




AI AND THE RADICAL EVOLUTION OF MARKETING

We are living through one of the most transformative moments in marketing history. Artificial Intelligence (AI) has evolved beyond being a tool to becoming a catalyst for reimagining how businesses operate, innovate, and grow. This transformation isn't just about incremental improvements—it's about fundamentally reshaping how we connect with audiences, create experiences, and drive business results.

AI enables hyper-personalisation, predictive decision-making, and creative breakthroughs at scale—all while amplifying human capabilities rather than replacing them. To navigate this shift successfully, organisations must adopt a behaviour-first approach, focusing on understanding consumer motivations and needs before deploying technology. This principle ensures that technology investments deliver meaningful outcomes.

WPP



THE AI FOCUS SHIFTS

The development of AI has shifted from building foundational models to creating applications that directly impact workflows. This transition mirrors the internet's evolution—from infrastructure to apps—and signals a new era where AI drives measurable business outcomes. Organisations must now focus on integrating these applications effectively into their operations.

This shift highlights the importance of moving beyond infrastructure and focusing on applied AI—leveraging tools that deliver tangible value across processes, products, and services. Businesses that embrace this application-first mindset will be better positioned to achieve innovation and growth.

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The financial markets driven by a few companies



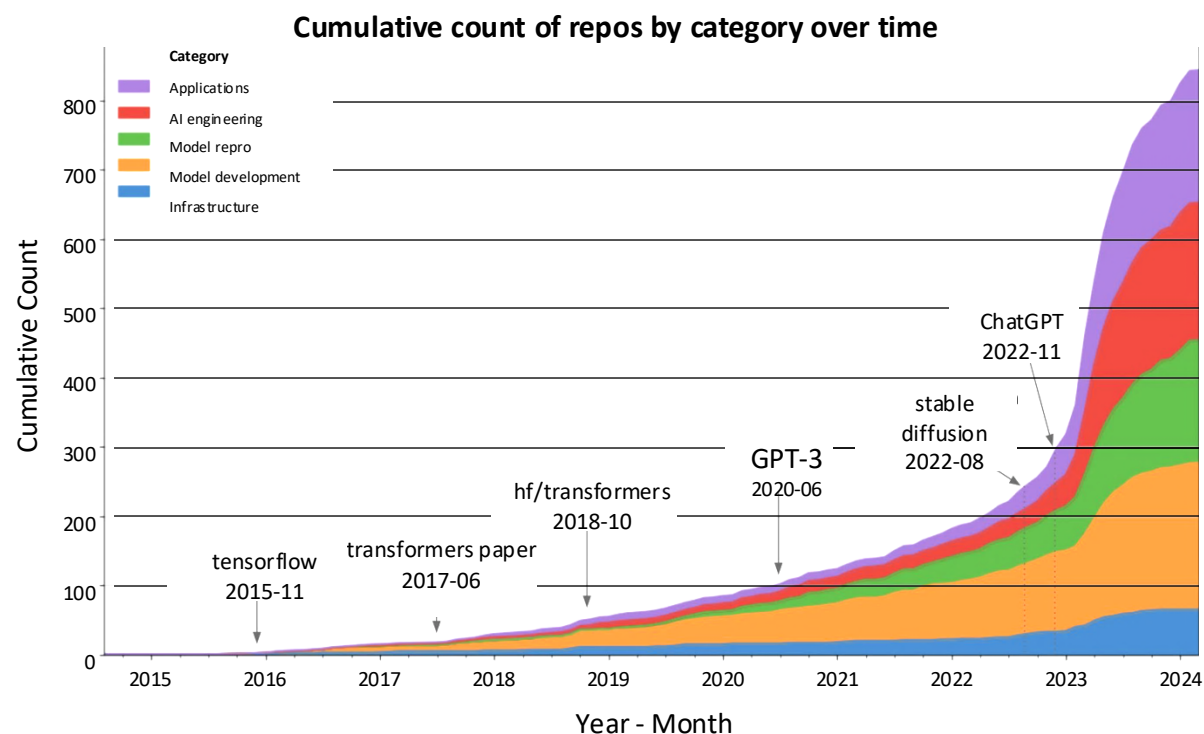
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The AI revolution is being fuelled by massive investments from a handful of tech giants like Microsoft, Google, and Amazon. These companies are not just advancing AI—they're building the infrastructure that will power the future

of marketing. Their strategies focus on leveraging AI to drive efficiencies, capture market share, and shape industry standards.

For other organisations, the challenge lies in contextualising these advancements to meet specific needs. Success comes from partnering with these tech leaders rather than competing with their market cap. By positioning themselves as collaborators, businesses can harness the expertise and resources of these giants to accelerate their own AI journeys.

The developer community has never been more active

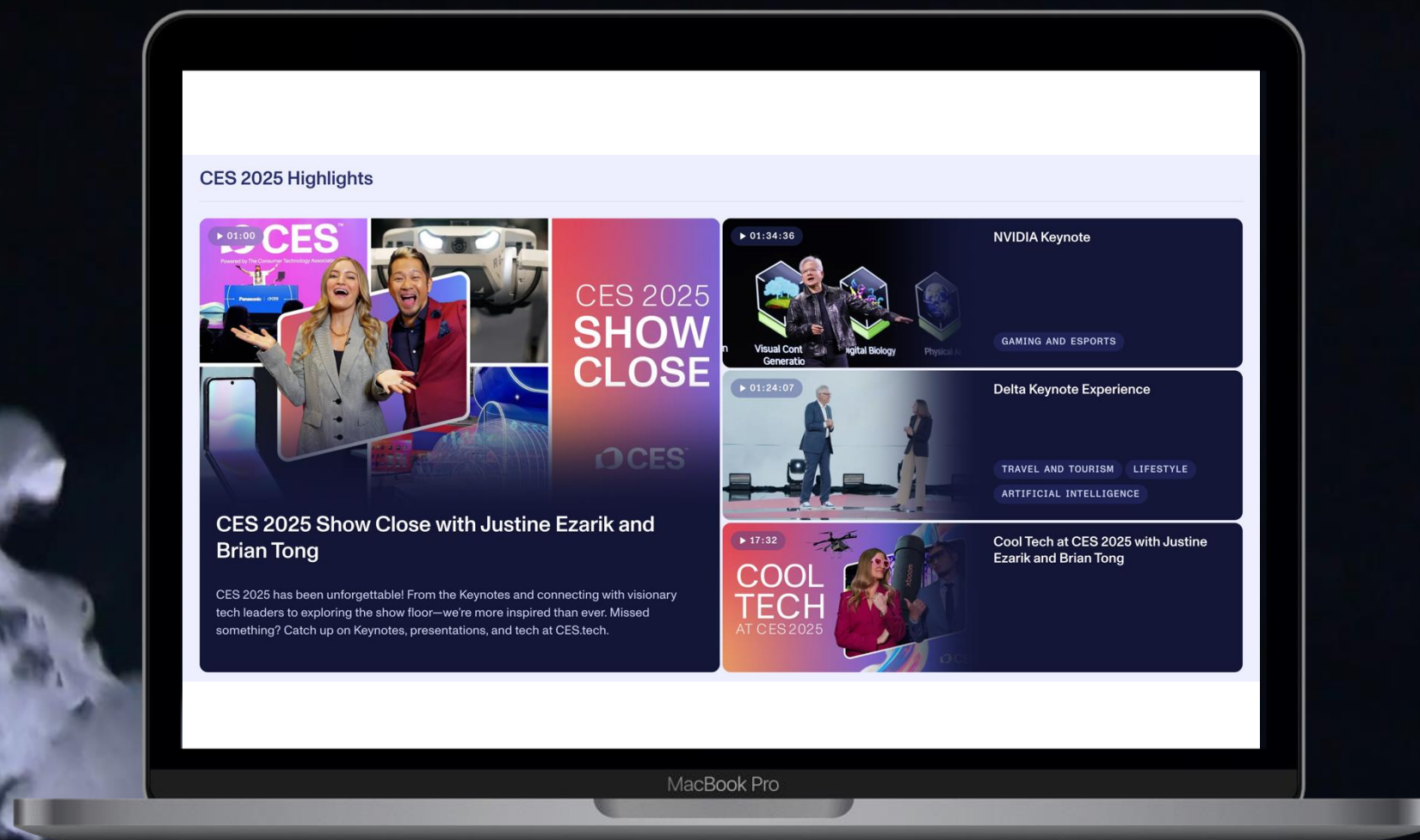


The democratisation of AI has created unprecedented access and opportunity for businesses of all sizes. The developer community has never been more active, with open-source tools and platforms making advanced AI technologies more accessible than ever before. Companies no longer need to build solutions from scratch—they can leverage the collective intelligence of the developer ecosystem to accelerate their AI journey.

WPP Open acts as a gateway to this vast ecosystem, providing curated access to the best open-source and commercial AI tools. This approach empowers businesses to tap into innovation at scale, levelling the playing field in the age of AI.

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Even the consumer shows have been taken over by B2B Tech



Events like CES highlight a significant shift in focus—from consumer gadgets to B2B technology solutions. While consumer-facing applications often grab headlines, the real transformation is happening behind the scenes, where AI is revolutionising workflows, collaboration, and decision-making.

To remain competitive, businesses must adapt to this reality by embracing user-centric design principles and leveraging AI to enhance both customer experiences and operational efficiency. This trend underscores the growing importance of AI-powered solutions in driving business success.

