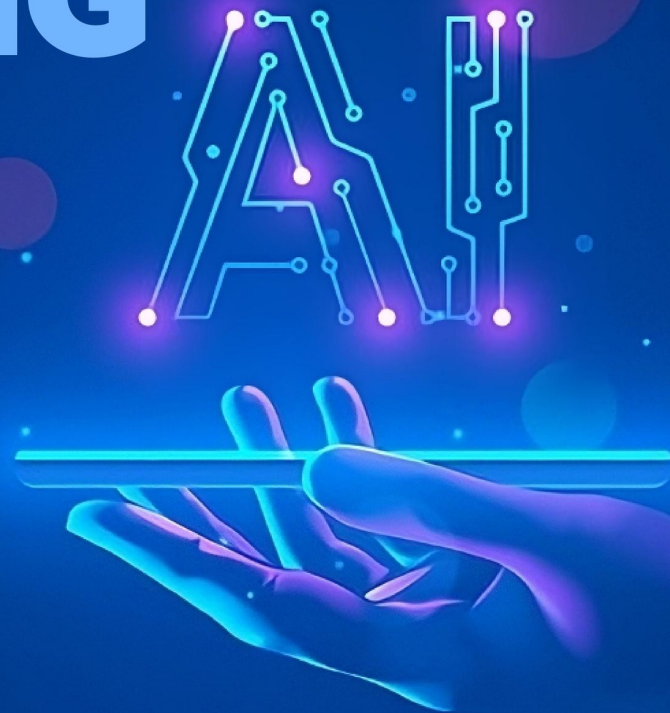


State of **Ai** in **MARKETING** 2024

Research Partner:

KANTAR



MMA
INDONESIA

Foreword



In the ever-evolving landscape of the marketing and advertising sphere globally, Artificial Intelligence (AI) has transcended its role as a mere technological shift as it now stands as a strategic imperative. The groundwork laid over the past few years has paved the way for this monumental change, and we find ourselves at an inflection point - a moment not only of progression but of ground-breaking change.

We, at MMA Global, are dedicated to fostering discussions on AI's integration into marketing at a granular level. This is in line with our efforts at a Global, Regional and Market Level, where AI is a major focus for 2024 and several initiatives are under deployment through our MMA's AI Leadership Coalition(ALC).

'MMA State of AI in Marketing' Indonesia report marks just the beginning of a comprehensive journey, where we strive to bring global initiatives to hyper localize and explore critical areas where AI has demonstrated effectiveness.

Our findings from the 'MMA State of AI in Marketing' report reveal that 38% of organizations are either in the experimental phase, while 32% are partially integrated with AI. Not surprisingly, only 16% claim full integration, indicating the gradual yet transformative journey towards leveraging AI's capabilities in shaping the future of digital marketing strategies. Our State of AI in Marketing survey sought to gauge AI

adoption, readiness for Generative AI (Gen AI), resource availability and risk assessment to optimize AI integration strategies.

In this inaugural MMA Global Indonesia report, there are several key highlights from the study that showcase the following:

Key data points of AI adoption and its diverse applications:

- In terms of AI inclusion in marketing plans and processes, 22% consider it to be a high priority, while 38% rate it as a medium priority. This indicates that a significant portion of organizations recognize the importance of AI in their strategies, with a notable proportion actively integrating AI technologies at a high level to enhance their marketing efforts.
- 52% have expressed confidence in AI's potential to revolutionize marketing practices, highlighting optimism about its transformative impact on the industry. Conversely, 10% hold a more reserved perspective, believing that AI will have a limited impact.
- Data privacy emerged as the most prominent factor with 31% expressing concerns in this area.
- Cybersecurity also garnered attention, with 22% indicating apprehension about digital security.

Foreword

Challenges & Risks of AI adoption and its diverse applications:

- 49% of respondents of the survey highlighted several challenges in applying AI to content marketing. They struggle with discovering the right tools for their needs, highlighting the importance of tool selection in optimizing content marketing efforts.
- 44% express concerns about biased and fabricated answers. These findings emphasize the need for strong measures to safeguard data, ensure fairness, and enhance cybersecurity in AI implementation.
- 22% cited a lack of understanding in the adoption of AI in marketing, along with 17% identifying high costs as a reason. Additionally, 38% recognize the need for skills training, emphasizing the importance of upskilling employees to effectively leverage AI technologies in their marketing executions.
- 4%, which appears to be a minority, express uncertainty about what AI entails, emphasizing the necessity for educational initiatives to enhance understanding.

In conclusion, our observations on the conducted survey, show that industry leaders have recognized the need for AI to be an integral part of their marketing strategies. We also see that various factors hinder them from fully implementing the technology. These range from finding the right tools and adequate training required in the context of data privacy and cyber security.

In our relentless drive to explore the future's possibilities, MMA Global Indonesia remains steadfast at the vanguard of innovation in marketing research. As AI undergoes its evolution, seamlessly integrating into the marketing and advertising ecosystem, our dedication is resolute in navigating its development and deployment with careful consideration. As we collectively navigate towards a future where AI will become the expected standard rather than a novelty, let us remain vigilant, envisioning possibilities, and embracing unprecedented innovation to stay ahead in the ever-evolving marketing landscape.



Shanti Tolani
Country Head and Board of Director
MMA Global Indonesia

Introduction to the Report



The “State of AI in Marketing 2024” report from MMA Global Indonesia and Kantar Indonesia deep dives into how the industry is embracing and adapting AI in their Marketing strategies; unpacking its preparedness, specific areas of development and scaling potential.

In the vibrant landscape of Indonesia’s technological advancement, the acceleration of artificial intelligence (AI) demands a strategic approach.

This entails consolidating knowledge, fostering spaces for idea exchange, establishing repositories of resources, and conducting risk assessment forums. The synergy of these elements is pivotal in propelling Indonesia’s AI initiatives forward, laying the foundation for robust growth and innovation in the field.

Within this context, this report aims to offer a comprehensive diagnosis of AI opportunities within Indonesia. By delving into the intricacies of AI deployment and its multifaceted implications, it endeavors to inspire stakeholders to forge ahead with their AI strategies. Through insightful analysis and actionable insights, the report seeks to empower decision-makers across industries to harness the transformative potential of AI, driving sustainable development and competitive advantage.

One notable trend observed within Indonesia’s AI landscape is the prevailing confidence and positive sentiment surrounding generative AI. This innovative subset of AI technology holds tremendous promise, inspiring optimism and enthusiasm among industry players. As organizations dive deeper into the realm of generative AI, they are increasingly recognizing its potential to revolutionize processes, enhance productivity, and unlock new avenues of growth.

Navigating the complexities of generative AI necessitates collaborative efforts and strategic partnerships. The majority of organizations within Indonesia are actively seeking alliances with AI experts and technology providers. By leveraging collective expertise and resources, these partnerships aim to accelerate AI adoption, optimize operations, and stay ahead of the curve in an ever-evolving digital ecosystem.

The influence of AI extends far beyond operational enhancements, encompassing broader objectives such as elevating customer experience, driving innovation, and improving costs. As organizations embrace AI technologies, they stand poised to revolutionize their interactions with customers, foster a culture of innovation, and achieve greater efficiencies across various facets of their operations. In this transformative journey, the leadership of company CEOs and boards emerges as a critical driving force, shaping the strategic direction and priorities of generative AI initiatives within organizations.

