



CMO INTENTIONS

2024

Fueling Martech
Innovation Through AI

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INTRODUCTION

WHAT'S COMING: A PARADIGM SHIFT IN MARTECH + AI

CMOs appear clear, confident and intentional in where AI will deliver the best results in marketing process improvement. Our study, conducted in partnership with Zeta Global to gain insights and predictions about MarTech, shows AI in the vanguard of a paradigm shift in MarTech adoption and use in 2024.

MarTech procurement intentions have made a massive swing to embracing new GenAI tools, applications and analytics. Almost 60% of marketers surveyed view this area of investment as offering the most value and ROI.

Many CMOs will enter this new era of MarTech in good shape. They reported they've met revenue and customer attainment goals last year despite market turbulence. The majority also gave their teams solid marks for marketing campaign execution and performance.

The CMO Council believes dedicated MarTech management and digital transformation expertise appears to be maturing and more widely accepted, supported and represented in global organizations. CMOs have also made great progress closing the digital marketing skills gap.

TAKING AIM AT CROSS-FUNCTIONAL ALIGNMENT

CMO alignment with the C-suite is key to powering performance and will play an integral role in the MarTech and AI paradigm shift. Teams of cross-functional leaders will need to be deployed with clear strategies for selection, deployment, adoption and scaling of new or existing platforms, solutions and tools.

Today's CMOs have to figure out how AI can boost productivity and performance. They should be seeking more predictive outcomes from creative investments. They need to deliver higher levels of automation, productivity and efficiency in internal and agency teams. All translating into improved output and inspiration from lower headcount.



EXECUTIVE SUMMARY

The rapid uptake and pervasive potential of GenAI will help savvy marketers increase performance, productivity, ingenuity, quality and compliance. The end game is hyper-personalized engagement to convert intention-based buyers into loyal, high-value customers.

On an operational level, functional marketing silos still need to be imploded and tightly connected for improved collaboration, integration, workflow and use of essential data using advanced and more affordable cloud-based marketing platforms.

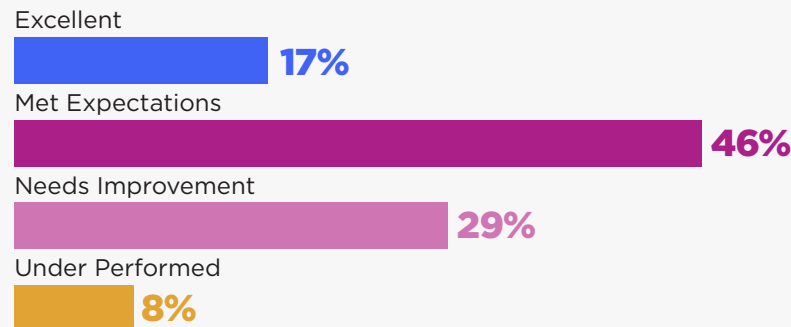
1 IN 3 CMOs SAY THEIR CAMPAIGN PERFORMANCE NEEDS IMPROVEMENT

Marketing execution has been hit or miss. Far too many CMOs cannot identify the right mix of strategies to positively impact ROI. In our survey, 1 in 3 say their marketing campaign performance needs improvement or has under-performed.

On the upside, a number of CMOs say they’ve made progress on multiple fronts, from meeting revenue goals to overcoming skills gaps. Consider these “success” findings in the CMO Council study:

- **56%** of CMOs say they met revenue and customer attainment goals last year, with B2C marketers performing considerably better than B2B marketers
- **82%** no longer struggle with cultural, organizational and operational resistance to change
- **83%** say they have the requisite digital skills, talents and proficiency in their marketing teams

HOW WOULD YOU RATE YOUR CAMPAIGN PERFORMANCE IN 2023?



MUCH WORK STILL TO BE DONE

Nevertheless, this year will test even the most successful CMOs. Nearly 60% of CMOs are under increased pressure to prove the impact of marketing, according to a [Harvard Business Review article](#). Here are the top three business expectations for marketers this year:

- **54%** of CMOs cite top-line revenue growth
- **51%** seek improved operational efficiency and reduced costs
- **41%** anticipate AI-driven operational improvement

With technology, nearly half of CMOs see customer data as essential for AI to help marketing personalize customer engagement. Yet, data sourcing continues to be a source of frustration. More than 80% of marketing leaders who admitted their lead gen and engagement

strategy was only slightly or not effective are not satisfied with their performance specifically in data-driven, intention-based marketing. This according to another CMO Council report [Fire Up Your B2B Revenue Generation Engine](#).

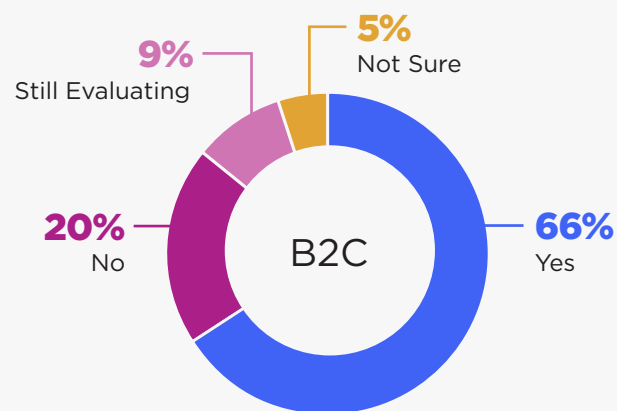
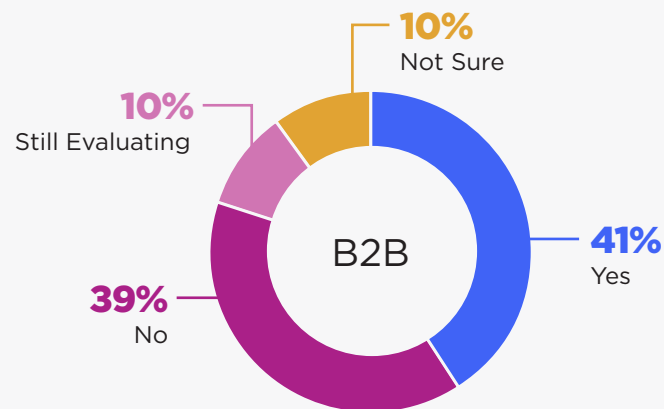
With relationships, CMOs who met or exceeded their revenue goals last year report stronger collaboration across the C-suite than their marketing peers who fell short. This, of course, speaks to the need for marketing to have executive buy-in and cross-functional support when sourcing data and harvesting its value.

With outcomes, 56% of CMOs say they met their revenue and customer attainment goals despite market turbulence. Yet, 37% say their marketing campaign execution needs improvement.

RESEARCH METHODOLOGY

CMO Council research findings are based on a Q1 survey of nearly 200 chief marketing executives at both B2B and B2C/hybrid companies in a cross-section of industry sectors throughout North America and Europe. Over 90% of respondents held CMO/CRO/CGO/CXO/SVP/VP titles and 70% represented large corporations with annual revenues of more than \$1billion. Nearly 30% spend over \$5 million annually on MarTech.

DID YOU MEET REVENUE & CUSTOMER ATTAINMENT GOALS?



FORCES & FACTORS IMPACTING SPEND

MANAGEMENT’S GREAT (AND NOT SO GREAT) EXPECTATIONS

Senior management and boards of directors are looking to marketing for more operational efficiency and reduced cost in 2024. There are also big expectations for AI to impact productivity and performance, as well as CMOs to create brand and customer value.

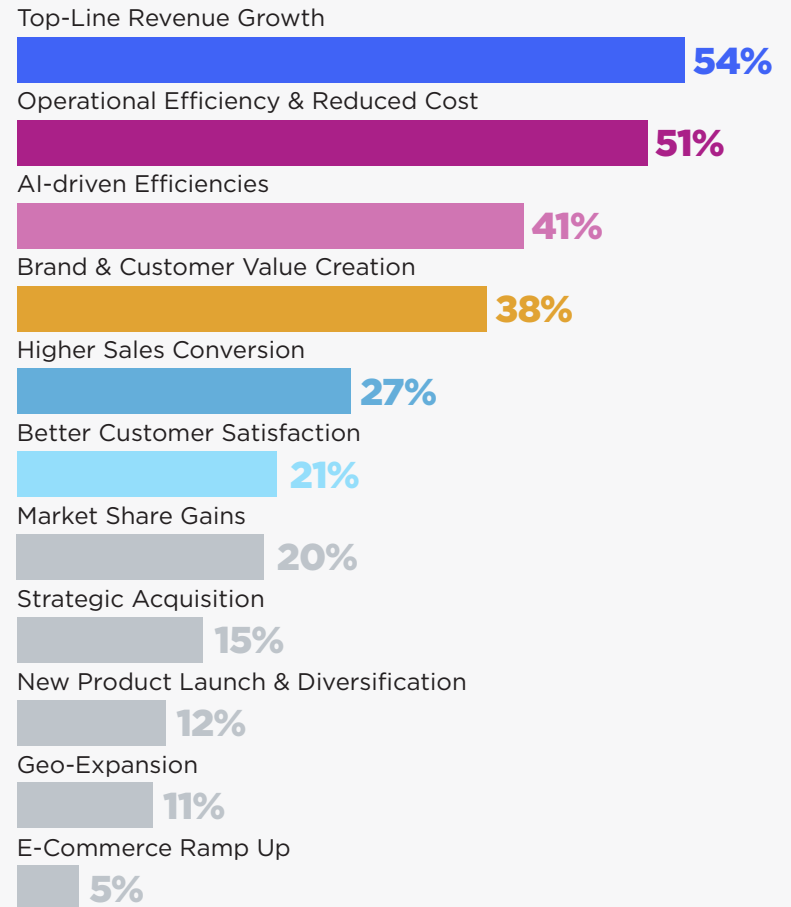
Surprisingly, despite e-commerce’s meteoric rise as a significant driver of growth and margin, management’s expectations are low for continuing to ramp this functional area. In addition, geo-expansion and new product innovation are languishing further down the priority list.