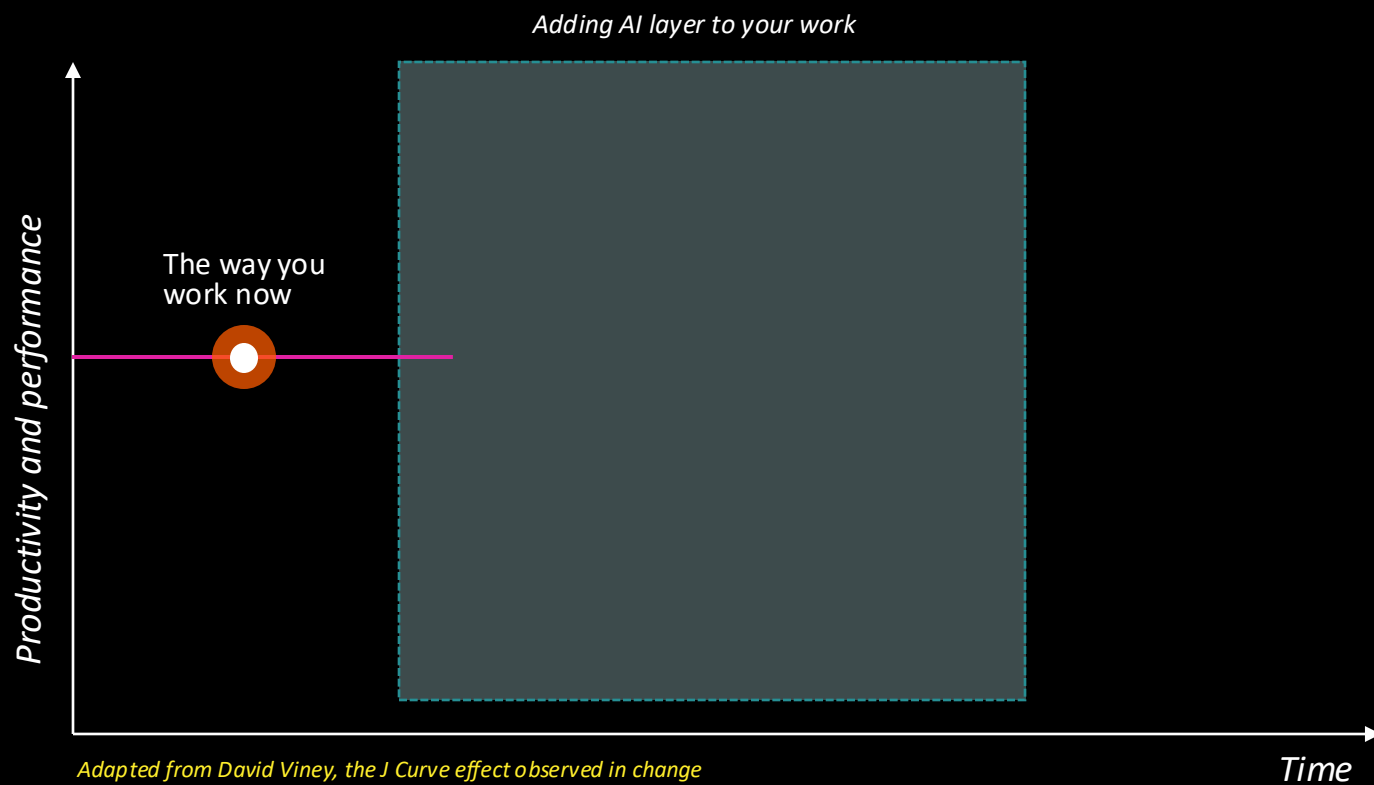
WHY TECH SHOULD BE BEHAVIOUR FIRST

Technology should align with human behaviour rather than dictate it. A behaviour-first approach ensures that tools augment creativity and strategic thinking while automating repetitive tasks. By focusing on the human element—the needs, motivations, and behaviours of target audiences—organisations can ensure that their technology investments deliver meaningful results.

This principle shifts the conversation from what technology can do to how it can serve people more effectively, ultimately leading to better outcomes for both businesses and consumers.

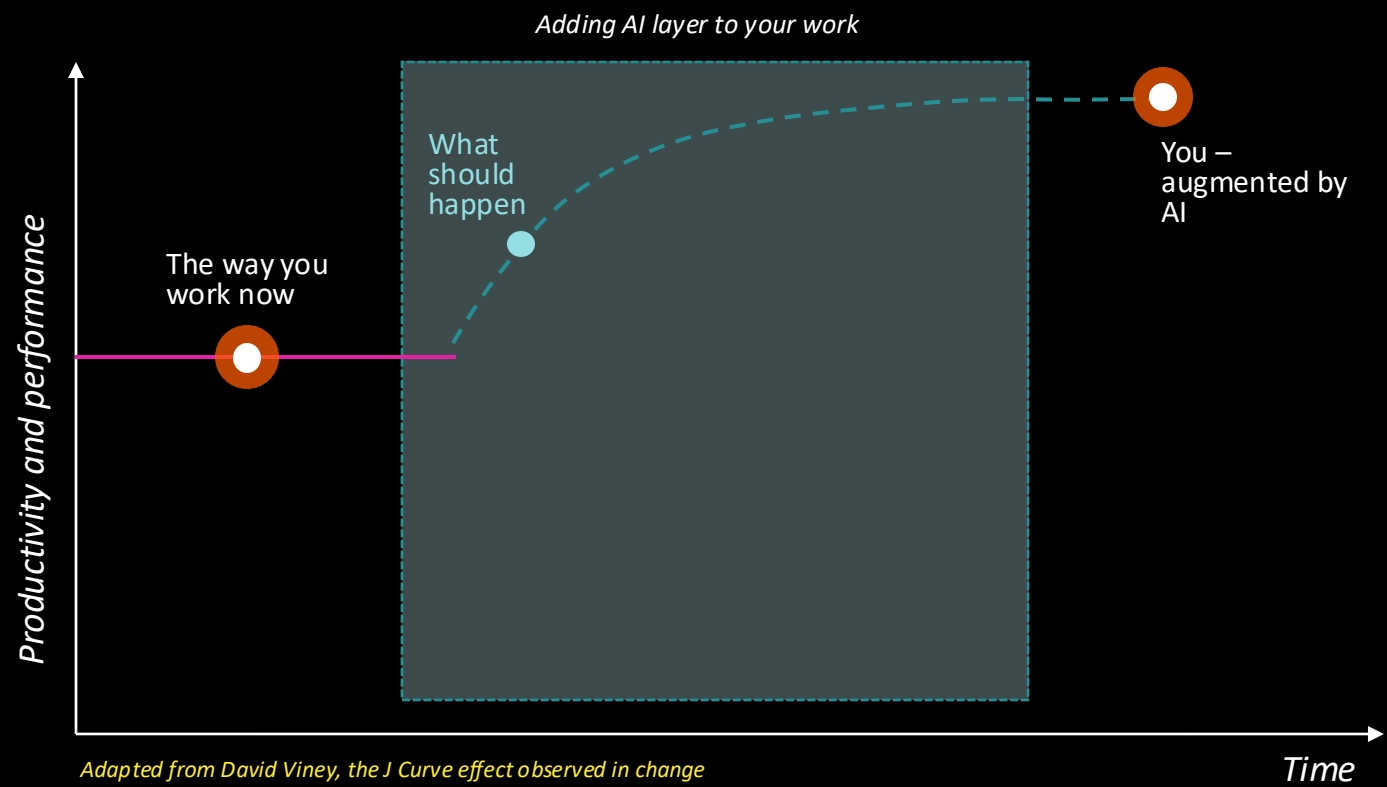
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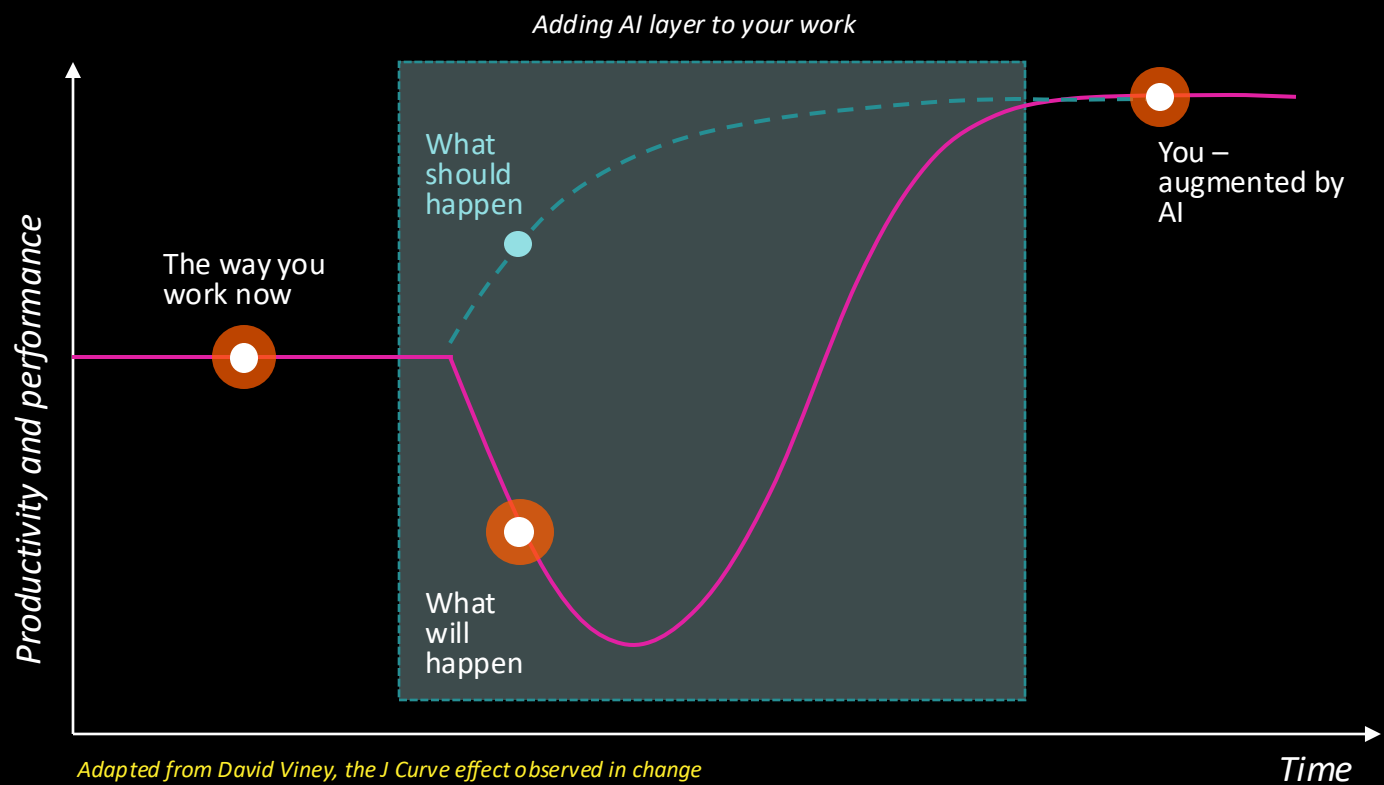
When introducing new technology, organisations often experience the "J Curve" effect—a temporary dip in productivity as teams adapt to new tools and processes. Initially, productivity may decline due to the learning curve, but with proper training and implementation, it rebounds and eventually surpasses previous levels.

Managing this transition effectively requires strategic planning, user adoption initiatives, and continuous improvement efforts. By minimising the initial dip and accelerating the rebound, businesses can unlock the full potential of their technology investments.



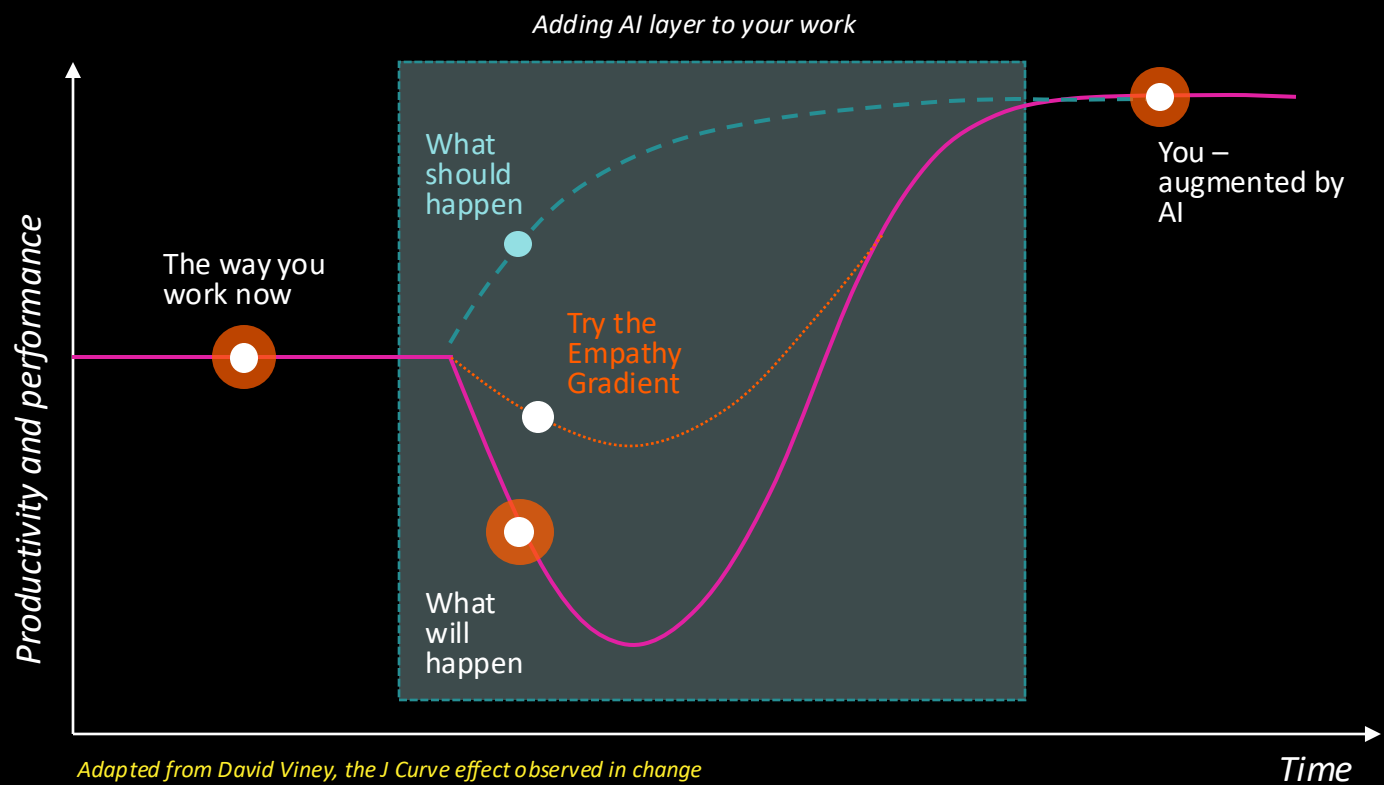
The goal is to minimise the initial dip in productivity and accelerate the rebound. This requires a strategic approach that focuses on user adoption, training, and continuous improvement.