Industry Outlook on AI - APAC



56%

Of marketers agree that AI predictions are a great way to test creatives they wouldn't otherwise measure

Kantar - APAC Media Reactions 2023

62%

Of marketers have a positive attitude towards the possibilities of Generative AI

Kantar - APAC Media Reactions 2023

1 out of 3

Marketers believe AI Based Media and Creative predictions, are more likely to measure Attention

Kantar - APAC Media Reactions 2023

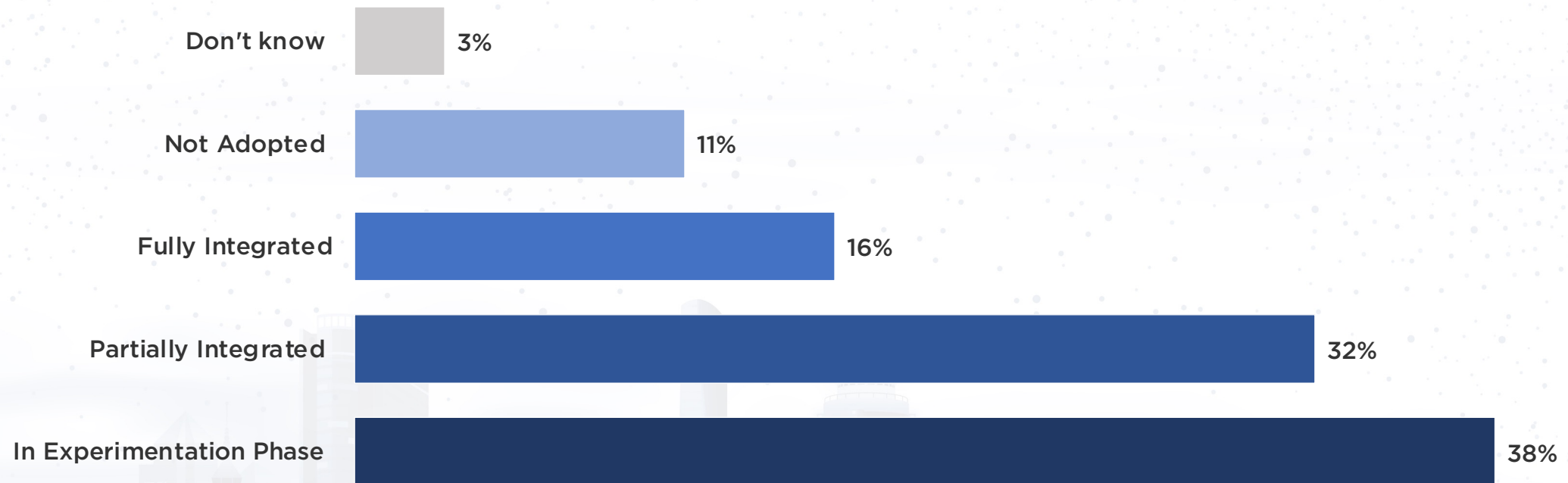
Indonesian

Government will always support the development of AI in Indonesia

Deputy Minister of Communication and Informatics

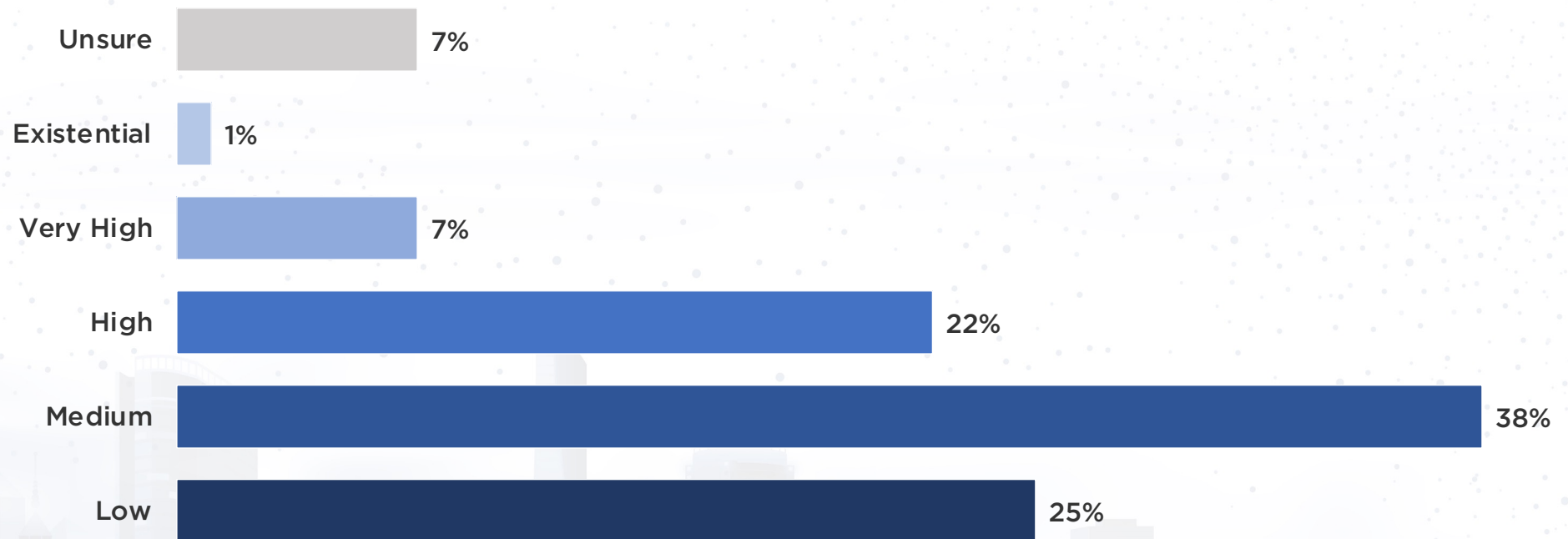
Nezar Patria

AI for Marketing is in Experimentation Phase



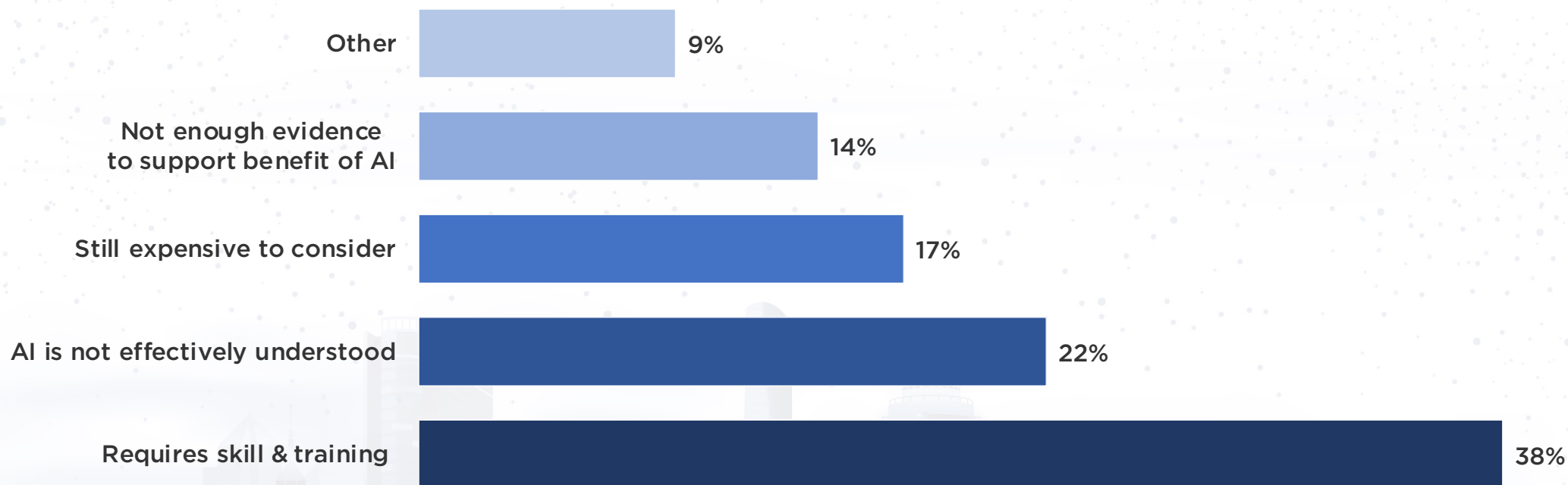
Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

AI Technology for Marketing has been Modestly Integrated



