



Last updated  
19/09/2023

# our AI policy

Our AI Policy is a living document, subject to continuous evaluation and adaptation to align with evolving AI technologies and ethical standards. We remain committed to the responsible and innovative use of artificial intelligence in our work.

## Introduction

# navigating the realm of AI

**This document aims to provide a clear framework for our approach to artificial intelligence (AI), ensuring we harness its power responsibly, ethically, and effectively.**

Navigating the realm of artificial intelligence with precision and purpose is crucial. This document serves as a guide for our clients and team members, offering insights into our AI strategy and the ever-evolving landscape of AI technologies.

Throughout history, we've witnessed recurring revolutions, whether it was the shift from LPs to cassette tapes, CDs to iPods, or the rise of the internet and social media. Now, we're in the midst of the AI Revolution.

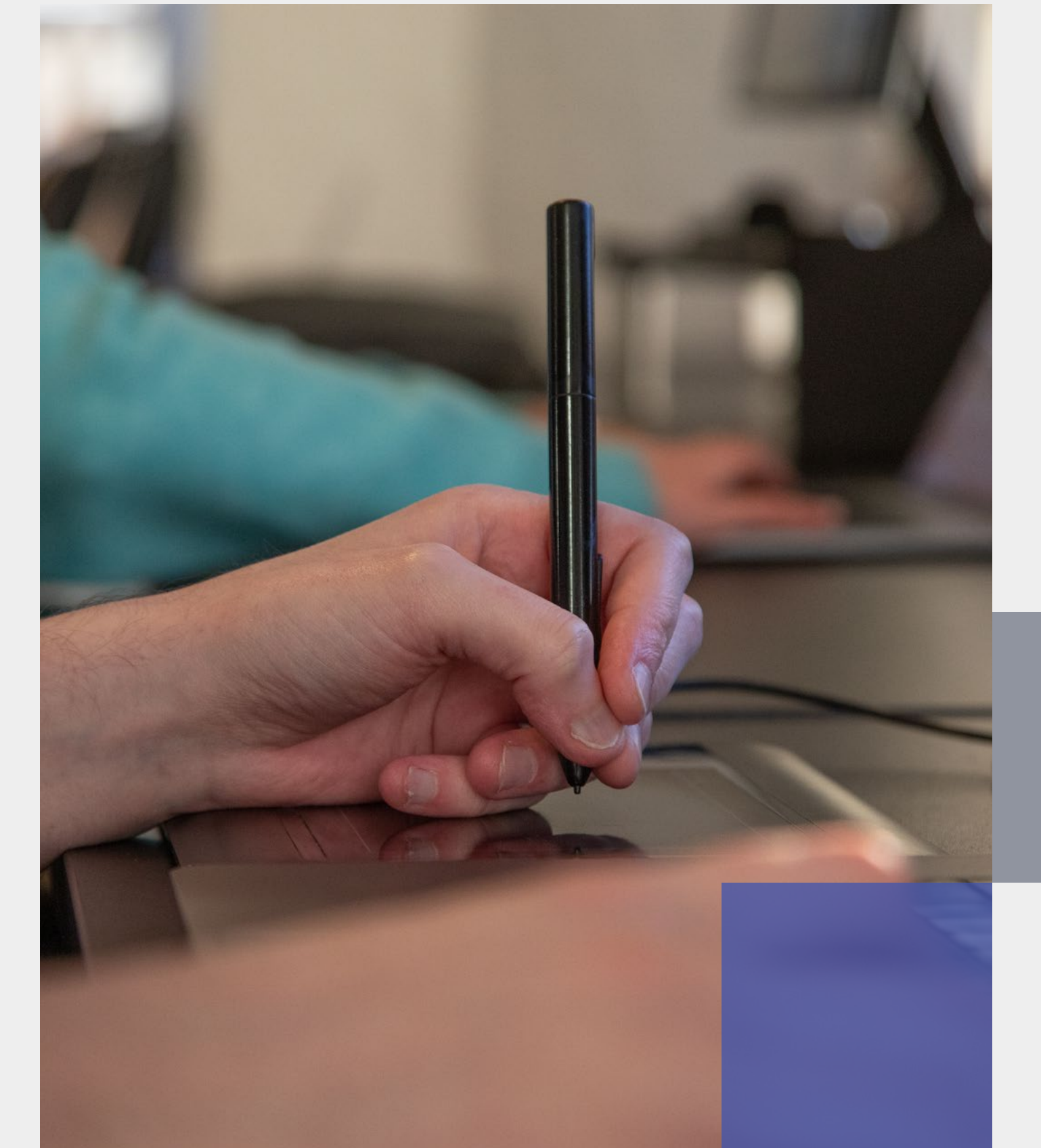
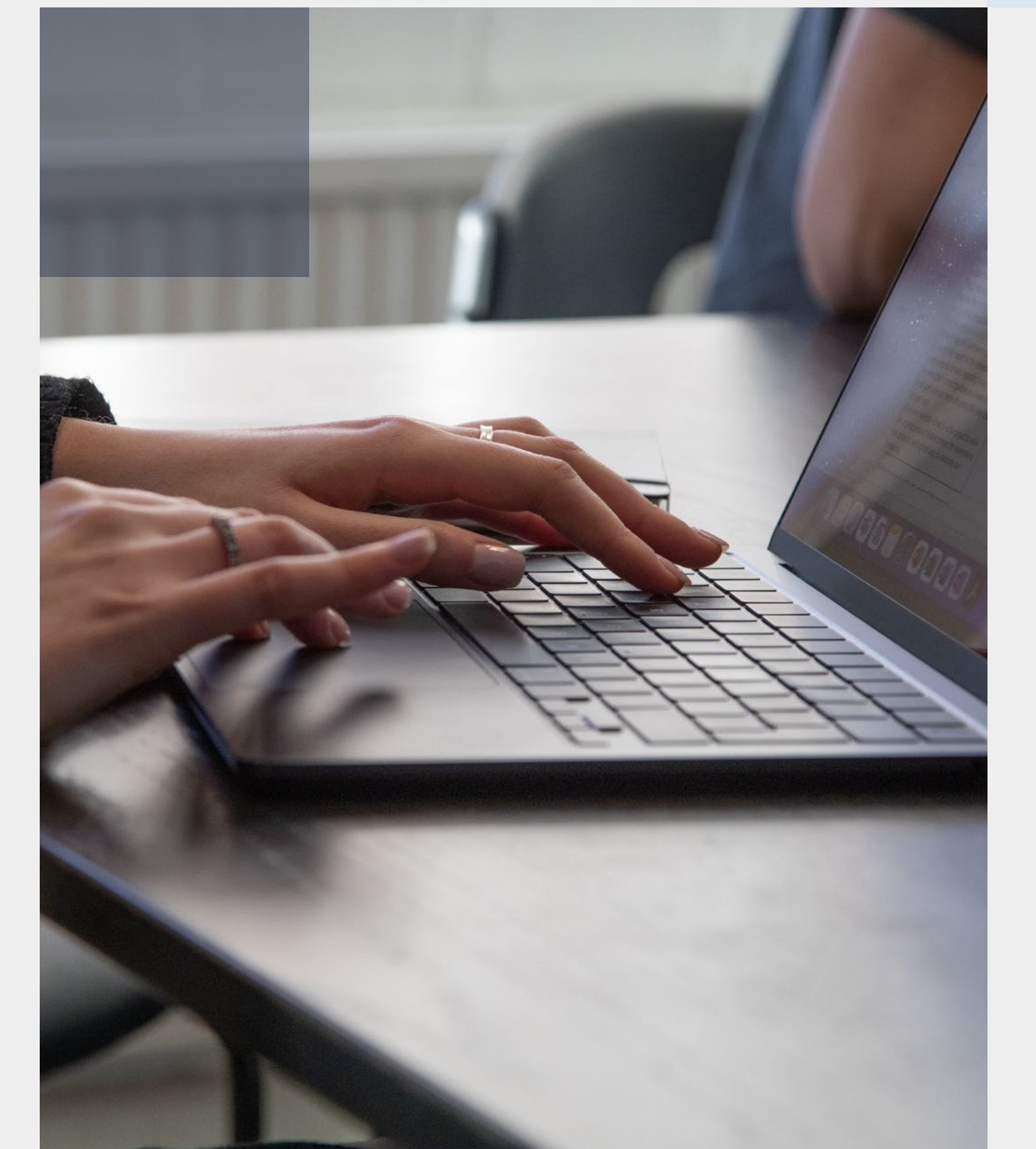
As artists, designers, and marketers, adaptation is critical. Next year, AR and VR will usher in a new era of interaction. Embrace change, for opportunities and threats come with it.

