

CX EDITION

# 2025 Global CMO Navigator

# About This Study

At dentsu, we are driven to innovate. Through innovation, we ensure the impact our clients need to drive growth in their business, while also generating a positive effect on the industry, society, and the world.

Delivering innovation requires an understanding of consumer sentiment and their expectations for the future. At the same time, it is critical to understand brands' challenges and opportunities to develop a unique point of view on how they can stand out and better prepare for what's next.

This is why three years ago we launched the global dentsu *CMO Navigator* as a companion piece to our global *Consumer Navigator* research platform. B2B International administered the survey in February 2025, when tariffs were on the horizon but had not yet fully impacted the market, reaching as many as 1,900+ marketing leaders in 14 countries.

Merkle is publishing this report, which is dentsu's global experience and transformation consultancy integrating data, technology, and strategy to power experience-led business transformation. It features a section that dives deep into CMOs' mindsets and plans when it comes to CX and digital transformation.

It is a companion piece to two forthcoming studies in the *CMO Navigator* series, focused respectively on CMOs' mindsets when it comes to creativity and media transformation.

Beyond offering insight into CMOs' mindsets, this report also helps you develop an understanding of the business climate stakeholders are navigating across different regions of the world. We decided to present CMOs in Japan as a standalone audience – rather than group them with their APAC peers — in our regional deep dives, as their sentiment is often at odds with that of their regional colleagues.

This report also leverages findings from our *Consumer Navigator* research platform and our recent study, *Consumer Vision 2035: The Era of the Insight-to-Foresight Pivot*, to compare CMOs' expectations for the future with those of the customers they serve.

Overall, you'll see in the report that most CMOs, and especially the "Perceptive CMOs" who are strongly aligned with consumers' vision of the future, are looking to invest in predictive capabilities and automation to better prepare for a future in which the brand-customer relationship will be profoundly transformed.

# Executive Summary

## Strong Business Performance Inspires Pre-Tariff Optimism

In February, CMOs' outlook on the economy was positive despite the fact that tariffs were already looming.

More established brands reaped the benefits of a healthy economic climate last year and are now better positioned to weather what's next.

As a vast majority of businesses report positive business performance in the last 12 months, CMOs are looking to reinforce differentiation to remain on top.

## A Customer-First, Growing Marketing Mandate

Customer centricity is the present and future aspiration of marketing leaders.

The marketing mandate is widening, and more established brands are proving why.

CMOs in EMEA and APAC plan to focus on innovating their offerings, while those based in North America and Japan are more focused on business transformation.

## Future-Proofing by Investing in Prediction and Automation

The expectation of a future informed by AI customers keeps CMOs wondering how much they should worry about the now and how much they should invest for future impact.

CMOs understand that the shift toward predictive capabilities and automation needs to go hand in hand with changes in their businesses' go-to-market strategies.

Positive business performance is emboldening CMOs to discard past playbooks and invest more in innovation and experience.

## The Evolving Brand Loyalty Landscape

Most CMOs see AI as their ally when shaping the future of brand loyalty for their organizations.

Brand loyalty is seen as a key driver for business success, as it enables CMOs to better plan future investments and attach a tangible value to an "intangible" asset.

Brand loyalty means something different to brands across business models and industries.

## Refocusing CX Strategies to Realize Greater Value

CMOs feel unsteady in their digital maturity, with organizational constraints proving to be as challenging as tech debt to their transformation efforts.

Many CMOs are evolving their commerce and content strategies, yet the desire to extract more value out of existing capabilities is leading CMOs to make very targeted investments when it comes to technology, partners, and growth strategy.

In a landscape where the availability of data signals is uncertain, CMOs are doubling down on ecosystems and AI.

## Adopting AI to Maximize Marketing's Impact

AI adoption is critical to realizing CMOs' ambition for personalization at scale.

CMOs view AI as the superpower that will enable the marketing engine to run at full steam (vs. AI progressively becoming the engine itself).

CMOs do not expect opposition within their organizations when it comes to the adoption of AI for marketing initiatives.

## Gazing at the Future: CMOs vs. Consumers

CMOs' more optimistic outlook when it comes to the economic environment (vs. consumers' outlook) is likely informed by their organizations' business performance.

CMOs and consumers share a vision of the future where further tech enablement, led by AI adoption, allows brands to anticipate needs and customers to delegate interactions.

"Agentic" is not only an industry buzzword. It's a concrete expectation shared by consumers.

## A New Breed of Global CMOs: The Perceptive CMO

Perceptive CMOs are more aligned with consumers' vision of the future and they are already reaping the benefits of their foresight in the present.

Perceptive CMOs' greater alignment with consumers' vision of a transformed future is leading them to focus more on innovation and digital transformation than their peers.

Perceptive CMOs are more proactive when it comes to adopting AI to maximize marketing's impact.

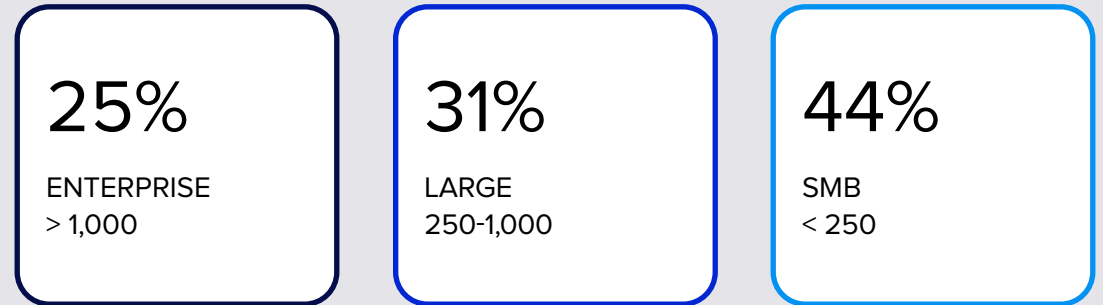
## BUSINESS BREAKDOWN

# Who We Surveyed

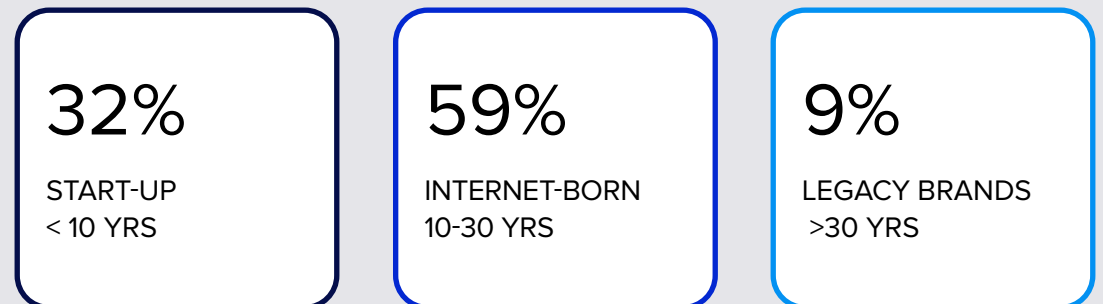
## 1,955 Global CMOs

United States	20%	NORTH AMERICA <b>30%</b>
Canada	10%	
Brazil	5%	LATAM <b>8%</b>
Mexico	3%	
United Kingdom	10%	EMEA <b>34%</b>
Germany	8%	
Switzerland	3%	
Poland	3%	
Italy	5%	
Spain	5%	
Australia	5%	APAC & JAPAN <b>28%</b>
China	10%	
India	5%	
Japan	8%	

## ORG. SIZE (# OF EMPLOYEES)



## ORG. LIFETIME (# OF YEARS IN BUSINESS)



## INDUSTRY BREAKDOWN

# Who We Surveyed

## 1,955 Global CMOs

Retail	22%
Manufacturing & Industrial	15%
Finance & Insurance	10%
Media & Entertainment	9%
Food & Beverages	6%
Telecoms	5%
Consumer Electronics	5%
Professional & Business Services	5%
Transportation & Travel	4%
Automotive	4%
Luxury & Fashion	3%
Energy	2%
Pharma & Healthcare	2%
Toys & Games	2%
Internet Services	2%
Alcoholic Beverages	2%
Other	2%



## BUSINESS MODEL

16%

B2C ONLY

67%

BOTH B2C & B2B

17%

B2B ONLY



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# Strong Business Performance Inspires Pre-Tariff Optimism

# Back in February 2025, only 1 in 4 CMOs reported that the economy had negatively affected their organization's business.

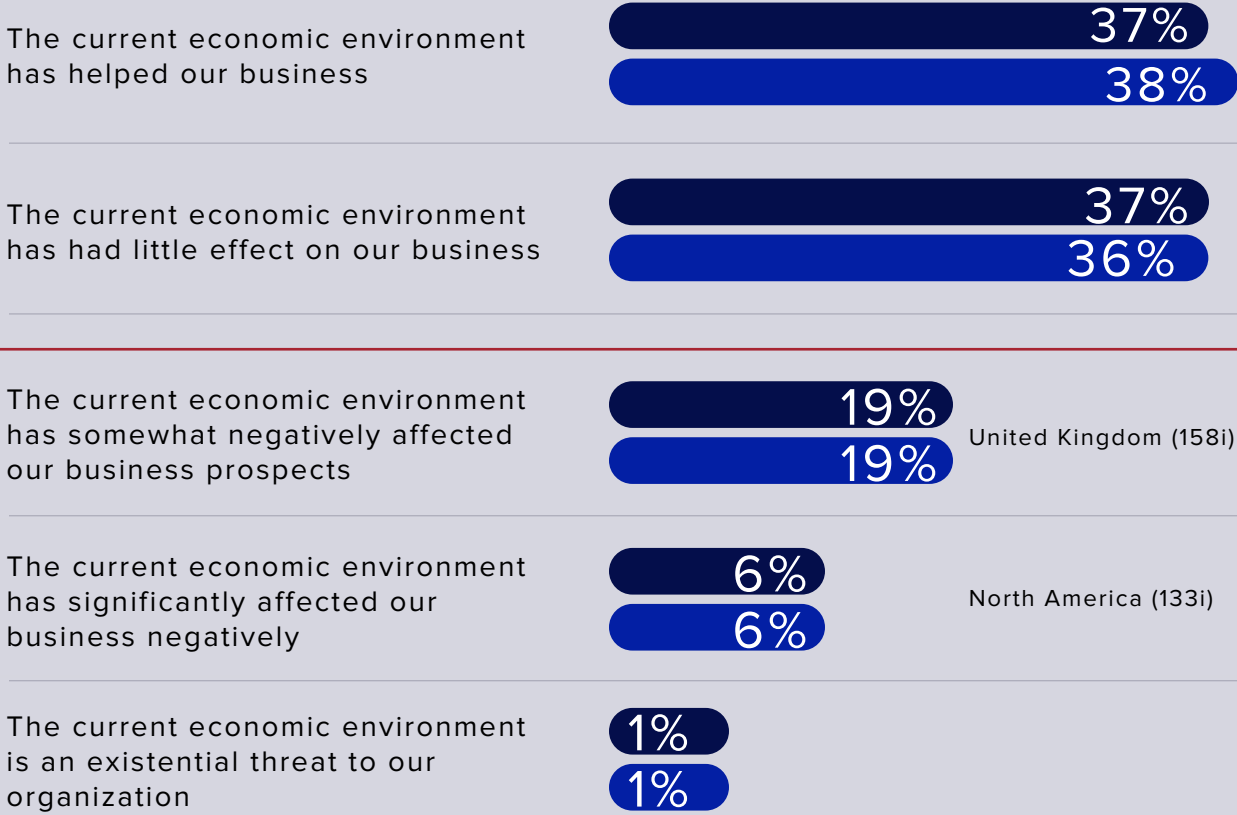
This is consistent with what global CMOs had reported last year. Organizations in China, Japan, and Spain are more likely to have benefitted from the current economic environment, while North American CMOs are more likely to report they have been negatively affected.

**26%**  
Negatively affected  
Same as 2024

\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.

## To date, what impact did the current economic environment have on your business prospects?

● 2025 ● 2024



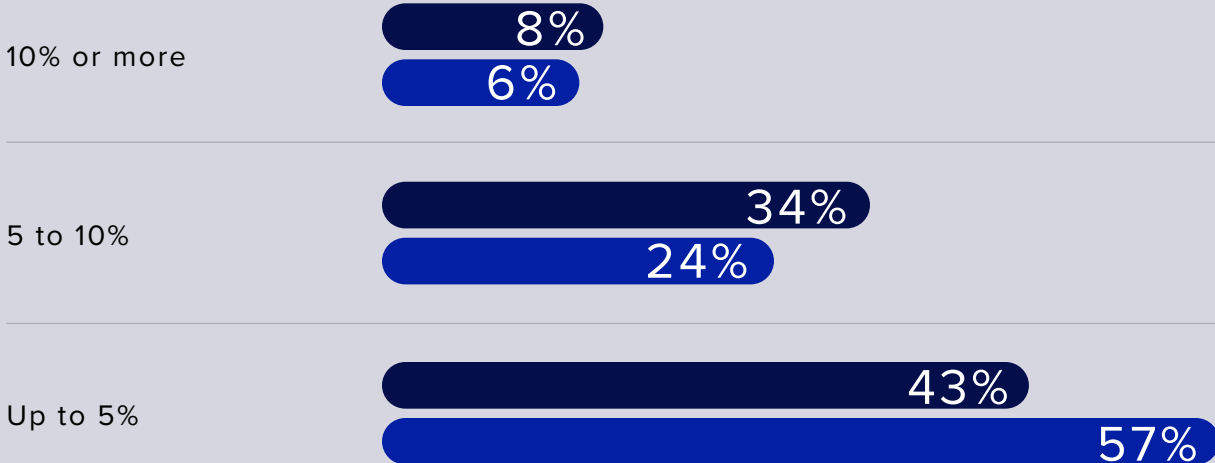
# In fact, most CMOs reported that their organizations had experienced revenue growth in the previous 12 months.

Specifically, the share of CMOs reporting more significant revenue increases has grown compared to last year, as a larger group of respondents reported incremental (vs. substantial) growth.



By what percentage did your total global revenue grow last year?

● 2025 ● 2024



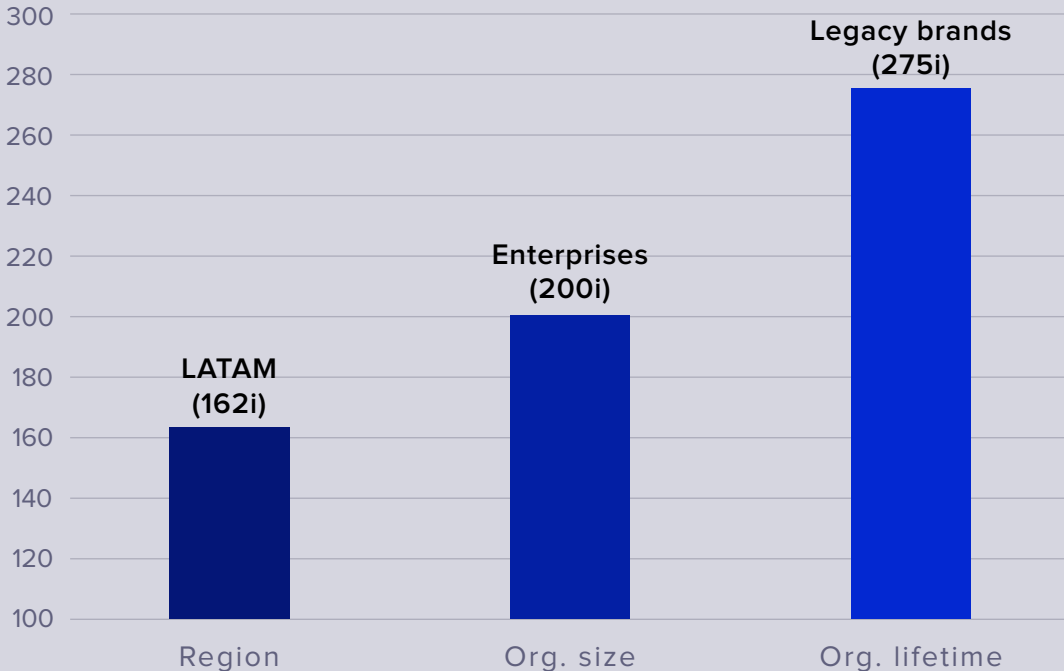
**85%**  
of organizations saw revenue increase  
*-2% vs 2024*

# While most CMOs report revenue growth, there are nuances across regions. And more established brands are more likely to have thrived across the board.

CMOs based in LATAM are significantly more likely to report substantial growth, whereas those based in North America and APAC tend to report that their organizations' revenue has remained flat. CMOs in Legacy brands and Enterprises report significant revenue increases, reflecting how more established businesses were better poised to reap the benefits of a favorable economic environment.

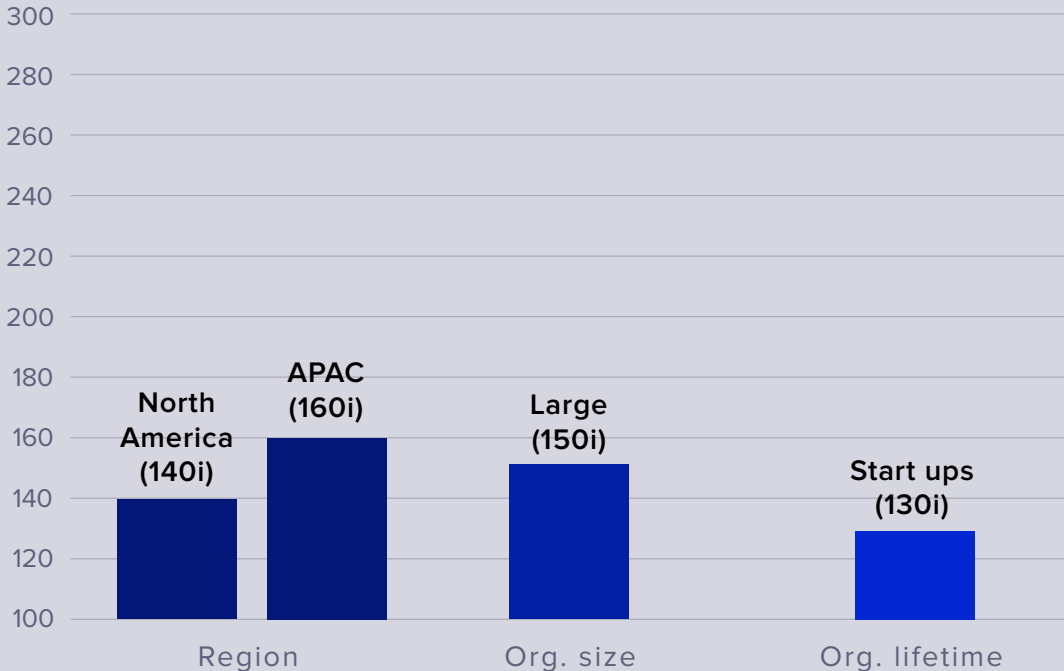
**“Our revenue increased by 10% or more”**

Segments significantly overindexing vs. baseline



**“Our revenue remained flat”**

Segments significantly overindexing vs. baseline



baseline average across all respondents = 100



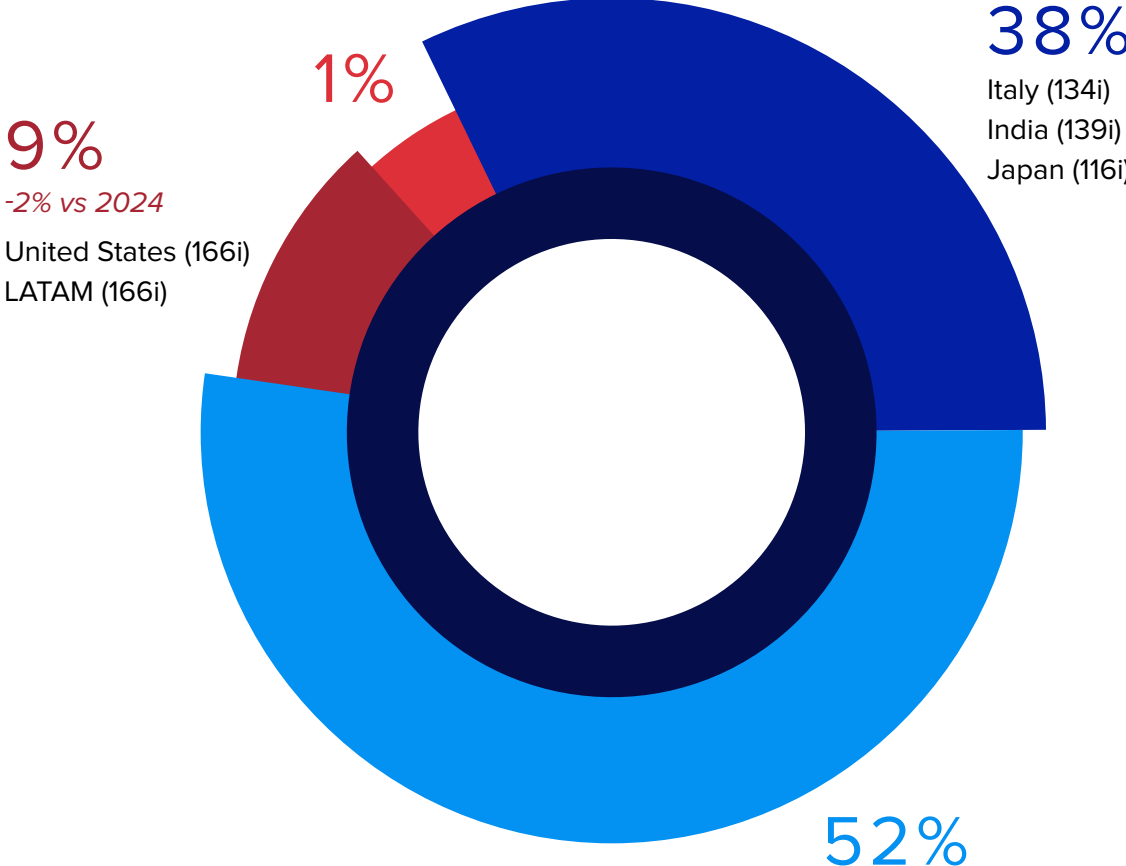
# Positive business performance may have informed most CMOs' positive, pre-tariff assessments of the economic environment in their country.

In fact, the share of CMOs providing a negative assessment has decreased by 2 points compared to last year. The United States and LATAM are significant exceptions, over-indexing on CMOs thinking the economy is not in good shape (166i)\*. To be noted: this data was captured in February 2025, before the tariff rollouts impacted the market.

\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.



Which of the following best reflects your assessment of the economic environment in your country?