By carefully planning and executing your technology implementation, you can ensure that your teams are able to quickly realise the benefits of AI and other advanced technologies.



Without a proper plan, the initial dip in productivity can be prolonged, leading to frustration and resistance. This can result in a situation where your technology investments fail to deliver the expected returns.

To avoid this scenario, it's essential to have a clear understanding of the challenges and opportunities associated with technology adoption and to develop a strategy that addresses these issues proactively.



Introducing and overlaying the Empathy Gradient against human augmentation and task automation ensures technology serves its purpose effectively. For example, AI can automate data ingestion but augment insight generation, allowing strategists to focus on crafting narratives that resonate deeply with audiences.

The Empathy Gradient allows you to better understand how to effectively integrate AI into your marketing operations. It recognises that some tasks are best automated, while others require human empathy and creativity. By mapping your marketing activities along this gradient, you can identify the areas where AI can have the greatest impact and ensure that your technology investments are aligned with your business goals.

HOW TECH CAN BE BEHAVIOUR FIRST

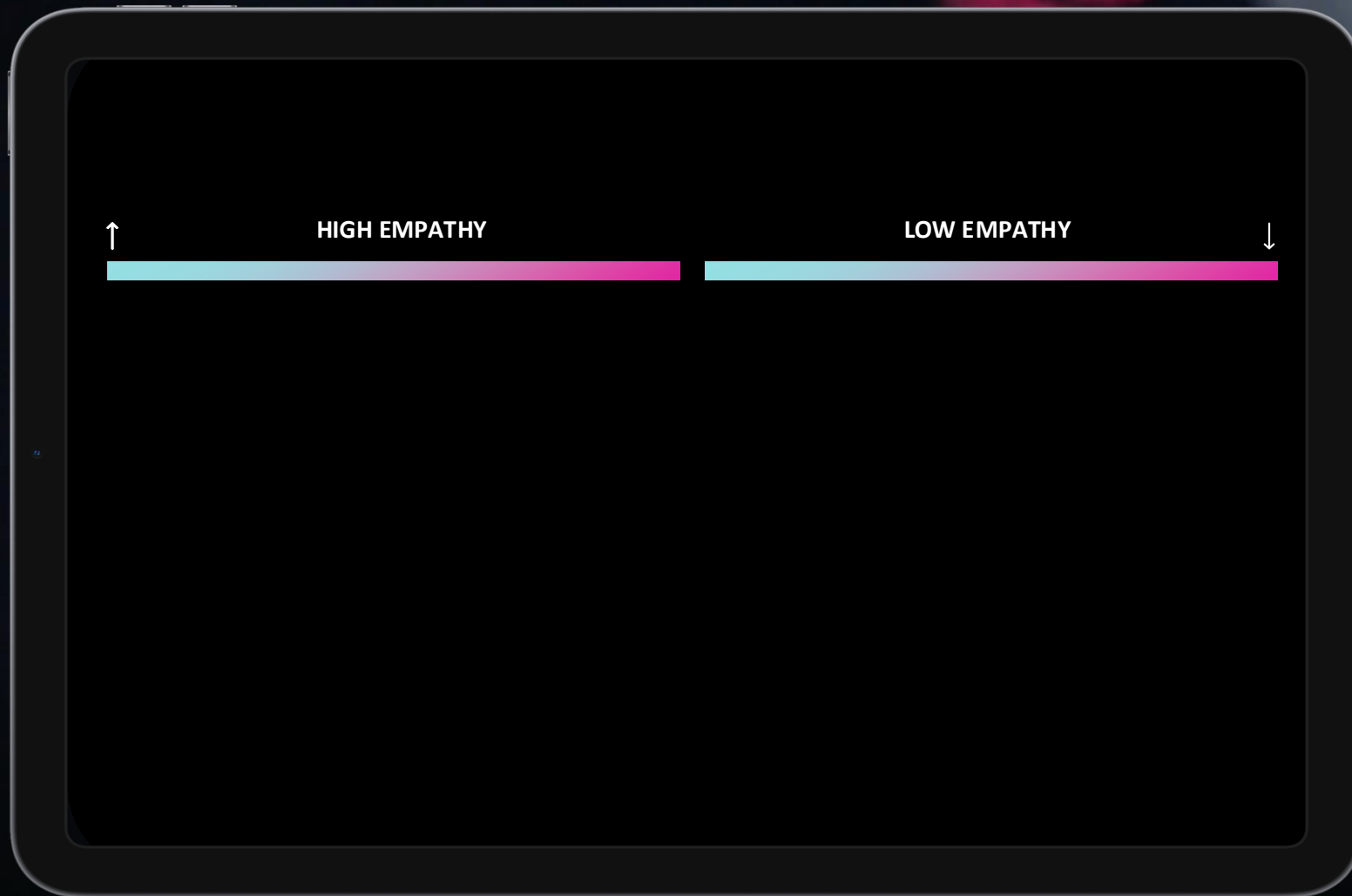
To ensure that technology is behaviour-first, organisations must prioritise understanding the human element before deploying AI solutions. This requires a shift in mindset from a technology-centric approach to a human-centric approach. By putting people first, businesses can ensure that their technology investments are aligned with strategic goals and deliver impactful results.

Behaviour-first technology enhances collaboration, boosts productivity, and creates deeper connections with audiences, driving measurable success across operations.

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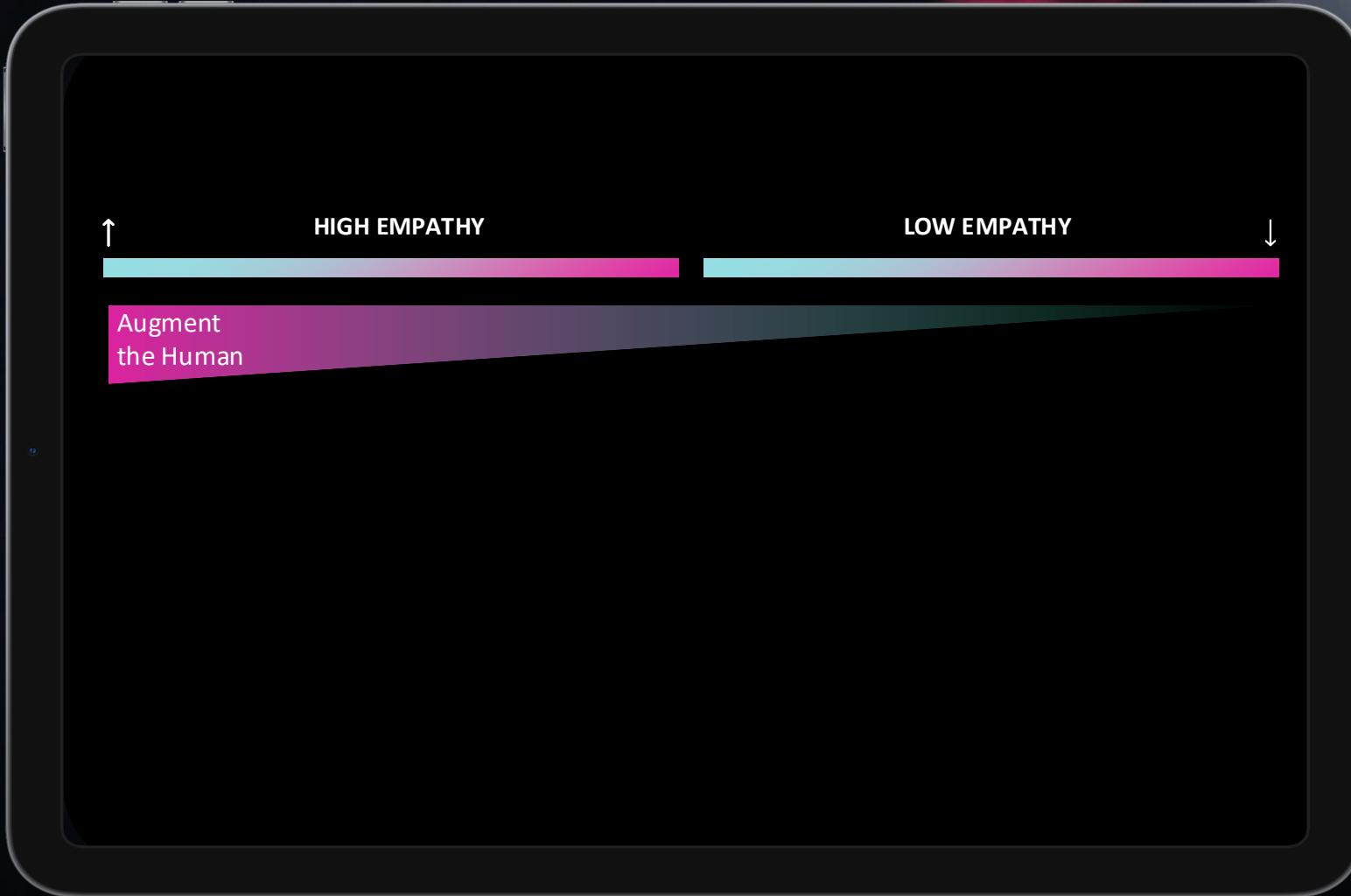
The Empathy Gradient Framework



The Empathy Gradient framework helps organisations determine which tasks benefit from human empathy and creativity versus those better suited for automation. On the high-empathy side, tasks such as insight generation, creative development, and storytelling require augmentation, where AI supports human capabilities. On the low-empathy side, tasks like data collection, scaled content creation, and personalisation benefit from automation, improving efficiency and reducing costs.

