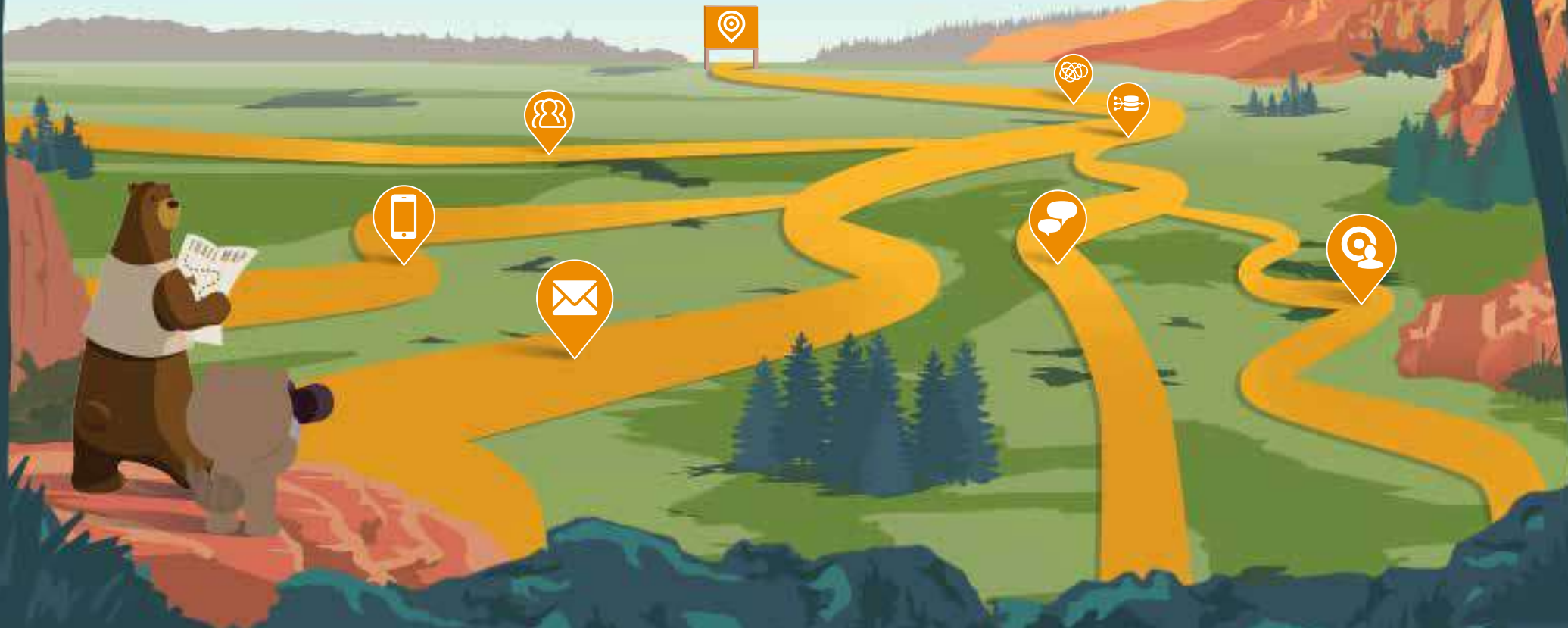


FOURTH ANNUAL

State of Marketing

Insights and trends from 3,500 global marketing leaders



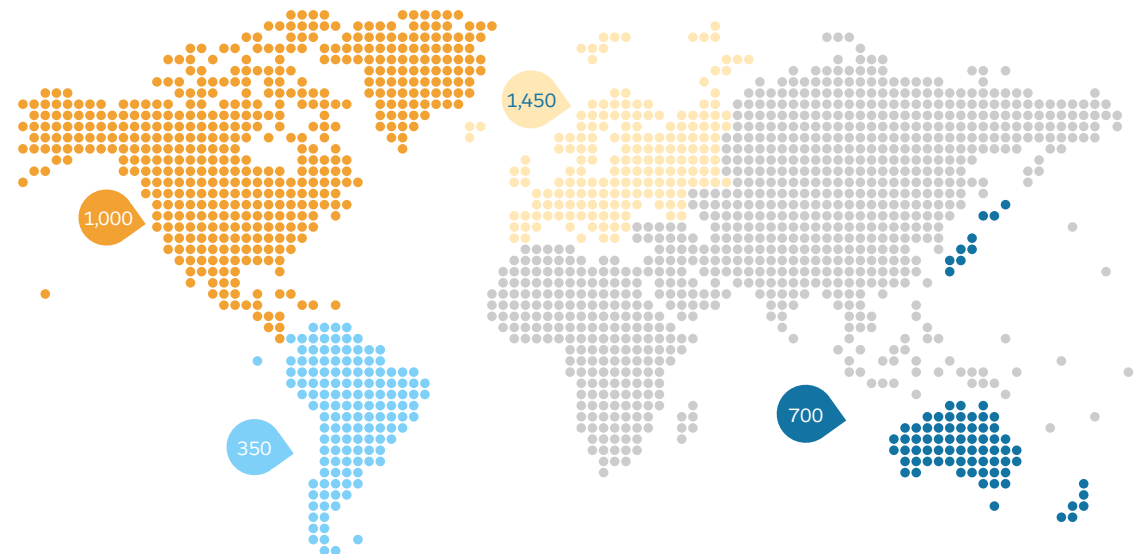
About This Report

In our fourth annual “State of Marketing” report, Salesforce Research surveyed 3,500 marketing leaders worldwide to explore how:

- Customer experience continues to reshape the marketer’s mindset
- Shifting priorities are sparking organizational changes
- Technology, particularly AI, is raising the bar for efficiency and personalization

Throughout this report, high-performing marketing leaders are defined as those who are extremely satisfied with the current outcomes realized as a direct result of their company’s marketing investment, as well as their overall marketing performance compared to their competitors. See page 3 for detailed performance information.

Data in this report is from a blind survey conducted in April 2017 that generated 3,500 responses from full-time marketing leaders – those holding a manager or higher leadership role within their organization – in the U.S., Canada, Brazil, U.K./Ireland, France, Germany, the Netherlands, Japan, and Australia/New Zealand.* All respondents are third-party panelists (not limited to Salesforce customers). Due to rounding, not all percentage totals in this report equal 100%. All comparison calculations are made from total numbers (not rounded numbers).

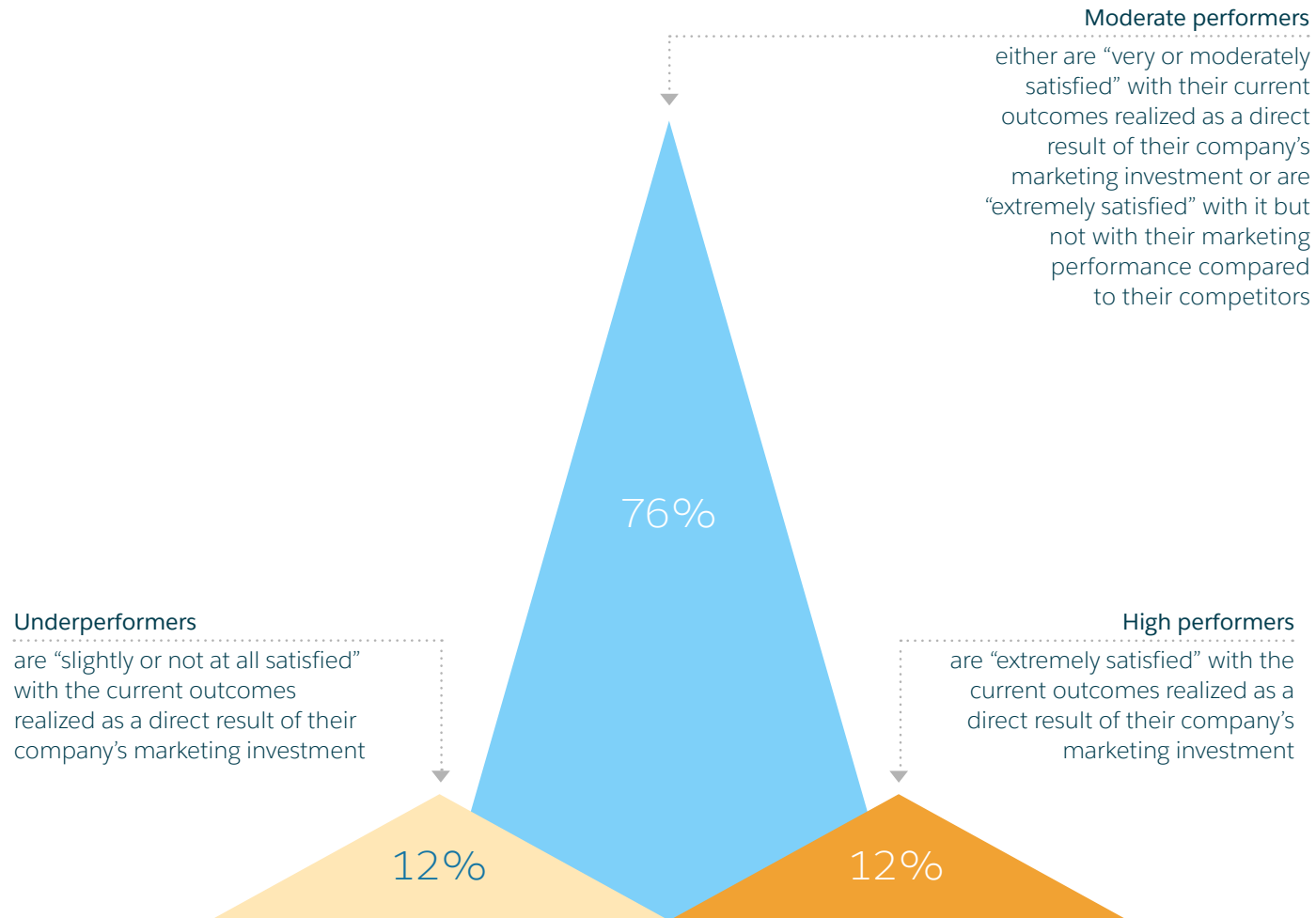


Salesforce Research provides data-driven insights to help businesses transform how they drive customer success. Browse all reports at salesforce.com/research.

* For further survey demographics, see page 48.

Breakdown of Marketing Performance Levels

High-performing marketing teams represent 12% of the overall survey population. Marketers surveyed include B2B, B2C, and B2B2C teams. For additional demographics, please refer to page 48.



Executive Summary	5
Introduction: Customer Experience Is the Brand Battlefield	6
01 Marketers Move to Evolve Journeys, but Data Woes Linger	8
02 Shifting Priorities Spark Organizational Change	14
03 Marketing Tech Makes Waves	19
04 Marketing Embraces the AI Revolution	23
Last Look: What Makes Top Marketers Tick	26
Country Profiles	27
Appendices	37
Survey Demographics	48

Executive Summary

Four Key Takeaways

Today's companies compete on the basis of customer experience – and marketers feel called to lead the charge. But what does it take to deliver a well-executed customer experience? A majority agree this is the endgame, but progress toward that goal runs the gamut.

Here's an overview of how emerging marketing channels, organizational changes, and technologies are disrupting the status quo.

01 | **Marketers Move to Evolve Journeys, but Data Woes Linger**

(See page 8)

On the path to delivering connected customer experiences, marketers continue to wrestle with gaining a single view of the customer and leveraging data from different sources. The difficulty of gaining this single customer view is compounded by elevated customer expectations and the tremendous growth of newer marketing channels. While high-performing teams are better at coordinating marketing across channels, a majority fail to evolve their message from one channel to the next.

02 | **Shifting Priorities Spark Organizational Change**

(See page 14)

With the rising flood of available customer data, companies are rethinking everything from job roles to how marketing functions in the broader organization. From account-based marketing to closer alignment with customer service, top marketers are change agents staying ahead of the curve.

03 | **Marketing Tech Makes Waves**

(See page 19)

Marketers expect that usage of marketing technologies – from IoT/connected devices to lead scoring tools – will skyrocket over the next two years. High-performers tend to be heavier tech users, with most reporting that their current tech stack aids collaboration, increases productivity, and drives a more cohesive view of customer data. Top teams also cite data management platforms as the most essential tool for 1-to-1 marketing across every touchpoint.

04 | **Marketing Embraces the AI Revolution**

(See page 23)

Artificial intelligence (AI) is the leading technology where marketers expect the most growth in the next two years. Internally, marketers view AI as a means of creating more efficiency in their operations. For customers, most marketers see it as a way to get more from their data and ramp up personalization without burdening their teams.

Introduction

Customer Experience Is the Brand Battlefield

Last year's "State of Marketing" research established customer experience as a significant marketing focus. It's common for today's marketers to look beyond the traditional marketing scope to understand and influence customers' interactions with their company as a whole.

But beyond *focusing* on customer experience, marketing leaders are now *battling* over it. Customer experience is central to their go-to-market strategy, in how they aim to win new customers, and in how they're keeping current customers happy.

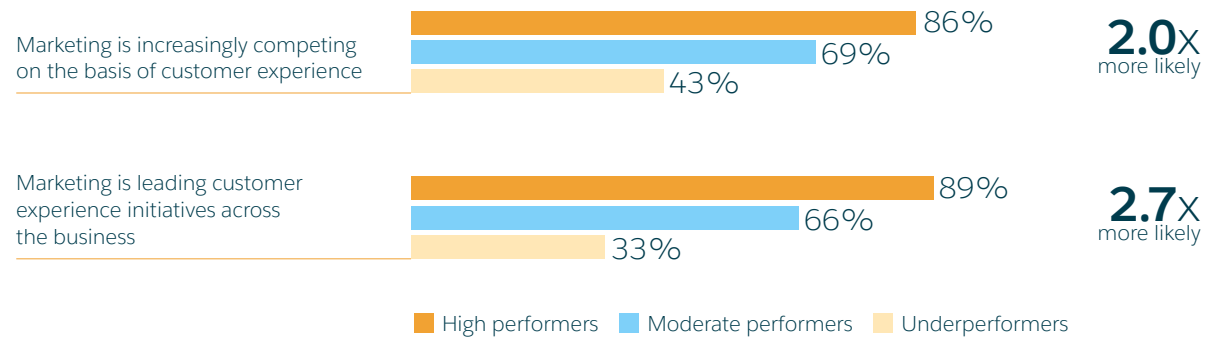
68% of marketing leaders say their company is increasingly competing on the basis of customer experience.

Although delivering a superior customer experience requires attention from every facet of the business, marketing leaders – particularly high performers – feel they're leading the charge. Almost two-thirds of marketers say their team is leading customer experience initiatives across the business. Among top teams, that number rises to 89%.

Marketers Compete Based on Customer Experience

High-performing marketers are more likely to compete based on customer experience and to lead those efforts across their company.