- The economy is in excellent shape
- The economy is in good shape
- The economy is not in good shape
- The economy is in terrible shape

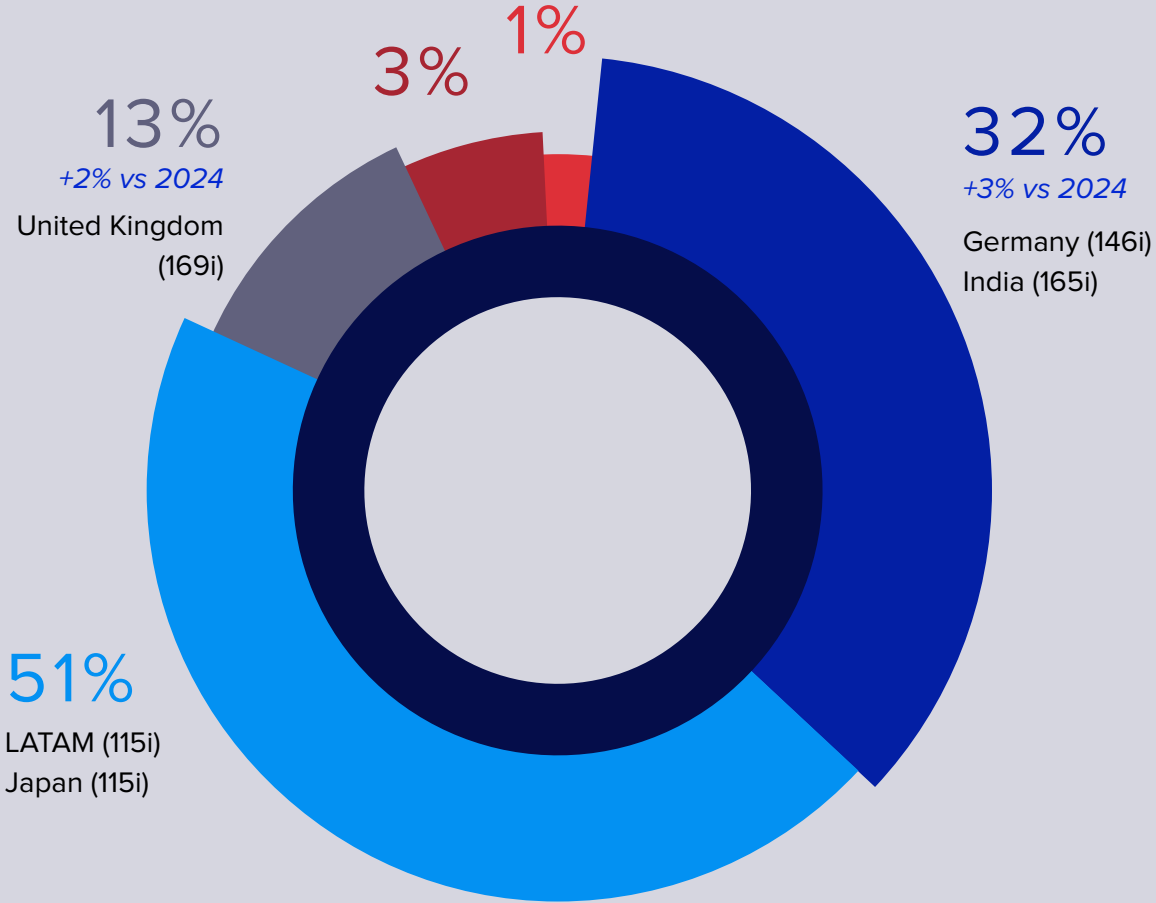
**In February, the impact of the tariff rollouts already loomed. Most CMOs expected the economy would get better in the next 6 to 12 months.**

In fact, the share of CMOs who believed that the economic improvement would be significant has increased compared to last year. CMOs based in Germany and India were particularly optimistic, while UK CMOs over-indexed on having a conservative outlook. Once again, this data was captured before the tariff rollout impacted the market. In our next CMO Navigator iteration, we will compare CMOs' pre- and post-tariff economic outlook.

\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.



**Which of the following best reflects your assessment of the direction of the economic environment in your country?**

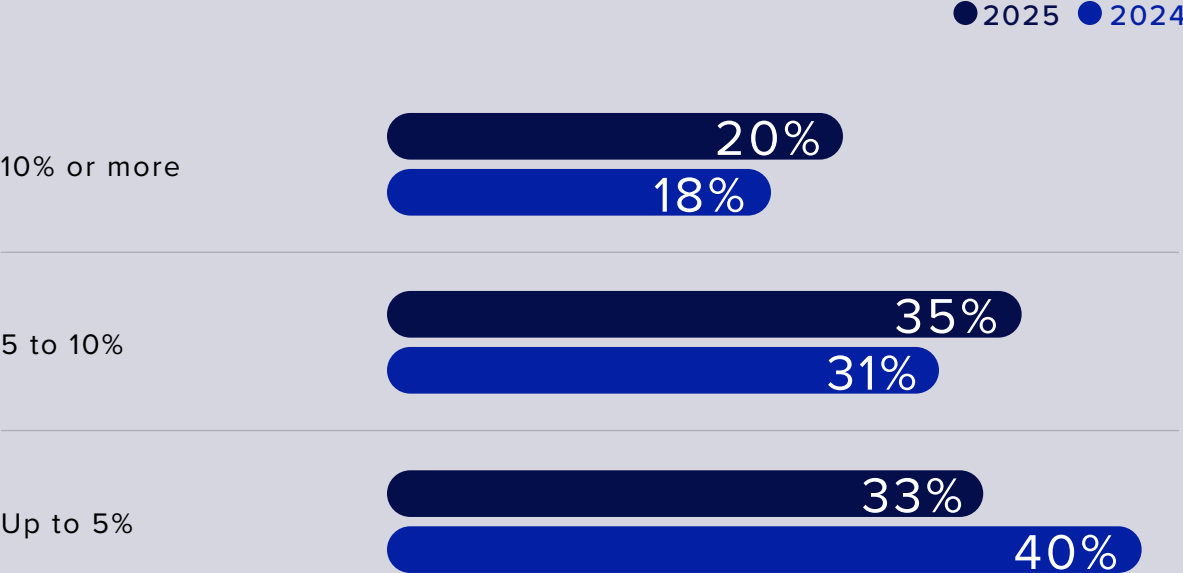


- The economy will get significantly better
- The economy will get somewhat better
- The economy will remain the same
- The economy will get somewhat worse
- The economy will get significantly worse

# Positive business performance also informed CMOs' widespread expectation for increasing budgets.

The expectation of budget increases is by and large in line with what had been reported last year.

By what percentage do you expect your marketing budget to change over the next 12 months?



**88%**  
expect budgets to increase  
*-1% vs 2024*

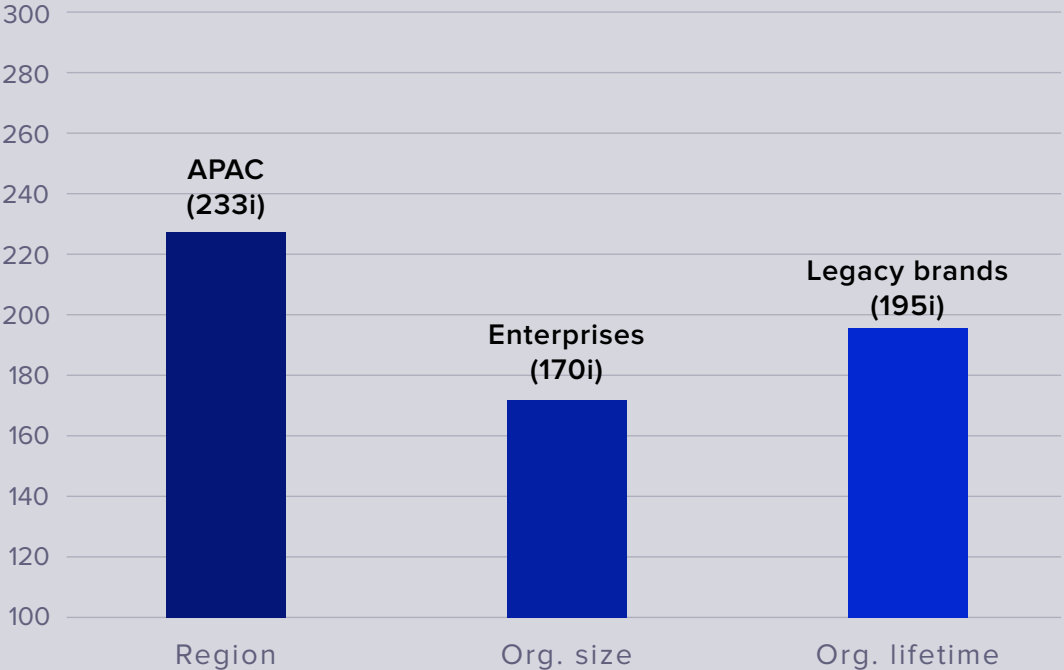


# While CMOs expect budget increases, there are nuances across regions. And better business performance is driving higher expectations in more established brands.

CMOs based in APAC are significantly more likely to expect substantial budget increases, while CMOs based in EMEA tend to be more conservative. CMOs in Enterprises and Legacy brands – who were more likely to have reported their organizations were thriving from a revenue growth standpoint – over-index on expecting more substantial budget bumps.

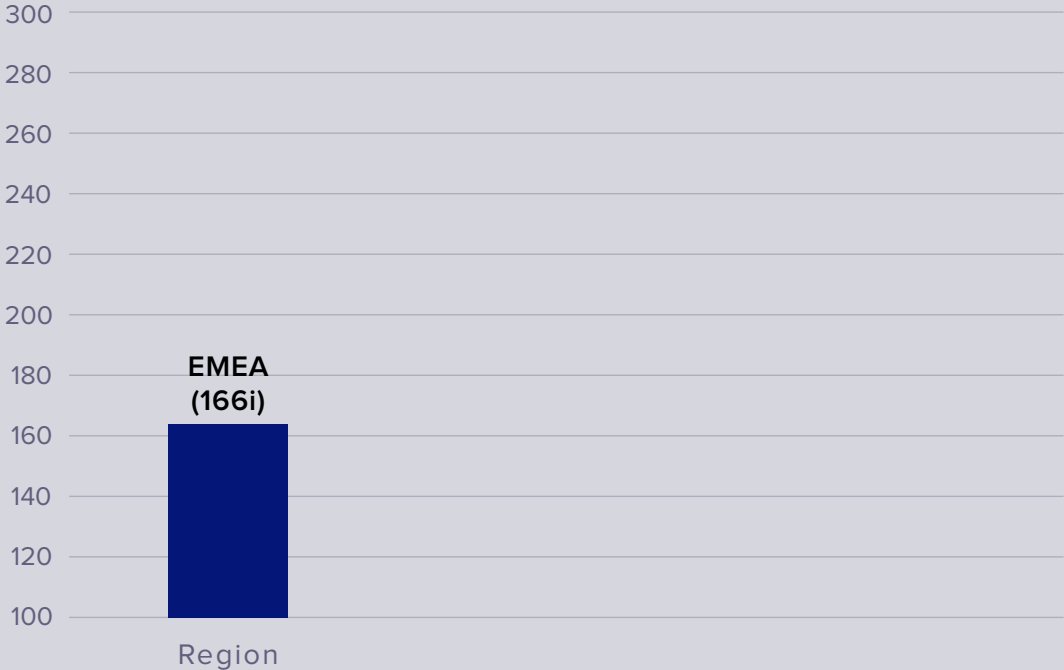
**“I expect a budget increase of 10% or more”**

Segments significantly overindexing vs. baseline



**“I expect my budget to decrease up to 5%”**

Segments significantly overindexing vs. baseline



baseline average across all respondents = 100



# CMOs allocate resources to prioritize growth and differentiation.

This is reflected in the prioritization of product & demand initiatives, as well as in the elevation of brand initiatives compared to what had been reported last year.

Thinking about the full spectrum of responsibilities of your organization, please indicate which of the following will be your top priority in terms of resource allocation (budget, staff, time)?

▲ Up significantly vs. 2024  
▼ Down significantly vs. 2024

### Product & Demand

Initiatives to develop new ways to stimulate, capture, and respond to customer demand, including new product development.

**34%** ▼  
vs 38% in 2024

### Brand

Initiatives that intersect culture to build and strengthen brand awareness, equity, and affinity.

**26%** ▲  
vs 23% in 2024

### Business Transformation

Initiatives that drive new business models, go-to-market strategies, and organizational processes and structures.

**25%**  
vs 24% in 2024

### Customer Experience

Initiatives to evolve and enrich the ways that the business connects with, provides services to, and builds relationships with customers.

**15%**  
Same as 2024

# Key Takeaways

**In February, CMOs' outlook on the economy was positive despite the fact that tariffs were already looming.**

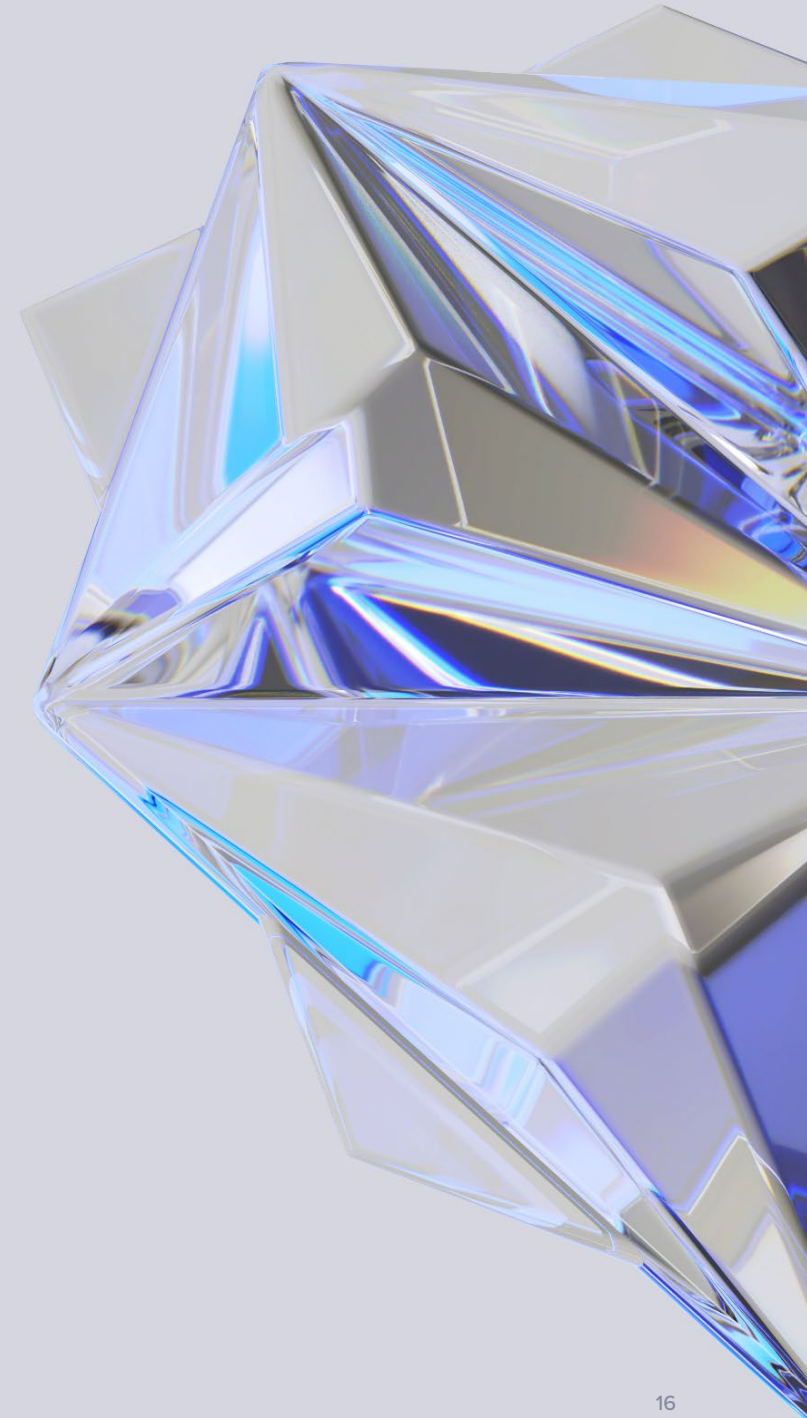
However, there are some indications of uncertainty creeping in among US and LATAM marketing leaders. The full extent of the impact tariff rollouts will have on CMOs' outlook will only be evident later in the year – at this stage, it seems that their optimism stems from positive business performance in the last 12 months.

**More established brands reaped the benefits of a healthy economic climate last year and are now better positioned to weather what's next.**

CMOs working at organizations with more than 1,000 employees and organizations that have been in business for 30+ years are more likely to report that their organization's revenue has increased significantly and expect bigger budget bumps. Greater resources paid the dividend in an upward economic trajectory. The next 6 months will tell us if this advantage was put to good use.

**As a vast majority of businesses report positive business performance in the last 12 months, CMOs are looking to reinforce differentiation to remain on top.**

CMOs are prioritizing product and demand, including new product development, when allocating their growing budgets. There is also a rising focus on brand compared to last year to retain competitive advantage through differentiation.



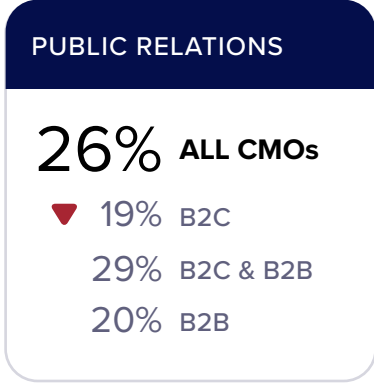
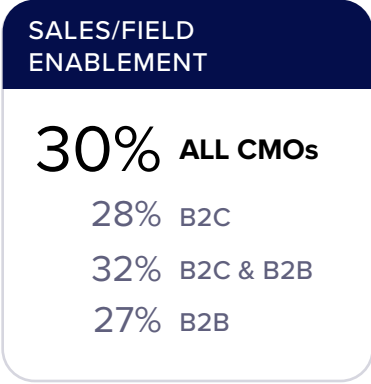
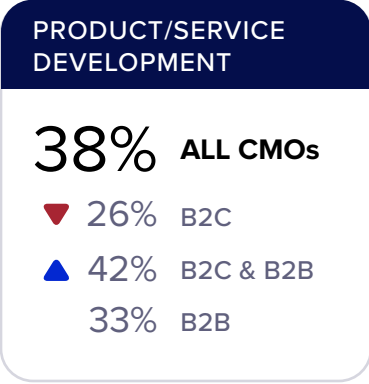
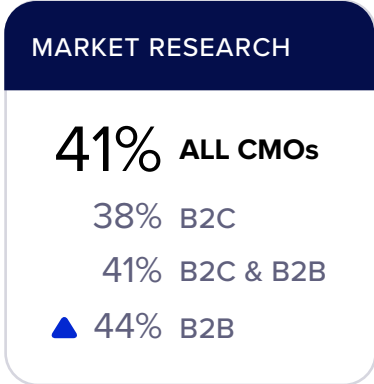
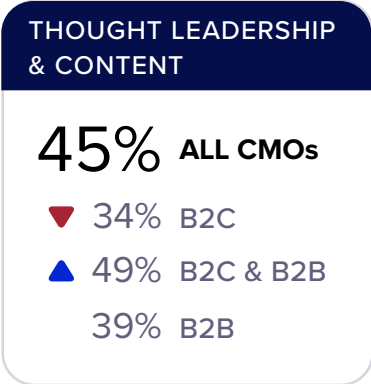
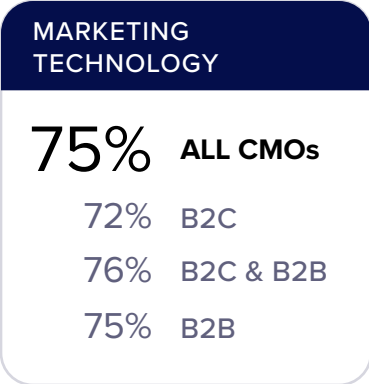
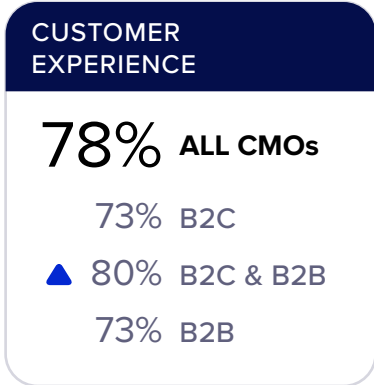
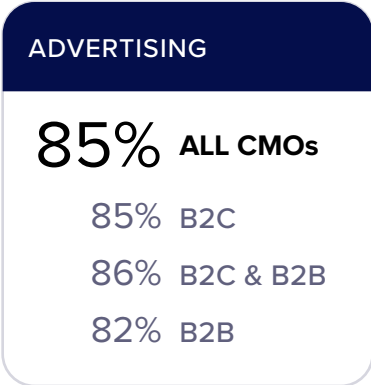
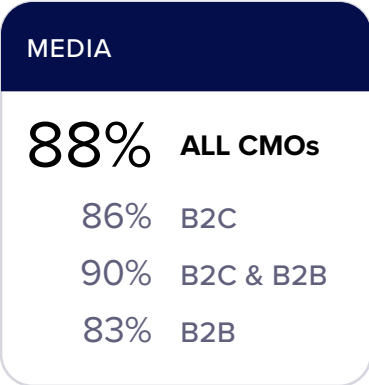
# A Customer-First, Growing Marketing Mandate

# Media and advertising are the bread and butter, but CX and mar-tech are right behind.

CMOs in organizations that sell to both consumers and businesses tend to be accountable for a wider range of activities, including thought leadership and product/service development.

Which of the following responsibilities are within Marketing's remit in your company?

▲ Up significantly vs. 2024  
▼ Down significantly vs. 2024

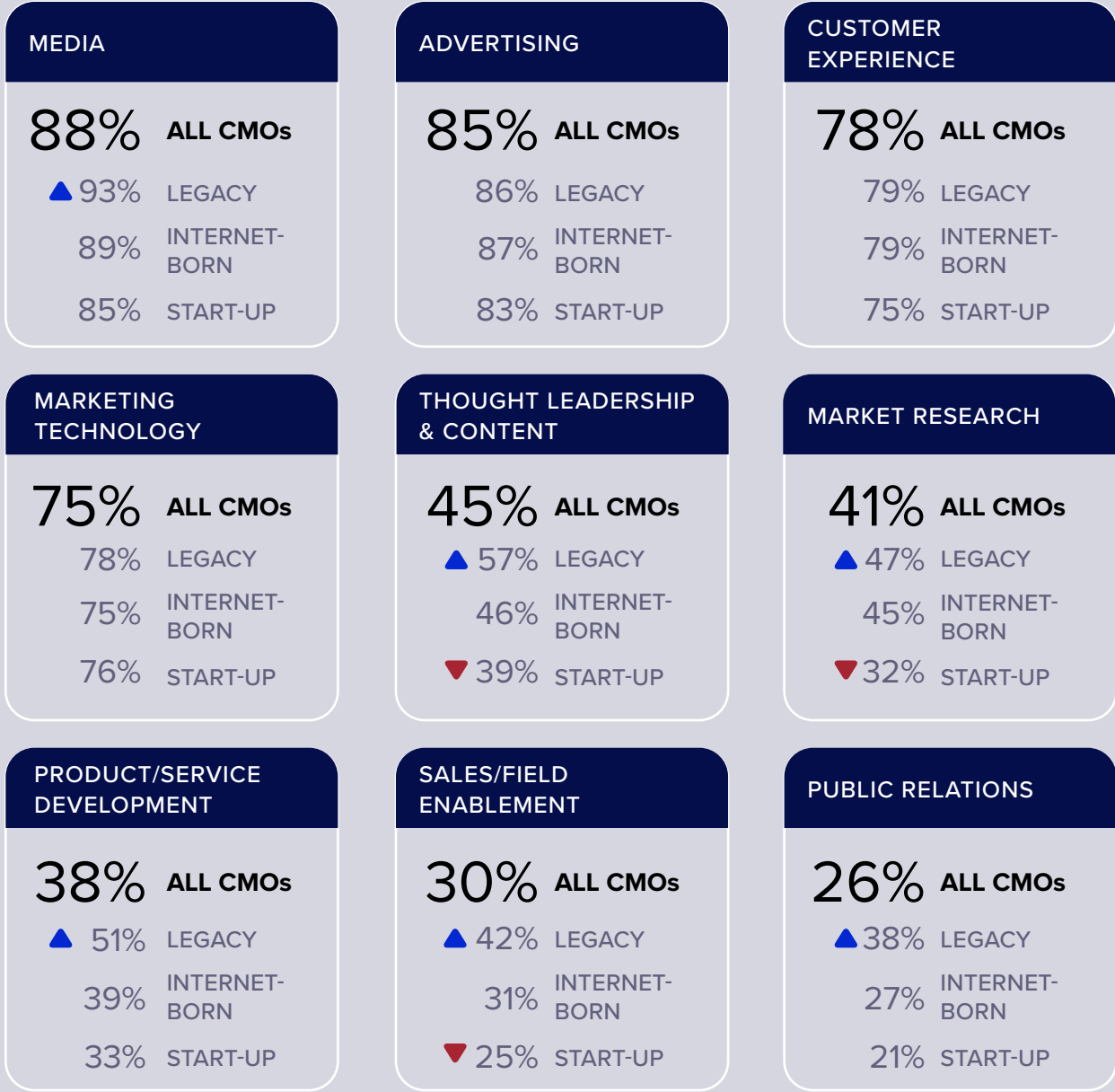


# Marketing's remit widens among more established organizations.

CMOs at Legacy brands tend to be accountable for a wider range of activities, including thought leadership and product/service development. This reflects how Marketing tends to absorb responsibilities over the lifespan of a brand.