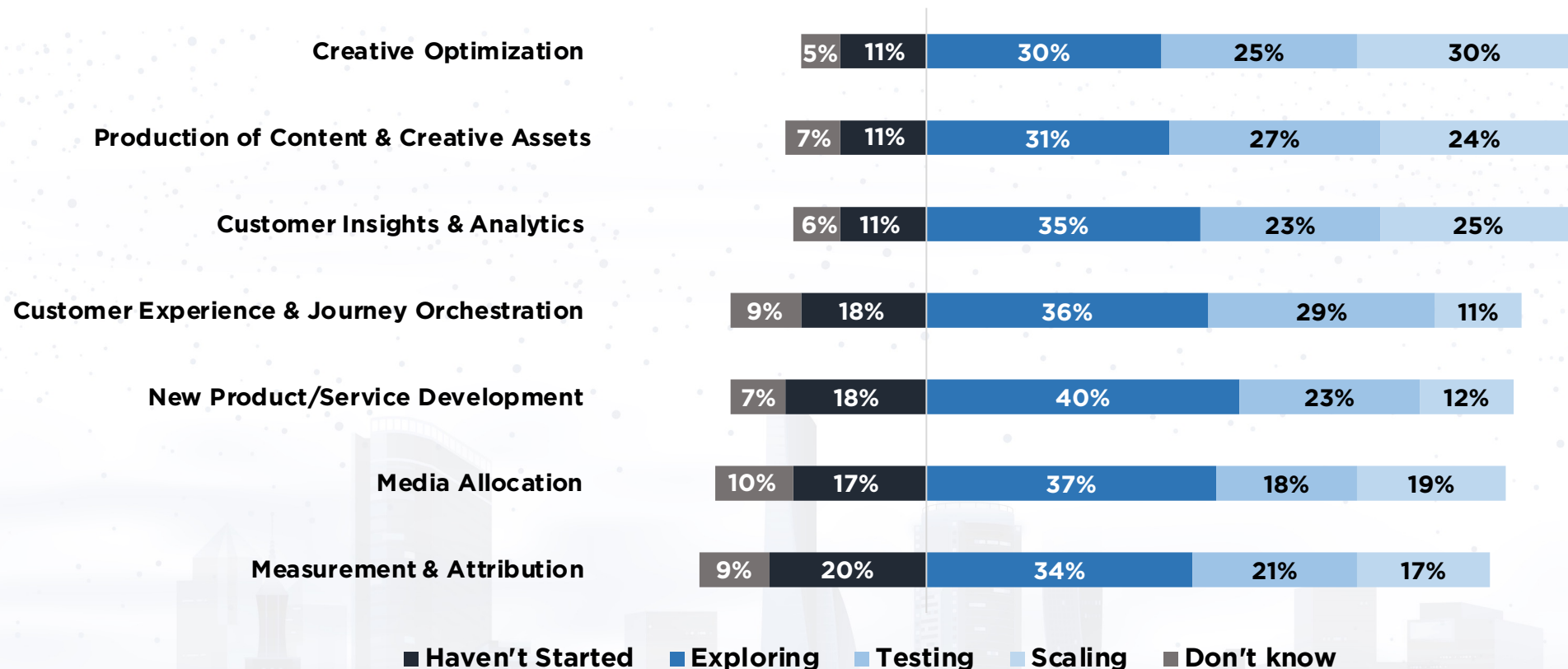
Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

Training and Effective Understanding are the Top Challenges for AI Inclusion and Adoption in Marketing



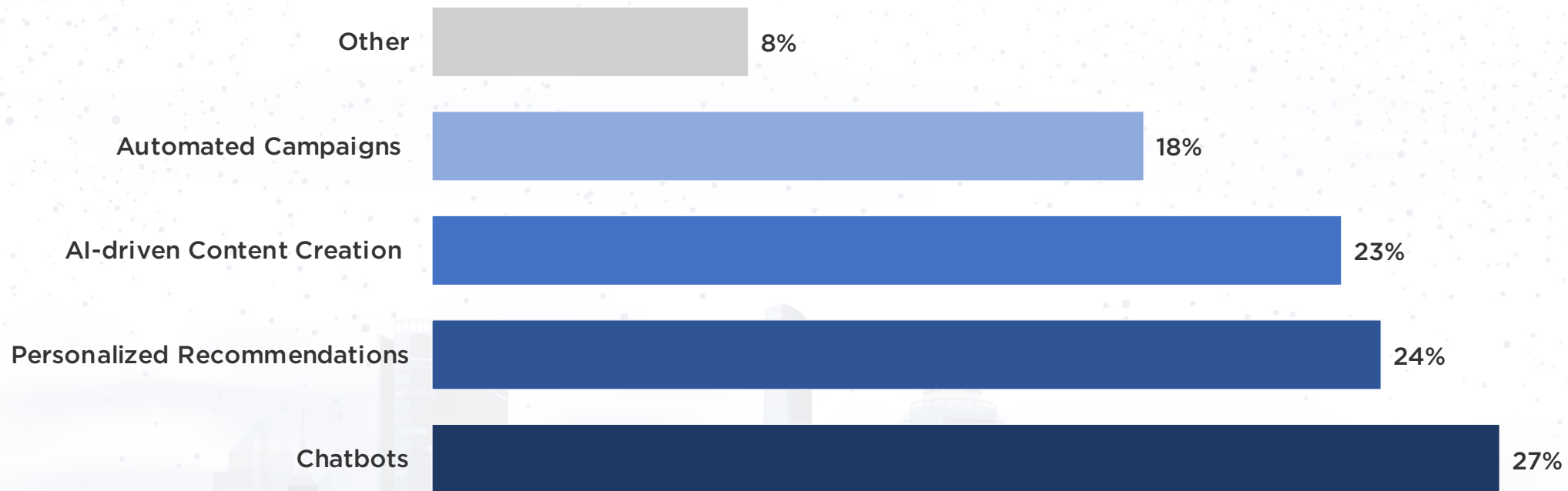
Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

Creative Optimization and Production of Content and Creative Assets Constitute the Top 2 Use Cases for AI



Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

AI is mostly implemented for Chatbots, Personalized Recommendations and Content Creation



Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

Pioneering Generative AI: Respondents claim to be Actively Exploring generative AI use cases



Stage 4 - Expansion: Expanding its use across operations after seeing success in initial projects; building a dedicated team or individual responsible for overseeing our generative AI initiatives.



