Econsultancy + ORACLE

Thriving in the Experience Economy: Priorities of a CMO in 2020

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For many businesses,

the "Experience Economy" is an abstraction, a metaphor that's useful in describing the shift in power from the brand to the consumer.

But some organizations have gone further, faster and are aligning their investments, processes and human structures around the idea that they are trading not in products or services, but in the experiences of their customers.

Thriving in the Experience Economy – priorities of a CMO examines the link between an organizational commitment to customer experience and marketing performance.

This report is based on parallel qualitative and quantitative studies conducted in Q4 of 2019. An online survey was fielded to select Econsultancy lists on October 7th and closed on November 1st having collected 502 qualified responses.

Simultaneously, in-depth interviews were conducted with 16 marketing leaders at elite brands in the UK. Their insights ground the research and give context to its findings.

Throughout this report, respondent organizations are categorized and compared by their 2018 performance against their primary business goal. Top performers exceeded that goal, while the mainstream met or missed it.

Expectations outpace experience

People, not brands, are driving transformation and innovation.

Three in four companies are engaged in a significant business transformation or have recently completed one. In fact, only 8% of the 500 businesses surveyed say that their business models are "very well designed and built to last and adapt to changes in the marketplace."

The primary reason for transformation is rapidly changing customer behavior.

Overwhelmingly, businesses acknowledge that consumer expectations are for a level of experience that few achieve today; products and information personalized to their individual context in real-time.

But the businesses who have invested in a customer-led approach are reaping the rewards; in 2018 they were three times more likely to have significantly surpassed their top business goal than their peers whose models are lagging.

8 %

Only 8% of 500 business surveyed felt ready to "adapt to changes in the marketplace."

Listening to the customer

Businesses have realized that their relationship with the individual depends on understand their unique journey. Planning for new customer journeys is their top area of focus in customer experience.

This comes as the journey itself becomes more difficult to analyze and anticipate; 81% say that their customers' journeys are largely non-linear, bouncing between stages, channels and devices.

The journey is a process that's made up of critical moments of interaction and influence, yet only 36% of the mainstream is targeting micro-moments in the customer journey, in comparison with 52% of top performers.

Businesses in every sector have been slow to assemble the insights necessary to understand the individual experience. While satisfaction and NPS data is in use by a large majority, other key performance indicators are lagging. Among them, "customer effort" is a critical miss for many; top performers are more than twice as likely to be measuring this KPI as mainstream companies (44% vs. 18%).

Data is the root issue in providing the kinds of experiences that consumers demand. Marketers are critical across key dimensions of their organization's ability to manage data and put it to use.

Integration between databases is the most painful data-related issue with more than two-thirds of marketers describing their capability as "poor" or "fair." Data quality and technology get similarly low scores.

Experience transcends marketing

Marketing can't be alone in the responsibility to customer experience. As brands focus on the interlocking elements of the customer journey, it has helped them understand that CX impact is a function of how well the different parts of an organization work in concert.

But alignment is difficult to achieve. On average, only 42% of mainstream company respondents give positive scores to marketing's alignment with other functions.

Competing interests and structural barriers (the literal "Divisions" within a company) hold many businesses back from achieving a true cross-functional partnership that's focused on delivering great customer experience.

While top performers enjoy relatively strong alignment within their organizations, even they report that communications and cooperation can be improved.

The worst scores are for two relationships that are vital to customer experience; product and customer service.

42%

Only 42% of mainstream company respondents gave positive scrores to marketing's alignment with other functions.

Delivering an "effortless" experience

When asked what word best captures the optimal customer experience their organization should offer, a majority of executives say "effortless." This is most pronounced among top performers (64%).

Senior marketers are quick to stress that effortless CX is not simply an easy, mobile-friendly user experience, although many companies confuse the two. Not only does that narrow definition exclude the offline world where 80% of consumer spending occurs, but it oversimplifies the challenge of customer experience.

Although executives uniformly agree that as part of an effortless experience, their customers expect personalization that reflects who they are and what they're trying to accomplish, few are able to deliver to these standards.

Even among top performers, only a slim majority is able to personalize to the individual beyond CRM driven email and that share falls to under 30% of mainstream companies.

Building the experience infrastructure

Marketing has become one of the top two centers of technology spending, raising expectations that mar-tech implementations show positive returns. Yet, only 47% of mainstream respondents report that their customer data management investment is paying off, well behind the mainstream at 62%.

Technology implementations can be undermined by a variety of strategic and tactical factors. Because technology is interwoven with business transformation, it is susceptible to the same challenges and complexity that confound so many change management initiatives.

Very often technology doesn't get the human resource it requires. Under-utilization is endemic; three in four mainstream marketers (and nearly half of top performers) say their organization lacks the skills to take full advantage of its technology.

Top performers are further along in assembling the tools for understanding the customer as an individual. Among companies with over £50M revenue in revenue, they are 41% more likely to have a customer experience management platform (35% vs. 23%) and nearly twice as likely to be using a customer data platform (32% vs. 17%)

47%

47% of respondents report that customer data management investment is paying off.

If you could walk in your customer's shoes what would you see?

Thriving in the Experience Economy:
Priorities of a CMO

Can they quickly and easily find what they're looking for, and is there help at hand when they need it? Is the buying process easy and efficient across all channels? Are customer experiences personalised, timely and contextually relevant to the needs at that specific point in their journey? And are they consistent across not just across your marketing, but also sales, customer service and ecommerce?

Customer experience is the key challenge facing businesses and marketers today - with the prize for the most successful brands, an increase in revenue, profitability and market capitalisation that significantly surpasses their competition.

