Marketing with machines

AI and the future of advertising and communications in South Africa

A PAPER BY THE ACA FUTURE INDUSTRY COMMITTEE

August 2025

Written by

Timothy Spira

Jarred Cinman

With contributions by

Vincent Maher

Haydn Townsend

Imke Dannhauser

Musa Kalenga

Gillian Rightford

Antonio Petra

Matthew Arnold

Contents

The ACA Future Industry Team

The Association for Communications and Advertising (ACA) South Africa is the main industry body representing advertising agencies and advertising professionals in the country. The Future Industry Committee was established in 2023 to better understand the future threats and opportunities the industry faces.

In this present moment the greatest change faced by this industry is the advent of Artificial Intelligence (AI) and how it will reshape, challenge and potentially make redundant large components of how this industry works and makes its money. As such it has been the central focus of the Future Industry committee this past 18 months.

This small team of volunteers operating under the auspices of the ACA has produced this paper in order to help our members orientate themselves within the AI revolution as well as to better adapt their businesses to both take advantage of the technology as well as to defend the risks it poses. We have sought to clearly articulate the circumstances we find ourselves in as well as to make some preliminary recommendations on a way forward.

Because the technological revolution is incomplete so must any contribution on this topic be. We hope to stimulate debate, open discussions and work together with our members and the broader business community to find a way forward that captures the benefit of these technologies, whilst retaining the vibrant, economically vital and creative power this industry contains. Most of all, we want to protect the role of the humans that make up our industry and whose livelihoods should not be forgotten as we transition to marketing with machines.

Introduction

> "AI is far deeper and more powerful than just another technology... It's not just a tool or platform but a transformative meta-technology, the technology behind technology and everything else; itself a maker of tools and platforms; not just a system but a generator of systems of any and all kinds."
>
> Mustafa Suleyman, The Coming Wave: AI, Power and Our Future

Artificial Intelligence (AI) is perhaps the most revolutionary, fast-moving and transformative technology in the history of human civilisation. It is the first technology that promises to replicate, replace and supersede the abilities of the human brain. And the first technology capable of taking decisions and acting on them independently of its human creators.

Modern work is largely a brain thing. Most people, particularly but not exclusively in the developed world, earn a living by applying their knowledge, understanding and mental capacities to complete tasks. This is true for everyone from the CEO to a data capturer or call centre agent.

The marketing industry, broadly speaking, is made up of knowledge workers: people who conduct activities like strategic planning, research, data analysis, creative thinking and content production, with the goal of building brands and selling products and services to consumers. As such it is ripe for AI disruption.

Already AI can generate strategies, insights, copy, artwork, video and audio. And it's only getting started. As we shift into an agentic phase of AI – where AI can be assigned tasks to go off and do independently of human involvement – the present paradigm of entering a prompt and waiting a few seconds for AI to respond will seem quaint. Agents are neither going to wait for our instruction nor carry out their work while we wait. Instead, they will be always at it, driven by our goals and intentions, and able to return much more sophisticated real-world outcomes. Consider a near-term future in which, primed only with high-level marketing objectives, AI identifies the market need, suggests positioning and pricing strategies, proposes completed TV commercials and executes dynamically optimised media plans, all without further need for human intervention.

What does this mean for marketers and advertising agencies? There are broadly two schools of thought: that AI will primarily be a way to enhance human ability, a kind of all-purpose digital assistant; or that AI will make knowledge workers redundant. The more likely scenario, at least in the foreseeable future, is somewhere between these two extremes. There will be many tasks that AI can perform more effectively than humans. But in realising the benefits of shifting these tasks to machines, we will engage in a parallel process of redefining the nature, definition and scope of human jobs.

This paper aims to help agency leaders and marketers to contextualise their businesses within this rapidly emerging landscape and prepare for the profound changes ahead. Because of the speed of AI innovation, we have avoided discussing specific technologies or techniques and tried to address the overall issues shaping the future. Where we have only questions and no answers that too is highlighted, along with suggested processes for getting to those answers.

How bad (or good) could it get?

> "In just the last quarter , Brandtech Group agencies produced 235 000 AI-generated ads for some of the world's top advertisers.
>
> These ads were produced 62% faster, for 55% less money, with a 40% better ROI."[1]
>
> - Tim Williams, Evolved Pricing Model presentation, June 2025

Before we take a more urbane view of this topic in the remainder of this paper it is worth painting the "worst case scenario" for the advertising and marketing sector. By worst case we mean having the most dire and detrimental impact on jobs and revenues, understanding that for some actors in the system this might actually be a best case scenario.

The pace of AI development means that writing a definitive paper now, or at any time, is impossible. Whenever we press print on this document there will be advancements minutes later that will change the equation again. So to understand the most extreme outcome we need to zoom out and talk about the effect of the technology rather than its individual features and capabilities.

OpenAI, and others, have been upfront about their desire to invent Artificial General Intelligence (AGI):

> ... a hypothetical form of AI that possesses the ability to understand, learn, and apply knowledge across a wide range of tasks—at least as well as a human can. It contrasts with today's narrow AI, which is optimized for specific problems (e.g., translation, chess, text and image generation) but can't generalize across domains[2]

One key feature of an AGI that makes it different from today's AI is that it is capable of ongoing learning and self-improvement. What is perhaps less appreciated about current platforms is that they are "pre-trained" (hence the "PT" in GPT) and thus not able to constantly improve their skills and knowledge beyond the initial training set.

This constant growth and improvement mimics more closely the way the human brain works - and it's the key to taking AI from a useful tool, to collaborator to direct competitor with humans in our fields of work.

Estimates vary wildly as to how long it will take to reach the "singularity" moment when AGI will exist. Like most technologies, it probably won't be a moment but rather a slow progression of innovations that edge us ever closer to the final outcome. The most optimistic (from the AI companies' perspective) is 2-3 years. Sceptics argue it will be decades - if ever. Thus far in this technological revolution the engineers have outmatched the forecasters in delivering seemingly impossible innovations faster than anyone could have imagined, and so in our view it would be wise to estimate on the low side.

1 Brandtech Group is a marketing technology company that owns agencies such as Oliver, Jellyfish, Pencil and brandtech consulting, among others.
2 This definition was generated by ChatGPT 4o

The problem with something equal to our brain is that it isn't in fact equal. As Sam Harris put it:

> "The moment we get something that is truly general, this thing will be immediately superhuman. Your calculator in your phone is already superhuman for arithmetic. The moment we get this omnibus suite of capacities, we have to recognize that that human level intelligence is a mirage. When all this gets knit together, you will suddenly be in the presence of the most competent mind you've ever met."[3]

"The most competent mind you ever met" – ask yourself what such a mind would be capable of and how your garden-variety human could compete with it? A daunting scenario for humans who have until now held a monopoly on the ability to think, invent and create with intention.

