

dentsu

dentsu 2020 CMO Survey

Summary of key Australian
insights



Customer base growth is a primary accountability metric

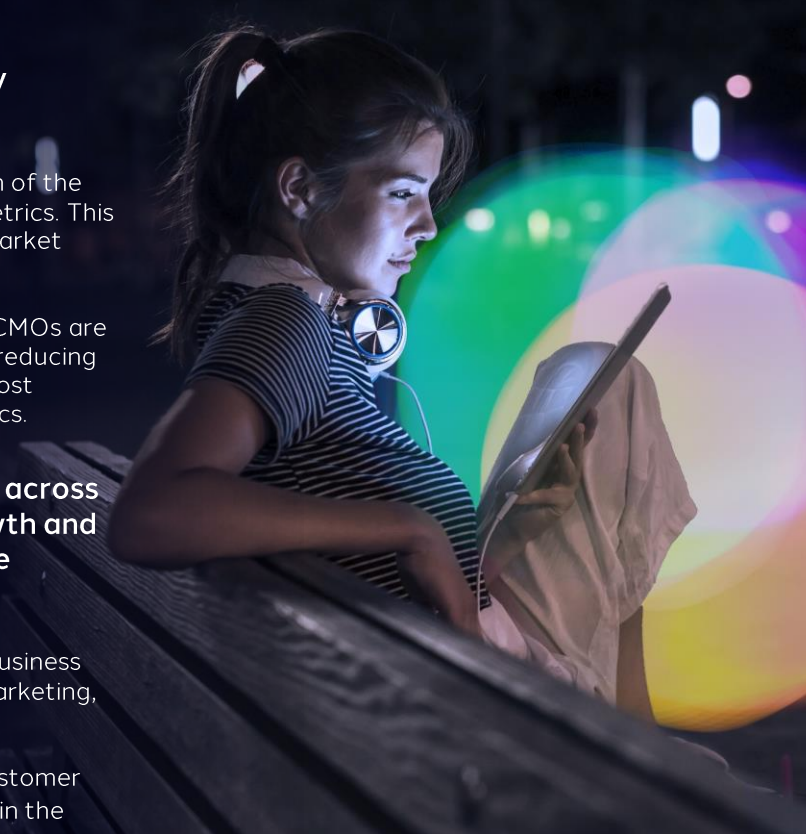
80% of Australian CMOs consider growth of the customer base to be among their top 3 metrics. This is 15 percentage points above the cross-market average.

However, two-thirds (**66%**) of Australian CMOs are now saying they are also accountable for reducing costs. Australia is the only market to list cost reduction in their top two marketing metrics.

Australia is the highest proportion across markets considering business growth and customer experience delivery to be marketing's primary role

66% of Australian CMOs see delivering business growth to be among the top 3 roles for marketing, both now and in the next 12 months

Almost half see developing the overall customer experience top ranking today (**48%**) and in the future (**43%**)



In terms of your role, what metrics are you primarily accountable for?

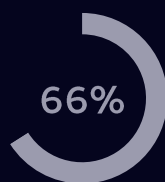
What do you see as the primary role of the marketing function within your organisation in the next 6-12 months?



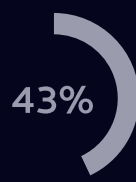
Growth of customer base



Reducing cost



Developing business growth



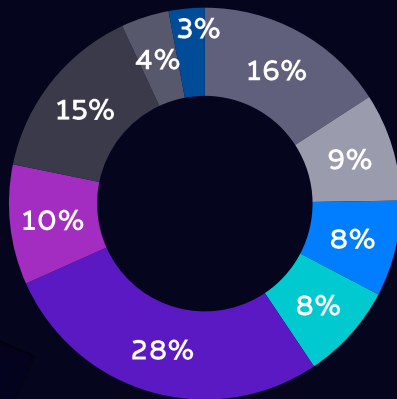
Developing customer experience

Global Industry Insights | Marketing is responsible for reducing costs



*Where the sample size is above 100 respondents per industry

How do you expect your marketing budget to change over the next 12 months?



- Decline by more than 20%
- Decline by 10% - 20%
- Decline by 5% - 10%
- Decline by up to 5%
- Stay flat
- Increase by 5%
- Increase by 5% - 10%
- Increase by 10% - 20%
- Increase by more than 20%

Just over a third of Australian marketers consider COVID-19 to represent an existential threat to their business

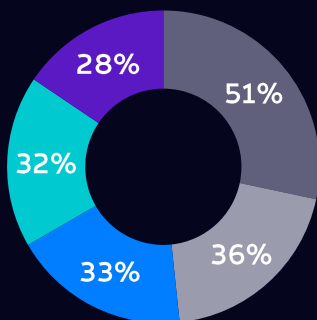
Australia ranks as one of the highest markets in the study impacted by Covid-19. **35% of CMOs** report their operations are being heavily impaired or their revenue being badly impacted.

High rates of anticipated decline in consumer spending and decrease in budgets

51% of Australian CMOs foresee declining consumer spending as a key challenge in the next 6-12 months. This is 12 percentage points above the cross-market average.