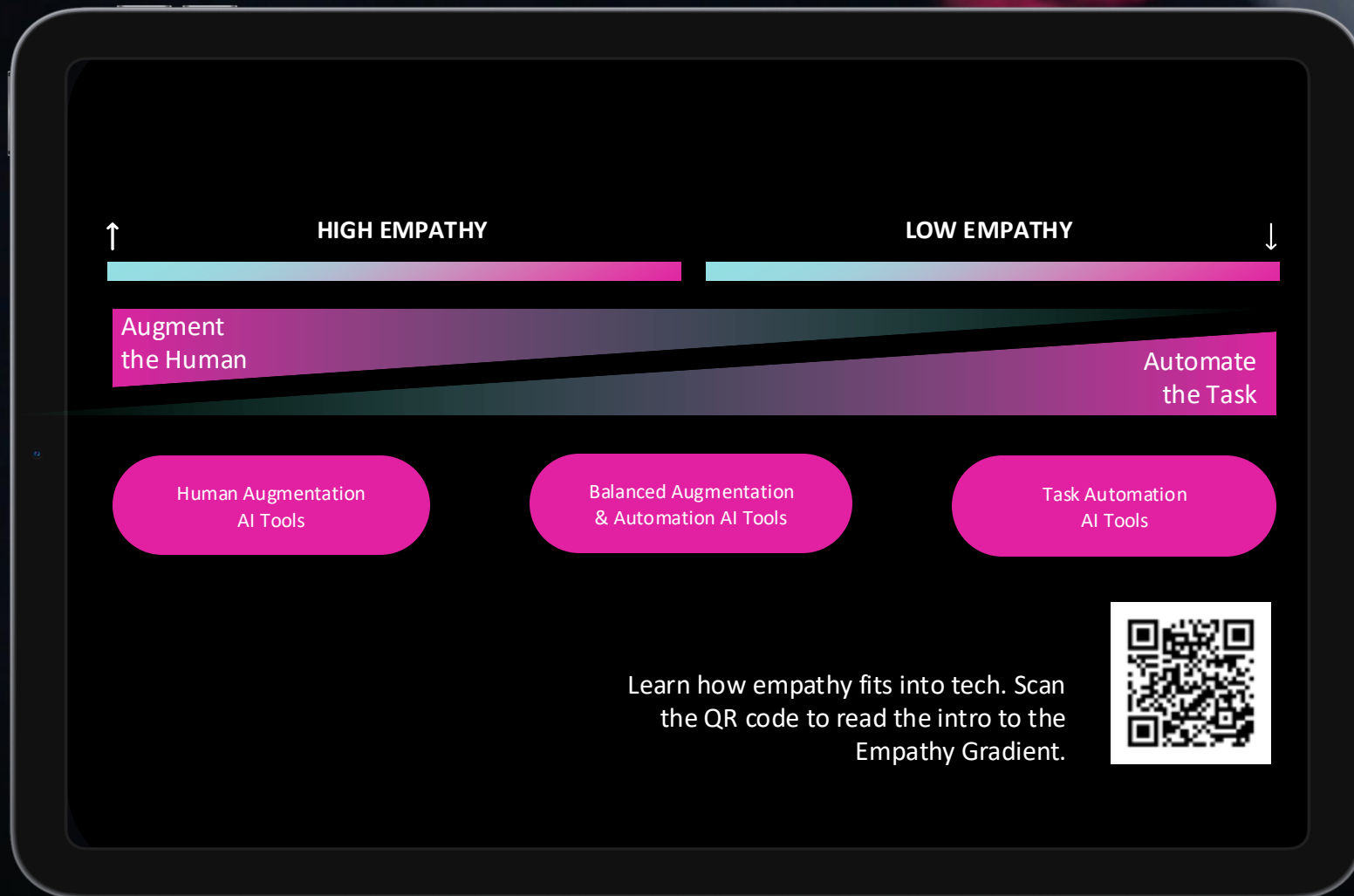
By mapping marketing activities along this gradient, businesses can identify areas where AI can have the greatest impact while ensuring technology investments align with strategic goals.

The Empathy Gradient Framework



By mapping activities along this gradient, organisations can optimise workflows and ensure that AI investments align with business goals. This balance between augmentation and automation creates efficient and impactful systems.

The Empathy Gradient Framework



To learn more about the Empathy Gradient and how it can help you transform your marketing operations, scan the QR code on this slide. This will take you to a resource where you can explore the framework in more detail and discover how it can be applied to your specific business needs.



THE LOGIC IN ACTION THE KLARNA CASE

To illustrate the power of the Empathy Gradient in action, let's take a look at the Klarna case study. Klarna is a leading fintech company that has successfully integrated AI into its customer service operations.

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Case Study: Klarna

“

“I am of the opinion that AI can already do all of the jobs that we, as humans, do. It’s just a question about how we apply it and use it, “ Sebastian Siemiatkowski, Chief Executive at Klarna, said in an interview with [Bloomberg](#).

He added that there is a “core group” of 200 Klarna employees across many departments who have successfully taken up AI-optimized work. Siemiatkowski said the technology is used to improve automation, generate images and videos, produce marketing material, run financial analyses, develop products, and interpret customer demands.

Klarna's CEO, Sebastian Siemiatkowski, believes that AI can already do all of the jobs that we, as humans, do. The key is to understand how to apply it and use it effectively.

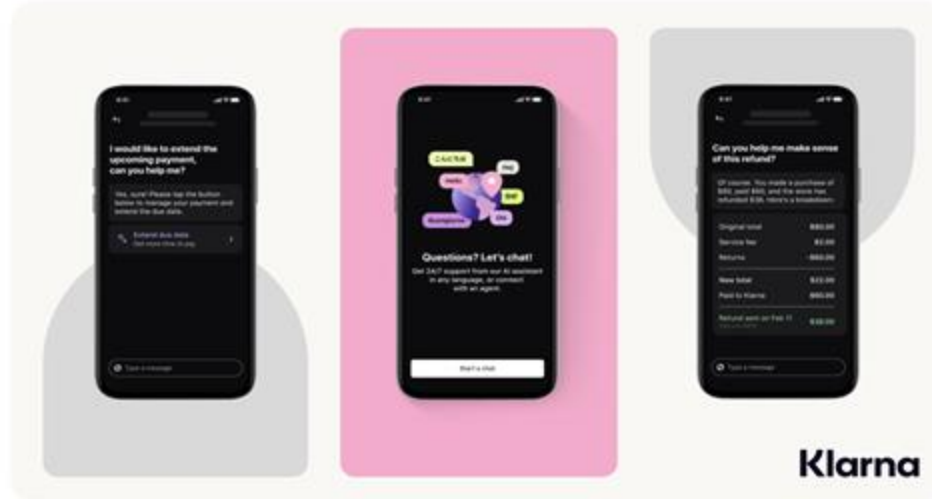
Case Study: Klarna

Klarna / Press / Klarna AI assistant handles two-thirds of customer service chats in its first month

Klarna AI assistant handles two-thirds of customer service chats in its first month

February 27, 2024

Klarna
Klarna





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Klarna has successfully automated a significant portion of its customer service interactions using AI. Their AI assistant now handles two-thirds of customer service chats, freeing up human agents to focus on more complex and empathetic interactions.

Case Study: *Klarna*



Sebastian Siemiatkowski  
@klarnaseb



We just had an epiphany: in a world of AI nothing will be as valuable as humans!

Ok you can laugh at us for realizing it so late, but we are going to kick off work to allow Klarna to become the best at offering a human to speak to!!!

So excited about this, more to come!

Last edited 9:44 AM · Feb 14, 2025 · **101.1K** Views



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70



Despite their success with AI automation, Klarna recognises the importance of human empathy in certain situations. As their CEO stated, "In a world of AI nothing will be as valuable as humans!"

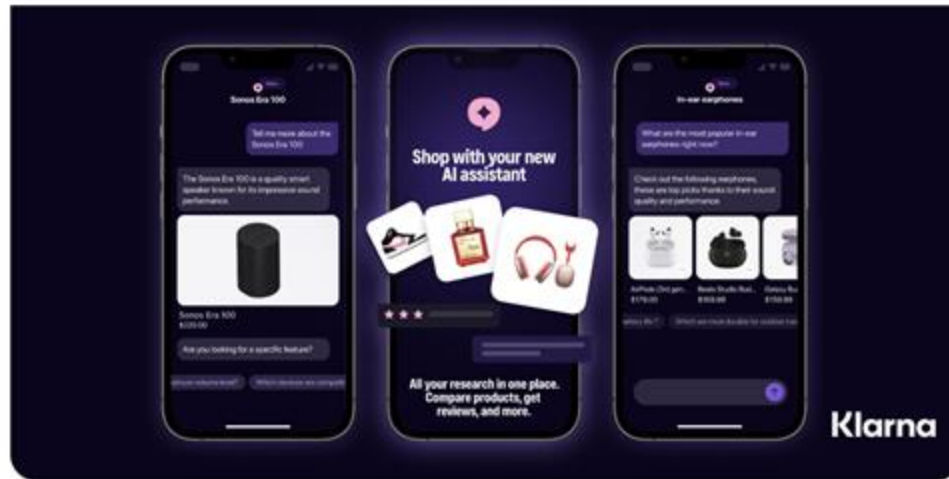
This highlights the importance of the Empathy Gradient in balancing automation with human expertise.

Case Study: *Klarna*

Shopping made smarter: Klarna adds more AI features to its assistant powered by OpenAI