## Which of the following responsibilities are within Marketing's remit in your company?

▲ Up significantly vs. 2024  
▼ Down significantly vs. 2024



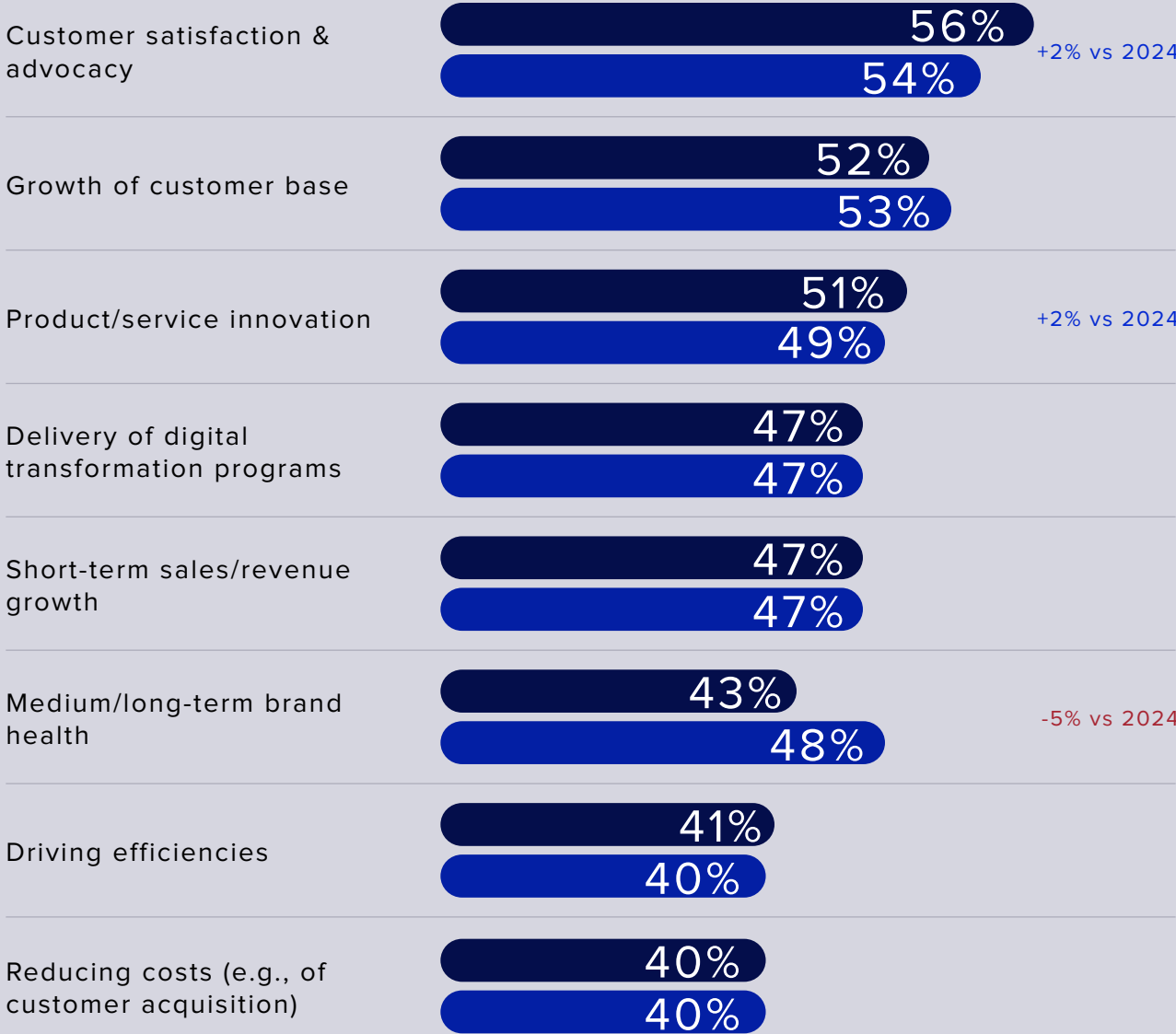
# Marketing's mandate is widening; customer satisfaction and growth are the primary results for which CMOs are held accountable.

Compared to last year, product/service innovation and customer satisfaction continue to be important metrics for CMOs, while medium/long-term brand health has fallen slightly behind organizational and product transformation initiatives aimed at growth.



## Which business results are you primarily accountable for?

● 2025 ● 2024





## Driving efficiencies is a more significant priority for APAC CMOs and less of a concern for those based in North America.

CMOs based in LATAM stand out as significantly more focused on cost reduction and product/service innovation.

Which business results are you primarily accountable for?

### Regions with significant over-indexation

APAC: Driving efficiencies (136i)  
Brand health (121i)

LATAM: Reducing costs (120i)  
Product/service innovation (110i)

### Regions with significant under-indexation

North America: Driving efficiencies (80i)

# Marketing's evolution from a steward of brand and comms into a driver of business growth and transformation continues.

CMOs foresee a continued focus on understanding market trends, developing CX, delivering growth, and brand management. Possibly as a result of concerns around the potential impact of tariff legislation on trade, the notion of advising on distribution strategies is reported to rise in importance over the next 12 months, compared to last year.



## What do you expect the primary role(s) of the marketing function to be over the next 12 months?

● 2025 ● 2024



# CMOs in North America, EMEA, and Japan largely reflect the global norm, while CMOs based in APAC and LATAM have unique regional priorities.

CMOs based in APAC over-index on indicating product/service development as a significant marketing priority in the next 12 months, while CMOs based in LATAM are significantly more likely to focus on disruptive innovation.

What do you expect the primary role(s) of the marketing function to be in the next 12 months?

## Regions presenting significant over-indexation

APAC: Developing products/services (113i)

LATAM: Leading disruptive innovation (126i)

## Regions presenting significant under-indexation

LATAM: Understanding market trends (89i)



# Key Takeaways

**Customer centricity is the present and future aspiration of marketing leaders.**

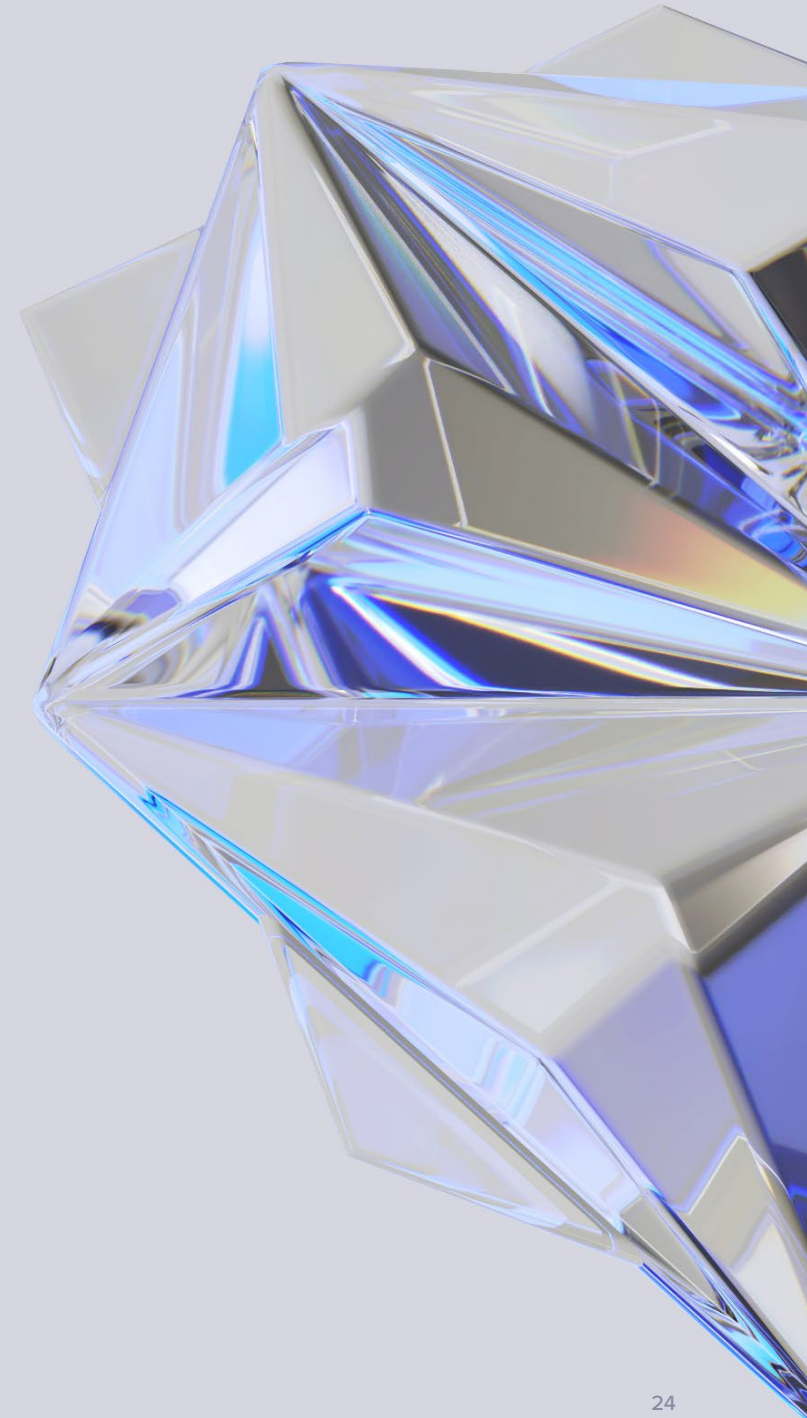
When reporting on their current marketing mandate, CMOs put customer satisfaction and advocacy in first place. Looking at what's around the corner, understanding consumer/market trends is considered a future-focus priority. An intimate understanding of those who are served by the brand is seen as being critical to driving growth.

**The Marketing mandate is widening, and more established brands prove why.**

The spectrum of responsibilities marketing organizations are charged with is considerably wider in Legacy brands that have been in business for over 30 years. Beyond longevity, positive business performance shows that centralizing responsibilities such as sales/field enablement, market research, and thought leadership under Marketing's umbrella is good for the business.

**CMOs in EMEA and APAC plan to focus on innovating their offerings, while those based in North America and Japan are more focused on business transformation.**

EMEA and LATAM CMOs over-index on prioritizing disruptive innovation, while those based in APAC are more focused on product development. Across the board, the potential impact of tariff rollouts is amping up the focus on distribution strategies compared to last year.



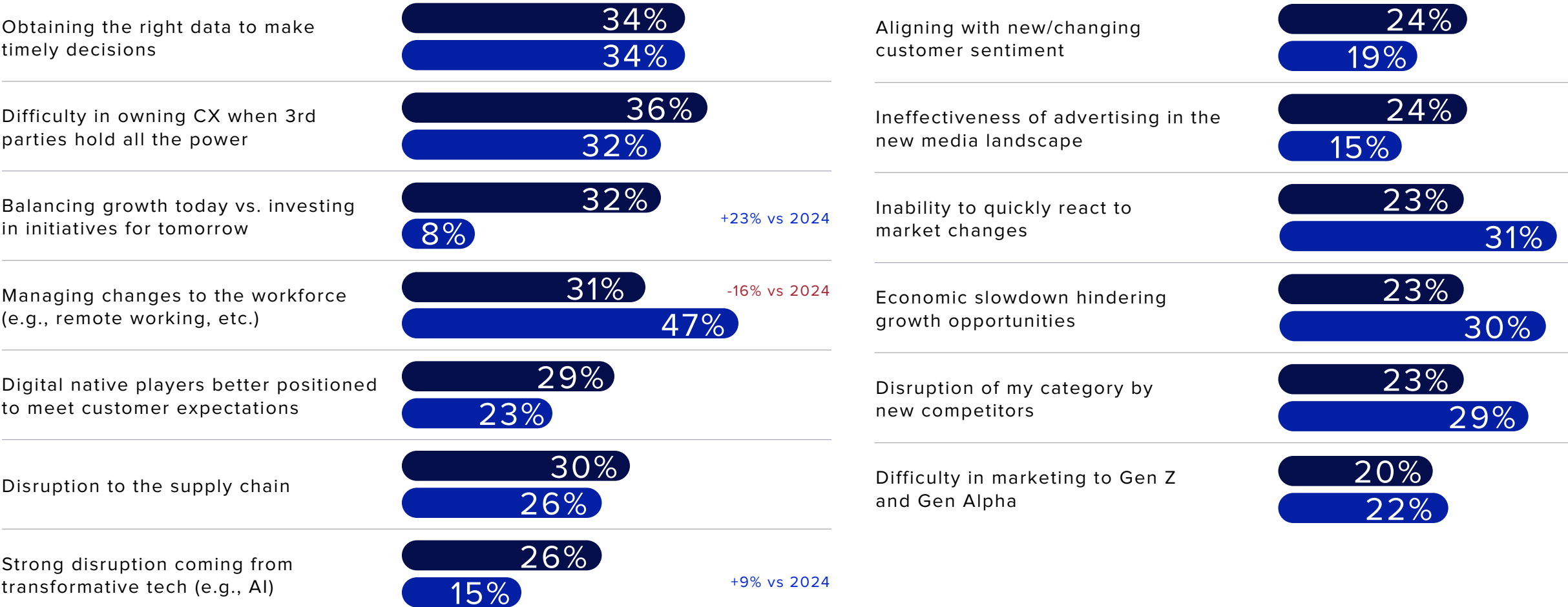
# Future-Proofing by Investing in Prediction and Automation

# Business agility concerns remain top of mind for CMOs, while changes to the workforce are less worrisome than they were last year.

AI-informed disruption and balancing the need to secure growth today with future-proofing initiatives have become much bigger concerns.

Which of the following external challenges do you expect to face over the next 6-12 months?

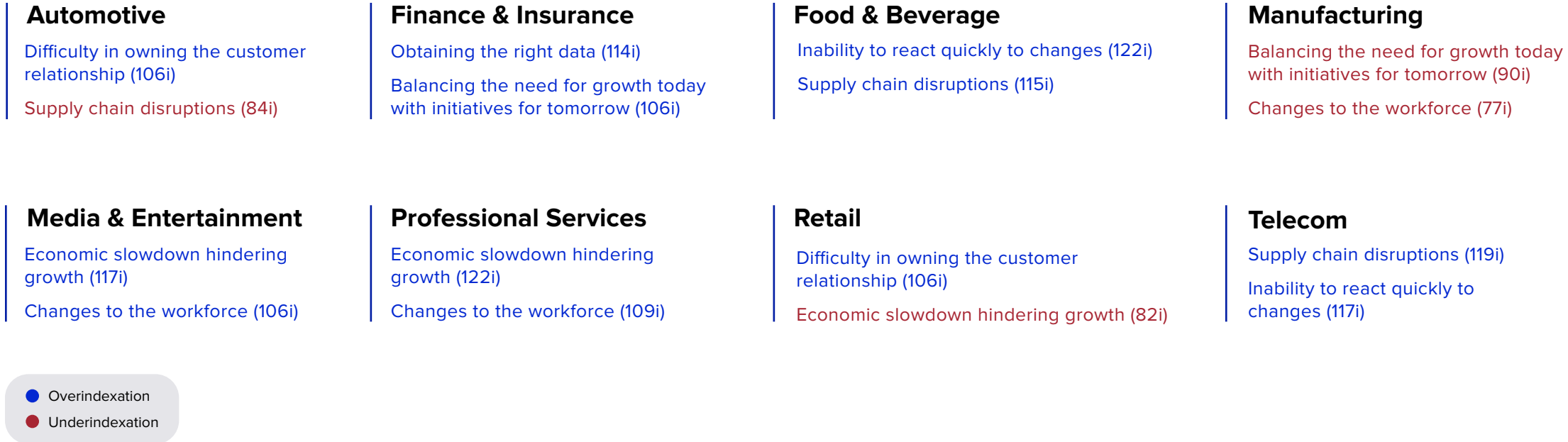
● 2025 ● 2024



# Supply chain disruptions and rapid market changes are perceived as particularly significant challenges by Telecom and Food & Beverage CMOs.

On the other hand, the economic slowdown is affecting Media and Entertainment and Professional Services organization the most.

Which of the following external challenges do you expect to face over the next 6-12 months?

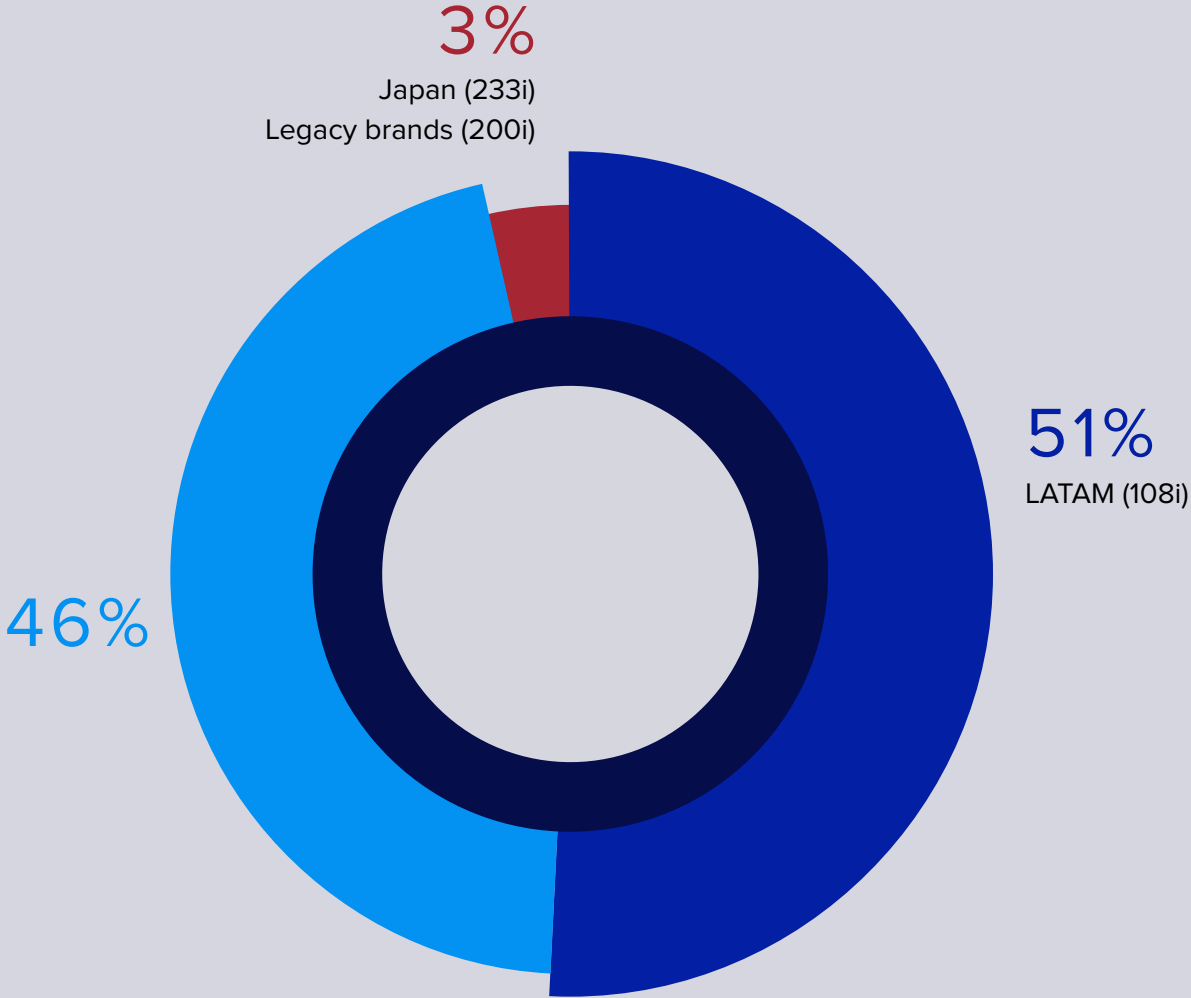


Which of the following best reflects the strategies your organization is using compared to the past?

# Given this increasingly dynamic tech, consumer, and market environment, CMOs are looking to new strategies to chart the path forward.

CMOs based in LATAM are even more likely to turn to mostly new strategies. Conversely, CMOs based in Japan over-index on relying on past strategies. The same applies for CMOs at the helm of Legacy brands.

\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.

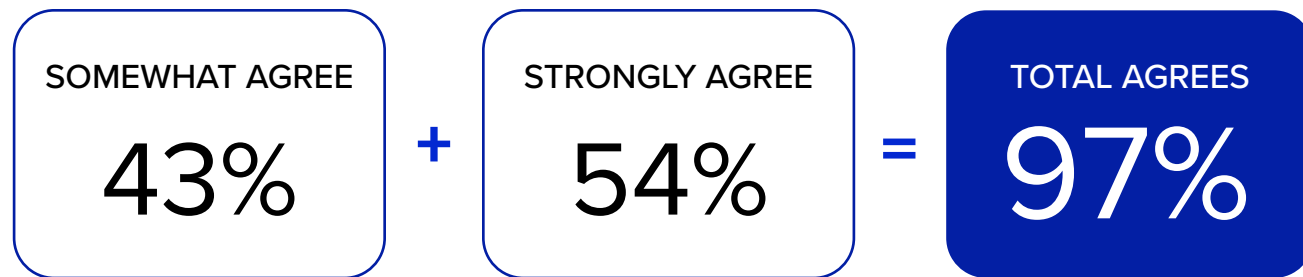


- Mostly new strategies
- Mix of new and past strategies
- Mostly past strategies

# This path forward is marked by a shift toward predictive capabilities to enable brands to anticipate customer needs.

All marketers agree that this is a priority, with more than half strongly agreeing.

We are investing in predictive capabilities so we can anticipate which products/services our customers need and deliver offers, promotions, or fully fledged orders without them having to actively seek them.



# While predictive capabilities are a priority across the board, some industries are especially committed to this shift.

CMOs at Automotive and Media & Entertainment brands are more likely to strongly agree that these investments are being prioritized, while Professional Services and Retail CMOs fall behind.

**STRONGLY AGREE: We are investing in predictive capabilities so we can anticipate which products/services our customers need and deliver offers, promotions, or fully fledged orders without them having to actively seek them.**



# Last year, CMOs told us their future revenue will be driven by offerings that don't yet exist. This year, they told us these offerings will be sold to "AI customers."

In last year's study, 6 in 10 CMOs told us they expect more than half of their organization's revenue by 2029 will be driven by offerings that are not yet part of their portfolio. This year, half of CMOs said they are evolving their offerings based on the assumption that the transactions that will contribute to said revenue will be originated by AI-enabled devices and platforms, rather than human customers.

\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.



Projecting 5 years out, what percentage of your organization's revenue do you believe will come from products, services, or businesses that don't yet exist?



We are designing products, services, and experiences based on the assumption that in the near future a large share of customer-facing interactions and transactions will be originated by AI-enabled devices and platforms.