The cataclysm this would represent to the marketing industry – indeed to all creative and information industries – cannot be overstated. Immediately every job that is currently filled by a smart human with talents and capabilities would be able to be done exponentially faster, cheaper and more accurately by the machine. Overnight - or so it will feel - the very raison d'être for having an agency filled with clever humans solving client challenges would evaporate.

To give you a sense of what this world would look like imagine this:

> A corporate brand invests in a Creative Marketing Agent. This agent is connected to all important data systems within the corporation as well as to all key third-party data sources. Once up and running it is constantly monitoring economic conditions, supply chains, competitors and communications. It is tasked with identifying market opportunities and devising strategies to capture them.
>
> This system proactively suggests advertising campaigns to the marketing team. It comes up with insights, generates ideas and proposes copy lines and visual treatments. Once these are approved, it produces the final materials in minutes - print, radio, TV, digital etc., including copy, visuals, video and audio. After some tweaks from the client and a final digital sign-off it proceeds to campaign flighting.
>
> It interacts with sell-side media systems to negotiate flighting costs and secure a media schedule – negotiations which take place nearly instantly, in machine code unintelligible to humans. It then automatically publishes the material directly to digital media and into a print supply chain where necessary. From the moment the campaign goes live, the system collects and processes thousands of performance data points and dynamically adjusts the creative and media plan to optimise for best results.

If this sounds like science fiction just ask yourself what today's technology sounded like as recently as three years ago. Many of the component technologies above already exist; some in rudimentary form, but convincing enough to make the outcome we are describing more rather than less likely.

3 Sam Harris and Eliezer Yudkowsky on 'AI: Racing Toward the Brink'

Taken to its extreme conclusion, this scenario represents nothing short of the entire advertising industry being reduced to an option on a dropdown menu.

Sceptics may argue that a machine is simply not capable of nuanced insights and the empathy employed by creatives to produce great, impactful work. AI, on this view, is limited to regurgitating past content in a slightly modified form; for truly inspired work we will always need the human touch.

We leave the question hanging: could a machine be capable of replicating not just past human efforts but also the underlying patterns of thought and behaviour that resulted in it? Can an unfeeling algorithm produce content that moves us emotionally without having its own emotions? Is there something special and unique to humans that carves out a certain kind of work that cannot be codified or synthesised?

In this paper we are necessarily addressing this topic without the doomsday scenario. We take the view that there will be limits to AI's abilities that necessitate human endeavour. We imagine a world in which we will have remarkable and powerful tools that function as a "co-intelligence", working alongside us. However, it needs to be said that the more extreme outcome is eminently possible, and that in that picture all bets are off.

Marketing as an economic actor

Marketing and advertising play a pivotal role in the contemporary economy, driving demand and connecting products to consumers. In South Africa, advertising is a significant economic force: it was estimated in 2020 that the broader cultural and creative industries contributed around R161 billion to GDP (about 3% of the economy), with advertising, design and media services comprising a large share of this output. This makes the contribution of marketing comparable in size to major industries like agriculture[4]. Advertising not only generates revenue and jobs within agencies and media companies but also stimulates downstream economic activity by influencing consumer spending on goods and services across all sectors. In essence, effective marketing fuels the sales of everything from consumer goods to financial services, thereby supporting growth in the wider economy.

The marketing industry sits at the centre of a complex value chain with both upstream and downstream actors. Upstream, various businesses rely on marketing spend, from media owners selling advertising space to production companies and suppliers of creative content including filmmakers, graphic designers, printers and tech vendors. Downstream, the impact of marketing is felt by brands and the broader market. Successful advertising drives consumer demand, which in turn boosts sales for manufacturers and retailers. In this way, marketing acts as an economic catalyst – a reduction in advertising typically correlates with slower sales in downstream industries, while robust marketing investment propels growth.[5]

As core intermediaries in this value chain, advertising agencies ensure that marketing spend is used effectively. Agencies translate brand objectives into creative assets and media placements that resonate with audiences, thereby increasing the efficiency of the economy's communication flows.

The South African agency landscape is both globally connected and locally rooted. Many top local agencies are part of international holding groups. This international linkage brings global best practices and investment into the local industry and accelerates the adoption of global technologies, including AI. Alongside these larger agencies, a vibrant ecosystem of independent shops and creative professionals has developed to serve niche markets and local businesses. Collectively, these agencies provide thousands of jobs and support skills development in the workforce.

Beyond direct spending, marketing's value lies in enhancing market efficiency and consumer welfare. Advertising informs consumers about products and pricing, fostering competition and innovation. It also contributes to brand value, a key intangible asset for companies, which helps attract investment. And in South Africa's emerging digital economy, marketing is crucial for promoting the adoption of digital services. This is reflected in the rapid growth of digital channels, which accounted for more than 50% of total advertising spend in 2023.[6] This digital expansion highlights marketing's evolving role, not only as an economic actor in its own right, but also as a driver of digital transformation and innovation in the broader economy.

4 https://www.southafricanculturalobservatory.org.za/article/snapshot-of-the-cultural-and-creative-industries-in-south-africa
5 https://www.semafor.com/article/01/11/2024/ai-ads-are-sweeping-across-africa
6 https://www.pwc.co.za/en/publications/entertainment-and-media-outlook.html

AI Impact Analysis

Advances in artificial intelligence are poised to profoundly reshape the marketing ecosystem. Below, we analyse briefly the anticipated impacts of AI on each major actor in the value chain:

BRANDS

Companies of all sizes across various industries are already, and increasingly, leveraging AI to improve the effectiveness of their marketing activities. Many are exploring AI's potential to lower costs and improve returns by empowering brands to do more in-house, reducing their reliance on external agencies. AI tools also enhance agility and responsiveness, with campaigns that once took months now being planned and executed in days and optimised in real-time based on performance data. AI is also being deployed to enhance relevance and personalisation, enabling marketers to quickly analyse consumer data and translate insights into more precisely targeted media and content.