September 19, 2024

Klarna
Klarna

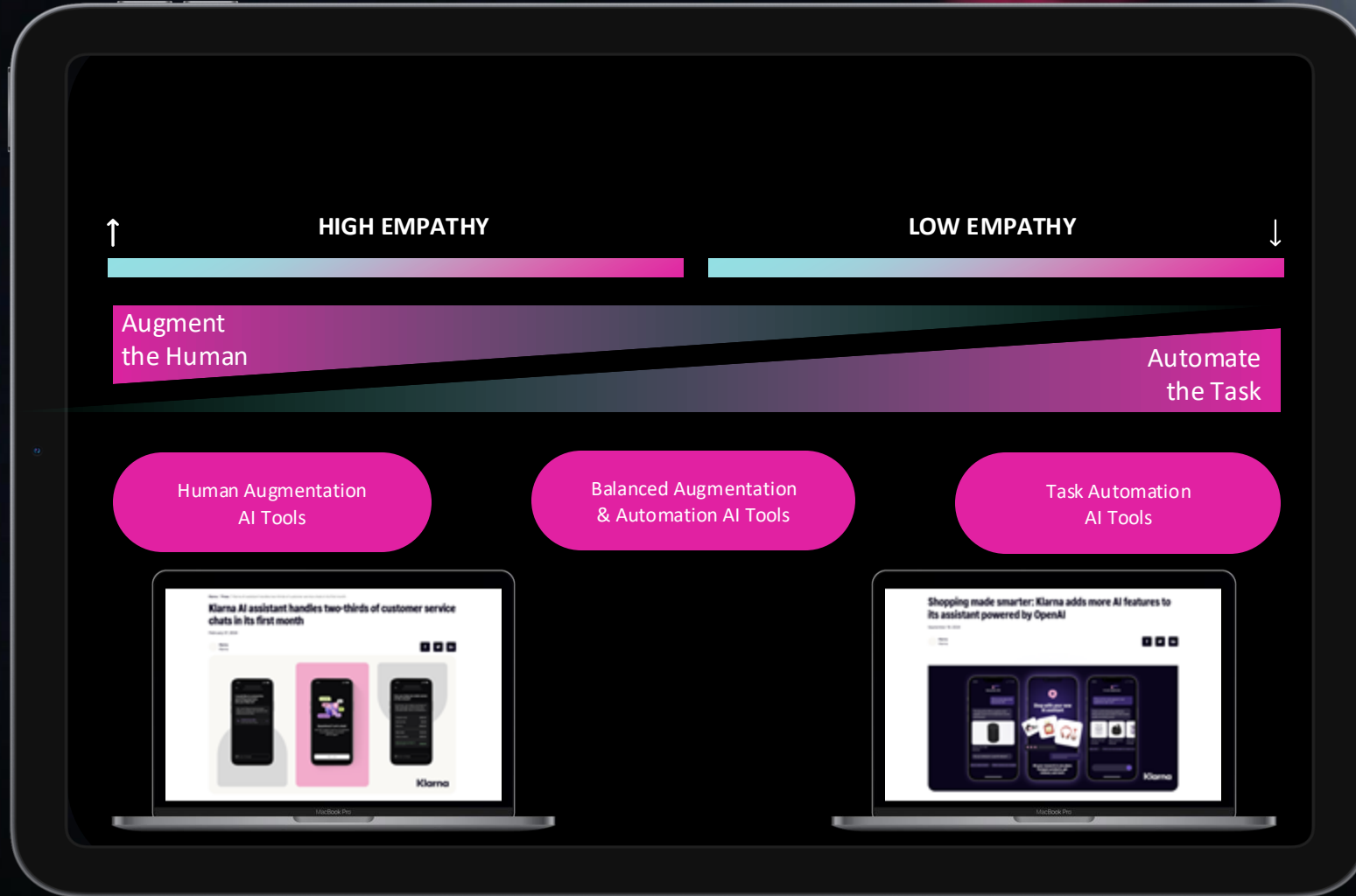


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Klarna continues to invest in AI, adding more features to its AI assistant to improve the customer experience. This demonstrates their commitment to leveraging AI to enhance their operations and deliver better results.

Further illustrating how Klarna has applied the Empathy Gradient to its customer service operations. Tasks such as product recommendations and personalised shopping assistance are now being handled by AI, while tasks that require empathy and problem-solving are still handled by human agents.

Case Study: Klarna



Klarna's integration of AI demonstrates the power of aligning human creativity with machine efficiency. By using AI-powered persona creation, Klarna gained deeper insights into customer behaviour, enabling them to tailor messaging and experiences that resonated emotionally. At the same time, backend processes like content adaptation were automated, freeing up resources for higher-value activities. This approach exemplifies the balance between augmentation and automation.

This case study exemplifies the balance between augmentation and automation.

APPLYING THE LOGIC TO OUR WORK

Applying the Empathy Gradient across the marketing value chain allows organisations to optimise every step of their workflows. From insight generation to campaign execution, this framework ensures that human capabilities are enhanced where needed and routine processes are automated, creating a balanced and efficient system.

By carefully mapping tasks along the gradient, businesses can identify areas where AI can have the greatest impact and ensure that technology investments are aligned with strategic objectives.

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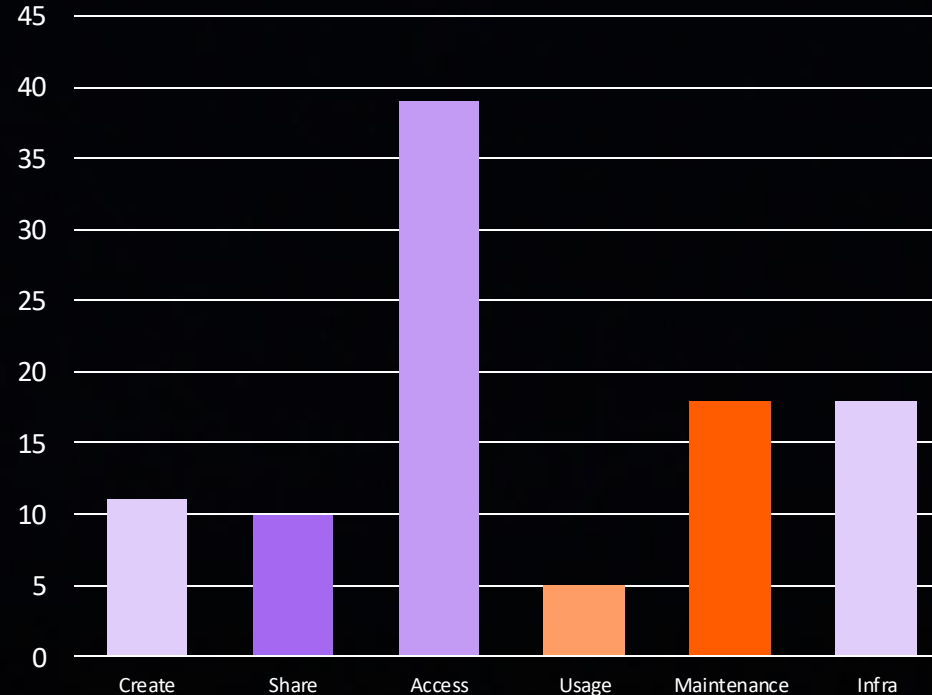
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The data utilization gap:

The Challenge of Data Utilization

When talking to business leaders about the the decisions that drive their organizations, being data-driven seems to be a priority. However, dig deeper into the same organizations and you will find that while most of them have access to the data they need, very few are utilizing that data to take the decisions. The gap is not in availability, but in usage, when it comes to taking decisions. Diving into that gap, we find a few causal sources.

The distribution of statements among the KM categories



One of the biggest challenges in the age of AI is data utilisation.





Data is often abundant but underutilised. Many organisations struggle to turn raw data into actionable insights due to fragmented systems and siloed workflows. Bridging this gap requires tools and frameworks that contextualise data for specific use cases, empowering teams to make informed decisions.

Many organisations fall into the trap of viewing data as a repository that their organisation utilises proactively. This has led to a rush of spending on data sourcing and governance with a much lower proportion spent on data consumption and the enablement of utilisation.

The data utilization gap:

The Hyper-focus on Data Acquisition

Many businesses fall into the trap of viewing data as a repository that their organization utilizes proactively. This has led to a rush of spending on data sourcing and governance with a much lower proportion spent on data consumption and the enablement of utilization. Moreover, the responsibility for consumption is left to business units rather than central enablement. The result is investment into data repositories that require subject matter experts and analysts to render it useful.

				
	1. Data sourcing	2. Data architecture	3. Data governance	4. Data consumption
Description	Cost associated with procuring data from customers, ¹ 3rd-party vendors, etc	Cost associated with data infrastructure (procuring software, hardware) and data engineering (building and maintaining infrastructure)	Cost of data-quality monitoring, remediation, and maintaining data-governance artifacts (eg, data dictionary, data lineage)	Cost associated with data analysis and report generation (including spending on data access and cleanup)
Components	3rd-party data	Labor, infrastructure, and software	Labor, software	Labor, software
Typical owner of spend	Head of business unit	CIO	Chief data officer	Head of function or business unit
Typical spend, % of IT spend	5–25 ²	8–15	2.5–7.5	5–10
Example for a midsize financial institution, ³ \$ million	70–100	90–120	20–50	60–90

¹Excludes internal data-capture processes.

²Industries that don't directly touch consumers (eg, consumer packaged goods) spend a higher share (200%) on data sourcing.

³For midsize organizations with revenues of \$5 billion to \$10 billion and operating expenses of \$4 billion to \$6 billion. Absolute values vary by industry and size of the organization; eg, absolute spend is, on average, higher for the telecommunications industry.

<https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/reducing-data-costs-without-jeopardizing-growth#/>

Through the focus on data acquisition, data structure, data governance, and cost effectiveness are the priorities when it comes to storing and surfacing information.

The data utilization gap:

The Gap Between Data Need and Availability

Through the focus on data acquisition, data structure, data governance, and cost effectiveness are the priorities when it comes to storing and surfacing information. Contextualising data for usage and linking it to the need has been secondary, leading to a gap where users that need data cannot access it at the time of need. Data catalogues and data graphs were created to solve that problem, but they are still supply-side solutions that are not based on usage behaviour.

Example of user tasks mapped with the identification of the moments where individual data sets are needed.

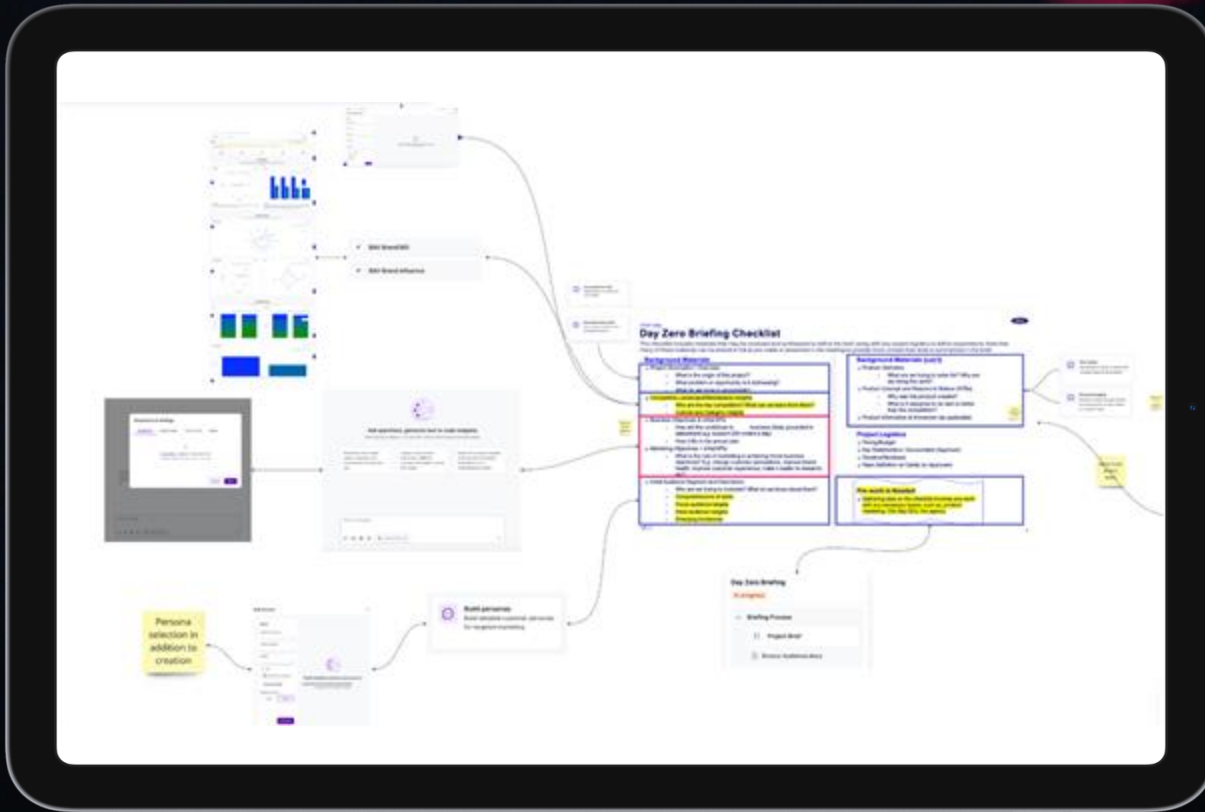


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Moreover, the responsibility for consumption is left to business units rather than central enablement. The result is investment into data repositories that require subject matter experts and analysts to render it useful.

The data utilization gap:

Understanding data demand



Narrowing the gap between data need and data availability is a demand-side problem that needs a supply-side solution. We need to understand data usage behaviours to contextualise the data for said behaviours. This is the application of user experience fundamentals to the data problem.