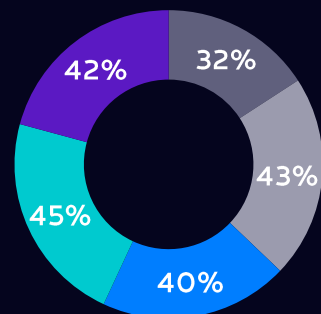
36% foresee a decline in their marketing budgets as a key challenge – the second highest response across all markets surveyed

Anticipated challenges over the next 6-12 months:



- Declining consumer spending
- Decreasing marketing budgets
- Understanding shifts in consumer behaviour
- Aligning with new customer sentiment
- Inability to react quickly enough

Global Industry Insights | Industries with the highest anticipated budget decreases in the next 12 months



- Finance/Insurance
- Technology
- Manufacturing
- Retail
- Professional services

**Where the sample size is above 100 respondents per industry*

Considerations for the short and mid-term

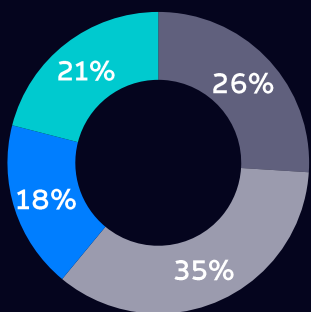
Australia is the only market to be significantly above average for thinking that consumers want brands to respond to the outbreak

Almost half (**45%**) of Australian marketers think consumers want brands like theirs to respond to the pandemic, compared to **36%** across markets

But Australian marketers lack confidence in data access

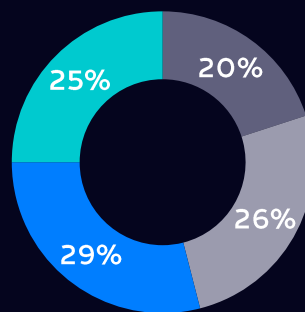
Just **15%** foresee being able to obtain the right data to make timely and appropriate decisions - the lowest rate across markets.

To what extent are you rethinking how to measure and provide the ROI of marketing spend?



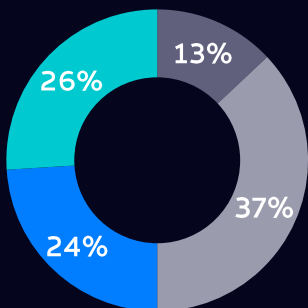
■ Not considering ■ Considering
■ Implementing ■ Already doing

To what extent are you shifting more marketing spend towards digital media?



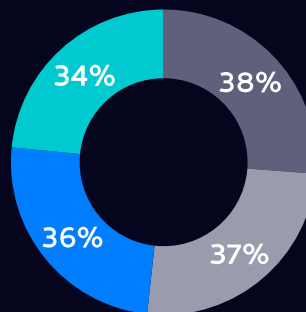
■ Not considering ■ Considering
■ Implementing ■ Already doing

To what extent are you focusing more on innovation?



■ Not considering ■ Considering
■ Implementing ■ Already doing

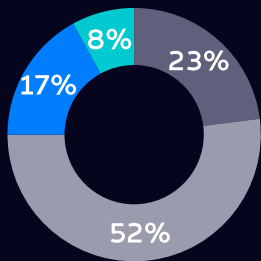
Global Industry Insights | The industries already implementing new ways to measure ROI



■ Technology ■ Energy
■ Telecoms ■ Manufacturing

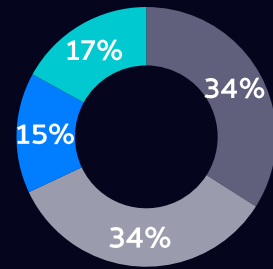
*Where the sample size is above 100 respondents per industry

How far ahead do you plan your marketing strategy



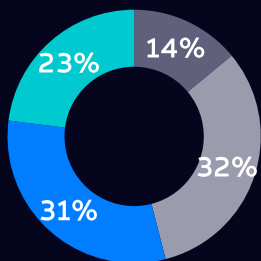
■ Less than 1 year ■ 1 - 2 years
■ 3 - 5 years ■ Over 5 years

To what extent are you shifting marketing spend to CRM?



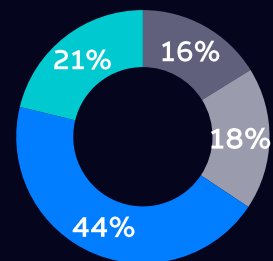
■ Not considering ■ Considering
■ Implementing ■ Already doing

To what extent are you investing in improving customer experience?



■ Not considering ■ Considering
■ Implementing ■ Already doing

As an organisation, how would you rate your ability to shift more marketing spend towards eCommerce?



■ Not at all able ■ Not very able
■ Somewhat able ■ Highly able

Australia is among the lowest ranking markets for marketers' confidence in their ability to use measurement and customer experience to improve strategies

21% of CMOs rate their abilities as 'highly able' to rethink measurement and prove ROI on marketing spend vs. a 31% average across the other 12 markets.

29% see themselves as 'highly able' to invest in improving customer experience vs. 40% average across the other 12 markets.

At dentsu, we partner with brands to create world-class solutions and services that unlock new opportunities for growth. With deep capabilities across media, creative and customer experience management (CXM), underpinned by partnerships with some of the world's largest technology providers, we help transform businesses across their entire customer journey.

If you would like somebody to present the findings from our 2020 CMO Survey to your team, or to speak with us about how we can help your unlock new possibilities for your brand, contact us at ContactUsANZ@dentsu.com

Additional in-depth data can be provided on the following topics:

- Market data from Brazil, China, France, Germany, India, Italy, Japan, Russia, Spain, UK, US
- Revenue and budgets
- Marketing metrics
- Marketing strategy and planning
- Marketing strategies implemented and continued
- Marketing strategy performance
- Impact of Covid-19, response and the road ahead
- Importance of the marketing function (overall)
- Anticipated challenges ahead
- Agency expectations and performance
- Industry breakdown data