Stage 3 - Early Adoption: Starting to implement generative AI in specific areas, working on larger pilot projects, building internal capabilities, and starting to see the initial benefits.



Stage 2 - Exploration: Actively exploring use cases, conducting preliminary research and pilots, and experimenting with generative AI tools.



Stage 1 - Awareness: No active use yet; our focus is on learning and understanding its potential applications and how it might fit into our operations.



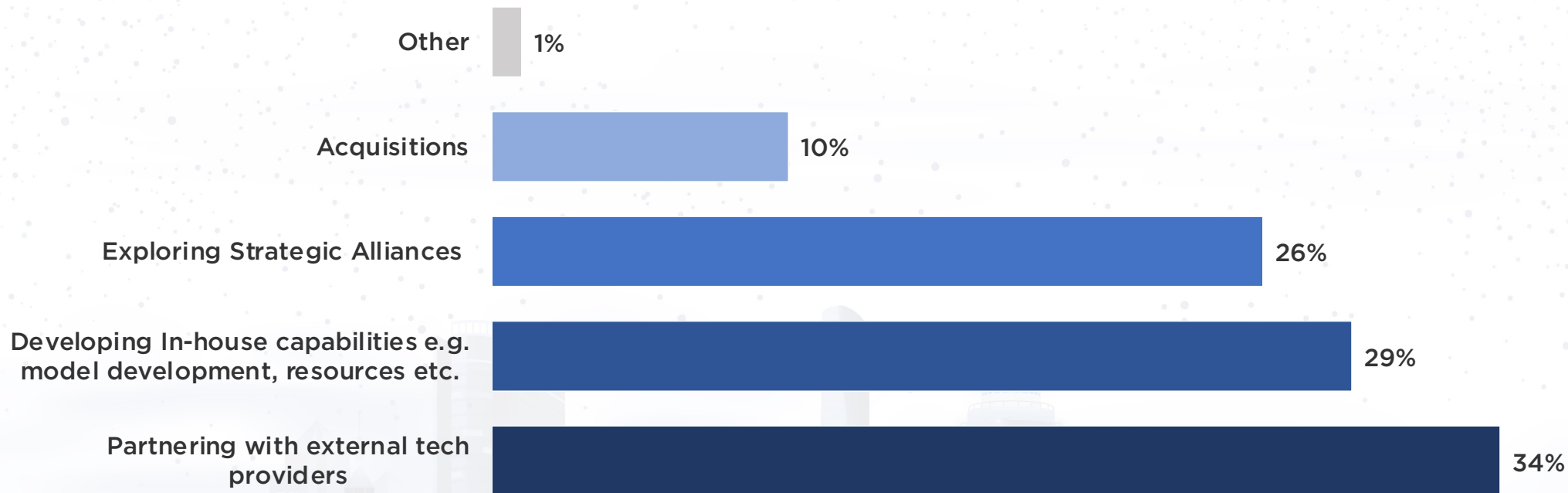
Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

Generative AI Influence: Elevate Customer Experience, Drive Innovation, Improve Costs



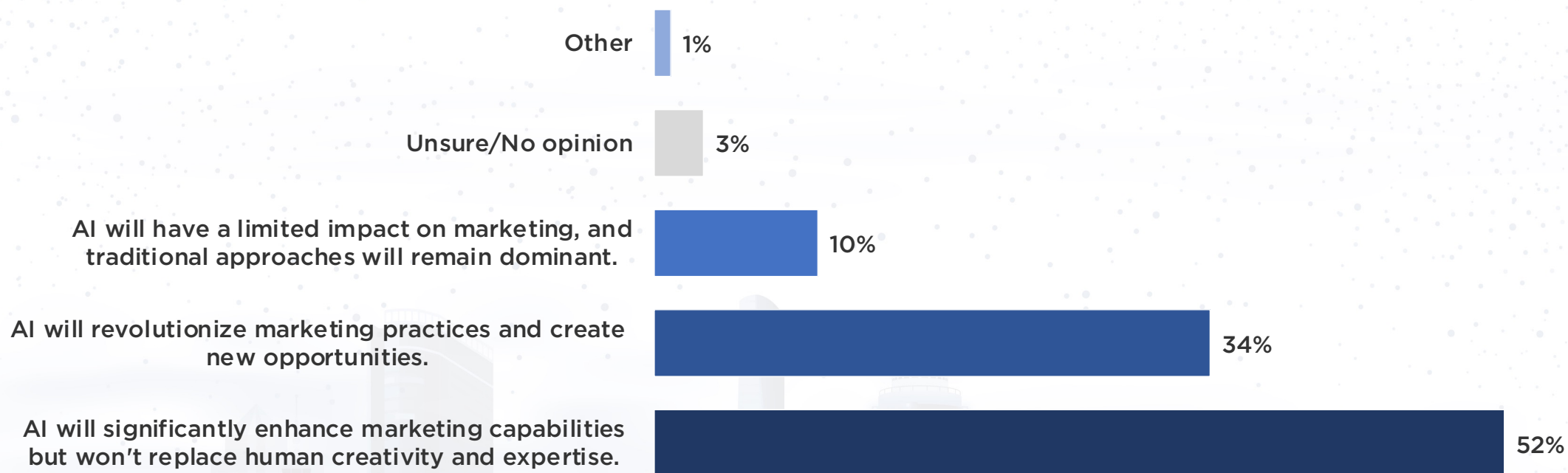
Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

Navigating Generative AI: Majority of Organizations are Looking for Partnerships and Alliances