65% OF B2B MARKETING LEADERS SAY MARKETING MUST OWN AND OPTIMIZE REVENUE

Driving revenue growth continues to be a top priority. According to an earlier CMO Council report **Fire Up Your B2B Revenue Generation Engine**, 65% of B2B marketing leaders said marketing must own and optimize a company’s revenue generation engine. Yet, 62% said their lead gen and engagement strategy underperforms.

Generally speaking, CMOs expect marketing budget allocation to be most impacted this year by customer predisposition to purchase, the company’s financial performance, and overall economic climate. Far less important are product availability and sell-through, sales and channel support needs, increased competition, and supply chain sourcing problems.

WHAT DOES SENIOR MANAGEMENT & BOARDS OF DIRECTORS EXPECT FROM MARKETING IN 2024?



DIFFERENCES IN B2B AND B2C IMPACT ON SPENDING

There are subtle-yet-significant differences in B2B and B2C/hybrid perspectives on what’s most likely to impact marketing planning and spend. For B2B marketers, the top factor is economic climate. For B2C marketers, it’s corporate financial performance.

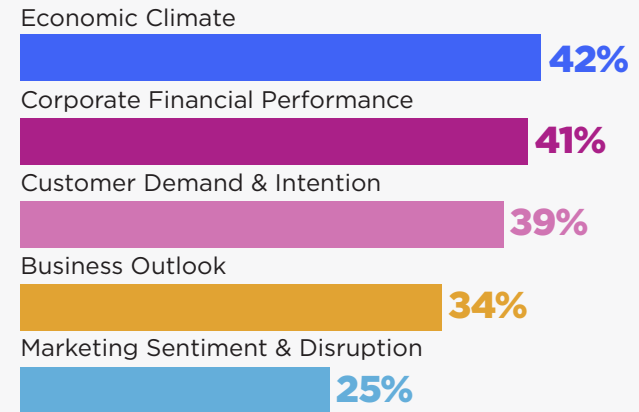
Typically, B2B companies target customers making long-term, high-value purchases and their marketing budgets are a lower percentage of revenue. B2B companies and their customers also allocate investments, spend and capital expenditures based on long-term economic outlook.

B2C MARKETING BUDGETS ADJUST BASED ON RAPID SHIFTS IN DEMAND

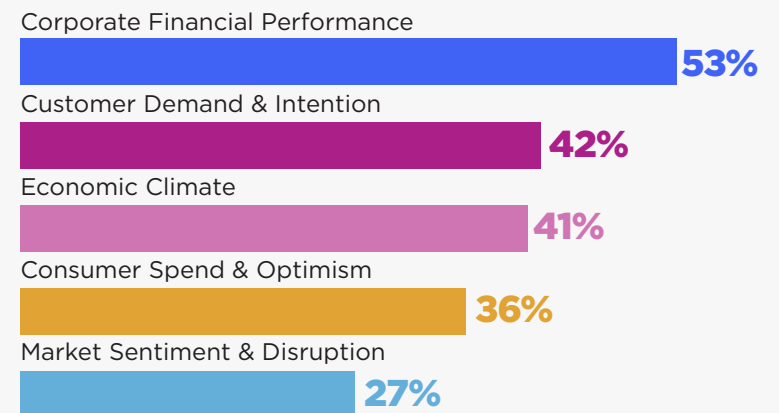
Whereas marketing budgets of B2C marketers are a higher percentage of sales and more tied to short-term, quarterly or annual performance. B2C marketing budgets are frequently adjusted by finance based on rapid shifts in market demand, channel sell-through/inventory build-up, competitive or market pressures or overall business performance.

WHAT’S MOST LIKELY TO IMPACT MARKETING PLANNING & SPEND?

B2B



B2C



WHAT'S IN THE WAY OF MARTECH INVESTMENT?

PLATFORMS & TOOLS: CHALLENGES TO ADOPTION

While there are now more than 11,000 marketing automation solutions, CMOs face multiplying challenges in gaining organizational adoption and use of marketing automation platforms and point solutions. These challenges run the gamut, from making a business case and proving ROI to overcoming siloed ownership.

Among B2B marketers, the most often cited challenge is overcoming siloed ownership of data assets. Marketers, salespeople, customer success managers, customer service reps, finance professionals all have critical customer data insights that require orchestration, in order to engage a complex buyer at the right time with the right content.

On the B2B buyer side, there's more people involved, from influencers and decision makers to implementers and users, more sourcing, more bidding, more contractual requirements. Hence the need for more behavioral insights and actionable intelligence.

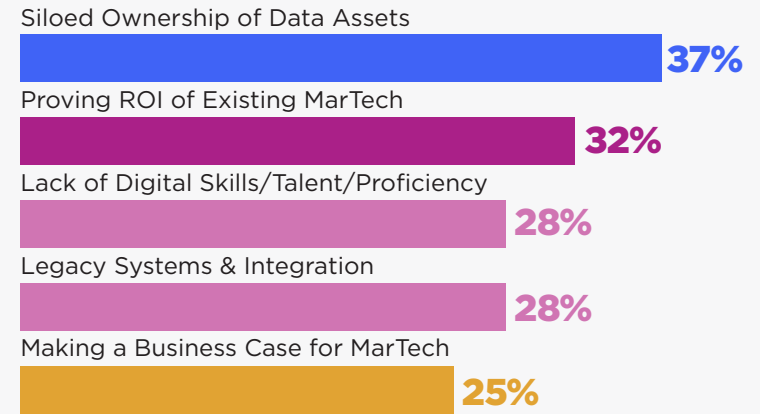
Noticeably absent from the B2B marketer challenges is teaming with IT, security, finance and procurement to source and harvest valuable customer data assets through the existing MarTech stack. In comparison, B2C/hybrid marketers cited the "teaming" challenge most often.

CMOS CONSIDER IT SPECIALISTS, CIOS, CTOS AND CHIEF DIGITAL OFFICERS AS THEIR MOST VALUABLE CONSTITUENCIES

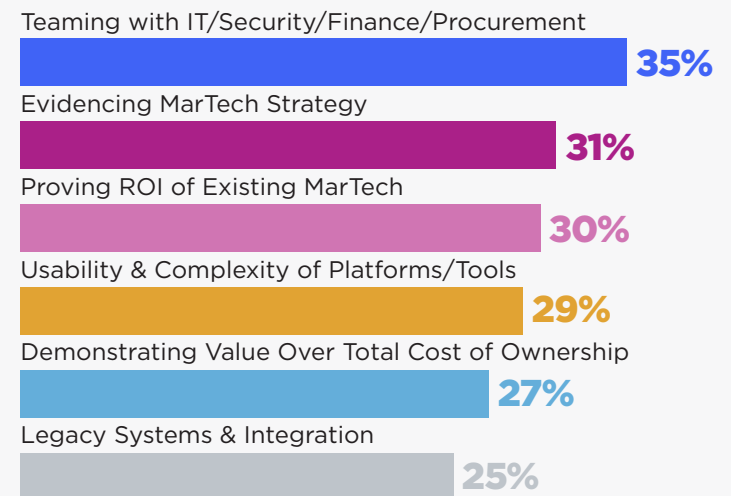
Nevertheless, both B2B and B2C CMOs recognize the importance of alignment given the velocity of technology transformation and pervasive impact of AI innovation.

WHAT ARE YOUR CHALLENGES IN GAINING ORGANIZATIONAL ADOPTION OF TOOLS & PLATFORMS?

B2B



B2C



CMOs consider the CIO and the collective IT organization, CTOs and chief digital officers as their most valuable constituencies. This is being spawned by multiplying marketing stacks, distributed point solutions, channel partners, e-commerce operations, and customer facing/connected business groups.

There is also a growing marketing leader reliance on a total ecosystem of functional leaders including those that head customer experience, information security, revenue, operations, sales, strategy, data, risk/compliance, and finance.

In a series of studies (e.g., **Marketing & Finance: Fueling Innovation Or Falling Behind?**, **Sales & Marketing: Driving Revenue Through Collaboration**, **Making MarTech Pay Off**, **Smart Spending At Speed**), the CMO Council has found opportunities for CMOs to strengthen their partnerships with the CIO, CFO, CSO, procurement leader and head of sales.

Here are some key findings from that series:

- Only **16%** of marketing leaders feel very confident in their marketing-finance alignment to make fast and agile investments
- More than **70%** of marketers don't feel very confident in their sales and marketing model to sell effectively in the digitalized customer journey and to the self-reliant buyer
- CMOs in "very effective" relationships with IT are more likely to have multi-year strategic MarTech plans in place and support those plans with 18-month or longer funding perspectives
- Only **26%** of marketing leaders actively partner with procurement in the identification, selection and negotiation of marketing vendors

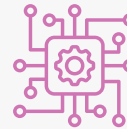
WHICH C-LEADERS ARE YOU TEAMING WITH ON CUSTOMER DATA?



59% Chief Information Officer



58% IT Organization



47% Chief Technology Officer



41% Chief Digital Officer



30% Customer Experience Officer

AIMING FOR OPERATIONAL EXCELLENCE

SEEKING ALIGNMENT ACROSS THE ENTERPRISE

CMOs identified five key areas of marketing operational improvement needed in 2024.

Some 40% say “functional alignment and unified execution” across the enterprise and “improving ROI and demonstrating attribution” of value for all elements in the marketing mix are their primary areas for improvement, followed by acquiring “customer insight and intelligence” (35%) to drive better action and outcomes.

Respondents also indicate that they see a need for improvement but continue to struggle with managing the MarTech stack and unifying data siloes to extract the most relevant insights.

