# Artificial intelligence in marketing: a call for innovation beyond cost-cutting



At this year’s South by Southwest (SXSW) festival, Yann Caloghiris, the executive creative director at Left Field Labs, shared insights on the evolving role of artificial intelligence (AI) in marketing and creative industries. Caloghiris emphasised that the future for agencies lies in designing AI-powered experiences that not only enhance brand engagement but also make brands more interactive and indispensable to consumers.

Coca-Cola, a brand known for its iconic holiday advertisements, recently released an AI-generated Christmas ad that garnered mixed reactions. While the advertisement was described as festive and polished, Caloghiris viewed it as indicative of a troubling trend. "It was a mistake," he stated decisively in a conversation with The Drum. He elaborated, "Not the use of AI – that’s inevitable. But it made AI the story rather than using AI to tell the story better." According to him, the core essence of Coca-Cola—bringing people together and marking the festive season—was overshadowed in favour of a narrative centred on AI production efficiencies.

Caloghiris expressed concern regarding the prevalent perception of AI among brands, noting that many are viewing it merely as a cost-reduction tool rather than an opportunity to innovate. "Right now, a lot of brands are in this panic mode of ‘AI is going to replace everything,’" he commented, suggesting that such an outlook may inhibit creativity and hinder the exploration of novel approaches to communication and customer engagement.

Reflecting on his own career trajectory, Caloghiris recounted his experiences starting in traditional typography before witnessing its transformation through digital technology. He has since led projects focusing on experiential design for major automotive brands in Detroit, eventually arriving at Left Field Labs. His significant insight into the transformative potential of AI emerged during a SXSW presentation seven years ago, where he asserted that AI could supplant 30% of design tasks. The turnout for his speech, which attracted an audience of 800, helped clarify for him the magnitude of the shift underway in the creative landscape. "This isn’t a trend," he remarked, "This is a tectonic shift."

At Left Field Labs, Caloghiris and his team are working on creating AI-driven experiences for high-profile clients such as Meta and Amazon. He firmly believes that the focus of creativity must evolve beyond merely crafting advertising campaigns, stating, "The days of just making great campaigns? They’re numbered." He contends that creativity should integrate into product designs and consumer interactions, as simply repackaging existing ideas will not suffice in a rapidly changing market.

Caloghiris outlined the future implications of advancements in on-device AI, made possible by innovative chips like those from Qualcomm. He explained that the ability for devices to process data independently can result in more responsive, tailored interactions without constant reliance on cloud computing. This shift not only enhances efficiency but also opens new avenues for how consumers engage with products, particularly in industries like automotive. "AI will let you talk to your car in a much more natural way. It’s already happening," he noted, highlighting existing trends in China where automotive innovations are rapidly unfolding.

Yet, he cautioned against utilising AI solely as a mechanism for cost-cutting. "We’re already seeing it," he warned, noting that investors are increasingly questioning marketing teams about their use of AI for efficiency. The Coca-Cola Christmas advertisement, according to Caloghiris, exemplifies a broader trend in which companies prioritise budget over impactful storytelling.

On a positive note, he cited the retail sector as one where companies have successfully embraced AI to enhance customer experiences. He mentioned Estée Lauder’s in-store AI diagnostic tool that assesses hair and scalp health, offering personalised product recommendations. "That’s where creativity needs to go," he asserted, advocating for approaches that enrich consumer experiences rather than merely focusing on sales.

Looking ahead, Caloghiris expressed a belief that the traditional agency model, centred around designing advertisements, is becoming obsolete. Instead, he envisions a new paradigm where agencies will focus on creating AI-integrated experiences that make brands more interactive and relevant. He stated, "We’re moving from selling a dream to building the reality." He underscored that creativity must advance beyond content creation to remain relevant in a rapidly evolving landscape.

In summary, Caloghiris’ insights at SXSW illuminate a pivotal moment in the marketing and creative industries as AI begins to redefine how brands interact with consumers. The emphasis on innovation over cost-cutting is critical for brands aiming to thrive in this new environment.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.adweek.com/creativity/sxsw-2025-think-trendspotter-not-marketer/> - This article highlights the evolving role of AI at SXSW, focusing on its practical applications in enhancing creativity and consumer engagement, which aligns with Caloghiris' emphasis on using AI to innovate rather than just as a cost-cutting tool.
* <https://www.youtube.com/watch?v=vSFrlsSfB0Y> - This YouTube video discusses AI's role in the media industry, including its use in content production and marketing, reflecting the broader trend of AI integration in creative fields as mentioned by Caloghiris.
* <https://www.mysanantonio.com/business/article/ai-artificial-intelligence-crypto-sxsw-2023-17838610.php> - This article from SXSW 2023 highlights AI's growing presence in marketing and creative industries, similar to Caloghiris' observations about AI's role in transforming these sectors.
* <https://www.federalregister.gov/documents/2023/10/05/2023-21078/guidance-for-grants-and-agreements> - Although not directly related to AI in marketing, this document from the Federal Register indicates broader technological advancements and regulatory discussions, which can indirectly influence AI development and its applications.
* <https://pmc.ncbi.nlm.nih.gov/articles/PMC10311201/> - This article discusses digital evidence in criminal cases, which, while unrelated to marketing, shows how technology is transforming various industries, reflecting the broader trend of technological integration as noted by Caloghiris.