



Trend 2

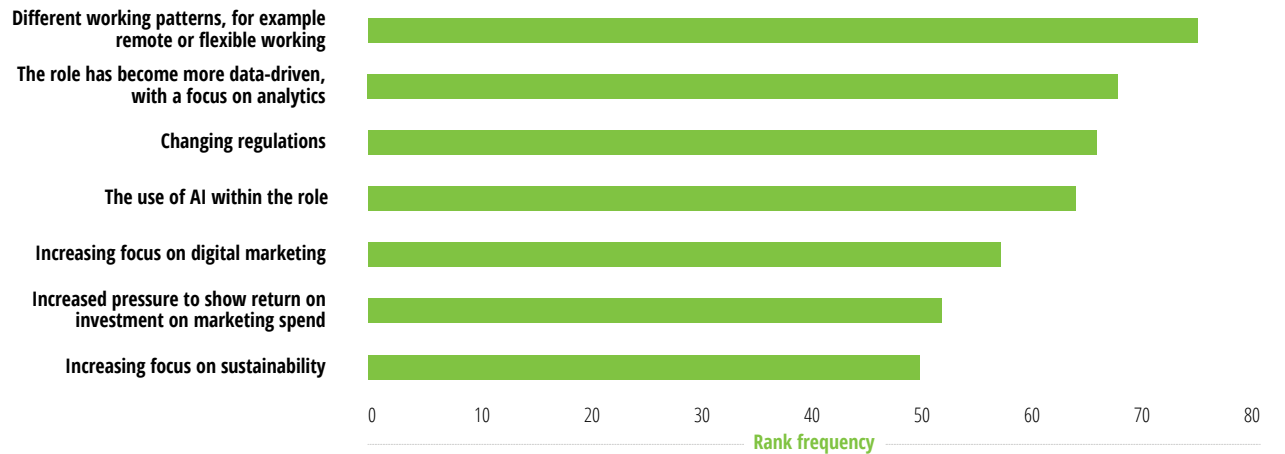
The evolving role of marketing leaders

From navigating digital transformation to changing ESG policies or the increasing impact of generative AI, marketing leaders need to be able to respond quickly and dynamically. Understanding the most pressing issues for CMOs provides invaluable insight into what is important today and what will be critical tomorrow.

It is hardly surprising then that marketing roles are undergoing enormous change particularly as organisations are still feeling the impact of the pandemic.

The nature of the Chief Marketing Officer (CMO) has been evolving in response to a series of major challenges over the past five years. Radical advances in technology, changing consumer preferences and a global pandemic are just a few of the many challenges marketing leaders have faced. From navigating digital transformation to a changing political backdrop, marketing leaders find themselves beholden to the fast-evolving business landscape. Not only do marketing leaders play a vital role in leadership within their organisations, with 70 per cent leading digital transformation in the majority of companies,¹ but they are also the voice of the brand and need to demonstrate the impact of marketing on financial outcomes.

FIGURE 1: Question: What do you think have been the biggest changes to your role over the past five years? (Rank top 3 with 1 being the biggest change)



N (CMO + SME) = 72

Note: The rank frequency was determined by summing the total ranks for each option. Higher frequencies indicate higher ranking.

Source: Deloitte analysis, 2023

Different working patterns and changing regulations are two of the top three biggest changes to the role of the senior marketing leader in the last five years. COVID was a catalyst for the adoption of new working patterns – in particular, hybrid and remote working² – and it seems that in this post-pandemic world such patterns are continuing to influence senior marketing leaders. A change in working patterns will likely have impacted how marketing leaders manage their teams and colleagues. While marketing leaders may have previously had a greater level of in-person visibility for their teams, changes in patterns of working mean that marketing leaders must be able to support their teams without regular face-to-face meetings. Communication is the second most important skill for senior marketing leaders,³ and changes to working patterns over the last five years has, in many instances, moved much of that communication from the physical into the virtual world.