The Experience Economy is fast-paced and frenetic. Consumers have more choice than ever and they choose to interact with your brand only when they feel that the relationship is valuable. They expect answers in milliseconds; taxi's in minutes and packages in hours. These expect you to be there in those micro-moments of need, which means being able to deliver contextually relevant experiences in real-time.

At Oracle, we're seeing three trends from this research every day in the market and we're delighted to see successful customer-centric businesses recognise and address them:

- The customer is the driver of innovation, not the company. For example, the rise of conversational user interfaces such as bots and voice-controlled devices.
- The customer journey in every domain (sales, service, marketing and commerce) is non-linear, as consumers turn to their devices to fuel the decision-making process.
- Data, intelligence and experience must be connected across all functions of the business to successfully deliver personalised experiences both in context and in real-time.

And key to all this is customer data, which sits at the hub of your experience strategy. Oracle's purpose and expertise over the last 40 years ago has been to help companies consolidate their data, augment it with intelligence and make it actionable across all of its business. We support business processes from product management, supply chain, logistics, employee engagement and customer transactions which are vital when it comes to successfully delivering customer experiences that delight.

We hope you'll enjoy discovering what your peers, including those best in class, are doing to thrive in the Experience Economy, what obstacles they've encountered, how they measure success, and where their investment and focus lie.

Emmanuel Obadia
Vice President of Marketing EMEA, Oracle

In the experience economy, the process is in the product

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The rules of selling products and services has changed. Increased choice, vast information, fast commoditization and powerful mobile devices have, literally, put control in the hands of the customer.

This shift has left the majority of companies behind and they are attempting to catch up to their own customers. In fact, only 8% of the 500 businesses represented in The Experience Economy Survey say that their business models are "built to last and adapt to changes in the marketplace." In that light it's not surprising that nine in ten businesses say that they are planning, executing or have recently completed a major business transformation.

Figure 1. Ninety percent of the business world is in transformation

Has your organisation embarked on a major business transformation in the last 18 months?

- 8%
- 16%
- 76%

Currently engaged in/ have recently completed a major business transformation

Planning a major business transformation

Not engaged or planning a major business transformation

Experience Economy Survey, N=502
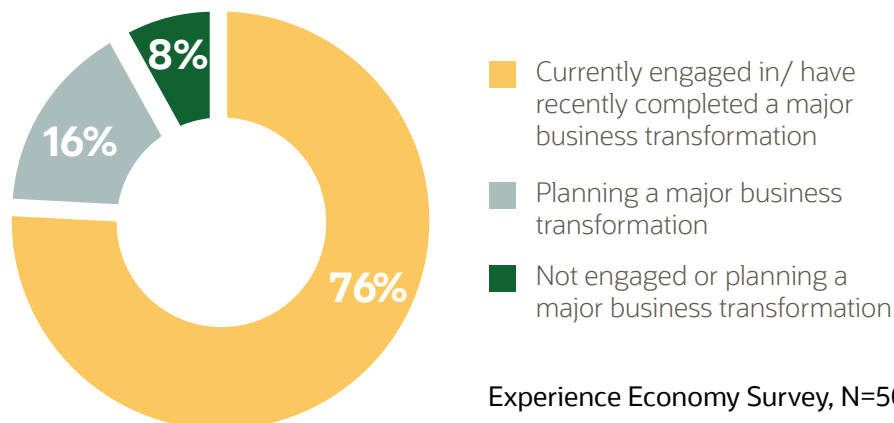
> " Our customers don't compare us to other utilities, but to the best service brands that they interact with daily. So it's the Amazons, the John Lewis', the Vodafone's, to BT, to British Gas, they're the people who are providing the service comparatives our customers are using. "
>
> **Ciaran Nelson, Director of Brand and Communications, Anglian Water Services**

The primary reasons for transformation come from the customer – 67% of respondents cite changes in customer behavior, followed by 46% who ascribe the cause to "larger market forces," some of which (demand, market psychology, ideology) are often down line results of how consumers are using personal technology and accessing media.

This has led many companies to focus on the customer experience as a driver of innovation and growth. But being "customer-first" is a complex and demanding business priority.

Throughout these findings, it's clear that there is a continuum of commitment, from companies who are well aligned and strategically committed to CX as a core value to those who have a fragmented and under-resourced approach.

The companies whose business models are built around customer experience and continuous adaptation approach growth differently from most of their peers; they are 43% more likely to say that their organization is focused on creating long-term value vs. short-term profits.

These are difficult choices to make that require strategic support from leadership and tactical alignment across the organization. But businesses who have invested in a customer-led approach are reaping the rewards; in 2018 they were three times more likely to have significantly surpassed their top business goal than their peers who models are lagging.

The remarkable share of companies putting customer experience at the core of their strategy makes it clear that consumer expectations have expanded beyond the strict definition of the product or service they're buying.

Figure 2. Customers expect relevant, instant answers in the context of their lives

Thinking about customer experience at your organisation, to what extent do you agree or disagree with the following statements? (Agree + Agree strongly)

Customers expect all interactions to be in context regardless of the channel or purpose (ticket resolution, new opportunity) — **90%**

Prospects / customers expect personalisation (channel, time of day, content) — **83%**

Customers expect real-time response — **79%**

Experience Economy Survey, N=502

Customers' demands for speed, personalization, information, choice and ease are set by their best experiences with the world's leading brands.

Consumers are no longer satisfied with a relationship on a brand's terms. The most successful organizations understand this shift in the power dynamic. They are building the capabilities to collect, analyze and respond to customer signals so they can offer a valuable and effortless experience.

