BALANCING INNOVATION AND AUTHENTICITY: INTEGRATING AI IN PLACE MARKETING

INSPIRED LEADERS SHAPING CITIES

The intersection of artificial intelligence (AI) and marketing presents a landscape ripe with potential and countless new capabilities. At a pivotal point where many of AI's promises lie within reach, how can UPMOs capitalize on these new tools to operate efficiently and effectively? Do we have to sacrifice authenticity and voice to realize those gains?

Thinking About AI? You Should Be

Understanding machine learning's ability to enhance human genius has become essential: AI is everywhere and for everyone. This technology can revolutionize traditional practices in delivering compelling content, automating marketing processes, and boosting team efficiency. From strategic planning and creative ideation to thorough research and compelling copywriting, AI offers a tool, not a replacement, for ingenuity and a human touch.

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AI's evolution continues to offer more sophisticated resources for marketers. AI tools can be trained to analyze data, generate ideas, craft initial drafts, optimize content for different platforms, and more—but human insight remains crucial to shaping this output and infusing it with authenticity. Human oversight ensures that AI not only accomplishes the task but that its output resonates with your audience and meets key brand objectives. Generative AI promises a new era of efficiency, personalization, and innovation in marketing for UPMOs.

This brief dives into the evolving landscape of AI in marketing. It highlights exciting opportunities but urges that UPMOs wield these tools with finesse to retain their authentic voices. When exploring emerging AI tools and technologies, UPMOs should be aware of its challenges:

- Balancing authenticity with team efficiency
- Addressing legal and ethical concerns
- Avoiding robotic communication
- Learning new skills and technology
- Managing cost and resource allocation

They should also take note of its advantages:

- Enhancing team efficiency
- Improving data analysis
- Streamlining tasks
- Generating ideas and content
- Assisting in cost savings

This brief advocates a balanced approach in which AI complements—but cannot replace—human creativity. It advises UPMOs to test the waters of AI now, rather than risk falling behind.

AI's Role in Marketing

AI can increase the capacity of marketing teams in several ways—especially for UPMOs with small staffs. During IDA's April 2024 webinar "Advancing Places Community Conversation: Artificial Intelligence in Marketing for UPMOs, Friend or Foe?", attendees shared several ways they use generative AI for marketing.

They have plenty of company. A 2023 study found that 73% of U.S. marketers use generative AI tools. Though the picture for UPMOs is less understood, marketing represents a central function. IDA's *2023 Staffing & Salary Survey*, found that 84% of UPMOs reported having at least one marketing or communications staff member on staff, suggesting significant potential for AI integration within UPMOs.