Example of mapping process

From data availability to data utilization

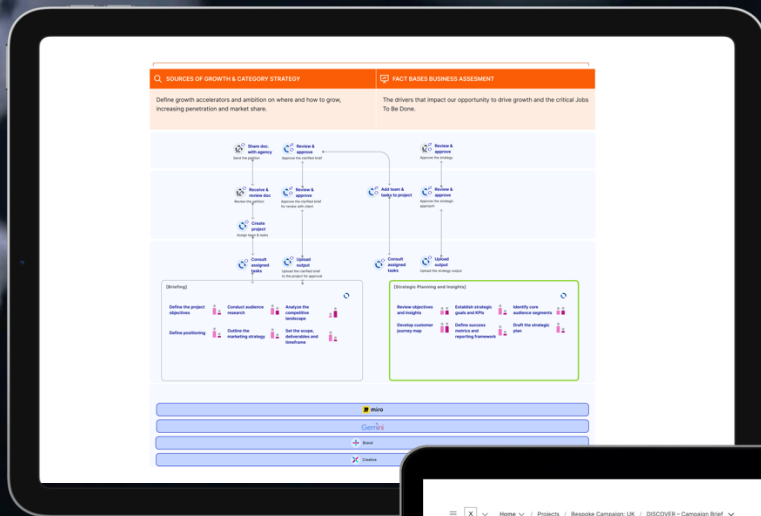


Figure 1: Mapping the brief writing process with a ratio of augmentation and automation.

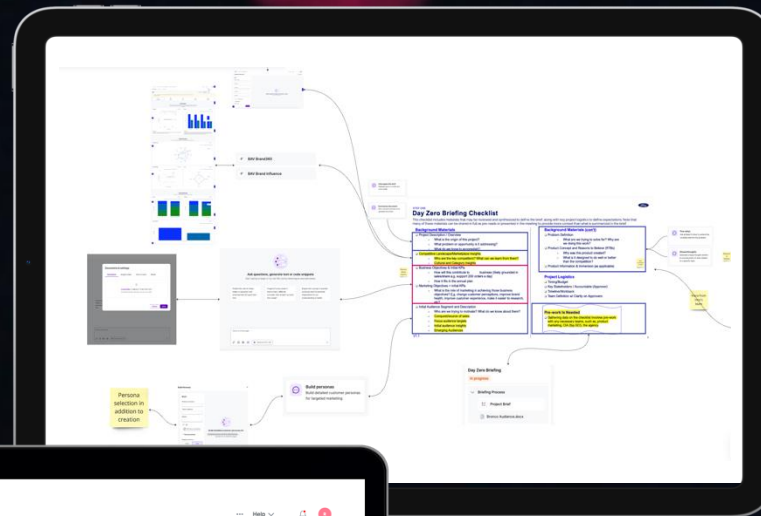
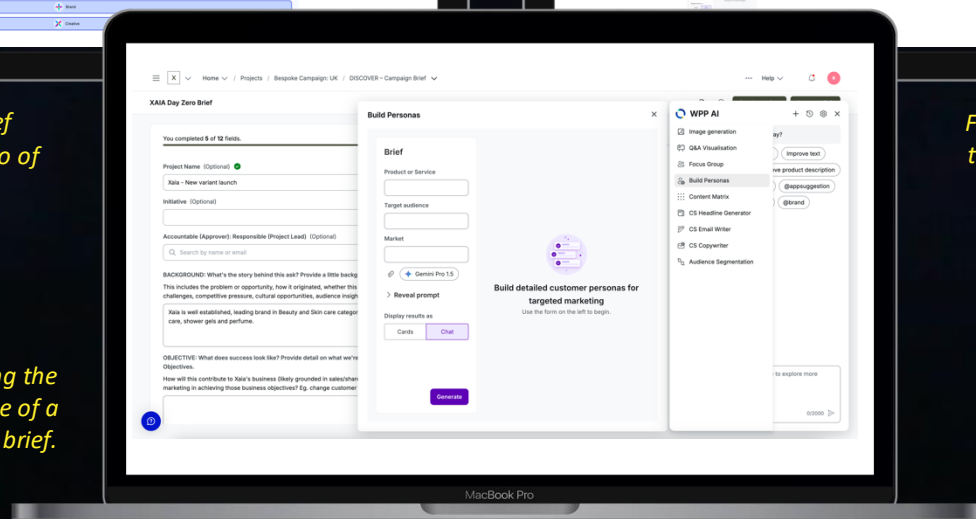



Figure 2: Connecting the data to the agentic layer to enable the work at scale.

Data utilisation is not just about access—it's about relevance. Mapping data usage behaviours to workflows ensures that the right information is available at the right moment. This approach transforms data from a static repository into a dynamic resource that drives meaningful outcomes.

Figure 3: Creating the unified user-experience of a data and AI powered brief.





WPP'S ROLE IN APPLYING AI

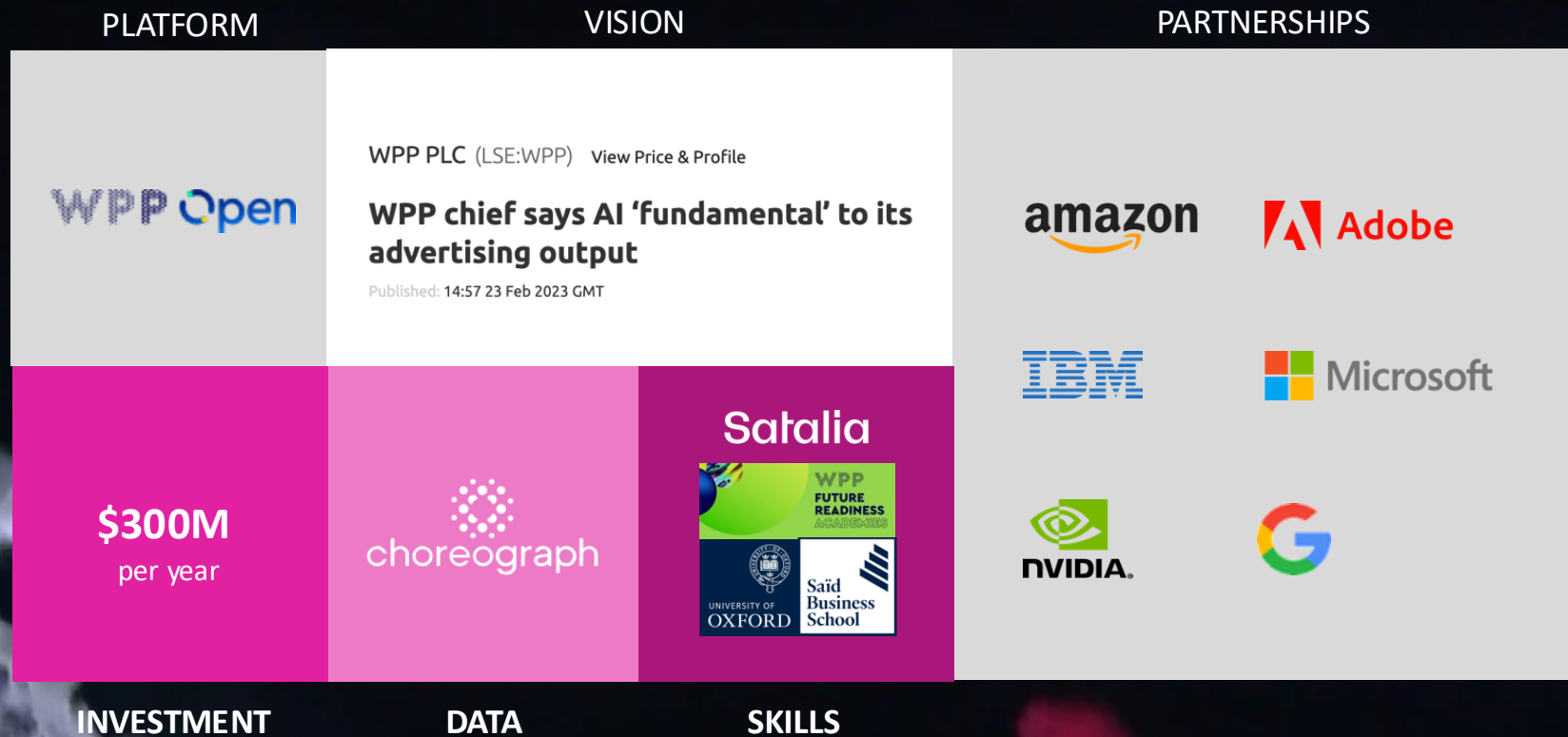
As organisations navigate the AI landscape, several critical questions emerge: What does AI mean for their teams and workflows? How do they quantify its impact and scale adoption effectively? Addressing these questions requires a deep understanding of both the technology and the behaviours it seeks to enhance.

In this complex and rapidly evolving landscape, WPP plays a critical role in helping our clients navigate the complexities and unlock the full potential of AI. We see our role as more than just adopting new tools; it's about shaping how AI is used in marketing to drive meaningful results.

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6 key ingredients for AI leadership

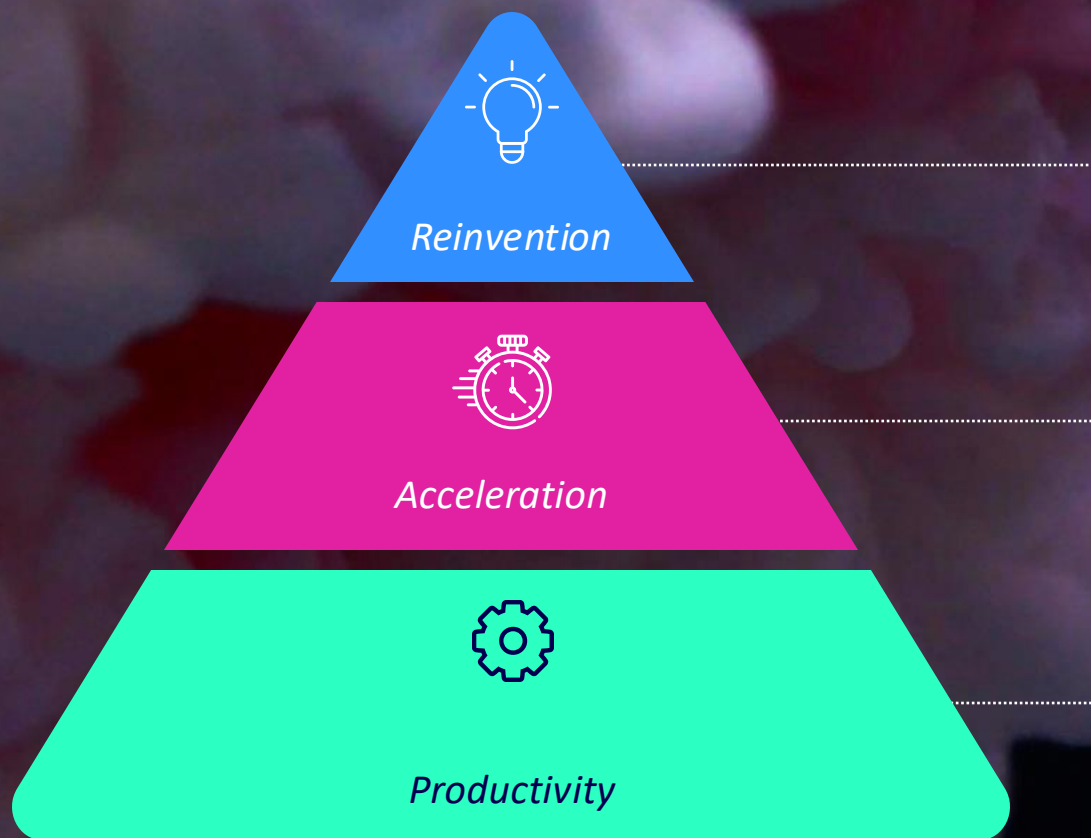


Achieving true AI leadership in marketing requires more than technology; it demands a holistic strategy built on six essential pillars:

1. Strategic investment in talent and resources.
2. A robust data ecosystem that fuels AI models.
3. Partnerships with leading technology providers.
4. Cultivation of essential skills within teams.
5. A clear vision for the future of marketing.
6. Commitment to ethics and responsible AI use.