**If you have any questions, please don't hesitate to get in touch.**



**MATT SCUTT**  
executive creative director

[matt.scutt@velo-b2b.com](mailto:matt.scutt@velo-b2b.com)  
+44 (0) 208 144 1574



## Introduction

navigating the realm of AI

## Context

common perceptions

## Relevance

what is it?  
machine learning  
generative AI  
addressing the morality of AI content ownership  
AI generative text quality  
AI generative image quality  
how are we experimenting?

## Our AI policy

our goals  
our principles  
our safety barriers

## Where will we go next?

could you get involved?

## Context

# common perceptions

In today's fast-paced media environment, sensationalism often distorts the perception of artificial intelligence.

### We recognise three common perspectives:

**AI as our destruction or overlords:** Some see AI as a threat to humanity, fuelled by dystopian portrayals in popular culture.

**Job displacement:** The fear that AI will replace human jobs, leading to headlines proclaiming the “end” of various industries.

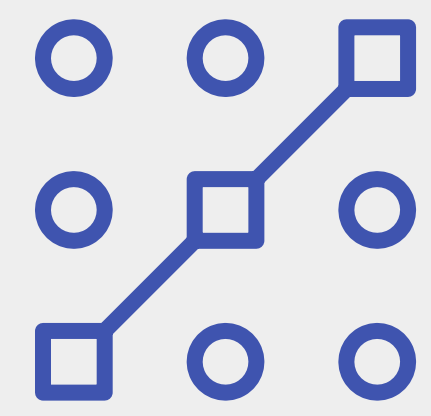
**AI as an enabler:** The most accurate view is that AI augments human capabilities, and those who embrace it will thrive.



## Relevance

# what is it?

There are four categories of artificial intelligence:



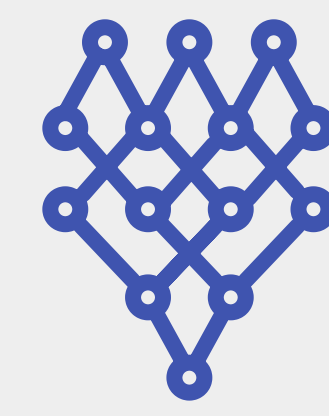
### Reactive AI

Reactive AI, exemplified by IBM Deep Blue's victory over a World Chess Master in 1997, Netflix's recommendation engine, and email spam filters, solely reacts to current scenarios without relying on taught or recalled data. It excels in tasks with known parameters but struggles in imperfect information or historical context scenarios.



### Limited Memory AI

Limited Memory AI, represented by autonomous vehicles, Machine Learning models like ChatGPT, and Generative AI, can retain and leverage past data for better decision-making. While it excels in complex tasks, it remains susceptible to outliers and adversarial inputs. This is the current state of AI, and some say we have hit a wall.



### Theory of Mind

The next evolutionary leap for AI is Theory of Mind, enabling machines to acquire decision-making capabilities equal to humans through the ability to recognise the mental state of others. This development would enhance AI's ability to interact with humans (and each other), fostering skills like empathy and moral judgment.



### Self-aware AI

The ultimate stage is Self-aware AI or AGI (artificial general intelligence), followed by ASI (artificial superintelligence). The implications of ASI are uncertain, with potentially profound consequences for humanity.



## Relevance

# machine learning

**Machine Learning systems are software components that learn from data, enabling them to predict likely outcomes or what comes next.**

They fall into the category of Limited Memory AI. Its primary focus is on training algorithms with data to enhance their performance without explicit programming.

### Some practical applications include:

Facial recognition

Personalized product recommendations

Email automation and spam filtering

Financial accuracy improvements

Social media optimisation

Voice-to-text and predictive text

Predictive analytics

Generative AI



## Relevance

# generative AI

**Generative AI involves creating algorithms and models capable of generating fresh, original content, such as images, text, music, video, and code, by learning patterns and structures from large language models (LLMs) trained on existing data.**

AI is poised to bring substantial disruption to the marketing landscape, with the potential for even more significant impacts in the future.

### It affects several key marketing channels:

#### Paid media

AI can assist in crafting effective advertisements.

#### Owned media

AI can monitor and analyse media coverage.

#### Earned media

AI can contribute to generating creative ideas.



