

# From Stretched to Strengthened

Insights from the  
Global Chief Marketing  
Officer Study

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“We want to keep ourselves differentiated in the market through our products (car and service) as well as communication.”

CMO, growth market Automotive OEM

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***In just a few years, the industry has begun moving from limited, infrequent transactions with consumers to a rapidly developing network of information that enables auto companies to know and understand their customers in new ways.***

How are chief marketing officers (CMOs) helping their enterprises cope with the fundamental shifts transforming business and the world? To find out, we conducted 1,734 face-to-face interviews with CMOs in 64 countries, with 70 of those CMOs representing the Automotive industry.

Our interviews reveal that CMOs see four challenges as pervasive, universal game-changers: the explosion of data, social media, proliferation of channels and devices, and shifting consumer demographics. To respond to this, CMOs in the most successful enterprises are focusing on customer relationships, not just transactions. They are committed to helping employees exemplify their organization’s “corporate character.” And they are looking for ways to demonstrate marketing’s return on investment (ROI).

In the course of our conversations with CMOs worldwide, an overwhelming consensus emerged. The vast majority of CMOs believe there are three key imperatives that will enable them to respond to the marketing challenges in today’s complex world. They must understand and deliver value to empowered customers; create lasting relationships with those customers; and measure marketing’s contribution to the business in relevant, quantifiable terms.

Deliver value  
to empowered  
customers

Capture value,  
measure results

Foster lasting  
connections



## Automotive industry insights

### ► **Swimming, treading water or drowning?**

- CMOs are facing significant challenges and most feel underprepared to manage some of the most important ones. Automotive CMOs are striving to get closer to their customers as they look for ways to increase customer collaboration and respond to shifting demographics in many markets. Consumers are also prolific users of social media when discussing cars and transportation. Automotive executives are also pre-occupied with how to build their capabilities and reach in growth markets. Finally, CMOs are concerned with how to demonstrate and be accountable for ROI in their marketing spend.

### ► **Deliver value to empowered customers**

- Many organizations struggle to develop customer insights because they primarily focus on understanding markets rather than individuals. At least 80 percent of CMOs rely on traditional sources of information such as market research and competitive benchmarking to make strategic decisions. In Automotive, CMOs rely primarily on market research, competitive benchmarking, corporate strategy and customer analytics.
- Managing big data, particularly from connected vehicles, is high on the list of priorities for Automotive CMOs. To respond, CMOs plan to use social media, customer analytics, customer relationship management and mobile applications more extensively over the next three to five years.

### ► **Foster lasting connections**

- In this digital era, organizations need to understand customers and act quickly on what they learn. As Automotive CMOs manage the shift toward digital technologies, enhancing customer loyalty/advocacy and using social media as a key engagement channel are their top priorities.
- More than half of CMOs say their corporate character is well understood in the marketplace. Yet 57 percent also say more work remains to get employees on board. Fifty-four percent of Automotive CMOs believe their corporate character is understood and 53 percent say more work remains.

### ► **Capture value, measure results**

- Sixty-three percent of CMOs globally believe marketing ROI will become the most important measure of success over the next three to five years. In the Automotive industry, CMOs say the most important measures will be customer experience, followed closely by marketing ROI.
- Most CMOs use partnerships primarily to augment their promotional activities. Over the next three years, CMOs in Automotive plan to use external resources for tracking/measurement, IT skills, customer and data analytics and direct/relationship marketing.

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