

# THE ONCE AND FUTURE INDUSTRY

Marketing in the Age of AI



x

**Booz  
Allen®**

**Good Morning**

...and a quick story

# INTRODUCTION: MY JOURNEY

Before...



Booz  
Allen

**My Role:** Head of our Responsible AI Practice

**Key Booz Allen Facts:**

- Founded in 1914
- 97% of our business is with the Federal Government
- We're the largest provider of AI services to the Government
- Our AI practice is ~700 staff and expected to double in the next 2-3 years

# AGENDA

---

1. **A QUICK PRIMER ON GENERATIVE AI**
2. **AI + MARKETING: WHERE WE ARE TODAY (IN 3 ACTS)**
3. **AI + MARKETING: WHERE ARE WE GOING?**
4. **RESPONSIBLE AI AT BOOZ ALLEN**
5. **WHAT THIS ALL MEANS FOR YOU**



# A QUICK PRIMER ON GENERATIVE AI: IMAGES AND WORDS

---

## Large Language Models

Trained on virtually the entirety of the world's written output, these models predict the next word or phrase (called a "Token") to generate extremely realistic - and increasingly novel - text, analysis, fiction, and more.



ANTHROPIC

## Diffusion Models

Trained on a near-endless series of images that are labeled with a description of what they are. The AI begins to understand the concept behind an image so that it can create a new image using a text-based prompt that it now "understands."



## Multi-Modal Models

These models can take in - and produce - all types of data, including audio, images, text, video, thermal information, and more. For example: taking in car horn audio and generating an image of traffic.



# AI + MARKETING

Where We Are Today (In Three Acts)



x

**Booz  
Allen®**



# ACT I: MAKE ME A WATCH

Wharton professor, Ethan Mollick, using AI to automatically research the latest watch trends and create new “products” to compete in the market. This was 2.5 months ago.



**Step 1:** “Bing, look up the latest design trends in watches. then show me a realistic picture of a new watch that you think will be trendy.”



**Step 2:** “Make it green and add complications”



**Step 3:** “Look up trends in watches in Japan and redo the image for that market?”

## ACT II: THE FUSION OF TWO LEGENDARY BRANDS

Eric Groza, Executive Creative Director at McCann Worldgroup, used MidJourney v5 - an extremely powerful Diffusion Model - to generate photorealistic images for an imaginary joint marketing campaign between Jeep and The North Face.

He created 100 images in a single day and selected his top eight. This was also 2.5 months ago but using a much more powerful AI system.



“I prompted it to get realistic textures of canvas and nylon and to make the geometry of the vehicle exterior and interior more accurate. As a creative director who works with international brands to make campaign ideas, brand stories, and product innovations – I’m astounded by the acceleration it brings to my process”



## ACT III: COCA-COLA LEAPING AHEAD

---

Coca-Cola used Stable Diffusion to create a beautiful ad spot that mixes real video, 3D animation, and AI-generated images.

This ad spot was *just last month*.



# IMPLICATIONS: CHANGE IS ALREADY HERE

---

**Speed**

**Cost**

**Scale**

# AI + MARKETING

Where Are We Going?



x

**Booz  
Allen®**



## THE SHORT TERM: HUMAN OR MACHINE?

---



**Scenario:** It was recently discovered that CNET used AI to write 73 different articles on their website. Apparently, they were “thoroughly edited and fact-checked by an editor,” but we can’t know for sure because that quote was from a BuzzFeed article (RIP) about CNET that, itself, was written by AI. Specifically, ChatGPT.

## THE SHORT TERM: KEY QUESTIONS

---

1. AI may be good for local newsrooms but what about the heavyweights with 1,000+ writers? If their staff get cut but local newsrooms expand, are we better off?
2. If an article is well-written but produced by a machine, will readers care? AI may be a boon for the *supply* of journalism but could impact its demand.
3. Will marketers distinguish between readers fed by machines and those that choose to be served by traditional journalism when designing their campaigns? Will this create a new elite-consumer division?

# THE MEDIUM TERM: EVER PRESENT, FOREVER SELLING

---



**Scenario:** Imagine that we're in NYC, a metropolis awash in sensors and devices capturing every event and incident, everywhere, all the time. Smart watches, Ring cameras, CCTV cameras in the Subway, weather data, radio traffic from emergency service vehicles...simultaneously collecting and generating unimageable amounts of text, image, audio, and contextual data from citizens across the five Boroughs.



## THE MEDIUM TERM: KEY QUESTIONS

---

1. When does marketing become surveillance? Segmentation may be benign in the abstract, but the better we get at it, the less private our lives become.
2. What role would a local reporter play when the processing and dissemination of news happens in near real-time? Does getting a quote or corroborating a story through human witnesses even make sense in this context?
3. What role would a marketer play when promotions are triggered by space, time, and mood and not strategic campaigns? Does brand matter in this scenario?

## THE LONG TERM: AUTOMATION, SEROTONIN, AND NIKE

---



**Scenario:** Imagine that ad agencies go away. They're now AI-powered Decentralized Autonomous Organizations (DAOs). In this case, Ad-GPT. Because it's connected to the internet, it's got my Facebook, LinkedIn, etc. Instagram tells it about my fashion sense. LinkedIn tells it my role and, therefore, when and how much my bonus is. It also knows my One Medical account and, even though my data is private, it infers my health profile from my age, region, and other data points. And it knows how all of these things interact. Moods, behaviors, when my serotonin levels are most susceptible to retail therapy...