JUST 17% OF CMOS BELIEVE THEY LACK THE NECESSARY DIGITAL SKILLS

The need to continuously connect and derive insights from disparate customer data trapped in functional silos has been a recurring theme. In the CMO Council report [Sales & Marketing: Driving Revenue Through Collaboration](#), 1 in 4 marketers say customer data is still owned in silos by marketing and sales. Nearly 2 in 3 say fragmented technology across marketing, sales and service restrains better alignment.

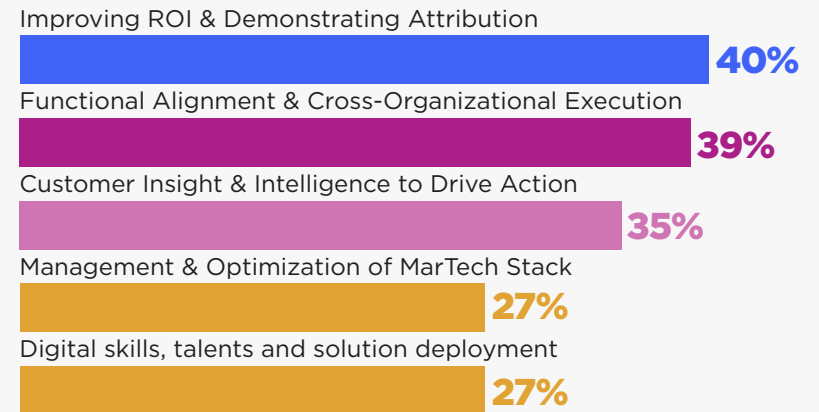
CLOSING THE GAP ON DIGITAL TALENT

The silver lining in our findings is that CMOs have made great strides in closing the digital marketing skills gap and cultural alignment.

Just 17% of CMOs believe they lack the necessary digital skills, talents and proficiency in their marketing teams. In past CMO Council studies, more than half of marketing leaders had cited a lack of talent as a factor holding marketing back from realizing its full revenue growth potential.

With cultural alignment, only 18% struggle with cultural, organizational and operational resistance to change. While functional alignment continues to be a challenge, organizations are realizing the need to adopt a more data-driven culture and reduce some of the friction.

WHAT'S NEEDED TO IMPROVE MARKETING OPERATIONS & INTEGRATION ACROSS THE ENTERPRISE?



AI CREATES THE MOST VALUE

ALL EYES ON GENERATIVE AI, CUSTOMER DATA, PERSONALIZATION

Marketing technology procurement intentions have made a massive swing to targeting new GenAI tools, applications and analytics. Almost 60% of survey participants view this area of investment as offering the most value and ROI in 2024.

Following GenAI, customer data is seen by 49% of marketing leaders as the lubricant to better recognize, personalize, humanize, prioritize and vitalize engagement with the most valued buyers and loyal shoppers. Customer data is essential to personalization and a better understanding of the customer journey.

Better knowledge and understanding of the customer journey along with improved process, productivity and workflow are high on the priority list for MarTech investments. AI is essential to using customer data to orchestrate the customer journey in real time.

38% OF CMOS ARE LOOKING TO AI TO LIGHT UP CONTENT

When deploying GenAI in the marketing sector, CMOs will heavily target content creation for more invention, impact and personal resonance. Nearly 40% of CMOs are looking to AI to light up content creation and optimization, followed by productivity/efficiency (37%), personalization (36%), and predictive analytics (36%).

With content, CMOs expect GenAI will help brands be both adept and adaptive in connecting and engaging more individually across cultures, borders, boundaries, shopper-graphics, psychographics

WHICH MARTECH INVESTMENTS ARE LIKELY TO CREATE THE MOST VALUE AND ROI?



57% GenAI Tools/Applications/Analytics



49% Customer Data Platform & Insights



32% Productivity, Process & Workflow



27% Customer Journey Analytics



19% Marketing Automation Platform

and the requirements of localized marketing partners and channels. GenAI can also minimize human mistakes, inaccuracies, flubs, gaffes, snafus and errors in marketing communication images, video and text.

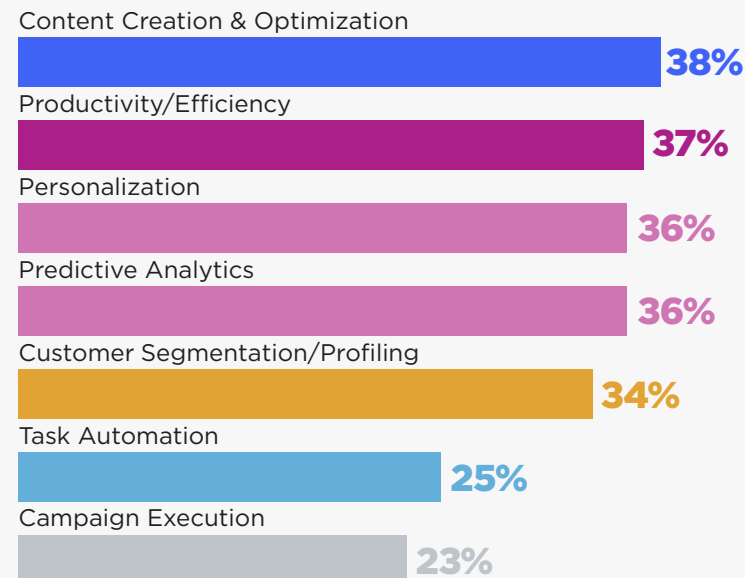
With personalization, GenAI can help address a major marketing challenge particularly for marketers saddled with legacy systems: A significant **71% of consumers expect** companies to deliver personalization, but only **15% of companies think they do personalization well**, according to McKinsey.

GENERATION AI FOR PREDICTIVE OUTCOMES

Further, many CMOs plan to leverage GenAI for predictive outcomes. GenAI can create synthetic data for simulations that accelerate and improve insights from predictive analytics. The ability to act on insights in real time and be truly predictive are holy grail marketing pursuits.

Predictive analytics have become a barometer for marketing performance. In our study, CMOs who met or exceeded revenue goals are far more likely to use AI for predictive outcomes than CMOs who fell short. Predictive analytics are still out of reach for 40% of marketers, according to another CMO Council report **The High-Velocity Data Marketer**.

WHERE DO YOU SEE GENAI HAVING THE MOST APPLICATION?



DIFFERENCES BETWEEN NORTH AMERICA & EUROPE

EUROPEAN CAMPAIGN PERFORMANCE LAGS BEHIND

There are marked differences in response to this survey between North American marketing leaders and their European counterparts and noticeable variations in outcomes, capacity and focus.

The most consequential is in campaign performance. A surprising 40% of European marketing leaders admit they need to improve their marketing campaign performance compared to 23% of North American marketing leaders.

What’s causing the discrepancy? It might be talent, or lack thereof, to leverage the technology and best practices needed in today’s data-driven marketing operations.

It appears the digital marketing skills gap is larger in Europe than North America. Only 20% of North American CMOs say they need digital skills to improve overall marketing operations — a significant leap in solving a problem that has plagued marketers for years — compared to 40% of European CMOs.

GEO SPIN ON FORCES AND FACTORS

Geographical forces and factors are more of a consideration for European marketing leaders. In particular, business expectations for geo expansion and geo-political unrest impacting marketing planning and spend. This isn’t surprising, of course, given the geo-political, combat and social disruptions in the region.

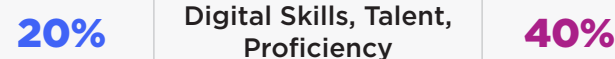
While there’s much uncertainty ahead, we have seen how major events such as the Russia-Ukraine war impacted companies. Hundreds of major brands pulled out of Russia in the early months of the war, while those few staying silent drew ire over social media.

Marketing leaders continue to play a central role in communicating their company’s position to customers and the world.

HOW DO YOU RATE YOUR MARKETING CAMPAIGN PERFORMANCE?



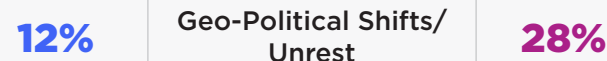
WHERE DO YOU NEED TO IMPROVE MARKETING OPERATIONS?



WHAT DOES SENIOR MANAGEMENT & BOARDS OF DIRECTORS EXPECT FROM MARKETING IN 2024?



WHAT’S MOST LIKELY TO IMPACT MARKETING PLANNING & SPEND?



CONCLUSION

CMOs expect a paradigm shift in MarTech adoption and use in 2024, with AI leading the way for content origination, personalization and predictive outcomes. Better knowledge and understanding of the customer journey along with improved process, productivity and workflow are also high on the priority list.

While we found growing MarTech maturity and good rates of success in meeting revenue goals and acquiring and monetizing customers, CMOs have even bigger expectations from management and continue to run into roadblocks.

CMOs are challenged when making a business case for new technology, proving ROI of existing technology, overcoming siloed ownership of data assets, etc. B2C marketers have an especially difficult time teaming with IT, security, procurement and others.

Nevertheless, functional alignment and cross-organizational execution are critical for improving marketing operations and getting the most value out of AI this year.



**STEVEN GERBER**

Title: President & COO

Company: Zeta Global



ZETA EXPERT COMMENTARY

Marketing is at an inflection point.

The practice of persuading consumers to influence how they think, feel and behave is in the early stages of a seismic shift.

Ignited by the emergence of the Connected Consumer — an individual who is always on, filtering, sharing, ignoring content — this new era has been supercharged by the rapid development of AI technologies, specifically GenAI.

This transformation is not only inevitable; it's imperative.

The reality is modern marketing — identifying an audience, reaching that audience in the right channel, delivering the right experience and measuring with precision — has become too hard.

Chief Marketing Officers (CMOs) know it.

59% say that their companies lack the toolset and skillset to achieve their marketing objectives. They also know that they cannot deliver what consumers want: 71% aspire to deliver personalized experiences, according to McKinsey, but only 15% think they do it well.