Globally, nearly all brands are seeking to realise these benefits. A 2024 study by the World Federation of Advertisers found that 91% of companies were either experimenting with or actively deploying AI. The same study found that brands are increasingly demanding more transparency and accountability from their agency partners about their use of AI. 80% of multinational brands voiced concerns about how their agencies use AI, citing legal, ethical and reputation risks, and over half plan to update agency contracts to address these issues.[7]

CREATIVE AGENCIES

Agencies focused on creative strategy, copywriting and design are on the frontlines of the AI revolution in marketing. Generative AI is already disrupting core creative tasks, such as drafting ad copy, generating campaign ideas and producing images or even video content from text prompts. This offers enormous efficiency gains: McKinsey estimates generative AI could boost marketing productivity by 5–15% per year (roughly $463 billion globally) by automating parts of the creative process.[8] Consequently, most agencies have begun adopting these tools. According to Forrester, more than 60% agencies in the US, and 78% of large agencies (more than 201 employees) are already using generative AI, with a further 31% of agencies actively exploring use cases. Creative agencies are leading the way, with 69% already using AI in some form.[9]

The impact on creative workflows is two-fold: enhancement and disruption. On one hand, AI can act as a "creative assistant", generating first drafts and countless variations of headlines, visuals or social media posts, which human creatives can then refine, speeding up iteration and liberating staff to spend more time on higher-level creative work. On the other hand, routine creative production work (basic design tasks, simple copywriting, banner ad versions etc.) may become commoditised or fully automated. Some creative roles may be displaced or refocused. For instance, junior copywriting jobs might decline as AI handles initial drafts, while new roles like AI content curator or prompt engineer emerge.

7 https://wfanet.org/knowledge/item/2024/09/17/eighty-percent-of-brands-have-concerns-about-agencyuse-of-genai
8 https://www.mckinsey.com/capabilities/growth-marketing-and-sales/our-insights/how-generative-ai-can-boost-consumer-marketing
9 https://www.forrester.com/press-newsroom/forrester-us-agencies-are-currently-leading-generative-aiadoption/

The net result is that creative agencies must evolve their value proposition: rather than selling labour-intensive content production, they will increasingly sell creativity as a service: the human wisdom, cultural nuance and original brand ideas that cannot be created by AI alone. Creative agencies that harness AI as a tool are likely to produce more content faster, but they must also guard against formulaic AI-generated work that lacks the spark of human insight. Maintaining brand distinctiveness and emotional resonance will require creatives to blend AI efficiency with human imagination.

MEDIA AGENCIES

Media planning and buying agencies are heavily impacted by AI's competence in data analysis and automation. Media agencies have been using forms of AI for years through programmatic advertising platforms that automatically allocate ad spend based on algorithms. More advanced systems are now improving those capabilities. Agencies can deploy machine learning to crunch vast datasets on consumer behaviour, optimise placement across channels and even predict campaign outcomes. Tasks like audience segmentation, marketing mix modelling and bid optimisation for ad auctions can now be largely automated by intelligent systems.

As a result, the role of the media agency is shifting from manual trading and scheduling toward oversight of AI platforms and strategic guidance. Many large brands are already relying directly on AI tools provided by media platforms (Google, Meta, etc.) and technology companies are offering self service AI solutions that not only improve targeting but adjust creative in real-time to optimise campaign performance. This raises the bar for media agencies, compelling them to demonstrate value beyond what an algorithm can do.

It is likely that media agencies will evolve into analytics and strategy consultants, interpreting AI-driven insights and ensuring campaigns align with broader business goals. They will focus on integrated strategy (across online/offline), creative media ideas (sponsorships, brand integrations) and other disciplines that combine human judgement with machine intelligence.

These shifts will require that media agencies advance their expertise in data science, hiring more data analysts and engineers to build proprietary AI models or leverage client data for competitive advantage. While some routine jobs in ad operations may be eliminated, new opportunities arise for those who can manage AI adtech or translate its outputs into actionable strategy. Overall, AI will likely enable media agencies to handle larger campaign volumes with leaner teams. It also opens the door for clients to question traditional fee models as more of the work is automated.

COMMUNICATION AND PR AGENCIES

The impact of AI on public relations and communications teams is being felt primarily in content generation, monitoring and crisis management. AI tools can draft press releases and basic social media statements or even personalise pitches to journalists based on past interests. Language models are already being used to write first versions of newsletters and press releases, which PR professionals then edit for tone and accuracy. This can save time on routine writing. AI-powered media monitoring is already invaluable: algorithms can sift through millions of online posts and news articles to detect mentions of a brand and gauge sentiment, helping PR teams spot potential crises or trending issues in real time. Chatbots and AI assistants are also being used for customer service and initial responses, which overlaps with communications during campaigns or events.

These developments represent a profound advance in scale and speed: a single PR practitioner empowered with AI can monitor what once required an entire team and craft messaging across multiple channels almost instantly. However, human oversight remains crucial. PR is highly sensitive to context, nuance, and cultural insight; areas where AI left unchecked can produce tone-deaf or otherwise inappropriate content. Agencies must be vigilant about fact-checking AI outputs to avoid misinformation or "hallucinated" facts creeping into communications.

In practice, PR agencies will likely use AI quietly as a behind-the-scenes helper while emphasising the human judgement applied. Over time, we may see PR professionals focus more on strategy, relationship-building (with media, influencers and communities) and high-level messaging. The agencies that thrive will be those that pair AI's efficiency with the authenticity and trust-building that only humans can achieve.

PRODUCTION COMPANIES AND CONTENT PRODUCERS

Production houses (film/video production, audio studios, photographers, etc.) are facing disruptive change as AI encroaches on content creation tasks that previously required specialised human skills. We are already seeing AI-generated models, images, voices, and video being used in advertising campaigns. Advanced AI tools now enable brands to use AI-generated actors or synthetic voiceovers rather than hiring real models, actors, or voice artists, which can be cheaper and faster than live shoots or studio recordings and carry fewer royalties and usage limitations. Background music, jingles and even entire songs can now be composed by AI systems.

Over the next five years, it's likely that a substantial portion of straightforward production work will be automated. Storyboarding, simple video edits, basic motion graphics, transcription and subtitling – these tasks can already be done faster with AI tools. Production companies will need to adapt by incorporating AI into their processes (for example, using AI for post-production enhancements or virtual scene rendering) and by repositioning their services. Higher-end production, such as complex live-action shoots, experiential marketing events, or emotionally rich storytelling, will be more difficult to produce with AI alone.

We may see production firms using more virtual production techniques – combining AI with game engines, for example – to realise creative ideas more efficiently. AI will also be used extensively for more mundane production tasks, like initial video cuts or image touch-ups, freeing artists to focus on creative direction and other higher-order creative tasks. The downside is a potential reduction in volume of traditional projects. If one AI specialist with a laptop can produce a decent ad mock-up, clients might commission fewer large-scale shoots requiring large teams. Production companies will therefore need to evolve creatively and technologically, or risk disintermediation as agencies and brands either rely on freelancers or produce more content with in-house AI capabilities.