How are you currently using AI?
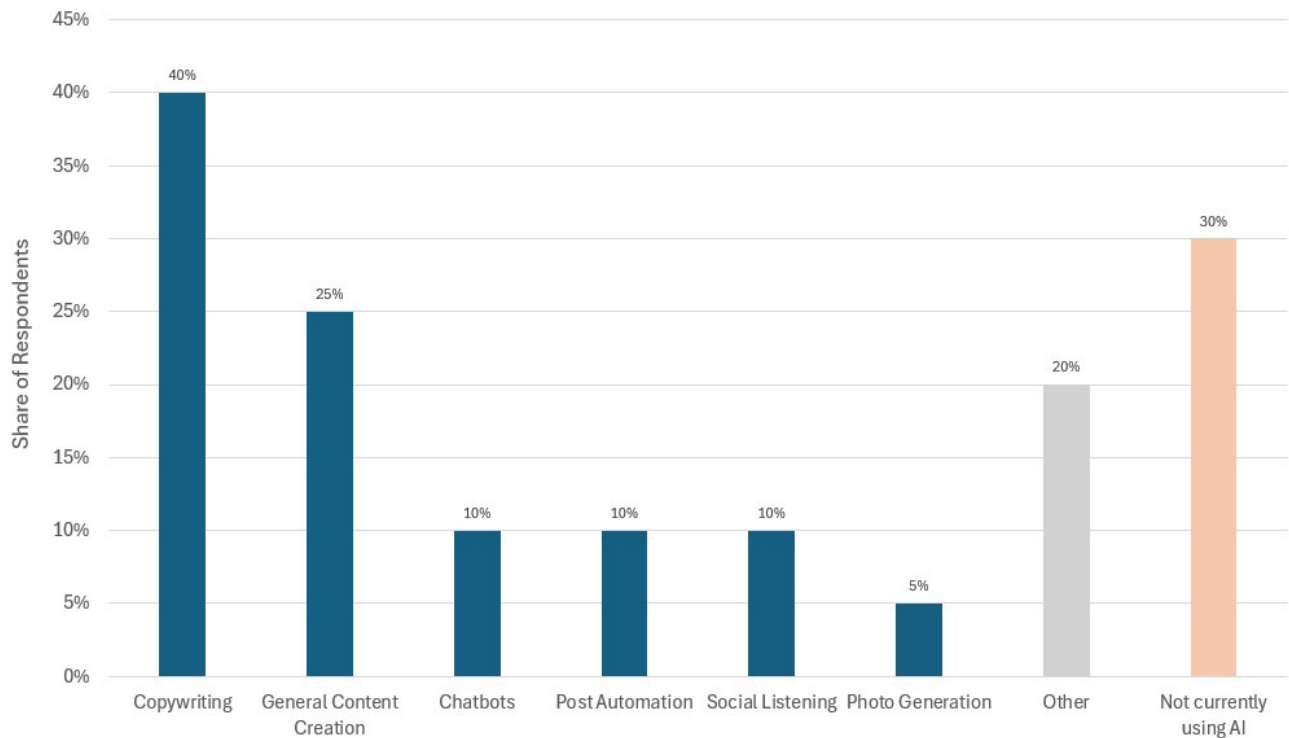
Preserving Brand Identity

Maintaining a consistent brand voice stands as an essential function for organizations in communication across all channels, and AI-powered content tools can assist in monitoring and analyzing brand communications at scale. These tools can help identify patterns, sentiment, and linguistic nuances in content, ensuring adherence to brand voice guidelines. However, AI tools require training with years of content developed by a brand to ensure sufficient reference material for accurate analysis, production, and presentation.

Serving as a Sounding Board

AI can serve as a sounding board in areas such as data analysis, customer service, and content creation. Its ability to process and analyze large volumes of data helps marketers make more informed decisions, identify trends, and understand consumers' behavior patterns.

AI has also emerged as a valuable resource for brainstorming and ideation in content creation. It can help generate ideas, draft copy, and establish initial frameworks. Marketers can use AI-generated content as a starting point that they further refine to align with their brand's voice and messaging. This collaboration combines the efficiency and data-driven insights of AI with the creativity and contextual understanding of human marketers.

However, AI does have critical limitations in real-time decision-making. As noted, it can provide valuable insights and automate certain tasks, but it lacks emotional intelligence and contextual understanding. That makes human oversight and intervention crucial to ensuring that output aligns with a brand's values, goals, and ethics.

Case Study: Incorporating AI into day-to-day work

In Seattle, Washington, Kiera Lyssikatos initially held reservations about artificial intelligence, worrying it conflicted with her role as a community relations engagement specialist at the Downtown Seattle Association, which oversees 300 blocks in the Emerald City. "I want to be able to relate to people," Kiera explained. "I want to be able to come off as a genuine person and be authentic in my communications with people."

Her perspective shifted when her supervisor assigned her to use AI to help develop icebreaker questions for the organization's first Arts & Culture Committee meeting. Kiera found it to be a positive experience and began seeing uses for AI in daily tasks, including copywriting, drafting emails, generating ideas, researching programs, and summarizing meetings. She found it especially helpful when looking to keep messaging as clear and succinct as possible. "I tend to embrace the mechanical aspect of AI and use it to make sure that I am streamlining whatever it is I have to say."

