

Global **C-suite** Series

33rd edition

CMO Study



The CMO revolution: 5 growth moves to win with AI

About the study

The IBM Institute for Business Value (IBM IBV) 2025 CMO Study conducted a survey of 1,800 CMOs and CSOs across 24 industries and 33 geographies. Our analysis uncovered five growth moves distinguishing tomorrow’s trailblazers from those at risk of being left behind. This report uncovers the five bold moves fueling sustainable revenue growth and lasting relevance. The future belongs to those who master the delicate dance between Big Ideas and flawless execution.

The cover concept, most of the imagery, and the figures in this report were developed using generative AI.

IBM IBV designers used Adobe Firefly to iterate on the cover image concept, then created the final image manually. Designers also translated each of the “market-defining moves” into prompts, then used these prompts within Adobe Firefly to generate imagery that inspired the basis and structure for each move. We’ve used this marker throughout to identify AI-generated images: AI

Overall, the efficiency gained by integrating these tools into the design process is as follows:

Concept—3 weeks to 1.5 days

Imagery—2 weeks to 3 days

Figures—1 week to 1 day

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Marketing and sales are in perpetual motion. A massive leap in operational design is the only way to stay ahead.



Jonathan Adashek
Senior Vice President
Marketing and Communications
IBM

The most successful marketing organizations of the next decade will not be distinguished by bigger budgets or shinier tools—they’ll be defined by their operational courage. In an era where Chief Marketing Officer tenure is tenuous, these winners are dismantling what does not work and rebuilding marketing engines designed for a new reality. They have moved beyond the comfortable incrementalism that limits careers. Instead, they embrace the radical operational transformation that drives exponential growth and delivers the measurable business impact that matters.

For too long, too many CMOs have obsessed over the “Big Idea.” We have chased more data, more tools, more campaigns—an insatiable appetite for “more” that has led to a brutal paradox. **Many marketing organizations, even with significant resources and sophisticated technology at their disposal, are structurally incapable of delivering the ROI and growth that the business demands. It is an execution gap, a chasm between promise and delivery, and it is threatening to swallow us whole.**

The irony is not lost: CMOs are being undermined by operational realities built for a bygone marketing era. AI, the game-changer we all recognize, sits largely untapped, paralyzed by rigid, fragmented systems compounded by significant change management challenges. Too many of us are standing on the precipice of a new era, armed with astounding technology and capabilities, yet bound by operating models that deliver the agility of a battleship instead of the fighter jet that is needed.

We have all seen brilliant marketing leaders get devoured by this paradox—and as a senior marketing and communications executive, I know this challenge intimately. We arrive at our posts around the globe speaking about customer journeys and lifetime value. If we do not perform, we find ourselves updating our LinkedIn profiles, casualties of an ever-growing execution gap. Bridging that technology and execution gap weighs heavy on many of us as we try to deliver meaningful growth to the business.

The mathematics are merciless: CMO tenure continues its downward spiral while our accountability for driving revenue and growth climbs relentlessly upward. The pressure to deliver measurable ROI to the business has never been higher, creating a pressure cooker designed to eliminate those who cannot adapt.

The companies that will dominate the next decade are the ones with the deepest AI integrations. This means starting with AI at the core of the organization and building the right operating model and team on top of that. For many of us, this means being willing to admit that our current marketing model—no matter how comfortable, how familiar, or how challenging to replace—is not delivering what is needed and actively sabotaging our future.

This report is not written to offer comfortable truths or incremental improvements. It reveals five transformational moves that can separate organizations built to win from those designed to disappoint. The choice between futures will determine which marketing organizations are truly delivering what the business requires when the moment of truth arrives.

We at IBM believe you should give your Big Ideas the spot-on execution they deserve. I hope you use this report to get started.

The unseen drag

The modern CMO faces a stark reality: despite commanding larger budgets, more sophisticated tools, and unprecedented access to customer data, most marketing organizations are structurally incapable of delivering the results boards now demand. This isn't just an operational challenge—it's an existential threat.

Today's marketing leaders face a brutal paradox. The traditional playbook—more data, more campaigns, really more of anything—has hit its ceiling. Without fundamental operational transformation, marketing aspirations increasingly outrun execution capabilities, creating a dangerous disconnect between promise and delivery.

And CMOs are feeling it. In the C-suite's revolving door, CMOs are first to exit—averaging just 4.3 years overall, compared to CEOs' 7.4 years or CIOs' 5.2 years.¹ The CMO mandate: deliver business impact with unprecedented speed. 64% of CMOs say they are now responsible for profitability, with 58% accountable for revenue growth.

Their reality: most preside over operations woefully unprepared for this new accountability.

on marketing ROI



of CMOs say they are now responsible for profitability,

with



accountable for revenue growth.

“What does an influential and entrepreneurial CMO look like today? These days, we have to be interpreters and integrators. We must be institutional strategists and value generators, not just brand stewards.”

R. Ethan Braden, Vice President, Chief Marketing and Communications Officer, Texas A&M University

Marketing's Achilles' heel: The execution gap

Scratch beneath the surface of many CMOs' polished campaigns and bold pronouncements, and you'll find a common truth: they're long on strategic vision but consistently undermined by an operational reality built for a bygone era.

It's understandable, really. **The AI-fueled pace of change leaves traditional agility gasping for air.**



The irony is that CMOs have always been celebrated for Big Ideas. But without killer execution, even the most brilliant vision crashes against operational reality. As markets fragment and attention scatters, the winners won't be those with the loudest voice, but those who've built the operational muscle to deliver with surgical precision.

Business as usual means irrelevance. Possibly extinction.

AI

What can growth moves do for demand generators? A lot.

In 2024, top performers drove 13% revenue growth versus 12% for their peers—a one-point edge that, at a \$14B company, translates to \$140M in additional growth. (Mean revenue size of respondents was \$14B). In today's environment, that's the difference between expanding into new markets—or falling behind.

	High performers	Low performers	Gap
2024 Revenue growth	13%	12%	\$140M*
2024 Operating margin	15%	13%	\$280M*
Ability to execute enterprise strategy	40%	29%	+38%
Effective optimization of brand awareness	70%	59%	+19%
Successfully leveraging strategic partnerships	69%	59%	+17%
Effective personalization at scale	73%	54%	+35%
Prepared to integrate agentic AI	55%	41%	+34%
Effective management of brand risk caused by emerging technologies	59%	42%	+40%

**Based on mean annual revenue of respondents surveyed, \$14B*

5 growth moves to win with AI

An overview

Forge an infrastructure that doesn't flinch.

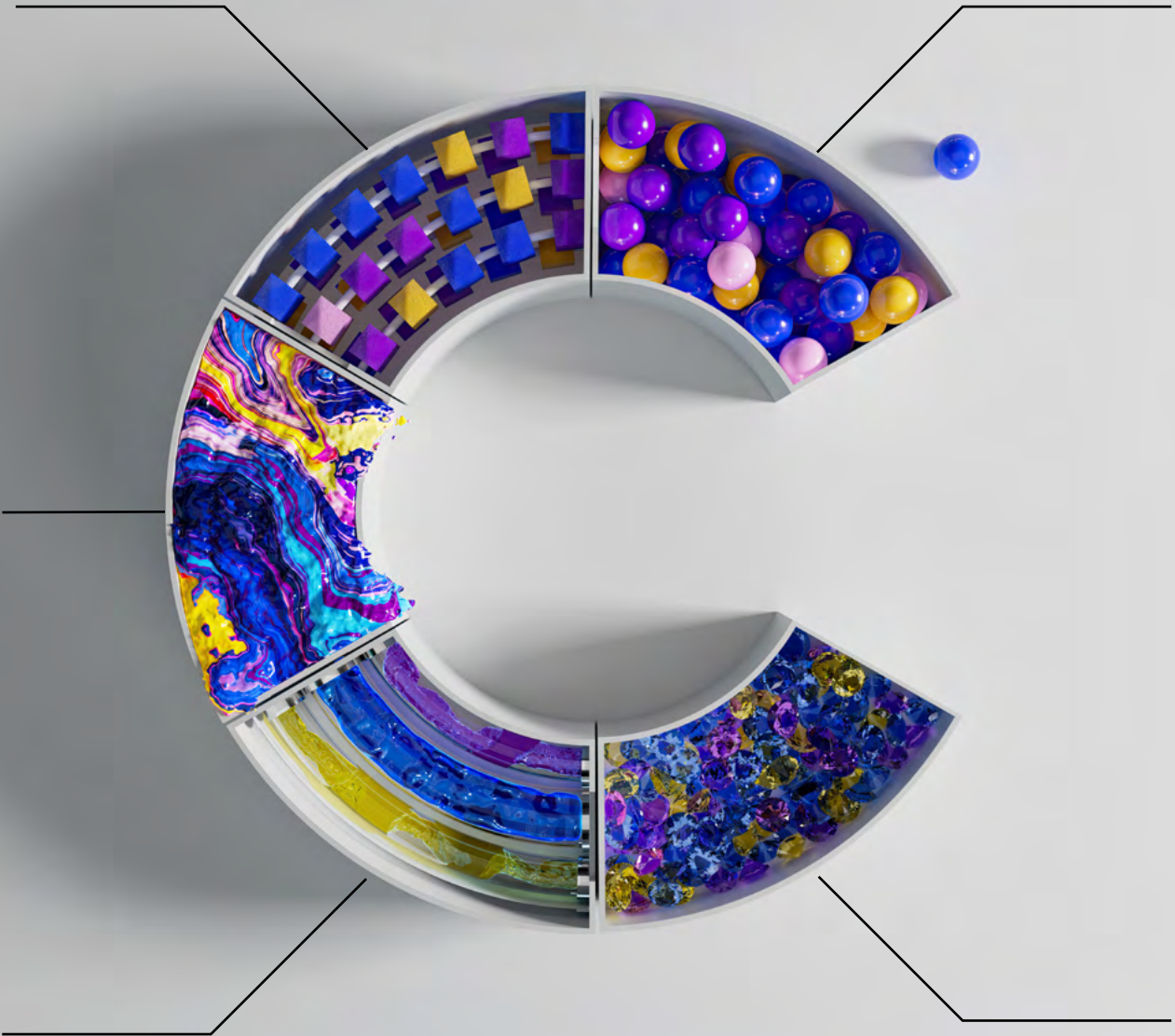
Most tech stacks weren't built to predict, personalize, and protect all at once. Yet, now they all need to. Every demand for greater relevancy puts your marketing infrastructure to the test—exposing the fault lines in systems never designed for this level of precision at scale. As customers expect perfectly tailored interactions at precisely the right moment, disconnected tech stacks buckle under demands they weren't built to handle.