Listen

Thriving in the Experience Economy:
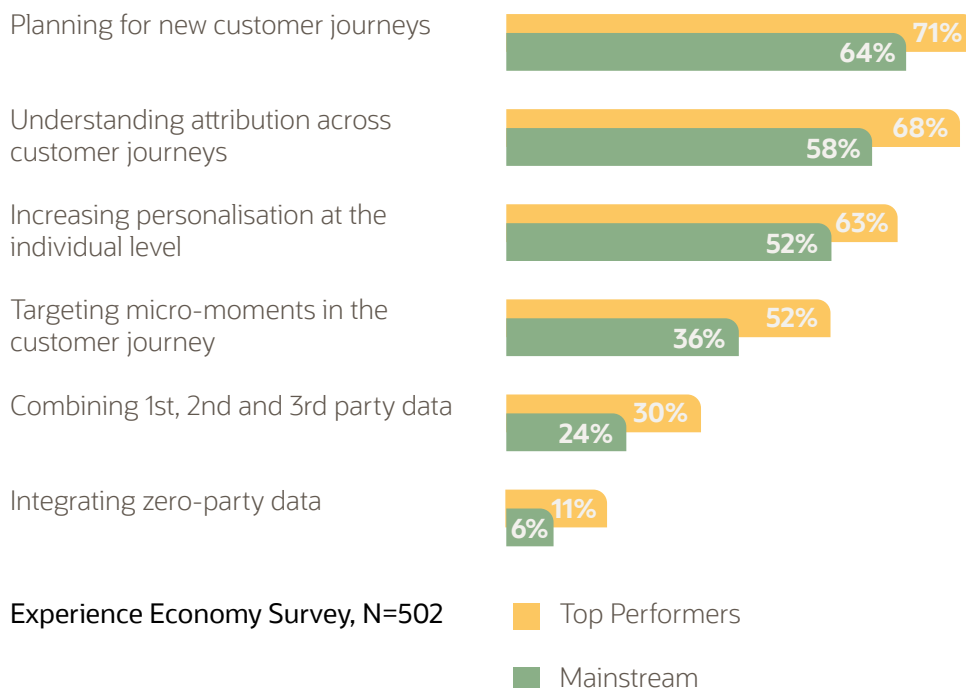Priorities of a CMO

Brands like to talk about customer love and loyalty. In reality, the customer doesn't think or care about a brand. She is not thinking about a product, he's not comparing one service with another and neither is in the mood for another email. That is, until their moments of need.

The customer experience, comprising everything from product, marketing, service and brand, only exists in that critical fraction of time, those moments of interaction and influence.

Yet, most companies don't prioritize understanding and capitalizing on this reality; even among the best performing businesses, only 52% say that they are focused on targeting micro-moments in the customer journey, followed by 36% of the mainstream.

" What we find is many times the customers are delighted that we've trying to help them out before they realize that there's a problem. That works brilliantly as a customer service.. "

Dan Ramsay, Marketing Director, BT

Figure 3. Customer experience priorities reflect a changing customer journey

Which of the following are you focused in your customer expereince strategy?

Planning for new customer journeys — 71% / 64%

Understanding attribution across customer journeys — 68% / 58%

Increasing personalisation at the individual level — 63% / 52%

Targeting micro-moments in the customer journey — 52% / 36%

Combining 1st, 2nd and 3rd party data — 30% / 24%

Integrating zero-party data — 11% / 6%

Experience Economy Survey, N=502
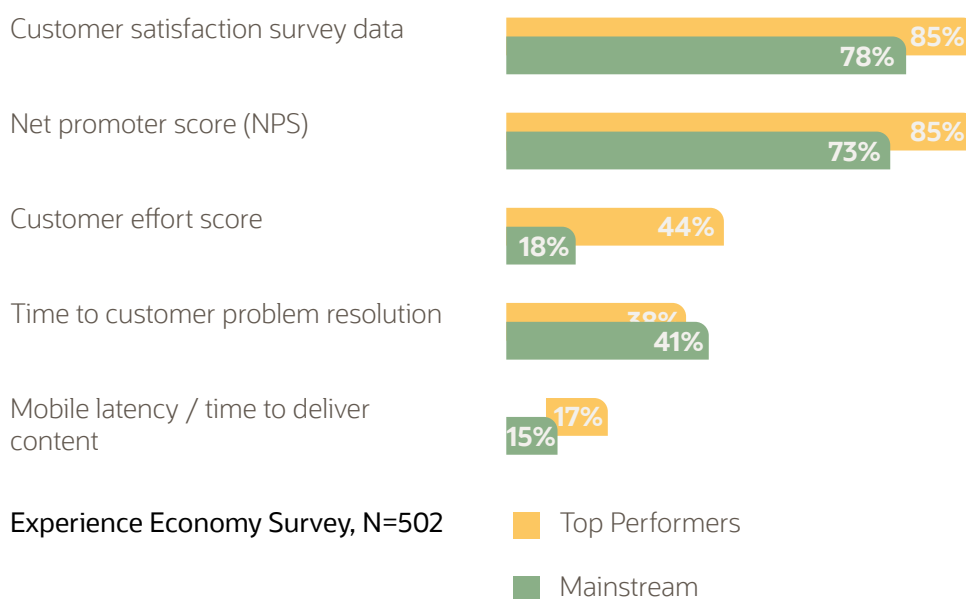
- Top Performers
- Mainstream

On a more positive note, most marketers are prioritizing three critical elements of customer experience:

- The customer journey is complex and getting more fragmented and difficult to predict. Eighty-one percent of respondents agree that "customers' journeys are largely non-linear (bouncing between stages, channels and devices). To that end, two-thirds of businesses say that they are planning for new customer journeys.

