

# DeepSeek Just Upended AI's Power Structure

And the giants didn't see it coming

POV BY JANELLE OLMER, VP MARKETING ANALYTICS ✉  
AND KELLY LEACH, CHIEF CLIENT & STRATEGY OFFICER ✉

## 1 WHAT'S HAPPENING?

DeepSeek, a Chinese AI company, just sent shockwaves through the market. Its new models rival OpenAI's ChatGPT—but at a fraction of the cost, running 10-15x cheaper. The impact? A ripple effect across the AI titans and a sharp drop in Nvidia's stock, Wall Street's golden child. Now, DeepSeek is dominating the App Store charts, proving the AI game just changed—fast

## 2 WHAT'S IT MEAN?

For years, AI giants like Nvidia and Google pushed the narrative that only billion-dollar budgets could drive AI forward. Then DeepSeek upended that thinking. In just 48 hours, it shattered the idea that AI is only for the deep-pocketed, slashing costs and making cutting-edge models accessible to everyone—from startups to disruptors, even media agencies. The AI power structure just got a serious shake-up.

## 3 HOW WILL THIS AFFECT ADVERTISERS?

Naturally, we are all salivating at the potential opportunity this presents as an unlock for our agency, as well as current and future clients. With such a low barrier to entry, this could create new opportunities both internally and through external partners—outside the walled gardens that had been driving the conversation.

Additionally, brands optimized for Generative AI and advertising on Gen AI platforms now have another platform bringing in traffic. In a year's time the way we work with clients, plan media, buy media and link media to revenue streams can be turbocharged and be fundamentally changed.

## 4 WHAT'S THE BIGGER PICTURE?

Big opportunity comes with big scrutiny (so, so, much scrutiny) and then add on another scoop of scrutiny for good measure on being a Chinese company (cough- TikTok?). Expect heightened debates over data privacy and regulation as AI becomes more accessible and global in nature. And for brands already leaning into Generative AI, DeepSeek's surge means fresh traffic—and a new frontier to navigate.

## 5 WHAT'S OUR READ?

Sources:

Corporate communication from [Reuters](#), [The Verge](#), [Tom's Hardware](#)

It took everything in us not to rate this a 9 or 10 in our crystal ball—we're eager to jump in and take advantage of more cost-effective AI tools right now. But let's be real: this is going to get tangled in red tape for at least the next six months. Concerns around data security, privacy, and compliance will slow things down before regulators give the green light.

On top of that, we can expect a flood of "bad" AI actors misusing data and creating problems for the rest of us.

For now, continue with your current AI investments (we are too), but start thinking about where you can put those bigger AI spends on hold—some of those pricier needs might be worth waiting on until this space stabilizes.

We'll be back with a fresh POV later this year once we've navigated the security and compliance challenges ahead.



### THE ACRONYM CRYSTAL BALL

On a scale from 1 (just wait) to 10 (too late), how fast should you move on this?