# addressing the morality of AI content ownership

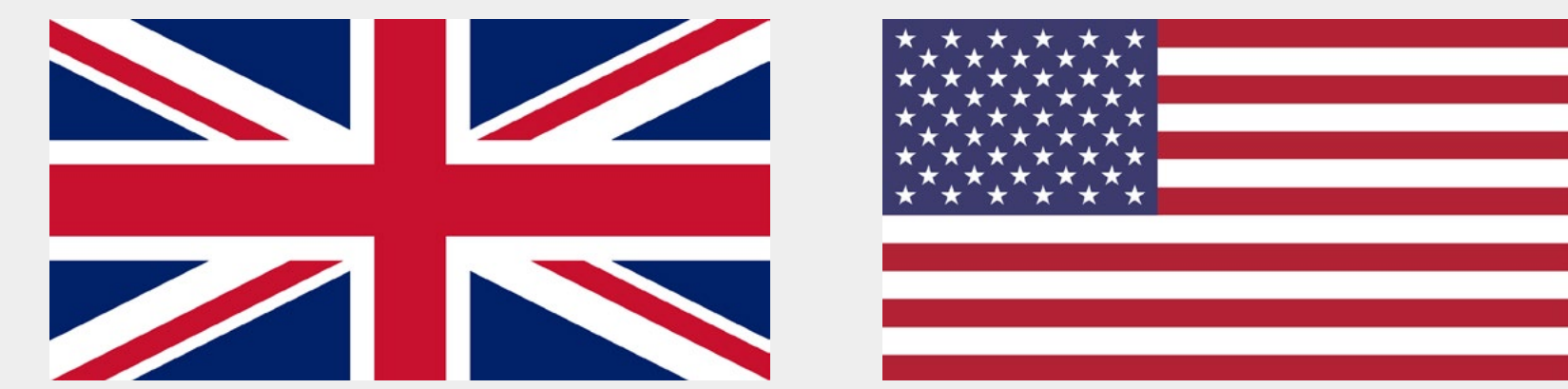
Several text-to-image models like Midjourney, Dall.E, NightCafe, and Stable Diffusion use data scraped from the internet to generate digital images, sometimes without permission. This has led to copyright infringement lawsuits against various companies, including Stability AI, OpenAI (developer of ChatGPT and DALL-E), Midjourney, and DeviantArt.

The key question arises: Who owns the content created by AI?:

The individual user writing the prompt?

The company developing the AI software?

The third-party creator who's had their work data-mined?



### UK and US

In the UK and the US, there is yet to be a clear answer. Copyright can typically only be granted to a human, which prohibits the ability to copyright AI. The US government, for example, has ruled that certain AI-generated art can't be copyrighted because it's deemed too "machine" and not enough "human." These restrictions on AI ownership have significant implications. For instance, using AI to generate designs or content for clients becomes challenging, as owning intellectual property or copyrighting such works with confidence is uncertain.



### EU

In the EU, an AI ACT mandates disclosure of AI-generated content's origin. It also requires AI models to be designed to prevent generating illegal content and calls for summaries of copyrighted data used in AI training to be published. However, this regulation won't come into force until at least the second half of 2024, and the UK and US would need to follow with similar acts.

Additionally, when using AI models like ChatGPT, it's crucial to consider compliance with confidentiality agreements, as these models improve by incorporating user input and may inadvertently include confidential information in their responses.

# AI generative text quality

The quality of AI generative text relies heavily on the data used to train the language model (LLM). Since this data often includes sources like Wikipedia and Reddit, the accuracy of the generated text can be questionable, casting doubt on its overall quality. Subpar data can lead to various issues called hallucinations:

### AI sentence contradiction

AI Sentence Contradiction occurs when input prompts or questions result in conflicting or inconsistent responses from AI models, highlighting inherent limitations and biases.

### Prompt

Write a description of a landscape in four-word sentences.

### Output

The grass was green. The mountains were blue. The river was purple. The grass was brown.

### AI prompt contradiction

AI Prompt Contradiction is when the output contradicts the given prompt, diminishing the text's reliability.

### Prompt

Write a birthday card for my niece.

### Output

Happy anniversary, Mom and Dad!

### AI factual contradiction

AI Factual Contradiction occurs when the AI presents fictitious information as fact, eroding the generated content's credibility.

### Prompt

Name three cities in the United States.

### Output

New York, Los Angeles, Toronto.

### AI random hallucinations

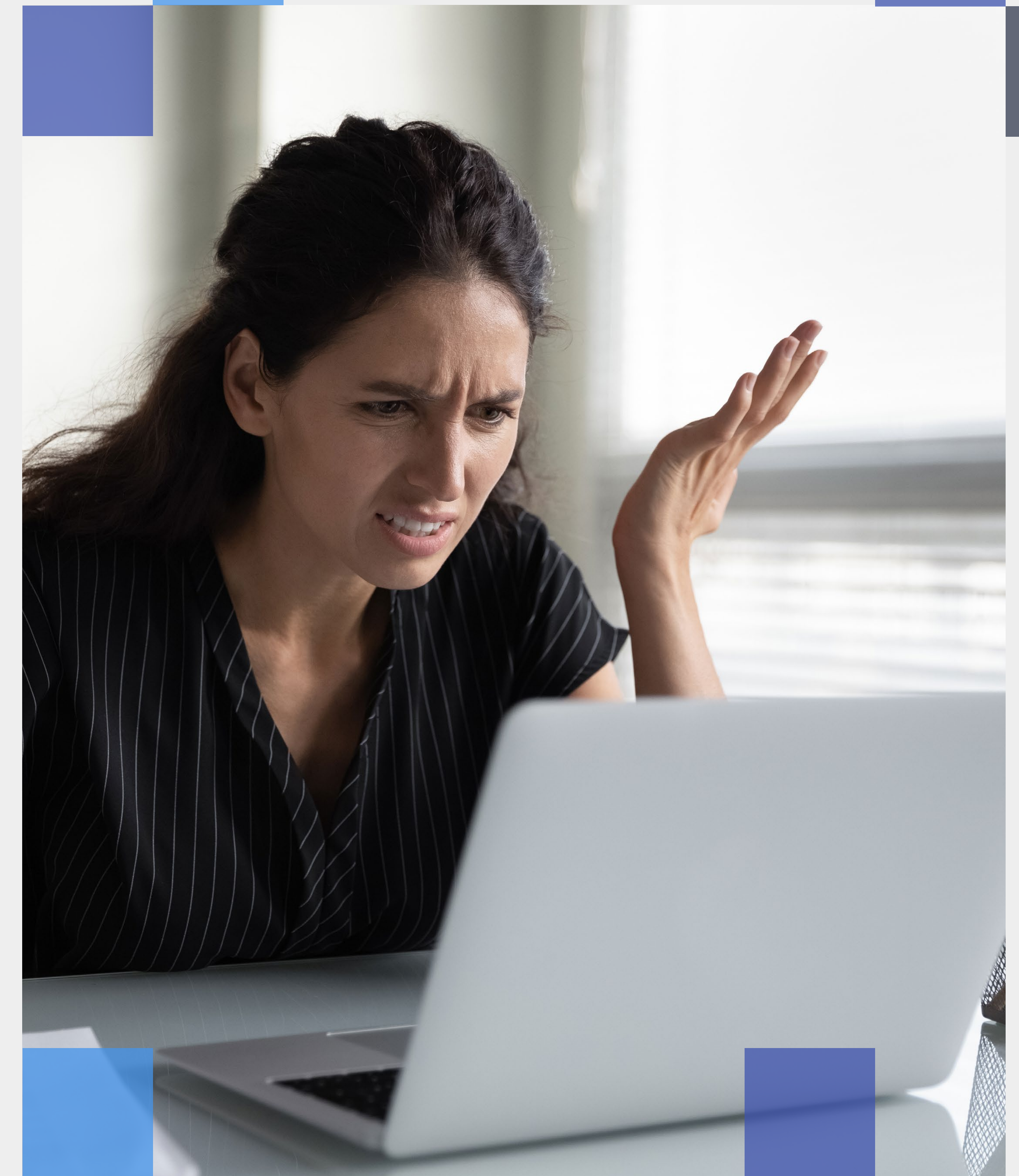
AI Random Hallucinations involve generating irrelevant and often bizarre information unrelated to the initial prompt.