## THE LONG TERM: KEY QUESTIONS

---

1. What does a Creative do in this world? Does she contract with the DAO to provide custom ad work? Does she go work for Midjourney on their consumer brand prompts?
2. What new power might this afford sellers on Etsy or regional businesses that want to go national? Would this technology level the playing field between individual and global brands?
3. What if you were offended by one of these ads? Who would you complain to, or seek legal action against? Who would the FTC sanction?





# RESPONSIBLE AI AT BOOZ ALLEN

Team and Capability Overview

**Booz  
Allen®**



# OUR APPROACH TO RESPONSIBLE AI: QUANTIFYING THE PHILOSOPHICAL

---

## What we Believe

Responsible AI principles and frameworks provide teams with *things to consider* but no tangible guidance on how to design and deploy AI systems more safely and ethically. We call this the **gap between Aristotle and algorithms**.

Closing this gap will ensure that AI systems are both **measurably responsible** and **mission-enhancing**. These two objectives must be in harmony with one another.

## Our Approach

Our capabilities are designed to be **practical, tangible, and useful**. This means turning abstract concepts into concrete guidance, speaking the universal language of risk management, and building things that we can test and measure.

This work is wide-ranging, including scenario modeling, risk assessment, test and evaluation, and policy and regulatory compliance. Each plays an important role.



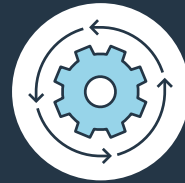
# BOOZ ALLEN'S RAI STRATEGY: FOUR PILLARS, ONE GOAL

**GOAL: BECOME THE GOLD STANDARD FOR RESPONSIBLE AI DELIVERY ACROSS THE FEDERAL GOVERNMENT**



## Develop New Tools, Capabilities & Services

Build a **capability engine** to ensure a steady pipeline of practical, tangible, and useful tools that address the full range of RAI needs and requirements.



## Operationalize Responsible AI

Bring our capabilities to bear **across our client spaces** and integrate into our internal governance structure **ahead of risk**.



## Cement Booz Allen's Market Leadership

Produce thought leadership that **drives the conversation** about RAI and establishes our work as **the best in breed**.



## Engage with the Industry

Ensure that we are a **consistent, unmistakable presence** at all key industry forums, commissions, and decision-making bodies, and that we **have the right partners** to achieve our goal.





# RESPONSIBLE AI LIFECYCLE MANAGEMENT: A HOLISTIC APPROACH

We approach RAI in four distinct phases, connecting the dots from strategic requirements to tailored risk mitigation. Our capabilities on the right address specific needs in each phase.



- 1 Responsible AI Governance:** Setting strategy, compliance requirements, and key metrics
- 2 Risk Assessment:** Understanding the risk profile of your AI ecosystem
- 3 Instrumentation:** Technical tooling for continuous monitoring and test and evaluation
- 4 Risk Mitigation:** Controls and recommendations to buy down RAI risk



# PRODUCT AND SERVICE CATALOG: A TOOL FOR EVERY NEED

Responsible AI Strategy



aiETHICAL ATO Assessment



Ethical T&E



Top 20 RAI Controls



Policy & Standards  
Analysis and Generation

Ethical Scenario Modeling

Directed Research

Ethical Case Law

# WHAT THIS MEANS FOR YOU

Risks, Roles, and Key Takeaways



x

**Booz  
Allen®**



# RISKS TO CONSIDER: MY TWO BIGGEST CONCERNS WITH AI

---

1

## Emergent Behavior

- Novel risks that we can't anticipate ahead of time
- Self-acquiring capabilities that we didn't program

2

## Impact on Jobs

- This transition being entirely unlike the Industrial Revolution
- 0% success rate in re-skilling workers at scale



## YOUR ROLE: ARISTOTELIAN MARKETERS

---

Consider this: The classical philosophers were not much concerned with the difference between right and wrong. Instead, they asked a different question: **What does it mean to live a good life?**

Aristotle called this Eudaimonia, which is about **human flourishing**.

Our approach to Responsible AI is highly influenced by this idea. Namely, that **we should not myopically focus on risk and harm**.

What would this look like in Marketing? How might you use AI in this domain to radically impact human flourishing? Or more simply, to improve the lives of the people you serve? Ask yourself three question:

1. **What is the maximal good that AI could do in my work?**
2. **What are the potential risks in using it in this way?**
3. **How can I mitigate these risks so that the maximal good can be achieved?**



## YOUR ROLE: ARISTOTELIAN MARKETERS

---

Consider this: The classical philosophers were not much concerned with the difference between right and wrong. Instead, they asked a different question: **What does it mean to live a good life?**

Aristotle called this Eudaimonia, which is about **human flourishing**.

Our approach to Responsible AI is highly influenced by this idea. Namely, that **we should not myopically focus on risk and harm**.

What would this look like in Marketing? **How might you use AI in this domain to radically impact human flourishing?** Or more simply, to improve the lives of the people you serve?



# KEY TAKEAWAYS: IT'S ABOUT TO GET INTERESTING

---

- 1 **AI's Capability**
- 2 **Your Organization**
- 3 **Risks and Flourishing**
- 4 **Existere est venales sunt**
- 5 **Formulaic Creativity**

## ONE MORE...

---

6

...don't skip your midterms or you'll have to give a keynote address 15 years from now

# Thank You!

**Connect on LinkedIn**

@geoffschaefer

**Email me at**

[schaefer\\_geoffrey@bah.com](mailto:schaefer_geoffrey@bah.com)