# These perspectives are leading most organizations to pursue transformation efforts and evolve their businesses.

The share of organizations pursuing major transformation efforts mirrors what was reported last year, reflecting a dynamic and transient business environment.



## Which, if any, of the following transformations are you pursuing to deliver business growth?

● 2025 ● 2024



# Most industries are looking to substantially evolve how they go to market.

Automotive and Financial Service and Insurance brands are even more likely to focus on developing new experiences than the rest of the pack. Food & Beverage brands and Manufacturers are looking to update their commercial models, while Retail brands over-index on building proprietary marketplaces.

Which of the following external challenges do you expect to face over the next 6-12 months?

## Automotive

Launching new experiences (105i)

Monetizing our touchpoints (91i)

## Finance & Insurance

Expanding to new geos (109i)

Launching new experiences (108i)

## Food & Beverage

Changing our commercial model (110i)

Expanding to new geos (84i)

## Manufacturing

Expanding to new geos (106i)

Changing our commercial model (105i)

## Media & Entertainment

No significant over-indexation

Launching new experiences (91i)

## Professional Services

Monetizing our touchpoints (110i)

Building our own marketplace (75i)

## Retail

Building our own marketplace (115i)

Launching net-new product categories (92i)

## Telecom

No significant over-indexation

Building our own marketplace (85i)

- Overindexation
- Underindexation

# To meet their organizations' objectives, most CMOs prioritize investment and optimization strategies rather than saving strategies.

Investments in improving digital CX and innovation-focused initiatives, as well as shifting investment to CRM & loyalty, are the strategies CMOs most favor. This reinforces the notion that CX is not being deprioritized but being used to enhance brand and demand.

<i>INVESTMENT STRATEGIES</i>		<i>OPTIMIZATION STRATEGIES</i>		<i>SAVING STRATEGIES</i>	
Investing in improving the digital customer experience	<b>22%</b>	Shifting marketing spend to CRM/retention/loyalty	<b>21%</b>	Reducing investment in the digital customer experience	<b>11%</b>
Increasing the budget for innovation-focused initiatives	<b>21%</b>	Optimizing prices for products and services	<b>19%</b>	Reducing our budget for innovation-focused initiatives	<b>11%</b>
Increasing our media spend	<b>19%</b>	Brand consolidation	<b>19%</b>	Reducing our budget for growth-focused initiatives	<b>10%</b>
Increasing budget for growth-focused initiatives	<b>18%</b>	Enabling differed payments	<b>17%</b>	Reducing our investment in direct-to-consumer channels	<b>9%</b>
Increasing investment in direct-to-consumer channels	<b>17%</b>	Roll out cheaper alternatives to products/services	<b>16%</b>	Reducing our media spend	<b>9%</b>
Hiring more talent	<b>14%</b>	Re-negotiating contracts with existing vendors	<b>13%</b>	Reducing our headcount	<b>8%</b>
Offshoring more operational activities			<b>13%</b>		
<b>AVG. x INVESTMENT STRATEGIES</b>	<b>18%</b>	<b>AVG. x OPTIMIZATION STRATEGIES</b>	<b>17%</b>	<b>AVG. x SAVING STRATEGIES</b>	<b>9%</b>

# However, almost half of CMOs lack confidence in their organization's ability to implement the strategies they deem most important.

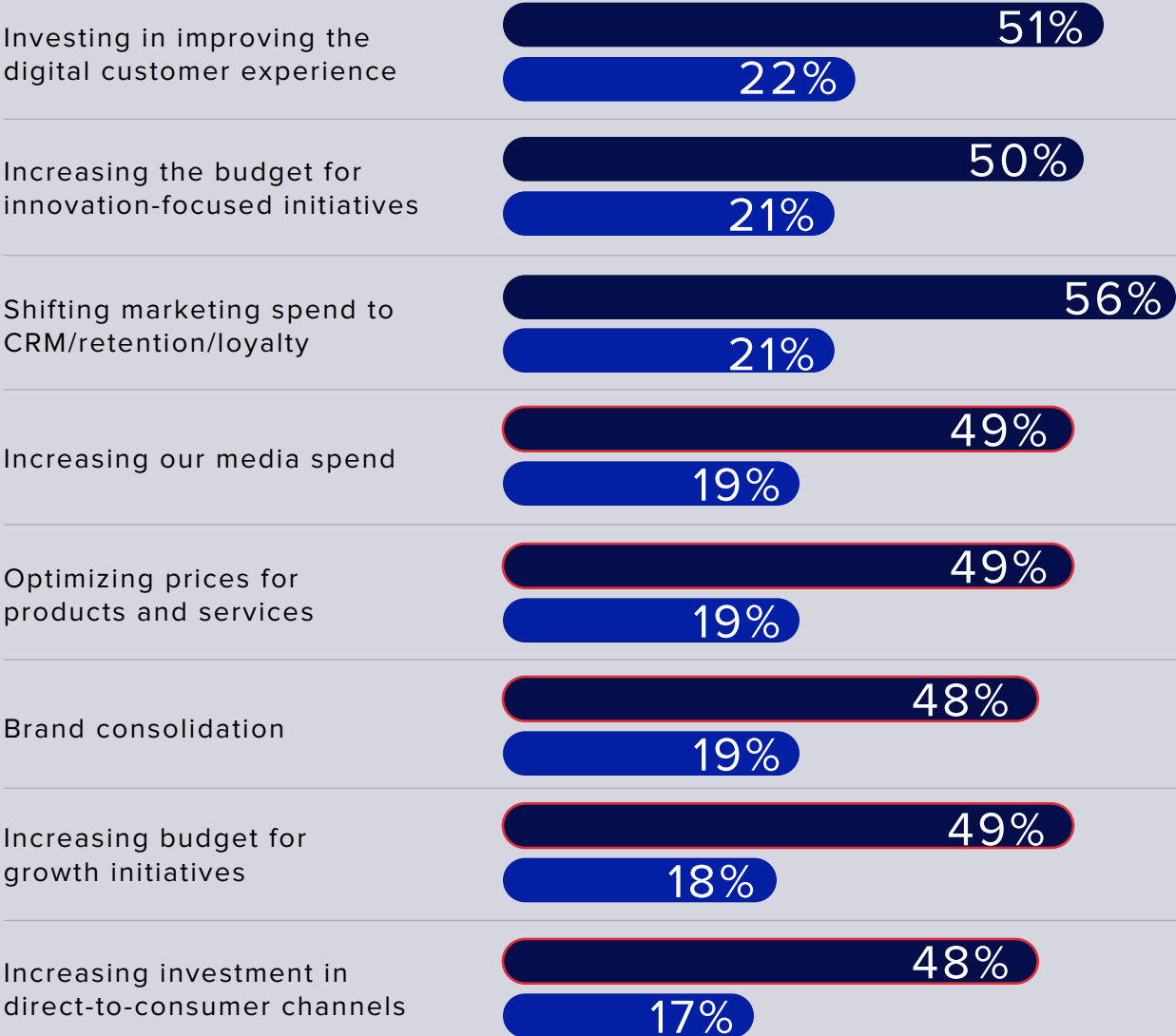
Increasing media investments, brand consolidation, and direct-to-consumer investments are areas where CMOs lack confidence in their organization's ability to execute.



## How confident are you in your organization's ability to implement the strategies you consider most important in order to meet your objectives?

- % OF CMOS CONFIDENT IN ORG. ABILITY TO IMPLEMENT
- % OF CMOS PRIORITIZING

### INVESTMENT STRATEGIES



Red = less than 50% of CMOs confident

# Key Takeaways

**The expectation of a future informed by AI customers keeps CMOs wondering how much they should worry about the now and how much they should invest for future impact.**

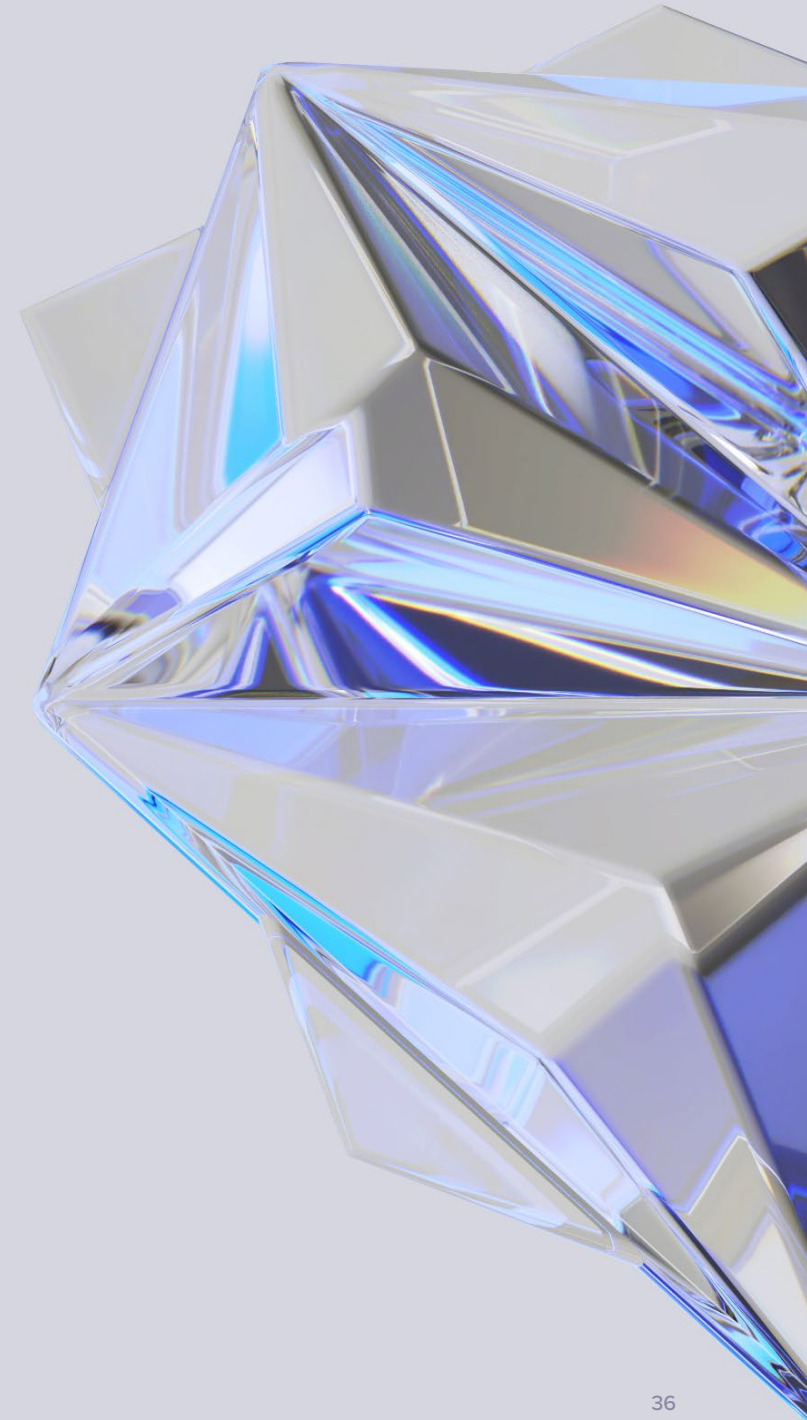
While changes to the workforce are a less prevalent challenge compared to last year, there is increasing concern about how to balance investments tied to capturing growth in the present with those needed to respond to strong tech disruption and prepare for a future in which a large share of transactions will occur between machines.

**CMOs understand that the shift toward predictive capabilities and automation needs to go hand in hand with changes in their businesses' go-to-market strategies.**

CMOs indicate that they are investing in the capabilities needed to meet consumers' expectations for a digitally delegated future in which their needs are anticipated. However, they also signal they are evolving their go-to-market by launching new experiences, monetizing touchpoints in new ways, and evolving their commercial models. This shows an understanding that capabilities alone won't suffice, when everyone is future-proofing theirs.

**Positive business performance is emboldening CMOs to discard past playbooks and invest more in innovation and experience.**

Instead of sitting on the laurels of the revenue increases experienced by their companies and "rinsing and repeating," CMOs are embracing new strategies and putting investment in digital CX and innovation-focused initiatives at the heart of their agendas as they seek to capture demand by way of differentiation.



# The Evolving Brand Loyalty Landscape

# 8 in 10 CMOs believe that brand loyalty will be affected by customers' increasing use of AI.

This belief is especially widespread among CMOs working Legacy brands, while CMOs at start-ups over-index on thinking the contrary.

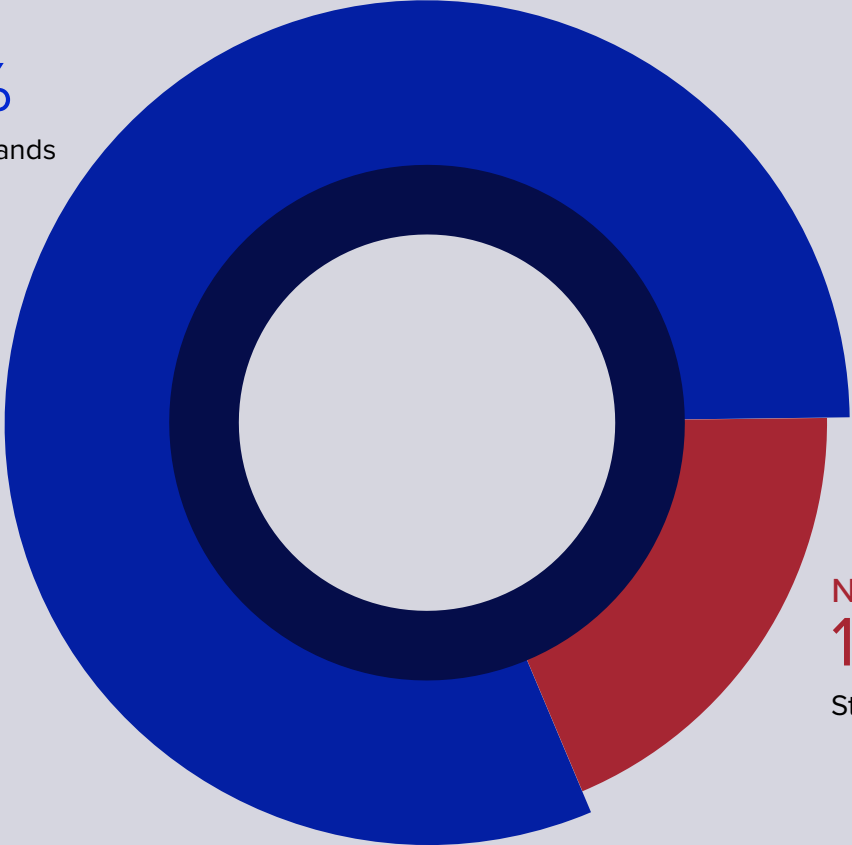
\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.



Do you think the increasing use of AI on the part of customers in their day-to-day activities will have an effect on brand loyalty?

YES  
83%

Legacy brands  
(105i)



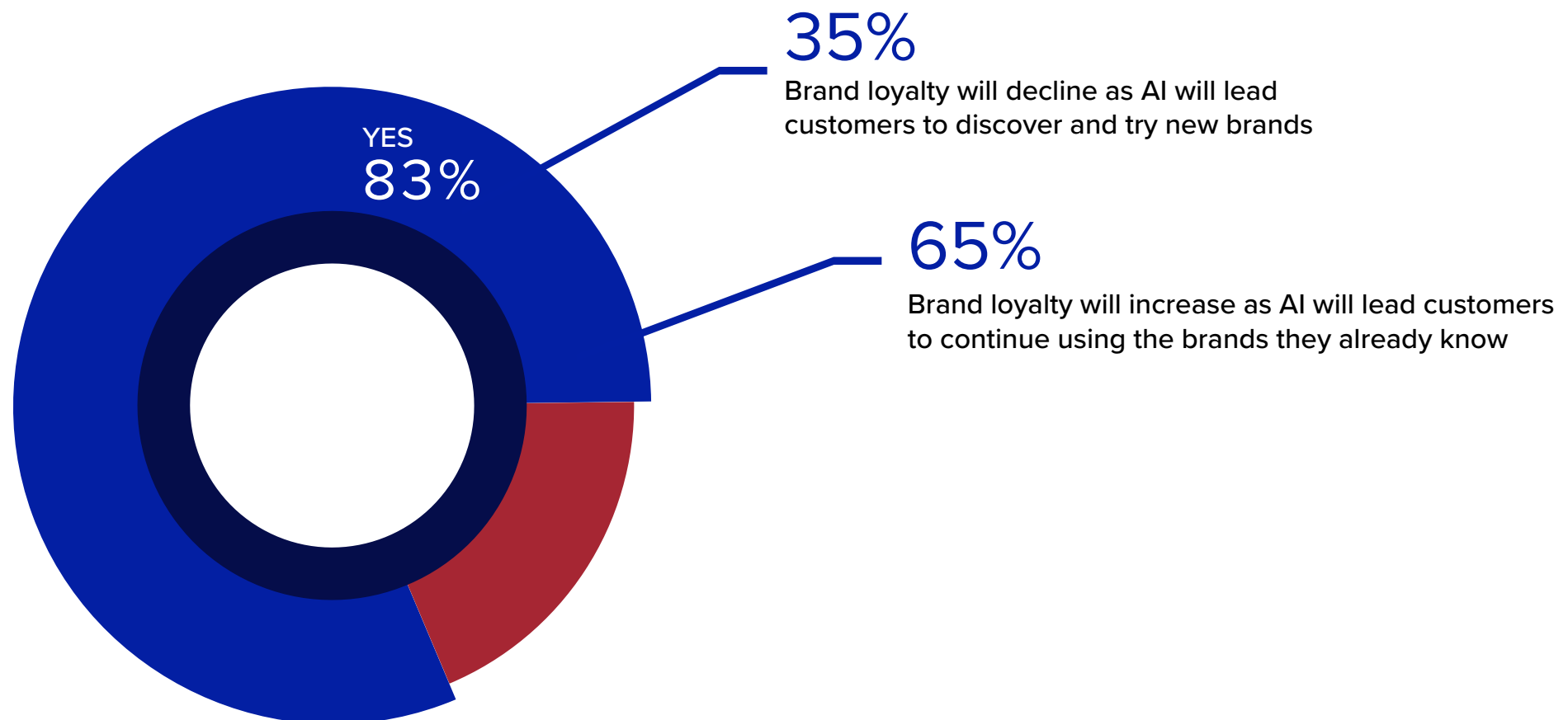
NO  
17%

Start ups (135i)

- “The increasing use of AI will have an effect on brand loyalty”
- “The increasing use of AI will NOT have an effect on brand loyalty”

# Among those who think AI will have an effect on brand loyalty, 2 in 3 CMOs believe loyalty will increase as AI will lead customers to stick with what they know.

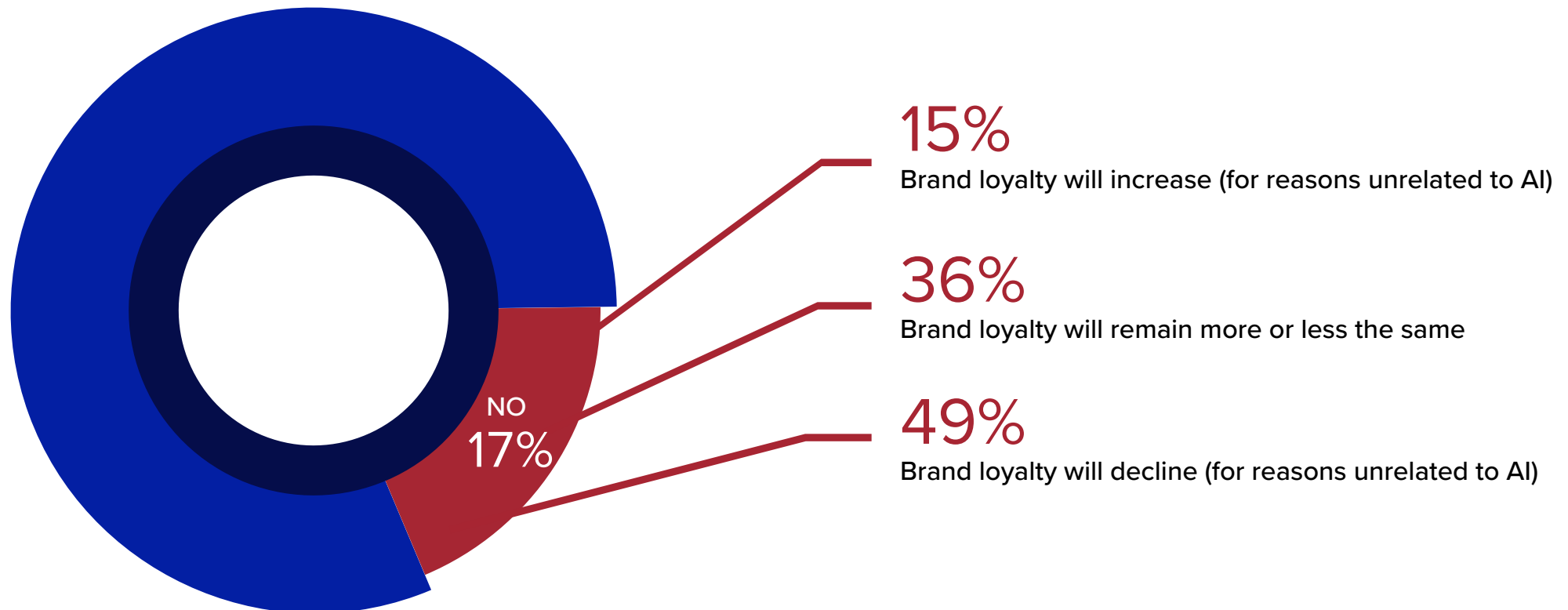
Based on your previous response, which of the following do you believe will occur in the brand loyalty space as a result of the increasing use of AI?



# A minority of CMOs believe that the increasing use of AI will not have an effect on brand loyalty. Nevertheless, they believe that loyalty will decline (for reasons unrelated to AI).

Other possible factors of this decline include the rising cost of living, or the growth of fast commerce platforms that provide customers with easy access to cheaper “no name” alternatives.

Based on your previous response, which of the following do you believe will occur in the brand loyalty space as a result of the increasing use of AI?