### Prompt

Describe London to me.

### Output

London is a city in England. Cats need to be fed at least once a day.





## Relevance

# AI generative image quality

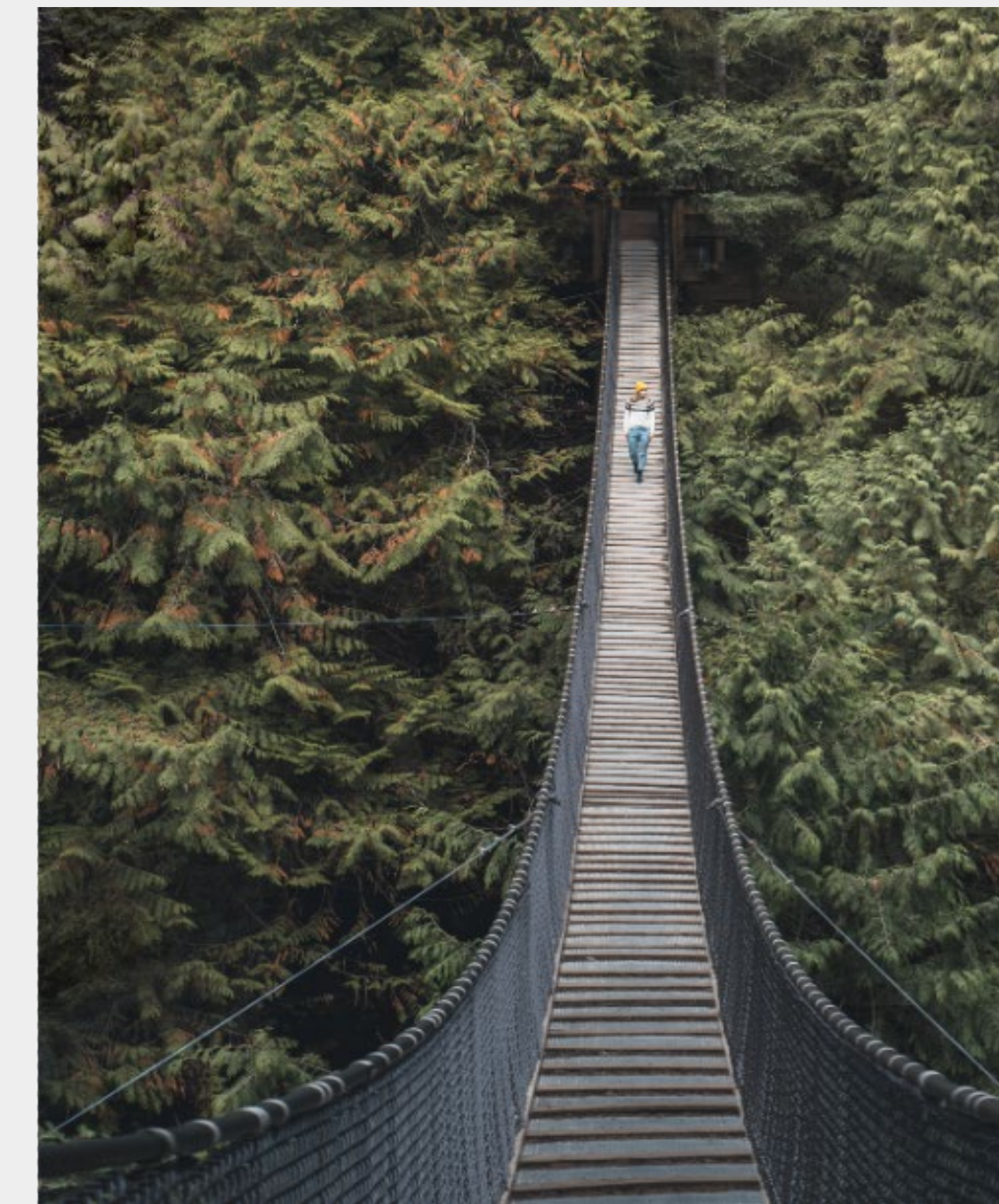
Turning to the quality of AI generative images, platforms like Midjourney and Dall-E can produce stunning visuals. However, they lack the capability to be granted copyright or intellectual property rights to the generated output.

Adobe Photoshop's generative fill, Adobe Firefly, offers a different approach. It draws on Adobe Stock's vast collection of professionally licensed, high-resolution images, ensuring it avoids generating content based on others' work or intellectual property.