Heal your EX to fix your CX.

If your CX is broken, it's because your EX broke it. The revelation reshaping marketing: your external customer experience is merely the visible manifestation of your internal organizational health. Every siloed department, fragmented dataset, and clunky process creates ripple effects that customers inevitably experience as friction, inconsistency, or disappointment.

Hire for heart. Train for AI.

The most valuable marketing currency isn't data—it's the uniquely human capacity to create emotional connections through intuition, empathy, and creative brilliance. Yet in a landscape transformed by AI, human talent alone isn't sufficient. Forward-thinking CMOs are cultivating a new breed of marketing professional: creative souls with technological fluency. People who can direct AI tools with strategic vision while infusing the output with emotional resonance.



Win the moment.

The era of meticulously mapped customer journeys has expired; millisecond marketing is what's required. Today's consumers exist in a state of perpetual demand—asking, not searching; commanding, not browsing. In these critical micromoments of intent, your brand must become the solution that algorithms surface first. CMOs who use AI to master this shift from journey-based thinking to moment-based execution will create adaptive lifetime value that drives measurable growth—while competitors remain stuck optimizing obsolete pathways to purchase.

Stop chasing campaigns.

Architect outcomes instead.

The fundamental shift that will define marketing's future isn't about better campaigns—it's about reimagining marketing as an adaptive, intelligent system designed to deliver business outcomes. While previous generations of CMOs orchestrated campaigns with start and end dates, tomorrow's marketing leaders are building perpetual growth engines powered by agentic AI that continuously learns, adapts, and optimizes toward business objectives.



Move 1

Win **the moment**

It's not enough to be known.
Your brand must be the answer.

From journeys to moments

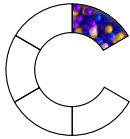
The era of meticulously mapped customer journeys is over. Today’s consumers exist in a state of perpetual demand—asking, not searching; commanding, not browsing. In these critical microseconds of intent, your brand must become the solution that algorithms surface automatically.

The rise of AI-powered answer engines marks a fundamental shift in digital discovery. These intelligent systems—from Google’s AI Overview to ChatGPT and Claude—now intercept search queries before they reach traditional websites, delivering immediate, synthesized responses directly in the results page. These sleek, efficient portals are fast replacing traditional SEO-driven journeys. With answers provided instantly at the query level, consumers no longer need to click through to websites, transforming the digital landscape. A recent study of 300,000 keywords found that the presence of an AI overview in search results correlated with a 34.5% lower average clickthrough rate (CTR) for the top-ranking page.³ The fallout of this shift: fewer clicks to your website mean fewer opportunities for engagement, forcing brands to win in the fleeting microsecond, to deliver value and build trust instantaneously.

In other words, forget the long, winding customer journey. The smartest CMOs are now nailing the immediate consumer moment, building adaptive lifetime value that sparks real growth. CMOs overall, however, have faced significant demand challenges over the past year (see “CMOs’ top demand challenges”). They’re struggling to reach target audiences effectively, not only exceeding planned budgets but also finding operations or fulfillment could not keep up with the demand they did generate.

Our research reveals a critical insight in how CMOs should approach their 2025 priorities. While 71% of marketing leaders expect to increase their focus on customer loyalty over the next year, many may be overlooking what actually drives that loyalty in the first place.

“Our focus is on cultivating meaningful connections with each and every customer, that extend beyond the product itself.”



Yasutaka Suzuki, Chief General Manager
Land Mobility Business Operations, Yamaha Motor

CMOs’ top demand challenges

- 1
Not effectively reaching the target audience
- 2
Exceeding the planned budget due to unforeseen costs or inefficiencies
- 3
Fulfillment or operations cannot keep up with generated demand



Connection over convenience

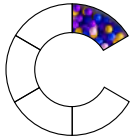
What consumers want from brands has undergone a seismic shift, and it's not about faster checkouts or slicker interfaces. New data reveals a profound truth that should upend conventional marketing wisdom: people crave being known before being served.

The numbers tell a striking story. When asked what matters most in their customer experience, consumers placed personalized interactions and proactive support at the top of their priority list, along with trust and security. Meanwhile, high-quality products and intuitive purchasing experiences have slipped to the bottom.

What matters most to customers



Frictionless isn't dead—it's table stakes

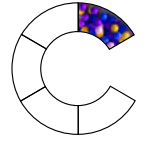


This hierarchy represents a profound evolution in customer expectations. For years, brands have poured billions into eliminating friction, optimizing click paths, and shaving seconds off transaction times. Those investments weren't wasted—smooth experiences are now the expected baseline. **But consumers have raised the bar, aspiring to something more profound: the feeling of being genuinely seen and anticipated.**

Think of it as Maslow's hierarchy for brand relationships. Once the basic needs of functional transactions are satisfied, consumers naturally progress toward higher-order connections characterized by recognition, anticipation, and protection. The frictionless experience isn't irrelevant—it's foundational. But it's no longer a differentiator.

“The customer relationship needs to be seen through a multidimensional prism. A series of experiences that must be imagined, created, orchestrated, and tracked. And you cannot be complacent. The customer is always evolving and expectations only go higher. You've got to be on it all the time.”

Ginny Cartwright Ziegler, CMO, Pearson



The Triangle of Trust: A new CX framework

What emerges from the data is what we might call the “Triangle of Trust”—three nearly equally weighted pillars forming the foundation of modern customer experience.

Together, these create a Triangle of Trust that delivers on consumers’ top priorities.

Precision

Lead generation and nurturing
via data-driven decision making



Prediction

Leveraging predictive
analytics to improve
demand forecasting

Protection

Trust and security that
safeguards personal
information

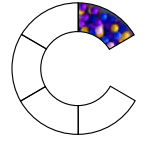
The enterprise disconnect

Here’s where it gets interesting. While CMOs seem to recognize the importance of these elements, their execution capacity lags behind consumer expectations. When asked about their greatest challenges over the next three years, cybersecurity and data privacy topped the list, followed by technology modernization, forecast accuracy, and talent recruiting and retention.

This points to a critical gap: companies understand what consumers want but have yet to master the technical and operational foundation required to deliver it at scale.

“Platforms have monetized by siphoning personal information in order to deliver more relevant ads, but this is an imbalanced value equation. Younger, digitally native consumers are expecting more in exchange for their data—whether that is greater productivity or greater entertainment.”

Jennifer Vianello, CMO, Cars.com [Cars Commerce]



The CMO's new mandate

For marketing leaders, this isn't just another data point—it's a fundamental reorientation of priorities. The new mandate isn't about optimizing campaigns but orchestrating relationships. It's about building systems that recognize individual consumers, anticipate their needs, and protect their data simultaneously.

The brands that will win aren't those with the slickest apps or the fastest checkouts, but those that make customers feel valued, understood, and secure in every interaction. This isn't just CX—it's human-centered experience design that acknowledges the emotional depth consumers now bring to their brand relationships.

For the modern CMO, the message is clear: consumers aren't just looking for transactions; they're looking for recognition. The question isn't "How can we serve you faster?" but "Do we truly see you?" Answer that question correctly, and everything else follows.

The protection premium

The data is stark, and consumers almost defiant: in today's digital crucible, personalized interactions and proactive support aren't just nice-to-haves, they are table stakes. But the true disruptor, the insight that should send a jolt through strategic planning? **Trust and security in transactions and data handling now outrank even the traditional cornerstones of product quality and speed.**

In an era where data breaches dominate headlines and digital trust erodes with every click, consumers are screaming a clear message: protect me as you personalize for me. Demand leaders shared that relevance and protection were almost equally weighted by consumers, with 46% and 42% citing them (predictive capabilities rounds out this triumvirate). This isn't a compliance checkbox anymore; it's the price of admission to the hyper-personalized game. In response to customer expectations, enterprises admit that cybersecurity and data privacy remains their Everest, as the #1 daunting challenge mirroring their highest priority. The disconnect is palpable, a chasm between consumer expectation and organizational reality.

Demand leaders say roughly 5.5% of their function's technology budget is dedicated to scaling personalized experiences for diverse customer microsegments, with a nearly equal percentage dedicated to protecting and securing customer data.

“In the end, getting a customer to maintain a long-term relationship with you is essential. With a lot of price competition, the value propositions are very symmetrical and analogous.”

Valero Marín Sastrón, Executive Managing Director of Client, Repsol



Wimbledon's digital ace: How AI is reshaping fan engagement

For 147 years, Wimbledon has captivated the world with its blend of sporting drama, pristine traditions, and, of course, strawberries and cream. But in a fragmented digital landscape, how does a heritage brand stay relevant and deepen its connection with a global audience of millions?