Changing regulations have featured prominently in the minds of marketing leaders in the UK over the last five years. This is likely due to the introduction in 2018 of the General Data Protection Regulation, a framework that requires all organisations to create and follow robust processes to protect personal data. The importance of data protection has been reflected in the fact that senior marketers ranked becoming more data-driven as the second biggest change to their role. The importance of data is likely set to continue as organisations grapple with how to position themselves for success in a new, increasingly AI driven age where new digital channels are fostering greater customer personalisation and brand engagement.⁴

One unexpected outlier in the evolution of the role of senior marketing leader has been the apparent lack of change that the focus on sustainability has had on their role. Indeed, an increased focus on sustainability ranks lowest of all the changes to the role of senior marketers over the past five years. Despite the global



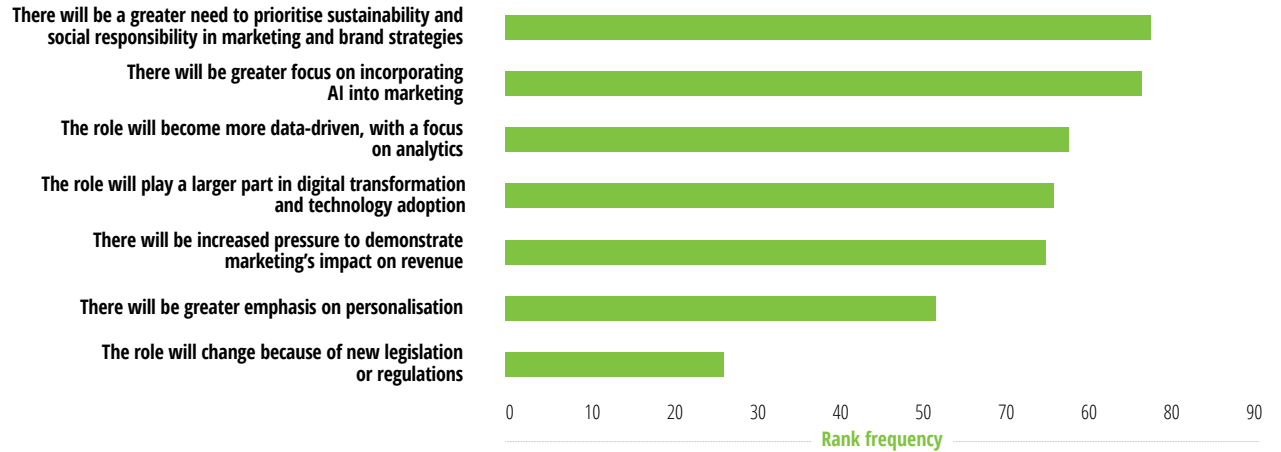
push towards environmental consciousness and the business benefits to be reaped from a focus on sustainability, this doesn't seem to have resulted in a marked change in the role of marketing leaders.⁵

Sustainability and generative AI define the focus for senior marketing leaders

The perception of how marketing leaders think their role will change over the next two years contrasts sharply with how their role has changed previously. It underscores the fast-moving nature of these roles and the need for adaptability. Regulations, previously a key determinant of change to senior marketers' roles, is ranked last in how they perceive their role will change over the next two years.

When asked what they thought were driving these changes, free text responses from CMOs pointed to the technological changes and integration of AI across the whole business, the pressure to digitally transform to meet changing customer expectations and a need for more personalisation. SMEs tended

FIGURE 2: Question: How do you perceive your role will change in the next two years? (Rank top 3 with 1 being the biggest change)



N (CMO + SME) = 72

Note: The rank frequency was determined by summing the total ranks for each option. Higher frequencies indicate higher ranking.

Source: Deloitte analysis, 2023

to focus more on the overall economic conditions and increasing pressure on budgets to deliver along with a focus on profitability and the need to optimise resources. SMEs also said their changing role was a

result of becoming more data and analytics led and adopting new technology. CMOs should declare their priorities to SMEs so objectives are shared and impact is more achievable.