- Roughly the same percentage is working to understand how advertising and other experience elements across the journey ultimately affect purchase and retention. Attribution is a deep challenge and it depends on a wide array of reliable data, which is a challenge for most organizations. However, its high priority suggests that the industry is moving past an overreliance on simplistic attribution schemas which tend to overstate or oversimplify the role of specific paid or earned media channels.

- Rounding out the top three priorities is increasing personalization at the individual level. With 90% of marketers saying that their customers expect personalization in context, the demand is clear. The practice is, for most, in its early stages. Beyond traditional email personalization to the individual, powered by CRM, few companies are truly delivering experiences customized to at the consumer level.

In the context of rapid change and the scramble to align strategy, technology and data, it's perhaps not surprising that the systems for evaluating the experience haven not been uniformly adopted.

Figure 4. Many organizations are missing key customer experience KPIs

Does your organisation use any of the following customer experience KPI's?

Customer satisfaction survey data
85%
78%

Net promoter score (NPS)
85%
73%

Customer effort score
44%
18%

Time to customer problem resolution
39%
41%

Mobile latency / time to deliver content
17%
15%

Experience Economy Survey, N=502
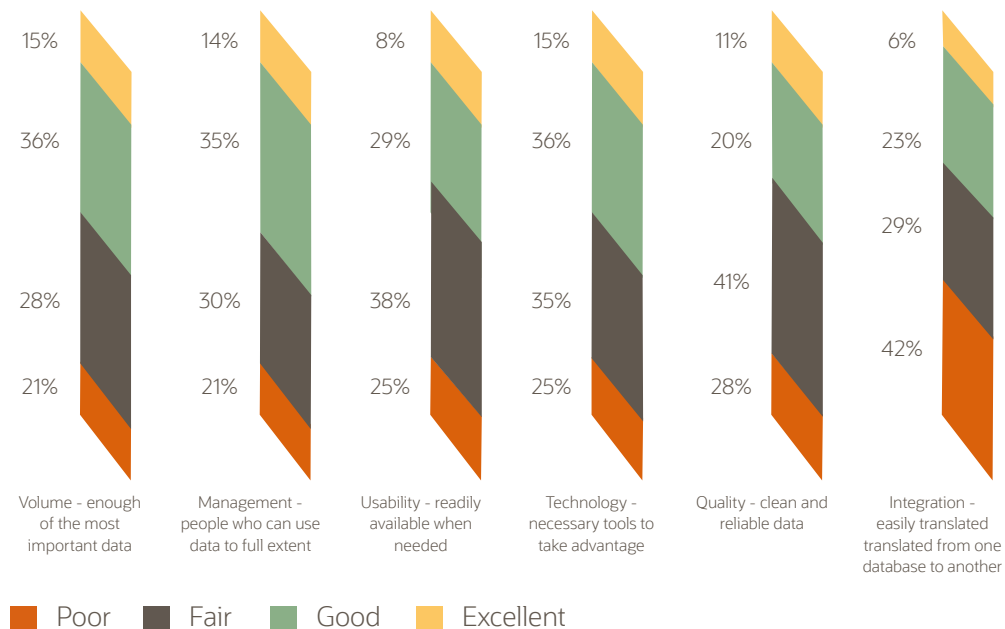
Top Performers

Mainstream

The most successful companies are doing more to listen to and provide value to the customer. Specifically, they are more than twice as likely to monitor 'customer effort' (44 vs. 18%).

Even so, regardless of company type, there is a long way to go. Fundamental measures of the customer experience in these micro-moments of need, such as time to problem resolution and mobile latency, are in place at roughly 40% and 15% of organizations, respectively.

Overwhelmingly, a central issue is data. Marketers across the board are critical of their organization's ability to manage data and put it to use.

Figure 5. Data quality, integration and management present an enormous challenge to customer experience management

How do you rate your organisation's customer data in the following areas?

	Volume - enough of the most important data	Management - people who can use data to full extent	Usability - readily available when needed	Technology - necessary tools to take advantage	Quality - clean and reliable data	Integration - easily translated translated from one database to another
Excellent	15%	14%	8%	15%	11%	6%
Good	36%	35%	29%	36%	20%	23%
Fair	28%	30%	38%	35%	41%	29%
Poor	21%	21%	25%	25%	28%	42%

■ Poor   ■ Fair   ■ Good   ■ Excellent

Experience Economy Survey, N=502

Integration between databases is the most painful data-related issue with more than two-thirds of marketers describing their capability as "poor" or "fair." Data quality and technology get similarly low scores.

None of these data-related capabilities is considered strong, but data volume and people to manage it get the best scores, with roughly half of organizations giving them "good" or "excellent" marks.

There are a number of advantages for companies leading their sectors in assembling and managing data, but perhaps the clearest are speed and accuracy. The ability to understand what consumers need in real time is considered essential by nearly 80% of respondents, but without good data (quality gets only a 31% positive rating) this foundation of CX is compromised.

Collaborate

Thriving in the Experience Economy:
Priorities of a CMO

Marketing is pivotal in customer experience, but it's not the only player in most companies. Nor should it be.

To be effective, customer experience management has to be a joint effort. Fortunately, brands' focus on the interlocking elements of the customer journey has helped them understand that CX impact is a function of how well the different parts of an organization work in concert.

