# NOVUS

# **Beyond the Hype:** Making Al work for you

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Everyone is talking about AI these days, and with good reason. Most people think of AI as ChatGPT or similar generative AI offerings, but the truth is that machine learning (the earlier iteration of AI) has been around for quite a while. Anyone that uses email these days is already using AI and has been for a while - it's the power behind your spam filters, focused inbox, and suggested responses.

That said, the real sea change is coming in the form of generative Al. Our prediction is that it's going to be as big of a disruption to our way of working, living, and interacting as the internet was. Only it will happen faster than the internet revolution because AI is actively learning and helping us train the next iteration of the model.

Below are five ideas to keep an eye on:

## 1. We're at the 'Blank Page' stage

While generative AI has captured the imagination of industries worldwide, its adoption in the industry remains relatively low due to the perceived magnitude of the shift it represents. Similar to the challenge many of us face with large projects - staring at that blank white starting page many businesses are grappling with understanding the full potential of AI, often stalling their progress.

In her role prior to joining NOVUS, Lauren Cerney was a primary contributor to <u>IAB's report</u> on this topic. highlights the need for clearer, more pragmatic approaches to integrating AI.

## 2. Progress over perfection

The best way to get past the 'Blank Page' stage is to simply get something on the page. Paul DeJarnatt recently sat down with Grit Daily to talk about easy, practical tips for using AI.

At NOVUS, we emphasize straightforward strategies for incorporating generative AI into daily media and business operations. Here are three actionable tips to make Al more accessible to all:





#### Treat it like a colleague, not a search engine.

Ask it a question, critically think about the responses, ask it for clarification and sources, but most of all, it's about the back and forth, not input/output.



# Work it into a day-to-day project.

An easy introduction to AI is to ask it to do something you're pretty well versed in already. It makes it easier to validate and once the AI is trained, will save you time in the long run.

Important note: Don't use proprietary or sensitive data unless you're on a licensed version that won't be used to train the AI model. Always check with your technology/legal teams if you're ever in doubt.



### Ask it why it's wrong.

If you haven't had this experience yet, you will. Al's response to your request will come back as confident, authoritative, and completely and utterly W-R-O-N-G.

However, it's remarkably great at self-diagnosing and correcting inaccuracies in the process. It is a mind-blowing experience to be able to ask the Al why it's getting the answer wrong and watch it intuitively seek out the issue, address it, and produce a revised response right in front of you.

## 3. Al in practice

NOVUS is taking a very practical approach to Gen AI, with a focus on utilization and tangible applications. We lean into these opportunities by keeping our finger on the pulse of the market and then applying these features that go beyond client expectations.



#### **Key Partnerships**

We see out partnerships that can demonstrate how they utilize AI, and more importantly, how we can interact with their AI instance. This rapidly filters out the buzzword-users from the actual AI users.

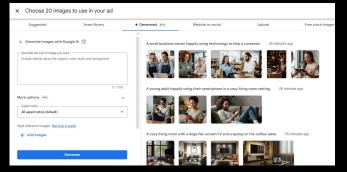
#### Leaning into Gen AI betas.

Google has recently rolled out an AI image generator for their PMAX product. It is designed to solve a real challenge – large company or small, getting images for a campaign can be difficult and expensive.

For a client with a small business-focused campaign, we tested it out. Here's how the process went.

#### First 60 seconds:

Find the right prompt.



#### Second 60 Seconds:

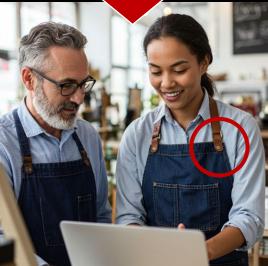
Browse the images and select our favorite.



#### **Last 60 Seconds:**

Use the editing tool to touch up a couple of odd anomalies.





In three minutes, we had a campaign-ready image to test that looked like it was from a professional photo shoot. Amazing.

With a slightly longer time investment, this beta can source information from a client's website, social media channels, etc. to give the AI more context into the unique selling proposition of the product or service, which is useful for more complex offerings.



## 4. Shopping is here

OpenAI (ChatGPT's parent company) announced this week that they are beginning to roll out shopping functionality in the program. It makes complete sense – if you want people to use Gen AI for many different needs, shopping and ecommerce is an obvious move. It provides real value while opening the door to future advertising and monetization opportunities.

The Shopping feature as it stands today relies on structured data that powers all of the other shopping engines across the web. It's important for anyone looking to take advantage of this feature to really focus on all of the existing best practices for products – clear product imagery, titles, descriptions, and don't sleep on keeping those reviews positive.