Percentage of Marketing Leaders Who Strongly Agree or Agree with the Following Statements



Introduction

Customer Experience Is the Brand Battlefield

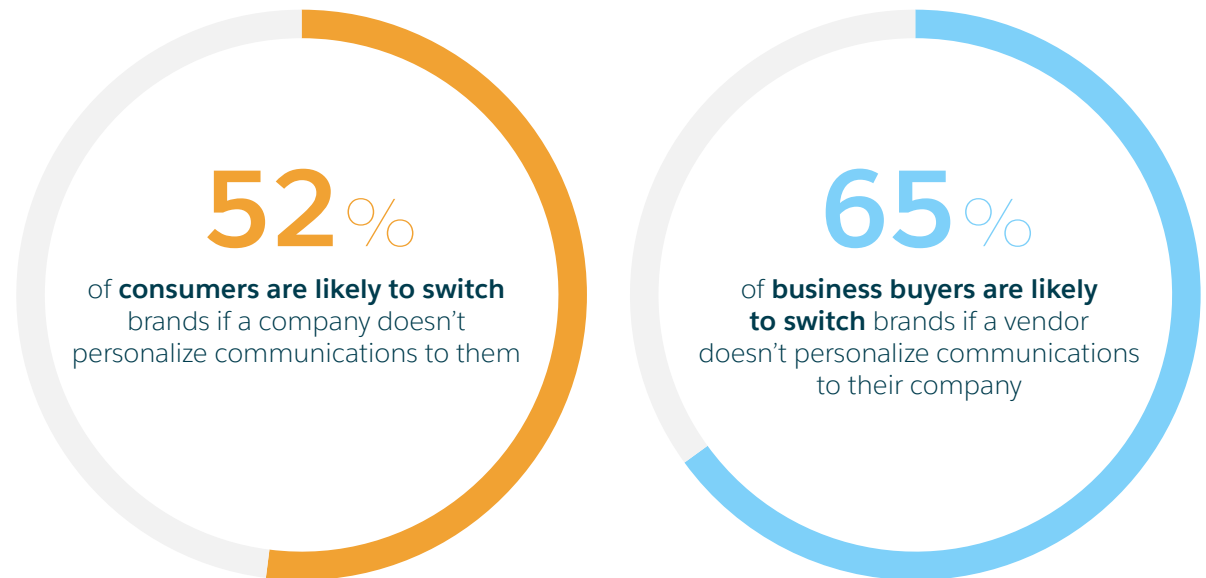
Over the past 18 months, **64% of marketing leaders say their company has become more focused on providing a consistent experience across every channel as a result of changing customer expectations.** This begs the obvious question, “Why?”

The short answer is that customers increasingly expect consistent, personalized experiences – and their loyalty is on the line. This applies to consumers and business buyers alike. While more than half (52%) of consumers are likely to switch brands if a company doesn't make an effort to personalize communications to them, 65% of business buyers say the same about vendor relationships.*

Marketers have historically walked a thin line between wanting to personalize communications but not wanting to pry too far into customers' personal data. But the tides are changing, and consumers are more willing to trade data for better experiences. Among Millennial consumers, 58% will share personal data in exchange for product recommendations that meet their needs (as will 52% of Gen X consumers). Business buyers also want deeper relationships; 89% expect companies to understand their business needs and expectations.*

Customers Will Walk If Experiences Aren't Personalized

*In a separate study of over 7,000 consumers and business buyers worldwide, a majority of customers said they would switch brands or vendors if communications weren't personalized.**



* "State of the Connected Customer," Salesforce Research, October 2016.

01 Marketers Move to Evolve Journeys, but Data Woes Linger

In the quest to connect customer experiences, marketers' struggle with disparate data isn't a new issue – but it is a persisting one. As marketing leaders continually strive to gain a single customer view, customers' elevated expectations make this an increasingly complex goal to reach.

For high-performing marketers, the central challenges are obtaining a single view of the customer and leveraging data from different sources. For underperforming teams that aren't quite as far down this path, they struggle more with foundational issues such as budget restrictions and outdated technologies.

Marketers Continue to Battle Disparate Data

Marketers at all performance levels struggle to leverage data from different sources in their quest to execute a connected customer experience.

Top Challenges Marketing Leaders Face in Creating a Connected Customer Experience across the Customer Lifecycle by Performance Level

	High Performers	Moderate Performers	Underperformers
1	Creating a shared, single view of the customer	Budgetary constraints	Budgetary constraints
2	Difficulty leveraging data from different sources	Difficulty leveraging data from different sources	Insufficient internal resources
3	Budgetary constraints	Insufficient internal resources	Difficulty leveraging data from different sources



01 Marketers Move to Evolve Journeys, but Data Woes Linger

Gaining a single view of the customer is a goal made even more challenging by the frenzied addition of marketing and communication channels. Customers expect they can switch between any connection – mobile browser, mobile app, social, desktop, and so on – and have a consistent brand experience. This expectation has sent marketing into a tailspin trying to cover it all. **On average, marketing leaders today say 34% of their budget is spent on channels they didn't know existed five years ago** – and they expect that to reach 40% by 2019.

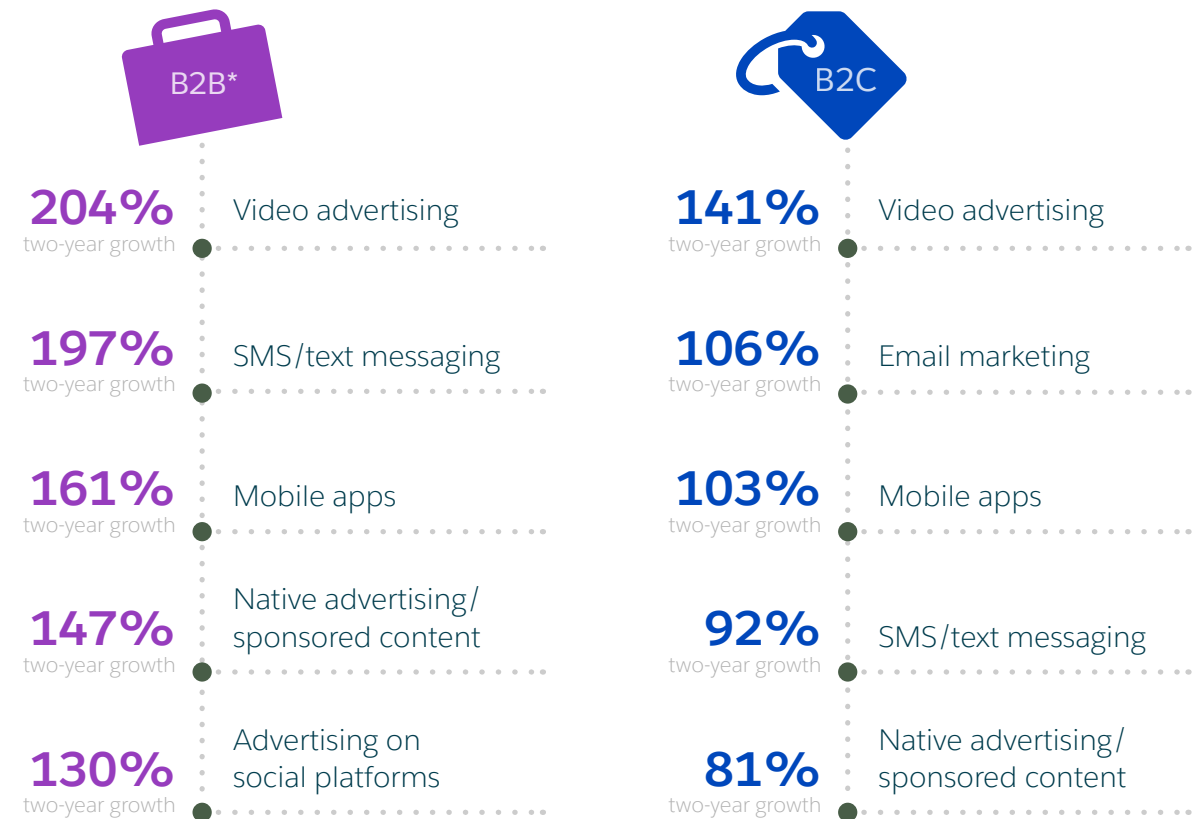
Over the past two years, we've seen an explosion in the use of newer channels like video advertising, SMS, mobile apps, and native advertising/sponsored content. The percentage of both B2B and B2C marketers using video advertising, for example, has risen by triple digits over the last two years.

Despite its well-established presence in the B2C marketer's toolbox, email is still growing at a significant rate. Email's number two spot indicates that marketers may be testing new channels in conjunction with proven ones to find combinations that work for their consumers.

Emerging Channels and Email Show High Growth

While video advertising tops both growth charts, B2C teams pump up their email efforts and B2B teams double down on mobile and advertising on new platforms.

Actual Channel Growth 2015–2017



* B2B also includes respondents who identified as B2B2C. This is a partial list. Please refer to the Appendix for complete data.

01 Marketers Move to Evolve Journeys, but Data Woes Linger

Over the past 12–18 months, 63% of all marketers say their company has become more focused on expanding marketing efforts across channels and devices.

But for high-performing marketing teams, channel discussions focus more on “how” than “how many.” Driven by customers’ expectations to be consistently recognized and remembered across every interaction, top marketers pay special attention to how they’re coordinating marketing across channels, not just how many channels they touch.

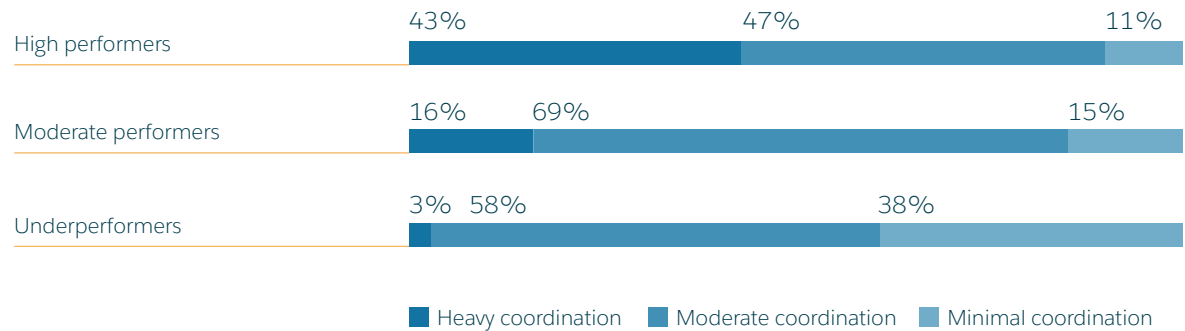
High performers are 12.8x more likely than underperformers to heavily coordinate their marketing efforts across these channels.

Channels included in the survey were email, website, mobile (e.g., SMS, push notifications), social media marketing, display/banner ads, advertising on social platforms, organic search, paid search, video advertising, and native advertising/sponsored content.

Top Teams See Channel Coordination as Key

Creating a connected customer experience begins one channel at a time. High performers are 12.8x more likely than underperformers to heavily coordinate marketing efforts across channels.

Volume of Channel Coordination by Performance Level*



* Heavy coordination is defined as coordination across 10–11 of the channels defined. Moderate coordination is defined as coordination across 4–9 of the channels defined. Minimal coordination is defined as coordination across 0–3 of the channels defined.

01 Marketers Move to Evolve Journeys, but Data Woes Linger

Coordinating marketing across channels is easier said than done. The gold standard for a customer journey is that each subsequent message builds on the customer's actions to evolve communications in a true 1-to-1 experience. But the reality is **marketers say only about a quarter of their messages evolve from channel to channel in this highly personalized way.**

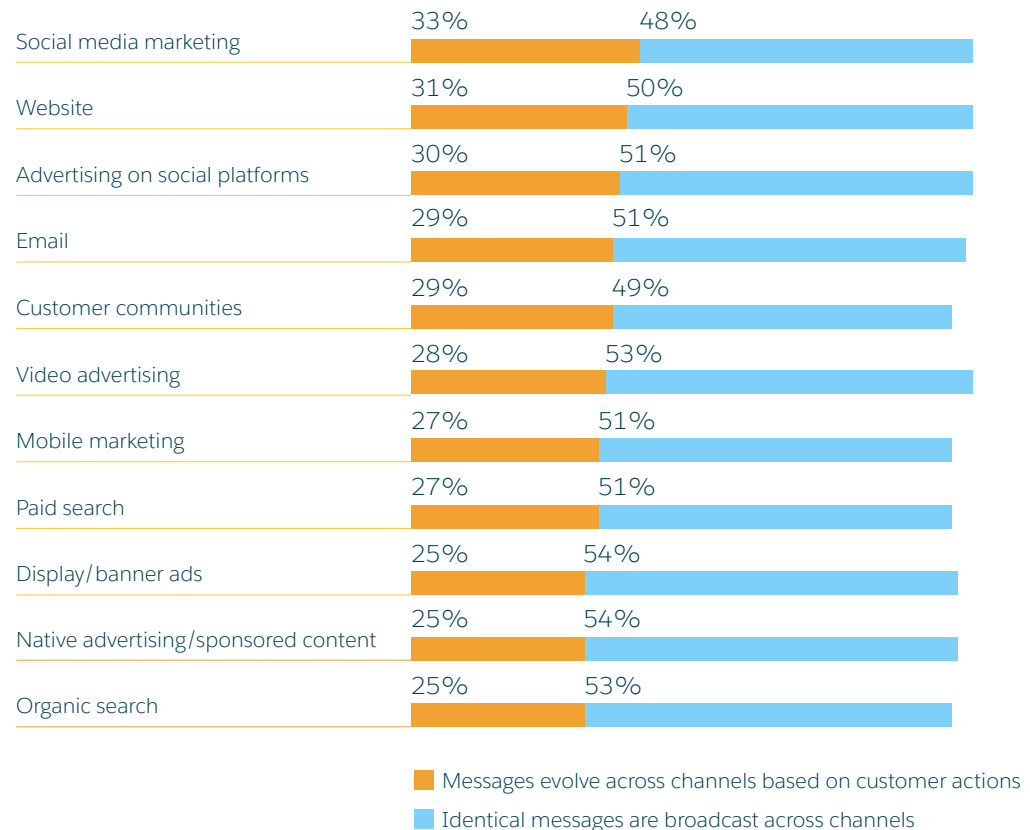
Most marketers say about **half (51%) of their campaign messages are identical broadcasts from one channel to the next.** This approach is akin to the early days of email marketing, when a “spray and pray” mindset was the norm. But with customer expectations for personalization on the rise, static messages can give the impression that a company doesn't see customers as individuals. For example, if a customer has already purchased a necklace via an email offer, but continues to see the exact same necklace advertised on social platforms, the customer could infer that the company doesn't know (or care) that she already purchased the item and doesn't value her business.

High performers are twice as likely as underperformers to evolve messages across channels – but still only 43% currently do. Leveraging customer data to deliver hyper-relevant experiences takes a new level of marketing intelligence, which section 4 covers in more detail (see page 23).

Most Marketers Broadcast Identical Messages across Channels

Most marketers say about half of their campaign messages are identical broadcasts from one channel to the next.

