

AI IN ADVERTISING

Shaping the Future of Media and Advertising in Dubai

WHY ADVERTISING AND MEDIA IS A GLOBAL CHALLENGE

The global media and advertising landscape is undergoing significant growth and transformation, with digital advertising spending projected to reach \$870.85 billion in 2027, making up 62% of total media ad spend¹. This surge is fueled by advancements in technology, particularly in programmatic advertising, which allows for more precise targeting and personalisation. However, the industry faces challenges such as adapting to rapid technological changes, balancing privacy concerns in the digital age, and creating content that resonates with audiences who have shorter attention spans, especially among Gen Z. This generation, known for its preference for authenticity and quick, engaging content, is pushing marketers to rethink their strategies.



KEY STATISTICS



The global digital advertising market is expected to reach

USD 870.85 billion

in 2027, with a compound annual growth rate (CAGR) of

15.4%

from 2025 to 2030.^{1,2}



Using AI-generated content and personalised marketing, Michaels increased response rates, as they went from personalising **20% of their email campaigns to personalising**

95%

and a

25%

Clickthrough rate (CTR) lift on email campaigns.

They also saw a

41%

CTR lift on SMS campaigns using the same strategy.³



87%

of CMOs agree **AI represents the future of advertising and marketing,**

83%

of CMOs say **AI will allow human teams to be more creative** and

86%

agree it will **improve efficiency.**⁴



WHAT DOES IT LOOK LIKE IN DUBAI?

Dubai has solidified its position as a major regional and international hub for media and advertising, with the Dubai Media Council (DMC) driving the industry's evolution through initiatives such as the Emirati Media Talent Pledge and the 'One Media Dubai' platform ^{5, 6}.

Dubai Media City, offering state-of-the-art infrastructure and a supportive business environment, has attracted global giants such as CNN and BBC, and serves as a key part of a comprehensive media ecosystem that includes Dubai Production City and Dubai Studio City. This ecosystem is home to 3,000 companies and 30,000 professionals, broadcasting in multiple languages to millions worldwide ⁷.

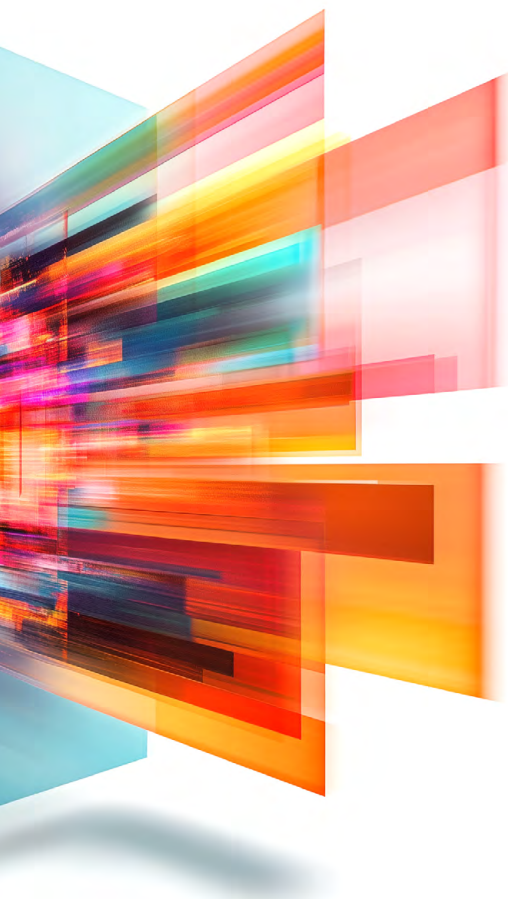
However, to maintain its leadership in the region, the industry must swiftly adapt to rapidly evolving technologies and meet the ever-changing demands of new generations. Embracing innovation is essential for Dubai to continue setting the standard in the media landscape and to sustain its position as a premier global media hub.



HOW AI WILL SOLVE THIS CHALLENGE

AI can transform government media and advertising by automating and optimising processes traditionally dependent on human resources and high production costs. Using AI-driven tools such as generative models, governments can create realistic images, videos, and even virtual spokespersons without the need for costly photoshoots, modeling sessions, or video production crews. These AI models can generate visuals and content that reflect various demographics and environments, enabling highly personalised and region-specific advertisements at a fraction of the cost.

Additionally, AI-powered data analytics can streamline audience segmentation, allowing governments to target specific groups with precision, optimising resource allocation for maximum impact. Through machine learning algorithms, advertising campaigns can be continuously monitored and adjusted in real-time, leading to better performance while reducing wasteful expenditure on underperforming ads. Furthermore, AI can predict trends and public responses, allowing governments to proactively adjust messaging and content strategies. This not only improves engagement but also significantly reduces the trial-and-error costs associated with traditional media campaigns, making government communications more efficient, effective, and cost-conscious.





WHAT DOES IT LOOK LIKE IN DUBAI?

Dubai government is adopting AI in media and advertising, significantly reducing costs while enhancing efficiency and effectiveness. AI could automate content creation, such as generating text, visuals, and videos, cutting the need for expensive production processes, reducing 50-70% in content creation costs. With AI-driven audience segmentation and real-time ad optimisation, Dubai government entities could target specific groups more accurately, ensuring that public messages are delivered to the right people at the right time. Additionally, predictive analytics would enable more informed decision-making, leading to higher engagement and better return on investment for public campaigns, ultimately allowing the government to allocate resources more effectively and respond rapidly to evolving public needs.

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CITATIONS

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² Statista, "Online Advertising Spending Worldwide," www.statista.com/statistics/237974/online-advertising-spending-worldwide/, accessed 2024.

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⁴ Dentsu, "Creative CMO Report 2023," www.dentsu.com/sg/en/our-news/dentsu-creative-cmo-report-2023, accessed 2024.

⁵ Dubai Media Office, "Dubai Media Council Launches One Media Dubai," www.mediaoffice.ae/en/news/2022/June/20-06/Dubai-Media-Council-launches-One-Media-Dubai, accessed 2024.

⁶ Dubai Media Office, "Dubai Media Council Launches Emirati Media Talent Pledge in Partnership with Private Sector," www.mediaoffice.ae/en/news/2024/may/28-05/dubai-media-council-launches-emirati-media-talent-pledge-in-partnership-with-private-sector, accessed 2024.

⁷ Dubai Media City, "Dubai Media City Celebrates 20-Year Milestone," www.dmc.ae/media/press-releases/dubai-media-city-celebrates-20-year-milestone, accessed 2024.