Gone are the days of simple website updates or static content pushes. Today, the focus is squarely on the customer experience, driven by an agile infrastructure and a relentless pursuit of personalization. Wimbledon isn't just broadcasting tennis; it's crafting individual journeys for its 19 million+ digital fans, turning passive consumption into active engagement.

The most compelling proof point at last year's Championships came with "Catch Me Up," a generative AI-powered feature on the official app and website. Imagine a busy fan, juggling life, eager to know how their favorite player is faring, or the latest tournament twists across 18 courts. Instead of endless scrolling or searching, Catch Me Up delivered succinct, personalized summaries of recent performances and upcoming matches, all generated by IBM watsonx®. This wasn't a campaign; it was an outcome—a direct, immediate solution to a fan's need for timely, relevant information.

The evolution continues

Chris Clements, Digital Products Lead at All England Lawn Tennis & Croquet Club (AELTC), frames the partnership's value: "As an organization with heritage at its core, the innovation partnership with IBM is vital to ensure we evolve as the world around us changes. By utilizing the latest tools and world-leading expertise from IBM, we are able to innovate to ensure enduring relevance."

For CMOs navigating digital transformation, Wimbledon's approach offers a blueprint: embrace AI-driven personalization without sacrificing brand identity, build agile infrastructure that enables continuous innovation, and focus on measurable fan outcomes rather than feature launches. The result is a digital experience that honors tradition while delivering the sophisticated, personalized engagement modern customers expect.

This wasn't a campaign; it was an outcome—a direct, immediate solution to a fan's need for timely, relevant information.

Questions to ask about winning the moment



How well are you serving your customers in the moments that matter, with precision, personalization, and proactiveness?

1

When customers engage through AI-curated channels—search, chat, voice—how does your brand show up? What makes your brand clear, differentiated, and valuable in that instant?

2

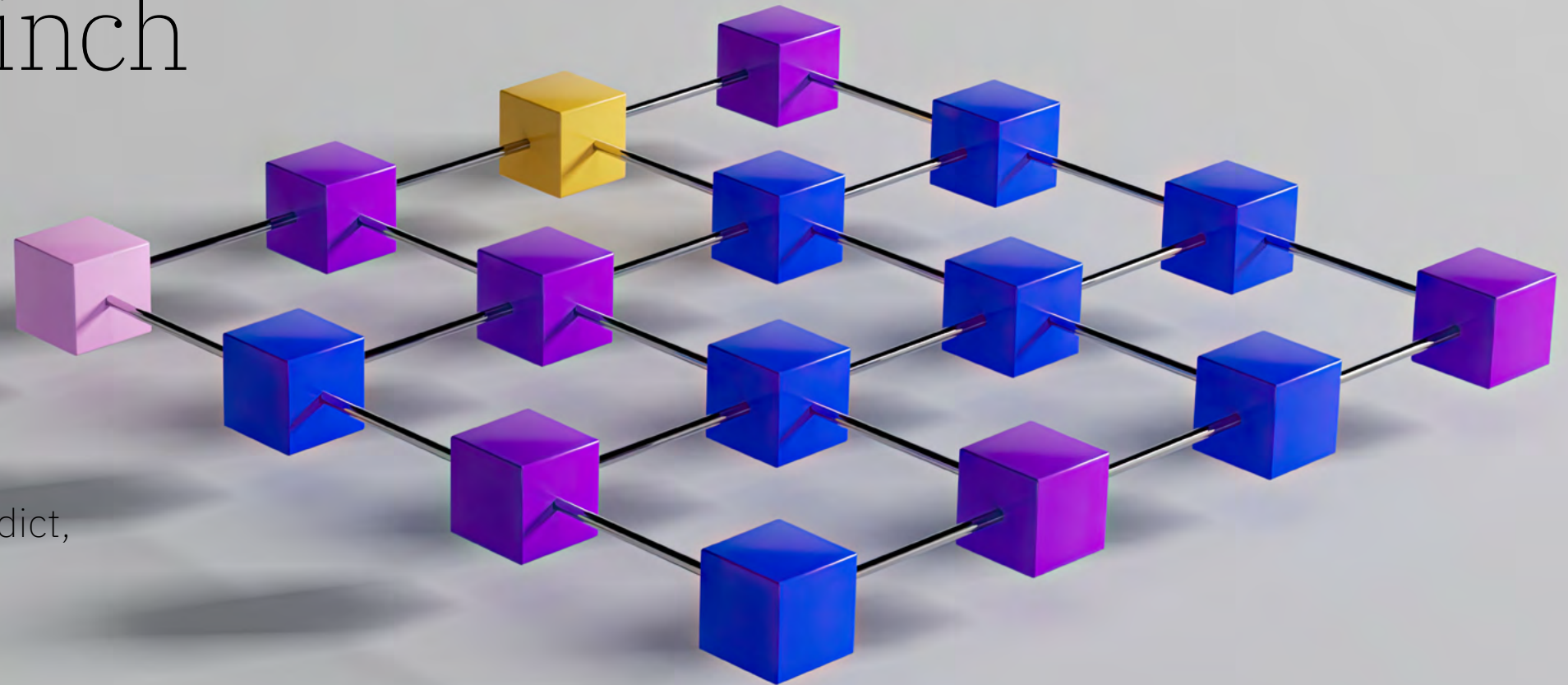
How are you continuously evolving your brand's loyalty architecture to not only capture but also deepen relationships? Think from the initial, split-second AI-driven touchpoints—how are you ensuring each interaction strategically contributes to lasting customer lifetime value?

3

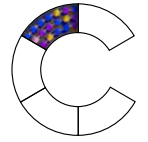
Is your data strategy built for reaction—or anticipation? And what would it take to predict and serve customer needs before they articulate them?

Move 2

Forge an infrastructure that doesn't flinch



Most tech stacks weren't built to predict, personalize, and protect all at once. It's the ultimate pressure test.



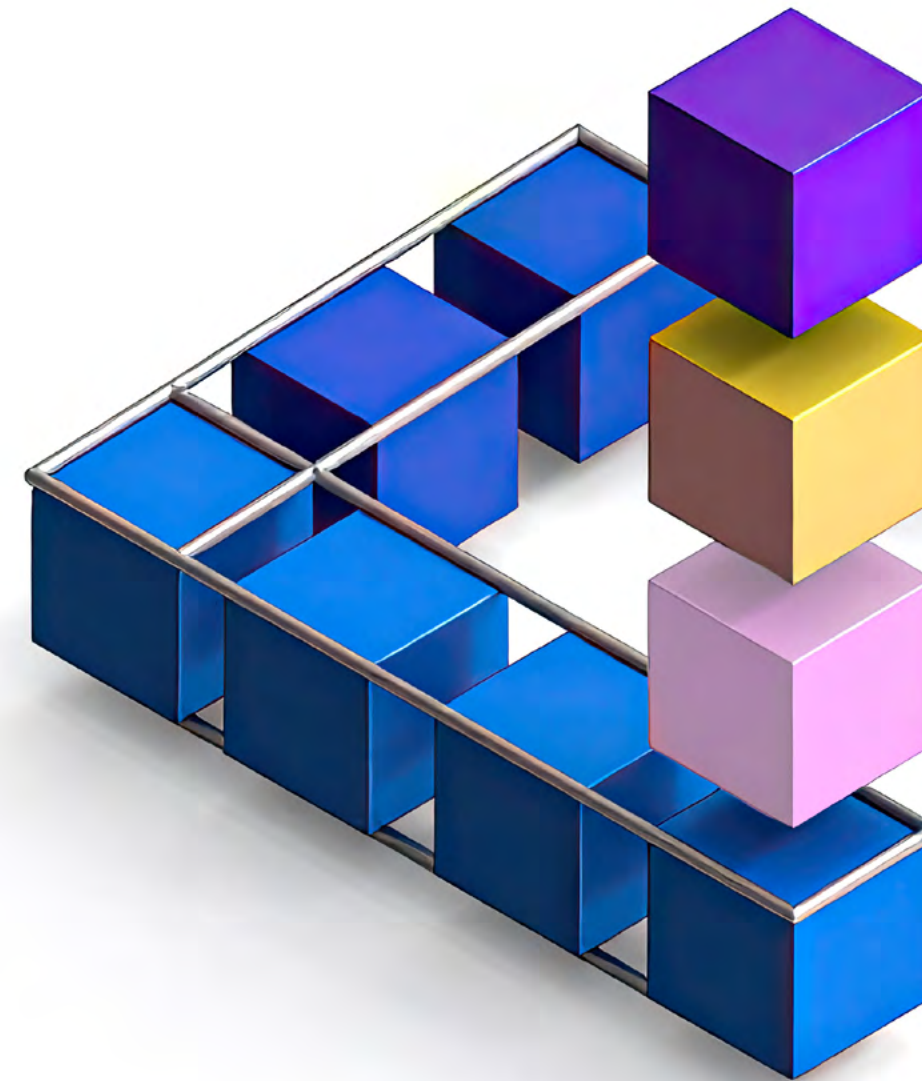
Every demand for greater relevancy puts your marketing infrastructure to the test—exposing the fault lines in systems never designed for this level of precision at scale. As customers expect perfectly tailored interactions at precisely the right moment, disconnected tech stacks buckle under demands they weren’t built to handle.

Some CMOs are responding not with more complexity but with radical simplification: creating integrated platforms where data flows seamlessly, AI enhances human capability, and customer experiences remain flawless even as expectations intensify. In this new reality, simplicity isn’t just an operational virtue—it’s your ultimate competitive edge.

“We’re moving from rule-based personalization to predictive and generative personalization with systems that can anticipate needs, not just react. This means our data architecture needs to be more agile, more integrated, and AI-ready. It’s a transformation of not just tech, but also mindset and structure.”