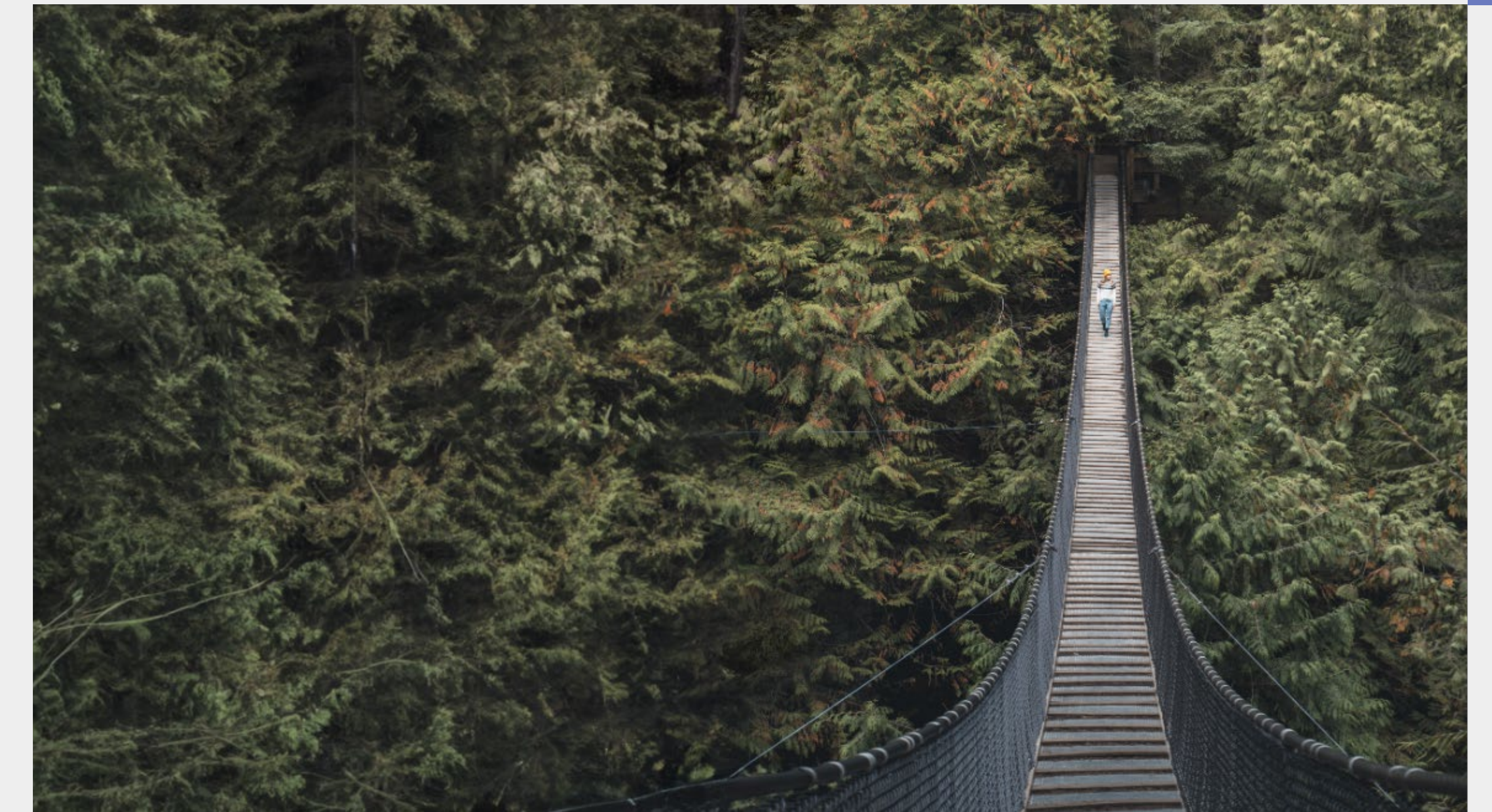
**Adobe is so confident in Firefly's legal compliance that they pledge to cover any related legal expenses.**

Nevertheless, upon closer examination, images created or extended using Photoshop's generative fill may exhibit relatively lower quality. This is especially noticeable when comparing the new portions of an image to the original, as the former often appears blurred in contrast.

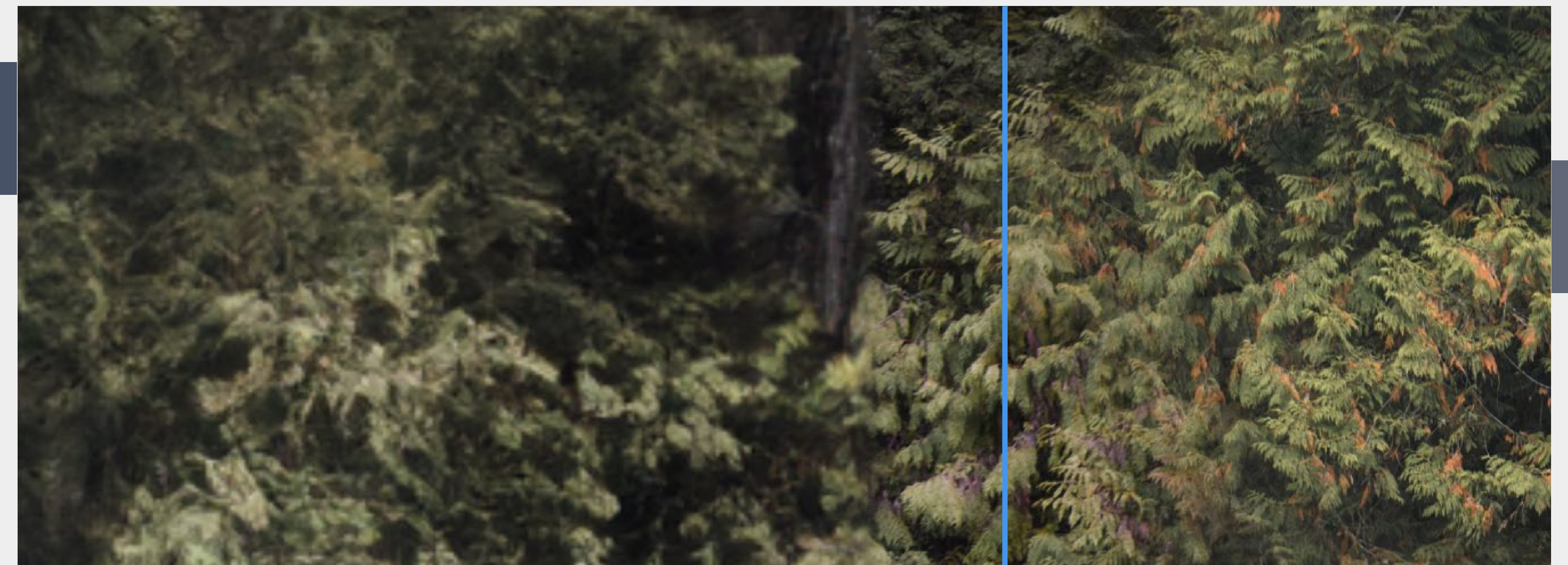
**To ensure that your work meets your intended standards, it's essential to scrutinise the results.**



Original image



Extended image using generative AI



Extended AI generated image shown at 100% scale, showing reduced quality in the detail



## Introduction

navigating the realm of AI

## Context

common perceptions

## Relevance

what is it?  
machine learning  
generative AI  
addressing the morality of AI content ownership  
AI generative text quality  
AI generative image quality  
how are we experimenting?

