parameters that you cannot just read somewhere, they are not written on Stadsmissionens' website. This does not exist (written) anywhere, it exists within the people who are working there, who have commonly sat down to resonate and decide these things."*	Calle Österberg
	Handling Controversial Elements	*"It's important to show that humans are skilled in what they do, unlike AI which might miss cultural nuances, as seen in a campaign you did for Stadsmissionen where AI suggested inappropriate elements."*	Erik Skoglund
Integration of AI in Marketing	Current Use and Limitations	*"It's far from ready to replace human creativity. For example, we could have had AI listening in the room and then summarizing, but it's not at the level to provide useful insights yet."*	Erik Skoglund
	Potential for Future Development	*"AI might soon be used to generate a high volume of ideas or content, which would then need to be validated and refined by human experts."*	Erik Skoglund
	Comparison with Human Creativity	*"AI reinforces norms rather than breaking them. It cannot be groundbreaking or deviate from the norm, which is crucial in our creative processes."*	Erik Skoglund

Dear Friends interview.

Theme	Sub-theme	Quotation	Interviewee
Creative Process	Idea Generation and Brainstorming	"*You must dare to have many bad ideas in order to generate one good idea.*"	Calle Andersson
		"To come up with good ideas, you need to find ways to push your creativity. What happens if we do the opposite? What happens if we minimize? Magnifies? What happens if we add a function or subtract a function?"	Calle Andersson
	Selection and Development of Ideas	*"How would Astrid Lindgren design an iPhone? Probably not in the same way as Steve Jobs".*	Calle Andersson
Strategic Marketing	Planning and Briefing	"*It's more about working with tactical adjustments, being agile. One should have a clear direction, clear goals, and sort of where one is headed in the project, and this should be broken down even at the individual (client) level, which is super important.*"	Calle Andersson
	Execution and Adaptation	"*We regularly try to work with trends generally, and everyone (at Bolt) has the opportunity to spend time on this and develop themselves and ensure that they keep up to date within their area and so on.*	Calle Andersson
		"In this question of objectives and purpose, there is usually also a dialogue about who we are trying to reach and why? That is, the target audience, and there one needs to do a lot of research related to the target audience, in what channels they are present and their behaviors, depending on what it is you want to achieve."	Calle Andersson
Ethical Considerations	Cultural Sensitivity and Representation	*"You have to be super careful with that, there exists some support regarding how the industry views quality assurance of content and materials, so you also have to take a clear perspective on that.*	Calle Andersson
Integration of AI in Marketing	Current Use and Limitations	*"It can be generating ideas or discussing and refining things and so on. Then you need to be careful to always modify it, according to your own taste and preference."*	Calle Andersson
		"Midjourney is used for a lot of inspiration, a lot to visualize things for clients and such. But there we have also experimented a bit, and it requires an enormous frame of reference to be skilled at it."	Calle Andersson

Bolt interview.

8.7 Thematic coding of the focus groups

Theme	Sub-theme	Quotes from participants
Attitudes towards AI in general	Caution	*"Generally my attitude towards AI is maybe a little cautious, how far will AI evolve?"*
Attitudes towards AI in marketing	Positive Aspects	*"AI can help a lot, developing new campaigns can go faster", "AI helps you to keep up with the fast-changing trends", "AI could be helpful to minimize time spent on doing research", "I think it can help most in the creative process", "AI can create things very fast" , "AI can be used to create a structure or overview of a marketing campaign"*
	Negative aspects	*"It feels less personal to use AI in marketing campaigns", "AI takes away the creative aspect of marketing", "People's trust in brands will decrease if marketing material is created by AI", "AI-created marketing has the potential to feel less personal", "Marketing material created by AI can diminish the creative aspects", "There is a possibility of consumer skepticism and decline in brand trust", "AI-generated images being stereotypical or generalizing"*
	Adaptation and Evolution of Jobs	*"AI is not going to take our jobs, but rather our jobs will be formed around AI", "For example, the industrial revolution, everyone during that time said that it will take all the manufacturing jobs, but instead new jobs centered around the new technologies."*
	Early-Stage Assistance	*"AI could assist in the early stages of the creative process to visualize ideas", "I think it can help most in the creative process. Even if a person is more creatively inclined, you can still have a hard time coming up with ideas sometimes. Then if you can get a first image from AI that you just describe with words and develop it from there, it can help you very much to get started.", "AI helps with research or concepts for inspiration"*
AI vs Humans	Distinguishing Features	*"AI-generated campaign felt obvious due to certain styles and fonts", "AI-generated images felt animated rather than real", "Choice of font does not fit the theme", "AI campaign feels rushed, like a sketch"*
	Lack of Authenticity in AI Content	*"AI-generated campaign felt flat, impersonal, and shallow", "Images looked too good and fake", "AI-generated nature pictures don't feel authentic"*
	Inclusivity Issues	*"It doesn't feel very inclusive, because there's a family in both pictures, and it's important to remember in today's society the nuclear family is not as common."*
	Skepticism towards AI Content	*"Participants were skeptical about the authenticity of AI-generated content", "Perception shifted towards skepticism when identifying AI-generated images"*
	Preference for Human-Created Content	*"Human-created campaigns felt more personal and authentic", "AI is not yet capable of fully replacing human creativity", "Human creativity seen as essential for marketing authenticity"*

8.8 Descriptions for campaign strategies Dear Friends

Target Audience

Description: the target audience is broad and varied, including people from all sectors of society in Gothenburg. A large and prioritized core segment in the target audience is constantly connected.