Dara Treseder, CMO, Autodesk

CMOs’ top data-related challenges



1

Difficulties in syncing or automating workflows across multiple systems

2

Data fragmentation across multiple systems

3

Too many tools and platforms to manage

Pilot purgatory: The silent revenue killer

The promise of AI—to predict, bring relevancy, and protect in real time—is tantalizingly close, yet for many organizations, it remains frustratingly out of reach. Why? Because beneath the shiny veneer of cutting-edge algorithms lies a fundamental flaw: tech stacks architected for a bygone era, not for this hyper-connected, data-driven reality. Teams are battling complexity with a Frankensteinian portfolio of disjointed technologies, a situation that’s effectively trapping their ambitious AI strategies in an endless loop of pilot purgatory.

The numbers paint a stark picture. Over the past three years, just 19% of AI pilots have delivered expected ROI, 25% have scaled across multiple business units, and 14% have achieved enterprise-wide adoption. A chaotic tech landscape is not helping this situation. CMOs and their sales counterparts are grappling with the Sisyphean task of syncing workflows across disparate systems, wrestling with data fragmentation that renders insights incomplete, and drowning in a sea of too many tools and platforms to manage effectively.

“The tools in the marketing landscape are changing at a faster pace than they’ve changed before . . . the biggest challenge is keeping up with them.”

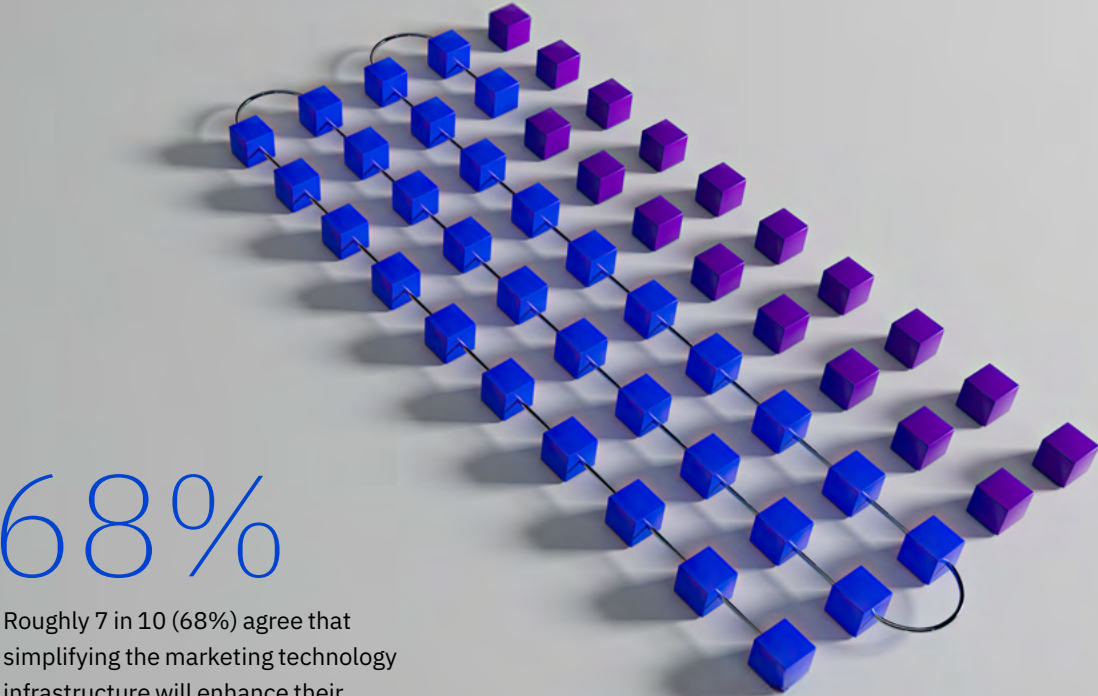
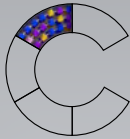
Allison Robl Stransky, CMO, Vice President
Corporate Marketing, Samsung Electronics America

Fear-based tech acquisition

The uncomfortable truth is that investment has often been driven by a reactive fear of missing out (FOMO), rather than strategic clarity about tangible business impact. 58% confess that the risk of falling behind causes them to invest in technologies before truly understanding their value.

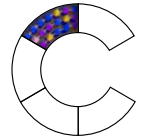
The bottom line is: more CMOs see the need for simplification than not. Roughly 7 in 10 (68%) agree that simplifying the marketing technology infrastructure will enhance their operational efficiency and effectiveness.

Amidst this technological sprawl, a clear path forward is emerging: platformization. As tech portfolios balloon to an average of nine tools (a number that has grown by two in just the last two years), streamlining infrastructure into connected platforms—underpinned by rigorous business cases—is proving to be the antidote to complexity. This isn’t just about consolidation; it’s about building intelligent, interconnected ecosystems that enable clearer measurement and drive enterprise-wide impact, finally liberating AI initiatives from pilot purgatory.



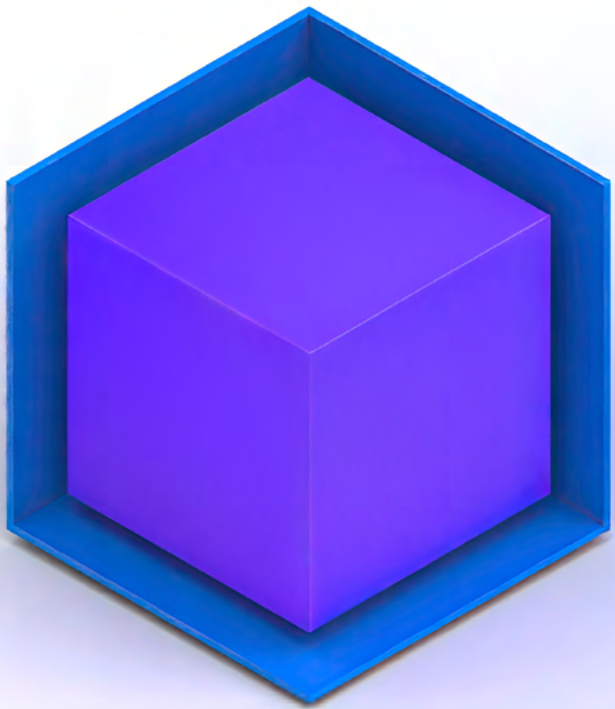
68%

Roughly 7 in 10 (68%) agree that simplifying the marketing technology infrastructure will enhance their operational efficiency and effectiveness.



Platformization: The outperformer's secret

As tech portfolios bloat, platformization is emerging as the smart path forward because more integration correlates with higher performance. Top performers are 25% more likely to have highly integrated functions and rely on end-to-end workflows across the enterprise. Their tech platforms are also 35% more likely to support consistent collaboration across functions, signaling a shift toward true platformization.



Top performers are

25%

more likely to have highly integrated functions and rely on end-to-end workflows across the enterprise

The bottom line

The organizations that unite their tech stack around platforms rather than point solutions will be the ones that can more quickly mobilize from pilots to scaling—and ultimately, to profits.

“It’s true that you do not rise to the level of your goals, you fall to the level of your systems. We’re working to build and reinforce strong marketing systems that propel us forward inside and beyond our industry but also help us adapt long before we’re required to.”

R. Ethan Braden, Vice President, Chief Marketing and Communications Officer, Texas A&M University



Questions to ask about forging an infrastructure that doesn't flinch

Where is infrastructure or data latency inhibiting the customer experience of the future?

1

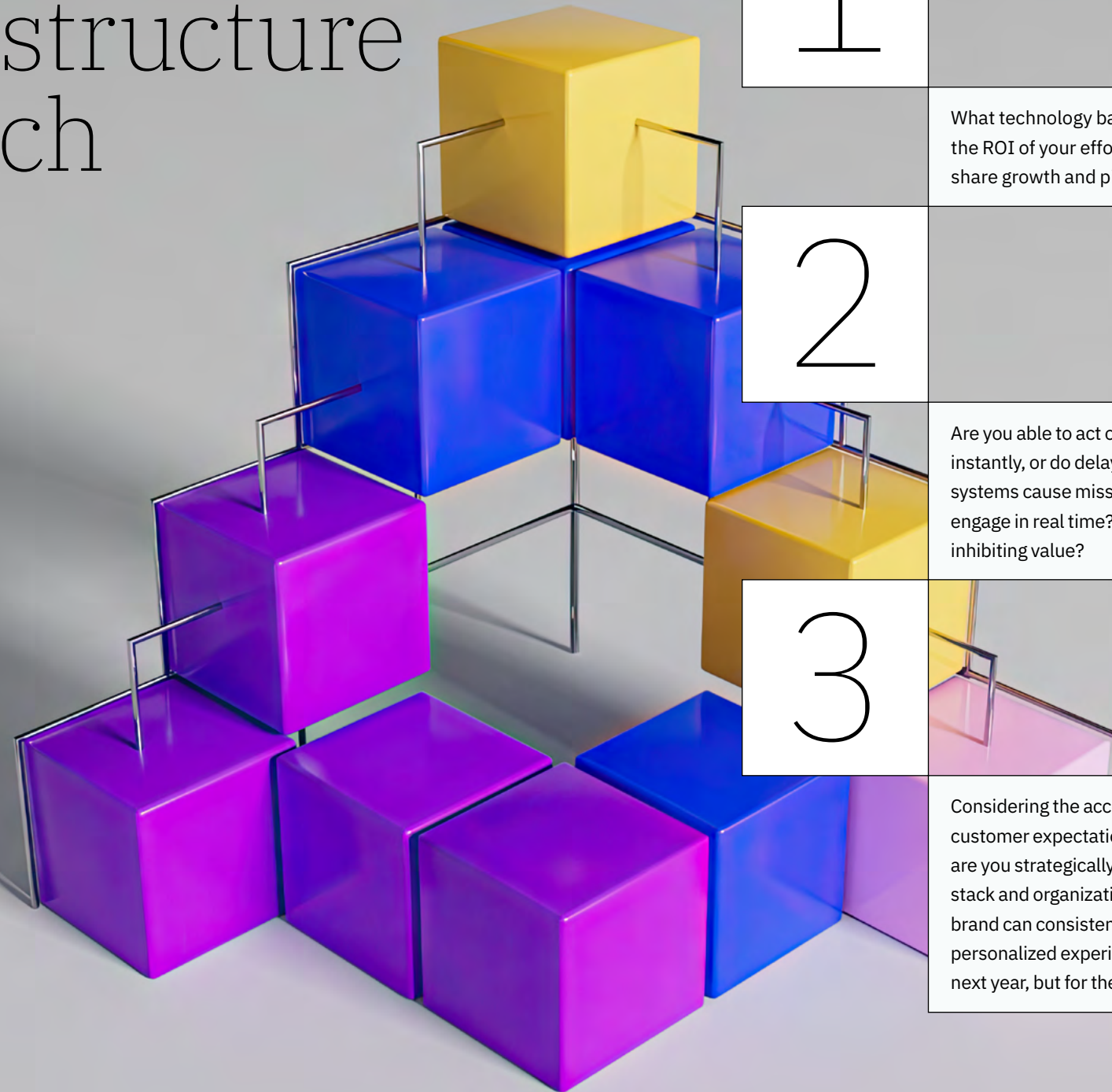
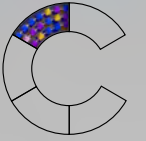
What technology barriers are undermining the ROI of your efforts to enhance market share growth and pipeline value?