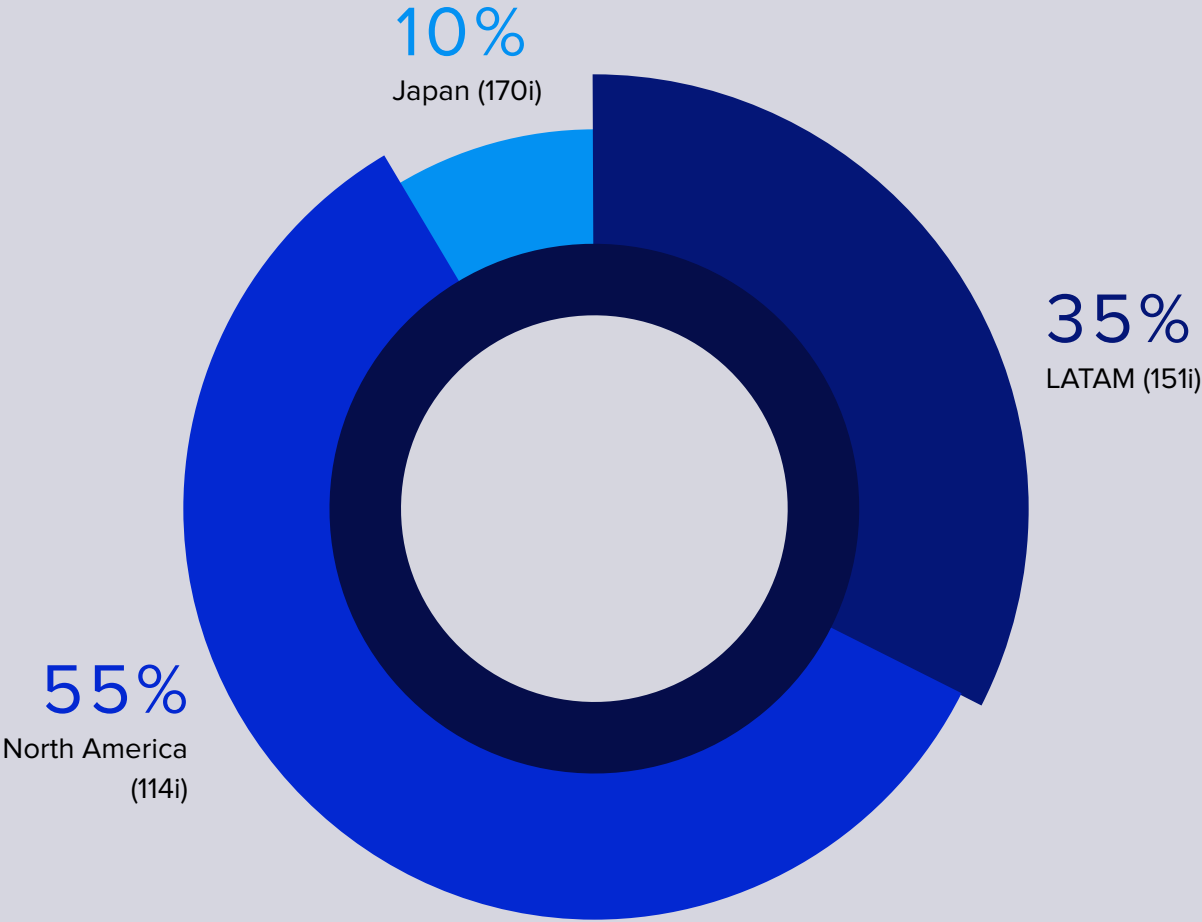
# Brand loyalty is universally considered a strategic driver that contributes significantly to the realization of business objectives.

While all CMOs are aligned on its importance, there are some nuances: marketing leaders in LATAM over-index on considering it critically important, while CMOs based in Japan are, relatively speaking, more likely to say it's only moderately important.

\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.



Which of the following best reflects the degree of importance loyalty has when it comes to meeting your organization's business objectives?(\*)



- Critically important
- Very important
- Moderately important

(\* Respondents were also presented with "Only somewhat important" and "Not important at all" options but no one selected either of these.

**Brand loyalty provides a number of strategic advantages to organizations, like the ability to more accurately forecast and plan, and an indication of brand recognition.**

At the same time, the advantages it provides to maximize the lifetime value of existing customers, as well as to acquire new ones, are also rated quite highly by CMOs.



**Which, if any, of the following are among the top 3 benefits brand loyalty provides to your organization?**

It allows us to more accurately forecast our business performance, due to the recurring revenue attached to it **19%**

It's an indicator of our brand's recognition and the value it holds, allowing us to charge a premium for our products/services **19%**

It provides us with an understanding of our customers' behavior which allows us to develop experiences (offers, promos) to maximize their lifetime value **18%**

It provides a rich data set on our existing customers that enables us to better target and acquire new customers **18%**

It's a program customers expect from brands operating in our sector, so it's a must-have for us to compete **14%**

It provides us with in-depth customer feedback that allows us to evolve our products, services, and experiences **14%**

# The spectrum of key business benefits brought to bear by brand loyalty varies across industries.

In industries such as Automotive and Food & Beverage, loyalty is especially valued for the role customer feedback plays in evolving offerings, while in service industries such as Finance & Insurance and Telcom it is more likely to be appreciated as an indicator of brand recognition.

Which, if any, of the following are among the top 3 benefits brand loyalty provides to your organization?

## Automotive

It provides us with customer feedback we can use to evolve our products/services (136i)

## Finance & Insurance

It's an indicator of our brand recognition in the market, which allows us to charge a premium (116i)

## Food & Beverage

It provides us with customer feedback we can use to evolve our products/services (121i)

## Manufacturing

It's a program customers expect in our industry, so it's a must-have we need to compete (107i)

## Media & Entertainment

It provides us with customer feedback we can use to evolve our products/services (121i)

## Professional Services

It allows us to more accurately forecast and plan due to the recurring revenue attached to it (110i)

## Retail

It provides a rich-data set through which we can better target and acquire new customers (106i)

## Telecom

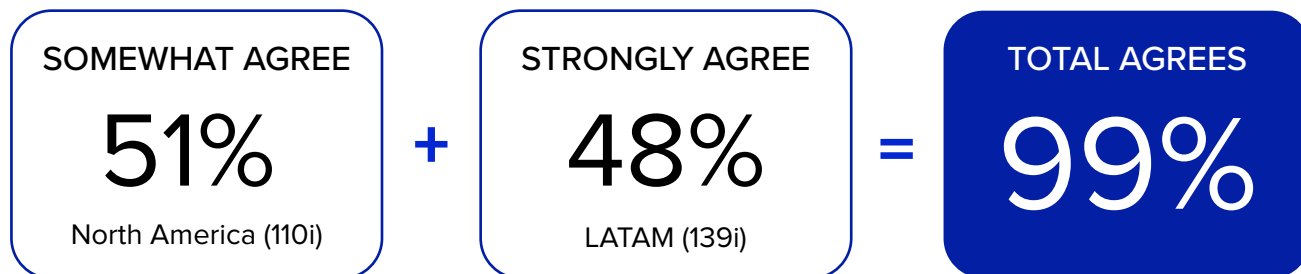
It's an indicator of our brand recognition in the market, which allows us to charge a premium (110i)

- Overindexation
- Underindexation

# The role of surprise and delight as a key aspect of earning customers' loyalty is recognized by the entire CMO community.

Marketing leaders in LATAM are more likely to strongly agree it is crucial.

The best way for a brand to stand out and earn customers' loyalty is to surprise and delight them (\*).



(\*) Respondents were also presented with the option to "Somewhat disagree" (only 1% selected it) and "Strongly disagree" (no respondents selected it).



# Key Takeaways

**Most CMOs see AI as their ally when shaping the future of brand loyalty for their organizations.**

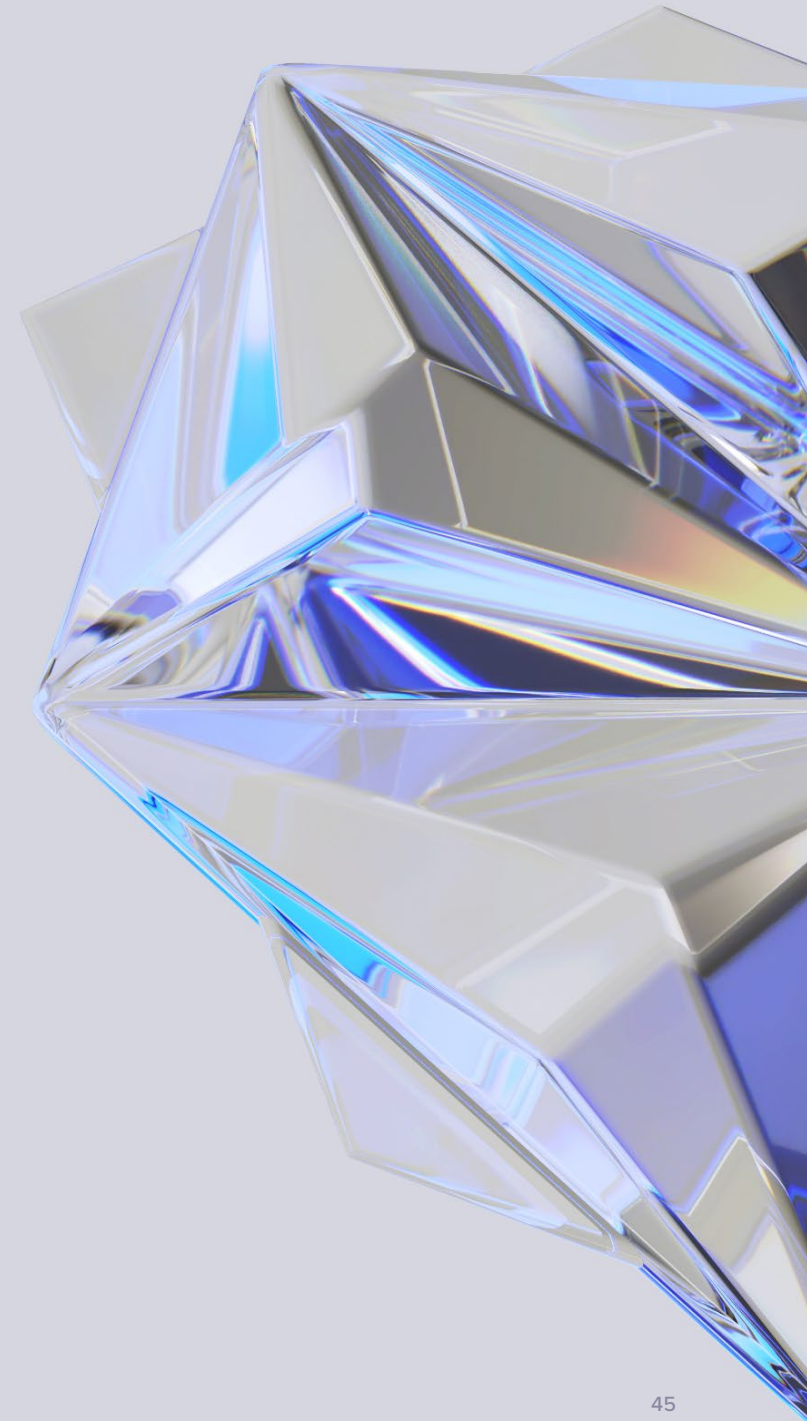
While there is consensus among a large majority of CMOs that AI will have an impact on brand loyalty, 2 in 3 expect that it will drive customers to stick with their preferred brands as opposed to trying new ones. This contextualizes the reported investments in predictive capabilities and automation as a strategy that is very much perceived to be necessary in order to retain customers.


**Brand loyalty is seen as a key driver for businesses success, as it enables CMOs to better plan future investments and attach a tangible value to an intangible asset.**

9 in 10 CMOs consider brand loyalty significantly or critically important. For many, this is because it immediately translates into business agility, thanks to recurring revenue and indicating brand recognition in the market. But it is also seen as a critical lever for growth, as it allows for the design of more profitable experiences and helps marketers better target new customers.

**Brand loyalty means something different to brands across business models and industries.**

B2C CMOs over-index on indicating that brand loyalty is perceived as a must-have by their customers. In mass-market industries such as Automotive and Food, its value is mostly attached to the inputs it provides for future product development. In services industries, it is all about revenue and forecasting.





# Refocusing CX Strategies to Realize Greater Value

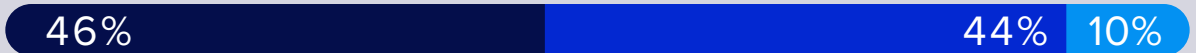
# While most CMOs are on the road to becoming digitally mature and customer-led, less than half have accomplished key maturity milestones.

That said, they're making strong progress with AI adoption and in establishing a unified content supply chain in comparison to last year.

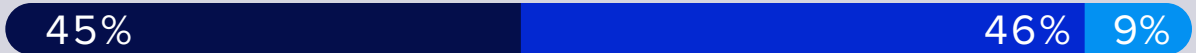
## To what extent have your organization and teams met the following objectives to become a digitally mature business?

- We have met this objective
- We are making good progress
- We are behind against our roadmap
- It's not a priority for us

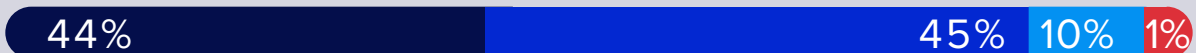
We are customer-led in our business strategies and their execution



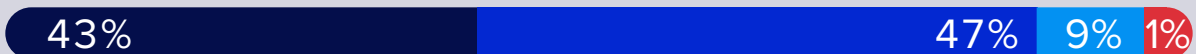
We have a consistent, unified brand experience across various touchpoints and channels



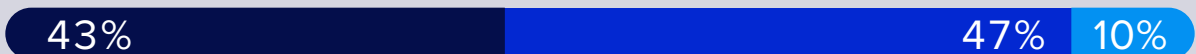
Our technology and business teams are aligned on focus areas and driving toward the same goals



We are adopting AI across the entire business and are ready to leverage it for innovations



We have one content supply chain that supports media, CRM, and our owned channels



We have optimized the use of technology to maximize business outcomes



# More than half feel their organizations still have work to do when it comes to orchestration across marketing, media, and CX.

However, CMOs reported improvements in process standardization and journey analytics integration compared to last year.

## Which of the following best reflects your organization's progress in integrating strategy and operations for customer experiences?

Getting our performance marketing and CRM teams working on common calendars and leveraging the same content processes and tools.



Defining a common set of audience segments and personas that all teams across media, CRM, and customer touchpoints use as a foundation.



Establishing common KPIs and incentives across the organization for media, CRM, ecommerce, and customer service.



Implementing customer journey analytics across all our owned experiences, including our websites/apps.



- We have met this objective
- We are making good progress
- We are behind against our roadmap
- It's not a priority for us

**To what extent are the following standing in the way of you successfully executing your digital transformation initiatives?**

	MAJOR CHALLENGE	MINOR CHALLENGE	NOT A PROBLEM
Lack of enterprise strategy for digital transformation	22%	44%	34%
Inadequate or disconnected technology system or infrastructure	22%	47%	31%
Lack of alignment around goals for digital transformation	21%	46%	33%
Our operating model makes change difficult	20%	45%	35%
Competing priorities with other large transformation initiatives	20%	49%	31%
Budget constraints and unwillingness to invest at sufficient levels	19%	46%	35%
Insufficient internal skills and expertise	19%	47%	34%
Lack of executive sponsorship	19%	43%	38%
IT is not focused on the customer experience	19%	47%	34%

**A lack of alignment around strategy and goals – as well as disconnected or inadequate technology systems – are seen as major hurdles in transformation.**

Many respondents cite similar challenges with their organization’s operating model and internal competition with other transformation initiatives.

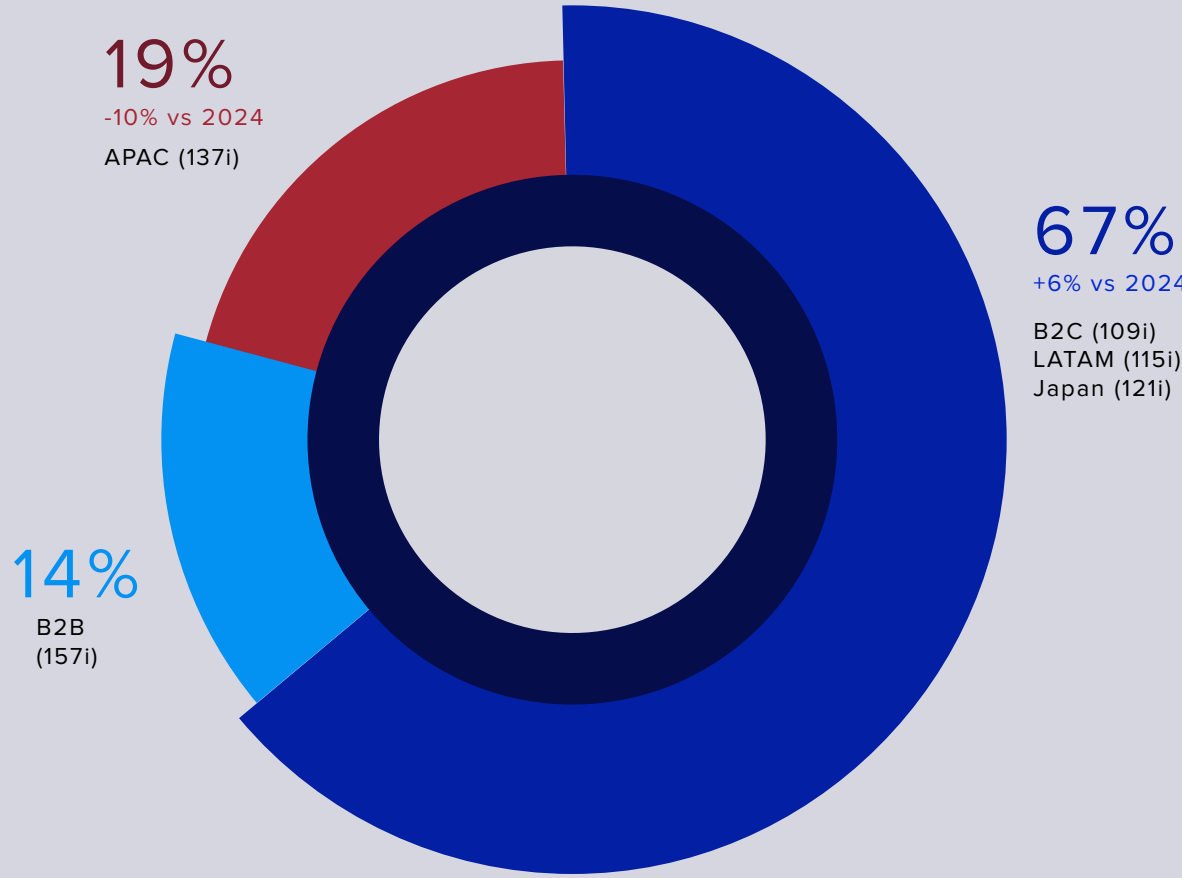
# To overcome these challenges, 2 in 3 CMOs plan to increase their use of external consultancy partners to bolster their digital transformation initiatives.

The share of CMOs planning to increase their use of consultancy partners has grown compared to last year. B2C companies are particularly likely to increase their use of partners. From a regional perspective, CMOs based in LATAM and Japan over-index on planning to increase their use of partners, whereas APAC CMOs plan to reduce it.

\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.



In what way do you expect your reliance on external consultancy partners to change in the next 12 to 24 months, when it comes to digital transformation initiatives?



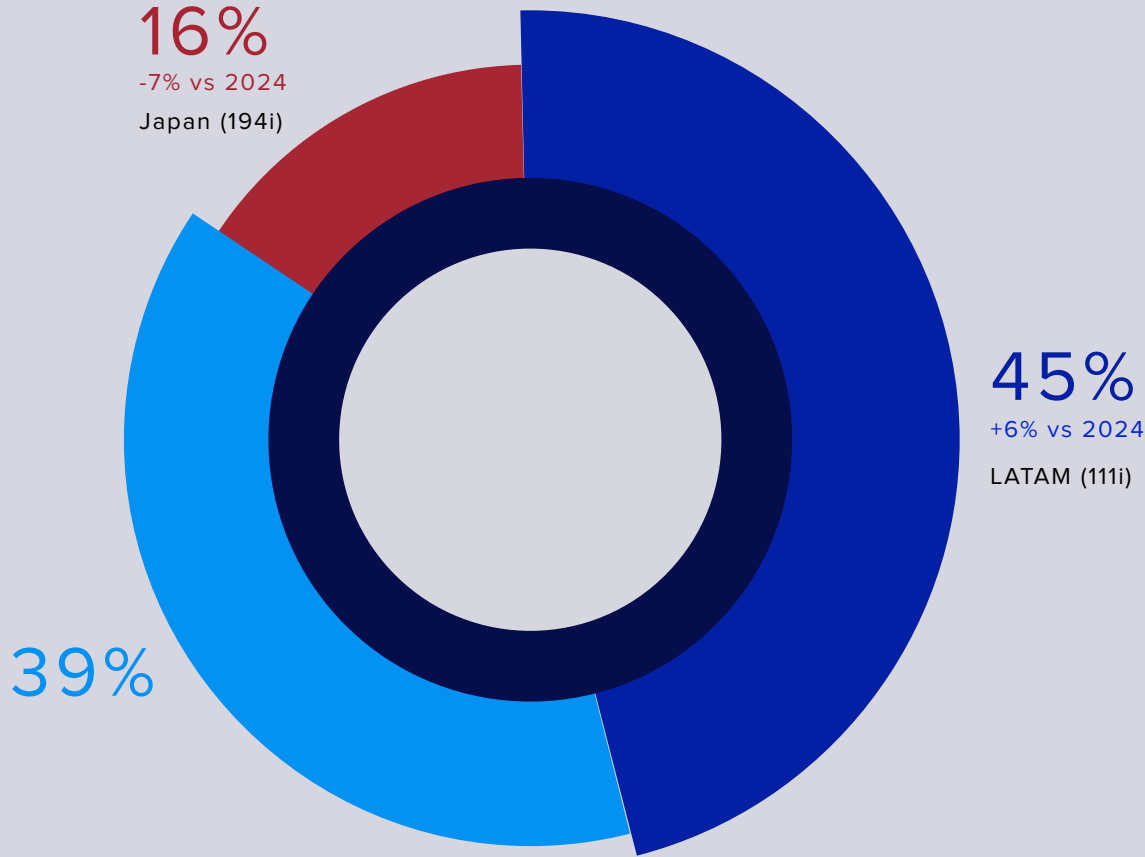
- Increase use of external consultancy partners
- More or less the same usage
- Decrease use of partners

Thinking about the next 12 to 24 months, how do you expect your use of external consultancy partners to change when working on digital transformation initiatives?

# CMOs expect to focus their digital transformation partnerships more on specific projects and filling gaps in skillsets within their organizations.

In fact, the preference for these types of engagement models has increased compared to last year. While the notion of joint venture partnerships lost favor compared to last year, they remain desirable for CMOs at Enterprise companies.

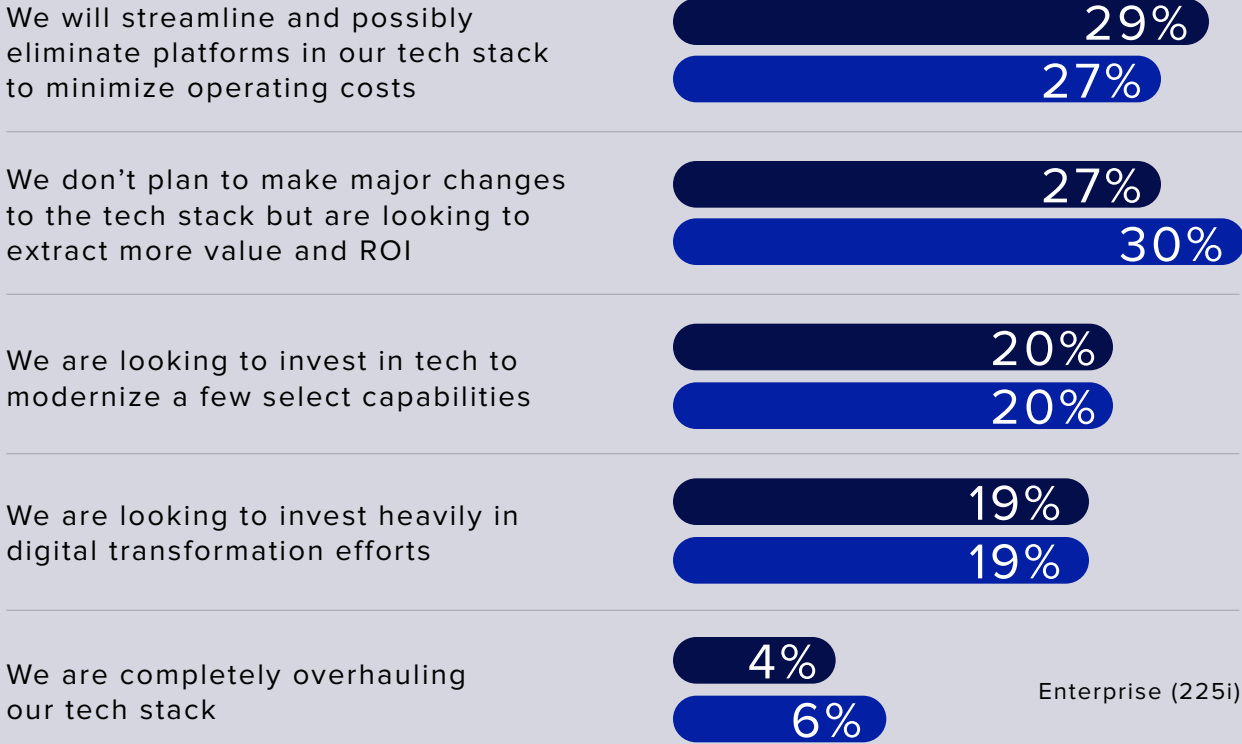
\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.