Remarkably, sustainability and social responsibility in marketing and brand strategies is predicted to be the biggest change to the role over the next two years – more so by CMOs who rated it as their highest priority compared with SMEs who rated it fifth. Growing awareness and urgency surrounding sustainability, coupled with an increasing business case, may have helped to propel it to front of mind for marketing leaders. Over the next two years, senior marketers will be expected to deal with an increasing need to communicate exactly how their organisations are addressing a myriad of social problems which influence wider society. As the brand architect of their organisation, CMOs have a unique opportunity to help set a strategic direction by creating a truly purpose-driven organisation where the brand and its commitment are connected to its customers, employees and communities.⁶

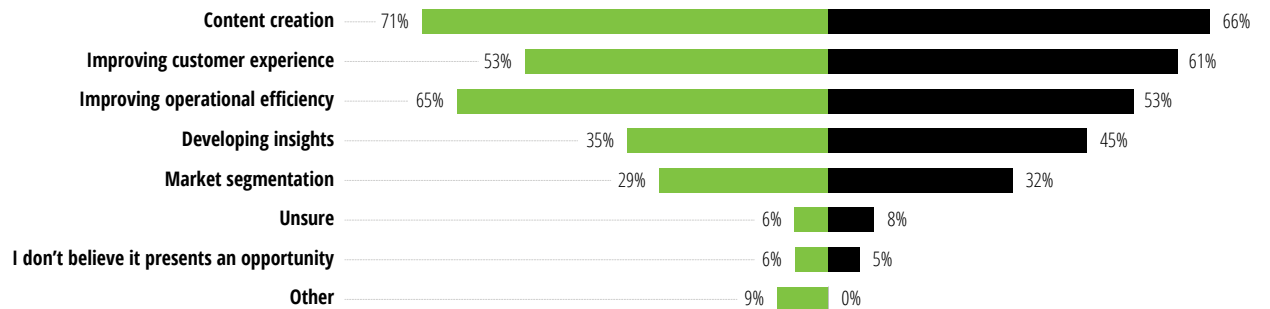
Greater focus on incorporating AI into marketing and the role becoming more data-driven are the other two biggest changes leaders are expecting.

Given the attention garnered by generative AI over the course of 2023, it is not surprising that leaders have ranked them so high. The notion that generative AI will bring substantive change to the role of the senior marketer and their organisations is widely held: 87 per cent of senior marketing leaders believe that generative AI provides opportunities for their role.

Marketing leaders are confident that generative AI presents a real opportunity, but how ready are they?

So where do the benefits of generative AI fit in to the role of marketing leaders? Both CMOs and SMEs rank content creation as presenting the greatest opportunity. For many, generative AI is viewed as a

FIGURE 3: Question: What do you see as the biggest opportunity of generative AI for your role?



● Senior Marketing Executives ● CMOs N (CMO) = 38, N (SME) = 34

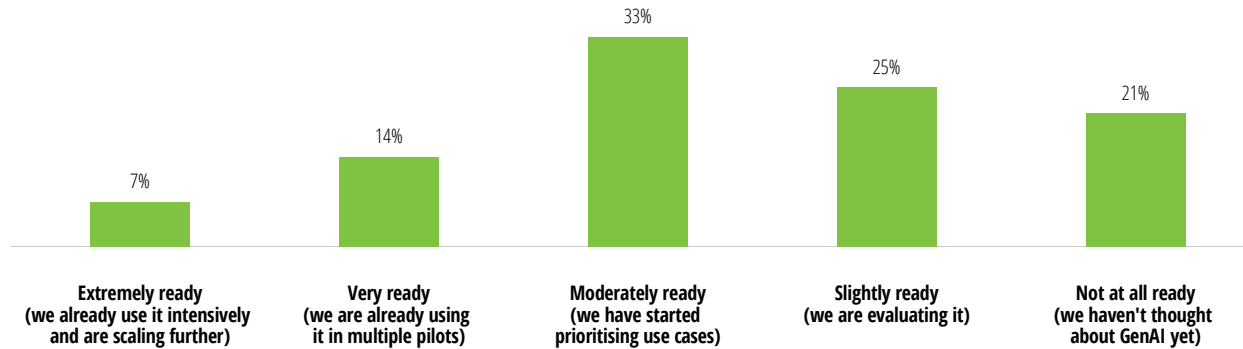
Source: Deloitte analysis, 2023

tool with immense possibility to streamline content creation processes enabling marketers to create social media updates, draft blog posts, write product descriptions, create compelling advertising copy and images – all on demand while saving time and resources. The ability to designate copy-writing and other tasks to generative AI also has the potential to improve operational efficiency.