FREELANCERS AND SPECIALISTS

The marketing ecosystem in South Africa includes many freelance copywriters, designers and independent specialists who service agencies or clients directly. AI presents a double-edged sword for these professionals. On one hand, freelancers can harness AI tools to increase their productivity and output. For example, a freelance copywriter using a generative text AI can take on more projects, letting the AI generate first drafts while they refine and tailor the content. This could be a boon for capacity and earnings, allowing freelancers to scale up their one-person operation by employing AI as a "virtual team member." On the other hand, freelancers often handle the kind of routine creative tasks that AI is poised to automate (writing social media posts, designing logos, editing videos). There is thus a real concern that small independent practitioners could be squeezed out: one industry expert predicted that many small ad agencies or independent creators "would die" if businesses move creative work in-house with AI, unless those creators adapt by adding unique value.[10]

We can expect freelancers to increasingly market themselves as specialists in using AI to deliver faster and cheaper than competitors while retaining the nuance and cultural context that an automated platform can't offer alone. Additionally, new freelance niches might emerge, such as AI prompt engineering for marketing (experts who can get the best output from generative AI), AI ethics consulting for campaigns, or localising AI-generated content to South African languages and cultural references. In a market like South Africa, such considerations are crucial, and not easily satisfied by AI models, particularly those trained predominantly on foreign data. Freelancers who position themselves as the bridge between raw AI output and culturally resonant creative content will find opportunities.

While AI may reduce the volume of certain basic gigs, it also empowers solopreneurs to deliver more value if they embrace it. The freelance workforce must evolve by retraining and focusing on complementary skills (strategy, consulting, high-level creative thinking) to stay relevant in the AI era.

10 https://www.semafor.com/article/01/11/2024/ai-ads-are-sweeping-across-africa

Workforce Analysis

The dizzying pace of advancement makes it difficult (arguably foolish) to predict AI's impact on marketing work with any degree of accuracy. It is beyond doubt however, that AI will transform the nature of jobs and the workplace within both marketing departments and agencies, enhancing some tasks and outright replacing others. We can also assume with some confidence that repetitive, data-intensive, or formulaic tasks are most susceptible to AI automation, whereas those requiring nuanced creativity, strategic judgement or interpersonal skills will remain largely human-driven and AI-assisted, at least in the foreseeable future.

With these caveats, we have provided an overview of key agency functions and a best-guess at how AI might affect their underlying tasks, along with rough estimates as to what percentage of each function's work could be automated in the next five years.

AGENCY FUNCTION	TASKS LIKELY TO BE AUTOMATED BY AI	TASKS REQUIRING HUMAN INTERVENTION	% OF FUNCTION REPLACED BY AI (5 YEARS) *
Strategy & Planning	Data collection and analysis (market research scans, trend analysis); initial research drafts and insights; forecast and scenario outlines.	Defining business objectives and campaign direction; creative strategic thinking and brand posioning; client advisory and decision-making aligned with business context.	~20% AI handles basic research, but human strategists assess and priorise key insights and drive strategic direction.
Creative Concept & Copywriting	Drafting copy (ad headlines, social media captions, product descriptions); brainstorming support; localisation and translation.	Big creative ideas and concepts; emotive storytelling and cultural relevance; authenticity of tone, style and brand voice; copy editing for nuance; regulatory compliance.	~40% Many copywriting tasks can be AI assisted but human creativity and editing remain essential.
Art direction & design	Initial visual drafts (layout, banner variants, simple logos); asset resizing and formatting; basic photo editing and touch-ups.	Visual ideation and art direction; selecting and refining AI-generated visuals; brand identity alignment; aesthetic judgement.	~20% AI can produce graphics quickly, but human art directors guide the vision and refine outputs.
Video/Audio Production	Automated editing (rough cuts, scene assembly); synthetic voice- over or music generation; AI-generated imagery or 3D assets instead of live shoots; transcription.	Complex film production and direction; on-set creative decisions; performance coaching for actors; final editing and storytelling pacing; high-end audio engineering.	~30% Production tasks accelerated by AI, yet premium content requires human-led quality control and creativity.
SEO & Digital Content	Keyword research, SEO analysis and content optimisation recommendations; drafting long- and short-form content; editing for grammar and spelling; metadata; A/B testng of content variations.	Content strategy aligned to brand and audience; editorial oversight to ensure quality and accuracy; integration of SEO efforts with broader marketing plans; nuanced long- and short-form editing; content partnerships and syndication.	~30% SEO and content drafting by AI, but human input and oversight is needed to maintain quality, content positioning and brand integrity.

Workforce Analysis *continued*

AGENCY FUNCTION	TASKS LIKELY TO BE AUTOMATED BY AI	TASKS REQUIRING HUMAN INTERVENTION	% OF FUNCTION REPLACED BY AI (5 YEARS) *
Media Planning & Buying	Audience segmentation and targeting; programmatic media buying and bid optimisation; budget allocation modelling; real-time spend optimisation across channels; automated reporting.	Media strategy alignment with brand goals; partnerships/sponsorship negotiation; cross-channel planning requiring human intuition about where brand should appear; interpreting AI reports to refine approach.	~50% Many operations are automated, especially in digital media, but human planners craft the overall strategy and integrations.
Account Management	Drafting routine client reports and updates; contact scheduling; automated email follow-ups; tracking project status.	Building client relationships and trust; understanding and communicating client needs; handling sensitive communications and negotiations; strategic guidance and consulting.	~15% Client service admin can be automated, but the core relationship and trust aspects are human driven.
Data Analytics & Research	Routine data processing and visualisation; idendifying patterns/ anomalies; marketing mix modelling and attribution analysis; predictive analytics.	Research questions and hypotheses; interpreting data in the context of business goals; translating observations into actionable strategy; data ethics and privacy compliance.	~40% AI speeds up analysis but human analysts refine insights and translate these into actionable recommendations.
PR / Comms	Media monitoring for brand mentions and crisis alerts; drafting press releases or statements; chatbots handling simple consumer inquiries; sentiment analysis.	Strategy for messaging and PR campaigns; crisis management decisions; media relationships and negotiating story placements; tailoring communication for context and cultural nuance.	~30% Listening and basic writing can be automated, but high-stakes communication and relationship management remain human.

*Note: Percentages are rough estimates of the portion of each function's tasks that could be performed by AI within five years, assuming current trends in AI development continue. These may include elements that are already being largely performed by AI today. Actual impact will vary by agency and market context – e.g. large network agencies might automate faster, whereas smaller or more traditional agencies may see lower percentages. Importantly, automation does not always mean job loss; in many cases it means humans spend less time on certain tasks and more time on others. AI here serves as a catalyst for human augmentation rather than simply automation.

Overall workforce impact

Studies suggest a moderate net reduction in marketing and advertising jobs due to AI. A 2023 report by Forrester Research forecasts about 7.5% of advertising agency jobs in the US could be automated away by 2030.[11] The report goes on the say that process-heavy or entry-level roles are most at risk, whereas "creative problem-solving roles will thrive" and even increase in importance.

Our table reflects this dichotomy: functions focused on repetitive production or admin (media ops, SEO, basic content creation) show higher potential replacement rates, whereas strategic and client-facing roles remain largely human. It's worth noting that various studies including the PwC Annual Jobs Barometer[12] note a significant uptick in remuneration for knowledge workers with IA skills.