Extent to Which Marketers Coordinate Messages in the Following Channels with Other Channels



01 Marketers Move to Evolve Journeys, but Data Woes Linger

Most marketers haven't cracked the code on creating ideal customer journeys – but not for lack of trying. **Sixty-seven percent of marketing leaders say creating a connected customer journey across all touchpoints and channels is critical to the success of their overall marketing strategy.**

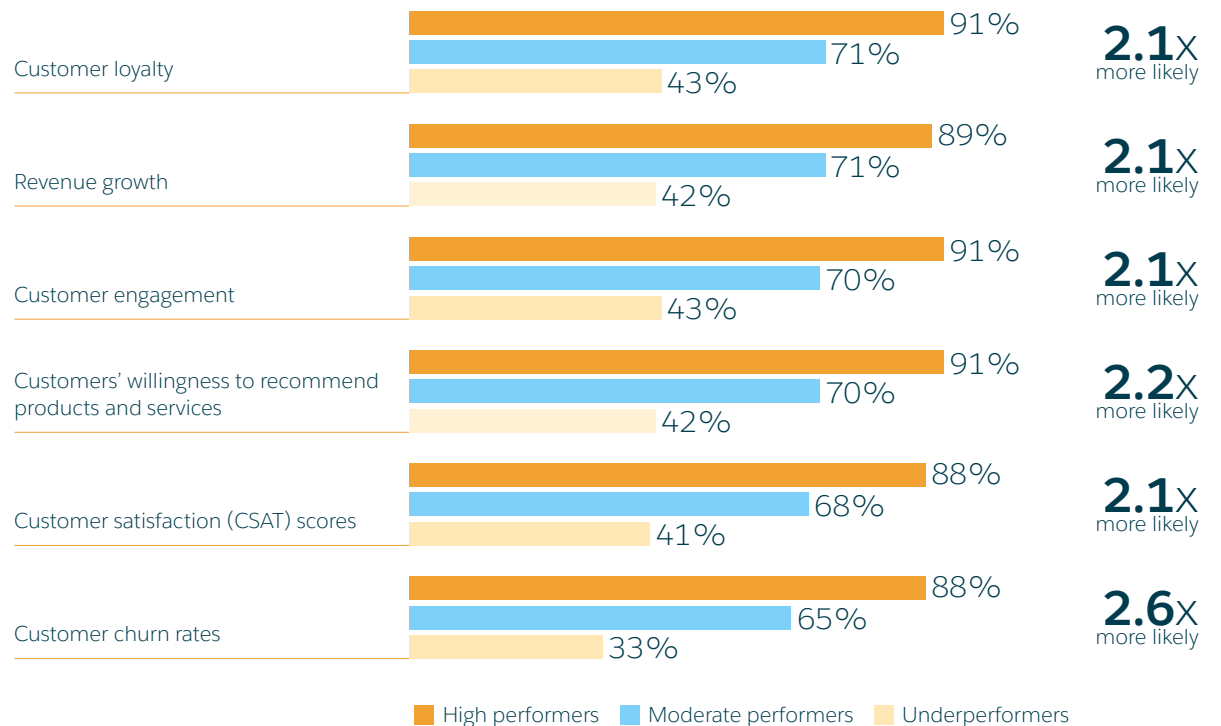
While the term “customer journey” was just hatching a decade ago, it's now top of mind – and with good reason. The positive benefits associated with customer journey efforts speak for themselves. A staggering 91% of high performers agree that a connected customer journey across all touchpoints and channels positively impacts customer loyalty. Another 89% say the same for the impact on revenue growth.

But overall, only 23% of marketers are extremely satisfied with their ability to leverage customer data to create more relevant experiences. To understand how marketers expect personalization capabilities to evolve over the next few years, see section 4.

Continued Attention to Journeys Yields Big Benefits

High-performing marketers overwhelmingly agree that a connected customer journey across all touchpoints and channels is a boon to business, lifting everything from loyalty levels to revenue.

Percentage of Marketing Leaders Who Strongly Agree or Agree That a Connected Customer Journey Positively Impacts the Following



Spotlight

Email's Exponential Impact

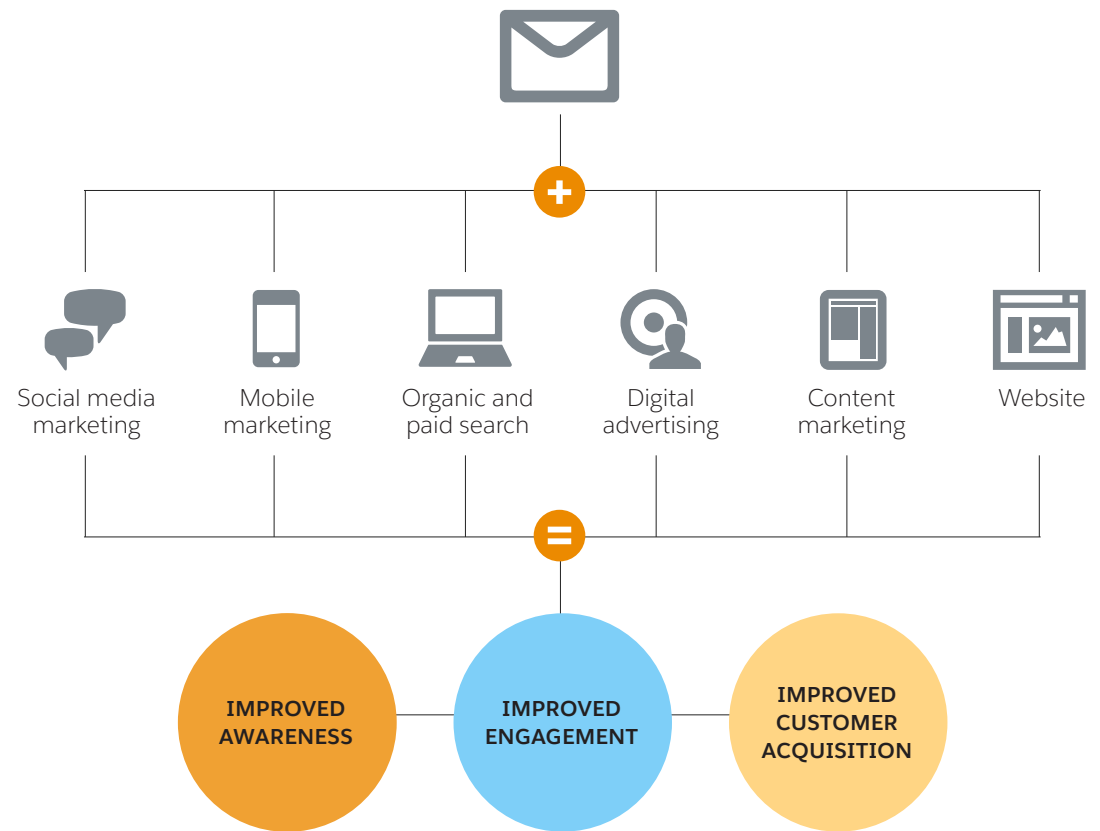
Email lands a top-five place among channels exhibiting the highest growth over the last two years (83% growth). A closer look reveals the impact of combining email with other channels. The three biggest benefits cited are improved awareness, higher rates of customer engagement, and improved customer acquisition.

Email provides a window into customer behavior – such as which emails they open, what device they use, and which offers they redeem – making it a natural candidate to leverage alongside other channels to boost personalization and engagement. While email plus other channels can help reinforce a message and extend reach, using the data available to evolve the message can have a bigger impact. This is a missed opportunity for most marketers who aren't evolving messages between email and other channels based on customer behaviors or actions. **About half (51%) of the emails they send are identical messages to what they've broadcast in other channels.**

“Email Plus” Equals Awareness, Engagement, and Acquisition

Combining email with a myriad of other marketing channels delivers exponential benefits. Marketers report higher levels of awareness, engagement, and acquisition.

Top Three Benefits of Combining Email with Other Marketing Channels



02 Shifting Priorities Spark Organizational Change

Marketers' tectonic shift toward customer experience is having a ripple effect on roles within the marketing department. Over the past 12–18 months, 61% of marketers say they've become more focused on evolving from a traditional marketing structure to roles aligned with a customer journey strategy. Recent years have introduced a slew of new positions, ranging from "customer experience analyst" to "lifecycle marketing manager."

Fifty-nine percent of marketing leaders say that traditional marketing roles limit their ability to engage customers. Top marketing teams are more apt to recognize this need for organizational change, and are 2.2x more likely to feel limited by traditional roles.

89% of top teams are aligning marketing roles to a customer journey strategy.

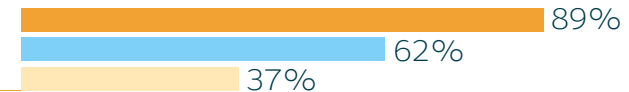
Coincidentally, high performers are also 4.4x more likely than underperformers to be satisfied with their ability to engage customers across channels at scale.

Marketing Roles Are Transforming to Reflect Customer Focus

High performers realize that traditional marketing roles may not meet heightened customer demands, and are more likely to make the necessary changes.

Percentage of Marketing Leaders Who Strongly Agree or Agree with the Following

Our business is aligning marketing roles to a customer journey strategy vs. traditional roles (e.g., by marketing channel/function)



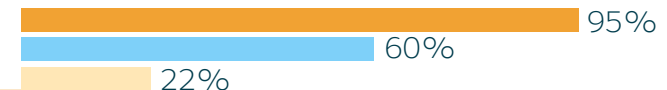
High Performers vs. Underperformers

2.4x
more likely

■ High performers ■ Moderate performers ■ Underperformers

Percentage of Marketing Leaders Who Are Extremely or Very Satisfied with the Following

Ability to engage customers across channels at scale



High Performers vs. Underperformers

4.4x
more likely

■ High performers ■ Moderate performers ■ Underperformers

Beyond influencing changes within marketing, customer journey strategies are upending marketing's role in the broader business.

Sixty-four percent of marketing leaders believe customer journey strategies require organizational shifts – for example, redefining how sales, service, and marketing teams work together.

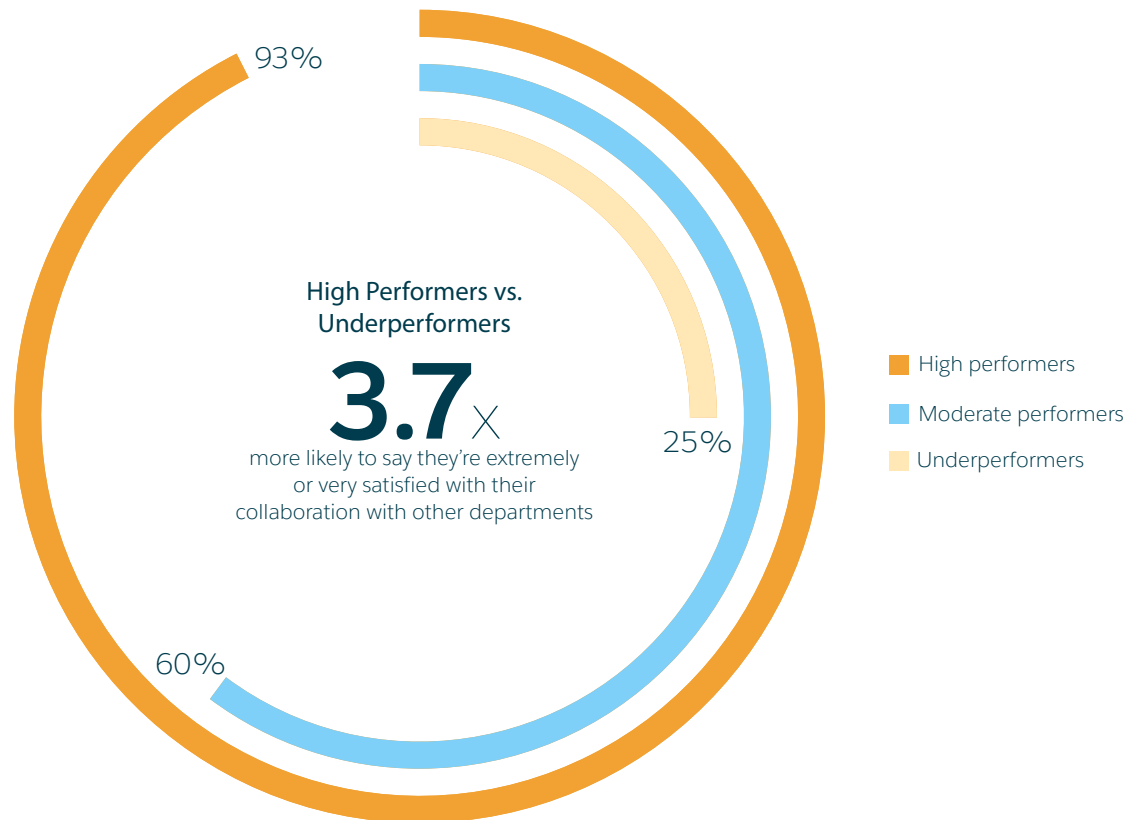
High performers are happier with the level of collaboration between their marketing team and other departments. They're likewise 3x more likely than underperformers to extensively use CRM tools.

While 73% of marketers with a CRM system use it for a shared customer view between their service and sales teams, more than a quarter don't – creating a rift in how those teams view their customer data, and ultimately hindering their ability to drive a cohesive customer journey across departments.



Marketing's Place in the Broader Organization Is Also Shifting

Top teams are happier with the collaboration between marketing and other departments (e.g., sales, service, IT).



02 Shifting Priorities Spark Organizational Change

Digging deeper into the collaboration habits of high performers, they're at least twice as likely as underperformers to align with sales teams in a variety of ways. For top teams, this alignment starts by being empowered to collaborate with sales, sharing common goals and metrics, and understanding how their efforts impact individual accounts and customers.

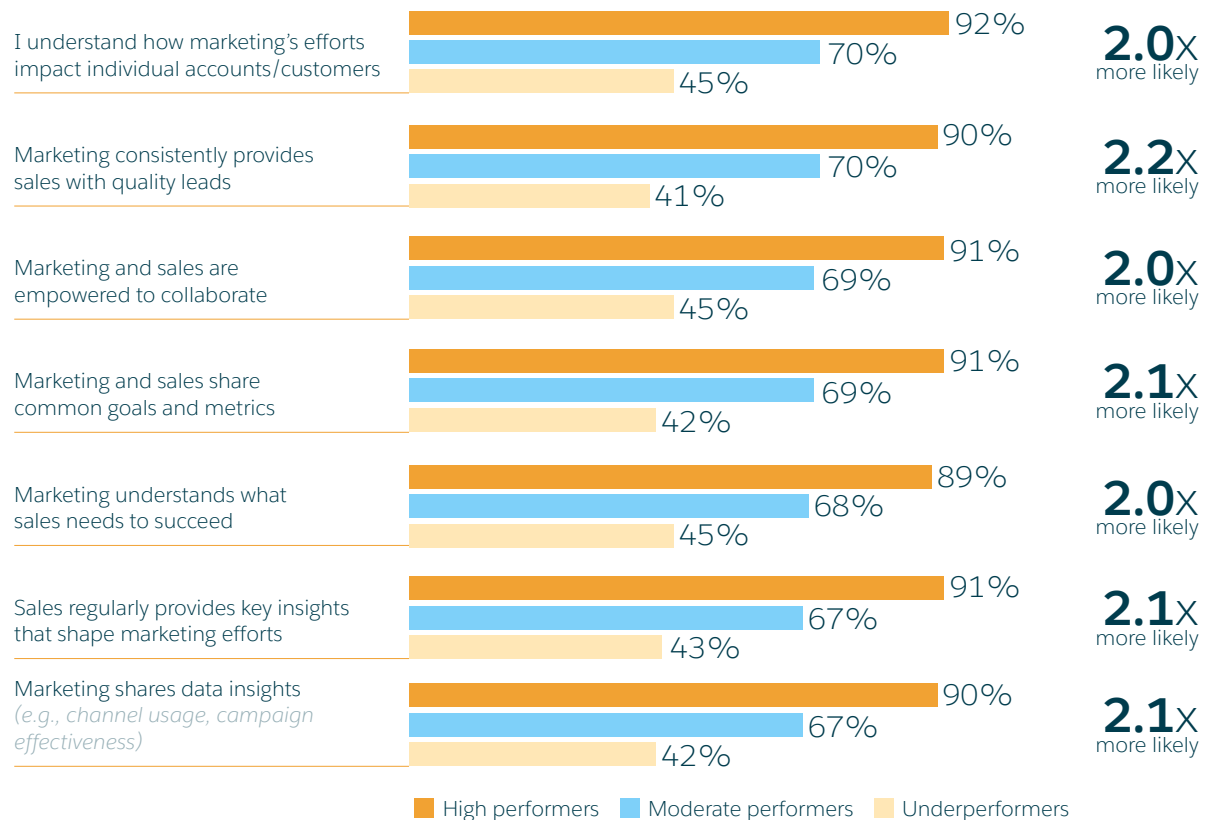
Winning marketing teams keep close tabs on their sales counterparts' needs, and value two-way communication. High performers are 2.2x more likely than underperformers to say marketing consistently provides sales with quality leads – and 2.1x more likely to say sales regularly provides key insights that shape marketing efforts.