The root cause of this problem is the application of yesterday's solution — scale — to the primary challenge of today — connection.

The massive amount of data created every day and the related rise in data storage capacity has left

marketers with an overwhelming challenge: Data is abundant, but intelligence is scarce.

Data is the what (and too often the when); intelligence is the how. Without the how, marketers consistently miss the mark and fail to achieve better experiences for consumers, and better results for their brand.

This intelligence gap is pervasive, persistent and pernicious. It is impairing the ability of CMOs and their teams to deliver growth.

This is the inflection point. GenAI holds the promise to close the intelligence gap and to transform marketing.

The adoption of GenAI to know more, do more, learn more and achieve more also has the potential to transform marketers, starting with the CMO.

We talk about the modern CMO — part psychologist, part analyst, part evangelist, all innovator — but the role of the CMO is itself a modern position.

The first CMO was appointed 30 years ago by the Coca-Cola Company, the paragon of brand management (sorry, P&G). As companies in the Fortune 500 and beyond filled this role to round out an increasingly crowded C-Suite, CMOs were tasked to be “brand stewards.”

In 2024, brand stewardship is necessary but not sufficient for a CMO to excel at a time of intensified

ZETA EXPERT COMMENTARY

competition, macroeconomic uncertainty, cultural shifts and the increasingly connected consumer. Moreover, at a time when CEOs and boards are seeking profitable growth, a focus on the fuzzy brand stewardship seems downright quaint.

In this new era in which growth is at a premium and intelligence is at a deficit, CMOs must embrace a new mandate: Chief Growth Officer.

The first step in this transformation is simple in theory but complex in execution: elevating intelligence from a weakness to a superpower.

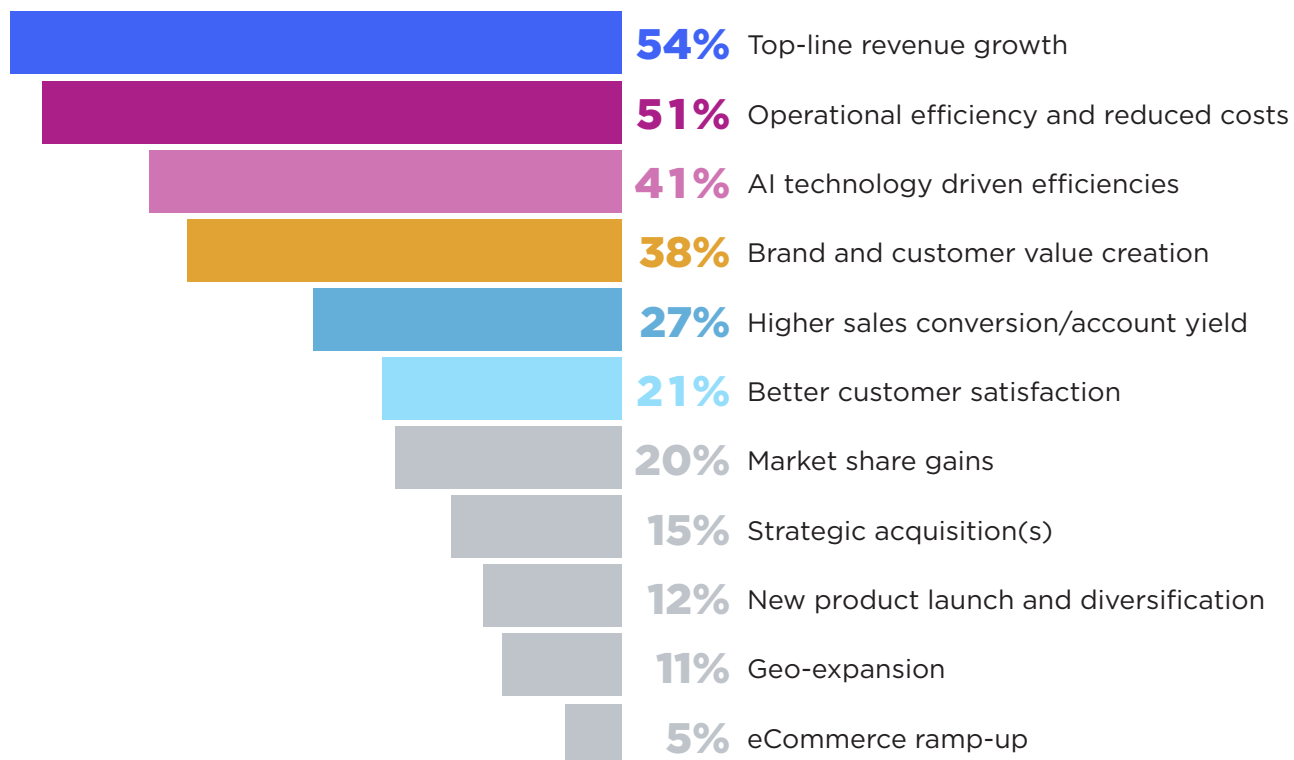
As we stand at this inflection point, every CMO has a choice: look backward or move forward. CMOs who embrace the GenAI revolution and take bold steps to close the intelligence gap will be the ones who lead their brands to new levels of growth. This transformation will require investment in new technologies, new skills and new ways of working. It will require a willingness to experiment, to learn and to adapt.

It will not be easy. But in this age, when intelligence is the ultimate competitive advantage, the future belongs to those who are willing to embrace it.