While 89 per cent of marketing leaders believe that generative AI provides an opportunity for their role, only 21 per cent feel that their organisation is very or extremely ready to use it. At the other end of the spectrum, 21 per cent feel they are not at all ready and that their organisation has not yet thought about the benefits of generative AI. This stark contrast in the readiness of organisations



FIGURE 4: Question: How ready are you to take advantage of AI within marketing in your organisation?



N (CMO + SME) = 72

Source: Deloitte analysis, 2023

to embrace generative AI is striking. Organisations with more than £1 billion in revenue are 26 per cent more likely to report a moderate or above level of readiness to adopt, compared to organisations with less than £1 billion in revenue. Those organisations that are yet to even evaluate its potential use cases could be in danger of being simply spectators during a paradigm shift. More than 90 per cent of global marketing leaders report they began using AI for marketing use cases in the last year, with content personalisation and content creation the most common uses.⁸

Part of the reason organisations have failed to yet adopt generative AI may be reflected in the concerns marketing leaders have about the implications of generative AI for their role. Around 50 per cent of respondents view data and privacy concerns as a potential negative consequence for their role, along with brand authenticity concerns (42 per cent) and creativity suppression (39 per cent).

As use cases for marketers become increasingly well established, those slow to act are in danger of being left behind. The resounding message from our survey is that marketing leaders need to be adaptable to new technologies – and be aware of how these technologies can make them and their teams more effective.

In summary

The CMO role is evolving in response to the needs of organisations and their workforce particularly around changing patterns of working. However, more needs to be done to prepare for the opportunities AI presents. As organisations become more data-

driven there are opportunities for SMEs and CMOs to embrace the benefits of generative AI and begin to use it for content creation, improving operational effectiveness and personalising the customer experience. Marketing leaders need to prioritise more sustainable and socially responsible marketing, as the role has not changed at the pace that is needed – yet.

Key recommendations:

- **Be an effective communicator.** Focus on strong communication skills particularly if working remotely or using a hybrid model to build strong relationships to support your team. Seek out opportunities that changing work patterns can provide. Less face-to-face contact with teams must inspire leaders to find new ways to co-ordinate their marketing strategy.
- **Be data-driven.** Senior marketing leaders report that their role has become more data-driven and predict that this trend will continue. Embrace data and analytics to make your decision



making better. Digital transformation is essential for leading your organisation into the future.

- **Adapt to new technology.** Take advantage of generative AI and begin exploring generative AI use cases if you are not already doing this. Generative AI offers advantages for content creation, operational efficiency and personalising customer experience. Those who are slow to act are in danger of being left behind.
- **Prioritise sustainability.** It is not enough simply to say it is a priority, action is needed to incorporate sustainability into your strategy and communicate how your brand is addressing ESG issues.

Endnotes

1. [The CMO Survey](#), Topline Report, Fall 2023.
2. [Activating the future of the workplace](#), Deloitte Insights, 2023.
3. [Senior marketing leaders building influence with soft skills](#), Deloitte, 2023.
4. [4 Success Drivers for the Modern CMO](#), *The Wall Street Journal*, 2023.
5. [What consumers need to adopt a more sustainable lifestyle](#), Deloitte UK, 2023.
6. [Course correcting the evolution of the CMO](#), Deloitte Insights, 2023.
7. [Deloitte's TMT Predictions 2024](#), Deloitte Insights, 2023.
8. [Highlights and Insights Report](#), The CMO Survey, Fall 2023.

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William Grobel

Director, Consulting
wgrobel@deloitte.co.uk



Fiona Elkins

Senior Manager, Consulting
felkins@deloitte.co.uk



Jennifer Holland

Insight Manager, Consulting
jdholland@deloitte.co.uk



Douglas Gunn

Assistant Insight Manager, Consulting
dgunn@deloitte.co.uk

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