Kiera estimates that she uses AI at least once a day. She likened her go-to software, Microsoft Copilot, to having an assistant, saying it saves her 10 to 15 minutes on each email draft—up to one hour per day, which translates to roughly 260 hours a year or greater than six full work weeks per year.

Though she instinctively leans toward the human side of this equation, Kiera is interested in expanding her current use and exploring other AI programs and services. "I feel that my mindset is shifting," Kiera reflects. "I understand that AI is here to stay and that it's a powerful tool. I'd rather be learning how to use this tool and growing with it, instead of being against it."

Photo credit Downtown Dallas, Inc. ?

Creating Efficiencies

The ongoing debate about AI often highlights the significant efficiency it delivers. According to Salesforce's Generative AI Snapshot Research Series, an ongoing study of more than 4,000 full-time workers across various industries, seven of ten marketers expect generative AI to help eliminate busywork from their workload, freeing them for more strategic work. Though concerns about accuracy and morality persist, marketers predict AI could save them five hours of work per week, equivalent to six work weeks annually. Extra brain power, artificial or not, could be invaluable for a small team looking to improve efficiency. IDA's *2023 Staffing & Salary Survey* found the median number of full-time employees at UPMOs was four. For teams that small, AI could become a game-changer in terms of optimizing time.

Participants in the "Artificial Intelligence in Marketing for UPMOs, Friend or Foe?" webinar, reported in resounding numbers that AI tools felt like having an additional person in the room to bounce new ideas off of, streamline tedious tasks, and mitigate the challenges of "blank page syndrome."

Saving Costs

Data is still emerging on whether marketers use of AI to reduce time spent on menial tasks and focus on higher-value activities translates into significant cost savings. We tend to assume that time saved equals money saved, but quantifiable cost savings remain hard to pinpoint this early in AI adoption.

According to McKinsey's report The State of AI in early 2024, marketing and sales professionals reported that generative AI adoption in 2023 produced less than a 10% reduction in costs and less than or equal to 5% in increased revenue. Despite these modest impacts, 67% of professionals surveyed across a variety of industries expect their organizations to invest more in AI over the next three years, suggesting that more substantial cost savings might be on the way.

Case Study: Leveraging AI to shift marketing focus

Who: Cherry Creek North, Denver, Colorado

Eight full-time employees
Four dedicated marketing staff

Cherry Creek North, just outside downtown Denver, has recently begun to broaden its traditional focus on residential and localized retail, a transition triggered by the construction of five hotels nearby. The area's changing character spurred the UPMO to add destination and tourist marketing.

Challenge: Despite strong overall credentials, the internal marketing team had little expertise in destination marketing and found itself caught between SEO demands and a need to continue adjusting marketing.

AI Tool: AnswerThePublic, which helps marketers identify the questions and topics their audience searches for online so they can identify SEO keywords and phrases to maximize blog and website traffic.

Results: Already generating much of its own content, Cherry Creek North used the tool to help align content creation with trending topics. Tempered by the team's existing knowledge and a process true to Cherry Creek's identity, the tool has proven effective in hitting SEO-improvement goals.

Measurables/successes:

- Time saved on blog posts

- Time saved on Google Tag Manager

- Real-time results

The team discovered limits to using AI as a standalone tool. They needed to employ other AI programs to ensure that they followed SEO best technical practices, and results still required a "human touch." Ultimately, the marketing team decided that the AI tool wasn't yet sophisticated enough on its own to replace a human expert and re-engaged another SEO agency.

The Dichotomy of AI: Authenticity vs. Efficiency

Even with numerous potential upsides, incorporating AI into marketing demands finding the balance between efficiency and authenticity. Authentic marketing content remains essential for building brand loyalty and engagement. Brands that prioritize authenticity in community find consumers more likely to trust and engage with them (*Marketing Week*, 2019). Authenticity also resonates with increasing demands for transparency in the digital age, particularly during this AI revolution. Creating authentic content requires brands to align messaging with core values while remaining relevant to their target audience's desires and behaviors (Kietzmann et al., 2011). Can artificial intelligence generate content with that kind of authenticity?