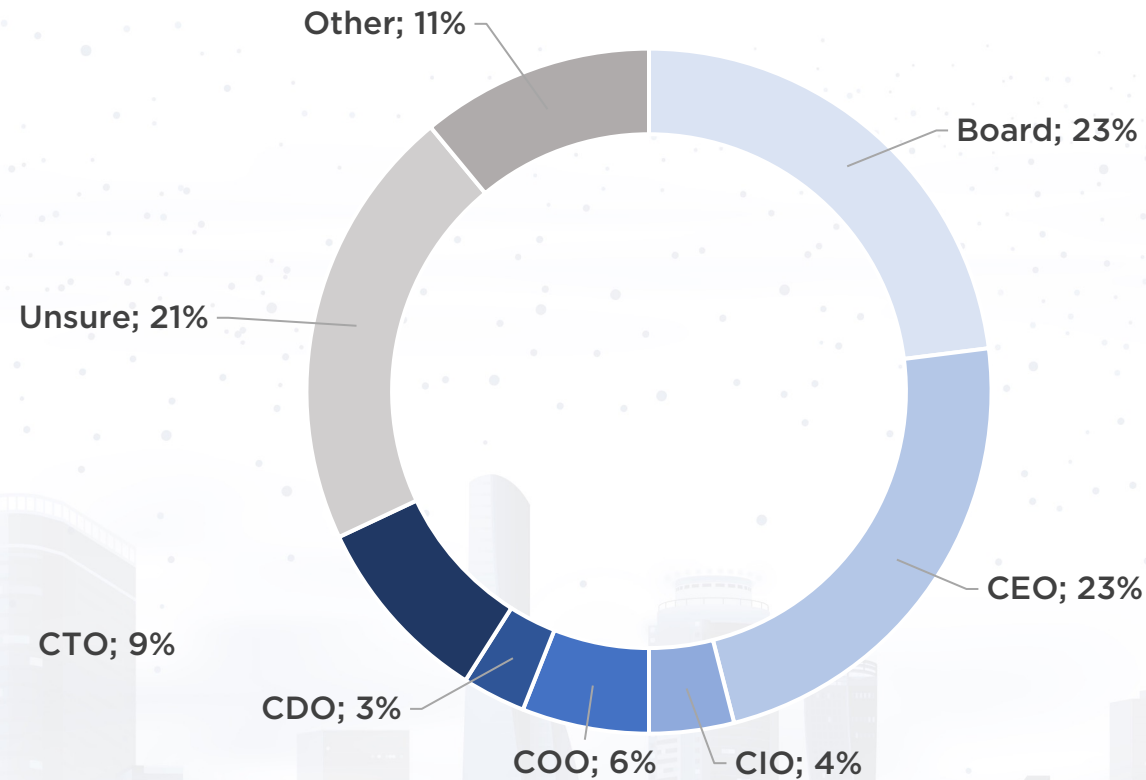
Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

Strong Confidence and Positive Sentiment around Generative AI



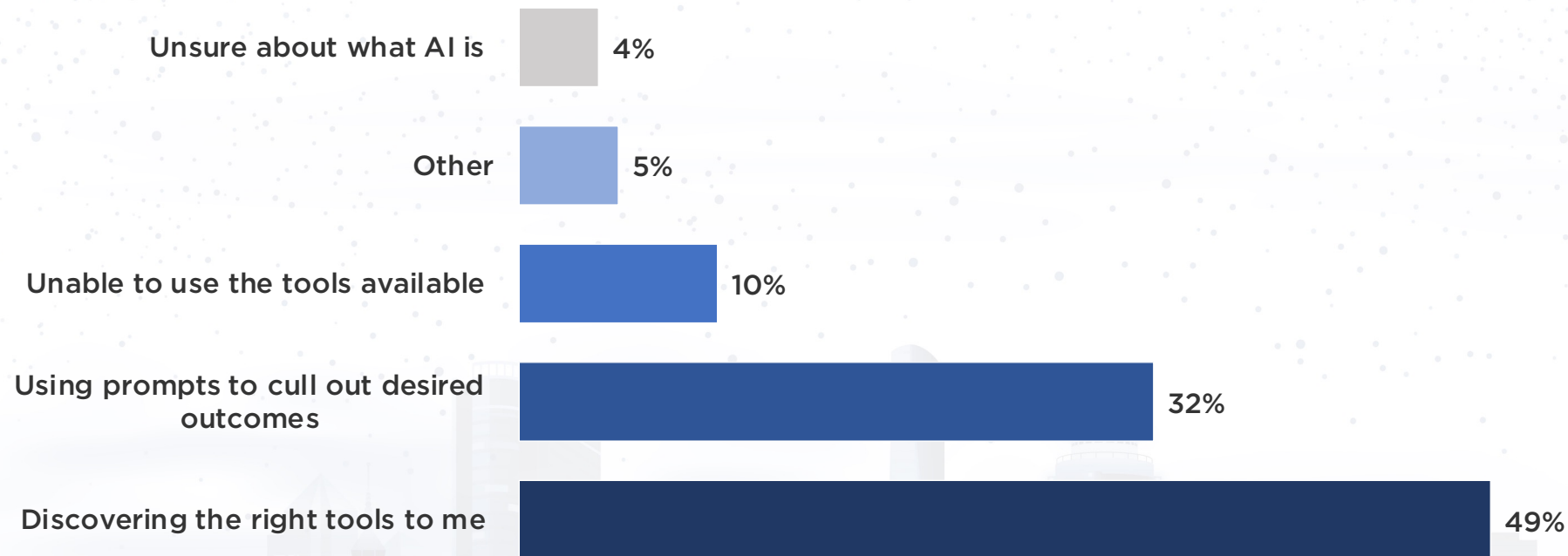
Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

Company CEOs and the Board have the most influence in driving Generative AI Strategy



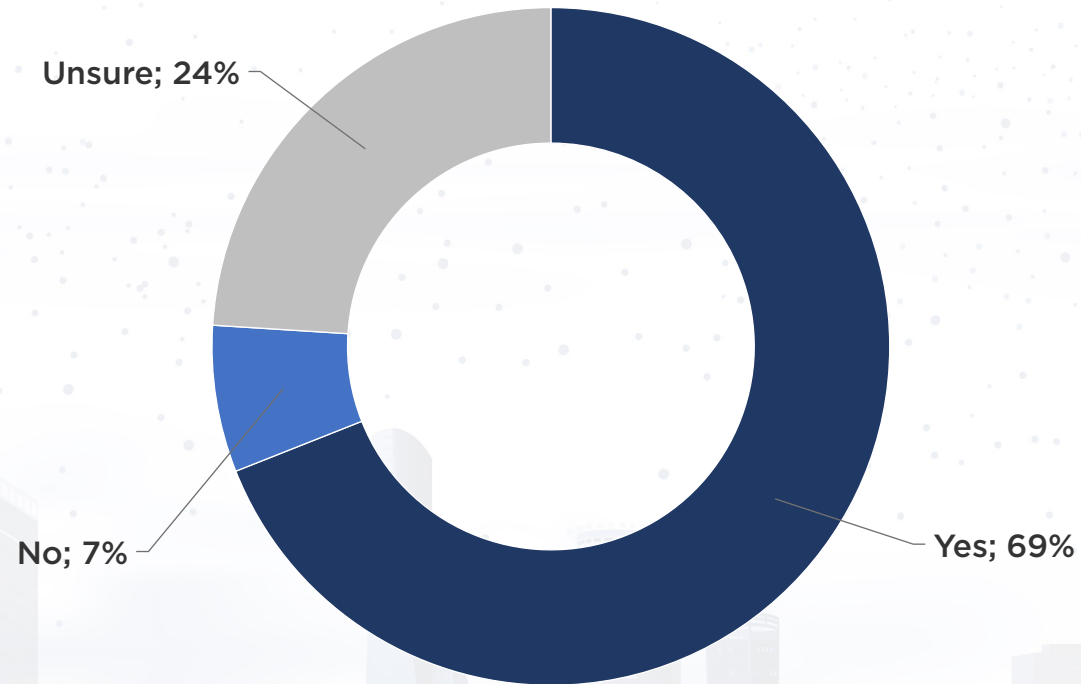
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AI Challenges in Content Marketing