But alignment is difficult to achieve. On average, only 42% of mainstream company respondents give positive scores to marketing's alignment with other functions.
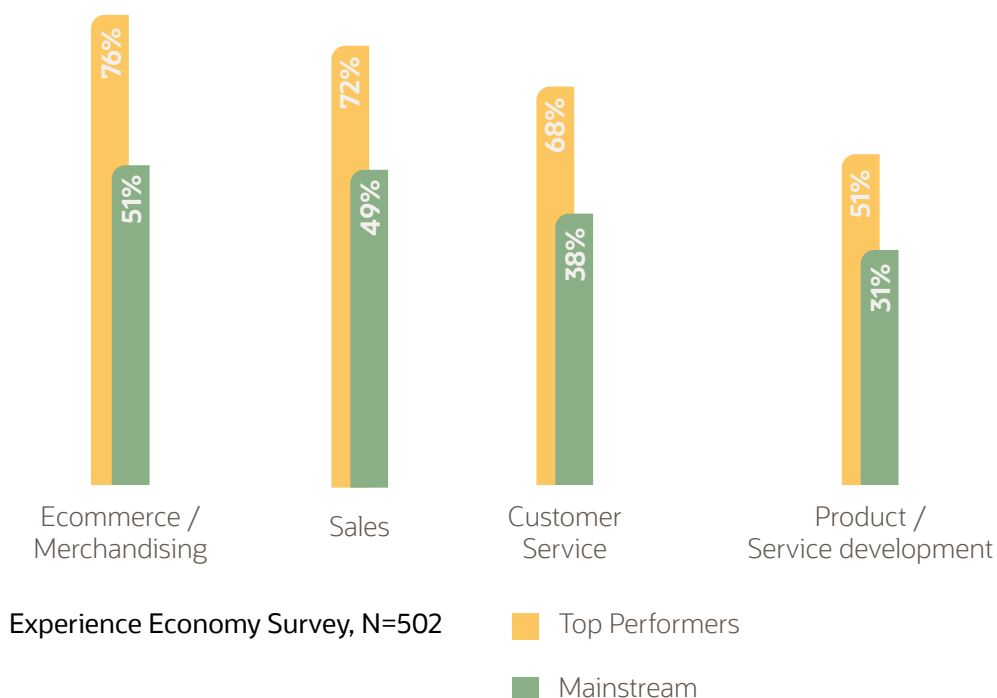
Competing interests and structural barriers (the literal "Divisions" within a company) hold many businesses back from achieving a true cross-functional partnership that's focused on delivering great customer experience.

" The heart is in marketing but we've got an integrated team across marketing, sales and management that allows us to get an understanding at each moment of interaction through the customer journey. That's becoming more and more important. "

**Steve Challouma,
Marketing Director,
Birds Eye**

Figure 6. Misalignment between corporate divisions challenges customer experience

**How would you rate the alignment between marketing and these other parts of the your organisation as it relates to CX delivery?
("Very much aligned" + "Moderately aligned")**

Ecommerce / Merchandising: 76% / 51%
Sales: 72% / 49%
Customer Service: 68% / 38%
Product / Service development: 51% / 31%

Experience Economy Survey, N=502

Top Performers

Mainstream

While top performers enjoy relatively strong alignment within their organizations, even they report communications and cooperation levels that can be improved.

The worst scores are for two relationships that are absolutely vital to marketing and customer experience; product and customer service.

Product teams are responsible for the company's core offerings but the line where product ends and marketing/communications begin is increasingly fuzzy.

Take the example of the family car. Not long ago it was the picture of a traditional marketing lifecycle. Advertising would create the market, product would deliver to dealer networks, and marketing would keep the sales moving with promotions and PR until the next model year.

Today, automobiles are less about engine size than connectivity for many buyers. The vehicle is a platform for technology, which allows for ongoing interaction between the customer and the manufacturer. Marketing, customer service and product have to work together to maintain this relationship throughout the life of the purchase which can extend over many years. They have to combine their data and analysis to understand the journey and positively influence it.

The challenges of aligning internal stakeholders are varied and must reflect organizational realities.

However, distilling the views of the senior leaders interviewed for this study, there are keys to cross-functional success;

- Customer experience projects should begin with mapping dependencies, within marketing, the wider organization and any external partners. A good dependency map will include as much specificity as possible, identifying individuals where possible as well as any data or technical capability requirements and their implications.

- A recurring message from senior leadership is to bring partners in early. Cultural barriers can be the most difficult to overcome, but enrolling the stakeholders early makes them part of a team and can align everyone around the solution.

- Always be communicating. Because customer experience initiatives often require investment and cross-functional participation, their success depends on continued participation and support from budget holders. Create a communications plan as you would for a product release or other public project. The goals are to reward support and reinforce commitments to the project as well as to keep the project in the spotlight.

- Philosophically, everyone in the organization cares about great customer experience. In practice, different departments have disparate goals and incentives. As partners in a CX project are assembled, work with them to understand where KPIs overlap, and where there might be conflict. Think of the various players as customers and use the same rigor to define their needs and understand their context.

- Customer experience strategy should be effective at making incremental gains while still evaluating the potential for more profound change. Inspiration should come from as many sources as possible and executives caution against limiting the focus to key competitors or one's primary sector. Looking at sectors that are under particular stress from changes in consumer habits, such as retail or travel, can generate ideas that challenge convention wisdom and open the door to big wins.

Deliver

Thriving in the Experience Economy:
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Across all categories, marketers agree that the bar is set not by the best in sector, but by the best experiences consumers encounter. Their brands are judged against the experience offered by global ecommerce platforms like Amazon and Alibaba, multichannel retailers like Neiman Marcus and John Lewis and communications services like T-mobile and WeChat.