2

Are you able to act on customer data instantly, or do delays or latency in your systems cause missed opportunities to engage in real time? And how is that inhibiting value?

3

Considering the accelerating pace of customer expectation shifts driven by AI, how are you strategically designing your martech stack and organizational agility to ensure your brand can consistently deliver hyper-personalized experiences at scale, not just next year, but for the foreseeable future?



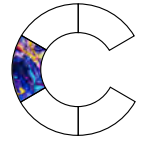
Move 3

Heal your EX



to fix your CX

If your customer experience is broken, it's
because your employee experience broke it.



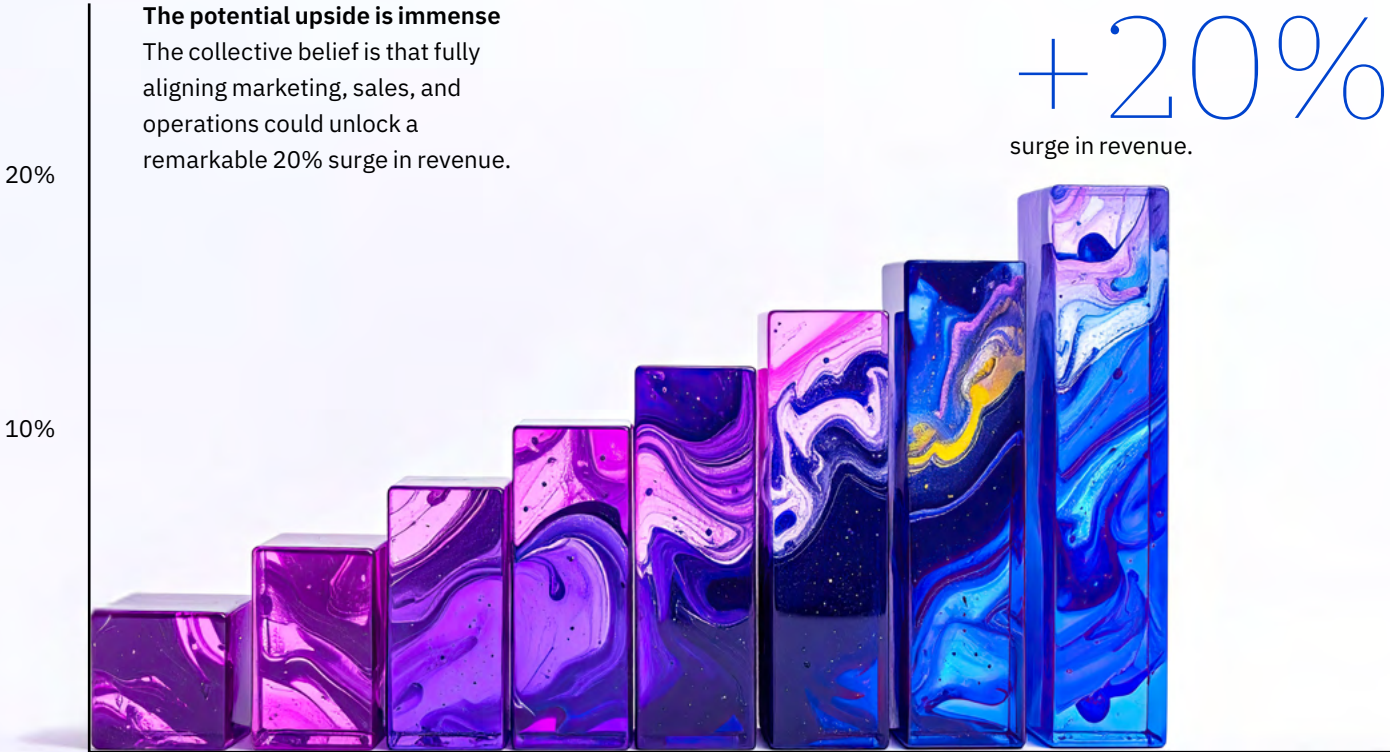
Your external customer experience is merely the visible manifestation of your internal organizational health. Every siloed department, fragmented dataset, and clunky process creates ripple effects that customers inevitably experience as friction, inconsistency, or disappointment.

With the pressure on CMOs to drive revenue growth and orchestrate meaningful experiences, most demand leaders say cross-functional collaboration and revenue operations (RevOps) will be more important in 2025 as compared to the last two years . . . yet only one-third of organizations have a cross-functional view of the customer journey.

“One of the toughest parts of our job now is you actually can’t know everything. It’s gotten so complex it’s impossible.”

Sandra Sanderson, CMO, Empire Company Limited and Sobeys Inc.

Leading CMOs are making the critical connection between operational excellence and customer experience, transforming internal workflows before attempting to revolutionize customer touchpoints.

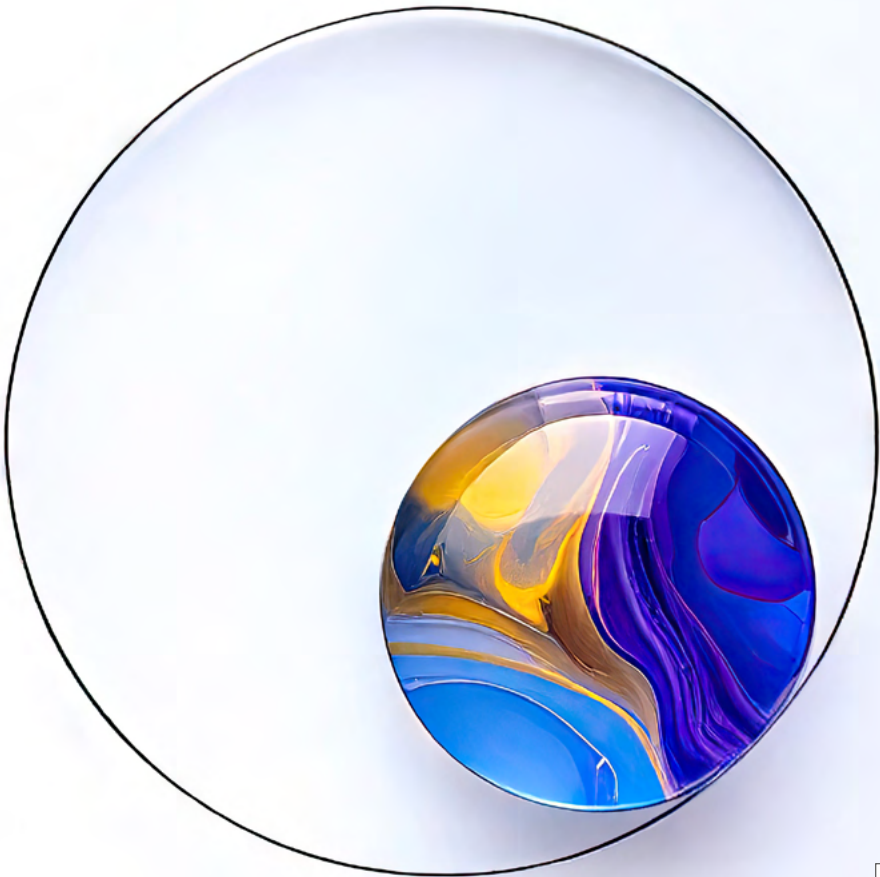


By healing your organization from the inside out—aligning teams, integrating systems, and streamlining processes—you create the foundation for truly transformative customer experiences that competitors can’t easily replicate.

The orphaned customer experience

The data paints a stark picture of disconnection at the enterprise level:

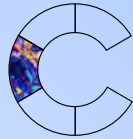
Only
28%
of organizations report that the end-to-end customer experience is effectively owned and aligned across functions.



AI

“A strong employee experience isn’t just good for morale—it’s good for business. Engaged teams deliver better service.”