The consensus across these studies seems to be that job augmentation will be far more prevalent than outright replacement in the near term. We are likely to see a reconfiguration of agency teams, with fewer junior staff dedicated to rote tasks and more highly paid creative skill sets paired with generative AI assistants. New roles will also emerge in AI prompting, review and refinement of AI outputs, as well as training and management of hybrid teams that include both knowledge workers and AI agents.

Crucially, many tasks will change rather than vanish. Take copywriting: an AI might handle the first 80% of a draft, and the writer does the final 20% of refinement – the job is still there, but its nature shifts to editing and idea curation. This is why some roles, like writers and editors, are considered harder to automate despite high AI influence; they will use AI to boost productivity instead of being replaced.

The workforce challenge is managing this transition. Marketing teams and agencies alike will need to retrain staff for higher-value skills and possibly reduce headcounts in areas of redundancy. AI will change the mix of skills required, with more emphasis on AI expertise and analytics talent, but human capital will remain at the core, particularly in disciplines needing high levels of creativity and relationship skills. The organisations that succeed will be those that reskill and redeploy their people to work alongside AI, rather than simply cutting jobs in pursuit of cost savings.

11 https://www.forrester.com/report/agency-ai-powered-workforce-forecast-2030-us/RES179436
12 https://www.pwc.com/gx/en/issues/artificial-intelligence/ai-jobs-barometer.html

The Role of an Agency in the AI Age

As AI is adopted across the marketing value chain, agencies must evolve their role and value proposition if they are to remain relevant. Traditionally, agencies have been valued for their creativity, strategic expertise and ability to execute campaigns at scale on behalf of brands. In the AI age, agencies will shift to becoming strategic partners and integrators of AI capabilities. Several key aspects of the agency's role are set to change:

FROM EXECUTION TO ORCHESTRATION

With AI handling many executional tasks, from media buying to content rendering, agencies will spend less time on manual implementation and more on orchestrating marketing efforts. Creative directors and strategists will likely spend more time supervising AI processes, leading hybrid human/AI teams and aligning campaigns with brand strategy. This entails a broad range of competencies: identifying which AI tools or approaches make sense for a client's goals, configuring those tools and optimising their outputs. Agencies will also provide brand safety oversight, ensuring, among other things, that AI-assisted work is on-brand, culturally appropriate and supportive of marketing and business goals.

AI efficiencies should also give agencies more space to focus on solving complex business problems for clients – leveraging marketing intelligence (often AI-derived) to inform product development, customer experience and business innovation. We can expect agencies to offer more consultative services: advising on data strategy, AI ethics and marketing transformation. As early adopters, agencies are well placed to help clients build their in-house AI marketing capabilities, even if this ultimately results in less reliance on traditional agency services, such as production at scale. The client-agency relationship thus becomes more about brainpower than manpower. Agencies will be hired for their ideas, insights, and domain expertise, which will include deep skills in working with AI.

NEW SERVICE OFFERINGS AND BUSINESS MODELS

In anticipation of these shifts, many agencies are already moving from time-and-materials billing to value-based or outcome-based compensation.[13] For instance, an agency might be paid based on the sales lift or engagement rate a campaign achieves rather than the number of ads produced. Sometimes referred to as "outcomes as a service", this approach leverages agencies' expertise in AI to generate higher margins for "measured actions and outcomes rather than time spent."[14] Such models are further supported by the capabilities of AI to make marketing performance more trackable and predictable. The adoption of outcome-based compensation also demands that agencies share more risk and reward with clients, which could assist in solidifying strategic partnerships.

Agencies will likely offer new AI-enabled solutions in addition to traditional services. These could include licensing proprietary tools or platforms in areas like data integration, consumer insights, digital asset management or in-bound marketing. Agencies could also become resellers or integrators of third-party AI marketing software, effectively acting as consultants who implement AI systems for clients in much the same way that IT consultancies implement enterprise software.

At this nascent stage in AI's development, it is virtually impossible to predict which business models will prove effective. But it's clear that agencies will need to diversify and experiment with a range of service offerings, including consulting, technology and traditional agency services. They will also need to discover which revenue models work best, be these billable hours, platform subscriptions, outcomes-based compensation or a combination of these and others.

13 https://www.aarmusa.com/2024/02/02/how-will-ai-impact-agency-business-models-compensation
14 https://www.linkedin.com/pulse/outcomes-service-how-ai-agents-transforming-business-model-peytonpovxc/

IMPACT ACROSS AGENCY CATEGORIES

Service offerings and business models will naturally differ widely across agency specialisations, leading each type to adapt in unique ways.

Creative agencies, focused on brand strategy and campaigns, will continue to seek differentiation through human creative talent, but their role will likely evolve into creative AI leadership: developing big brand ideas and narratives and using AI to flesh out executions. They will sell the promise of truly original, resonant campaigns in a sea of AI-generated content. In a world where AI can generate thousands of ads, the winners will not be those who make the most content, but those who make content that truly connects and delivers emotional brand benefits.

Media agencies may transition into specialised marketing science providers. With media buying largely automated, these agencies will assist clients in areas like attribution measurement, first- and third-party data integration and technology infrastructure, enabling them to take full advantage of the capabilities of AI to target, personalise and optimise media channels and campaigns. We could see media agencies merging with data analytics firms or even management consultancies. They might offer services like AI-driven market mix modelling, consumer journey mapping, or martech stack integration. To stay relevant, media agencies will need to provide advanced cross-platform insight, creativity in media (sponsorships, content marketing ideas), and independent verification of AI platforms to ensure transparency and brand safety in automated buys.

Production agencies will likely reinvent themselves as creative production consultants and specialists in high-end content. Those focusing on simpler, more commoditised production (like basic video editing or web banners) will face stiff competition from AI and in-housed content studios. But premium production companies will still find demand for big-budget commercials and immersive or interactive brand experiences that require extensive human involvement. New niches will also emerge in AI-augmented production services that use virtual production, CGI, and AI techniques to deliver more efficiently, or bring ambitious creative visions to life with AI.

PR and communications agencies will find ample space to double down on their role as reputation managers and narrative shapers. Since information flows faster with AI, the role of PR in monitoring and responding will intensify. While AI will be used more extensively for sentiment analysis and monitoring, deciding what, how and when to communicate, especially in sensitive situations, is not something brands will be willing to entrust to AI alone. PR agencies may expand offerings into influencer management or corporate advisory on AI ethics in communications (for instance, advising clients on disclosure policies for AI-generated content). The need for authentic, trust-building communication in an era of potential AI-driven misinformation could elevate the importance of skilled PR practitioners.