## Our AI policy

our goals  
our principles  
our safety barriers

## Where will we go next?

could you get involved?

## Relevance

# how are we experimenting?

In our ongoing exploration, we are delving into five distinct areas where AI could play a pivotal role:



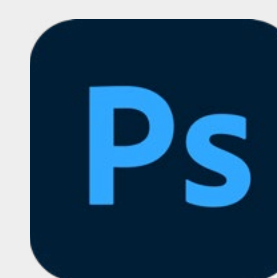
### Streamlining business operations

We aim to leverage AI to optimise administrative tasks, like automating bank reconciliation using AI within Xero's finance software.



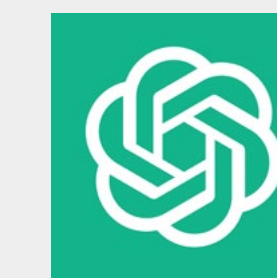
### Enhancing productivity and relationships

Our focus is on automating production tasks while preserving the personal touch, exemplified by applications like Firefly and OtterAI, which generate meeting notes from recordings and integrate seamlessly with collaboration tools such as Teams.



### Integration and future prospects

AI is increasingly embedded in our tools. For instance, the Generative Fill feature in Photoshop and, in future, AI-driven copy suggestions in Paid Media platforms for LinkedIn and Facebook. This integration represents a significant yet untested acceleration.



### Unearthing deeper insights

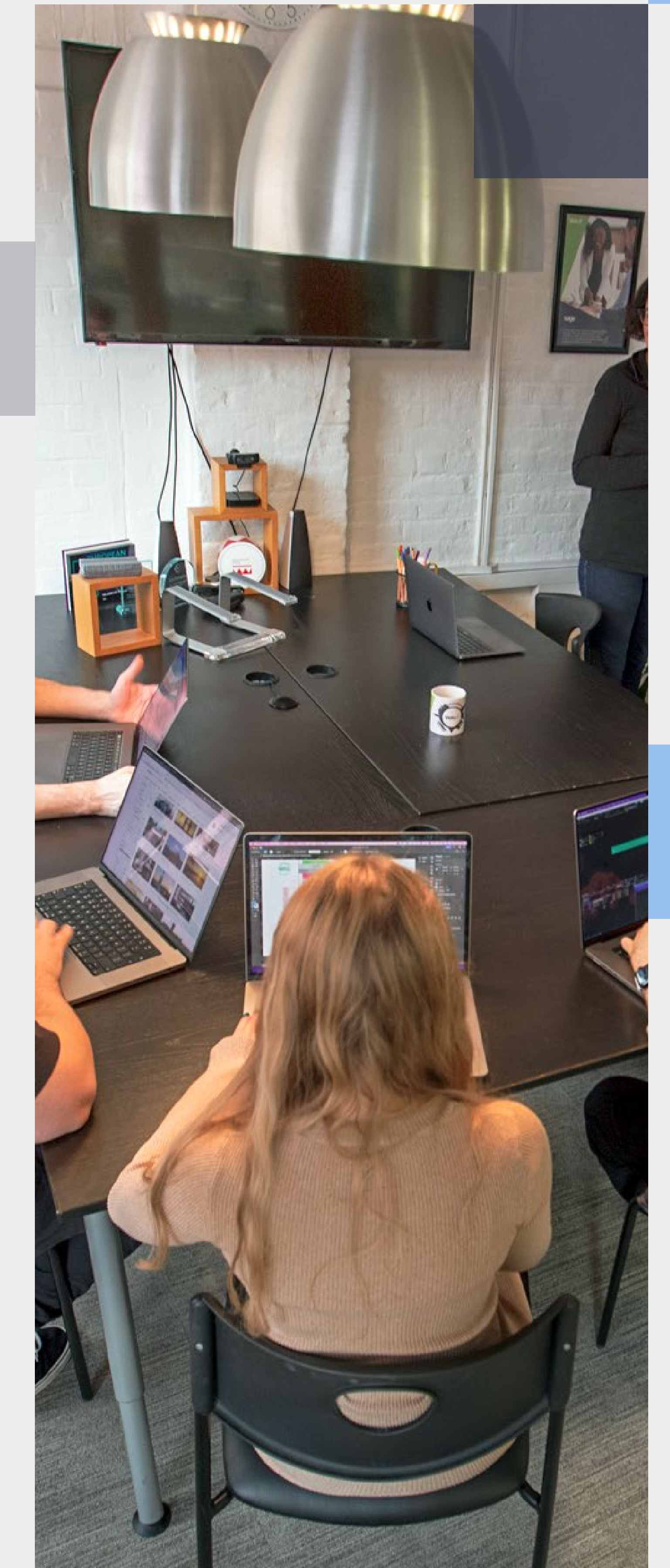
Our goal is to empower knowledge workers by freeing them from data-intensive tasks. This includes employing AI like ChatGPT to streamline web-scraping and audience-building for LinkedIn.



### Boosting creativity

We're exploring AI's potential in automating simple creative production tasks, like photographic background removal or social asset generation. This includes using AI-driven tools like Midjourney for mood board creation or the Keywordseverywhere plugin as a starting point for ad copy generation.

Throughout these experiments, we've learned that AI is a valuable resource for foundational work but necessitates human expertise in prompting, tool utilisation, and interpretation of outputs. Our current approach can be summed up in our mantra, 'proceed with caution.' We are actively testing and experimenting while recognising the importance of establishing guidelines and applying common sense in our AI endeavours.