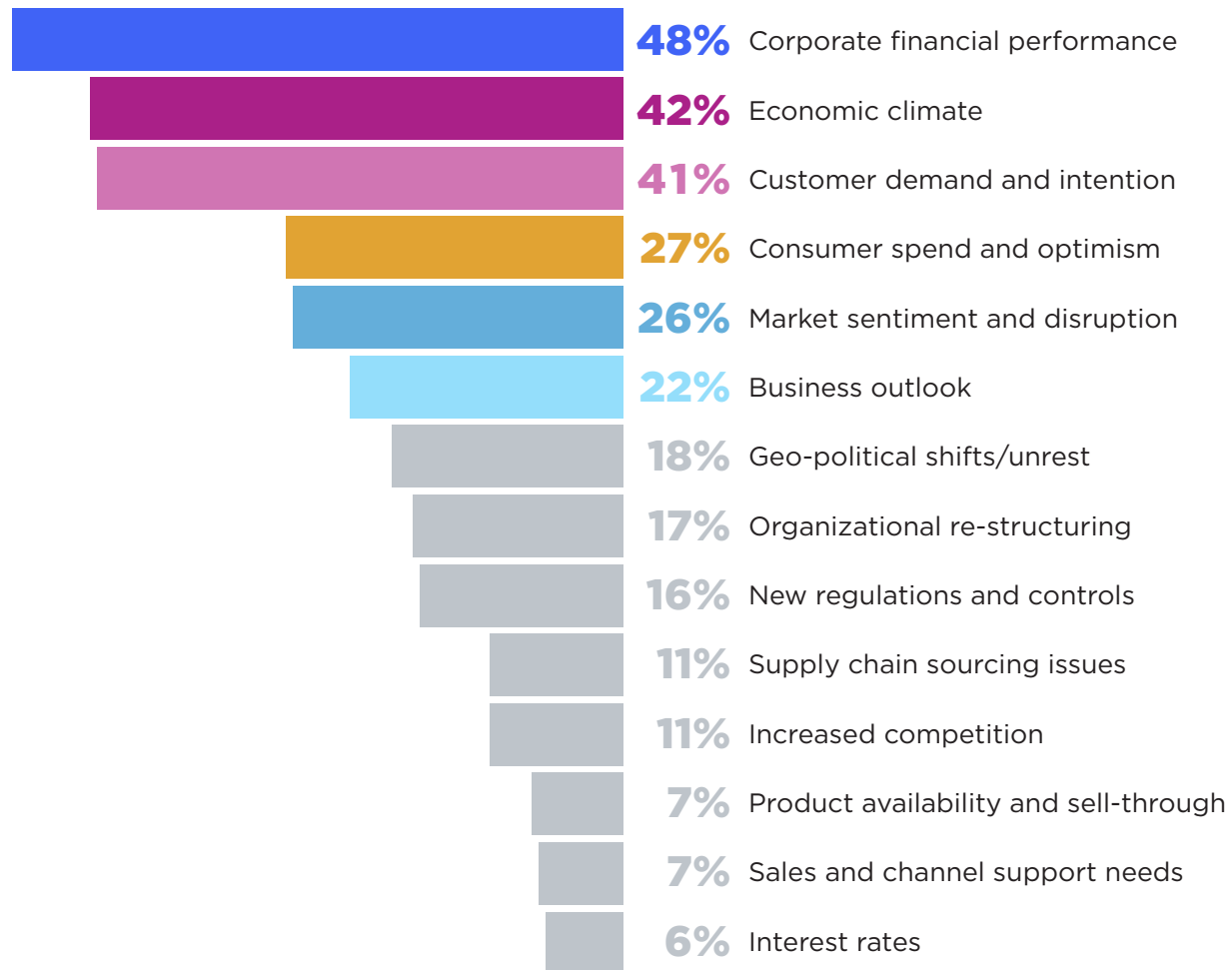


DETAILED FINDINGS

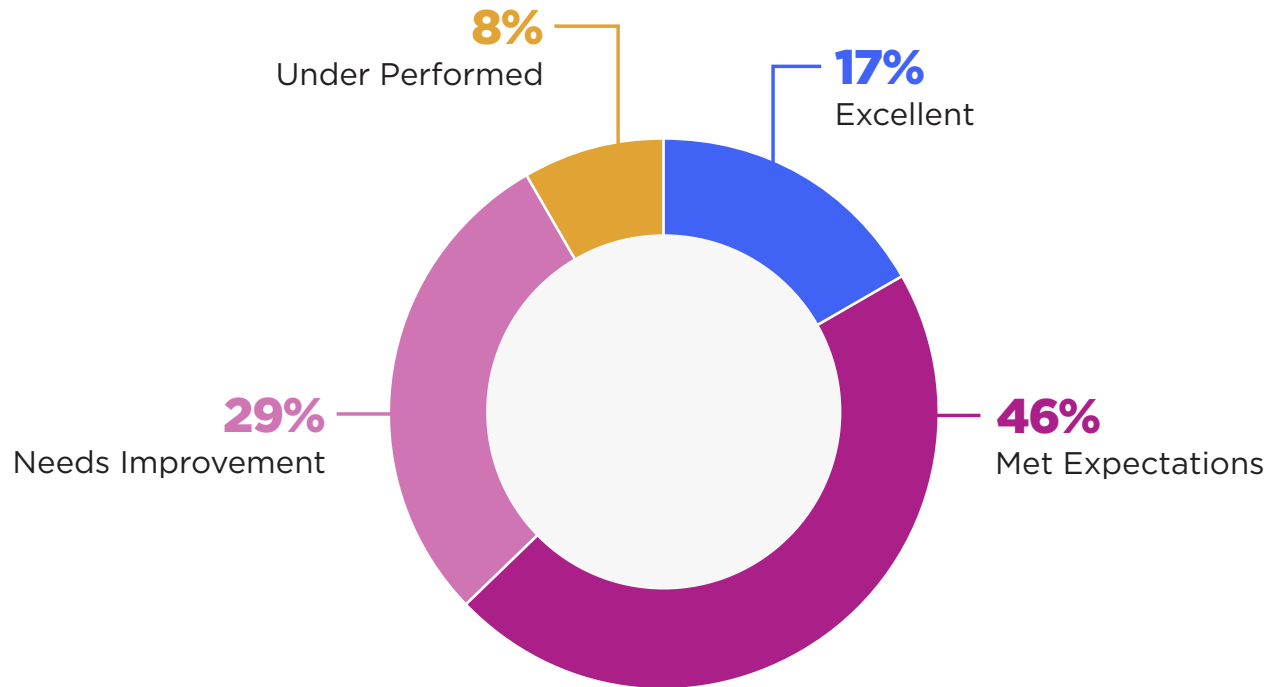
Q1 | WHAT BUSINESS EXPECTATIONS DO YOUR SENIOR MANAGEMENT TEAM AND BOARD HAVE FOR 2024?



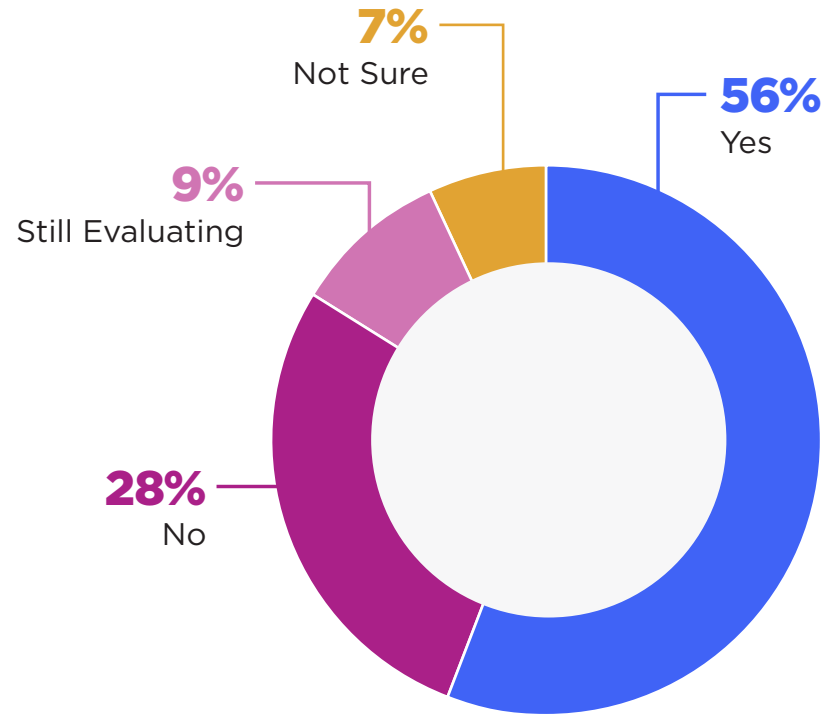
Q2 | WHAT FORCES AND FACTORS ARE MOST LIKELY TO IMPACT MARKETING PLANNING AND SPEND IN 2024?



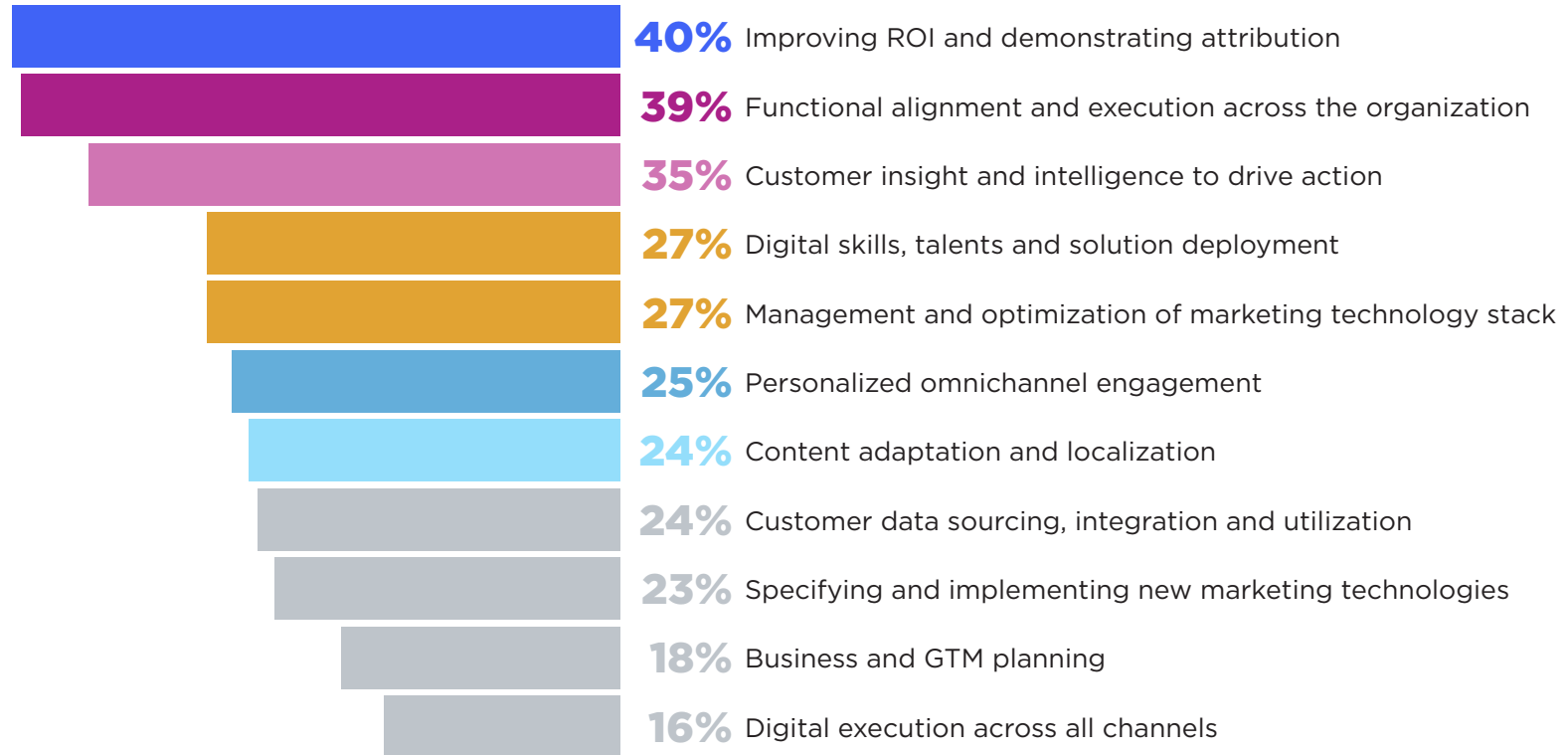
Q3 | HOW DO YOU RATE YOUR MARKETING CAMPAIGN PERFORMANCE IN 2023?