Top Marketers Align Closely with Sales Teams

Given that top teams' number one challenge to creating a customer experience is getting a shared, single view of the customer, the need for marketing and sales alignment is at a peak.

Percentage of Marketing Leaders Who Strongly Agree or Agree with the Following Statements about Their Relationships with Sales

High Performers vs. Underperformers



Spotlight

Account-Based Marketing Helps Personalize to B2B Audiences

As previously stated, business buyers show even higher expectations for personalization than consumers. However, in a B2B marketing scenario where your decision-maker is not an individual but a group, how do you achieve that level of personalization? This issue is one that account-based marketing (ABM) aims to solve. ABM is the practice of marketing and directing content to targeted accounts, instead of a traditional top-of-funnel approach.

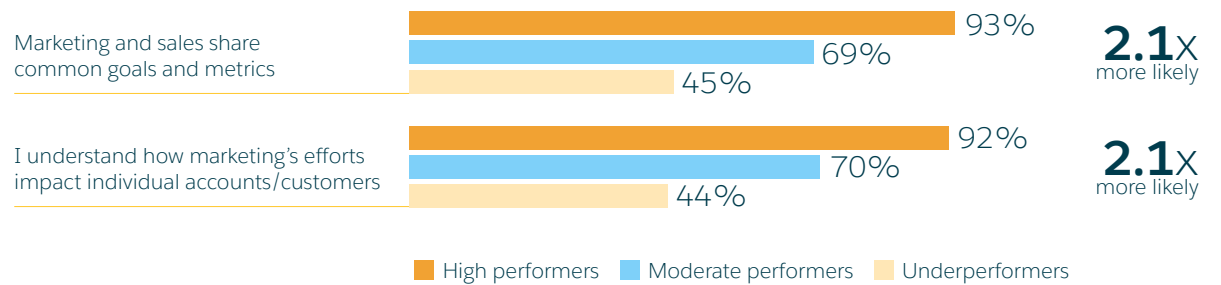
The success of ABM hinges on a healthy relationship between marketing and sales. High-performing B2B* marketing leaders are 2.1x more likely than underperformers to be aligned with sales on goals and metrics. They're also 2.1x more likely to understand how their efforts impact individual accounts.

Top B2B marketers are 2.9x more likely to extensively use data targeting and segmentation. While data targeting is a foundation, it's not as far along the personalization spectrum as it could be. Top teams are looking to emerging technologies to move the needle. High-performing B2B marketers who use or plan to use AI are 1.7x more likely than underperformers to say it will have a transformational impact on customer segmentation/lookalike audience modeling.

B2B Marketers Take a Closer Look at Personas

Over the past 18 months, 60% of B2B marketers have become more focused on improving audience segmentation and personas.

Percentage of B2B Marketing Leaders Who Strongly Agree or Agree with the Following Statements*



* B2B also includes respondents who identified as B2B2C.

As with successful sales partnerships, high-performing marketing and service teams align to ensure a more consistent experience for customers. Top teams are 2.2x more likely than underperformers to alert service to special offers and promotions – and 2.5x more likely to say service alerts them to suppress marketing when there’s a known issue.

Since a company’s brand is often defined as “the sum of all conversations” happening, the role of service in branding cannot be overstated. Most service professionals, in fact, feel that service has the largest impact on how customers perceive their brand.* Regardless of whether marketing agrees with that sentiment, the takeaway is that brand reputation depends on collaboration between these departments.

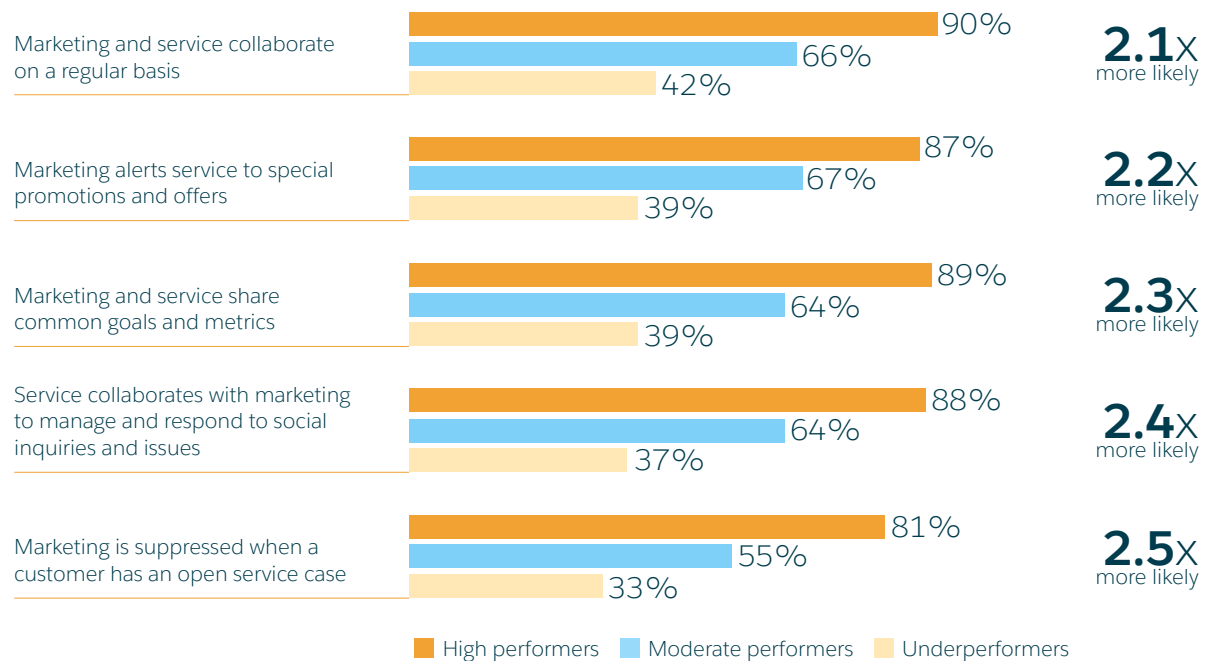
Thanks to the boom in social media, 65% of marketers agree that customers broadcast positive experiences more publicly than they did five years ago (and 61% say the same about negative experiences). To accommodate changing customer behaviors, 64% of marketing teams work in tandem with service to manage social inquiries and issues.

Service and Marketing Unite for Consistent Customer Experiences

Top marketing teams are more than twice as likely as underperformers to collaborate with their service counterpart.

Percentage of Marketing Leaders Who Strongly Agree or Agree with the Following Statements about Their Relationships with Service

High Performers vs. Underperformers



* “State of Service,” Salesforce Research, January 2017.

03 Marketing Tech Makes Waves

While marketing teams navigate organizational change in the pursuit of a connected customer experience, marketing technology plays a prominent role behind the scenes. Marketers' ability to orchestrate touchpoints in a journey is as much a technology challenge as a teamwork challenge.

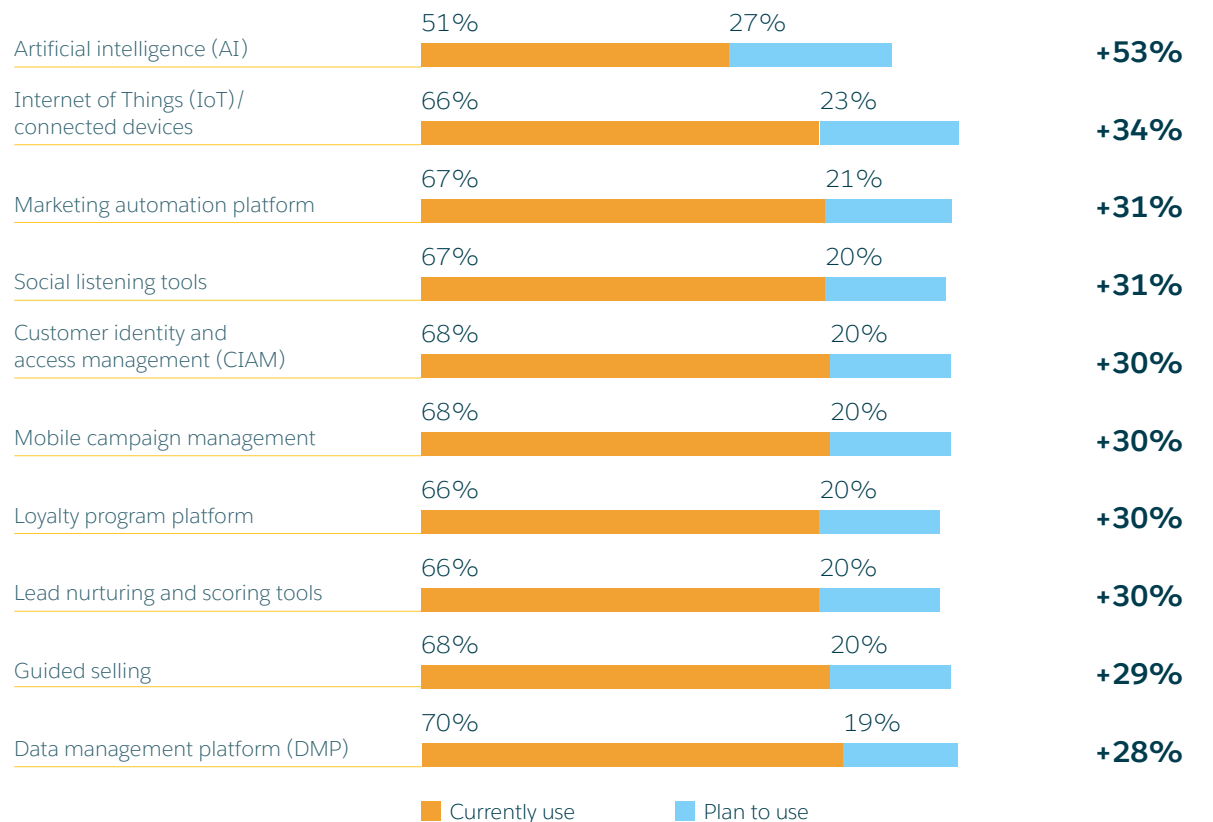
In terms of performance levels, top teams are 4.3x more likely than underperformers to extensively use a data management platform (DMP) and 4x more likely to use a customer identity and access management (CIAM) platform. For more on DMP, see page 21.

Marketers anticipate the biggest growth in technology to be in AI, which you can read more about in section 4. Other foundational technologies not among this top 10 – but ranking high in overall usage – can be found in the Appendix on page 37. For instance, 92% of marketers will use marketing analytics and 91% will use a CRM system by 2019.

Emerging Tech Expected to Gather Speed in the Near Term

Over the next two years, AI and IoT/connected devices are expected to rack up the highest growth in usage among marketers.

Percentage of Marketing Leaders Who Use or Plan to Use the Following Tools or Technology over the Next Two Years*



* This is a partial list. Please refer to the Appendix for complete data.



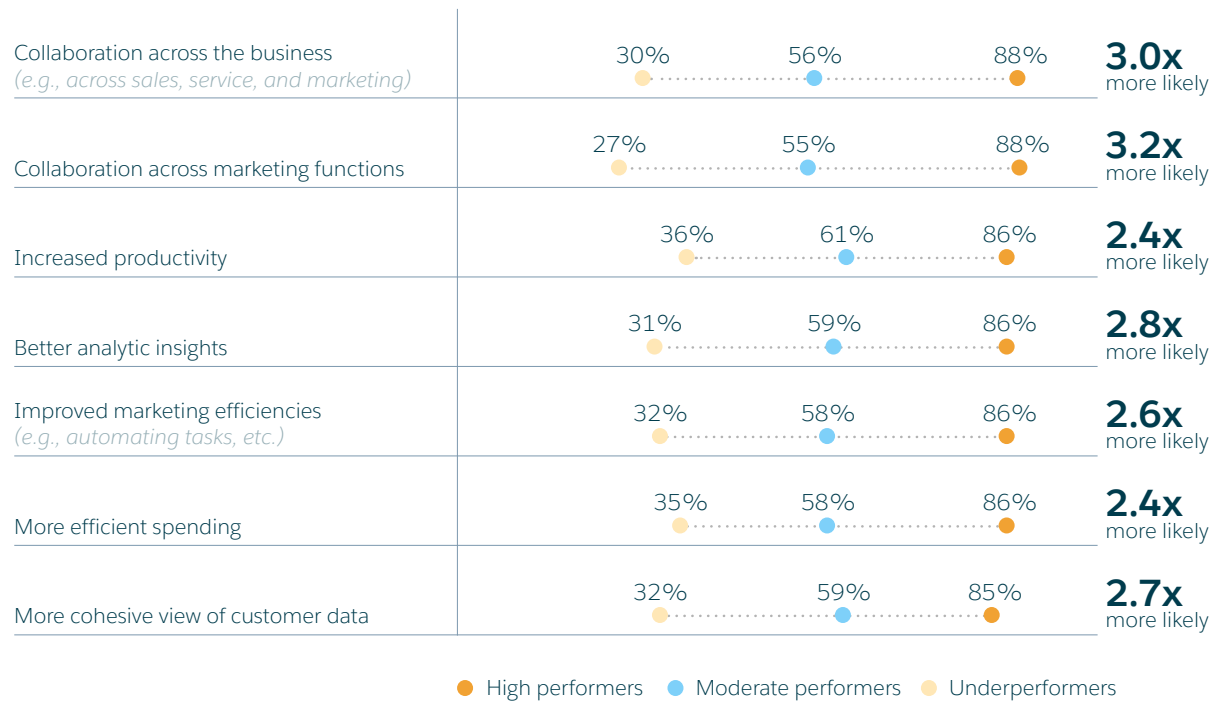
Leading teams also lean more heavily on an array of marketing technology. High performers report using, on average, 15 out of the 17 tools and technologies included in this survey compared to only eight for underperformers. This means top teams are 14x more likely to be heavy tech adopters. Even though top teams are using more technologies, they're making a greater effort to ensure the end messages they're sending customers are more coordinated between channels, as covered in section 1.

