

# CMOs Defy the Odds: Many report optimism, smooth budgeting and real-time insights in new GfK study

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NY, NY, UNITED STATES, October 2, 2023 /EINPresswire.com/ -- Despite chronic crises, marketing executives are looking positive into the future: They feel confident about what is to come, tend to invest in long-term brand building activities, and have few troubles securing their budgets. Data from the new GfK CMO Outlook Report shows how adept marketing leaders are with new technology like AI and real-time insights. But it's not all sunshine and rainbows: the report also illuminates a huge gap between marketer's and consumer's expectations in terms of sustainability.

Given current economic uncertainties, it would be tempting for marketers to focus on short-term marketing activities that yield immediate results while slashing long-term investments. While these tactics may temporarily improve balance sheets, building and nourishing a strong brand tends to pay off more in the long run. Experience shows that a strong brand reduces customer acquisition costs, improves customer retention rates, makes for more impactful product launches, and may protect margins even in times of inflation.

Fortunately, marketing leaders worldwide have got the memo. GfK's new CMO Outlook Report [Data, Decisions, and Optimism](#): How CMOs are driving change in an evolving world shows that despite ongoing crises, over two-thirds of marketing decision-makers worldwide (70 percent) are investing more than half of their budgets in long-term initiatives, e. g. campaigns focused on strengthening the brand. Among CMOs, this proportion rises to 78 percent. Industry-wise, marketing leaders in consumer tech (76 percent), automotive (76 percent), and retail (74 percent) are zeroing in on long-term brand-building strategies. B2B brands are more willing to make long-term investments. Longer conversion cycles and smaller customer bases probably play a role.

Despite crises marketing leaders are optimistic about the future

Overall, 61 percent of marketing decision-makers worldwide believe that their industry has been hit harder than others by the ongoing turbulences of recent years. However, there are regional differences: 66 percent of marketing decision-makers in Europe and 65 percent in North America feel particularly affected by the economic situation. In Africa and the Middle East, only 52 percent agree with this statement, and 55 percent in the Asia-Pacific region.

Despite this, CMOs remain remarkably confident: Almost three-quarters state that their

company has grown in the last three years and 78 percent say that they are optimistic about the future. These optimistic marketing leaders are more focused on long-term brand building (77 percent), suggesting a link between optimism and long-term investment. Most marketing leaders also show impressive confidence in their budgets. Nearly two-thirds overall say they find it easy to justify their financial needs, particularly in North America and Europe. Especially optimistic marketing decision-makers say they have no problems funding marketing expenditures.

Which region's CMOs are the frontrunners of real-time insights?

Data analytics and customer insights are more important than ever for improving marketing campaigns. 61 percent of global marketing leaders state that they receive actionable insights either immediately after data gathering or short of real-time, but still fast. Only 3 percent claim that generating insights takes too long to be useful at all. Larger companies seem to have an advantage: the bigger the company, the higher the proportion of insights generated in real-time.

Europe leads the way with 33 percent of marketers answering they receive insights in real-time, versus the global average of 26 percent. The score is lowest in Africa/Middle East, where only 19 percent claim to have access to real-time insights. Data integration is the main obstacle for achieving real-time insights, as stated by one-third of global marketers. Overall, 44 percent of the survey's respondents want to improve their capabilities in generating actionable insights, while 42 percent aim at improving data integration in their companies.

"In recent years, market disruptions have shown us just how quickly buyer behavior can pivot, highlighting the need for real-time predictive data. The businesses that thrive in this environment will be those that can anticipate what's coming next," predicts Gonzalo Garcia Villanueva, CMO at NielsenIQ/GfK. "It is notable that marketing leaders across regions who say that their company has grown in the last three years and are optimistic get their insights faster than others. This indicates that successful companies are more digitalized and prioritize real-time insights for marketing."

Next to real-time insights, AI is transforming the way many marketers work. Almost half of marketing leaders worldwide (45 percent) say they are already using AI, while 40 percent are familiar with, or using, Machine Learning models. The uptake of ChatGPT has been rapid, with 36 percent of respondents already using it by March 2023 - despite it being in the market for less than a year. Marketers working in the biggest enterprises are those most familiar with such technology and much more likely to be early adopters than those in smaller firms.

Are marketers failing their audience in terms of sustainability?

After a summer marked by extreme weather events, sustainability is squarely on the CMO agenda, with 42 percent stating that sustainability and environmental protection are important parts of their brand. The number is especially high in Africa/Middle East (56 percent) and Asia

Pacific (46 percent).

However, there seems to be a gap in how marketers perceive their audience: Only 30 percent of the survey respondents feel that their customers expect them to address sustainability. On the other hand, the global long-term GfK Consumer Life study finds that most consumers (73 percent) expect companies to take environmentally responsible actions. This is a huge perception gap. One factor might be that companies tend to see sustainability as a corporate initiative rather than a marketing one. At least 24 percent of global marketers agree, especially among North American companies.

Overall, marketers need to keep in mind that any engagement for the environment and the climate must be authentic and long-term to be credible for the consumers.

#### New GfK CMO Outlook Report published

Despite ongoing macroeconomic and geopolitical turbulences, CMOs are optimistic about the future and look forward to maximizing several exciting opportunities for growth in the current marketing climate. Read more about how to do it the new [GfK Outlook Report](#) "Data, Decisions, and Optimism: How CMOs are driving change in an evolving world".

#### Notes to editor/About the study

The CMO Outlook Survey is based on 633 interviews with a global sample of senior marketing leaders in businesses with either annual revenue over 50 million US dollars or more than 250 employees. Marketing leaders are defined as CMOs or Brand Heads, Directors or VPs of Marketing, Brand, Marketing Operations or Customer Experience.

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