- Focus on specific projects and initiatives
- Augment our teams with select skills
- Proactively pursue joint opportunities

**Which of the following best reflects your approach to technology investments in the next 12 to 24 months?**

● 2025 ● 2024



Enterprise (225i)

**When it comes to their technology ecosystems, CMOs are mostly seeking value realization.**

However, CMOs in Enterprise companies are significantly more likely to indicate they are looking to overhaul their tech stacks.

\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.



# Direct sales channels, retail partners, and social commerce are core strategies for brands as they evolve how they sell.

DTC strategies and search commerce, in particular, are more popular than last year.

## In what ways, if any, is your digital commerce strategy evolving?

- It's core to our business strategy
- We are investing in running pilots
- We are exploring this
- We don't plan to explore this



# Social commerce is particularly popular among LATAM and EMEA CMOs, less so in North America.

APAC CMOs over-index on putting distributors at the core of their strategies.



“This is core to our **CURRENT** digital commerce strategy”

## Regions presenting significant over-indexation

LATAM: Social commerce (112i)

EMEA: Social commerce (113i)

APAC: Wholesale/distributor (115i)

## Regions aligned with global averages

Japan

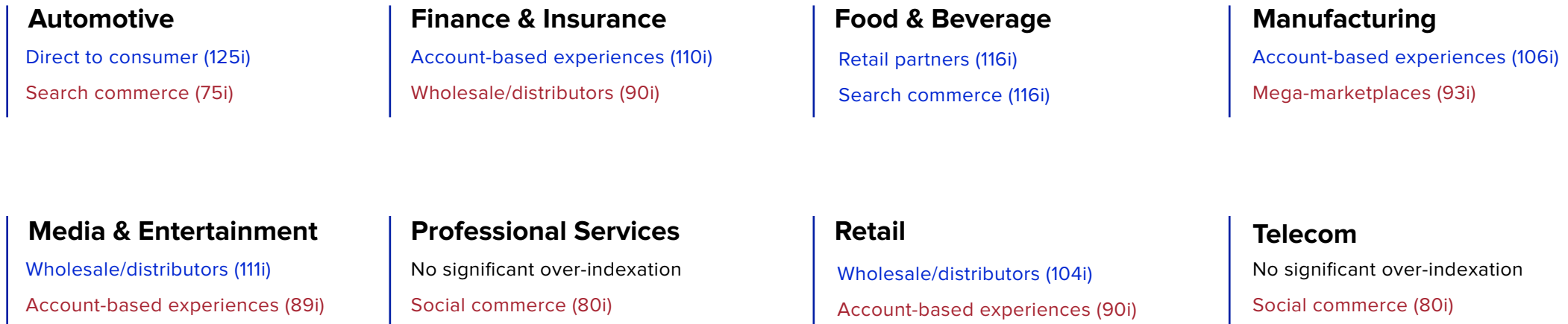
## Regions presenting significant under-indexation

North America: Social commerce (87i)

# Automotive is stepping up its DTC game, while Food & Beverage companies over-index on reliance on retail and search.

Not surprisingly, Manufacturing companies focus significantly on account-based experiences (ABX).

“This is core to our **CURRENT** digital commerce strategy”



● Overindexation  
● Underindexation

# CMOs are pursuing multiple strategies to scale their organizations' content supply chains, above all investing in workflow optimization and adoption of Generative AI.

While the enhancement of in-house studio capabilities is a less-favored strategy, it still garners favor from 4 in 10 CMOs and is particularly popular among those at the helm of Enterprise brands.



## Which, if any, of the following is your organization pursuing to scale its content supply chain?

We are investing in content and/or workflow optimization suites so that our resources are better integrated, and our content supply chain is more efficient	51%
Our creative teams are using Generative AI to accelerate our content production capabilities	50%
We are setting up workshops on Generative AI to better understand how we may use it, and the risks attached to it	47%
We are using a dynamic content optimization solution to rapidly adapt our content to the formats required by large omnichannel campaigns	46%
We are outsourcing some of our content supply chain needs and rely on only select in-house capabilities, to maintain both speed and cost-efficiency	46%
We are enhancing our creative studio capabilities to have a larger pool of in-house talent we can lean on	40%

# CMOs are investing in maturing their businesses' enterprise data capabilities, but most organizations have yet to accomplish key milestones.

More CMOs report they have either implemented an enterprise data strategy or adopted an identity solution compared to last year. However, half of CMOs are still reporting their organizations have not yet met data transformation maturity.

Please indicate where unlocking the following data transformation capabilities sit in terms of priorities for your organization.

Our organization's data is rich and accessible by all teams, and we are making the most of customer and business insights



We have an enterprise data strategy across all functions, including marketing, and we are driving effective personalization by building a first-party data set and leveraging 3rd party data when needed



We are using a 3rd party identity solution to identify unknown visitors and enrich our view of the customer to deliver better CX



- This was a high priority for us and we achieved it
- This is a high priority for us, but we have yet to achieve it
- This is a nice to have for us
- We are not prioritizing this

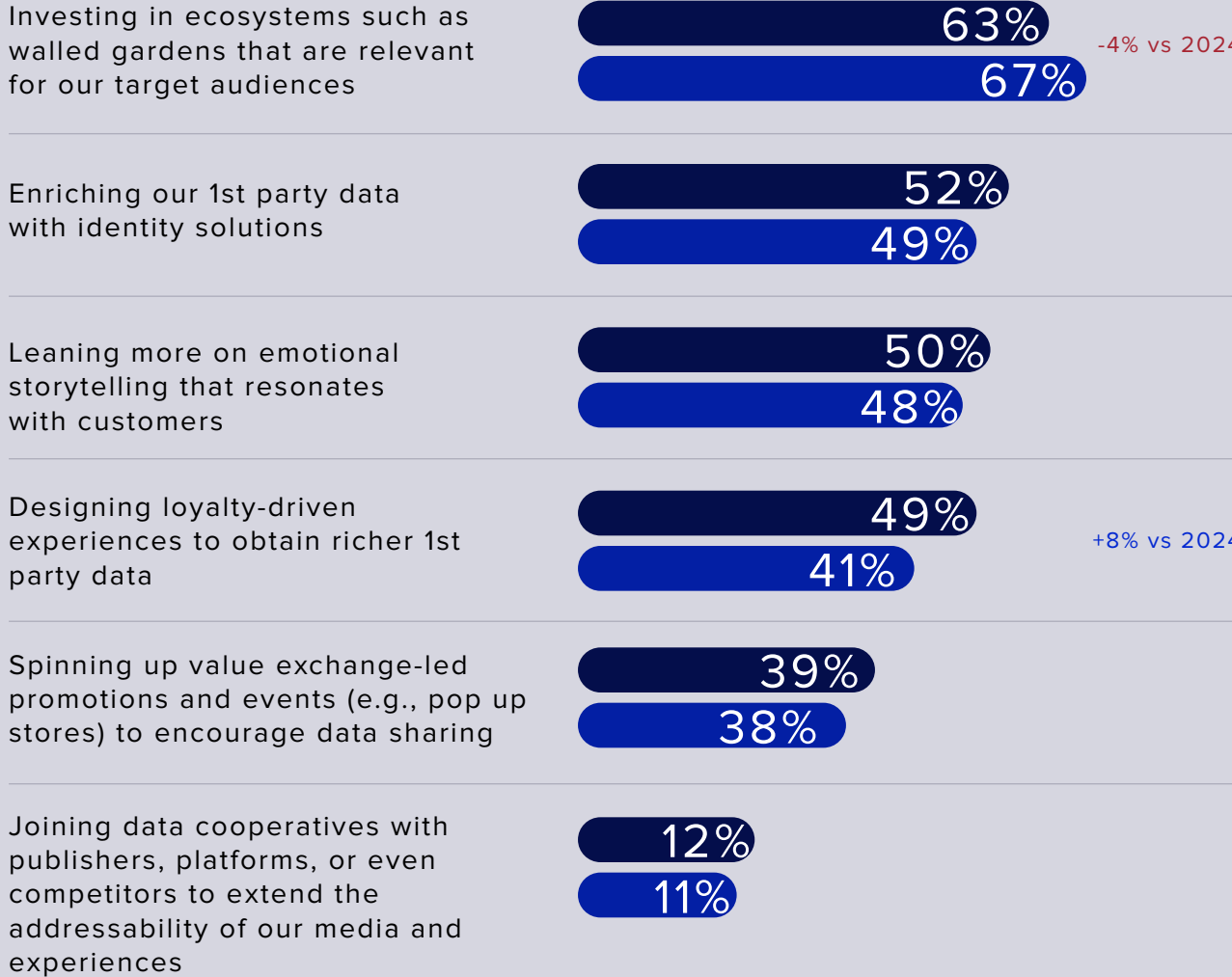
# In a landscape where data and privacy regulations are constantly evolving, CMOs are increasing investments in the strategies needed to deliver personal and intimate experiences.

Walled gardens continue to be the strategy CMOs lean on the most, but the biggest increase compared to last year is in loyalty experiences.



Which of the following strategies are you pursuing to deliver greater personalization, as well as the more intimate experiences customers expect when privacy concerns are affecting how much data is shared and available to your organization?

● 2025 ● 2024



# While walled gardens are prevalent on a global scale, there are nuances across regions when it comes to personalization strategies.

CMOs in LATAM are leaning heavily on loyalty-driven experiences, while Japan-based CMOs stand out for focusing on identity solutions.

“We are pursuing the following strategy to deliver greater personalization given data privacy concerns.”

## Regions presenting significant over-indexation

LATAM: Loyalty-driven experiences (130i)  
Walled gardens (114i)

Japan: Identity solutions (125i)

APAC: Joining data cooperatives (175i)

## Regions aligned with global averages

EMEA

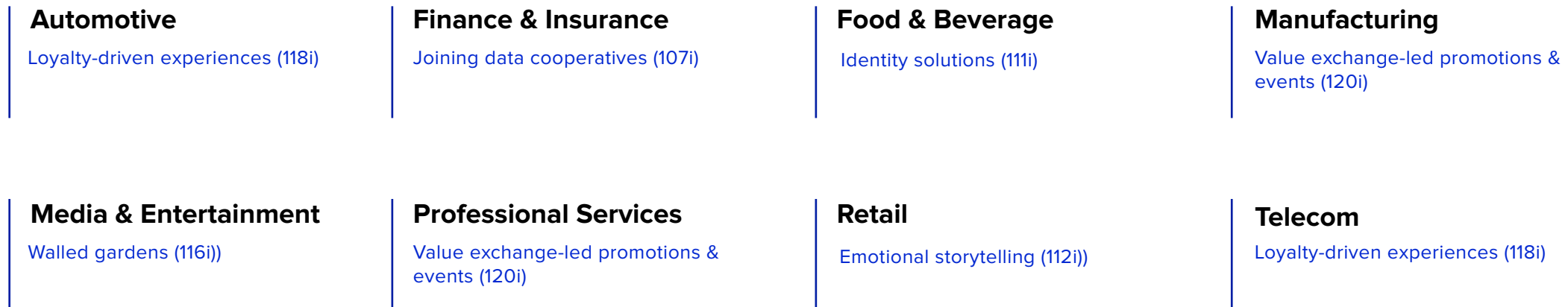
## Regions presenting significant under-indexation

North America: Joining data cooperatives (75i)

# Automotive & Telecom brands are leaning on loyalty-driven experiences the most.

B2B-heavy industries such as Manufacturing and Professional Services over-index on focusing on value exchange-led promotions and events.

“We are pursuing this to deliver greater personalization given data privacy concerns.”



- Overindexation
- Underindexation

# Key Takeaways

**CMOs feel unsteady in their digital maturity, with organizational constraints proving to be as challenging as tech debt to their transformation efforts.**

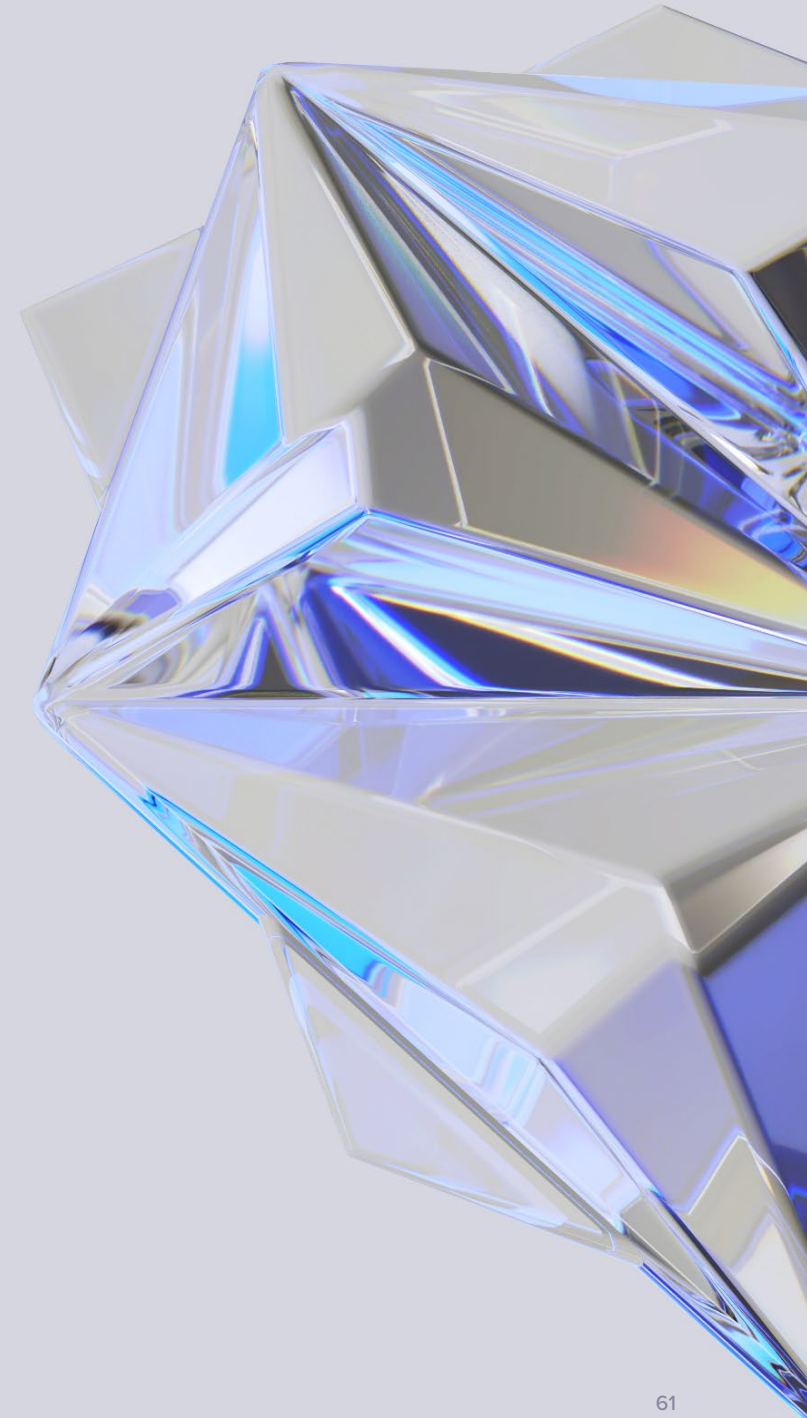
Most marketing leaders feel their organizations are on the road to being digitally mature and customer-first. Yet less than half have accomplished key maturity milestones. Almost 70% of CMOs identify lack of enterprise-wide goals and strategies for digital transformation, as well as inadequate or disconnected technology systems, as major or minor impediments to change.

**Many CMOs are evolving their commerce and content strategies, yet the desire to extract more value out of existing capabilities is leading CMOs to make very targeted investments when it comes to technology, partners, and growth strategies.**

Rather than “spraying and praying,” most CMOs are looking to focus efforts on value extraction, filling targeted gaps in the skillsets that already exist within their own organization. These investments aim to supercharge the commerce channels most relevant to their industry, and to scale the content supply chain by optimizing workflows and adopting Generative AI.

**In a landscape where the availability of data signals is uncertain, CMOs are doubling down on ecosystems and AI.**

While efforts to enrich and augment 1st party data continue, walled gardens and AI are seen as potential shortcuts to deliver relevant experiences that compel customer action.



# Adopting AI to Maximize Marketing's Impact

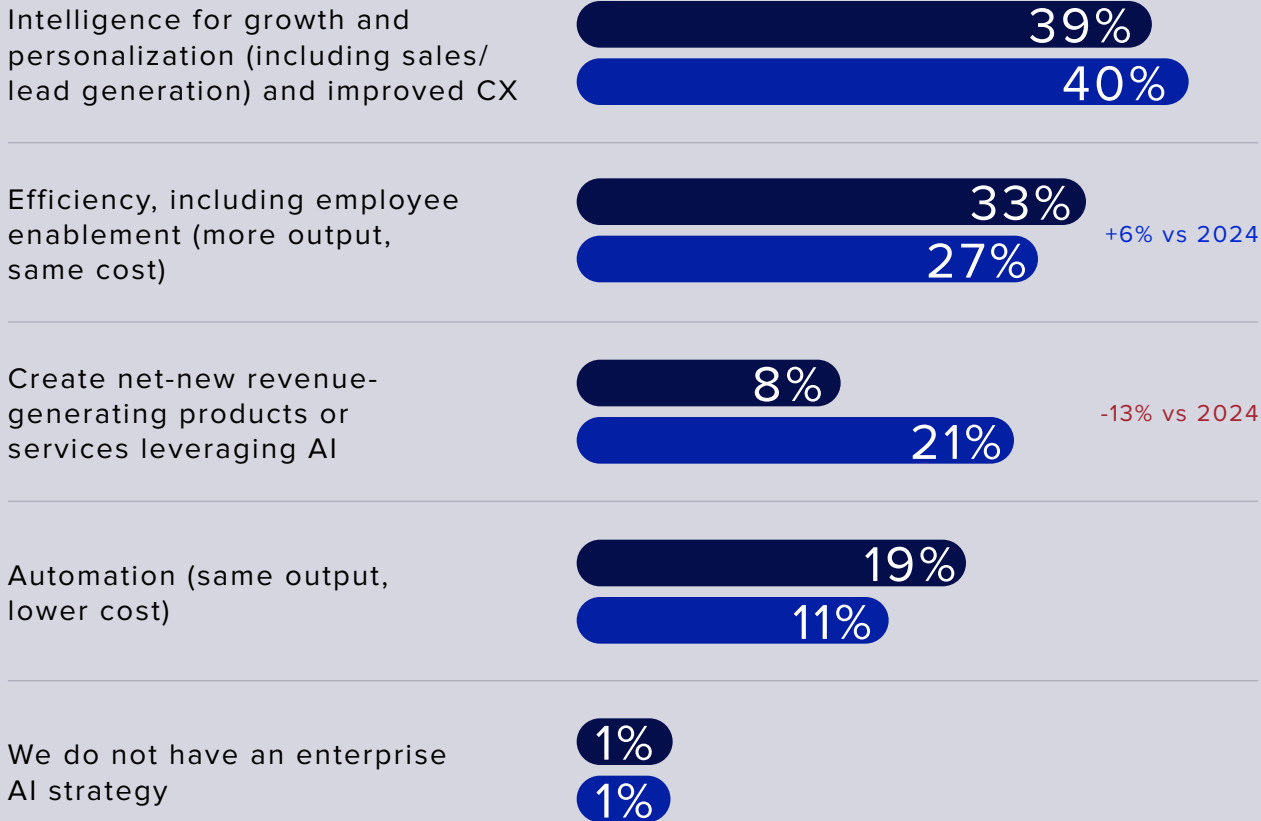
# CMOs continue to see growth and personalization as the main benefits of using AI.

Compared to last year, the share of CMOs saying they look to increase efficiencies through AI has risen, while the share of those saying they will leverage it to create new products or services has significantly decreased.



## What is the primary goal/objective of your company when it comes to AI by 2026?

● 2025 ● 2024



# Services-oriented industries over-index on looking to leverage AI to create net-new revenue-generating offerings.

On the other hand, Retail, Manufacturing, and Telecom CMOs are more likely to indicate they will leverage AI for automation.

“This is the primary goal for our company when it comes to AI in 2026.”



- Overindexation
- Underindexation

# While all CMOs agree that AI is the key to unlocking personalization, half of their organizations still have progress to make on the path to fully deploying it.

CMOs at Enterprise companies and those based in North America and LATAM are more likely to report that their organizations have already deployed AI as a critical enabler of personalization in their CX strategies.

\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.



## Which of the following best describes your approach to AI-driven personalization in CX? (\*)

AI is central to delivering personalization in our CX strategy	49%	North America (110i) LATAM (124i)
We are piloting AI-driven personalization but have not fully deployed it	40%	EMEA (112i)
AI-driven personalization is a future priority but we have not implemented it	10%	

(\*) Respondents were also presented with the option to “We don’t use AI to deliver personalization and don’t plan to” but only 1% selected it.

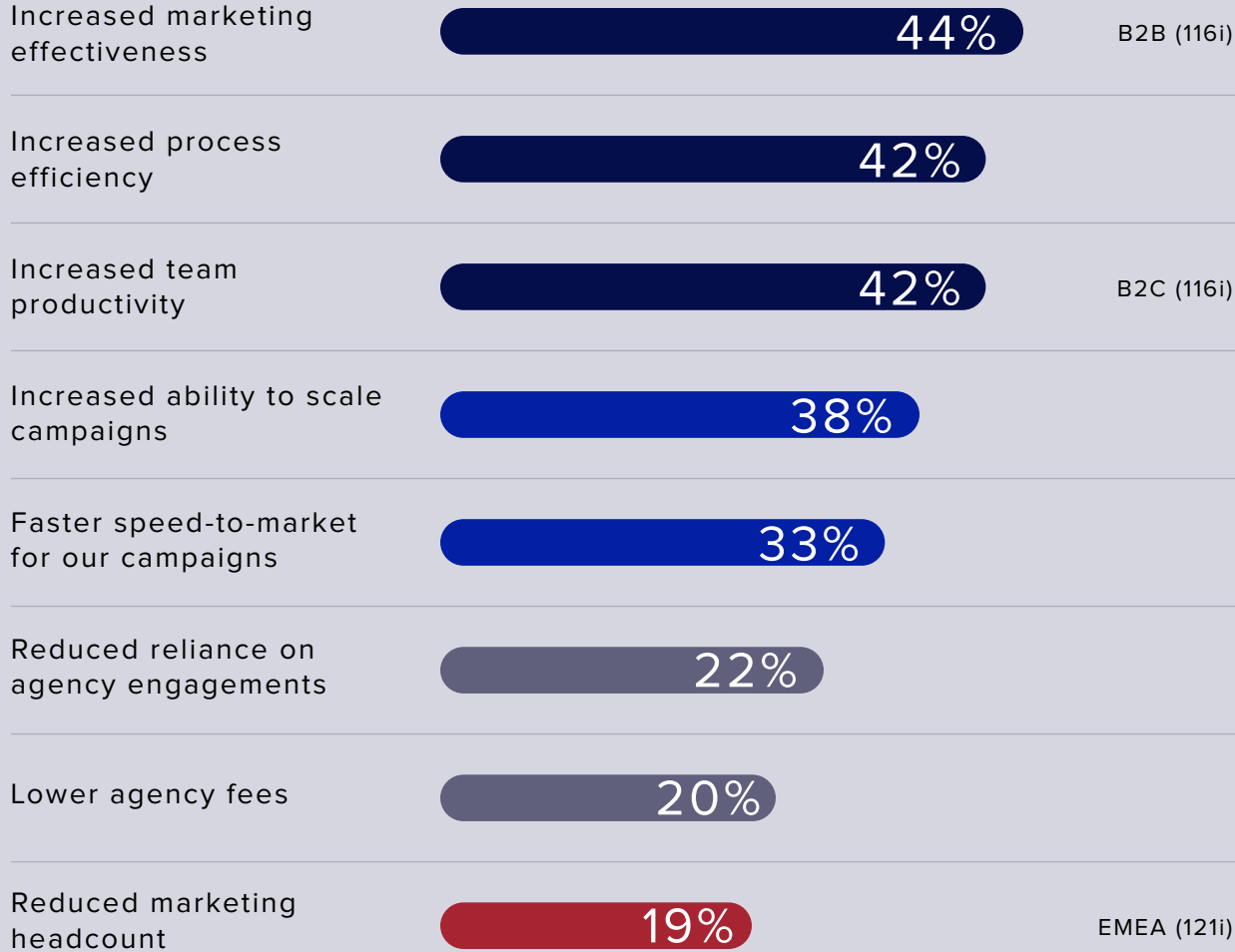
# CMOs look to AI to unlock greater effectiveness, efficiency, and productivity from their resources – rather than have AI replace them.