A NEW INTEGRATION IMPERATIVE

The AI era will usher in new categories of multi-disciplinary agencies. Integrated agency models are nothing new, but all-too-often agencies have struggled to break down the functional silos within their operations. AI lends new urgency to this imperative, as boundaries blur between creative content, technology, and data-responsive media optimisation. For example, agentic AI will not only have the capability to target media placements with increasing accuracy, but also to vary creative on the fly based on real-time predictive modelling. Agencies structured to manage integrated AI-driven campaigns, seamlessly connecting media data to creative execution, will have an edge.

Furthermore, as the mix of in-house and outsourced tasks shifts, agencies will need to be highly flexible and find ways of collaborating seamlessly with marketing teams, perhaps by embedding staff in client operations. As clients seek to use AI to in-house aspects of work that was traditionally contracted out, some agencies will likely find their niche as an extension of the client's marketing department, focused on specialised skills and strategic projects, rather than an external vendor that works on a cycle of briefs and reverts.

Ultimately, agencies will redefine their customer value proposition around what AI cannot do alone. This includes human creativity, brand safety and reputation, strategic insight, and cross-functional coordination. We can expect agencies to increasingly position themselves as orchestrators of humans and machines, striving to produce work and outcomes that combine the unique talents of both. While some traditional services will shrink, new ones will arise. The diversity across agency types means each will adapt differently, but all will share a common imperative: to leverage AI as a tool to amplify human talent, not as a threat to be resisted. Those that successfully transform their operations and offerings will continue to thrive as vital partners to brands.

The Nature of AI-Enabled Work

> "The shape of this AI revolution in the workplace looks very different from every previous automation revolution, which typically started with the most repetitive and dangerous jobs... AI overlaps most with the most highly compensated, highly creative, and highly educated work."
>
> Ethan Mollick, Co-intelligence

Integrating AI into daily operations will fundamentally change the nature of marketing and advertising, calling for a new mindset and organisational culture. While agencies have long been at the forefront of adopting new technologies, AI is fundamentally different from previous advances. As a general-purpose technology whose behaviour is more nuanced and less deterministic than other, more specialised digital tools, artificial intelligence has more in common with human intelligence than with traditional software. Even at this early stage it is evident that AI should be regarded not simply as a tool but rather as a collaborator: an always-on assistant that augments human creativity and productivity.

AI AS "CO-INTELLIGENCE"

In future-fit agencies and marketing departments, AI systems will take on the role of collaborator in a range of diverse disciplines, available at any hour, every day of the year. Copywriters might work with AI to generate an ad copy or multiple variations of a headline. Designers might use image generation models for concept art or to brainstorm visual ideas. Strategists may brief AI to pull trend reports or analyse consumer data. Extrapolating from the way we use AI today, we might imagine an iterative process of human prompting, AI feedback and human refinement. But peering further into the future, increasingly capable AIs will likely be doing much of the prompting and refinement themselves and using their own initiative to get work done. The paradigm thus become one of treating AI as a colleague – a part of the team.

To achieve what AI expert and academic Ethan Mollick terms "co-intelligence", marketing leaders should encourage employees to regard AI as a partner in their day-to-day tasks. Staff should be trained on how to get the best results from AI, but also to appreciate its limitations. To achieve productivity and creativity gains without incurring undue risk, teams will need to understand how much autonomy can and should be given to AI in the context of specific work.

The goal is to make AI a natural part of the workflow so that it enhances work rather than disrupts it. But inviting AI to join will inevitably change team dynamics. Some roles will shift, and new hybrid roles will emerge. For instance, a creative team might consist of a creative director, a copywriter, an art director and an AI specialist working together. The AI specialist's job is not to do the creative work, but to optimise the AI's performance to better assist in achieving creative breakthroughs. Individual team members will continue self-serving on AI, as copywriters and designers are doing today. We will also see more cross-functional collaboration as the silos between creative, tech, and data roles break down. A strategist might work closely with a data scientist to build an AI model for consumer segmentation; a media planner might collaborate with a creative to set up AI models for dynamic ad delivery. Team structures may become more fluid and project-based, drawing on the right mix of human talent and AI capabilities as needed.

THRIVING IN DIAMOND-SHAPED TEAMS

A recent study by Harvard Business School[15] points to a possible disruption of the traditional hierarchical pyramid (many juniors, fewer seniors). The study suggests that AI-forward organisations might adopt “diamond-shaped” structures – a strong core of senior experts who lead strategy and ideation, supported by a layer of AI-empowered mid-level specialists, with fewer menial junior tasks. While such structures might prove effective, they raise difficult, as-yet-unanswered questions about talent management and workforce mobility, not least because they offer fewer opportunities for junior employees to gain practical experience.

Embracing these organisational shifts will require new approaches to skills development. Staff should not only be trained on specific AI tools but also on their underlying capabilities. Depending on specialisation, this may entail varying degrees of proficiency in fields like data literacy and ethics, alongside more obvious skills like prompt engineering. Agencies and marketing departments should encourage peer learning, with early adopters acting as AI coaches. New hires will likely be evaluated for their ability to work alongside AI as much as for traditional skills.

Culturally, marketing organisations should strive for an environment where AI is seen as empowering rather than threatening. Leadership plays a key role in setting this tone. Wins where AI helps achieve a great result should be celebrated, but it’s critical to recognise the human behind the AI rather than simply lauding the technology. At the same time, leaders should foster a culture of critical oversight, ensuring that employees feel accountable for the performance of AI, and are encouraged to question its output. Building trust in AI capabilities is important but so is maintaining healthy scepticism on issues like factual accuracy, bias and the merit of AI-generated creative ideas.

Another cultural consideration is innovation and agility. Agencies should cultivate a mindset of continuous experimentation through initiatives like hackathons, staff R&D time or internal knowledge sharing forums. With AI tools evolving rapidly, teams that are curious and adaptable will fare best. Those that can engineer workflows to incorporate AI as a welcome collaborator will likely see faster turnaround times, improved performance, and possibly a happier workforce, freed from tedious tasks. Teams will still thrive on human passion and ideas, but AI will enable unprecedented breakthroughs in productivity and creativity.

15 https://hbr.org/2025/03/how-gen-ai-could-change-the-value-of-expertise?ab=HP-topics-text-19

Legal and Ethical Considerations

The rise of AI in marketing brings with it an urgent and complex set of legal and ethical challenges. As brands and agencies integrate AI deeper into their workflows, from ideation to execution, they enter largely uncharted regulatory terrain. Unlike traditional advertising standards, there are no universally adopted norms or frameworks yet in place to govern how AI is used in commercial communication.