Karen Saverino, CMO, Smithbucklin



This organizational fragmentation isn’t just an internal headache—it directly translates to missed financial opportunities. Demand leaders who have not mastered cross-functional collaboration across their internal operations experienced 12% revenue growth in 2024, compared to 13% of their higher performing peers. That 1-point difference may seem modest, but at an average revenue base of \$14B, it translates to \$140M in potential upside—a clear case for tightening the seams between teams.

When asked where inefficiencies or misalignments between marketing, sales, and operations create the most negative financial impact, leaders point to a cascade of costly consequences: reduced conversion rates, elevated customer acquisition costs, missed sales opportunities, and inefficient use of marketing and sales spend.

Look deeper, and the technological fault lines become even clearer. 24% report that their technology platforms support consistent collaboration between business functions, and even fewer—19%—describe their business functions as highly integrated, relying on seamless end-to-end workflows. In a world demanding agility and a unified customer view, these numbers are not just concerning—they are a competitive liability.

Leading CMOs are making the critical connection between operational excellence and customer experience, transforming internal workflows before attempting to revolutionize customer touchpoints.

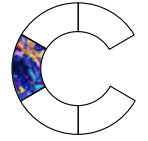
Sync or sink

Only 44% of demand leaders say they have integrated technology to support demand planning and fulfillment today. In a world where loyalty is earned moment by moment, disconnected systems—even smart ones—can’t deliver the cohesive experiences customers expect. Only a third of organizations possess a cross-functional view of the customer journey. This disconnect breeds friction, with 62% of demand leaders acknowledging tensions with operations fueled by the relentless pace of change.

Streamlining infrastructure into connected platforms—backed by clear business cases—helps teams cut complexity, improve efficiency, and move AI efforts out of pilot purgatory by enabling clearer measurement and enterprise-wide impact.



The mirror effect



The path forward is clear, if challenging. By healing your organization from the inside out—aligning teams, integrating systems, and streamlining processes—you create the foundation for truly transformative customer experiences that competitors can’t easily replicate.

This inside-out approach requires marketing leaders to expand their sphere of influence and responsibility. Rather than focusing exclusively on external messaging and campaigns, the most effective CMOs are becoming internal change agents—working across functional boundaries to create seamless workflows that ultimately manifest as superior customer experiences.

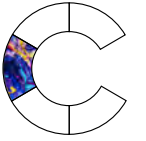
For organizations serious about differentiating through customer experience, the first step isn’t a new campaign, channel strategy, or technology platform. It’s internal transformation—addressing the fundamental organizational disconnects that prevent delivering the seamless experiences modern customers demand.

The question for CMOs isn’t whether they should lead this charge, but how quickly they can begin the work of internal alignment before competitors gain an insurmountable lead in the race for operational excellence.

“Each person has their own unique strengths and weaknesses, and it is important to focus on developing their strengths. When individuals are empowered to thrive in their own way, it brings smiles not only to the organization and team, but also to the customers.”

Shuichi Nakamura, Director, Managing Executive Officer, Taiyo Life Insurance Company

Questions to ask about healing your EX to fix your CX



Where might internal friction be quietly shaping the customer experience more than you realize?

1

What's one recent moment where internal team misalignment had downstream effects on the customer—and what did it cost?

2

How are you ensuring your teams' optimization efforts and their measurement truly align with and proactively adapt to the evolving needs of the customer, rather than just internal targets?

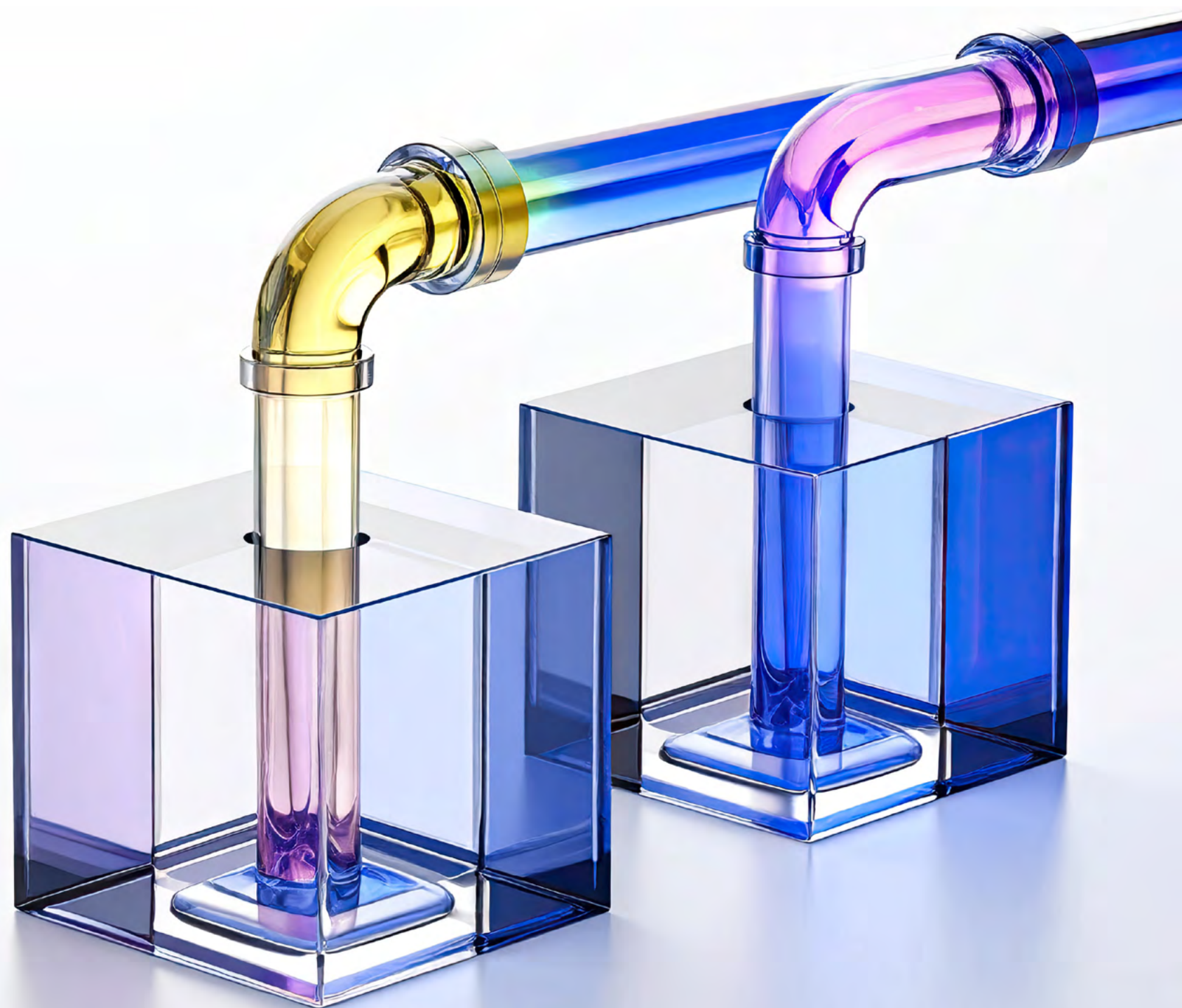
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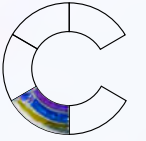
What concrete organizational structures and processes are you establishing to ensure seamless cross-functional collaboration, fostering clear ownership and eliminating bottlenecks across the entire customer journey?

Move 4

Hire for heart. Train for AI.

Modern creative talent—equally comfortable with creative briefs and prompt engineering—represents the new competitive advantage.





The most valuable marketing currency is the uniquely human capacity to create emotional connections through intuition, empathy, and creative brilliance. Yet in a landscape transformed by AI, human talent alone isn't sufficient.

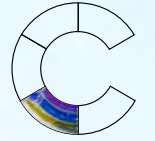
Progressive CMOs are cultivating a new breed of marketing professional: creative souls with technological fluency who can direct AI tools with strategic vision while infusing the output with emotional resonance that algorithms can't generate.

As marketing's technological complexity increases, the greatest differentiator remains uniquely human insight amplified by AI capability. The first part of that equation is key. Perhaps this is why roughly only one in five CMOs are confident in their ability to let AI-based tools directly engage customers and/or clients.

“Our company's people-first mindset is simple: everyone owns the customer experience. It extends well beyond marketing—HR plays a vital role in hiring top talent focused on client interactions. Sales and delivery teams are central in creating first impressions. While we value the power of marketing technology, analytics, and digital ecosystems, it takes real people, working together, to make it real.”

Keith Landis, CMO, Xebia

Finding the middle ground



The good news is, there's a middle ground.

Forget the binary choice between creative genius and technological prowess. The future of marketing belongs to a new category of talent – the rare breed equally fluent in crafting emotionally resonant narratives and wielding the power of prompt engineering. This fusion of human intuition and AI fluency isn't just a nice-to-have; it's the new competitive battleground.

Research confirms that personalized interactions and communication rank as the top element of a positive customer experience. However, as brands rush to deploy AI solutions, consumers are already noticing a troubling trend: the loss of originality in brand communications.

The risk is no longer theoretical.

Recent NIQ research reveals a stark truth: consumers can intuitively identify most AI-generated ads and, crucially, perceive them as less engaging, more “annoying,” “boring,” and “confusing” than their human-crafted counterparts.⁴ This isn't just about a preference; these negative sentiments risk creating a “negative halo effect” that tarnishes the brand itself. The implication is clear: a perceived lack of originality, the very soul of effective marketing, is being detected by the audience.

