



Five Key Challenges & Opportunities for CMOs Delivering the Future of Customer Experience

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OVERVIEW

This paper is the first in a series of papers that will further explore the challenges and opportunities CMOs face in delivering improved customer experiences.

In the world today, from both a personal and a business standpoint, emerging technologies are serving to more closely connect our physical and digital realms. Over the past decade in fact, technologies like cloud, the IoT, AI, and wearables have defined the digital era in which we live and have been providing innovative, efficient, effective ways for organizations to better reach consumers. Collecting and using data from these technologies in order to offer personalized experiences was becoming the norm at a somewhat solid pace — and then, a global pandemic happened and completely changed the game.

The steady changes that were happening before 2020 suddenly increased at breakneck speed as organizations had to pivot and adapt in order to survive the fallout brought by the COVID-19 pandemic. As budgets were slashed, employees transitioned to distributed, remote work and organizations operated on even thinner margins than usual, the need to gain market share and new customers while also retaining customers and improving brand loyalty through better customer experiences (CX) became the main goals of CMOs everywhere.

In our [2020 Digital Transformation Index](#), we found that 62 percent of organizations reported having to completely rethink their operational model as a result of the pandemic. The exciting thing about that, is that 70 percent of our survey respondents shared that they found this to be an exciting opportunity rather than a challenge. What do these shifts inside the organization, along with quickly evolving customer expectations, mean for CMOs? Equally as important, what are the biggest opportunities on the horizon in delivering top-notch CX? Let's take a look.



Branding and Experience: The Importance of Marketing Orchestration and the Development of Ecosystems

As the demand for improved, more meaningful CX increases, CMOs and marketing teams are looking to meet their customers wherever they are along the customer journey. As our lives have become increasingly digital, there are more devices and channels that CMOs need to account for in their marketing strategies — from voice-operated devices like Alexa to direct-to-consumer marketplaces. An increase in channels means an increase in data to harness, manage, and utilize, a need for more people power, and a lot more work. Avoiding situations where data is siloed throughout the organization is a common challenge, which is why marketing orchestration and the development of more efficient marketing ecosystems will be key to the success of CMOs seeking to create new and better customer experiences this year and beyond.

The need to collect cohesive data from first party internal sources, second party data providers and brokers, and third-party integrations both online and off, drive the need for an ecosystem in every organization. An ecosystem involves

data-driven brand management; all aspects of marketing, including the external partners that aid in the successful deployment of marketing initiatives; the technology needed to create and deliver initiatives, and customer activation. The ecosystem covers every aspect from acquisition to targeting to sales and building and driving customer loyalty — no marketing department can successfully thrive alone.

The more CMOs can use partnerships and technology to improve their marketing efforts — be it personalization, content generation, or communication and outreach — the better they will be able to meet increasing customer demands. A robust, intelligently designed, interconnected marketing ecosystem is the only way to meet customers where they are, and where they want you to be, and to quickly and efficiently serve their needs. And we all know that happy, satisfied customers are loyal customers — the ultimate goal of every organization.



Customers Don't Use Digital, They Are Digital — Your Ecosystem Must Reflect That

In our research study, [Experience 2030, The Future of Customer Experience is NOW](#) we found that consumers don't use digital, they are digital. Consumers use a variety of devices to find (and buy) what they want at an increasingly rapid pace, which puts the pressure on CMOs and organizations to be where the consumer is. But launching a fully digital experience isn't as easy as it might seem. Omnichannel end-to-end experiences require an understanding of the intent of each channel, which requires data. The more effectively CMOs collect and utilize data from every channel — mobile, social, offline,

email, web, etc. — the better prepared they'll be to understand what works for each channel. That will allow them to deliver the types of products and services their customers want, along with providing the experiences those customers want when they want them. This means creating new and different customer segments for targeting; making new and different data security options including permissions for certain customer segments; and focusing on marketing ROI to ensure that marketing spend is maximized across all channels.

Table Stakes for Today's CMOs: Customer Data Platforms

As mentioned, providing an unparalleled customer experience requires an immense amount of data from a number of ever-evolving channels and platforms. The way to manage all of that data in order to glean actionable insights every step of the way is a no-brainer — and exactly why we believe a customer data platform (CDP) is table stakes for today's CMOs.

A CDP is a centralized hub that combines data from all channels into a clear, holistic, 360-degree view of the customer. Best-in-class CDPs also use AI and machine learning to automate the processing of data in order to create value instantaneously. Creating a better picture of individual customers and customer segments makes it possible to create better, more personalized experiences, which has a direct impact on the ability of brands to build customer loyalty.

Considering the value CDPs can deliver, it's not surprising that we've seen an increase in not only the quality of CDPs in the marketplace, but also in the specificity of them. Many of the top tech

companies are delving into the world of industry specific CDPs, which makes customization of the platforms even easier, and the value realized from them even more rapid.