The difference that AI brings to this sector is that it's also factoring in what it knows about the person searching (the example OpenAI uses is a fear of clowns, so it steers clear of clown costume ideas) plus making what are essentially judgement calls on your behalf. If you aren't pleased with the results, a quick re-prompt will give you better listings and inform all future listings. It's always learning, and in time it may start to feel like you're online shopping with a friend or a personal shopper.

Looking beyond the Shopping product itself, it's fascinating to look at the Shopping development timeline.

By way of a baseline, here is Google's timeline of major launches, using Shopping as a benchmark for innovation:

1998

Google launches their searchable web index



**2002**Google la

Google launches their first Shopping product, a standalone search feature called Froogle

2007

Google Product Search replaces Froogle, integrating Shopping results into the Search Engine Results Page (SERP)

2013

Google Shopping replaces Google Product Search, moving to an entirely payto-play system That's a 15-year cycle from 1998 to 2013 to develop the Shopping ecosystem – and that ecosystem hasn't changed much in the last 11 years.

Now, let's look at ChatGPT:

### Nov 2022

ChatGPT launches their text-based, public-facing 3.5 model



## **May 2024**

ChatGPT 4.0 launches, integrating text, image, audio, and video elements

### Feb 2025

ChatGPT 4.5 launches, improving accuracy and emotional tone while reducing hallucinations

## **April 2025**

ChatGPT rolls out organic shopping results

That's 29 months, less than two and half years!

Using Shopping features as an illustrative example, it becomes clear how quickly AI advances can be made. Of course, one could argue that Google did a lot of the heavy lifting.

The AI models have tons of structured data that Google has spent decades training the world to develop. But AI also learns on its own. It adapts to inputs in the way people use it, the errors it makes, and the acceptance levels of its corrections.

While it does rely on very smart people who work on the model, those people are providing feedback and guardrails, not explicit instructions.



## 5. Shifts in consumer behavior

ChatGPT is growing explosively each month since it launched, and it's not surprising. It's becoming more well known in mainstream society, people are starting to find ways to adopt it, and since it basically started from zero not long ago, has a ton of headroom for growth.

In August 2024, ChatGPT's weekly active users were pegged around 200 million. In April 2025, just 8 months later, Sam Altman, OpenAI's CEO, let slip at a conference that the weekly active user count is now around 800 million - 4x growth in 8 months!

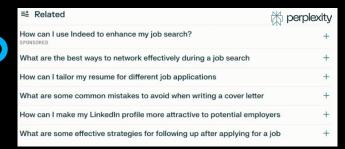
All of that usage and time has to come from somewhere. The logical assumption is that it's seen more and more as a search replacement, so Google should be feeling the pinch. Interestingly, that's not happening yet, and it's because of Google's own Al, Gemini. Since rolling out their Gen Al in May of 2024, Google has seen a 9% increase in visits. Time on site and pages per visit are dropping, indicating that the Gen Al responses are helping users find their answers faster.

For advertisers, we fully anticipate that at some point in the future, ChatGPT will begin to offer advertising solutions. That said, OpenAl's CFO, Sarah Friar, said in December "Our current business is experiencing rapid growth and we see significant opportunities within our existing business model. While we're open to exploring other revenue streams in the future, we have no active plans to pursue advertising." It seems like too easy of a revenue stream to pass up in the long term, especially as their competition starts to effectively monetize their Al solutions through advertising.

Perplexity, a smaller but still popular Gen Al company, has started piloting an initial advertising offering. Their approach is to offer sponsored questions, rather than sponsored results, that encourages users to explore related queries. To Perplexity executives, relevancy is king, so as you can see from the sample Sponsored Question, the sponsored listing needs to clearly relate to other suggested questions.

#### Sources:

https://searchengineland.com/ai-overviews-data-google-visits-are-up-but-engagement-is-falling-454911, https://www.perplexity.ai/hub/blog/whywe-re-experimenting-with-advertising

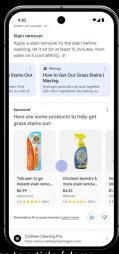


Google, of course, is built around an ad-supported model, and is instead focusing on using Al in ways that integrate with their existing commercial infrastructure. While the form and format of those ads remains to be seen in their ChatGPT competitor product, Gemini, there are few companies on the planet that are as good at innovating in the ad space as Google.

In fact, Google has already announced that the Al Overview results that now use premium real estate at the top of the SERP on most queries will begin featuring ads. Advertisers don't even need to do anything special – these ads will automatically pull from existing paid search, shopping, and PMAX campaigns.

To give you a sense of what this will look like, Google produced the following video demo below:





Click image to be taken to article / demo

For now, paid search best practices remain pretty much the same (with the notable callout to take full advantage of those beta opportunities that are popping up). However, as GenAl attracts more users and advertising solutions become available, be prepared to nimbly shift into these new trends. They may be unproven, but that doesn't mean they don't carry value - likely, it will be quite the opposite.