What kind of customer experience should brands strive for? The most common response is "effortless," chosen by 53% of the sample. Top performers are even more likely to align with this goal at 64%.

Senior marketers are quick to stress that effortless CX is not simply an easy, mobile-friendly user experience, although many companies confuse the two. Not only does that narrow definition exclude the offline world where 80% of consumer spending occurs, but it oversimplifies the challenge of customer experience.

Today, fast sites, stored preferences and well designed apps are essential, but the essential doesn't differentiate for long. To be "effortless" means understanding and removing the deeper friction a person might encounter in their customer journey through personalization and contextual content.

" In this day and age, you need to realize that you can't just play within your category and deliver the best experience in your category anymore, you have to deliver the best experience versus all the other brands that your consumers are engaging with. "

**Annabelle Venner,
Global Brand Director,
Hiscox**

Figure 7. Most organizations strive for an effortless customer experience

Which is the one word which best captures the optimal customer experience for your organisation?

Effortless **53%**

Delightful **26%**

Valuable **17%**

Innovative **4%**
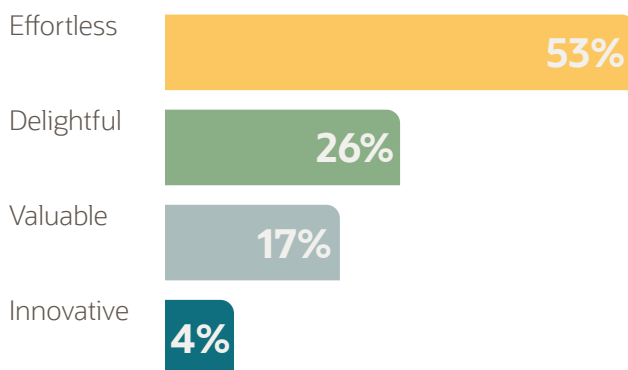
Experience Economy Survey, N=502

A significant minority aims for something harder to define; an experience that their customers find "delightful".

Only 13% of top performing brands identify with "delight" as their CX ideal, in contrast with 30% of the brands who self identify as having business models that aren't well designed for the future.
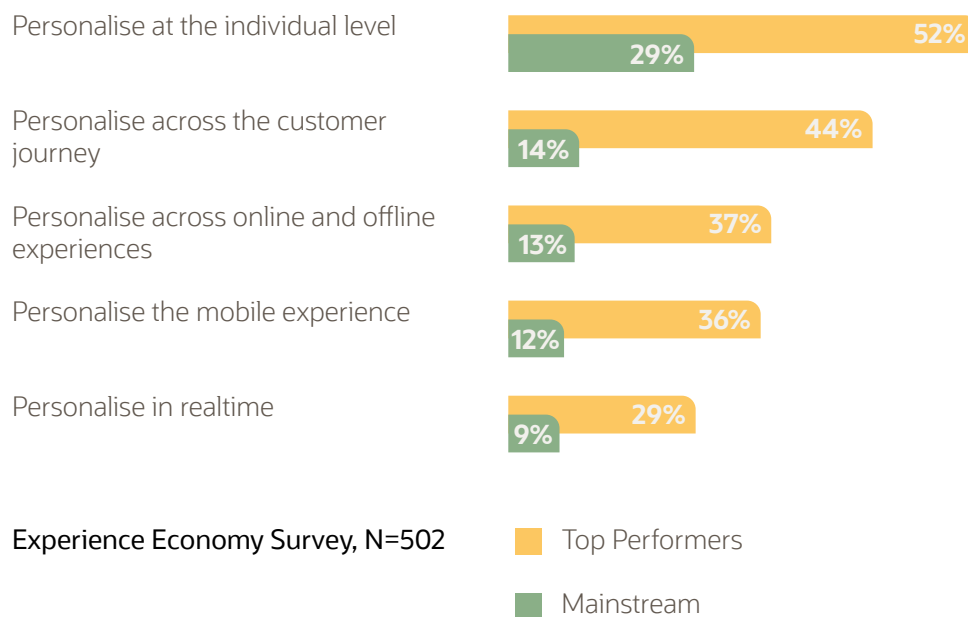
Executives interviewed for the study were hesitant to align with delight as the beacon for their customer experience, explaining that it is hard to capture and reproduce at scale.

Although marketers uniformly agree that as part of an effortless experience, their customers expect personalization that reflects who they are and what they're trying to accomplish, few are able to deliver to these standards.

Even among top performers, only a slim majority is able to personalize to the individual beyond CRM driven email and that share falls to under 30% of mainstream companies.

Figure 8. The personalization desired by customers is far from what most are delivering (Organizations with over £50M revenue)

Which of the following are you foucsed on
in your customer experience strategy?

Personalise at the individual level — Top Performers 52%, Mainstream 29%
Personalise across the customer journey — Top Performers 44%, Mainstream 14%
Personalise across online and offline experiences — Top Performers 37%, Mainstream 13%
Personalise the mobile experience — Top Performers 36%, Mainstream 12%
Personalise in realtime — Top Performers 29%, Mainstream 9%

Experience Economy Survey, N=502

■ Top Performers
■ Mainstream

More holistic approaches to personalization are even less common.

A schema that reflects the customer journey is only in place at 14% of mainstream companies, although marketers overwhelming agree that context is essential to customer expectations. Context changes throughout the journey and the two should be strongly linked in CX management.