Zooming in on the specifics of their technology stack, top teams' current tools are significantly more effective. For instance, high performers are 3x more likely than underperformers to say their current tech stack is very effective at driving collaboration across the business (e.g., sales, service, and marketing). They're also 2.4x more likely to say their current tech stack is very effective at increasing productivity.

High Performers Rely on Tech Stack for Collaboration and Productivity

Top marketers see better results from their current tools and technologies. More than eight out of 10 high performers say their current tech stack is very effective at achieving the following attributes.

Percentage Who Say Their Current Technology Stack Is Extremely or Very Effective at Delivering the Following*



* This is a partial list. Please refer to the Appendix for complete data.

With 1-to-1 marketing as the ultimate goal, which technologies do marketers find essential to achieving it? For survey purposes, 1-to-1 marketing was defined as marketing strategies emphasizing personalized interactions with customers to foster greater loyalty and better return on marketing investment. Assessing overall rankings, the top two that are most essential to delivering this are CRM and marketing analytics/measurement tools.

However, looking at performance level reveals an interesting mix. Top marketers say the most essential technology to achieving 1-to-1 marketing is a DMP, defined as a centralized system for collecting, integrating, and managing data from disparate sources. By comparison, underperformers' focus on data targeting and segmentation implies they're not as mature in their 1-to-1 strategies.

Tools and Technologies Most Essential to 1-to-1 Marketing

High performers report that a DMP is their most essential technology for delivering personalized customer interactions. Marketing analytics/measurement tools maintain a strong presence among all performance groups.

Most Essential Tools and Technologies to Create 1-to-1 Marketing across Every Touchpoint

	High Performers	Moderate Performers	Underperformers
1	Data management platform	Customer relationship management system	Data targeting and segmentation
2	Customer relationship management system	Marketing analytics/measurement tools	Marketing analytics/measurement tools
3	Marketing analytics/measurement tools	Social publishing tools	Guided selling (e.g., opportunity ranking by potential value, sales activity effectiveness)



Spotlight

While Tech Makes Waves, a Major Messaging Trend Surfaces

The right technology can empower marketers to drive 1-to-1 connections – but the tech itself is still just a vehicle. The message that’s being delivered matters more than ever.

Customers increasingly have opinions about what a company stands for and how it behaves as a corporate citizen. Recent research has shown that 60% of consumers are likely to switch brands if a company isn’t socially responsible* and 80% of business professionals believe companies have a responsibility to go beyond profit to make an impact on society.**

This shift is why more marketers are talking about purpose-driven marketing – defined in the survey as any positioning that represents an organization’s greater purpose and beliefs. For examples, look no further than recent Super Bowl ads from international brand giants.

Marketing, often the broadcasting voice of a company, holds a unique position to navigate this values-based positioning. In the last 18 months, 60% of marketing leaders say they’ve become more focused on purpose-driven marketing. Top marketers are 2.2x more likely than underperformers to leverage purpose-driven marketing to reflect the values of their company, brands, and customers.

Barriers to Delivering Purpose-Driven Marketing

Purpose-driven marketing is on the minds of more marketers, but it brings its own challenges. The main hang-up is that marketing leaders don’t want to risk sending a message that could polarize their audiences.

Top Issues Hindering Marketing Teams from Delivering Purpose-Driven Marketing

- 1 We don’t want to risk putting out a message that polarizes our audiences
- 2 Unsure how to connect our values to our marketing strategy
- 3 Insufficient executive buy-in

* State of the Connected Customer survey, Salesforce Research, June 2016. Data may or may not be represented in the “State of the Connected Customer” report.

** Workforce Values and Equality survey, Salesforce Research, February 2017. Data may or may not be represented in the forthcoming related report.

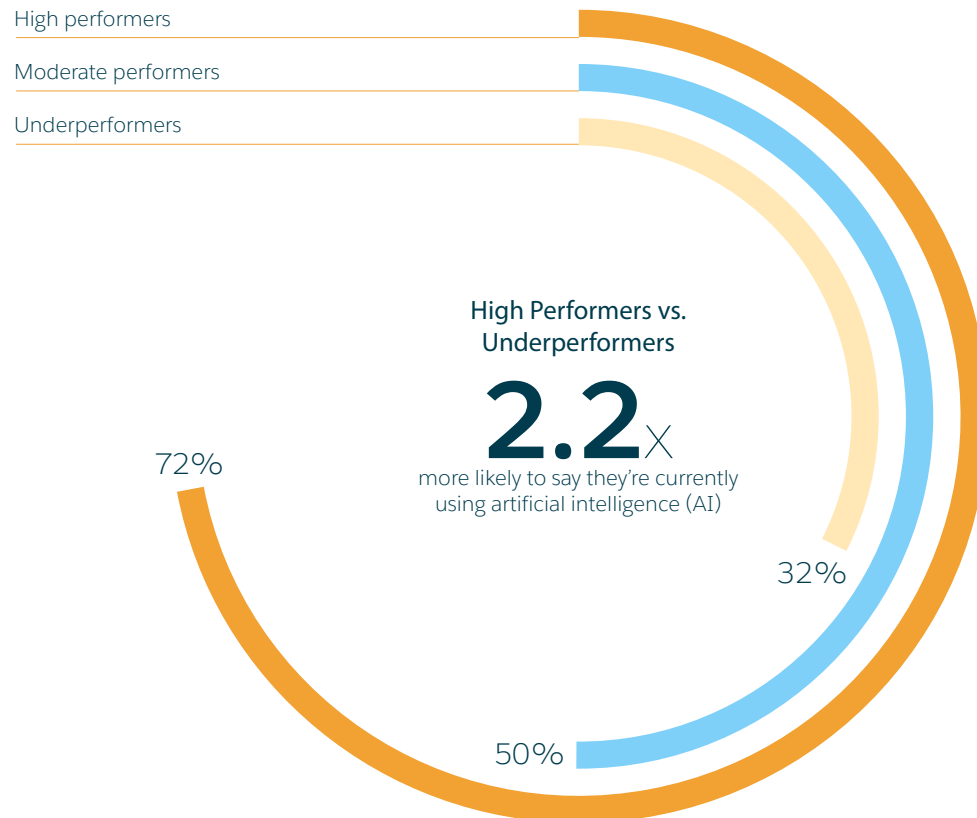
04 Marketing Embraces the AI Revolution

It seems AI is making headlines across every industry these days, and marketing is no exception. In fact, AI is the leading technology where marketers expect the most growth over the next two years. Marketers anticipate AI use will grow by 53% – a much higher rate than any other tech types. As the new kid on the block, AI is attracting attention for its emerging and future marketing use cases.

About half (51%) of marketing leaders are already using AI, with more than a quarter planning to pilot it in the next two years. Unsurprisingly, high performers lead the way with 72% reporting current use. While usage seems high for a tech type that's still in its infancy, AI has its roots in tactics like product recommendations and predictive lead scoring, which successful marketers have been using for years.

Significant AI Growth Starts Now

High performers are ahead of the curve in their AI usage, but more than a quarter of overall marketers (regardless of performance level) plan to begin using AI within a two-year timeframe.



Growth in AI has been established – but what are the particular uses where marketers think AI will pack a punch? Over the next five years, most marketers think AI will substantially impact their capacity for improving efficiency and advancing personalization (see chart).

Among marketers who already use AI, 64% say it has greatly or substantially increased their overall marketing efficiency.

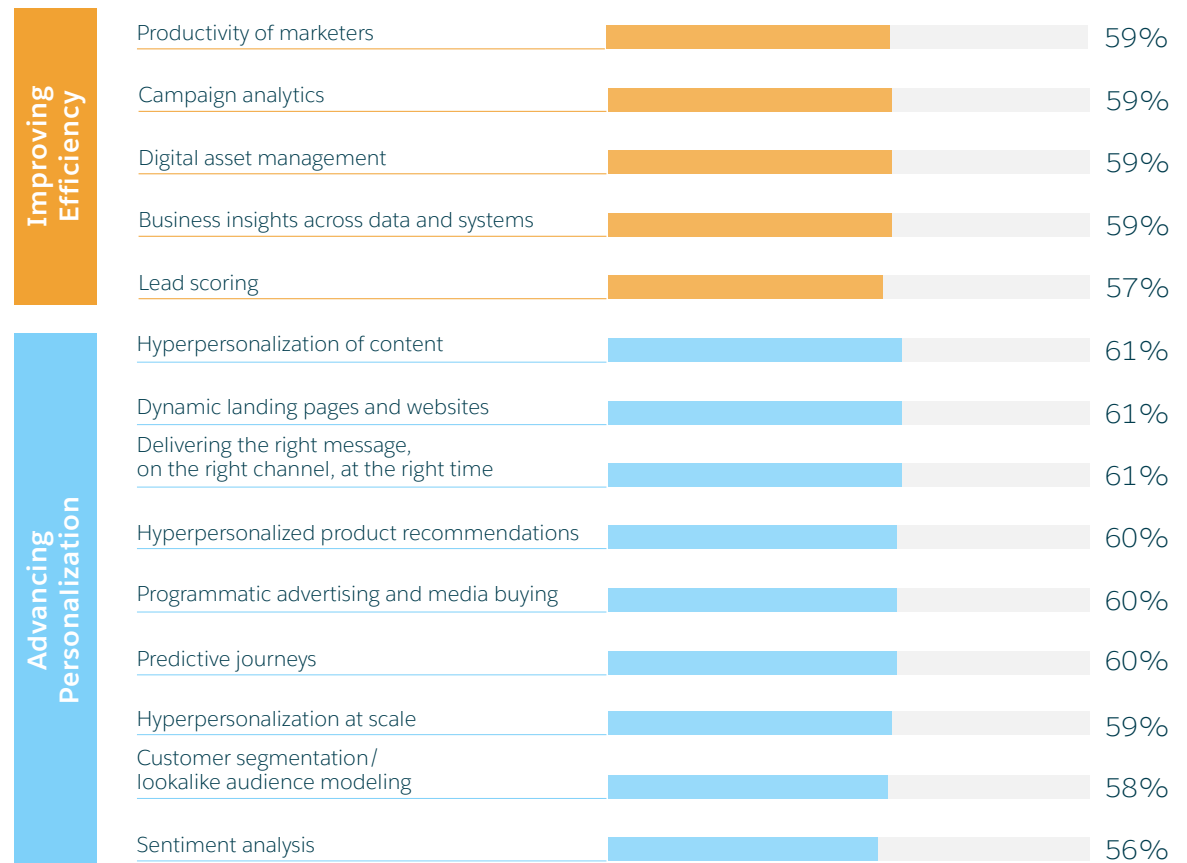
57% of marketers using AI say it's absolutely or very essential in helping their company create 1-to-1 marketing across every touchpoint.

A third area where marketers anticipate an AI impact is surrounding customer experience innovations. Fifty-seven percent of marketers expect AI will substantially impact automated social interactions using chatbots and interfaces. Another 58% expect the same impact on marketing via IoT-enabled products.

AI Expected to Transform Marketing Efficiencies and Personalization

Internally, marketers see AI as a means of creating more efficiency in their operations. In terms of customer-facing benefits, most view AI as a way to get more from their data and personalize their marketing without burdening their teams.

Areas Where Marketing Leaders Expect AI Will Have a Substantial or Transformational Impact on Their Business over the Next Five Years



A separate survey found that only 26% of business leaders (including marketing, sales, and service) have complete confidence in their organization's ability to define an AI business strategy.* AI interest persists, but many are grappling with what it means for their business. And while AI is on the tip of marketers' tongues, roadblocks still exist.

The obstacles to executing an AI strategy vary by performance level. Top marketers are more likely to say their AI challenges include customer privacy concerns or wrangling data stored in separate systems. Meanwhile, moderate and underperforming teams say that their AI strategies are thwarted by budget constraints and lack of internal skill sets.

Roadblocks on the Path to More Intelligent Marketing

While top marketing teams have privacy and data concerns around initiating AI, underperformers lack a defined AI strategy and the skill sets to back it up.

Primary Roadblocks Marketing Leaders Face in Executing an AI Strategy

	High Performers	Moderate Performers	Underperformers
1	Customer privacy concerns	Budgetary constraints	Budgetary constraints
2	Budgetary constraints	Customer privacy concerns	No defined AI business strategy
3	Data is stored in disparate systems	Lacking the right internal skill set <i>(e.g., too few data scientists)</i>	Lacking the right internal skill set <i>(e.g., too few data scientists)</i>

* AI Snapshot survey, Salesforce Research, February 2017.

Last Look

What Makes Top Marketers Tick

From connecting customer experiences and embracing organizational change to pushing the boundaries of personalization with AI, high-performing marketers stand out from the pack.

Customer Journey Alignment

High Performers vs.
Underperformers

2.4×

more likely to **align marketing roles to a customer journey strategy**

Data Integration

High Performers vs.
Underperformers

4.2×

more likely to be satisfied with their ability to **leverage customer data to create more relevant experiences**

Artificial Intelligence

High Performers vs.
Underperformers

3.1×

more likely to extensively use **artificial intelligence (AI)**

Channel Coordination

High Performers vs.
Underperformers

12.8×

more likely to **heavily coordinate marketing efforts across channels**

Country Profiles*

* Please keep in mind that cultural bias impacts survey results across regions.

Country Profile

United States (600 Marketing Professionals)

Marketers Move to Evolve Journeys, but Data Woes Linger

78% say a connected customer journey across all touchpoints and channels **positively impacts revenue growth**

78% say a connected customer journey across all touchpoints and channels **positively impacts customer loyalty**

Top Challenges in Creating a Connected Customer Experience

- 1** Budgetary constraints
- 2** Insufficient internal resources
- 3** Outdated tools/tech and creating a shared, single view of the customer

Shifting Priorities Spark Organizational Change

71% of marketers say they're **aligning marketing roles to a customer journey strategy** vs. traditional roles (e.g., by marketing channel/function)

70% of marketers are extremely or very satisfied with their **collaboration with other departments** (e.g., sales, service, IT)

69% of marketers are extremely or very satisfied with their ability to **engage customers across channels at scale**

Marketing Tech Makes Waves

Tools and Tech Most Essential to 1-to-1 Marketing

- 1** Customer relationship management (CRM) system
- 2** Marketing analytics/measurement tools
- 3** Data management platform (DMP)

70% of marketers say their current tech stack is extremely or very effective at **increasing productivity** and **delivering better analytic insights**

68% of marketers say their current tech stack is extremely or very effective at **providing a more cohesive view of customer data** and **delivering more efficient spending**

Marketing Embraces the AI Revolution

48% of marketers say they **use AI extensively or on a limited basis** with another 25% piloting or planning to use within two years

61% of marketers who use AI say it's absolutely or very essential in helping their company **create 1-to-1 marketing across every touchpoint**

Primary Roadblocks in Executing an AI Strategy

- 1** Budgetary constraints
- 2** Customer privacy concerns
- 3** Lacking the right internal skill set (e.g., too few data scientists)

Country Profile

Canada (400 Marketing Professionals)

Marketers Move to Evolve Journeys, but Data Woes Linger

69% say a connected customer journey across all touchpoints and channels **positively impacts revenue growth**

69% say a connected customer journey across all touchpoints and channels **positively impacts overall customer engagement**

Top Challenges in Creating a Connected Customer Experience

- 1** Budgetary constraints
- 2** Too many channels
- 3** Difficulty leveraging data from different sources

Shifting Priorities Spark Organizational Change

60% of marketers say they're **aligning marketing roles to a customer journey strategy** vs. traditional roles (e.g., by marketing channel/function)

55% of marketers are extremely or very satisfied with their **collaboration with other departments** (e.g., sales, service, IT)

57% of marketers are extremely or very satisfied with their ability to **engage customers across channels at scale**

Marketing Tech Makes Waves

Tools and Tech Most Essential to 1-to-1 Marketing

- 1** Data management platform (DMP)
- 2** Social publishing tools
- 3** Marketing analytics/measurement tools

58% of marketers say their current tech stack is extremely or very effective at **increasing productivity**

56% of marketers say their current tech stack is extremely or very effective at **improving marketing efficiencies** (e.g., automating tasks, etc.)