## Introduction

navigating the realm of AI

## Context

common perceptions

## Relevance

what is it?  
machine learning  
generative AI  
addressing the morality of AI content ownership  
AI generative text quality  
AI generative image quality  
how are we experimenting?

## Our AI policy

our goals  
our principles  
our safety barriers

## Where will we go next?

could you get involved?

## Our AI policy

# our goals



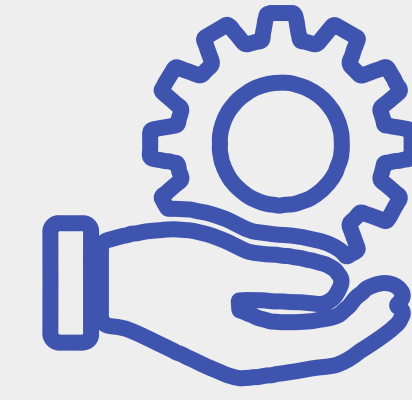
### Enhancing efficiency

Embracing the power of AI offers a revolutionary opportunity to craft marketing with a newfound sense of efficiency. By leveraging AI, we can dedicate more time and passion to creating meaningful interactions, challenging the proposition, and understanding the essence of the solution.



### Honesty and responsibility

We must utilise AI with integrity and responsibility. It's not a hidden secret or a magical solution. The potential of AI is vast, capable of uplifting individuals and organisations significantly. We must maintain an unwavering commitment to AI's ethical application across all aspects of our business. We must 'do the right thing'.



### Embracing change

AI is a transformative force that will continue to reshape our landscape. Its impact on both business and society holds excellent promise. While it may alter career trajectories and challenge job roles, we can tackle these changes with adaptability and resilience.



## Introduction

navigating the realm of AI

## Context

common perceptions

## Relevance

what is it?  
machine learning  
generative AI  
addressing the morality of AI content ownership  
AI generative text quality  
AI generative image quality  
how are we experimenting?

## Our AI policy

our goals  
our principles  
our safety barriers

## Where will we go next?

could you get involved?

## Our AI policy

# our principles

Our AI policy revolves around these principles:



### Human-centric AI

We put humans at the heart of AI applications, emphasising intelligent automation while preserving the human touch.



### Skill development

We focus on upskilling and reskilling our team, utilising AI to enhance their roles rather than replace them.



### Accountability

Humans remain responsible for decisions and actions, ensuring ethical conduct throughout the AI process.



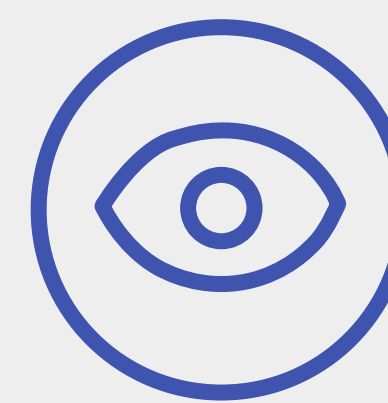
### Understanding limitations

We acknowledge AI's limitations and potential risks, incorporating these considerations into all decisions.



### Responsible use of content

We use AI-generated language, images, and videos responsibly, avoiding deception or misleading practices.



### Transparency

Maintaining trust is paramount, so we prioritise transparency in AI usage.



### Legal compliance

We adhere to data privacy laws, respect copyright, and mitigate risks to clients and ourselves.



## Introduction

navigating the realm of AI

## Context

common perceptions

## Relevance

what is it?  
machine learning  
generative AI  
addressing the morality of AI content ownership  
AI generative text quality  
AI generative image quality  
how are we experimenting?

## Our AI policy

our goals  
our principles  
our safety barriers

## Where will we go next?

could you get involved?

# our safety barriers

To ensure responsible AI use, we've implemented safety barriers:



### Visibility and permission

AI should only be used with proper visibility and permission. Inform your manager when implementing AI to ensure transparency and compliance.



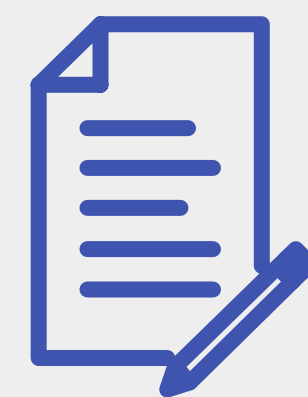
### Creative launchpad

AI should augment, not replace, creative work. It should serve as a launchpad for human creativity rather than a tool for completing tasks.