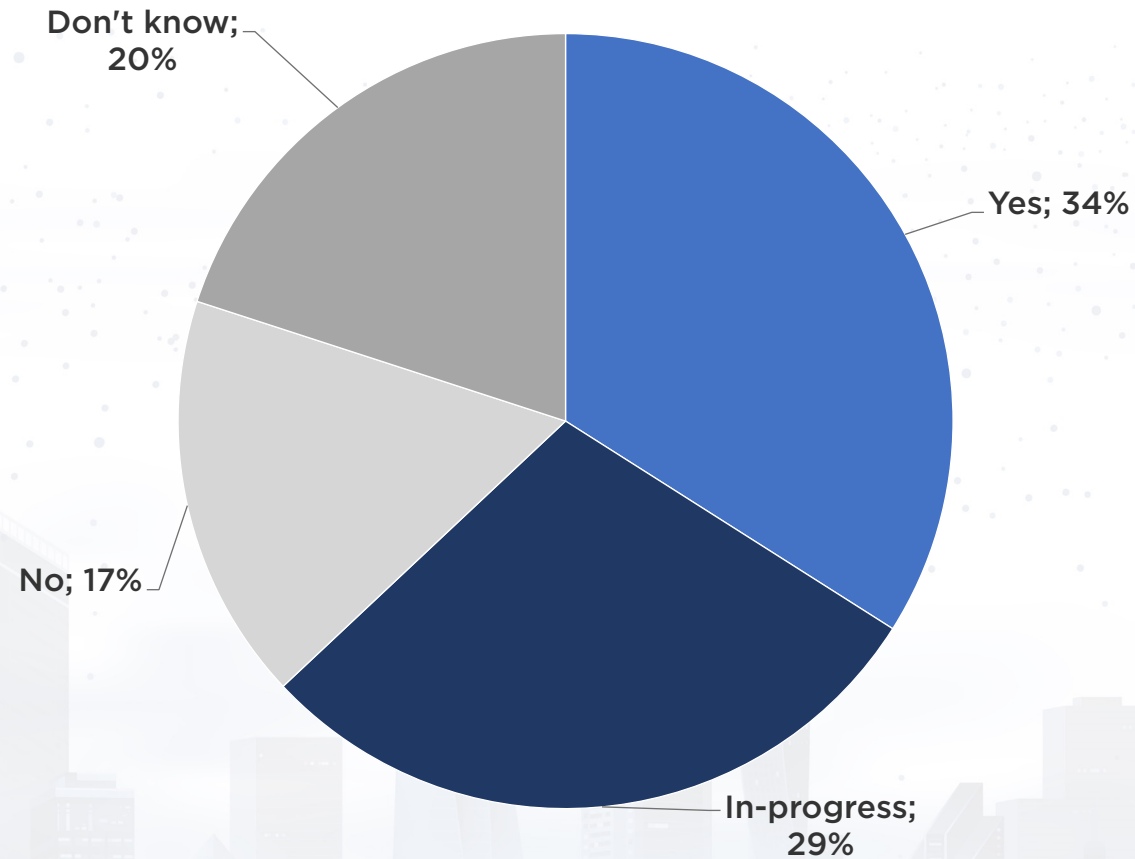
Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

Ethical Implications of using AI in Marketing



Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

Risk Mitigation – Precautionary Strategies Underway



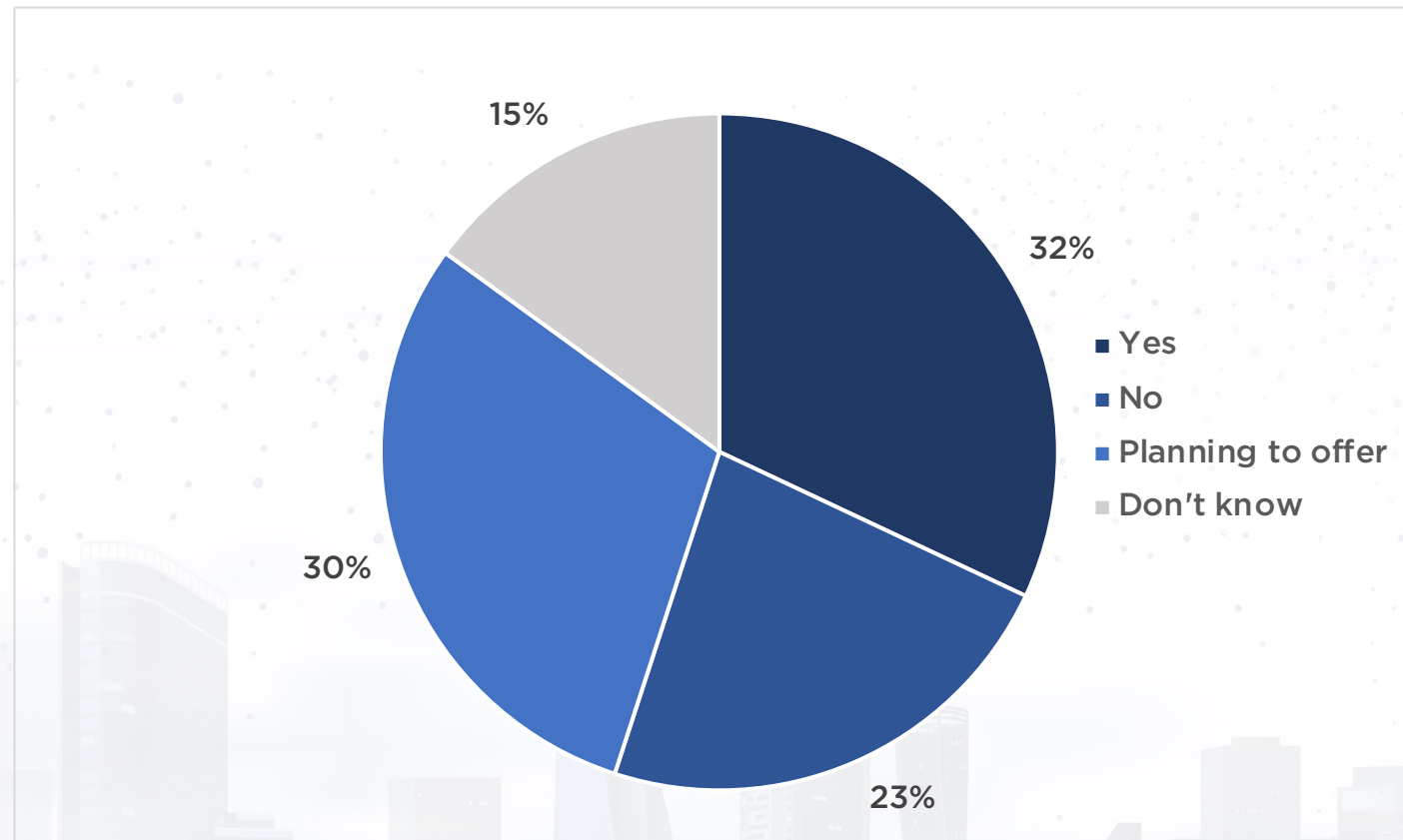
Source: State of AI in Marketing 2024 (Jan' 24 – Feb' 24, n=105)