Nonetheless, certain key themes have emerged that require immediate attention from agencies, brands, regulators, and industry bodies alike:

---

1. Intellectual Property and Copyright

Most generative AI models are trained on vast quantities of text, images, music, and video - much of it scraped from the internet, often without explicit permission from the original creators. This raises critical questions around:

- The legality of using copyrighted material in training data.
- Ownership of AI-generated content: is it the user, the model creator, or neither?
- Whether AI-generated outputs can infringe existing IP rights or dilute brand value.

From a brand perspective, the risks are not limited to lawsuits. Using unlicensed or derivative content may undermine brand trust or lead to accusations of plagiarism. Creative agencies must develop clear standards for how generative tools are used, and ensure attribution, licensing, and originality are baked into review processes.

---

2. Transparency and Disclosure

As AI becomes embedded in everything from copywriting to media buying, audiences and clients alike are increasingly calling for transparency. There are growing ethical (and potentially legal) obligations to:

- Disclose when content or interactions are AI-generated.
- Make clear how AI is used in the creative or media process.
- Ensure consumers can distinguish between human and machine-originated communication, particularly in sensitive or emotive messaging.

Formative legislation like the EU AI Act seeks to mandate these disclosures. From August 2026, AI providers in the EU will be compelled to inform users when they are interacting with AI, and clear labeling, visible both to humans and machines, will be required on all AI-generated content. Forward-looking agencies should adopt disclosure norms now, both to futureproof themselves and to build trust.

---

3. Data Security and Privacy

AI relies on massive volumes of data, often personal or behavioural in nature. As a result, marketing operations must adopt robust safeguards around:

- Data privacy and consent (e.g. compliance with POPIA, GDPR and similar frameworks).
- Clarity on how user data is collected, stored, and used to train or prompt AI systems.
- The use of preference centres or opt-out tools that give consumers control.

Where data is being fed into third-party AI platforms, agencies should assess the security and data handling practices of those vendors, and build contractual protections accordingly.

4. Bias and Misinformation

AI models reflect the data they're trained on, and this includes human biases and systemic inequalities. Left unchecked, AI-generated content may:

- Reinforce stereotypes or marginalise underrepresented groups.
- Generate false or misleading claims, often confidently delivered.
- Erode public trust if misinformation is accidentally or deliberately disseminated.

Agencies must invest in human oversight, with dedicated review workflows that include fact-checking, cultural sensitivity checks and bias detection. This is not just an ethical imperative but a business necessity to protect brand equity and public reputation.

5. Accountability and Autonomy

As AI systems become more autonomous, the line between tool and agent becomes increasingly blurred. However, unlike human employees, AI has:

- No moral intuition or ethical judgement.
- No legal responsibility for the consequences of its outputs.

This creates a gap in accountability. If an AI creates something harmful, misleading or defamatory, who is to blame? The brand? The agency? The platform provider? Legal frameworks are still catching up. In the meantime, agencies and brands must assume full responsibility for anything AI produces on their behalf.

6. Job Security and Workforce Transition

Beyond legal compliance, the ethics of workforce disruption require attention. The deployment of AI at scale may:

- Displace entry-level and freelance roles across the industry.
- Widen inequality if reskilling and support systems are not in place.
- Erode institutional knowledge if senior staff exit prematurely.

Agencies have a moral obligation to manage these transitions responsibly by retraining affected staff, rethinking hiring pipelines and designing human-AI hybrid teams that include space for growth and learning.

7. Environmental Considerations

AI models, particularly large generative ones, consume staggering amounts of energy. Data centres running training and inference at scale are:

- Contributing to carbon emissions and global energy demand.
- Increasing scrutiny of the sustainability practices of AI vendors.

Agencies and clients should assess the environmental impact of their AI stack and favour providers who prioritise sustainable computing practices. Green procurement policies and carbon offset initiatives may soon become standard.

Legal and social barriers to AI adoption

There is a concerning tendency among some industry players to assume that legislation, regulation or corporate risk departments will delay or simply prohibit the wide-scale diffusion of of AI. There are many strands to this argument ranging from the need to protect human labour to enforcement of copyright laws. While the first answer a lawyer gives to “should we?” is usually “no”, history demonstrates that the path and pace of technological development is invariably defined by what is possible rather than what is prudent.

Our contention is that legal constraints on how AI is applied and governed, important as they are, will not significantly slow the pace of AI adoption. On the contrary, clear legal guardrails and guidelines may bolster the confidence of individuals and organisation to scale up AI use cases faster.

Similarly, whilst many corporates have indeed taken a cautious approach, past technological revolutions make it clear that eventually even the most conservative businesses will be forced to change to remain competitive. Those who lived through the rise of the Web will recall corporate legal and IT departments boldly proclaiming that “no one will ever shop online” and “people will always read the Sunday newspaper”, but the forces of convenience, efficiency and profit eventually prevailed.

In a competitive capitalist market, businesses are always seeking an advantage over their rivals. There will no doubt be those who take an ethical stand as brands that are “exclusively human.” But these will be the exception rather than the rule. The predominant move will be to drive efficiencies that improve margins and support scalable innovation.

Financial Impact

A detailed financial modelling of the impact on agencies or marketing teams is beyond the scope of this paper. It is also beyond anyone to accurately guess the pace and extent to which AI will reshape the economics of these businesses and functions.

Against this uncertain backdrop, we would encourage every agency CEO and brand CMO to start building their own models in these three phases, and preparing to advance in lockstep with the pace of AI development and adoption:

MODEL 1: THE AI OF 2025

Any company involved with commissioning or producing content should be utilising AI already. As mentioned, AI is largely in use across many such organisations in conceptualising, planning, editing and structuring content, and across a wide range of agency operations.

In this model you should assume two things:

1. That there is an investment required to license the tools and train your people

2. That clients will continue to remunerate you more-or-less in line with your past retainers and project fees. In this model, less the investment costs, any gains in productivity, speed and quality will benefit the agency and there is a significant opportunity to improve profit margins. As the saying goes: make hay while the sun shines.

MODEL 2: THE AI OF 2026/2027

Many – even most – agencies are still pricing themselves based on hourly rates for retained teams. Typically the exact number of hours and the cost of each of them is a point of heavy negotiation between agencies and clients. Pricing consultants - such as APCC and BESA – have become a fixture in these negotiations in an attempt to both keep agencies honest and to keep costs as low as possible (or, more charitably, as fair as possible).

By next year you can expect two important things to happen:

1. Procurement-led budget reductions - where clients will start expecting and dictating a reduction in specific cost lines due to the use of AI. Here the first targets will be any junior role, production costs (photography, video, social media posts etc.), data analysis and reporting and market research.

2. AI-as-usual - agency teams will be familiar enough with the tools to be using them as confidently as their current toolset, and agency leaders will expect them to work at the speed AI makes possible. This will have a steady and ultimately profound impact on individual productivity.