Only a minority of CMOs view marketing headcount reductions or reduced reliance on agency partners as primary benefits AI can unlock.

\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.



## Which key benefits is your marketing organization looking to unlock by leveraging AI?



# While increased efficiency and effectiveness are benefits that all CMOs hope to unlock, different industries see the promise of AI through different lenses.

Food & Beverage and Manufacturing CMOs are more interested in how AI can increase the productivity of their teams.

“This is a key marketing benefit we are looking to unlock through the use of AI.”

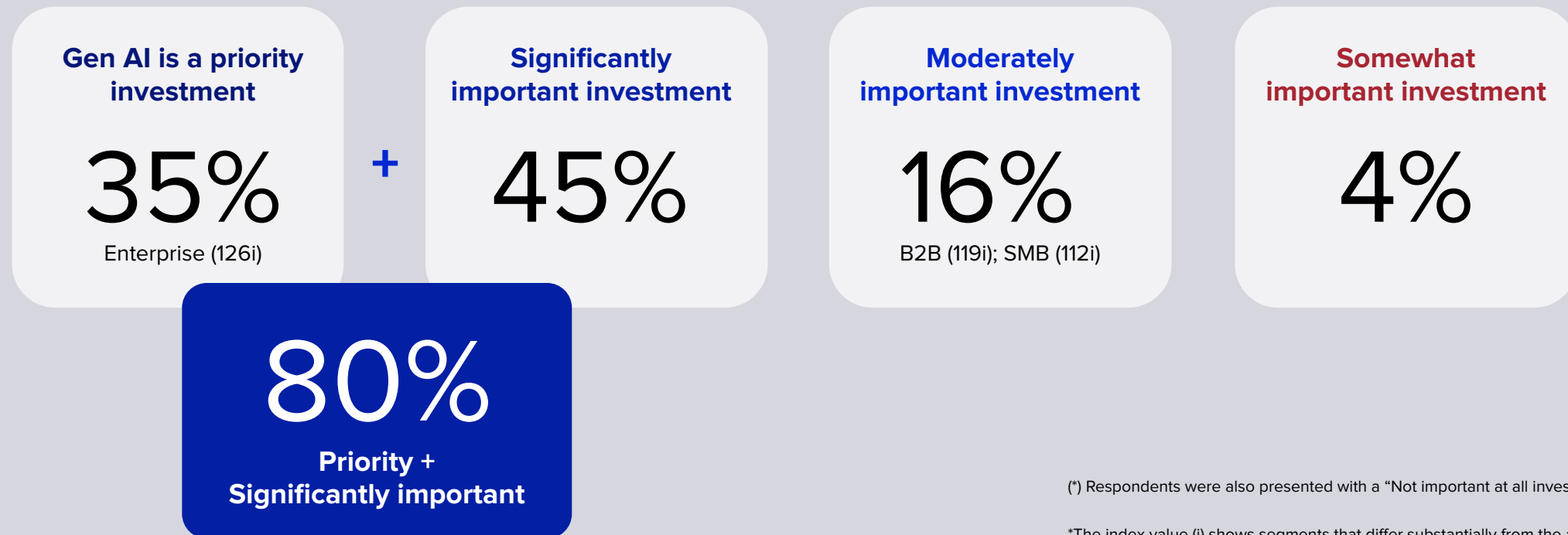


- Overindexation
- Underindexation

# 8 in 10 CMOs report that their organizations are making significant investments in Generative AI.

CMOs at Enterprise organizations are more likely to report this as a priority investment, while CMOs in B2B organizations and CMOs at SMBs over-index on saying investment in Generative AI will only be moderately important.

Which of the following best describes your organization's plans to invest specifically in Generative AI? (\*)

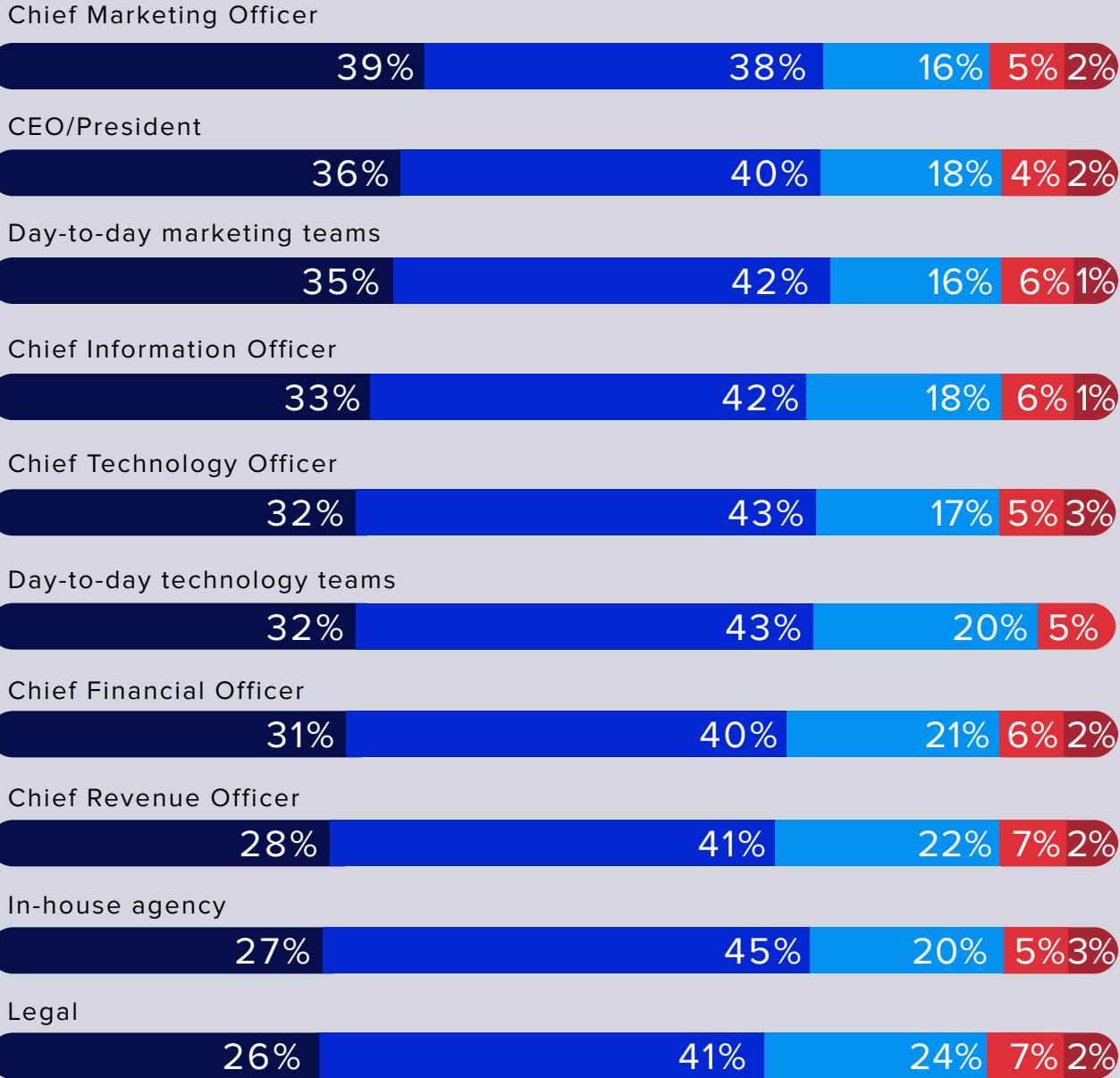


(\*) Respondents were also presented with a "Not important at all investment" option but none selected it.

\*The index value (i) shows segments that differ substantially from the average. A value over 100 means that segment chose this response at a higher rate than average; a value under 100 means they chose it at a lower rate.

Thinking about your organization and the adoption of AI for marketing initiatives, which of the following best describes the following stakeholders' attitudes towards it?

- Champion
- Supporting
- Indifferent
- Skeptic
- Contrarian



# According to CMOs, most organizational stakeholders support the adoption of AI for marketing initiatives.

Legal teams and in-house agencies are the most likely to be skeptical or outright opposed to it.

# Key Takeaways

**AI adoption is critical to realizing CMOs' ambitions for personalization at scale.**

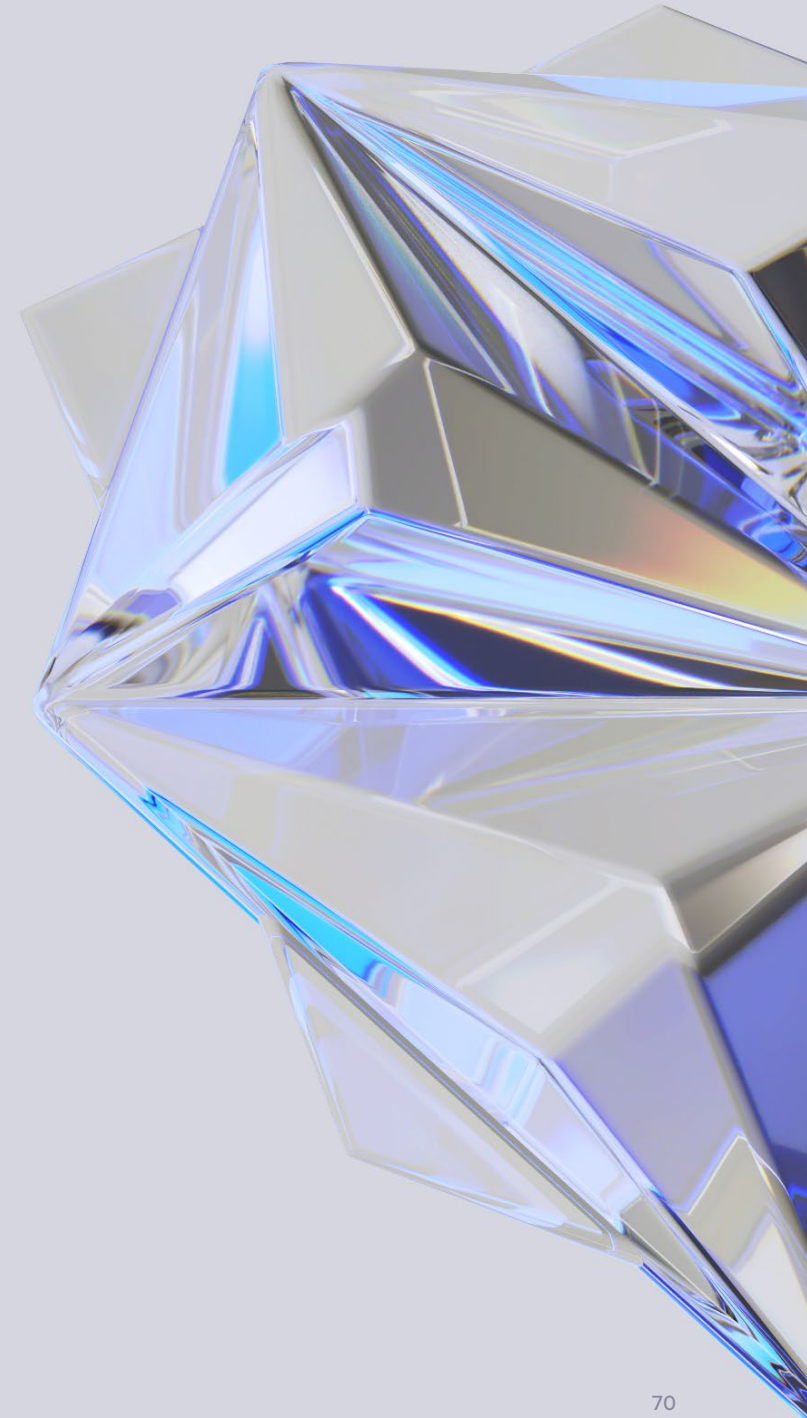
Organization-wide, the primary role of AI for the next 12 months is to provide the intelligence required to deliver personalized CX. In fact, half of respondents report that AI is at the very core of their personalization strategies. On the other hand, the aspiration to use AI to create new products and services has diminished compared to last year.

**CMOs view AI as the superpower that will enable the marketing engine to run at full steam (vs. AI progressively becoming the engine itself).**

Only a minority of CMOs see reducing marketing headcount or reliance on agency partners as the primary benefit AI is poised to unlock. On the contrary, the majority view AI as a way to unlock greater effectiveness, efficiency, and productivity from their resources.

**CMOs do not expect opposition within their organizations when it comes to the adoption of AI for marketing initiatives.**

They perceive most stakeholders across the business and across the broader ecosystem as supporters, or even champions, of AI adoption.





# Gazing at the Future: CMOs vs. Consumers

# CMOs' assessment of the direction of the economy is considerably more optimistic than that of consumers.

Notably, this data was captured throughout February 2025 – before the tariff rollout impacted the market. In our next CMO Navigator iteration, we will compare CMOs' pre- and post-tariff economic outlooks.

Which of the following best reflects your assessment of the direction of the economy in your country?

	CMOs	CONSUMERS (*)
The economy will get better	83%	35%
The economy will remain the same	13%	25%
The economy will get worse	4%	40%

(\*) Consumer insights were collected between February and March 2025 through the dentsu Consumer Navigator platform.



# CMOs are investing in the predictive capabilities required to meet consumers' expectations for a future where their needs are anticipated.

In fact, while 7 in 10 consumers share these expectations for the future, almost all CMOs report their organizations are making such investments – with half of them strongly agreeing these capabilities are being put in place.

To what extent do you agree with the following statement?

## CMOs

We are **investing in predictive capabilities** so we can anticipate which products/services our customers will need and we can deliver offers, promotions and even full-fledged orders before they actively seek them

**97%** Agree

of which 54% **STRONGLY** agree

## Consumers (\*)

I expect the brands that i shop from on a regular basis to be **able to anticipate** which products i need and deliver them to me on a regular basis without me having to order them each time

**69%** Agree

(\*) Consumer insights were collected throughout the dentsu Consumer Vision 2035 global research effort.

# CMOs are designing products and services to meet consumers' expectation that, in the near future, a large share of transactions will be carried out for them by AI entities.

In fact, while 3 in 4 consumers share these expectations for devices carrying out these transactions independently in the future, almost all CMOs report their organizations are designing products, services, and experiences for agentic commerce.

To what extent do you agree with the following statement?

**CMOs**

We are designing products/services/ experiences based on the assumption that in the near future a large share of customer-facing transactions will be originated by AI- & tech-enabled devices and platforms

**92%** Agree  
of which 48% STRONGLY agree

**Consumers (\*)**

By 2035, I expect my devices, appliances, and vehicles to re-order parts, supplies such as cartridges, and schedule service appointments automatically

**76%** Agree



(\*) Consumer insights were collected throughout the dentsu Consumer Vision 2035 global research effort.

# CMOs are aligned with consumers' expectation that, in the future, advertising and promotions sent by brands will be “buffered” by AI entities.

In fact, the share of CMOs who think that brand interactions will be vetted by AI assistants working on behalf of customers is higher than the share of consumers having this expectation for the future.

“By 2035, customers will have an AI assistant that takes care of vetting the ads and promotions they are being sent.”

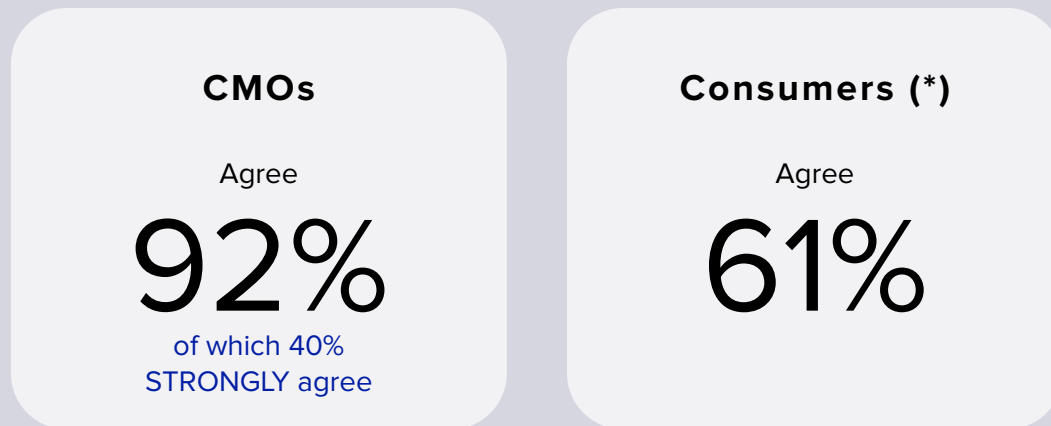


(\*) Consumer insights were collected between February and March 2025 through the dentsu Consumer Navigator platform.

# CMOs expect that, in addition to vetting brand promotions, customers' AI assistants will be “helpers” that provide feedback companies can use to evolve their offerings.

Most consumers share the expectation that future AI assistants will take part in focus groups to make preferences known to brands. An even larger percentage of CMOs share this sentiment.

“By 2035, customers will have an AI assistant that takes part in focus groups on their behalf to make their preferences known to brands.”



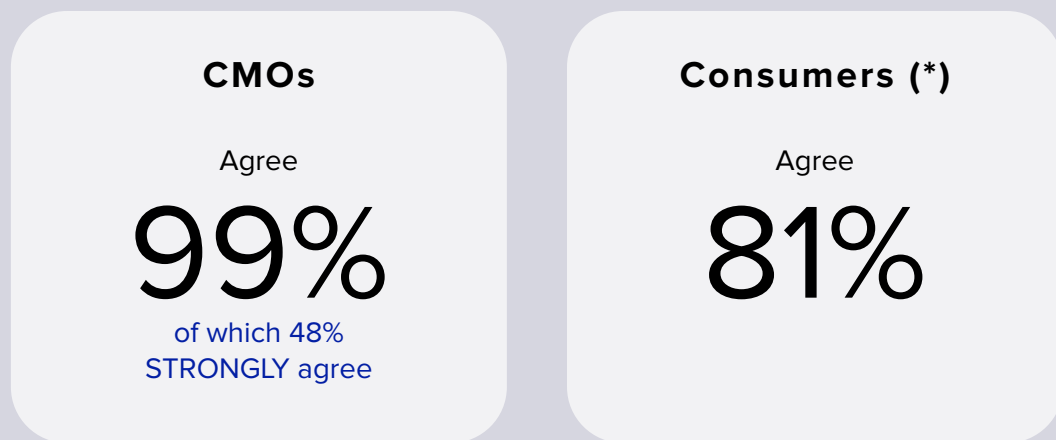
(\*) Consumer insights were collected between February and March 2025 through the dentsu Consumer Navigator platform.



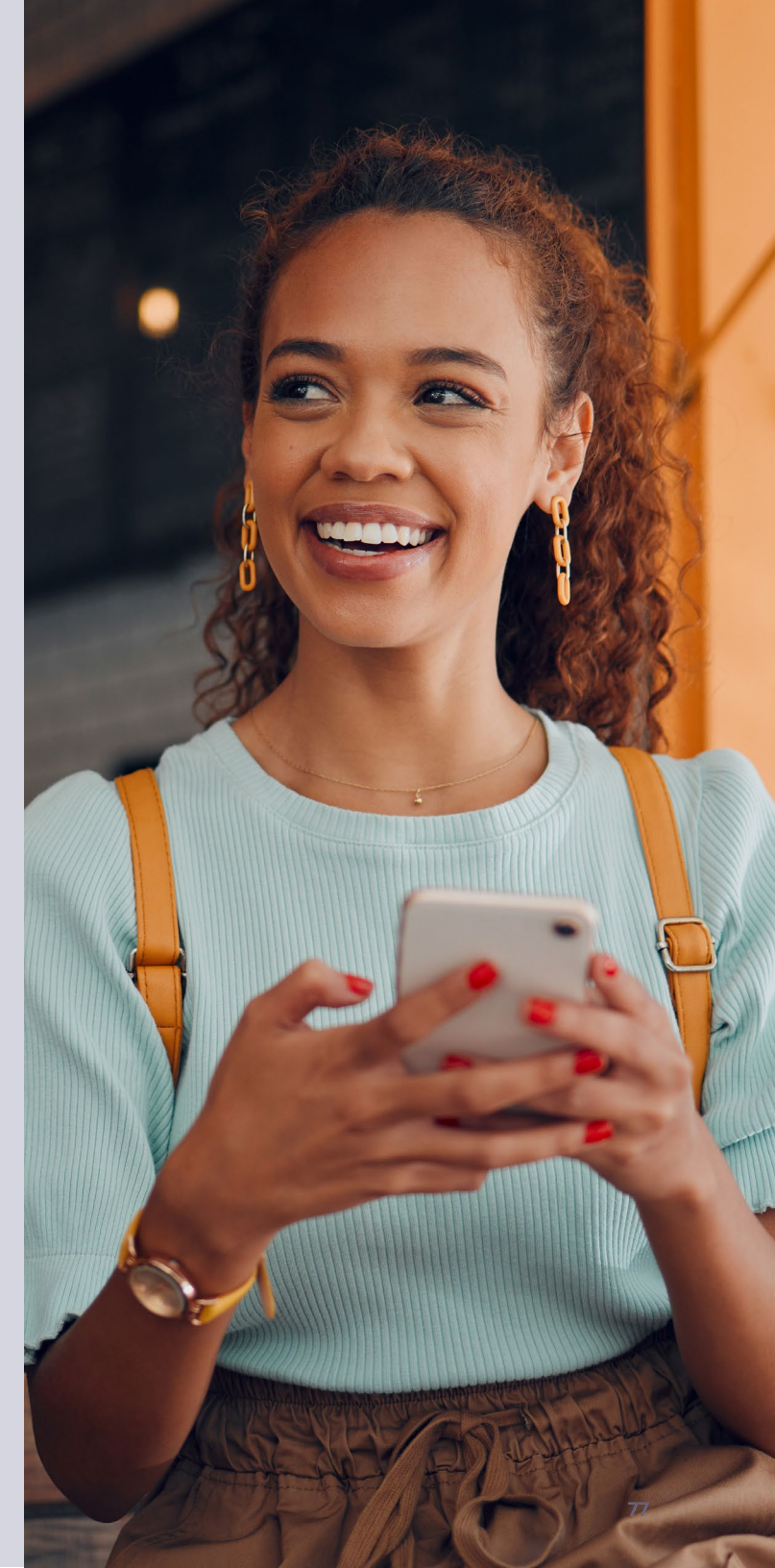
# CMOs are more likely to value surprise and delight as strategic levers to earn customers' loyalty than consumers are.

