Artificial intelligence in advertising

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Abstract. In this day and age, market of goods and services is over saturated, by different products as a result, product competition is grooving so fast. For this reason, companies and firms faced with problem of selling their goods. Advertising deal with such problem and help not only popularize product, but influenced on consumer demand as well.

The conclusion drawn from the research underscores the notion that artificial intelligence (AI) presents a complex dynamic within the realm of advertising. One of the primary drawbacks associated with the utilization of AI pertains to the manner in which individuals employ it.

Presently, a discernible trend is emerging wherein individuals prioritize convenience and leisure over the pursuit of innovative ventures. Rather than engaging in the creation of novel projects, there exists a growing propensity to defer tasks to AI systems, which expedite the completion of projects within shorter time frames.

Keywords. Advertising, consumer demand, costumers, marketing, demand elastic, artificial intelligent (AI).

Штучний інтелект у рекламі

Анотація. Наразі ринок товарів та послуг переповнений різноманіттям торгових марок, компаній, що призводить до зростання конкуренції. Однією з ключових проблем є постійна зміна попиту споживачів, задоволення якого потребує постійних зусиль задля збереження конкурентоспроможності продукції. Подальший розвиток інформаційних технологій, поширення медіа простору, посилюють значення рекламної діяльності у формуванні попиту споживачів. Німецький філософ та публіцист Вільгельм Швебель зазначав, що «зробити з повсякденного щось особливе здатні лише любов і реклама», саме дана цитата найяскравіше характеризує одну з сутностей реклами. Однією з ключових цілей залучення та збільшення фінансування на рекламну діяльність є управління ціновою еластичністю попиту. Початок технологічної революції рушійною силою для розвитку та еволюції реклами. став Під впливом розвитку новітніх технологій реклама діяльність зазнає колосальних змін. Через неймовірно стрімкий розвиток штучного інтелекту, котрий здатен генерувати рекламу у будь-якій формі, за коротший період ніж маркетингові відділи з рекламної діяльності, постають нові виклики у вигляді непередбачуваного конкурента, чи навпаки винайдено новий спосіб спрощення та покращення продуктивності рекламної компанії.

Ключові слова: реклама, споживчий попит, медійний ефект реклами, маркетинг, штучний інтелект.

Artificial intelligent one of the most popular topic of discussion today. Furthermore, exist the idea that AI is serious competitor to humanity. Main reason is that, AI can make analysis of any information, more quicker compare to human. In that case, appears a question "Is artificial intelligence really good for humanity, or we might see a picture from science fiction books were mankind absolutely destroyed". Aaron M. Garvey, TaeWoo Kim, and Adam Duhachek have investigated the problematic of competitiveness in their article "Bad News? Send an AI. Good News? Send a Human"[8]. Analysis of using AI in marketing, commercial, business, advertisement, atc., created a problem of abuse of use AI in work. In that case, employee stop analysis the case as a result losing all knowledge skills.

Advertisement is everywhere all around the world. In this day and age, we can not imagen other day without seeing proposal to buy something. We see her in smartphone, billboards, social media, TV, atc. For humanity, it is part of ordinary life. Marketing have made such result, while they analyzed managing of consumer demand for controlling sales volume. However, advertising was not always, as indispensable as now. Advertisement went through a lot during its evolution.

To start with, history of evolution should be mention the most important inventing of all time such as printing in 1439. After that, inventions advertising began develop at full pelt. After that started era of newspapers with magazines. From 1600s to 1870s, more and more people started to read and find out information in newspaper. Usually there were advertisement of different books and huge population received quack medicine. Later on business started to use poster for promotion new products. During industrial revolution, population of advertising began to increase, as a result investigation grow up.

Second phase started in 1922 when radio was used shearing advertising. In that period of time, promoting any products accompanied by the phrase that radio presenters were grateful their sponsors for making this program possible. Compering with today process looks easier because we might hear everywhere announce on radio, even find out price immediately.

Inventing TV set change everything. After that, people can see product and be more involved in advertising. In 1970 appeared new style of business such as telemarketing. During that period, scientists started analyzed influence of advertising on costumes demand. Costumers received influence in such aspects as stimulate costumers to buying products, changing consumers purchasing attitude, guiding reasonable consumption, atc. [1].

Digital age have change not only advertising but also all world. The main feature was synergetic of psychological and advertising. Technical characteristics of that period were using computers for not only sharing advert, but also creating him. Appearance and esthetic became much better, which allows influence on consumer demand. During that period was developed the first hand-held mobile phone that soon will became one of moist effective devise for search and publishing advert in next century.

Period of 21st century characterized by web era. With the advent of social media in 2003 and its rapid growth in popularity, social media, such as, LinkedIn,

Myspace, Twitter, and Facebook, started <u>using their platform and audience to</u> <u>advertise</u> products. Next step was using online video as advertisement. In this way amount of advert increase recently, because people may create video by them self and sear anywhere [6].

Finally, the last era, which we leave in, is integration artificial intelligence. Today, AI transformed adverts and emails using big data analytics, machine learning, creating, improving and other processes. The main advantage of artificial intelligent is simplification and reduction of work term. However, is really everything so perfect with integration of AI?

To start with firstly should be mention the definition of AI. Exist many terms, due to the fact of constantly changing and development concept of artificial intelligent. However, one of accepted definition for artificial intelligent (AI) is intelligence demonstrated by machines. Besides this, existing another interpretation that artificial intelligence was intended to make computers did things, that when might have done by people, were described as having indicated intelligence [3].

Describing process of integration AI in advertising should be mentions artificial neural network. Such type of AI in marketing used for solve complex predictive tasks that have been deem unsolvable less than a decade ago. Also used for predictive analytics in marketing enables marketers to forecast future marketing actions and its impacting behavior, find out insights for improving leads and attract new customers.

Today exists a few way of using AI in advertising. They divided into two blocks first connected with appearance of advert, second with software. First block received development in proses of creating images and videos. For last two years have grown in sophistication. Advanced is that now you should not spent much time for creating the advert and cash expenses have decreased. The second block there programmatic platforms use AI to manage real-time for such activates as, buying, selling, and ad placement. The main purpose is to understand you audience, because if you do that you will find out how to control demand elastic [2].

In this day and age, AI is new era of advertising evolution, which change even the concept of creating advertising. The main advantage of integration AI in advertising is simplifies proses of creating. However, wright now still exist different between AI and humanity work.

Presently, a discernible trend is emerging wherein individuals prioritize convenience and leisure over the pursuit of innovative ventures. Rather than engaging in the creation of novel projects, there exists a growing propensity to defer tasks to AI systems, which expedite the completion of projects within shorter time frames.

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