WPP Open empowers organisations to embrace these pillars, creating a unified, efficient ecosystem that promotes collaboration, innovation, and measurable results.

The *Open* Strategic Framework



AI disruption requires reinventing our commercial and operating models

Embedding tech, data, and AI into marketing ways of working to enable efficiency and effectiveness

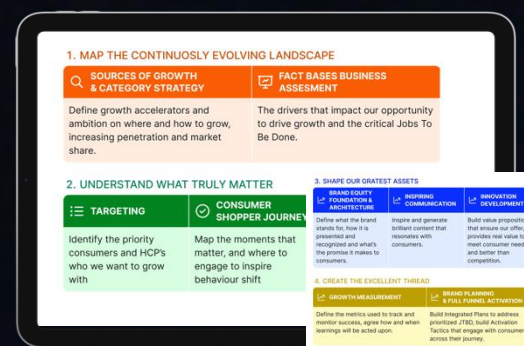
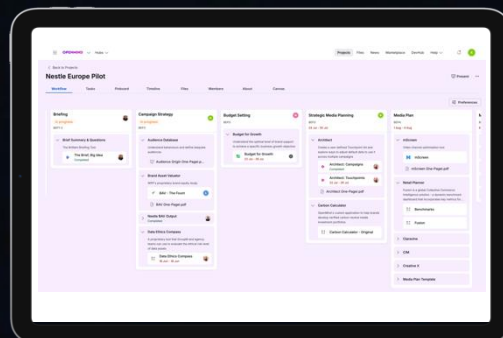
AI embedded in core productivity tools & back-office (MS CoPilot, Adobe CC)

WPP's strategic framework for AI disruption focuses on three pillars: productivity, acceleration, and reinvention. By embedding AI into core productivity tools, enhancing existing products, and reimagining operating models, organisations can create entirely new ways of delivering value.

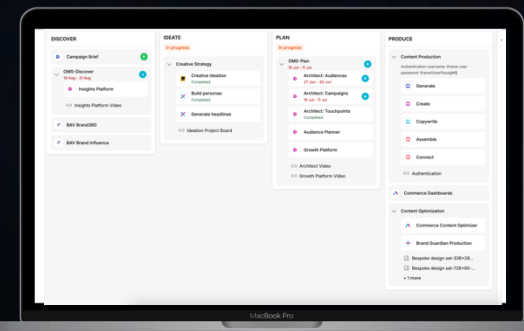
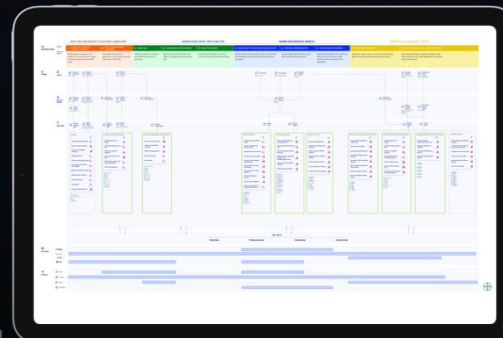
This framework ensures businesses are equipped to scale AI-enabled workflows while unlocking innovation and efficiency across operations. It provides a clear roadmap for integrating AI into every aspect of marketing and business strategy.

They need...

A means of running and scaling their AI enabled marketing operating models



What our clients need is a future-proofed solution that considers their entire marketing ecosystem, not just isolated use cases. They need a platform that encourages collaboration, promotes innovation, and drives measurable results.



WPP Open | AI driven marketing OS

Creative Studio

Production Studio

Media Studio

Commerce Studio

Experience Studio

PR Studio

3rd Party Apps
Workfront
NVIDIA
Miro
Adobe ...

WPP WORKSPACE

GOOGLE WORKSPACE

NESTLE WORKSPACE

COCA-COLA WORKSPACE

...

Brand Brain™

Audience Brain™

AI

Channel Brain™

Performance Brain™

WPP

LICENSED

DATA

CLIENT

PUBLIC

Identity & Roles

Security

Workflow

Design System

Marketplace

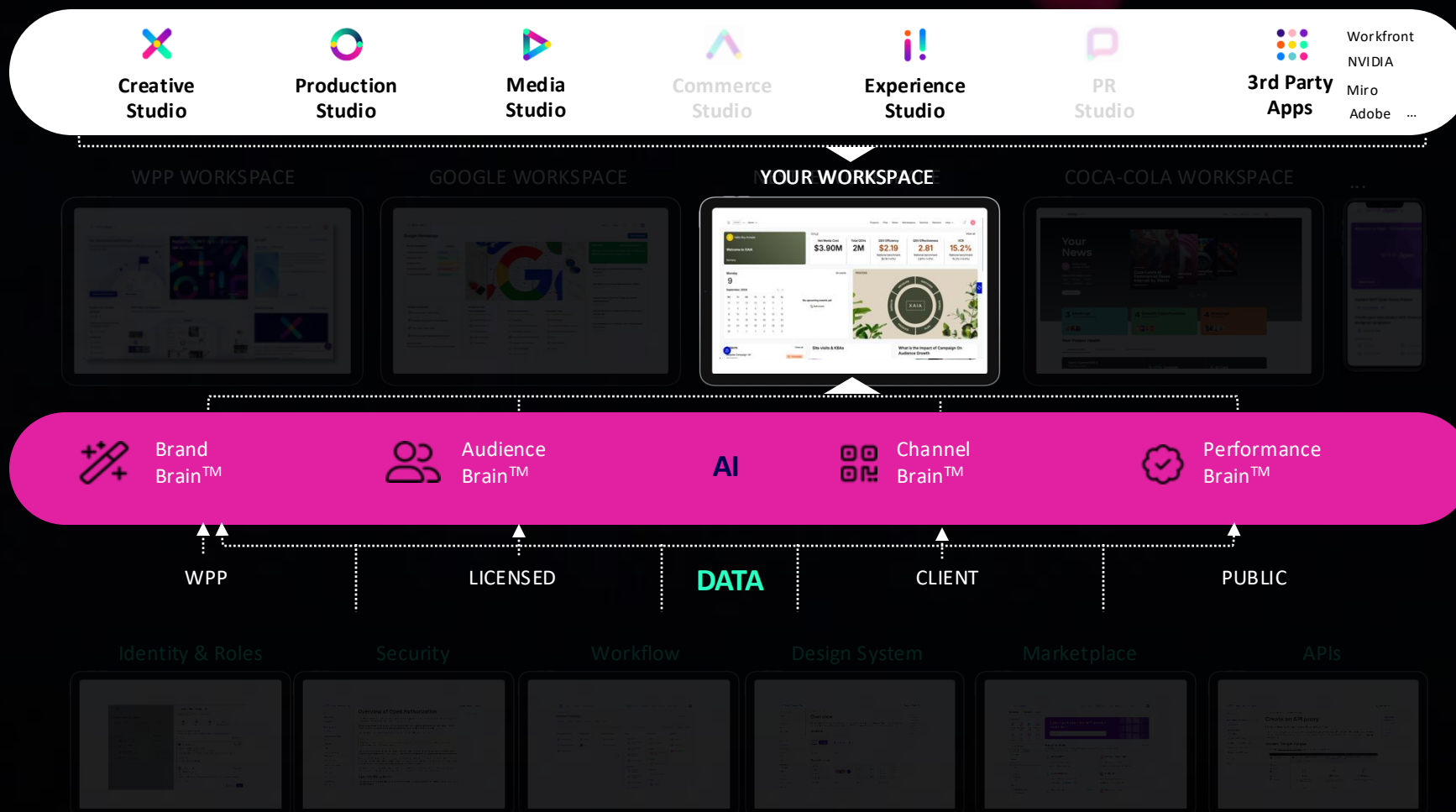
APIs

WPP Open is a revolutionary, AI-driven marketing operating system. Its open architecture integrates data, AI, tools, and workflows into a secure environment, ensuring efficient and compliant operations. Customisable and adaptable,

WPP Open aligns with your unique business landscape, providing valuable input across brand strategy, audience targeting, channel optimisation, content creation, and performance analysis.

This system acts as a central hub, seamlessly connecting various tools and platforms to create a unified, efficient marketing ecosystem.

WPP Open | Customised for every client

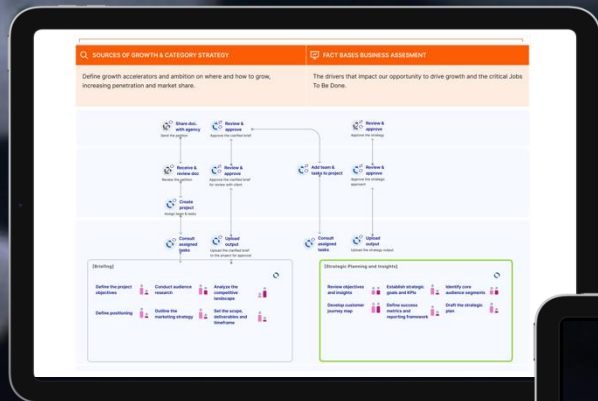


WPP Open is designed to be fully customisable, adapting to each client's unique requirements and seamlessly integrating with existing systems and workflows.

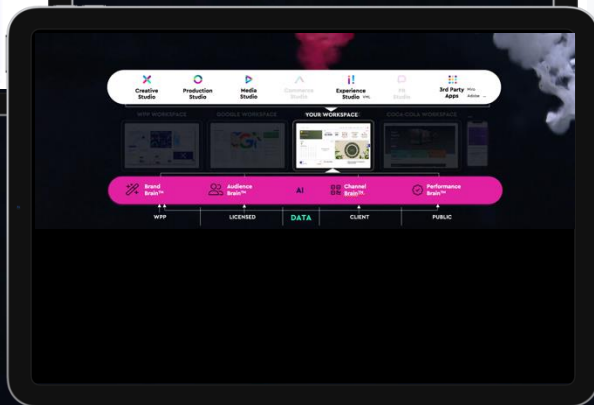
By understanding a client's business landscape—including target audiences, competitive environment, and strategic goals—WPP Open identifies the most appropriate AI tools and integrates them into operations.

This approach builds a central "brain" that provides valuable input across critical areas such as brand strategy, audience targeting, channel optimisation, content creation, and performance analysis. It ensures that every solution is tailored to meet specific business needs.

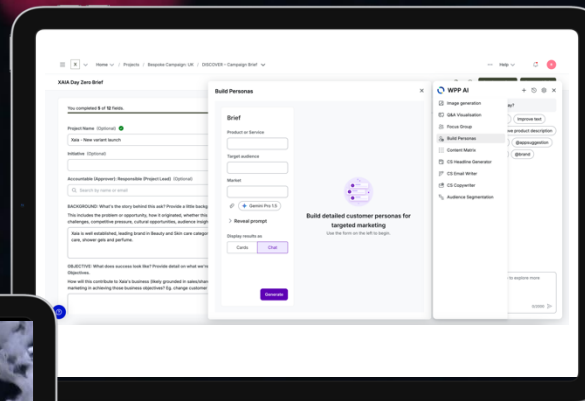
Applied AI | Better briefing



Mapping the Brief writing process with a ratio of augmentation and automation.