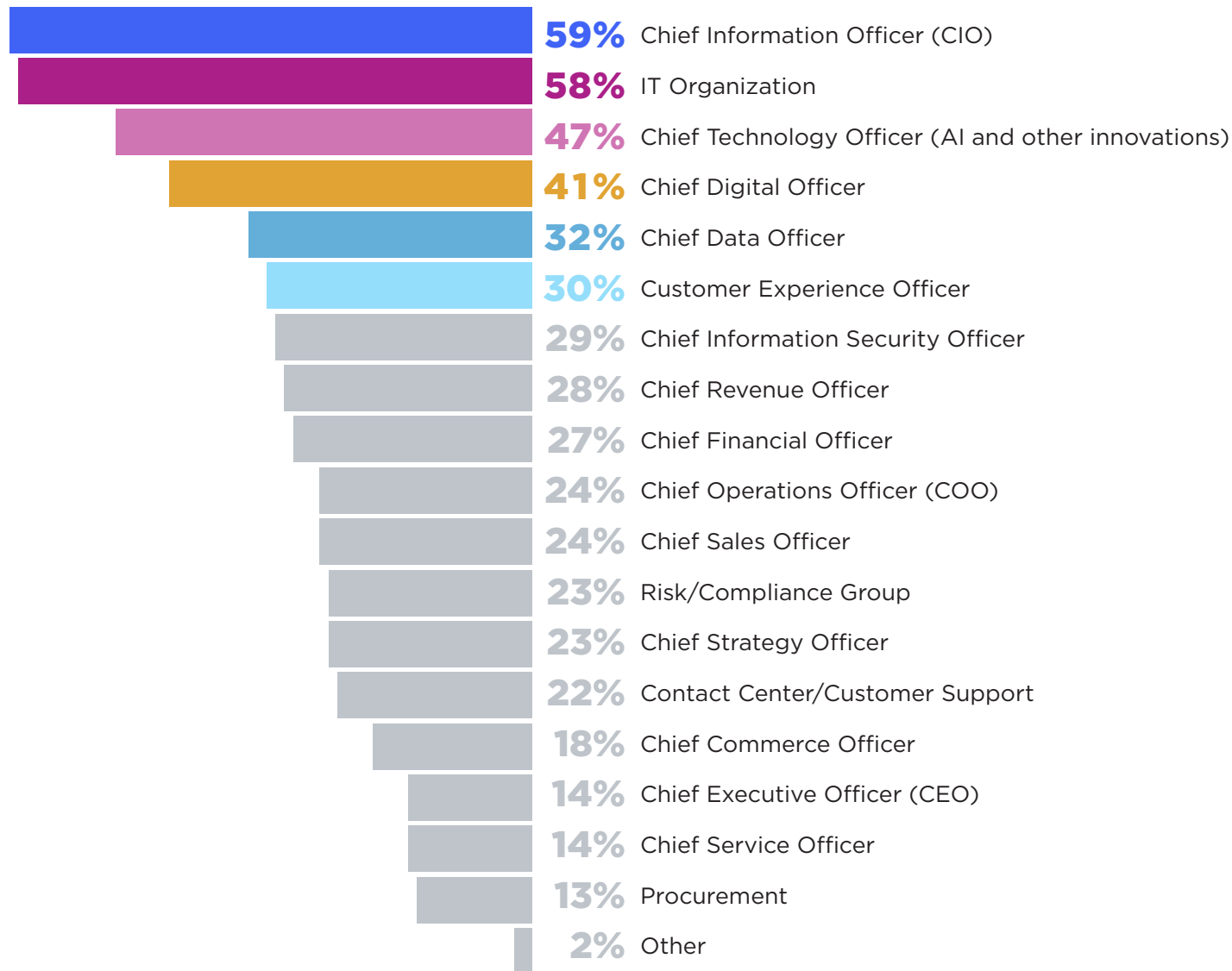
Q4 | DID YOU MEET REVENUE AND CUSTOMER ATTAINMENT GOALS LAST YEAR?



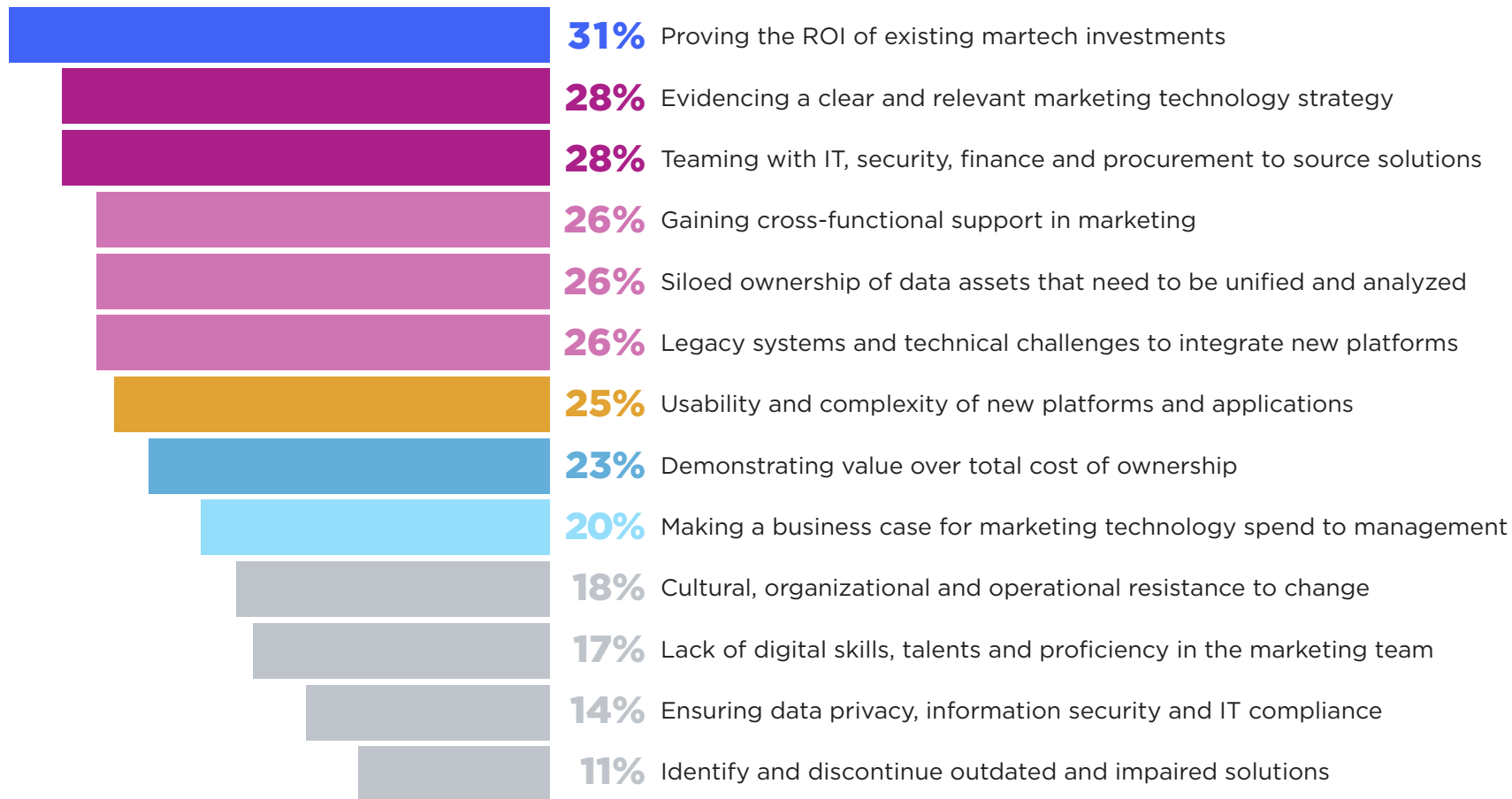
Q5 | WHERE DO YOU MOST NEED TO IMPROVE MARKETING OPERATIONS AND FUNCTIONAL INTEGRATION ACROSS THE ENTERPRISE?



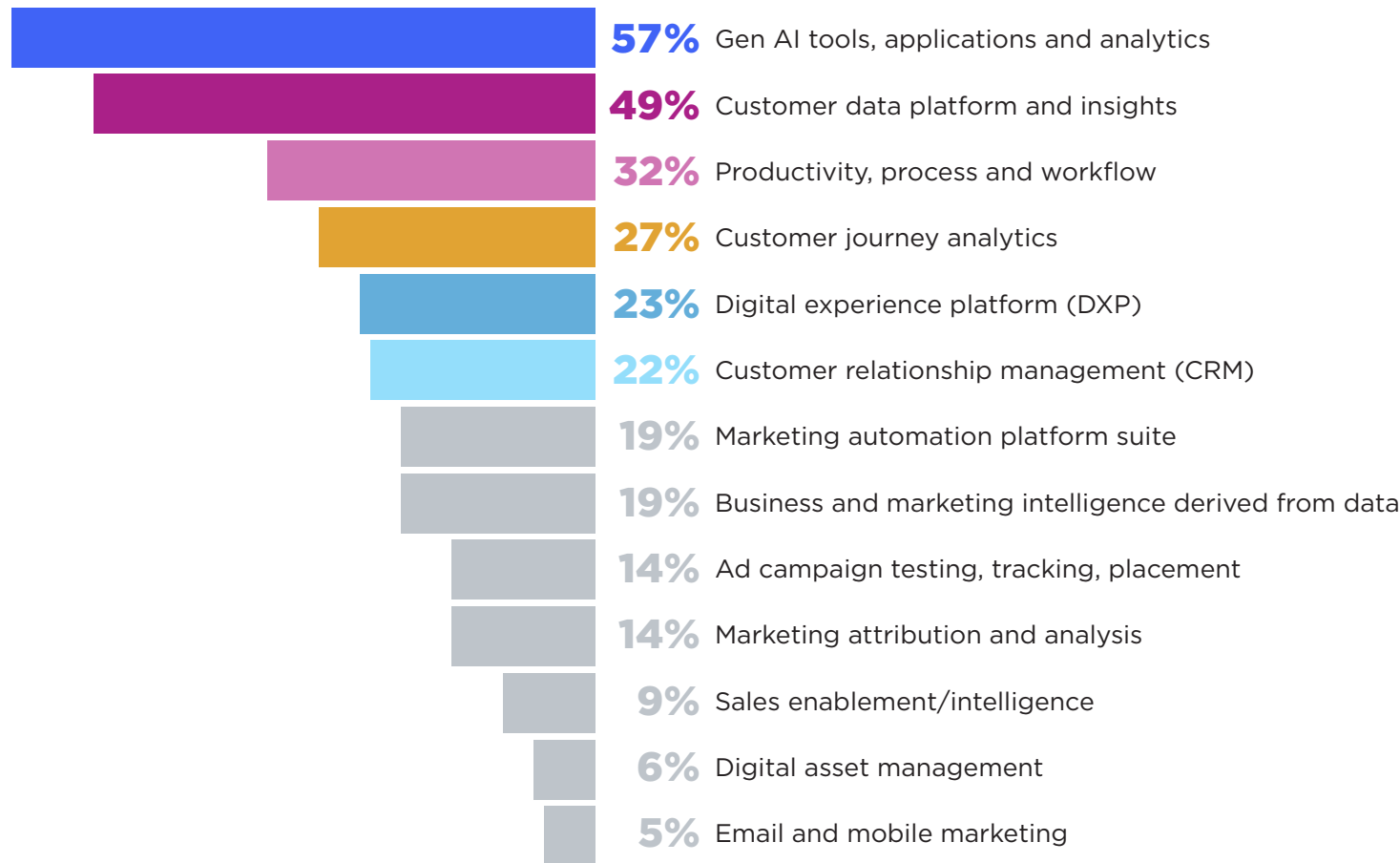
Q6 | WHICH C-LEVEL LEADERS ARE TEAMING WITH YOU TO SOURCE AND HARVEST THE VALUE OF CUSTOMER DATA ASSETS THROUGH YOUR EXISTING TECH STACK?