AI also raises legal and ethical concerns. Copyright and IP law can't keep pace with rapidly evolving technology, potentially leading to decisions that don't reflect a full understanding of what existing laws do protect. ~~Deep-pocketed organizations can wage legal battles to protect their work, but those with limited resources may not be as successful.~~ Deep-pocketed organizations can wage legal battles or use other tools to protect their original content – Adobe, for example, adds metadata to original images to guard ownership – and protects its work from being confused as new art in 3rd party AI-generated projects. Those with limited resources may not have those options.

Our ethical responsibility as individuals and organizations when using AI tools in marketing includes adopting organizational AI policies and determining when to disclose AI use to an audience. Key questions to address are:

- When is it appropriate to use AI?

- Where do we draw the line?

- Is AI inherently dishonest?

We can't answer these questions for every organization, but we can start the conversation.
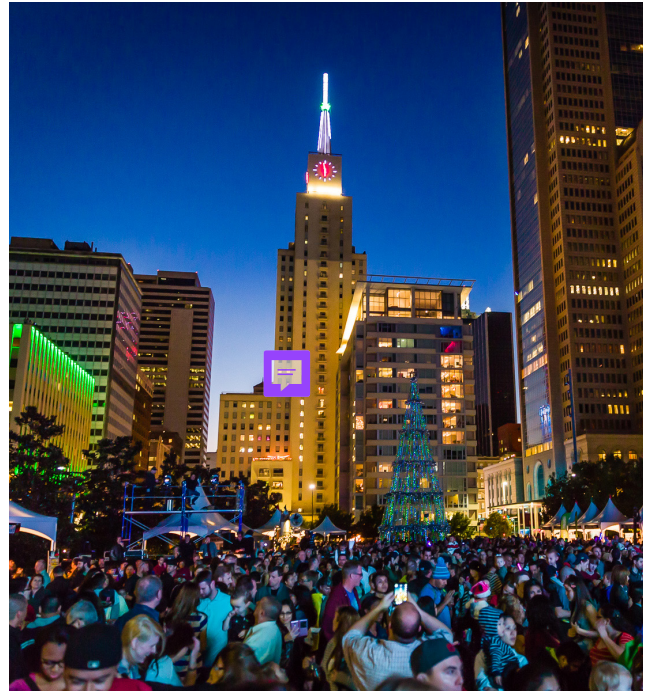

Photo credit Downtown Dallas, Inc. ?

The Calgary Farmers' Market offers a cautionary tale of how AI-generated content can collide with brand expectations. The Calgary, Alberta market hired a locally-based firm that used AI to create a new marketing campaign, including social media posts and advertisements. The campaign featured lifelike images of animals dressed in clothes and enjoying products from the market like fresh produce. AI streamlined the marketing team's work and increased efficiency, but to audience members, AI-generated content meant a bypassing of local artists, which undermined the market's stated commitment to locally sourced products. The audience, in short, felt the market hadn't stuck to its brand values.

This case study highlights the potential benefits of AI use and illustrates potential challenges, reinforcing the importance of an organization's carefully moderating AI-generated content to maintain an authentic voice that aligns with brand identity.

The Unique Value of a Human Touch

In an increasingly digital world where automation and AI play a significant role in various industries, the need for "human touch" remains paramount. While AI offers numerous benefits, it can't fully replicate the empathy, creativity, and emotional intelligence of human interactions (Zeng, Pantic, Roisman, & Huang, 2021). UPMO marketing professionals should treat AI as a complement to human connection, not a replacement for it.

While AI algorithms can process vast amounts of data and generate insights, they lack the intuition, imagination, and lateral thinking abilities of humans (Wakabayashi & Metz, 2019). Collaborative brainstorming sessions, cross-functional teamwork, and serendipitous encounters often lead to breakthrough ideas that AI alone can't reproduce.