Forward-thinking CMOs are actively cultivating this new marketing DNA: creative souls equipped with technological mastery, individuals who can not only direct AI tools with strategic foresight but also imbue their output with the emotional nuance that algorithms can never truly replicate. They understand that as marketing's technological complexity escalates, the ultimate differentiator remains the amplification of uniquely human insight through AI capabilities.

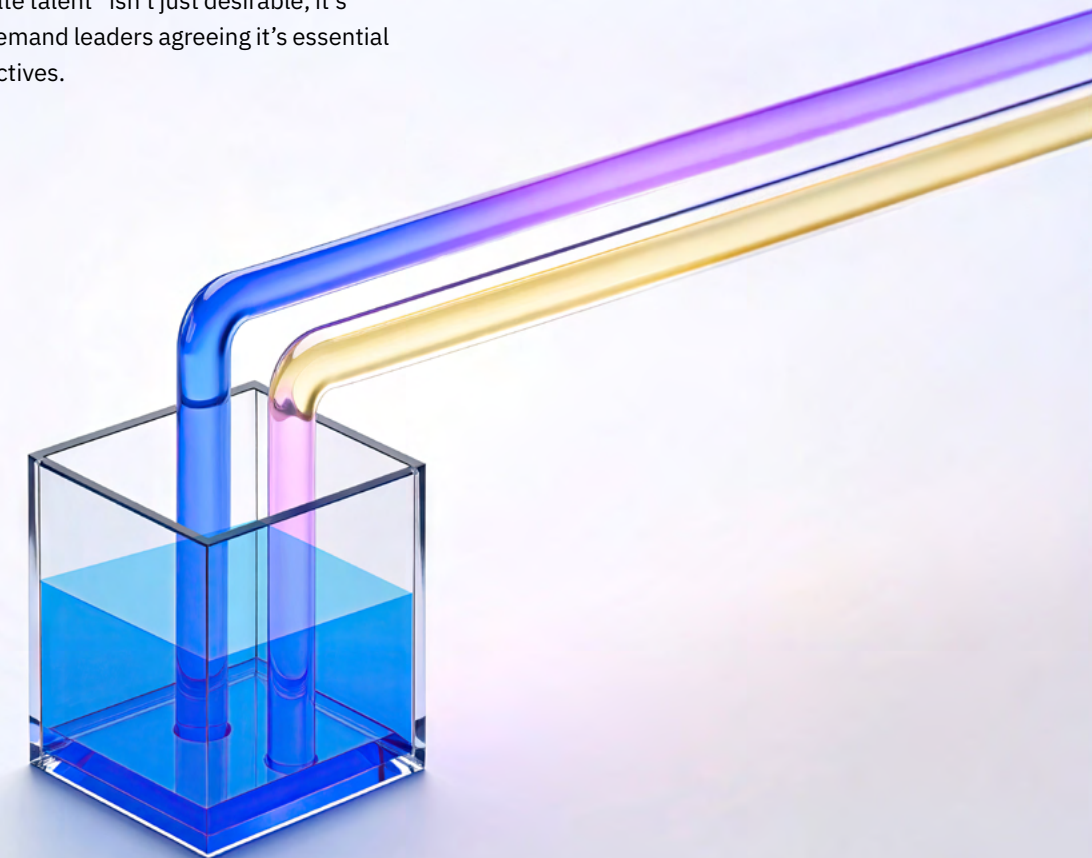
71% of CMOs acknowledge that the success of AI hinges more on people's buy-in than the technology itself. Only 21%, however, believe they have the talent needed to achieve their goals for the next two years, and only 23% feel employees are prepared for the cultural and operational shifts brought by AI agents.

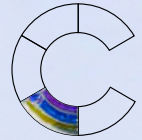
Many CMOs recognize their pivotal role in this cultural transformation.

67% see it as their responsibility to reshape aspects of their culture to better embrace emerging technologies such as generative AI. They understand that “AI-literate talent” isn't just desirable; it's mission-critical, with 65% of demand leaders agreeing it's essential for achieving high-priority objectives.

71%

of CMOs acknowledge that the success of AI hinges more on people's buy-in than the technology itself.





The guardrail gap

Even more concerning is the governance gap: only 22% of organizations have established clear guidelines and guardrails for the use of AI in automated decision-making.

This means that roughly 8 out of 10 organizations have work to do to guide their people through a major shift in ways of working.

The data suggests that while organizations are investing heavily in AI capabilities, most are underinvesting in the frameworks that protect a brand's humanity. Without these guardrails, the very qualities that make a brand memorable risk being diluted in the pursuit of efficiency.



Only

22%

of organizations have established clear guidelines and guardrails for the use of AI in automated decision-making.

AI

Rethinking your talent DNA

The message is clear: as you build your marketing organization for the AI era, prioritize the human qualities that technology can't replicate—empathy, creativity, intuition—while systematically developing AI fluency across your team.

The most successful marketing organizations will be those that hire for heart and train for AI. They'll cultivate professionals who bring emotional intelligence to technology decisions, and technological fluency to creative choices. And they'll establish clear guardrails that protect the soul of their brand while embracing the power of automation.

In the race to harness AI capabilities, the organizations that win won't be those with the most advanced algorithms, but those with the most emotionally intelligent humans directing algorithms toward truly resonant customer experiences.

“Talking to customers regularly is one of the most overlooked parts of the job—but it's also one of the most essential. No matter how advanced AI becomes, it can't replace human connection.”

Karen Saverino, CMO, Smithbucklin

Questions to ask about hiring for heart, training for AI

How prepared is your team to parse quality from quantity in AI-generated outputs?

1

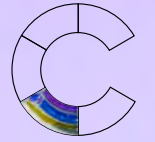
How clear are your teams on when to use AI literacy and when to add human judgment to brand, marketing, and experience decisions?

2

What guardrails are in place for your team to determine whether AI-generated content enhances the brand and makes a connection?

3

In the race for speed and efficiency, are the human elements of your marketing keeping pace—or quietly falling behind?



Move 5

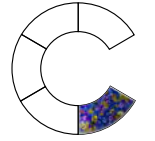
Stop chasing
campaigns.



**Architect
outcomes instead.**

And don't do it alone.
Give AI an outcome, not an errand.





The old CMO chased campaigns. The new CMO architects outcomes.

The fundamental shift that will define marketing's future isn't about better campaigns—it's about reimagining marketing as an adaptive, intelligent system designed to deliver business outcomes autonomously. As more than half (51%) of demand leaders say changes to the competitive environment are happening faster than they can fully adapt processes and budgets, getting to business outcomes has become harder.

“The difficulty of data analysis lies in the fact that the data itself changes rapidly and drastically due to factors such as shifts in customer needs. We have to make swift and flexible decisions in collaboration with AI, to respond accurately to the massive volume and speed of the changes.”

Tatsuo Nakamura, Representative Executive Officer Executive Vice President
Mitsubishi Motors Corporation (MMC)

Becoming a growth engine

Automation executes. Assistants respond. Agentic AI plans and adapts. That's the real leap—from following instructions to anticipating impact. Real-time insights are a 24/7 job, and agentic AI makes that possible. But in spite of all this potential, many companies still lack the operational systems and processes to turn it into meaningful growth.

While previous generations of CMOs orchestrated campaigns with start and end dates, tomorrow's marketing leaders will build perpetual growth engines powered by agentic AI that continuously learn, adapt, and optimize toward business objectives. This isn't simply automation; it's the creation of marketing organisms that anticipate customer needs, adjust to market shifts, and drive conversions without constant human intervention.

For this to truly be about architecting outcomes, the focus extends beyond just building these intelligent systems. It's fundamentally about how these systems are seamlessly integrated into every facet of the customer experience—from initial discovery to post-purchase engagement—and how their real-world impact is continuously measured and optimized to ensure tangible business growth. And they need to be combined with marketing talent's new skillset.

AI's quantum leap

AI can now move beyond following instructions to proactively drive results. Real-time insights are no longer a humanly scalable endeavor; agentic AI makes continuous, 24/7 awareness a reality.

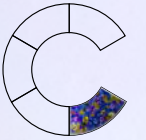
Perhaps most telling, 54% of demand leaders confess they “underestimated the operational complexity of translating AI strategies into tangible outcomes.” Only 17% strongly believe their function is prepared to integrate agentic AI into their processes to improve decision-making and efficiency.

Why this lag? Because too many CMOs are still primarily funding automation—a tactical solution—when the true strategic advantage lies in building intelligent systems for continuous, autonomous growth. The underlying systems, robust processes, measurement approaches, and the necessary organizational confidence simply haven't caught up to the technological advancements.

“We have to shift. Shift from being the short-order cook for marketing tactics and others' ideas to becoming the strategic orchestrator that consistently enchants with our organization's story and purpose.”

R. Ethan Braden, Vice President, Chief Marketing and Communications Officer,
Texas A&M University

The privacy reckoning: Rethinking data collection



65% of our survey participants say realizing the full value of generative AI depends on effectively leveraging proprietary data.

As the marketing landscape evolves, however, 69% acknowledge that “new privacy regulations will require us to rethink our data strategy.” This represents both a challenge and an opportunity for forward-thinking CMOs. Companies used to buy customer data from third parties to understand their audiences. But with new privacy laws, the end of third-party cookies, and growing consumer scrutiny, that approach is becoming obsolete. Brands can no longer depend on external sources to fuel targeting, attribution, or customer modeling. Instead, CMOs say optimizing existing data, collecting first-party data, and tapping into direct customer relationships are becoming the foundation of understanding the customer. Brands must rely more on their own data to drive outcomes.