Marketing Embraces the AI Revolution

49% of marketers say they **use AI extensively or on a limited basis** with another 27% piloting or planning to use within two years

52% of marketers who use AI say it's absolutely or very essential in helping their company **create 1-to-1 marketing across every touchpoint**

Primary Roadblocks in Executing an AI Strategy

- 1** Budgetary constraints
- 2** No defined business strategy for AI
- 3** Customer privacy concerns

Country Profile

Brazil (350 Marketing Professionals)

Marketers Move to Evolve Journeys, but Data Woes Linger

84% say a connected customer journey across all touchpoints and channels **positively impacts customer loyalty**

81% say a connected customer journey across all touchpoints and channels **positively impacts overall customer engagement**

Top Challenges in Creating a Connected Customer Experience

- 1** Budgetary constraints
- 2** Difficulty leveraging data from different sources
- 3** Creating a shared, single view of the customer

Shifting Priorities Spark Organizational Change

81% of marketers say they're **aligning marketing roles to a customer journey strategy** vs. traditional roles (e.g., by marketing channel/function)

73% of marketers are extremely or very satisfied with their **collaboration with other departments** (e.g., sales, service, IT)

75% of marketers are extremely or very satisfied with their ability to **engage customers across channels at scale**

Marketing Tech Makes Waves

Tools and Tech Most Essential to 1-to-1 Marketing

- 1** Marketing analytics/measurement tools
- 2** Social publishing tools
- 3** Data targeting and segmentation

77% of marketers say their current tech stack is extremely or very effective at **providing a more cohesive view of customer data**

75% of marketers say their current tech stack is extremely or very effective at **increasing productivity** and **improving collaboration across the business**

Marketing Embraces the AI Revolution

49% of marketers say they **use AI extensively or on a limited basis** with another 35% piloting or planning to use within two years

67% of marketers who use AI say it's absolutely or very essential in helping their company **create 1-to-1 marketing across every touchpoint**

Primary Roadblocks in Executing an AI Strategy

- 1** Budgetary constraints
- 2** Customer privacy concerns
- 3** No defined business strategy for AI

Country Profile

United Kingdom/Ireland (400 Marketing Professionals)

Marketers Move to Evolve Journeys, but Data Woes Linger

73% say a connected customer journey across all touchpoints and channels **positively impacts revenue growth**

73% say a connected customer journey across all touchpoints and channels **positively impacts customer satisfaction (CSAT) scores**

Top Challenges in Creating a Connected Customer Experience

- 1** Budgetary constraints
- 2** Difficulty leveraging data from different sources
- 3** Creating a shared, single view of the customer

Shifting Priorities Spark Organizational Change

60% of marketers say they're **aligning marketing roles to a customer journey strategy** vs. traditional roles (e.g., by marketing channel/function)

61% of marketers are extremely or very satisfied with their **collaboration with other departments** (e.g., sales, service, IT)

61% of marketers are extremely or very satisfied with their ability to **engage customers across channels at scale**

Marketing Tech Makes Waves

Tools and Tech Most Essential to 1-to-1 Marketing

- 1** Customer relationship management (CRM) system
- 2** Marketing analytics/measurement tools
- 3** Social listening tools

63% of marketers say their current tech stack is extremely or very effective at **increasing productivity**

58% of marketers say their current tech stack is extremely or very effective at **delivering more efficient spending**

Marketing Embraces the AI Revolution

48% of marketers say they **use AI extensively or on a limited basis** with another 28% piloting or planning to use within two years

53% of marketers who use AI say it's absolutely or very essential in helping their company **create 1-to-1 marketing across every touchpoint**

Primary Roadblocks in Executing an AI Strategy

- 1** Budgetary constraints
- 2** Customer privacy concerns
- 3** Lacking the right internal skill set (e.g., too few data scientists)

Country Profile

France (350 Marketing Professionals)

Marketers Move to Evolve Journeys, but Data Woes Linger

78% say a connected customer journey across all touchpoints and channels **positively impacts customer loyalty**

74% say a connected customer journey across all touchpoints and channels **positively impacts customers' willingness to recommend their products and services**

Top Challenges in Creating a Connected Customer Experience

- 1** Budgetary constraints
- 2** Insufficient internal resources
- 3** Difficulty leveraging data from different sources

Shifting Priorities Spark Organizational Change

66% of marketers say they're **aligning marketing roles to a customer journey strategy** vs. traditional roles (e.g., by marketing channel/function)

66% of marketers are extremely or very satisfied with their **collaboration with other departments** (e.g., sales, service, IT)

67% of marketers are extremely or very satisfied with their ability to **engage customers across channels at scale**

Marketing Tech Makes Waves

Tools and Tech Most Essential to 1-to-1 Marketing

- 1** Marketing analytics/ measurement tools
- 2** Guided selling (e.g., opportunity ranking by potential value)
- 3** Social listening tools

63% of marketers say their current tech stack is extremely or very effective at **delivering better analytic insights**

62% of marketers say their current tech stack is extremely or very effective at **improving collaboration across marketing functions**

Marketing Embraces the AI Revolution

60% of marketers say they **use AI extensively or on a limited basis** with another 26% piloting or planning to use within two years

61% of marketers who use AI say it's absolutely or very essential in helping their company **create 1-to-1 marketing across every touchpoint**

Primary Roadblocks in Executing an AI Strategy

- 1** Budgetary constraints
- 2** Customer privacy concerns
- 3** It's not a marketing priority

Country Profile

Germany (350 Marketing Professionals)

Marketers Move to Evolve Journeys, but Data Woes Linger

68% say a connected customer journey across all touchpoints and channels **positively impacts customer satisfaction (CSAT) scores**

67% say a connected customer journey across all touchpoints and channels **positively impacts customer loyalty**

Top Challenges in Creating a Connected Customer Experience

- 1** Outdated tools/tech
- 2** Disconnected tools/tech across the business (e.g., disparate systems)
- 3** Too many channels

Shifting Priorities Spark Organizational Change

57% of marketers say they're **aligning marketing roles to a customer journey strategy** vs. traditional roles (e.g., by marketing channel/function)

61% of marketers are extremely or very satisfied with their **collaboration with other departments** (e.g., sales, service, IT)

57% of marketers are extremely or very satisfied with their ability to **engage customers across channels at scale**

Marketing Tech Makes Waves

Tools and Tech Most Essential to 1-to-1 Marketing

- 1** Guided selling (e.g., opportunity ranking by potential value)
- 2** Marketing analytics/measurement tools
- 3** Customer relationship management (CRM) system

65% of marketers say their current tech stack is extremely or very effective at **providing a more cohesive view of customer data**

61% of marketers say their current tech stack is extremely or very effective at **delivering more efficient spending**

Marketing Embraces the AI Revolution

48% of marketers say they **use AI extensively or on a limited basis** with another 29% piloting or planning to use within two years

57% of marketers who use AI say it's absolutely or very essential in helping their company **create 1-to-1 marketing across every touchpoint**

Primary Roadblocks in Executing an AI Strategy

- 1** Budgetary constraints
- 2** Customer privacy concerns
- 3** Lacking the right internal skill set (e.g., too few data scientists)

Country Profile

Netherlands (350 Marketing Professionals)

Marketers Move to Evolve Journeys, but Data Woes Linger

62% say a connected customer journey across all touchpoints and channels **positively impacts customers' willingness to recommend products and services**

62% say a connected customer journey across all touchpoints and channels **positively impacts overall customer engagement**

Top Challenges in Creating a Connected Customer Experience

- 1** Budgetary constraints
- 2** Difficulty leveraging data from different sources
- 3** Outdated organizational structure

Shifting Priorities Spark Organizational Change

58% of marketers say they're **aligning marketing roles to a customer journey strategy** vs. traditional roles (e.g., by marketing channel/function)

52% of marketers are extremely or very satisfied with their **collaboration with other departments** (e.g., sales, service, IT)

47% of marketers are extremely or very satisfied with their ability to **engage customers across channels at scale**

Marketing Tech Makes Waves

Tools and Tech Most Essential to 1-to-1 Marketing

- 1** Social publishing tools
- 2** Customer relationship management (CRM) system
- 3** Mobile campaign management

55% of marketers say their current tech stack is extremely or very effective at **delivering better analytic insights**

54% of marketers say their current tech stack is extremely or very effective at **improving marketing efficiencies** (e.g., automating tasks, etc.)

Marketing Embraces the AI Revolution

54% of marketers say they **use AI extensively or on a limited basis** with another 31% piloting or planning to use within two years

49% of marketers who use AI say it's absolutely or very essential in helping their company **create 1-to-1 marketing across every touchpoint**

Primary Roadblocks in Executing an AI Strategy

- 1** Budgetary constraints
- 2** Lacking the right internal skill set (e.g., too few data scientists)
- 3** Data is stored in disparate systems

Country Profile

Australia/New Zealand (350 Marketing Professionals)

Marketers Move to Evolve Journeys, but Data Woes Linger

68% of marketers strongly agree or agree that a connected customer journey across all touchpoints and channels **positively impacts overall customer engagement**

67% of marketers strongly agree or agree that a connected customer journey across all touchpoints and channels **positively impacts revenue growth**

Top Challenges in Creating a Connected Customer Experience

- 1** Budgetary constraints
- 2** Difficulty leveraging data from different sources
- 3** Creating a shared, single view of the customer

Shifting Priorities Spark Organizational Change

61% of marketers say they're **aligning marketing roles to a customer journey strategy** vs. traditional roles (e.g., by marketing channel/function)

58% of marketers are extremely or very satisfied with their **collaboration with other departments** (e.g., sales, service, IT)

60% of marketers are extremely or very satisfied with their ability to **engage customers across channels at scale**

Marketing Tech Makes Waves

Tools and Tech Most Essential to 1-to-1 Marketing

- 1** Customer relationship management (CRM) system
- 2** Marketing analytics/measurement tools
- 3** Mobile campaign management

62% of marketers say their current tech stack is extremely or very effective at **increasing productivity**

57% of marketers say their current tech stack is extremely or very effective at **improving collaboration across marketing functions**

Marketing Embraces the AI Revolution

59% of marketers say they **use AI extensively or on a limited basis** with another 23% piloting or planning to use within two years

58% of marketers who use AI say it's absolutely or very essential in helping their company **create 1-to-1 marketing across every touchpoint**

Primary Roadblocks in Executing an AI Strategy

- 1** Customer privacy concerns
- 2** Budgetary constraints
- 3** Lacking the right internal skill set (e.g., too few data scientists)

Country Profile

Japan (350 Marketing Professionals)

Marketers Move to Evolve Journeys, but Data Woes Linger

52% of marketers strongly agree or agree that a connected customer journey across all touchpoints and channels **positively impacts revenue growth**

52% of marketers strongly agree or agree that a connected customer journey across all touchpoints and channels **positively impacts customer loyalty**

Top Challenges in Creating a Connected Customer Experience

- 1** Budgetary constraints
- 2** Insufficient internal resources
- 3** Disconnected tools/tech across the business (e.g., disparate systems)

Shifting Priorities Spark Organizational Change

43% of marketers say they're **aligning marketing roles to a customer journey strategy** vs. traditional roles (e.g., by marketing channel/function)

38% of marketers are extremely or very satisfied with their **collaboration with other departments** (e.g., sales, service, IT)

36% of marketers are extremely or very satisfied with their ability to **engage customers across channels at scale**

Marketing Tech Makes Waves

Tools and Tech Most Essential to 1-to-1 Marketing

- 1** Content management platform
- 2** Marketing analytics/measurement tools
- 3** Data management platform (DMP)

45% of marketers say their current tech stack is extremely or very effective at **improving marketing efficiencies** (e.g., automating tasks, etc.)

43% of marketers say their current tech stack is extremely or very effective at **increasing productivity**

Marketing Embraces the AI Revolution

44% of marketers say they **use AI extensively or on a limited basis** with another 20% piloting or planning to use within two years

55% of marketers who use AI say it's absolutely or very essential in helping their company **create 1-to-1 marketing across every touchpoint**

Primary Roadblocks in Executing an AI Strategy

- 1** Budgetary constraints
- 2** Customer privacy concerns
- 3** No defined business strategy for AI

Appendices



Appendix A

Customer Experience Is the Brand Battlefield

Marketers plan to increase spend for social more than any other channel. Although social media marketing tops the list of spend for all marketers, other top areas of spend vary by performance level.