The combination of these two factors means that agencies should start forecasting possible revenue declines as well as staff reductions alongside productivity improvements. Whilst it will still be possible to protect margin, a shift to “output-based pricing” is highly advisable as pressure mounts to deliver more for less. Agencies who can demonstrate a proficiency in using AI will start to beat the competition, particularly on accounts that do not require Cannes-award winning work.

MODEL 3: THE AI OF 2028-2030

By this time advertising will have become an AI-enabled activity, and AI will increasingly come to considered "normal technology". The thought of working without AI will be as absurd as not using computers or email. Clients will simply assume AI is a part of the agency processes and will refuse to pay "human rates" for any task that they expect the machine to be handling.

Several things are likely to transpire by this point:

1. AI marketing platforms will reach maturity and become available to clients either as new purchases or as part of existing suites like Salesforce or Adobe Experience Manager. Money that was being spent with agencies will now start moving to licensing and running these platforms.

2. Any new hire into the agency or marketing department will have to demonstrate proficiency on these tools to be considered.

3. A significant body of agency creatives will aggressively push back against what might come to be called "soulless advertising" and advertising shows such as Cannes will introduce categories for "100% Human Made" work.

4. 30-50% of current agency roles will either be removed or re-skilled to operate with AI.[16]

5. Clients will expect either reduced agency fees or demonstrable improvements in campaign results (i.e. return on investment). Those agencies fortunate and effective enough to be paid for outcomes will continue to flourish, for the time being at least

Looking even two years ahead is very difficult. Many businesses have, in the past, developed five- or ten-year plans, but in today's technological context this would be a mistake. Your 2028 plan may need two versions: a worst- and best-case scenario. Agency leaders will do well to keep both operationally ready, while maintaining a careful watch on the path and pace of change.

16 In your modelling you will want to take a stab at imagining what these new jobs will be. But we advise caution in just waving a hand at the problem and assuming there will be a lossless translation of today's workforce into tomorrow's. There are lots of agencies around and if some of them can get to the result you can with half the people you will become completely uncompetitive.

AI and the digital divide

South Africa is a complex country in which many people don't even enjoy the basic conditions of modernity (such as electricity, water, healthcare, education etc.) let alone access to computers, internet and artificial intelligence. It may seem, in this context, that we are worrying about running before we have learned to walk.

Furthermore, as Africans operating in the developing world, we do well to acknowledge that advanced AI tools have been designed within a context of Western bias. As these authors note:

> "Most widely used AI models are trained on large-scale data sets that overwhelmingly reflect Western, English-speaking cultures. As a result, these models systematically marginalize non-Western perspectives and languages, risking a form of digital colonialism.
>
> — Bender, E. M., & Gebru, T. (2021). "On the Dangers of Stochastic Parrots: Can Language Models Be Too Big?" Proceedings of the 2021 ACM Conference on Fairness, Accountability, and Transparency.

Consideration of whether AI deepens the digital divide in our country and creates a new form of colonialism is well beyond the scope of this paper. The advertising industry, by virtue of who it employs and to whom it markets its clients' products, largely operates within the formal sector of the economy. It thus faces similar challenges, risks and opportunities to its counterparts in other middle-income and developed economies. We do, however, need to be alive to particular African and developing-world problems and the discussion of AI needs to be framed accordingly. Suffice to say that shifting the work done (and revenue earned) by South African workers to machines owned and operated by multinational technology players may only serve to deepen the economic woes prevalent in our country.

Finally, there is a severe risk of a new digital divide: between the "juniors" and the "seniors" in our industry. AI tools, at least for the time being, replace the work of juniors far more easily than that of more seasoned professionals. SignalFire, a US VC firm, has already noted a 25% decrease in hiring of graduates in 2024 - and that's in a country with significantly better prospects for young people than ours.[17] Whilst other economic factors apply there seems little doubt that AI is contributing to this trend.

One may well ask where the "seniors" of tomorrow are going to come from if that first rung of the career ladder is removed through AI and automation. We would add that employers would do well to consider whether reducing junior staff numbers makes long-term commercial sense given that competent juniors tend to be relatively cost-efficient, and are often more familiar with AI than their more senior colleagues.

17 https://techcrunch.com/2025/05/27/ai-may-already-be-shrinking-entry-level-jobs-in-tech-new-research-suggests/

Conclusion: What Now?

The Advertising & Communications Association has prepared this paper to better equip agency leaders and marketing teams for the imminent future. We have tried to look at the present soberly and imagine the path ahead responsibly. Despite that it is obviously possible to dispute our conclusions and, in particular, our predictions.

We believe the following urgent and important next steps are required:

1. For ad agencies, working under the ACA and with other industry bodies, to develop a clear position on the ethics of AI adoption that should be expected of members. This would be similar to the Pitch Code of Conduct that has been agreed upon in the past. Whilst imperfect and unenforceable, this will at least set out a position that balances productivity gains and the value of human jobs.

2. For clients to reach a considered and responsible decision on how extensively they expect their agencies to use AI regardless of, or in consideration of, the impact on jobs.

3. For the Advertising Regulatory Board (ARB) to develop an AI code to better regulate when generative content may or may not be used in ads and the extent to which this should be disclosed, and to find a way to enforce this new code. We are aware that this is not the direction the ARB is currently pursuing. However, in light of the arguments in this paper we urge that this matter be given further consideration.

4. Finally, for national government to take progressive and visionary measures to enhance education, training and reskilling opportunities to ensure that our country's people are better equipped for an AI-mediated work environment. In some cases, it may be necessary to pass legislation that protects human jobs even where using AI is cheaper, faster or better. A comprehensive policy approach would cover far more than the advertising industry. We know that government moves slowly and is often ill-equipped to keep pace with technological shifts, but the time to start working on this has already passed. In a country already struggling with unemployment, particularly in less-skilled sectors, we cannot emphasise enough the real threat of massive AI-driven job losses should appropriate steps not be taken with the utmost urgency.

The detrimental impacts of this technology are easy to see and inevitable unless we make a choice, as a society, to ameliorate them. Right now, we have that choice. In a few years, that may no longer be the case.

Authors' Note

We have sought to offer a balanced, realistic and useful perspective on the impact of the technological wave we are all living through. As with any material on this topic, this paper is of its moment and will no doubt require frequent updating and amendment as new versions and phases of this technology emerge.

More than anything, it is our hope that this paper sparks conversations in boardrooms, committees, workshops and government. The urgency of these deliberations cannot be overstated and we have been, if anything, rather conservative in our forecasting.

The ACA Future Industry team looks forward to feedback on this document as we continue to grapple with the changes underway. We intend to release updated versions of this paper periodically and in light of new advances that will inevitably occur.

Timothy Spira

Jarred Cinman

Johannesburg, August 2025

CONTACT DETAILS

The Association for Communications and Advertising

www.acasa.co.za

ceo@acasa.co.za