Having said that, the share of those who agree on their importance is significantly high across both cohorts.

**“The best way for a brand to stand out and earn customers' loyalty is its ability to surprise and delight them in unexpected ways.”**



(\*) Consumer insights were collected between February and March 2025 through the dentsu Consumer Navigator platform.



# Key Takeaways

**CMOs' more optimistic outlook when it comes to the economic environment (vs. consumers') is likely informed by their organizations' business performance.**

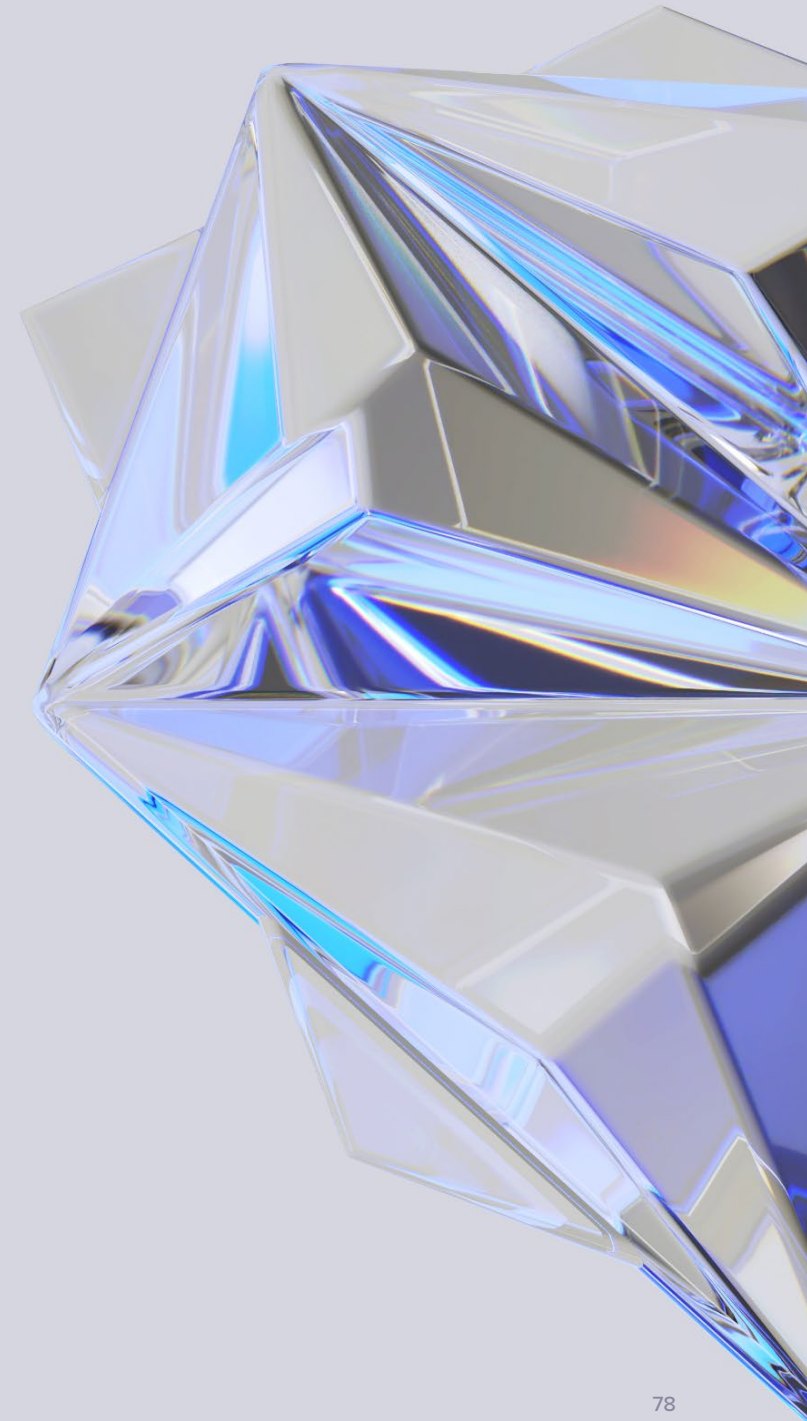
Back in February, the share of CMOs believing the economy was on an upward trajectory was overwhelmingly higher than that among consumers. CMOs' optimism was likely reinforced by their companies' positive-trending business performance and the expectation of increasing budgets, while consumers felt threatened by the impact of potential inflation on their personal budgets.

**CMOs and consumers share a vision of the future where further tech enablement, led by AI adoption, will allow brands to anticipate needs and customers to delegate interactions.**

Both CMOs and consumers expect that, in the near future, brands should anticipate customer needs and that AI entities will carry out a large share of interactions and transactions of their behalf. Marketers are actively investing to prepare for this reality.

**"Agentic" is not only an industry buzzword. It's a concrete expectation shared by consumers.**

AI agents will, according to both CMOs and consumers, help both vet and inform brand interactions in our day-to-day in a not-so-distant future. This is reflected in the expectation that surprise and delight will be critical to earning loyalty in a landscape where so much of what we come across will feel optimized.





# A New Breed of Global CMOs: The Perceptive CMO

# A New Breed of Global CMOs: The Perceptive CMO

In the previous editions of our CMO Navigator series, we compared the responses to identical questions we received from consumers and CMOs to identify a select group of “Perceptive CMOs”: marketers who are more successful than their peers by calibrating their strategies at the intersection where consumer wants and business needs overlap.

In this edition, we repeated this exercise to understand if, despite regional nuances in their mandate, there is such a thing as a global “Perceptive CMO.”

We focused our cross-audience analysis on expectations for the future, drawing on some of the findings of our recent *Consumer Vision 2035: The Insight-to-Foresight Pivot*. In that study, we uncovered that the key transformations brands will need to undergo throughout the next decade revolve around the ability to successfully interact with AI entities customers will leverage in their day-to-day, and being able to anticipate customers’ needs and wants.

We identified our Perceptive CMO audience as the group of select marketing leaders who share with consumers this vision of the future and are more actively evolving their brand offerings to accommodate it.

## Perceptive CMOs STRONGLY agree:

- “We are investing in predictive capabilities so we can anticipate which products/ services our customers need and deliver offers, promotions, or fully fledged orders to customers without them having to actively seek them.”
- “I expect that by 2035 customers will have AI agents that take care of vetting the ads and promotions they are being sent.”
- “The best way for a brand to stand out and earn customers’ loyalty is its ability to surprise and delight them in unexpected ways.”

## Perceptive CMOs

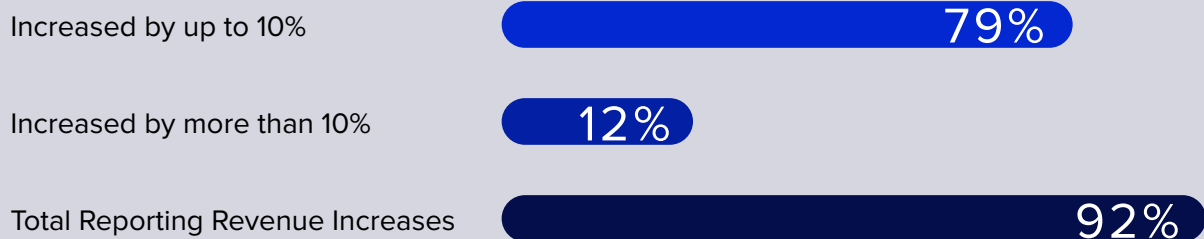


# Perceptive CMOs are more likely to have shepherded their organizations to revenue growth, compared to their peers.

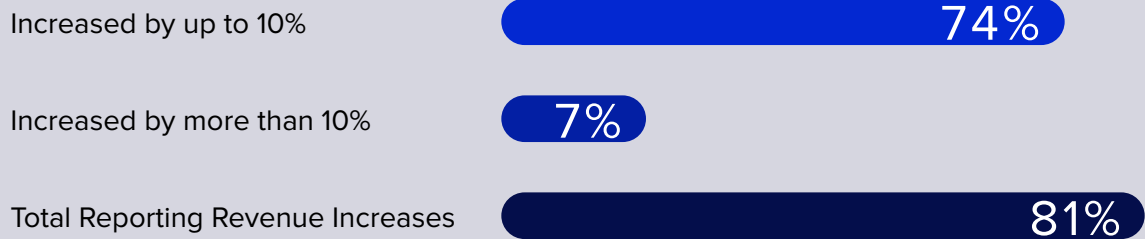
Perceptive CMOs are more likely to work in high-growth organizations that have experienced 10%+ revenue increases in the last 12 months, compared to the previous year.

By what percentage did your total global revenue change last year?

### Perceptive CMOs



### Non-Perceptive

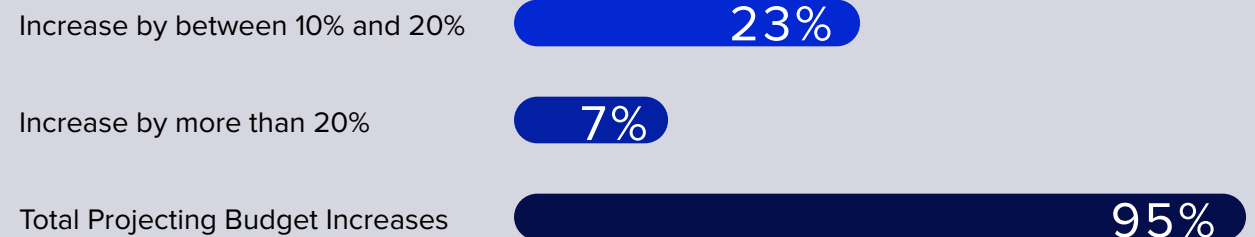


## As a result, Perceptive CMOs are more likely to expect larger budget increases in the next 12 months.

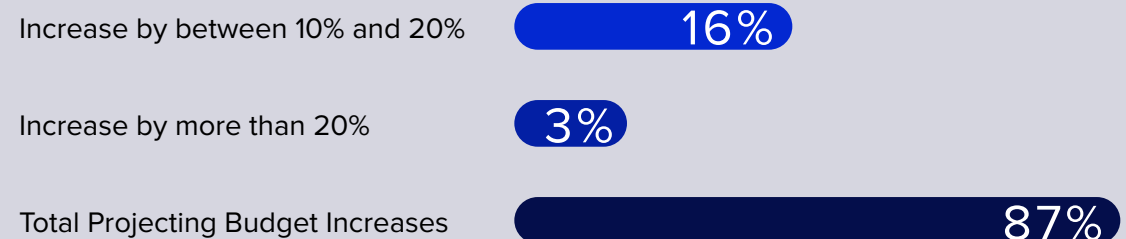
While the share of CMOs expecting budget increases is high across the board, Perceptive CMOs are much more likely to expect their organizations to award them a budget that is 10% to 20% (if not more) higher compared to last year's.

By what percentage do you expect your marketing budget to change over the next 12 months?

### Perceptive CMOs



### Non-Perceptive



# Perceptive CMOs are more likely to see product development and disruptive innovation as key remits in the future marketing mandate.

They are also more confident in their teams' ability to implement several key strategies, including brand consolidation and the improvement of the customer experience.

Perceptive CMOs are more likely to work at:

**Business model:** B2C (112i)

**Company size:** Enterprise (132i)

**Org. lifetime:** Legacy brands (111i)

**Industry sector(s):** Finance & Insurance (110i); Manufacturing (113i); Media & Entertainment (144i); Telecom (120i)

**Marketing department remit:** Product/service development (118i); Market research (119i); Sales/field enablement (123i)

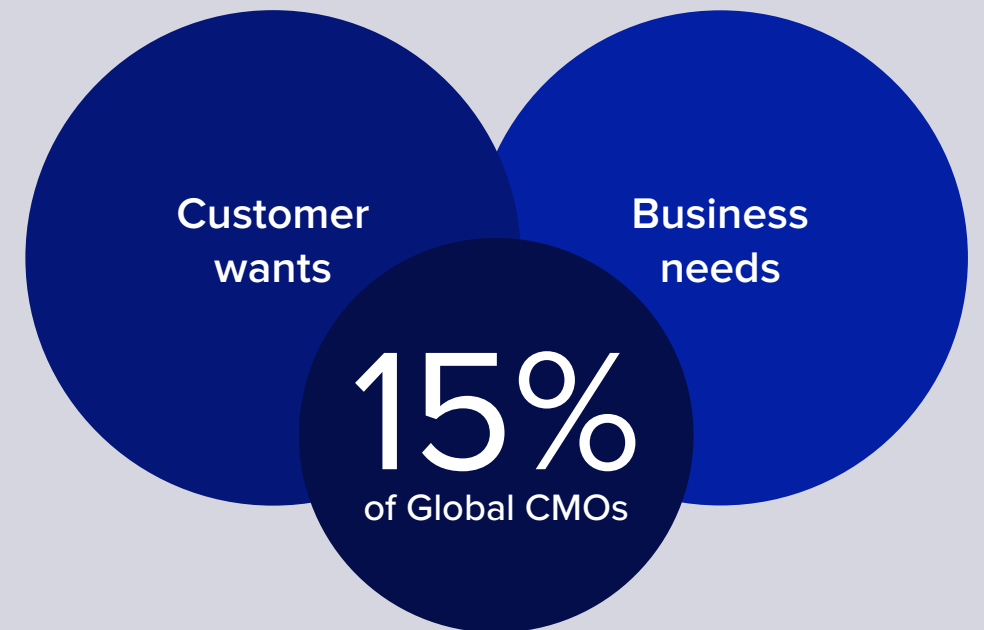
**Accountability:** Short-term sales/revenue growth (113i); Delivery of digital transformation programs (108i); Driving efficiencies (112i)

**Future role of Marketing:** Developing new products/services (106i); Leading disruptive innovation (118i); Supporting price optimization (128i)

**Confidence in Marketing's ability to implement key strategies:** Brand consolidation (146i); Rolling out cheaper alternatives (140i); Improving digital CX (113i); Increasing our media spend (119i)

**Transformation initiatives:** Monetizing our touchpoints in new ways (115i); Building our own marketplace (115i); Launching net-new product categories or types of services (116i)

## Perceptive CMOs



# Perceptive CMOs are more likely to have acquired the tech capabilities needed to meet their business outcomes and are now optimizing how they deliver personalized CX.

They are more likely to have tech and business teams march in sync and they are now looking to capabilities like Generative AI to make the most out of their existing stacks. They are prioritizing social commerce and loyalty experiences to monetize their customers' engagement.

## PERCEPTIVE CMOs on DIGITAL TRANSFORMATION

“We have met the following objectives to become a digitally mature business”

We have optimized the use of tech to maximize business outcomes (133i); Our tech and business teams are aligned on focus areas (133i)

To what extent are the following standing in the way of you successfully executing your digital transformation initiatives?

Competing priorities with other large transformation initiatives (113i)

Which of the following best reflects your approach to technology investments in the next 12 to 24 months?

We will streamline platforms in our stack (141i)

## PERCEPTIVE CMOs on CX CAPABILITIES

“This is core to our business strategy when it comes to digital commerce”

Social commerce (141i)

“We are pursuing this to scale our content supply chain”

Our creative teams are using Generative AI (113i); We are outsourcing some of our content needs and rely on only select in-house capabilities (115i)

Which of the following strategies are you pursuing to deliver greater personalization amidst growing data privacy concerns?

Loyalty-driven experiences (126i); Emotional storytelling (112i)

# Perceptive CMOs are ahead of their peers when it comes to putting AI at the core of their strategies, and they are doing so to preserve brand loyalty.

Perceptive CMOs are more likely to consider brand loyalty as critically important and understand it may decline as a result of the increasing use of AI. They are thus turning to new strategies and investing heavily in AI-driven personalization and Generative AI to minimize the impact to their organizations.

## PERCEPTIVE CMOs on BRAND LOYALTY

Which of the following best reflects the degree of importance loyalty has when it comes to meeting your organization's business objectives?

Critically important (160i)

Which of the following do you believe will occur in the brand loyalty space, as a result of the increasing use of AI?

Brand loyalty will decline as AI will lead customers to discover and try new brands (108i)

Which of the following best reflects the strategies your organization is using compared to the past?

Mostly new strategies (129i)

## PERCEPTIVE CMOs on AI

Which of the following best describes your approach to AI-driven personalization in CX?

AI is central to delivering personalization in our CX strategy (137i)

Which key benefits is your marketing organization looking to unlock by leveraging AI?

Increased marketing effectiveness (111i); Increased team productivity (109i); Faster speed-to-market (127i)

Which of the following best describes your organization's plans to invest specifically in Generative AI?

Generative AI is a priority investment (180i)

# Key Takeaways

**Perceptive CMOs are more aligned with consumers' vision of the future and they are already reaping the benefits of their foresight in the present.**

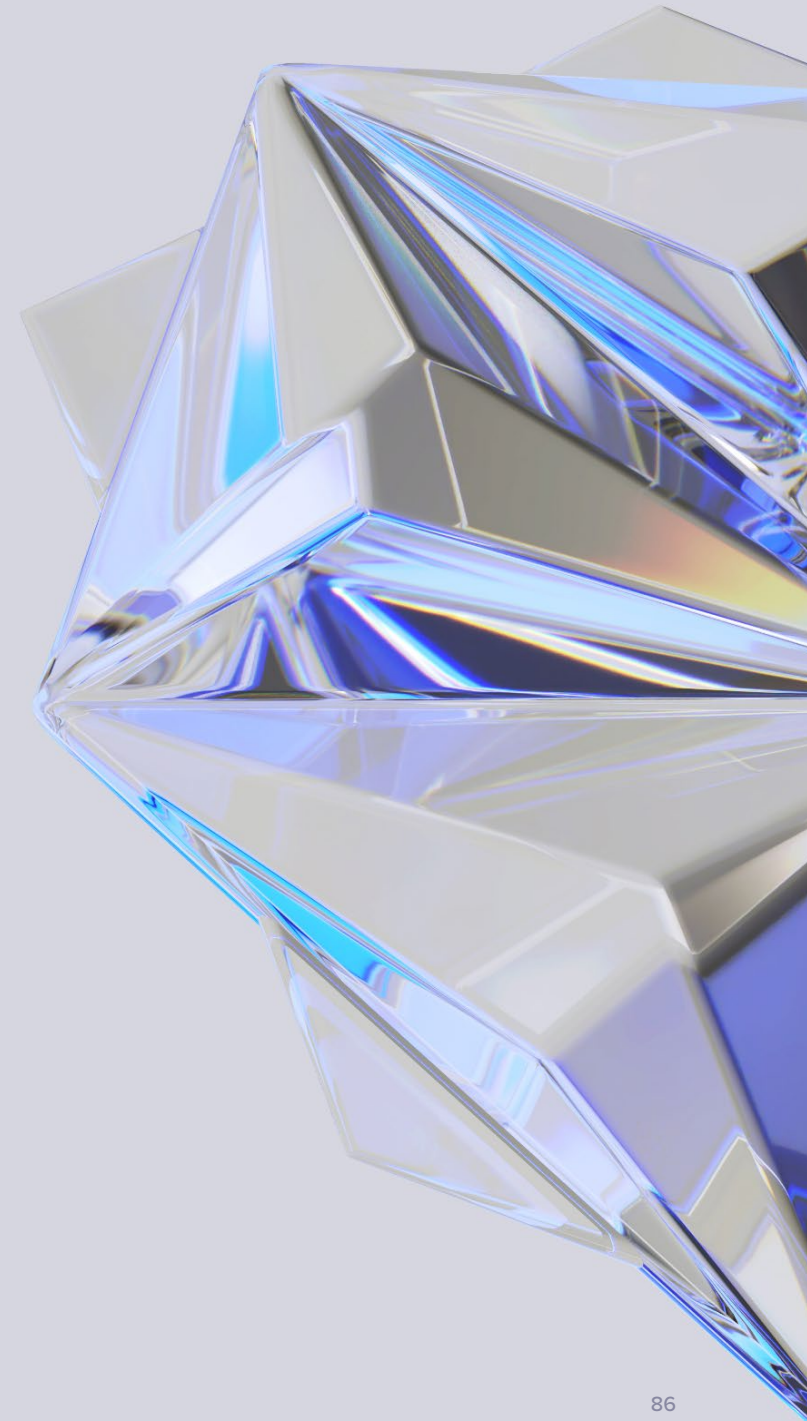
They share consumers' views on the role of prediction and AI entities in future brand-customer interactions, but they are more likely to lead organizations that have experienced larger revenue increases in the last 12 months (and thus expect bigger budget bumps).

**Perceptive CMOs' greater alignment with consumers' visions of a transformed future is leading them to focus more on innovation and digital transformation than their peers.**

They understand that to be prepared for the future consumers envision, they need to focus more aggressively on their offerings and their ability to deliver compelling experiences to customers. As a result, they are more likely to report they are ahead when it comes to achieving digital maturity and are now focused on creating more value through personalization.

**Perceptive CMOs are more proactive when it comes to adopting AI to maximize marketing's impact.**

Fight the enemy with its own weapons: Perceptive CMOs are more likely to understand brand loyalty may decline as a result of the increasing use of AI and are thus ahead of their peers when it comes to putting it at the core of their strategies to deliver greater personalization and make their teams create more value.



# Executive Summary

## Strong Business Performance Inspires Pre-Tariff Optimism

In February, CMOs' outlook on the economy was positive despite the fact that tariffs were already looming.

More established brands reaped the benefits of a healthy economic climate last year and are now better positioned to weather what's next.

As a vast majority of businesses report positive business performance in the last 12 months, CMOs are looking to reinforce differentiation to remain on top.

## A Customer-First, Growing Marketing Mandate

Customer centricity is the present and future aspiration of marketing leaders.

The marketing mandate is widening, and more established brands are proving why.

CMOs in EMEA and APAC plan to focus on innovating their offerings, while those based in North America and Japan are more focused on business transformation.

## Future-Proofing by Investing in Prediction and Automation

The expectation of a future informed by AI customers keeps CMOs wondering how much they should worry about the now and how much they should invest for future impact.

CMOs understand that the shift toward predictive capabilities and automation needs to go hand in hand with changes in their businesses' go-to-market strategies.

Positive business performance is emboldening CMOs to discard past playbooks and invest more in innovation and experience.

## The Evolving Brand Loyalty Landscape

Most CMOs see AI as their ally when shaping the future of brand loyalty for their organizations.

Brand loyalty is seen as a key driver for business success, as it enables CMOs to better plan future investments and attach a tangible value to an "intangible" asset.

Brand loyalty means something different to brands across business models and industries.

## Refocusing CX Strategies to Realize Greater Value

CMOs feel unsteady in their digital maturity, with organizational constraints proving to be as challenging as tech debt to their transformation efforts.

Many CMOs are evolving their commerce and content strategies, yet the desire to extract more value out of existing capabilities is leading CMOs to make very targeted investments when it comes to technology, partners, and growth strategy.

In a landscape where the availability of data signals is uncertain, CMOs are doubling down on ecosystems and AI.

## Adopting AI to Maximize Marketing's Impact

AI adoption is critical to realizing CMOs' ambition for personalization at scale.

CMOs view AI as the superpower that will enable the marketing engine to run at full steam (vs. AI progressively becoming the engine itself).

CMOs do not expect opposition within their organizations when it comes to the adoption of AI for marketing initiatives.

## Gazing at the Future: CMOs vs. Consumers

CMOs' more optimistic outlook when it comes to the economic environment (vs. consumers' outlook) is likely informed by their organizations' business performance.

CMOs and consumers share a vision of the future where further tech enablement, led by AI adoption, allows brands to anticipate needs and customers to delegate interactions.

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