Acquisition, Attention, Loyalty

Consumers today are subjected to far more data than they can realistically be expected to manage and process. It's only natural that they would tune a lot of that data noise out. From emails to device notifications and highly targeted social media ads, brands must continuously meet and be up to the challenge of breaking through the clutter and delivering the right message to the right customers at the right time. Personalization is the secret sauce to making that magic happen. Equally as important, customers expect messages to be personalized and they notice when they are not. [More than 60 percent](#) of customers say they expect personalization as a standard of service today and what's more, nearly 40 percent say they won't do business with a company that doesn't personalize its services to their needs.

Savvy CMOs and their marketing teams will focus on smart content creation for all channels and audiences, including rethinking how they segment customers in the post-pandemic world. This will require a better understanding of how each customer segment consumes content, as well as an intimate knowledge of the type of content that will best resonate and spur an intended action. Sending out a mass email blast won't cut it anymore — truly understanding unique customer preferences and creating the right kind of content across all channels will, however, pay big dividends in loyalty.

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Today's Super Star: The Performance-Driven CMO

As we collectively continue to navigate a global pandemic and the often-challenging financial impact it has wrought, the need to tie marketing initiatives to business outcomes has never been greater. The CMO has a growth agenda and should deliver tangible outcomes that directly impact the topline. CMOs who can easily understand the connection between CX and those outcomes will be the ones who find success. Every single dollar spent on marketing needs to make solid business sense in terms of keeping customers satisfied and also keeping them coming back for more. That means CMOs need to be involved not only in marketing-specific business goals, but in the overall strategies of business as a whole moving forward. CMOs must function as change agents within the organization, championing digital transformation initiatives,

working to identify the right technology solutions, striving to create a culture of innovation, committing to breaking down silos, and embracing the realities (and the benefits) of transforming into a data-driven organization. By developing the right talents within the marketing department and by actively working to illustrate the path to culture change within the organization, as well as embracing the ecosystem approach to marketing, a CMO can become the leader of this new broader understanding of marketing.

CMOs must function as change agents within the organization.

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Conclusion

CMOs have faced significant challenges relating to digital transformation, ranging from lack of buy-in from senior leaders, to budget constraints and beyond. This past year has only intensified the demands being placed on them, both from within their organizations as well as from their customers. In fact, [more than 60 percent](#) of CMOs say they've had to change their CX strategy since early 2020, and the need to adapt and pivot is not likely to abate. Adopting the right technology solutions and shifting organizational behavior will be key in

delivering the timely, relevant, and personalized experiences that customers want and, equally important, aligned with and embodying brand positioning and purpose. CMOs must embrace digital, make smart decisions about the right technology solutions, and identify the best vendor partners to help accomplish their goals, and move into the realm of creating new points of differentiation and connection with their customers. There are challenges, to be sure, but there are exciting opportunities ahead as well.



Recommendations

One of the most critical things CMOs need to understand as they navigate the future of marketing and the increased demand for better customer experiences is that there will be things that they can't do alone. Here are the things to consider when creating a successful customer experience strategy:

Invest intelligently in technology. It can be easy to get caught up in the latest and greatest technology solution, but if it doesn't quickly solve a problem or meet a goal, if it's not easily scalable and also connected to the other technology in the marketing ecosystem, it's likely not a good investment. Being strategic on this front and identifying and investing in the right technology that your team needs to deliver top-notch customer experiences and that can continue to scale and evolve as your organization grows should be a top priority moving forward.

Critical partnerships and ecosystem development. Marketing is more complex than ever before and finding success is rarely, if ever, accomplished by just one individual. Today's savvy CMOs understand the value of both relationships with their counterparts in the C-Suite, along with the benefit of forging smart partnerships with trusted vendor partners. Developing and nurturing this ecosystem can make great things can happen.

Strong analytics and intelligence. In today's world, data is everything, and developing a data and analytics strategy is critical. In order to deliver better CX, marketing teams will need data and a lot of it. But data lakes can quickly turn to data swamps without a plan in place. That's where a data and analytics strategy come in. Understanding and identifying what data needs to be collected in order to gain actionable intelligence, as well as how to most

effectively manage and glean insights from that data, well, they are the ultimate key to delivering unparalleled CX.

Key alignment with organizational vision.

Developing strategies and creating plans for a marketing department are key aspects of business success, but marketing strategies cannot be developed in a silo, separate from other parts of the organization. Today's CMOs must understand how marketing and customer experiences fit into the organizational vision as a whole, and work with their peers in the C-Suite to align strategies and goals and work together to create a customer-focused organization delivering personalized, relevant, loyalty-inducing experiences across the board.

Cohesive brand management. Balancing clear, stable brand values while reaching customers, both new and returning, with personalized brand experiences is a paradox for today's CMO. Understanding how each part is different and important, and how it impacts the other is critical. Focusing too much on one part can spell disaster. Mastering the balance with experiences that are unique but also align with the brand purpose, positioning, and voice is key.

Customer expectations are constantly evolving, and this is not likely to change — ever. The time to embrace data, integrate technology solutions like customer data platforms that make it easy to collect, manage, and glean insights across the organization that can be used to meet customers where they are, with the personalized experiences they seek — well, that time is without question right now.

Read more about building customer experiences that are as personal as they are effective at the [Capgemini CX page on LinkedIn](#). Find out more about [Capgemini's Customer Experience](#) suite of offerings at their website.

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