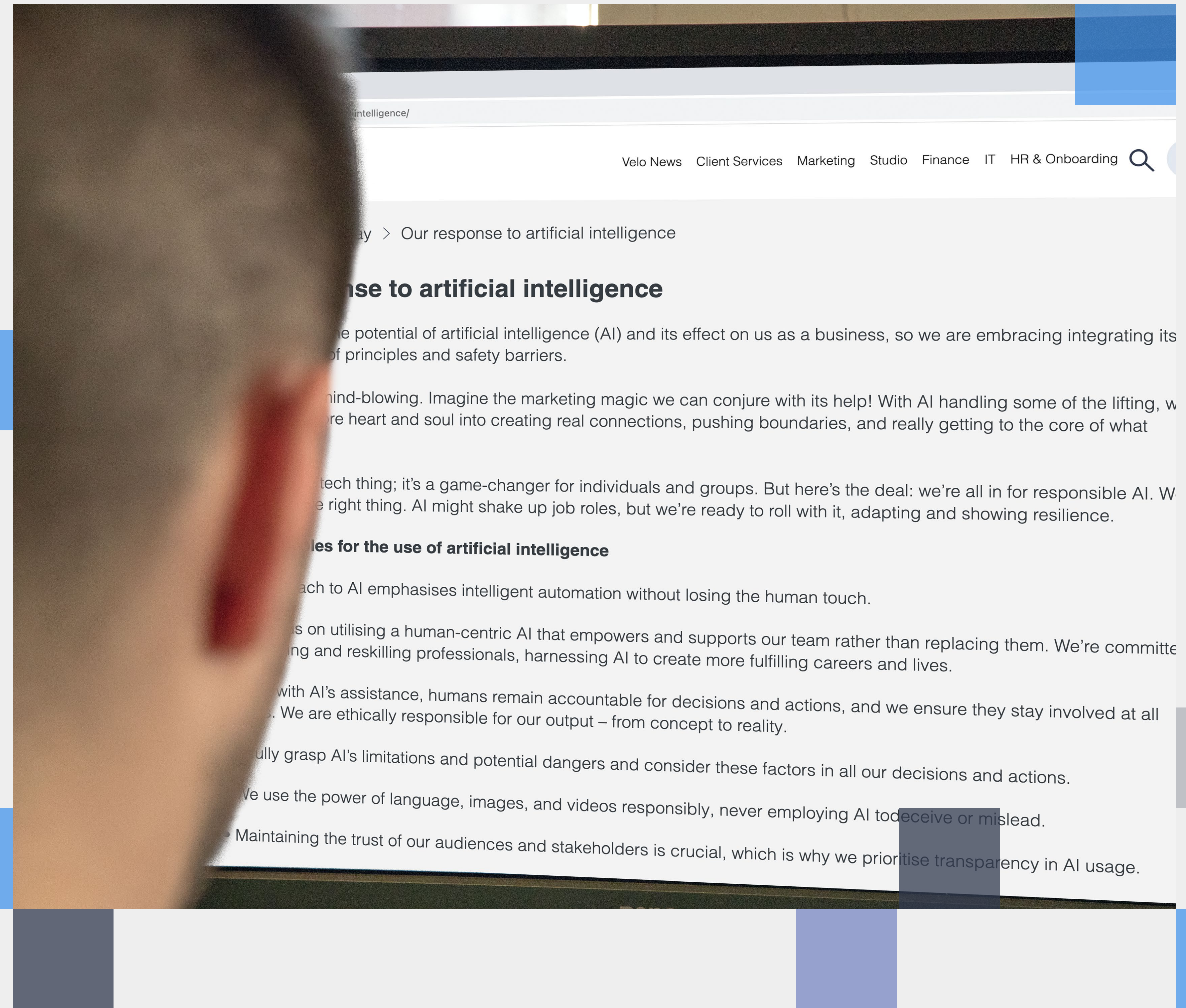
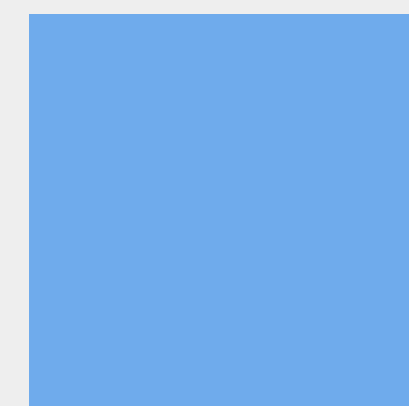
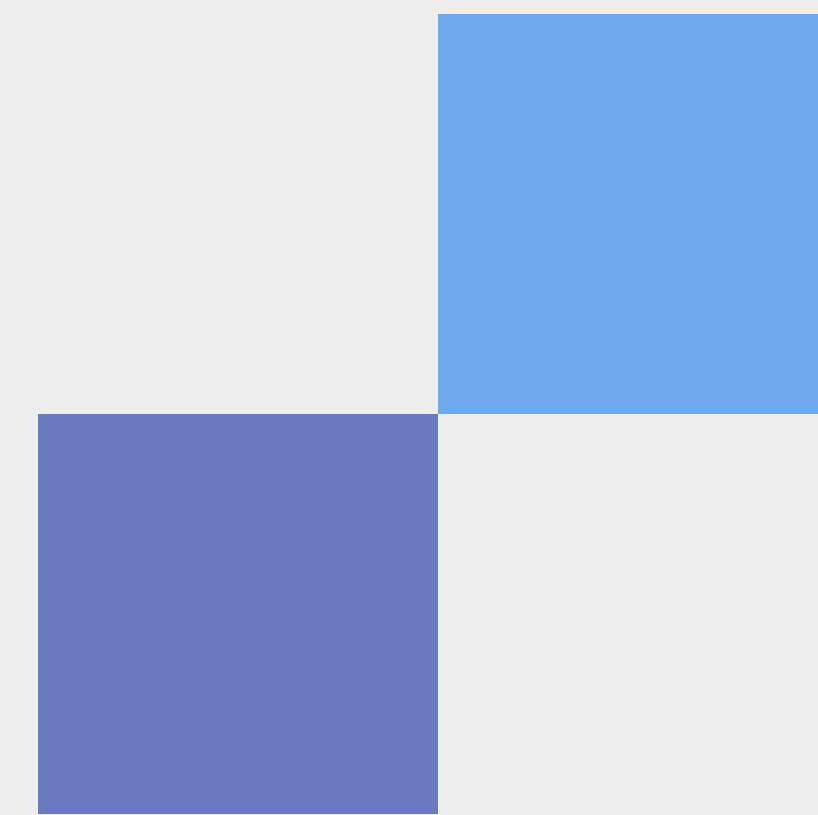
### Quality assurance

Always verify AI output for accuracy, authenticity, and quality. AI's effectiveness depends on the quality of its input data.



### Transparency and traceability

Maintain a clear record of AI usage by documenting its role in each project in our AI log document, ensuring transparency and accountability.



Where will we go next?

# could you get involved?



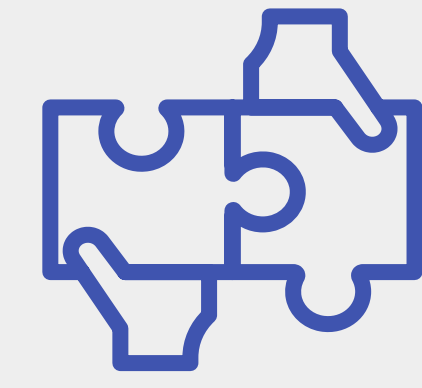
## Are you an AI guru?

Join our team of visionary marketing professionals who harness the transformative power of AI. Collaborate with cutting-edge technology, unlock invaluable insights and craft data-driven strategies that redefine success. Be at the forefront of innovation, shaping the future of marketing with us!



## Do you have an AI marketing strategy?

Unlock AI's immense potential by gaining insights into its diverse applications and evolution. We can assist in navigating the current AI landscape, providing a framework to classify existing projects and plan the effective rollout of future initiatives.



## Could we partner with you?

The most successful journeys are rarely achieved alone. We welcome partners who want to grow through shared innovation and collaboration. Reach out to us, and let's explore AI possibilities together – we'd love to hear from partners that thrive on a meeting of minds, including artificial ones!



## Introduction

navigating the realm of AI

## Context

common perceptions

## Relevance

what is it?  
machine learning  
generative AI  
addressing the morality of AI content ownership  
AI generative text quality  
AI generative image quality  
how are we experimenting?

## Our AI policy

our goals  
our principles  
our safety barriers

## Where will we go next?

could you get involved?