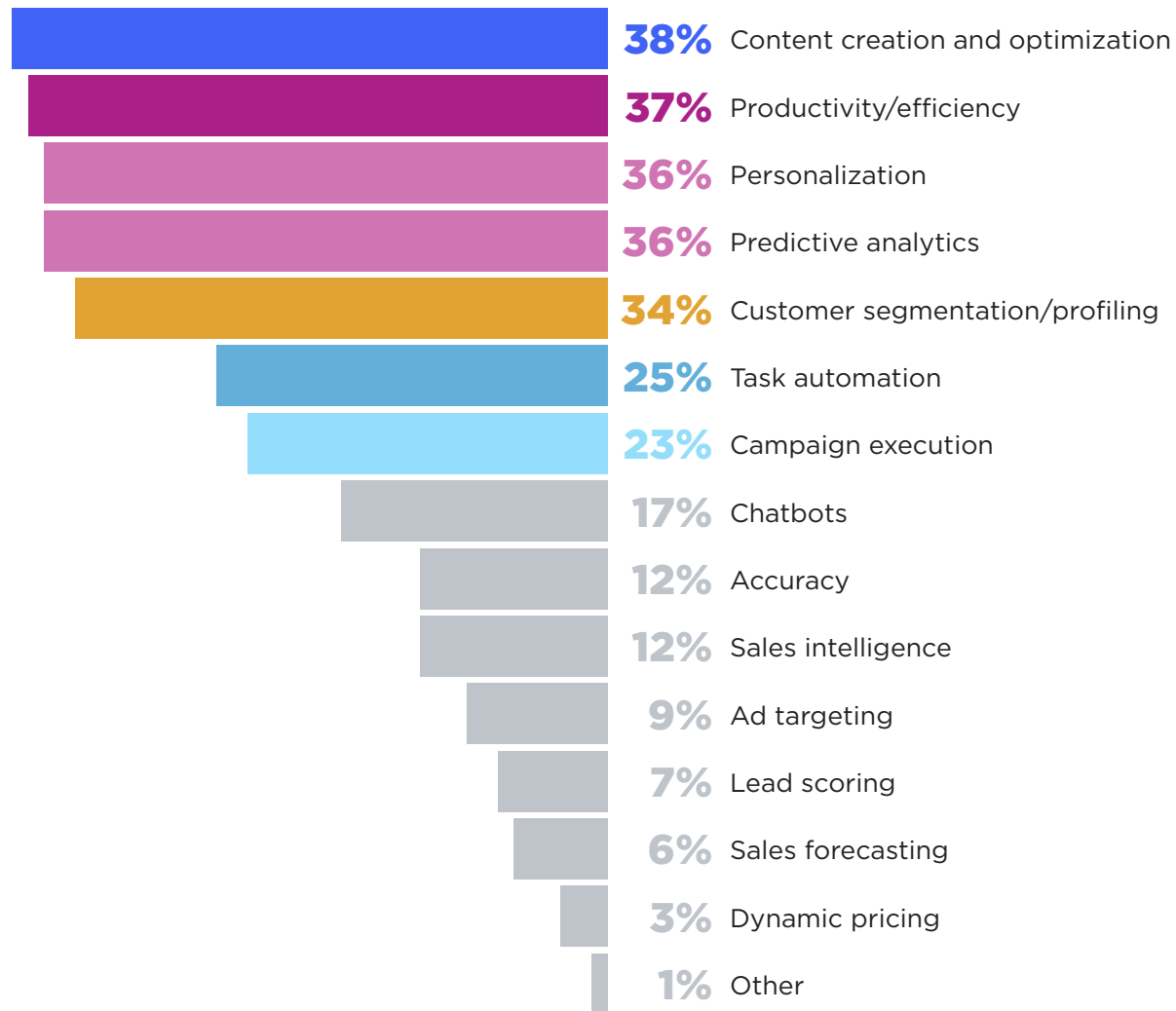
Q7 | WHAT CHALLENGES DO YOU FACE IN GAINING ORGANIZATIONAL ADOPTION AND USE OF PLATFORMS AND POINT SOLUTIONS?



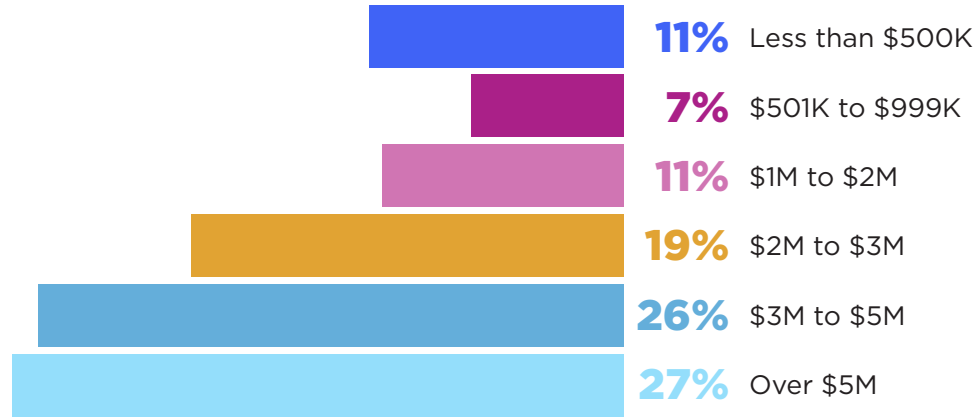
Q8 | WHICH MARKETING TECHNOLOGY INVESTMENTS ARE LIKELY TO CREATE THE MOST VALUE AND ROI FOR YOU IN 2024?



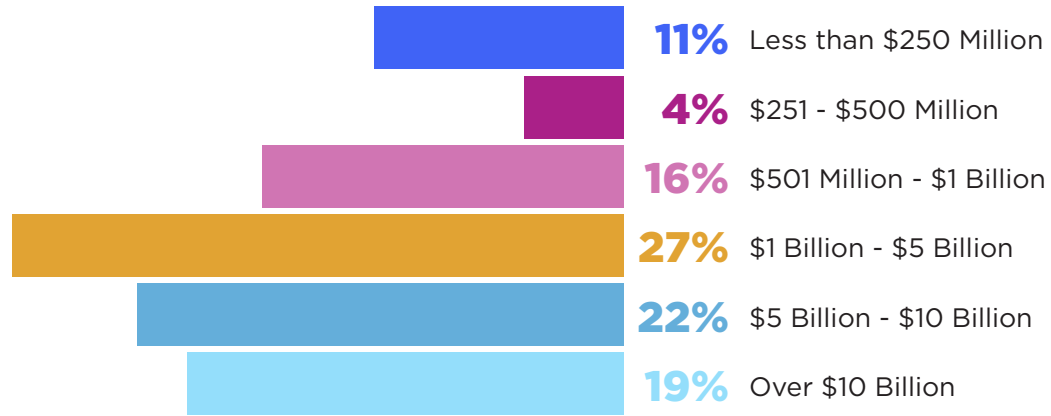
Q9 | WHERE DO YOU SEE GENERATIVE AI HAVING THE MOST APPLICATION AND INTEGRATION IN 2024?



Q10 | WHAT LEVEL OF MARTECH INVESTMENT (SOLUTIONS, SERVICES, PLATFORMS, PEOPLE) DO YOU INTEND TO MAKE IN 2024?

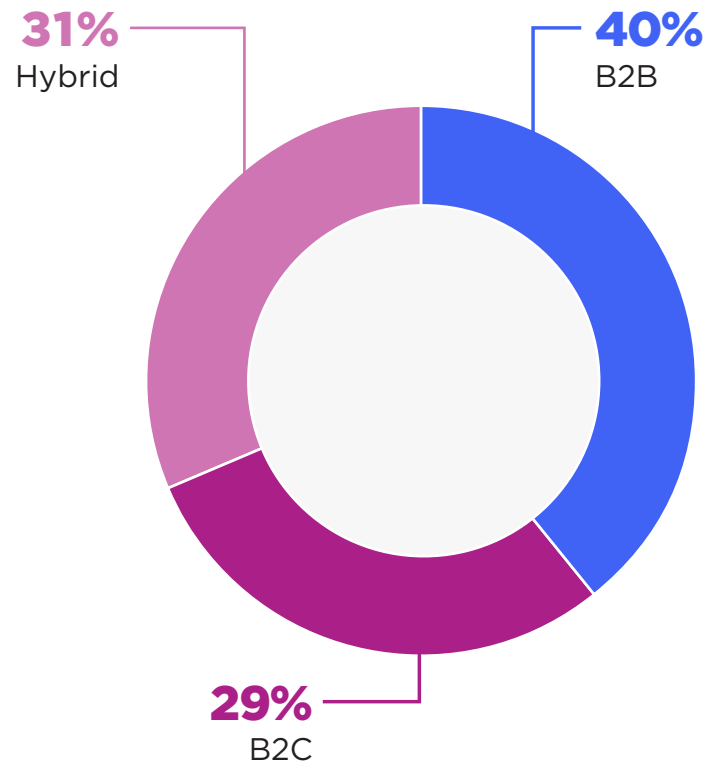


Q11 | IN 2024, WHAT DO YOU ESTIMATE THE ANNUAL USD REVENUE OF YOUR COMPANY WILL BE?