Ethical considerations and a need for cultural sensitivity further underscore the importance of human involvement. AI algorithms are only as unbiased and ethical as the troves of data used to train them, which can produce unintended biases or ethical dilemmas. Human oversight ensures that ethical principles, cultural context, and societal norms guide decisions, reducing the risk of unintended harm.

The value of human connection lies in the quality and authenticity of interactions. Personalized customer service, empathic communication, and genuine engagement contribute to positive experiences that AI-driven interactions may struggle to replicate. Organizations must strike a balance by building on AI's strengths for efficiency and data-driven insights while maintaining the human touch to preserve authenticity, emotional resonance, and ethical integrity.

Conclusion

Integrating AI tools into UPMO marketing offers the potential to greatly improve efficiency and streamline onerous tasks. These efficiency gains can prove critical for UPMOs, which typically seek to create big impacts with small budgets and limited marketing staff. However, maintaining brand voice and authenticity remains critical for highly localized organizations. The experiences of the Downtown Seattle Association, Cherry Creek North, and Calgary Farmer's Market highlight both benefits and challenges of using AI in marketing. Ultimately, AI tools have proved most effective for place-marketing when they complement, rather than replace, human creativity and expertise.

As AI continues to evolve, your team should consider testing these tools to understand how they can make you more competitive, as long as you remember to keep your marketing true to core organizational values and message. Balancing AI's strengths with the indispensable human touch will enable all UPMOs to capitalize fully on AI while preserving authenticity, integrity, and emotional resonance in their marketing.

IDA

The International Downtown Association is the premier association of urban place managers who are shaping and activating dynamic downtown districts. Founded in 1954, IDA represents an industry of more than 2,500 place management organizations that employ 100,000 people throughout North America. Through its network of diverse practitioners, its rich body of knowledge, and its unique capacity to nurture community-building partnerships, IDA provides tools, intelligence and strategies for creating healthy and dynamic centers that anchor the well-being of towns, cities and regions of the world. IDA members are downtown champions who bring urban centers to life. For more information on IDA, visit downtown.org.

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IDA Top Issues Councils

The IDA Top Issues Councils are a strategic research initiative that brings together industry leaders to produce research briefs on the top urban issues identified by IDA members. Each council is led by a chair, comprised of place management professionals sharing their expert knowledge, and supported by both IDA staff and the IDA Research Committee. Those selected to serve on a council contribute their expertise to the growing body of knowledge on the place management industry and provide meaningful tools and information to IDA members.

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Suzy Changar, Senior Vice President of Marketing + Communications at the Hudson Square BID, is responsible for creating a marketing campaign and press strategy to put Hudson Square on the map. Her efforts focus on beautifying the area, enlivening the streets, creating a green and connected environmentally sustainable community, and boosting retail offerings to enhance Hudson Square's desirability as a commercial hub.

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McKenzie Delisle is the marketing and events manager at Portland Downtown, a downtown improvement district in Maine's largest city. With a background in journalism and marketing, she excels in using social media and website management to authentically showcase her downtown's vibrancy. McKenzie also serves on the board of Portland Buy Local, a nonprofit promoting local shopping and supporting indie businesses. Beyond work, she enjoys soaking up the sunshine and having outdoor adventures by the sea with her partner and their pup Frankie.

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Ashwin Kutty is the President and CEO of WeUsThem Inc., a globally recognized full-service ad agency and management consultancy. He also serves as President of HealthEMe. Hewas most recently awarded the Queen Elizabeth II Platinum Jubilee Medal for his work in building a strong community and also for his outstanding and significant service to the Province of Nova Scotia. Ashwin currently serves as the Chair of the Downtown Halifax Business Commission.

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Dylan Thomas is the Marketing & Digital Coordinator at Downtown Dallas, Inc. Since April 2022, he has managed digital content calendars, marketing strategies, and creating original content for social media, newsletters, and special publications. Dylan is dedicated to promoting downtown businesses through impactful storytelling and engaging marketing collateral, ensuring all communications are on-brand and resonate with the community.