Main Concerns in Generative AI Adoption



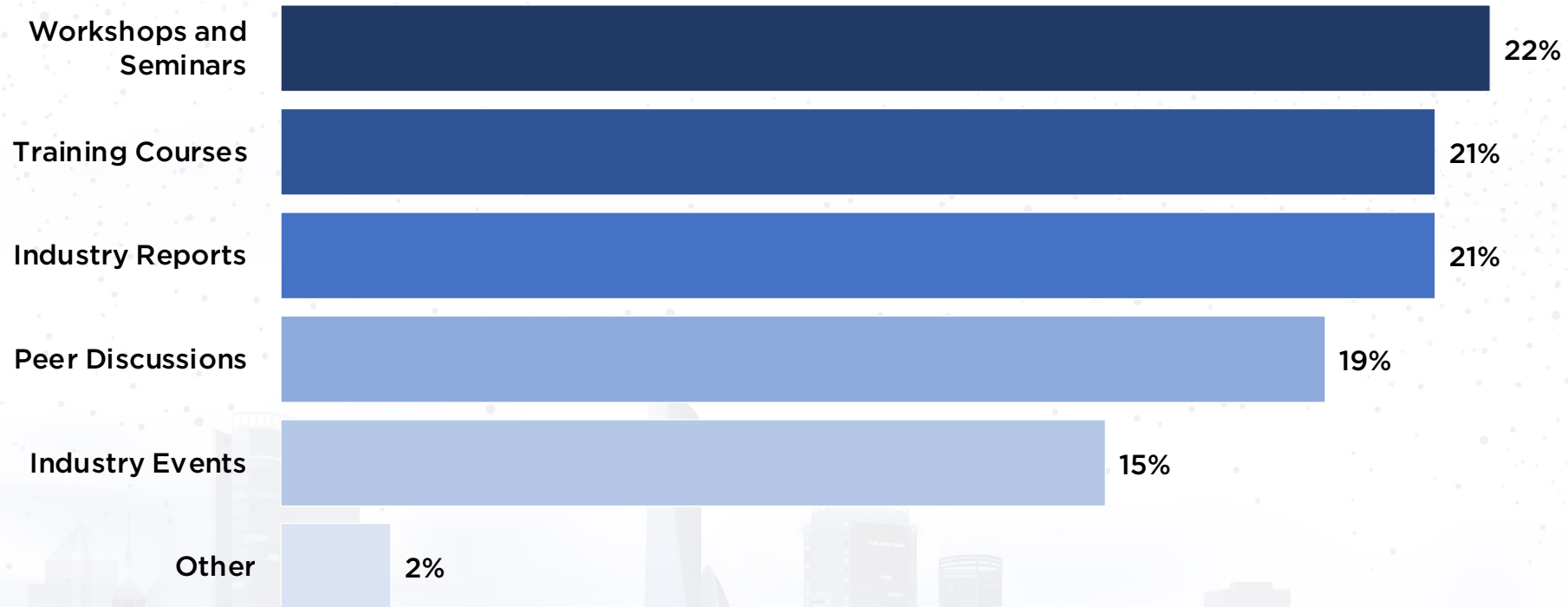
Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

Availability of Tailored AI Training for Marketing Teams



Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

Resources Relied on to Stay Updated with AI in Marketing



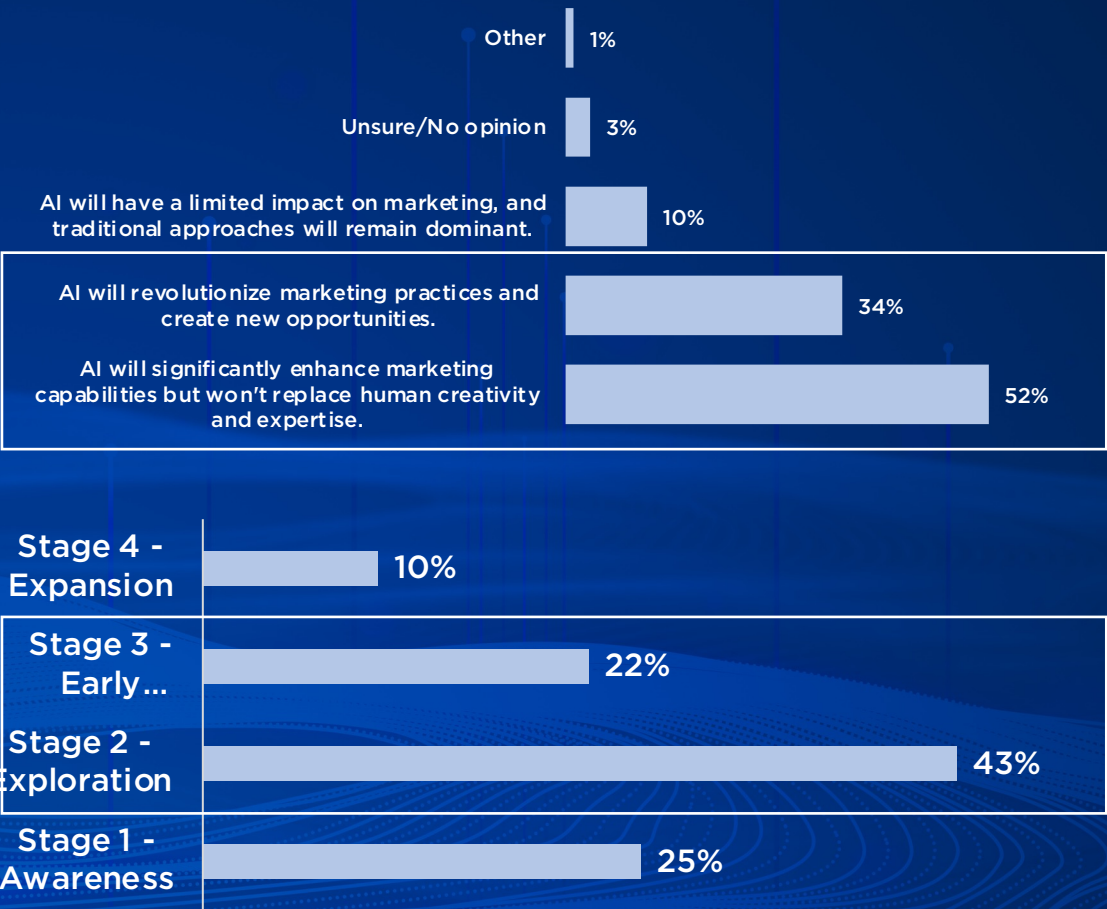
Source: State of AI in Marketing 2024 (Jan' 24 - Feb' 24, n=105)

Key Insights

1

Positive opinions of AI is driving exploration and early adoption

9 out of 10 industry leads have favorable opinions about AI, resulting in 65% in exploratory and early adoption stage