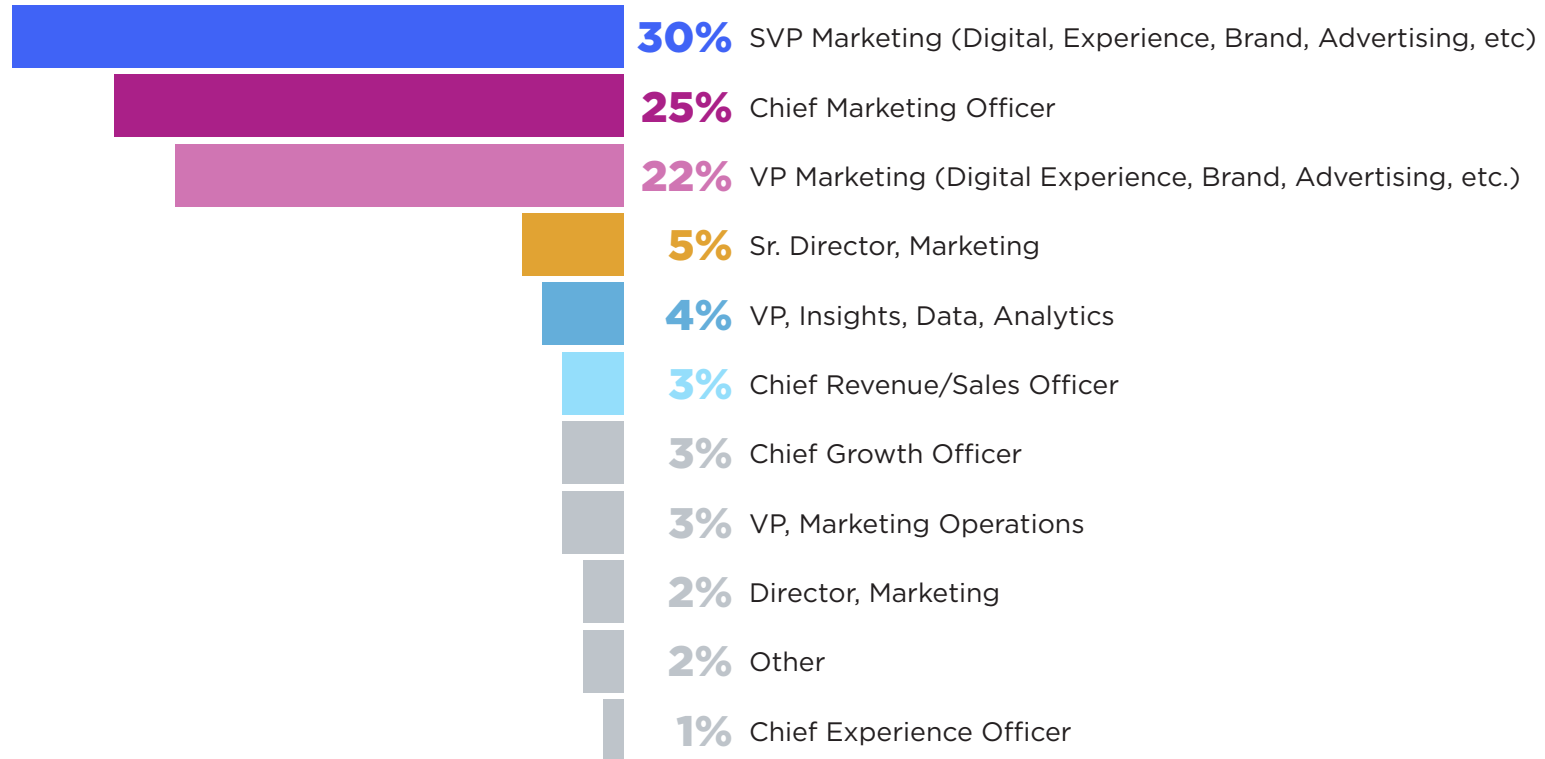


DEMOGRAPHICS

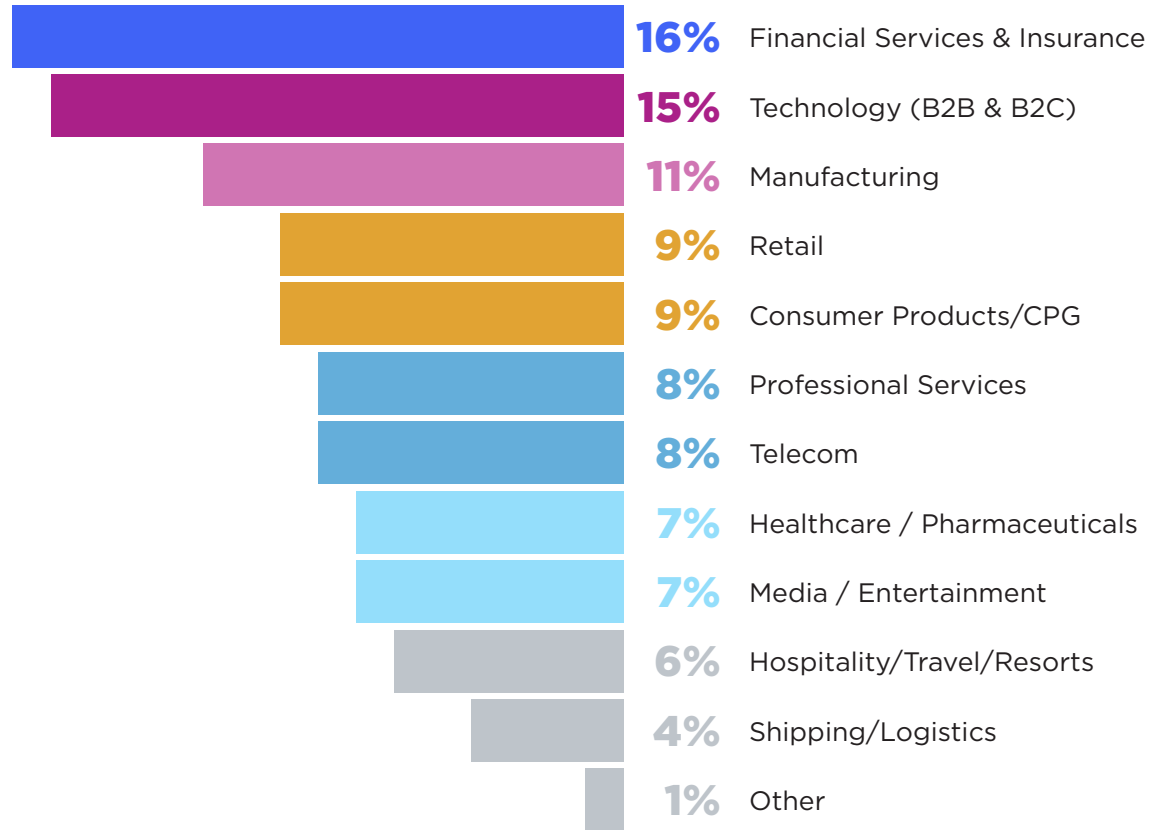
Q12 | WHICH OF THE FOLLOWING STATEMENTS BEST DESCRIBES YOUR COMPANY'S PRIMARY BUSINESS MODEL IN 2024?



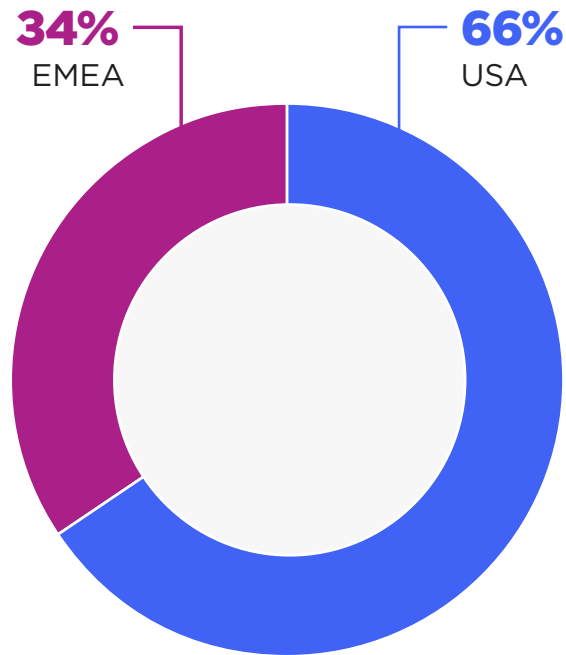
Q13 | WHAT IS YOUR TITLE?



Q14 | WHAT BEST DESCRIBES YOUR COMPANY'S INDUSTRY SECTOR?



Q15 | IN WHICH REGION ARE YOU BASED?





The Chief Marketing Officer (CMO) Council is the only global network of executives specifically dedicated to high-level knowledge exchange, thought leadership and personal relationship building among senior corporate marketing leaders and brand decision-makers across a wide range of global industries. The CMO Council's 16,000-plus members control approximately \$1 trillion in aggregated annual marketing expenditures and run complex, distributed marketing and sales operations worldwide. In total, the CMO Council and its strategic interest communities include more than 65,000 global executives in more than 110 countries covering multiple industries, segments and markets. For more information, visit www.cmocouncil.org.



Zeta Global Holdings Corp. (NYSE:ZETA) is a leading data-driven, cloud-based marketing technology company that empowers enterprises to acquire, grow and retain customers. The Company's Zeta Marketing Platform (the "ZMP") is the largest omnichannel marketing platform with identity data at its core. The ZMP analyzes billions of structured and unstructured data points to predict consumer intent by leveraging sophisticated artificial intelligence to personalize experiences at scale. Founded in 2007 by David A. Steinberg and John Sculley, the Company is headquartered in New York City. For more information, please go to www.zetaglobal.com.