Percentage of Marketing Leaders Who Are Increasing Spend in Each Area over the Next 12 Months



	Top Channel Spend for High Performers	Top Channel Spend for Moderate Performers	Top Channel Spend for Underperformers
1	Social media marketing	Social media marketing	Social media marketing
2	Advertising on social platforms	Advertising on social platforms	Website
3	Video advertising	Mobile apps	Advertising on social platforms

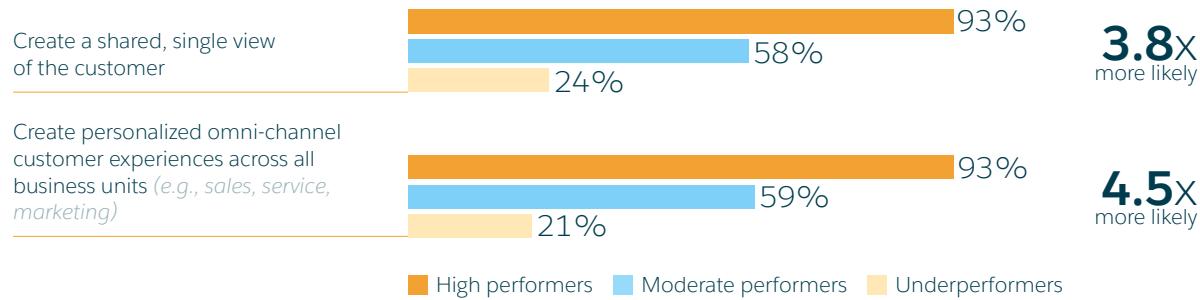
Appendix A

Customer Experience Is the Brand Battlefield

Top teams are happier with their journey capabilities. *High-performing marketers are better able to create a shared, single view of the customer and personalize experiences across business units.*

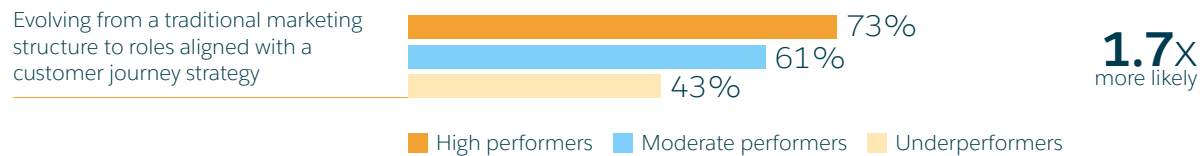
Percentage of Marketing Leaders Who Say They're Extremely Satisfied or Very Satisfied with Their Ability to Do the Following

High Performers vs. Underperformers



Percentage of Marketing Leaders Who Say They're Much More or More Focused on the Following

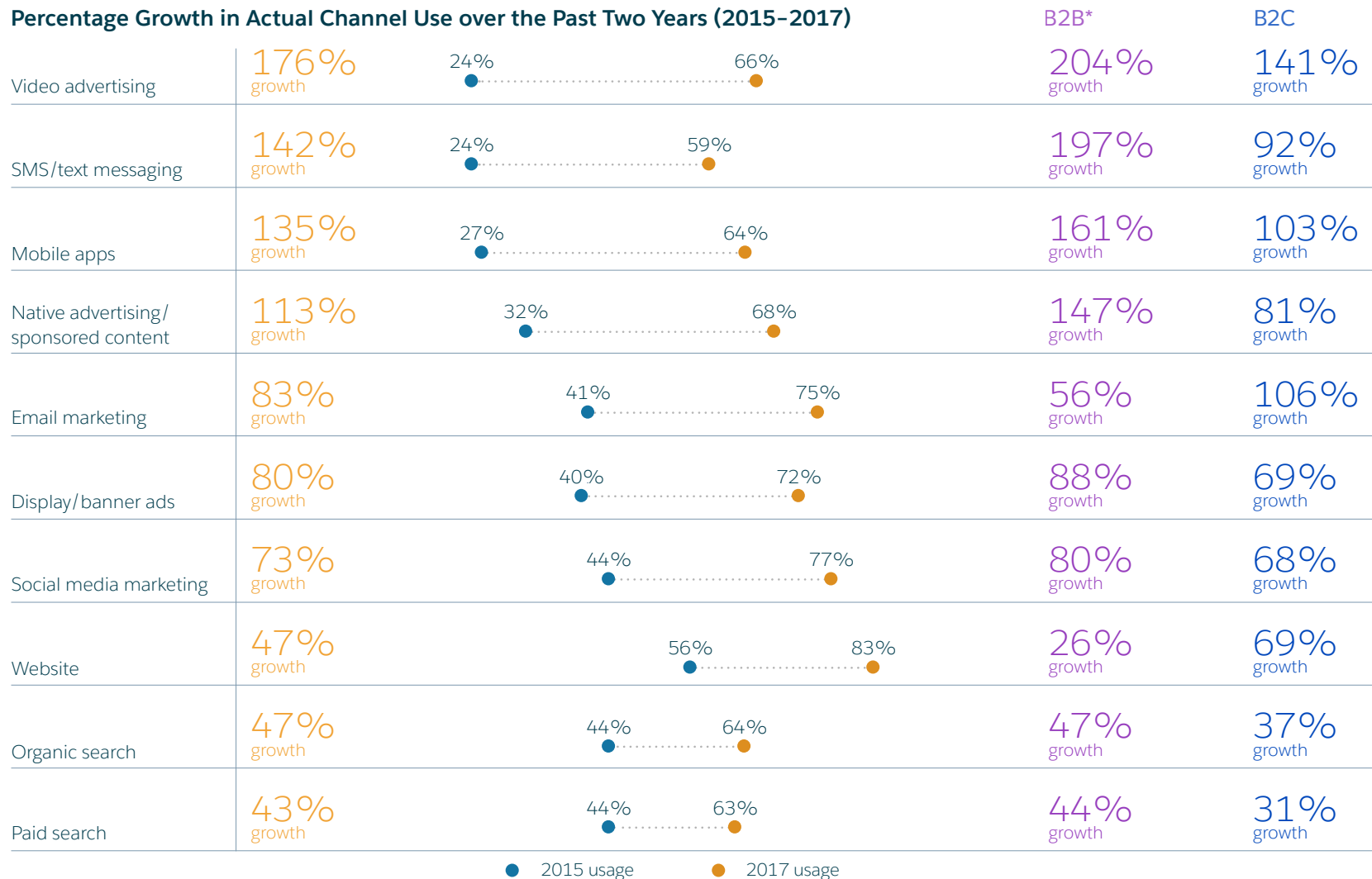
High Performers vs. Underperformers



Appendix B

Marketers Move to Evolve Journeys, but Data Woes Linger

Several channels experienced triple-digit growth over the past two years. B2B marketers are playing catch-up on their use of channels considered the domain of B2C companies, for example, video advertising and SMS/text messaging.

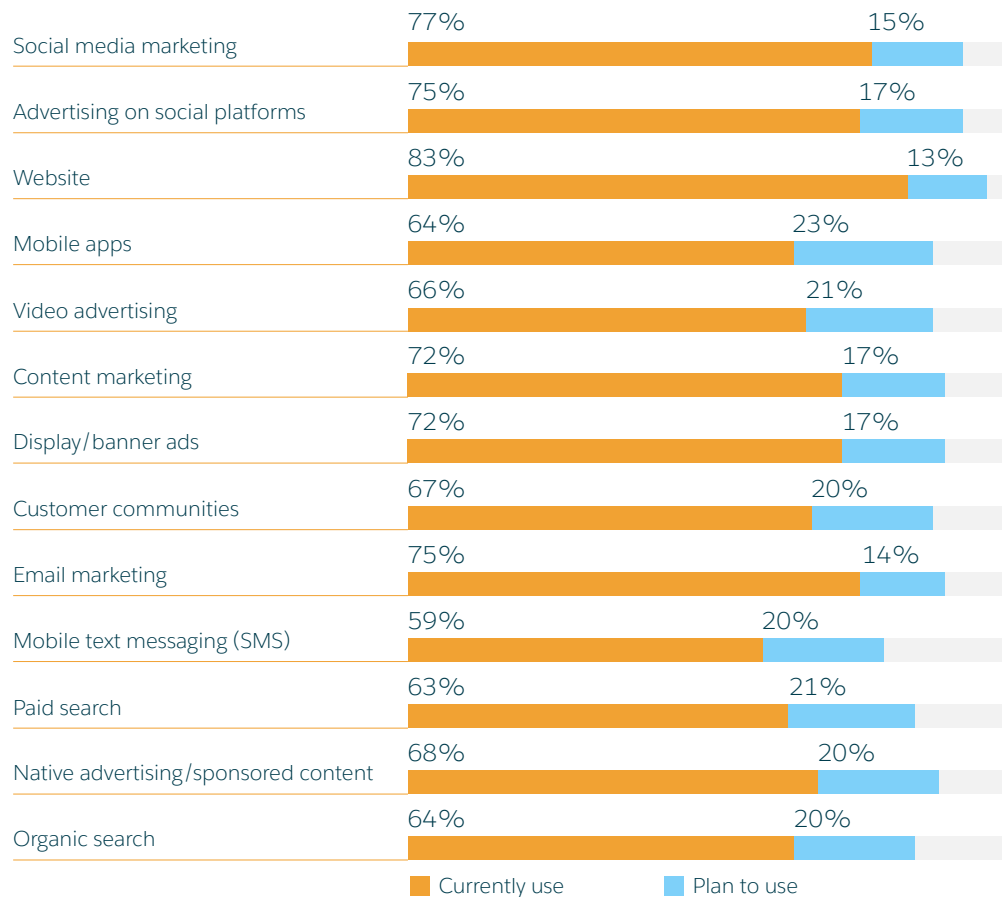


* B2B also includes respondents who identified as B2B2C.

Marketers Move to Evolve Journeys, but Data Woes Linger

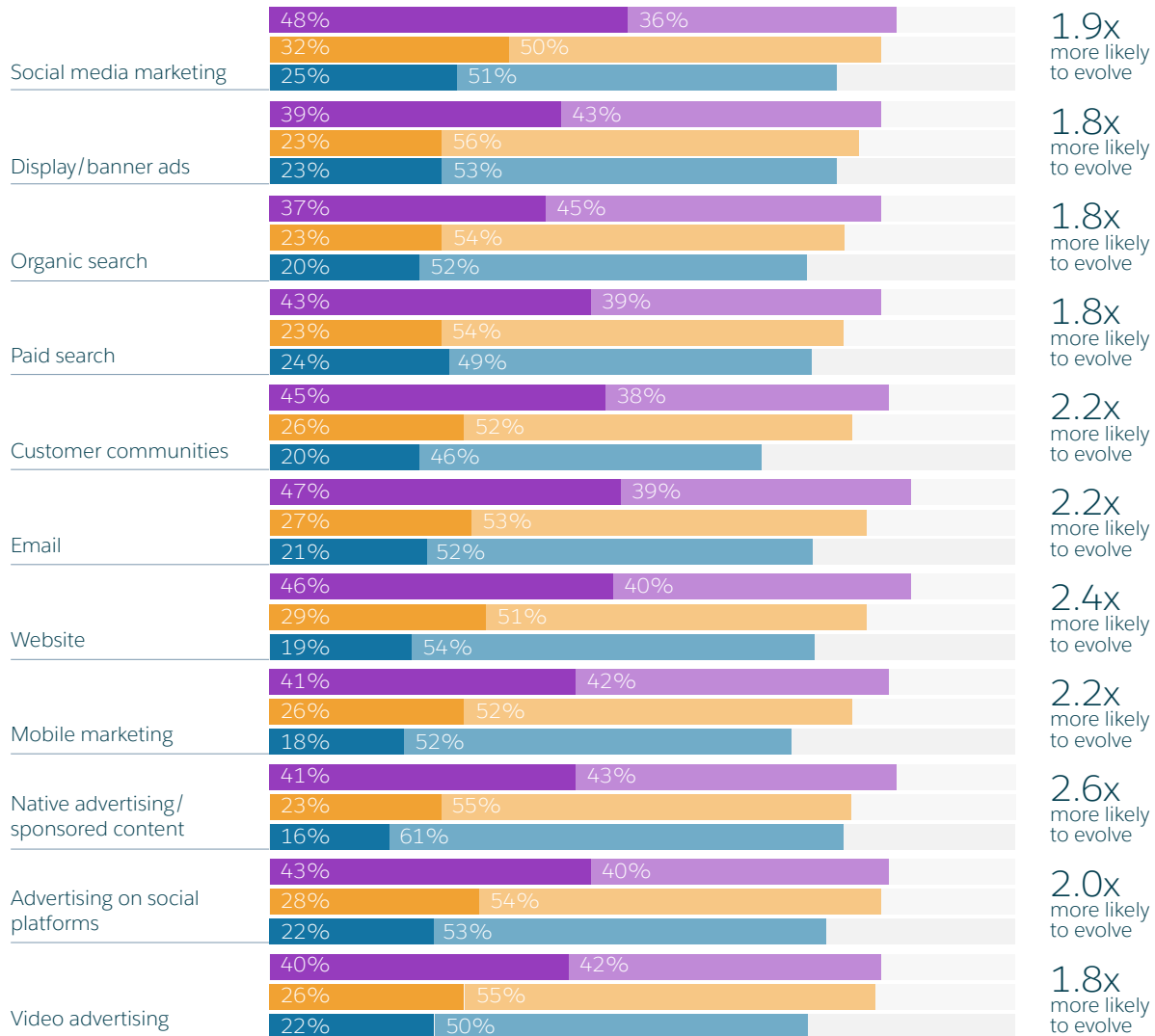
Social platforms remain a mainstay for marketers. However, mobile channels like SMS and apps will see substantial growth over the next year.

Percentage of Marketing Leaders Who Use or Plan to Use the Following Channels over the Next 12 Months



Marketers Move to Evolve Journeys, but Data Woes Linger

Extent to Which Marketers Coordinate Messages in the Following Channels with Other Channels



Top teams are more likely to evolve their marketing messages across channels. Still, the percentage of those doing so is relatively low and shows room to improve.

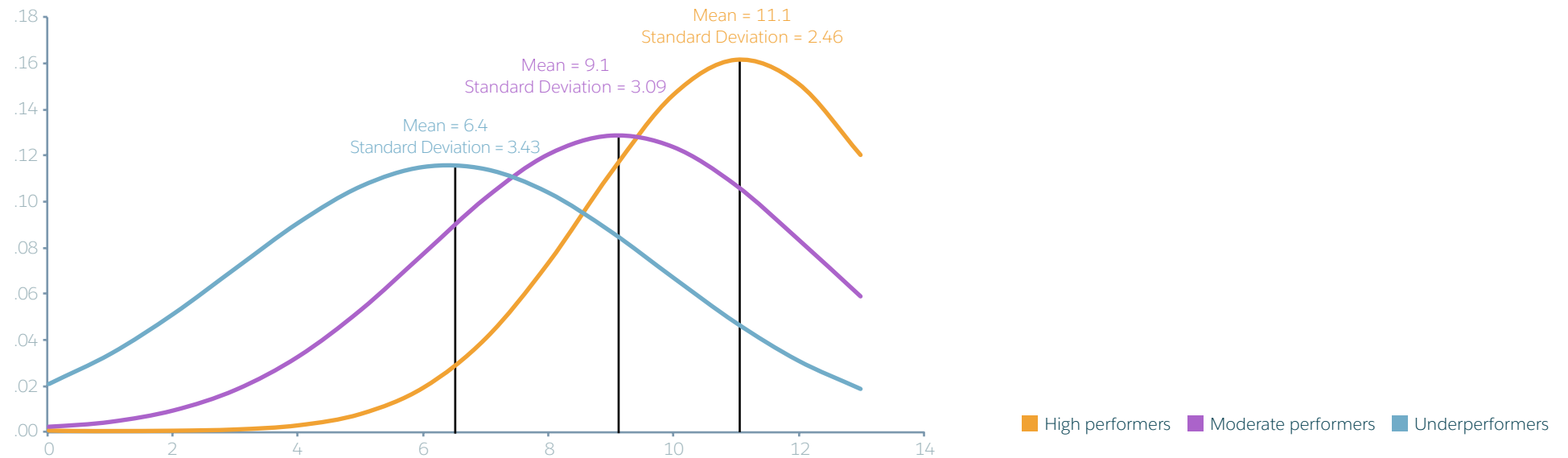
Messages evolve across channels based on customer actions
■ High performers ■ Moderate performers ■ Underperformers

Identical messages are broadcast across channels
■ High performers ■ Moderate performers ■ Underperformers

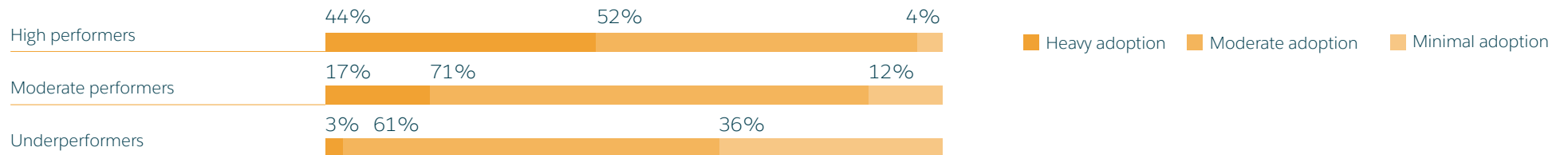
Marketers Move to Evolve Journeys, but Data Woes Linger

High performers use nearly twice the number of channels as underperformers. However, those messages don't live in a vacuum and are more likely to be coordinated across channels as discussed in section 1.