Build

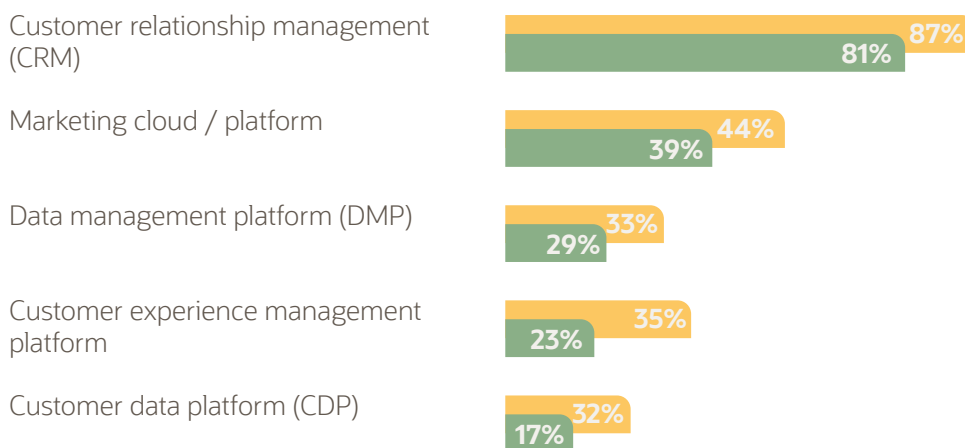Thriving in the Experience Economy:
Priorities of a CMO

Technology is not transformation, but it is fundamental to understanding and serving the customer.

Nor does it always follow that the companies with the most sophisticated technology routinely win their category. As we'll see, multiple factors play into whether organizations are in a position to take advantage of their tools.

Figure 9. Most companies are still integrating the technologies of customer experience (Organizations with over £50M revenue)

Thinking about your marketing technology, which of the following if any, does your organisation use?

Customer relationship management (CRM) — Top Performers 87%, Mainstream 81%
Marketing cloud / platform — Top Performers 44%, Mainstream 39%
Data management platform (DMP) — Top Performers 33%, Mainstream 29%
Customer experience management platform — Top Performers 35%, Mainstream 23%
Customer data platform (CDP) — Top Performers 32%, Mainstream 17%

Experience Economy Survey, N=502

■ Top Performers
■ Mainstream

> " Technology and data should come together to give you granular new insights within your context, and expand the horizon of what it is that you're trying to do. Any new tech has to give me the ability to analyse our customers and fans data, and from that be able to actually distil, simplify and get good insights out. I want tools that allow me to clearly set a direction, and build a relevant strategy.""

**Ellie Norman,
Director of Marketing
and Communications,
F1**

With competing acronyms, it's important to keep the essential differences in mind but recognize that there is some overlap in capability, especially as companies develop or adapt solutions to their unique needs;

The most familiar of these technologies are customer relationship management (CRM) systems, which collect customer and prospect data, and help execute campaigns and interactions.

CRM capability can overlap with customer data platforms (CDPs), but the central purpose of the latter is to bring together varied inputs to create a single, best view of the customer for other systems to use.

CDPs are typically focused on first party customer data and are designed to confront the key challenge of integrating and normalizing data from disparate databases. CDPs enable other technologies with reliable data.

Data management platforms also bring data together into one place, but are focused on the demands of advertising. DMPs are used in managing audiences and their segments, unlike CDPs which collect data around individual profiles.
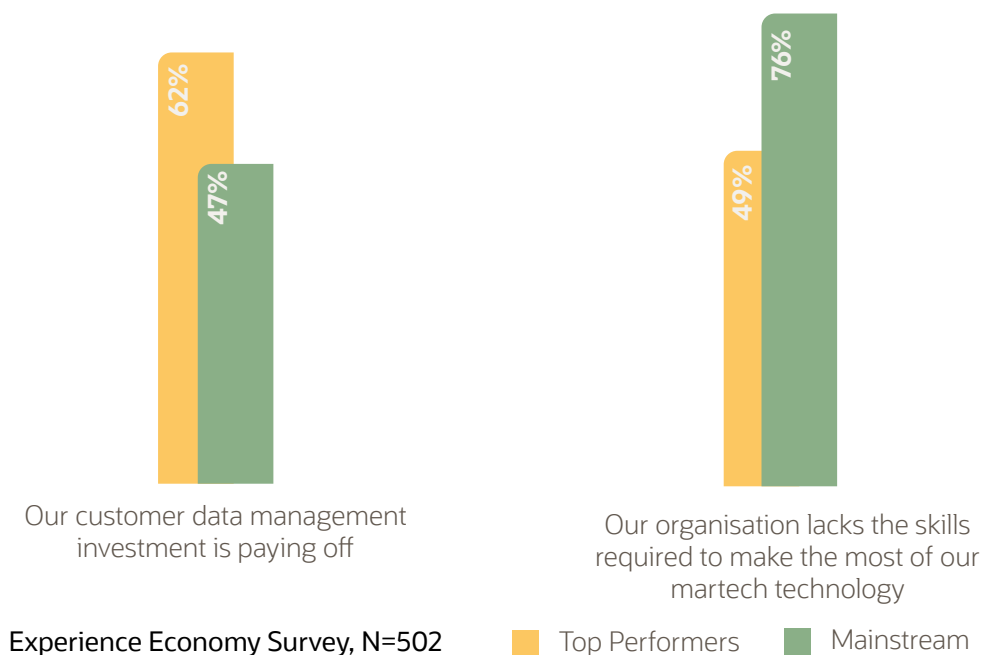
A marketing cloud or platform integrates built-in or assembled marketing tools and reports to give users a single dashboard for information, analytics and control.

Finally, CX management brings together the tools and analytics for understanding customer feedback. Sources of data include user surveys, automated process testing results, and any other expression of the voice of the customer.