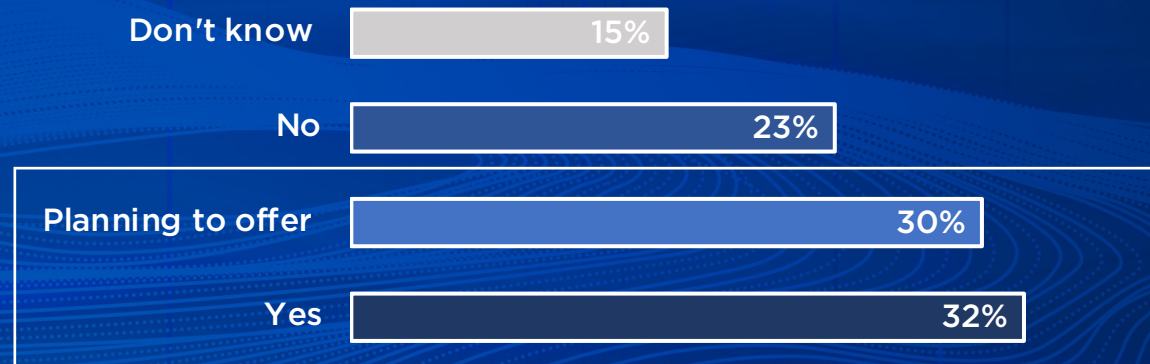
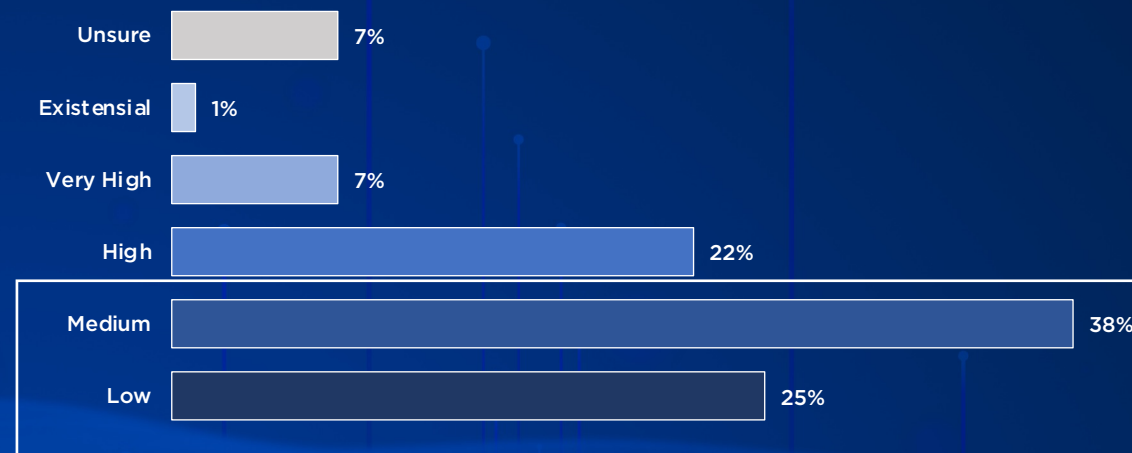
Key Insights

2

The industry is ready for AI acceleration

63% of industry leads rate their level of AI inclusion in Marketing plans as medium and low, highlighting the growth potential.

62% of companies are offering or planning to offer AI training

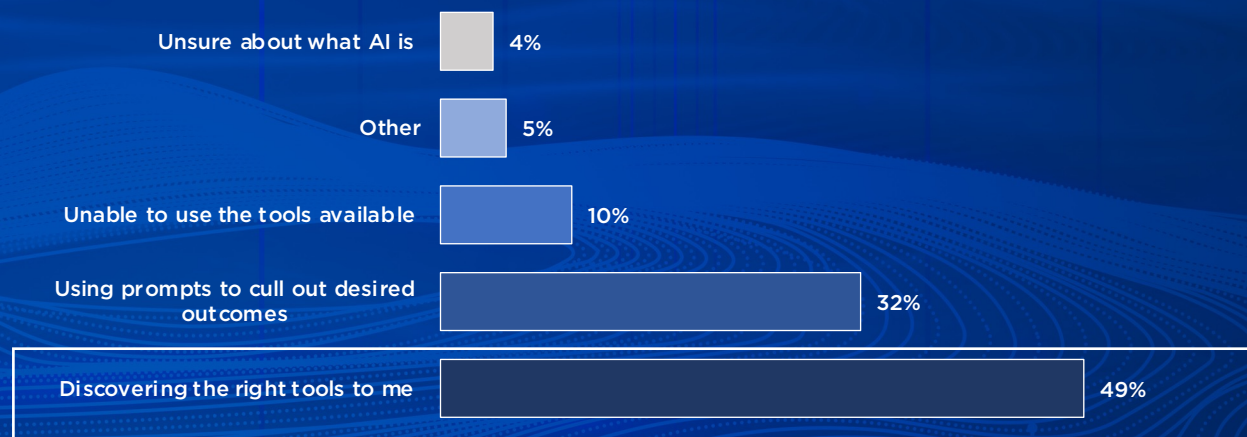
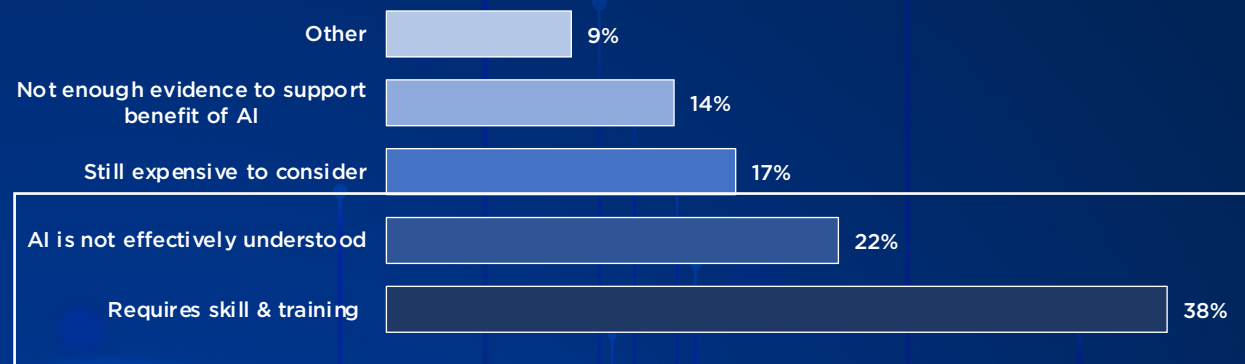


Key Insights

3

The industry requires structured education programs and resource sharing

38% mentioned the need for skills training, 22% do not yet fully comprehend AI, and 49% mentioned they struggle discovering the right AI tools for content marketing.



About MMA



Comprised of over 800-member companies globally and 15 regional offices, the MMA is the only marketing trade association that brings together the full ecosystem of marketers, martech and media companies working collaboratively to architect the future of marketing, while relentlessly delivering growth today. Led by CMOs, the MMA helps marketers lead the imperative for marketing change – in ways that enable future breakthroughs while optimizing current activities.

The MMA is committed to science and questioning and believes that creating marketing impact is steeped in constructively challenging the status quo encouraging business leaders to aggressively adopt proven, peer-driven and

scientific best practices, without compromise. The MMA invests millions of dollars in rigorous research to enable marketers with unassailable truth and actionable tools. By enlightening, empowering and enabling marketers, the MMA shapes future success, while also propelling business growth.

Visit us at:

<https://www.mmaglobal.com/local-councils/indonesia>

Disclaimer



The information contained in “State of AI in Marketing 2023” (Report) would serve as an educational tool to understand the role of AI in marketing better while equipping you with information that leads to stable, safe, and optimal AI strategies.

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Thank You.

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