Aligning the briefing modules, AI, and Data with the creative process.



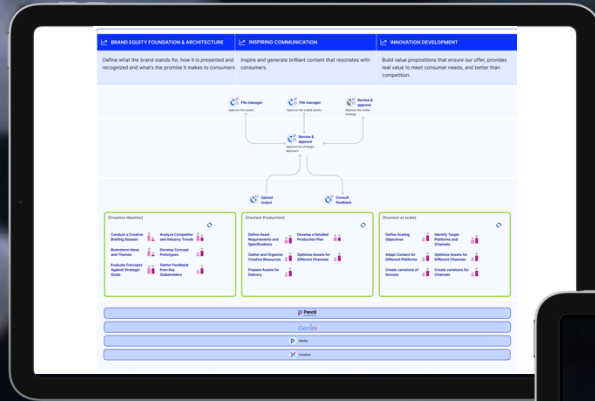
Creating the unified user-experience of a data and AI powered Briefing capability.

WPP Open empowers teams to create better briefs by providing access to AI-powered tools and data-driven insights.

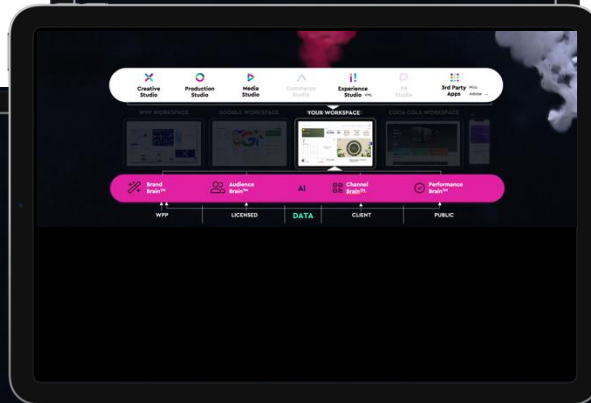
These tools consolidate brand assets, audience data, and strategic guidelines into actionable formats, ensuring briefs are more focused, effective, and aligned with business goals.

This streamlined approach reduces time spent on briefing and allows teams to dedicate more resources to ideation and execution. By aligning AI with the creative process, WPP Open ensures that every brief is optimised for impact and efficiency.

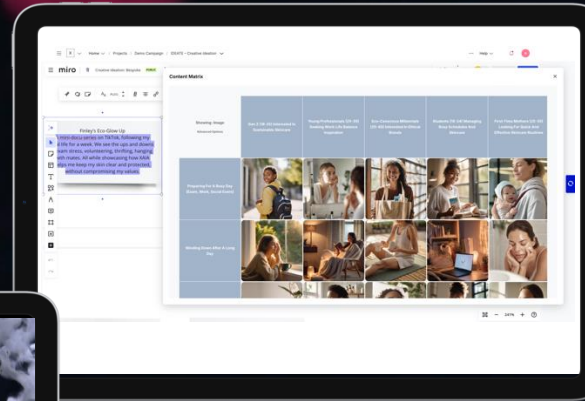
Applied AI | Augmented Ideation



Mapping the creative ideation process with a ratio of augmentation and automation.



Aligning the creative modules, AI, and Data with the creative process.



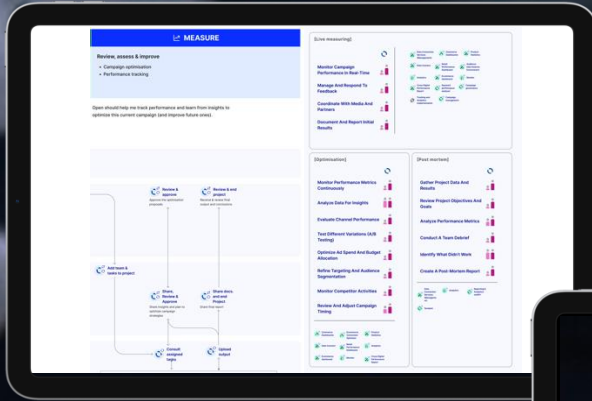
Creating the unified user-experience of a data and AI powered creative ideation.

Generative AI accelerates ideation by producing early-stage visuals and concepts, allowing teams to explore a wider range of creative options. This speeds up the creative process and reduces the risk of launching campaigns that fail to resonate with target audiences.

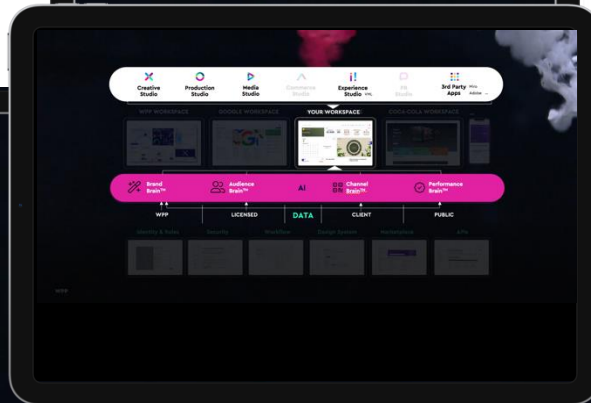
By mapping the creative ideation process and aligning AI tools with workflows, WPP Open enables teams to generate more ideas, explore new concepts, and develop engaging campaigns faster. This combination of human creativity and machine efficiency drives innovation at scale.

WPP Open helps you unlock new levels of creativity and innovation by providing AI-powered tools for augmented ideation. This allows your teams to generate more ideas, explore new concepts, and develop more engaging campaigns.

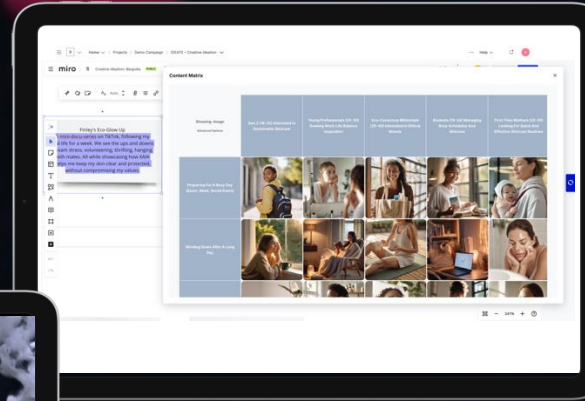
Applied AI | Conversational Data



Mapping the organizational insights process with a ratio of augmentation and automation.



Aligning the visualization, AI, and data sets with the creative process.



Aligning the visualization, AI, and data sets with the creative process.

Content adaptation is often resource-intensive, but AI can automate this process, enabling brands to produce personalised messaging for diverse audiences across channels. This scalability increases output volume without significantly increasing costs.

WPP Open transforms data into actionable insights through conversational AI. This allows teams to ask questions, explore data, and make informed decisions in real-time. By aligning visualisation tools, AI, and data sets with organisational workflows, businesses can create a conversational user experience that enhances decision-making and collaboration.

This approach empowers teams to act confidently and efficiently, leveraging data as a dynamic resource to uncover opportunities and solve challenges faster.

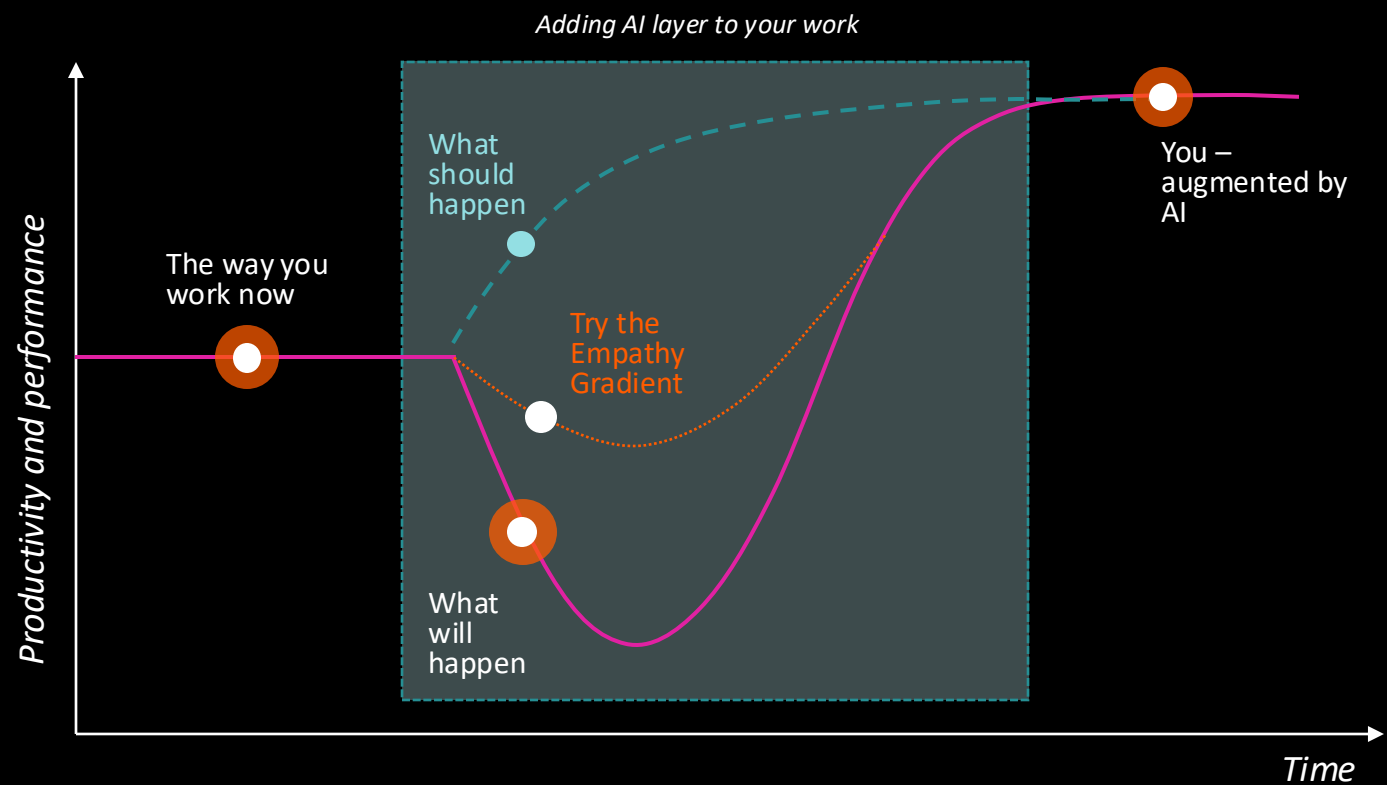
IN CONCLUSION BEHAVIOUR FIRST

The key to success in the age of AI is to put behaviour first.

By understanding the human element—the needs, motivations, and behaviours of your target audience—you can ensure that technology investments are aligned with business goals and deliver meaningful results.

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intricate flowing organic liquid like wave growing and changing on black background --ar 16:9--iw 2.0



The Empathy Gradient framework provides a practical roadmap for integrating AI into marketing operations, balancing automation with human empathy and creativity.

Applying this logic across the marketing value chain optimises workflows, enhances productivity, and drives impactful outcomes.