In general, top performing companies are using a wider set of these technologies, with the largest differences in the area of first party data. They are nearly twice as likely to be using a customer data platform and one third more likely to have CX management technology.

Fig 10. The technology investment pays off when skills and strategy are aligned

Which of the following are you focused on
in your customer experience strategy?

Our customer data management investment is paying off — Top Performers 62%, Mainstream 47%

Our organisation lacks the skills required to make the most of our martech technology — Top Performers 49%, Mainstream 76%

Experience Economy Survey, N=502   ▮ Top Performers   ▮ Mainstream

Marketing has become one of the top two centers of technology spending, raising expectations that mar-tech implementations show positive returns. Yet, only 47% of mainstream respondents report that their customer data management investment is paying off.

While this figure increases to 62% of top performers, why isn't it higher across the board?

Technology implementations can be undermined by a variety of strategic and tactical factors. Because technology is interwoven with business transformation, it is susceptible to the same challenges and complexity that confound so many change management initiatives.

A primary issue is that the data can't yet fully support the technology. As explored in Section II, most companies are still struggling with the quality and integration of their data, which naturally has a negative impact on execution.

Equally common is that technology doesn't get the human resource it requires. Under-utilization is endemic; three in four mainstream marketers (and nearly half of top performers) say their organization lacks the skills to take full advantage of its technology.

Some of these issues are being mitigated by technology itself. Artificial intelligence is making strides in normalizing, cleaning and translating datasets to make them more useful and interoperable.

Equally important, automation is slowly taking on some of the repetitive, low value work of marketing, theoretically freeing time for strategy and creativity.

Closing thoughts: The customer experience journey

Thriving in the Experience Economy:
Priorities of a CMO

The shift to customer experience is not a quick fix.

For the majority of businesses, reorienting to a customer-led model requires restructuring, even reimagining many of the fundamental characteristics of an organization.

Asked to describe their companies across a number of qualities, top performing and mainstream marketers diverge on how their organization approaches building value. While mainstream respondents tend to describe their companies as focused on short-term returns, top performers are 43% more likely to say that their organization is taking a long term approach.

That's what it takes. Customer experience is an investment in enduring relationships characterized by higher lifetime value and enthusiastic advocacy. As can be seen throughout these findings, the pieces that support this kind of relationship can't be assembled quickly because they are layered, dependent and dynamic.

43%

of top performers are more likely to say that their organization is taking a long term approach.

Data shouldn't displace creativity in creating great experiences.

The focus on marketing technology and building complimentary capabilities is exactly where marketing should be in its evolution. But it's natural that the time and resource required to make this shift takes a toll on some of marketing's traditional strengths.

Among top performers, 40% say that the increased focus on marketing technology has had a stifling effect on creativity at their organization. Interestingly, mainstream companies are less likely to see this issue (24%) which may speak to their comparative lack of technical sophistication. Top performers have made a greater commitment to their technology backbone and data-driven decision making.

When businesses focus solely on the lessons of data, they can get stuck improving the products and processes of today at the expense of the future. Listening to the customer is essential to improving the experience and working to make it effortless, but their feedback rarely illuminates where the business can make innovative leaps.

As time passes, marketing technology is getting easier to use and providing more actionable information. Eventually the left and right sides of the marketing brain will act in concert. In the meantime, leaders should protect the time and space for marketing to excel at its core creative competence.

40%

of top performers say focus on marketing technology stifles creativity.

The focus on customer experience has to move from initiative to institution.

Most transformation efforts fail because they run against long standing structures within an organization that are resistant to change. These might be legal, technological, procedural or cultural.

Generally, companies with the longest legacy tend to be the most resistant to change, but this isn't always the case. First wave digital companies have also found their cultures difficult to change as they move from startup to enduring brand.

Shifting culture is especially difficult for many leaders because it's essentially an emotional challenge, which is why of all the parts of the company to lead inspirational change, marketing may be best suited. The company is the customer, and marketing is selling customer experience as the best path to growth and employee purpose.

One of the lessons of the last decade of transformation is that it shouldn't be perceived as a move from one static state to another. A successful transformation makes a company better at continuous learning and adaptation.

The goal for leadership is to engrain customer experience focus into culture to ensure that the ongoing process stays pointed in the right direction.

Methodology

Thriving in the Experience Economy:
Priorities of a CMO

Thriving in the Experience Economy: The priorities of the CMO is based on parallel qualitative and quantitative studies conducted in Q4 of 2019.

An online survey was fielded in English to select Econsultancy lists on October 7th and closed on November 1st having collected 502 qualified responses.

Findings are limited to senior, client-side marketers.

- Fifty-three percent of the sample was located in the UK, with respondents from the rest of Europe comprising another 21% and North America and APAC both contributing 11%. The remaining 4% was distributed across MENA and the "Other" designation.

- All responses were at the manager level or above. Managers comprise 30% of the sample, with VP/Head of department at 28%, followed by senior management (CMO, MD, C-suite, Partner, etc.) at 26% and accepted "Other" titles comprising the remaining 16%.

- Only organizations with revenues over £10M were included in the total sample. Companies with over 50M in 2018 revenues (53% of the sample) were labeled "Large organizations" for the purposes of the study.

- Respondents represent every major business sector, with concentrations in Retail (11%), Technology and Telecoms (13%) and Financial Services (14%).

Additionally, Econsultancy conducted in-depth interviews with 16 senior marketers in the UK. Their details can be found at the beginning of this report. We would like to thank them for their time and acknowledge their contribution to this research.

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