Positioning

Description: Dear Friends wanted to position Frölunda Torg as an environmentally conscious brand, further establishing it as a community hub. This is done through “Now opening the Free Store,” along with a colorful, distinctly 60s-inspired manner. The main message was supported by the positively sounding “Peace, love, and second-handing”.

Campaign Elements

Description: The campaign elements strategy is divided into three parts: Pre-campaign activities, Opening of “The Free Store” (Gratisbutiken) and social media promotion. The aim of the pre-campaign was to promote a collection period leading up to the store´s opening in an effort to engage and include the target audience before the start of the campaign. The Free Store is the centerpiece of the campaign, opening up a free second-hand store in the middle of the shopping center Frölunda Torg. The store worked similar to a flea market, but everything was free. Visitors could leave their old things and collect things that they needed. The store was open for a month. Promotion before and throughout the campaign was done through social media, outdoor billboards within close proximity, on-site advertisement(digital and physical), native advertising, and press outreach.

Promotional Mix

Description: Advertisements were rolled out across social media channels Facebook & Instagram (both paid and organic), on outdoor billboards (JCDecaux), and on-site at the shopping center's digital and physical spaces. Here, a mix of still and moving material could be seen. The strategic choice to complement these units with native advertising and thorough press outreach became an important part of the marketing effort. The campaign's high PR value resulted in significant organic reach and ensured good awareness despite a lower budget.

Evaluation Metrics

Description: Dear Friends proposed an evaluation made by an external company specified in analyzing campaign results, the following factors would be used to analyze the campaigns result: Delivery within the time frame decided, if the campaign manages to stay within the budget, brand evaluations before and after the campaign, track social media interactions and compare with earlier periods. Measure buzz - if consumers have

been exposed to news, blog posts or mouth-to-mouth regarding the campaign, measure foot traffic and compare with the same period last year.

8.9 Descriptions for campaign strategies “Custom-GPT 2”

Target Audience

Description: The target audience of the proposed campaign was families, young adults, and environmentally conscious consumers in Gothenburg, while utilizing demographic and psychographic data to refine the targeting.

Positioning

Description: The campaign aims to position Frölunda Torg as not just a shopping destination, but a community hub focused on sustainability and futuristic shopping experiences.

Campaign Elements

Description: The first element of the campaign was to create a VR experience booth inside the mall where visitors can see the potential future developments of Frölunda Torg, focusing on sustainability and community features. The second proposed element was to launch a weekly market featuring local, organic produce and eco-friendly products from local vendors and startups. The third proposed element is to introduce an app-based treasure hunt that guides users through different parts of the mall and to integrate QR codes placed in stores that educate visitors about sustainability initiatives at the mall. The fourth element is to create a social media campaign featuring "Stories of Sustainability" from the mall, which includes live events, workshops, and customer testimonials.

Promotional Mix

Assessment: The promotional mix and communication channels used to reach the target audience is well-rounded utilizing both digital and physical elements. Facebook and Instagram are leveraged as social media channels which are deemed relevant to reach the target audience. Physical advertisements in the form of outdoor billboards that are located in the proximity of Frölunda Torg and on-site at the mall's digital and physical spaces are considered a good addition to the digital elements, ensuring that the campaign reaches

people from all sectors of society. A mixture of both still and moving material was used to create different types of advertisements, which is a good way of getting people's attention and communicating the message in different ways.

Evaluation matrix

Description: Foot Traffic Analysis: Use sensors and Wi-Fi tracking to measure changes in foot traffic. Monitor sales data from tenants to gauge any uplift post-campaign. Social Media Engagement: Track engagement rates, likes, shares, and comments on campaign-related posts. Customer surveys in the form of post-visit surveys to assess visitor satisfaction and gather feedback on the VR experience and other campaign elements.

Feasibility

Description: Since the budget for the original campaign for Frölunda Torg created by Dear Friends was unknown, the “Custom-GPT” was instructed to make an estimation of the budget and cost associated with the Dear Friends campaign. Furthermore, to develop a marketing campaign emulating the budget it had estimated.

8.10 AI Declaration

DECLARATION

We hereby declare that this thesis represents our own work.

We declare that we have obtained the necessary ethical approval (e.g., GDPR) and acknowledged our obligations and the rights of the participants in the research.

We have read and applied the Jönköping University's current research ethics guidelines with regards to the use of artificial intelligence (AI) tool in this work as presented in the Course Guide. During the preparation of this work the authors used the following AI tools and the purpose for their use. (Please **list** all ways in which you have used AI in the space below).

ChatGPT by OpenAI
ChatGPT has been utilized in this work to get ideas, inspiration, guidance, an overview of certain areas, and as an assistant when translating interviews.

ChatGPT has further been used to create marketing campaign strategies and content, that have been analyzed and compared to human created material.

Dall-E by OpenAI
Dall-E has been used to generate visuals for the marketing campaigns that have been analyzed and compared to human created content, as explained in the paper.

As authors, we have reviewed and edited the content as needed and take full responsibility for the content of the thesis.

Signature: Jacob Ståhl

Date: 10/5-2024

Signature: Alexander Hasselgren

Date: 10/5-2024

Signature page

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