Average Number of Channels Used by Performance Level



Channel Adoption by Performance Level*



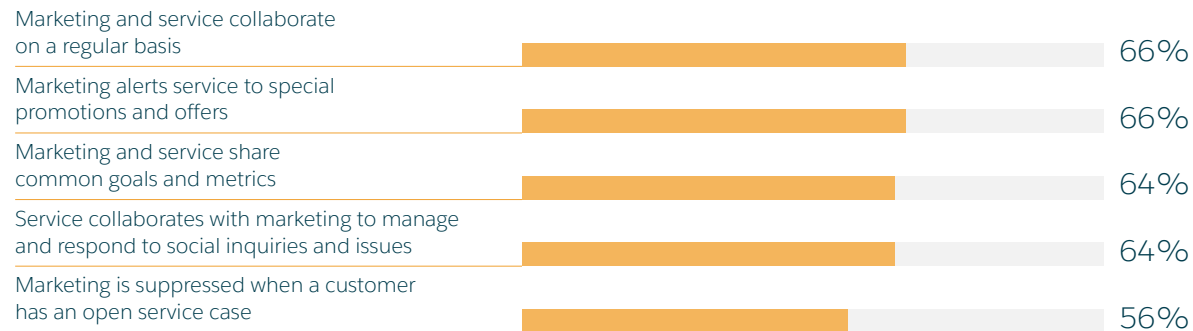
* Heavy adoption is defined as the use of all 13 of the channels defined.
 Moderate adoption is defined as the use of 6-12 of the channels defined.
 Minimal adoption is defined as the use of 0-5 of the channels defined.

Appendix C

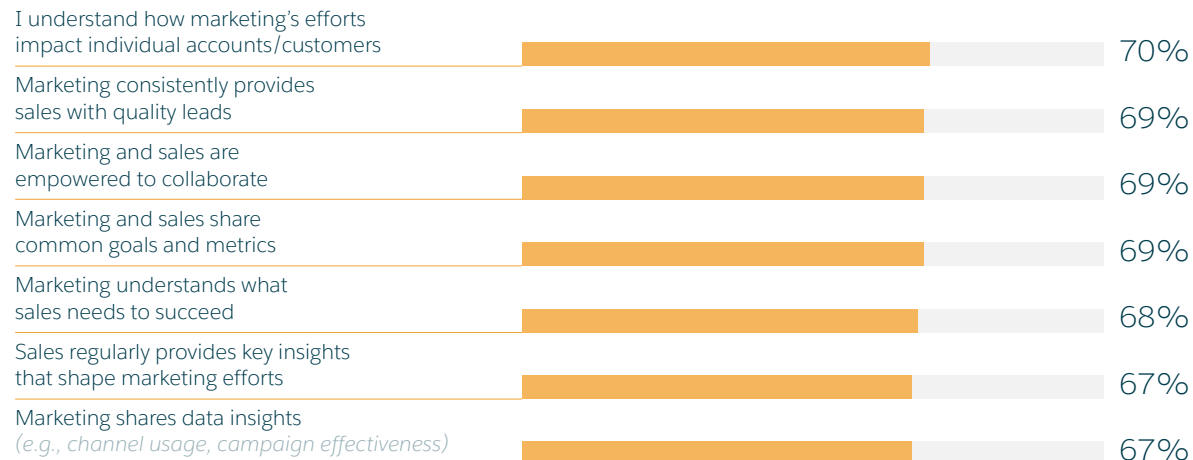
Shifting Priorities Spark Organizational Change

Modern marketing is dependent on relationships between business units. *Sixty-nine percent of marketing teams share common goals and metrics with sales teams; 64% say the same for customer service.*

Percentage of Marketing Leaders Who Strongly Agree or Agree with the Following Statements about Their Relationship with Service



Percentage of Marketing Leaders Who Strongly Agree or Agree with the Following Statements about Their Relationship with Sales



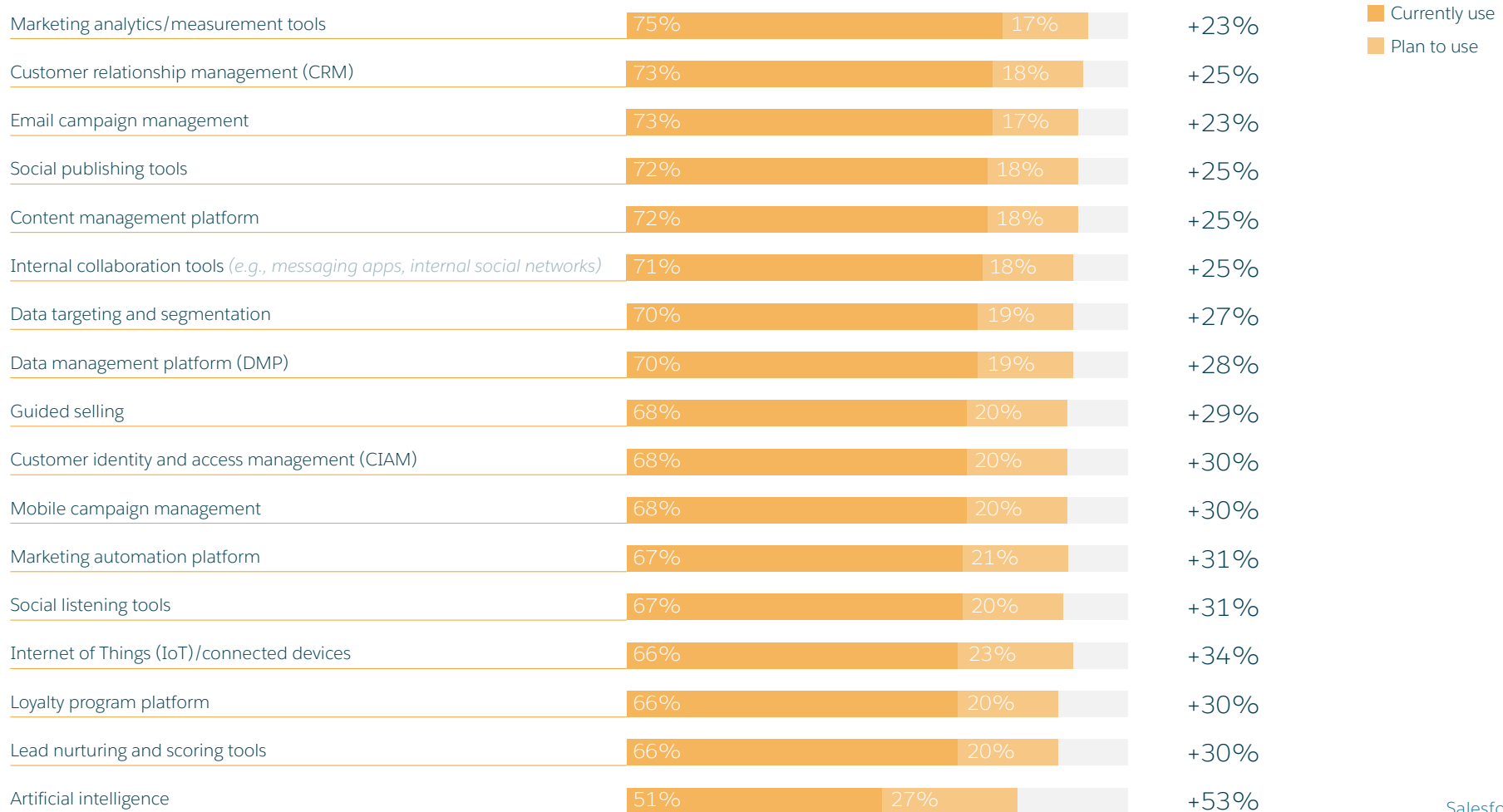
Appendix D

Marketing Tech Makes Waves

AI leads the charge in marketing-tech anticipated usage rates with 53% growth. However, across all tools and technologies surveyed, growth rates remain healthy.

Percentage of Marketing Leaders Who Use or Plan to Use the Following Tools or Technology over the Next Two Years

Anticipated YoY Growth

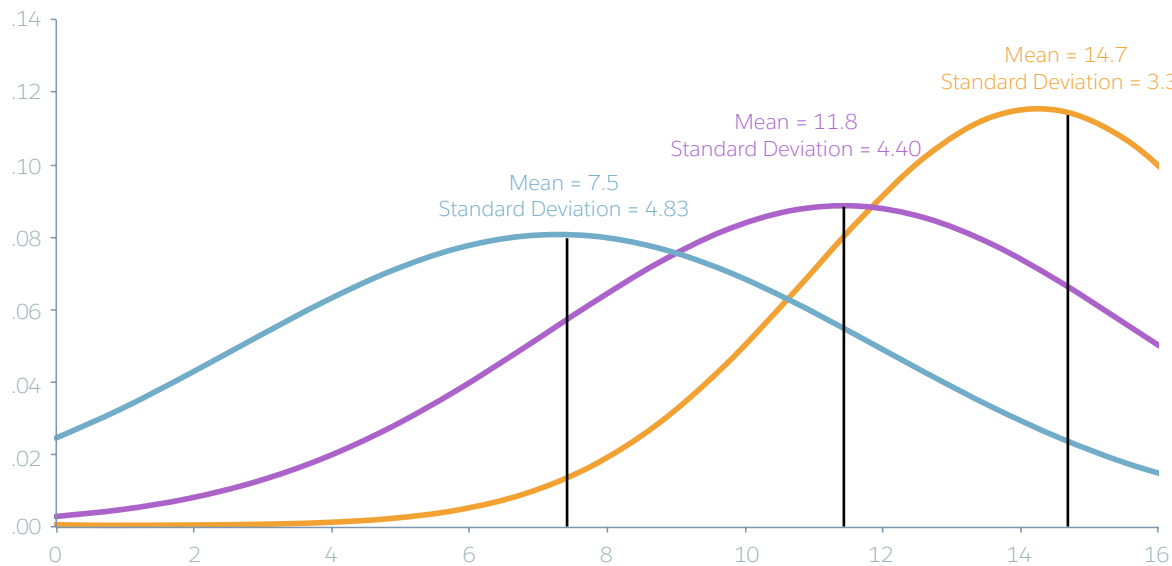


Appendix D

Marketing Tech Makes Waves

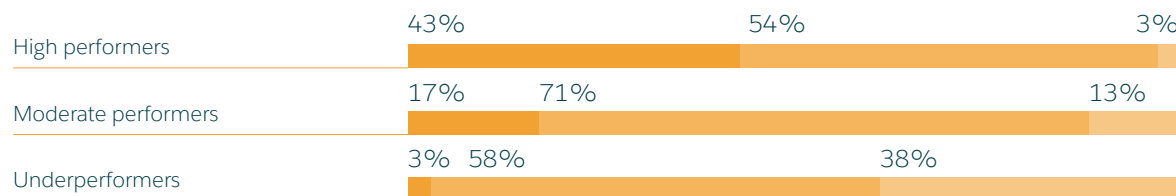
High performers are using twice the number of tools and technologies as underperformers. Top teams are 14x more likely than underperformers to be heavy tech adopters. *Top teams are 14x more likely than underperformers to be heavy tech adopters.*

Average Number of Tools and Technology Used by Performance Level



High performers Moderate performers Underperformers

Tools and Technology Adoption by Performance Level*



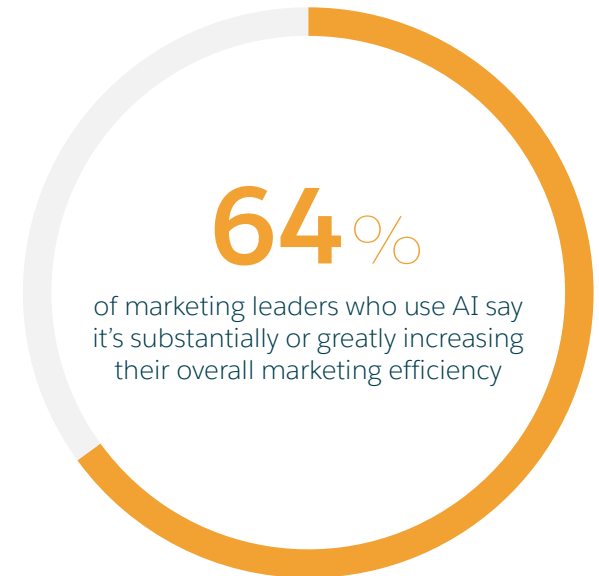
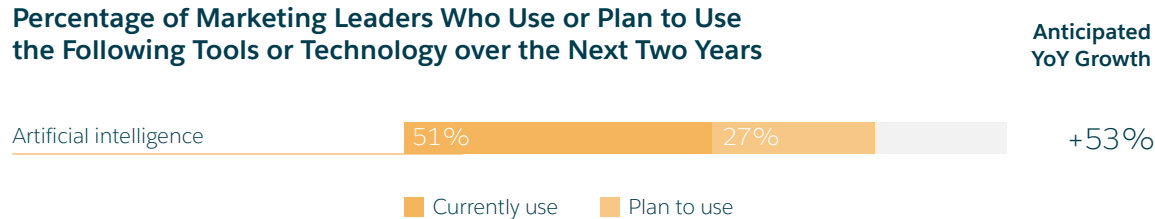
Heavy adoption Moderate adoption Minimal adoption

* Heavy adoption is defined as the use of all 17 of the channels defined.
 Moderate adoption is defined as the use of 7-16 of the channels defined.
 Minimal adoption is defined as the use of 0-6 of the channels defined.

Appendix E

Marketing Embraces the AI Revolution

Marketers expect AI usage to jump in the next two years. However, AI is most hindered by budget constraints, privacy concerns, and lack of skills.



Primary Roadblocks Marketing Leaders Face In Executing an AI Strategy

- 1 Budgetary constraints
- 2 Customer privacy concerns
- 3 Lack of the right internal skill set (e.g., too few data scientists)

Survey Demographics



Industry

Consumer products and retail	17%
Financial services	16%
Technology	13%
Manufacturing	8%
Engineering, architecture, construction, real estate	7%
Communications	7%
Healthcare and life sciences	5%
Professional services	4%
Automotive	4%
Education	4%
Media and entertainment	4%
Agriculture and mining	3%
Energy	2%

Company Size

Small (1-100 employees)	27%
Medium (101-3,500 employees)	57%
Enterprise (3,501+ employees)	16%

Generation

Baby Boomers/Traditionalists	9%
Gen Xers	34%
Millennials	57%

Country

United States	17%
United Kingdom/Ireland	11%
Canada	11%
Brazil	10%
Germany	10%
France	10%
Japan	10%
Netherlands	10%
Australia/New Zealand	10%

Region

EMEA	41%
Americas	39%
APAC	20%

Department

Executive management	55%
Marketing	45%

Role within Marketing

Director, manager, or equivalent	25%
VP of marketing	9%
CMO	23%
CEO, owner, or equivalent	44%



Browse all reports at salesforce.com/research.