Demand leaders' top 3 moves as third-party data dwindles

1

Optimizing the use of existing data with AI and integrated systems



2

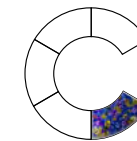
Strengthening first-party data collection strategies



3

Enhancing direct customer relationships/engagement





Areas of opportunity for CMOs

Strategic growth will come from adaptability, first-party optimization, and AI-ready partnerships. For many demand leaders, digital products and services are emerging as a key lever. Why? Because they deliver on what matters most. Demand leaders are creating digital products and services to lower costs (76%), respond more quickly to customer needs (74%), improve operational efficiency (70%), and expand market reach (70%).

“Product sales through digital channels continue to grow, so it’s essential to have a team capable of attracting those customers organically by generating traffic from digital assets, or there’s no way to compete.”

Valero Marín Sastrón, Executive Managing Director of Client, Repsol

“The client is getting smarter, fast. They’re using AI tools to educate themselves, and they’re quick to challenge our sales experts, armed with that knowledge. Gone are the days of walking in with a template and being the authority. It’s a game-changer. We need to adapt and bring more value to the conversation.”

Luca Samorì, Former Commercial Excellence & Transformation Director, Petit Forestier

Digital products open the door for collecting not only first-party data but also zero-party intelligence.

Zero-party data is information that customers intentionally and proactively share with a brand, typically in exchange for a more personalized and valuable experience. Proprietary data of both types feeds the growth engine, but few are ready to operationalize this scenario. Partnerships are also emerging as a critical lever: 73% report leveraging ecosystem partnerships to expand market reach, with 30% doing so “to a great extent.” Encouragingly, 64% are confident that their partners and vendors can effectively leverage agentic AI to enhance collaboration, quality, and performance.

Questions to ask about architecting outcomes

Is your AI positioned to power perpetual demand?



1

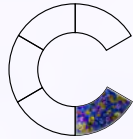
How seamlessly and consistently can your organization turn customer intent into action—before the moment passes?

2

How are you evolving AI within the demand generation function to move beyond execution and contribute to long-term growth over the next year? Over the next three years?

3

How well are your AI systems set up to influence core demand generation metrics like pipeline, market share, or customer retention?



CMOs: Define your market

The stark truth is this: the old marketing operating models are dead. They're simply not equipped for a world where customer loyalty is measured in micro moments, where trust precedes relevance, where technology fragmentation cripples AI implementation, and where operational alignment drives customer experience.

“Even within constraints, we're driven to make every action count toward lasting change.”

Sachiko Imoto, SVP, Japan International Cooperation Agency (JICA)

AI

“What's important now is are you curious? Are you adaptable? Can you employ systems thinking? Are you passionate about harnessing insights and sparking emotions? What analytics are you bringing to the table? We're no longer just creating campaigns. We're creating enduring storylines, conversations, experiences, and customer relationships.”

R. Ethan Braden, Vice President, Chief Marketing and Communications Officer, Texas A&M University

Yet amid this disruption lies unprecedented opportunity. The CMOs who architect outcomes rather than chase campaigns, who build platforms instead of accumulating tools, who hire for heart and train for AI, who transform from the inside out, and who protect as they personalize—these are the leaders who will define the next decade of marketing excellence.

This isn't just about staying relevant. It's about creating sustainable competitive advantages that transcend quarterly fluctuations and technological disruption. It's about building marketing organizations that don't just adapt to change but actively harness it as fuel for growth.

Give your Big Ideas the killer execution they deserve today.

Action guide

What demand leaders can do today

1

Conduct an assessment evaluating your organization in five key areas for operational readiness:

- **Strategy.** How well are you serving your customers in the moments that matter, with precision, relevance and proactiveness?
- **Security and infrastructure.** Where is infrastructure or data latency inhibiting the customer experience of the future?
- **Internal ops.** Where might internal friction be quietly shaping the customer experience more than you realize?
- **Human-AI collaboration.** How prepared is your team to parse quality from quantity in AI generated outputs?
- **Operationalization.** Is your AI set up to become a flywheel for demand generation?

2

Pinpoint one critical decision point in the customer journey and challenge your team to trace the data flow and team handoffs behind it. This exposes where fragmentation is slowing relevancy—and where platform-level integration is urgently needed.

3

Shift your brand from being visible to being indispensable. Review how your brand currently shows up in AI-curated environments—search, chat, voice—and identify one opportunity to improve how clearly and contextually you answer customer intent.

4

Put one upcoming customer-facing, AI-enabled moment through the “AI + EQ” test: are we being fast, but forgettable? If so, elevate the human layer. Precision needs personality to be memorable. The true power lies in blending the two, making AI a catalyst for smarter, more human-driven demand generation.

5

Identify one key outcome and reframe how AI can optimize this outcome in real-time, rather than just executing individual tasks. Map how AI can influence a specific goal by leveraging real-time data and adaptive learning, turning AI from a tool into a proactive engine for growth.

Research and methodology

The IBM Institute for Business Value (IBM IBV), in cooperation with Oxford Economics, conducted a global survey in the first quarter of 2025. The survey targeted demand leaders – CMOs and CSOs – with a total sample size of 1,800 respondents. Survey topics include executive priorities, growth objectives, customer experience initiatives, technology adoption, collaboration and talent. At least 500 participants are from companies also involved in parallel CEO and CMO surveys to ensure cross-functional insights. The study spanned 33 geographies, maintaining proportional geographic representation. It included leaders from 24 industries, such as manufacturing, retail, IT services, and government, and features a mix of publicly traded (61%) and privately held organizations (39%). In addition to survey responses, insights were drawn from numerous client conversations, including a series of CMO, CCO, and CSO interviews conducted between March and May 2025. The survey sample includes senior marketing and sales leaders (CMOs and CSOs). For simplicity and audience relevance, findings in this report are attributed to “CMOs,” though data is aggregated across these roles and not segmented by title. As such, references to “CMOs” represent the combined insights of these demand leadership roles, unless otherwise specified.

The survey covered several key areas, including demographics, organizational performance, strategic priorities, innovation and operational challenges. The survey also explored how companies manage change, adopt technologies like AI and cloud, and make decisions. Additionally, it assessed leadership approaches, talent strategies, and cultural readiness for transformation, as well as collaboration efforts and regulatory concerns.

The analysis of the 2025 CMO Study incorporates a robust mix of quantitative, qualitative, and deep learning methods to uncover meaningful insights. Quantitative analysis began with descriptive statistics such as means and frequency distributions to summarize key themes and technology adoption rates across the sample. Cross-tabulations were used to examine variations by industry, geographic region, and company size, revealing distinct patterns and trends.

To uncover the true drivers of performance, a composite index was created based on key capability areas that map to the five market-defining moves. The underlying variables were selected through both theoretical and empirical justification, chosen for their alignment with core digital transformation constructs and their strong correlations with financial KPIs such as revenue growth and profitability. Advanced analytics was then applied including correlation and correspondence analysis, to examine the relationship between these capabilities and business outcomes. To deepen insights, the composite score was segmented into quintiles, to explore how others and to identify the practices most strongly associated with high performance.

Geographies	Count	Column %
Australia	72	4%
Brazil	72	4%
Canada	72	4%
Chile	27	2%
China	99	6%
Colombia	27	2%
Denmark	36	2%
Egypt	18	1%
France	72	4%
Germany	90	5%
Hong Kong	18	1%
India	90	5%
Indonesia	27	2%
Ireland	27	2%
Italy	63	4%
Japan	99	6%
Malaysia	36	2%
Mexico	54	3%
Netherlands	36	2%
Philippines	36	2%
Qatar	18	1%
Saudi Arabia	36	2%
Singapore	54	3%
South Africa	36	2%
South Korea	45	3%
Spain	54	3%
Sweden	36	2%
Switzerland	36	2%
Taiwan	36	2%
Thailand	36	2%
UAE	36	2%
United Kingdom	90	5%
United States	216	12%
Sample size	1,800	

Industries	Count	Column %
Automotive OEMs	36	2%
Automotive Suppliers	72	4%
Banking—Financial Markets	72	4%
Banking—Retail / Consumer	90	5%
Banking—Wholesale / Business	54	3%
Chemicals	72	4%
Consumer Products	108	6%
Consumer—Retail	108	6%
Electronics	72	4%
Energy and Utilities	90	5%
Government—Federal	90	5%
Government—State / Provincial	72	4%
Healthcare Payer	18	1%
Healthcare Provider	72	4%
Industrial Products	90	5%
Information Technology Services (including IT consulting)	72	4%
Insurance	90	5%
Life Sciences / Pharmaceuticals	72	4%
Manufacturing (excluding Industrial Products)	126	7%
Media and Entertainment	54	3%
Petroleum (including Oil and Gas)	90	5%
Telecommunications	108	6%
Transportation	36	2%
Travel	36	2%
Sample size	1,800	

Regions	Count	Column %
ANZ (Australia)	72	4%
ASEAN	189	11%
India	90	5%
South Korea	45	3%
Europe	423	24%
Greater China	153	9%
Japan	99	6%
LATAM	180	10%
MEA	144	8%
UKI	117	7%
North America	288	16%
Sample size	1,800	

Company type*	Count	Column %
Publicly traded	992	61%
Privately held	646	39%
Sample size	1,800	

**Does not include government respondents.*

IBM Institute for Business Value

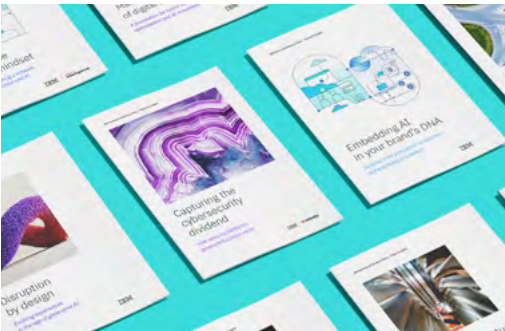
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Notes and sources

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