EUROPEAN MARKETING AGENDA 2023

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The European Marketing Confederation (EMC) is the umbrella organization of national marketing associations as well as sales and communication associations in Europe. As a non-profit organization based in Brussels, it collaborates with its members for the best possible exchange of best practices in marketing, sales and communication between the European member countries.

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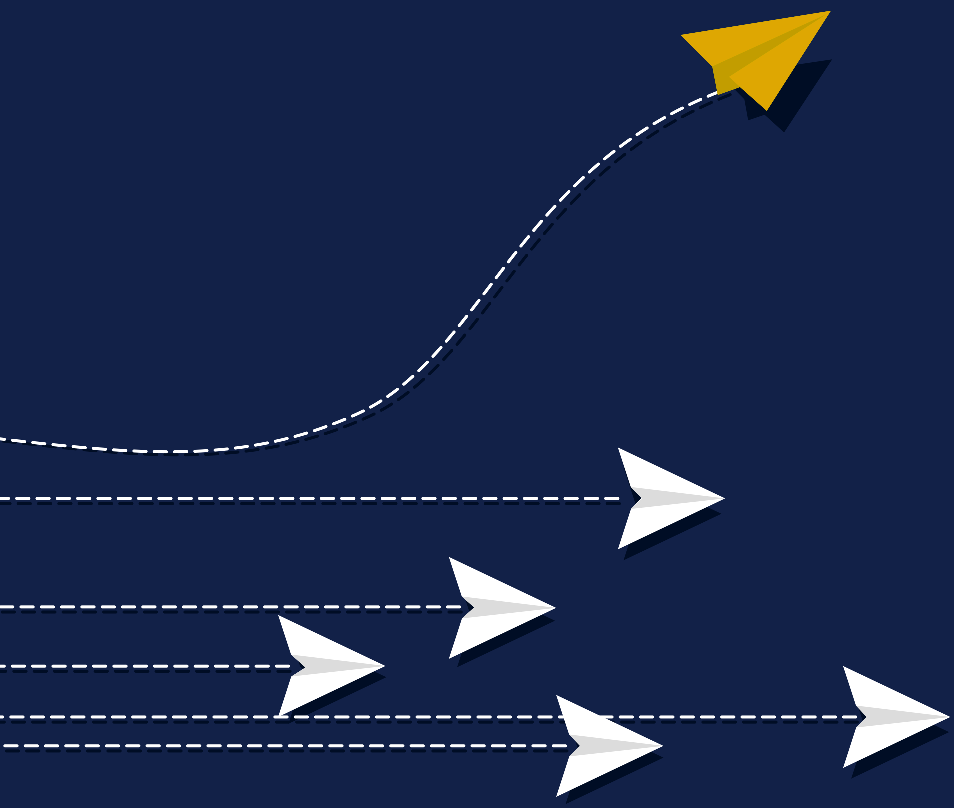


EUROPEAN MARKETING AGENDA 2023

… the Power of Data Love

No. The European Marketing Agenda 2023 was not written by ChatGPT … rather, it is the result of the annual survey of European marketers that we conducted at the end of 2022. Nevertheless … it is evident in the survey and accompanying interviews: From the companies' point of view, the rapidly growing use of data and artificial intelligence (AI) in marketing and sales is creating several overlapping and mutually reinforcing effects:

- The country needs new skills: Skills in MarTech and Data Science will still be desperately needed in 2023 … despite all the prophecies of doom due to fears of inflation and recession;

- Developing one's own data strategy and consolidating the usually prevailing proliferation of data platforms is no longer a question of "if?", but only "by when finally?";

- AI and Web3, once consistently thought through, ensure that companies have to shift their focus even more in the direction of generating their own content, which is then controlled specifically for each person and channel. Highly individualised, in the respective context, data-based, in real time. The apocalyptic horsemen of the programmatic advertising movement have already given a foretaste of this. The much-vaunted paradigm shift from unidirectional broadcasting to transactional content is thus increasingly taking shape … freely according to the motto: "Be careful what you wish for, lest you get it";

- Non-functional tokens (NFT) have the potential for individualisation and as a projection surface for advertising - in other words: to replace the much-discussed cookies;

- Even if the hype around the metaverse slowly fades into dusk … the underlying phenomena and interaction mechanisms will gradually evolve and, in perspective, open up "the view of the sacred to the essential";

- Sustainability meets consumers who, after the Corona restrictions, are celebrating the end of the "hermit campfire romance" and instead prefer to get upset again about endless queues at airports;

- Inflation and realignment of marketing budgets are creating a tangible push towards marketing mix modelling. At the same time, companies are finding that they also need a broader understanding of multivariate statistical methods for this. Otherwise, the effect is "modelling for the bin" - the formally correct and important results cannot be taken up and implemented in the respective organisations and planning. The lack of basic understanding of the methodology (and the resulting feeling of uncertainty) usually correlates with the reluctance to implement the analytically derived recommendations for action.

In many companies, the multitude of (supposedly) new subject areas meets an organisation that is characterised by an extremely high degree of fragmentation of processes and a focus on traditional reach optimisation … paired with the (largely abstract) dream of further-reaching marketing automation. The contradiction between fragmented processes and data and the longing for automation usually leads to atmospheric discussions and panic attacks on the part of those responsible when introducing modern MarTech applications. However: we have come to stay. Digital projects and initiatives have received a previously hardly expected boost through Corona and still manage to largely immunise themselves against budget cuts and reallocations (even without vaccination).

Our ambition as marketing associations in Europe with more than 70,000 marketing professionals will therefore also be to accompany this change in 2023 and to meet 8 basic requirements in content and formats:

1. to present and discuss current and forward-looking concepts;
2. less theoretical than on the basis of concrete, practical implementation experiences;
3. not to offer unidirectional PowerPoint lectures, but rather platforms for interaction, discussion, high-quality exchange and networking;
4. not to provide a string of random success stories and an arbitrary enumeration of possible latest trends and opportunities, but rather concrete contributions from the point of view of those responsible, including their personal experiences and concrete „lessons learned";
5. not to present superficial „sales pitches", but to focus on conceptually valuable presentations and case studies from companies that have already implemented the respective topics and present their experiences (lessons learned);
6. from strategy to implementation;
7. across a wide range of sizes and industry segments;
8. cross-functional in the connection between offline, IT/digital, product management, pricing, innovation management, sales channel management or also in relation to organisation and leadership.

Once again, we would like to thank all participants in the survey on the **European Marketing Agenda 2023** for their many suggestions, food for thought, commitment and the "brain power" behind it ... and time. A big thank you for the support in the analysis goes to Viktoria Becker and Dr. Jonas Kütt (Kantar).

We sincerely hope that this European Marketing Agenda 2023 will once again offer many suggestions and discussion points and that we can then further deepen these together with you in 2023 in a wide variety of formats across Europe.

We are very much looking forward to many substantive discussions and exchanges in 2023!

With warm regards

Dr. Ralf E. Strauß

President of the German Marketing Association V. (DMV)
Chairman of the Board European Marketing Confederation (EMC)

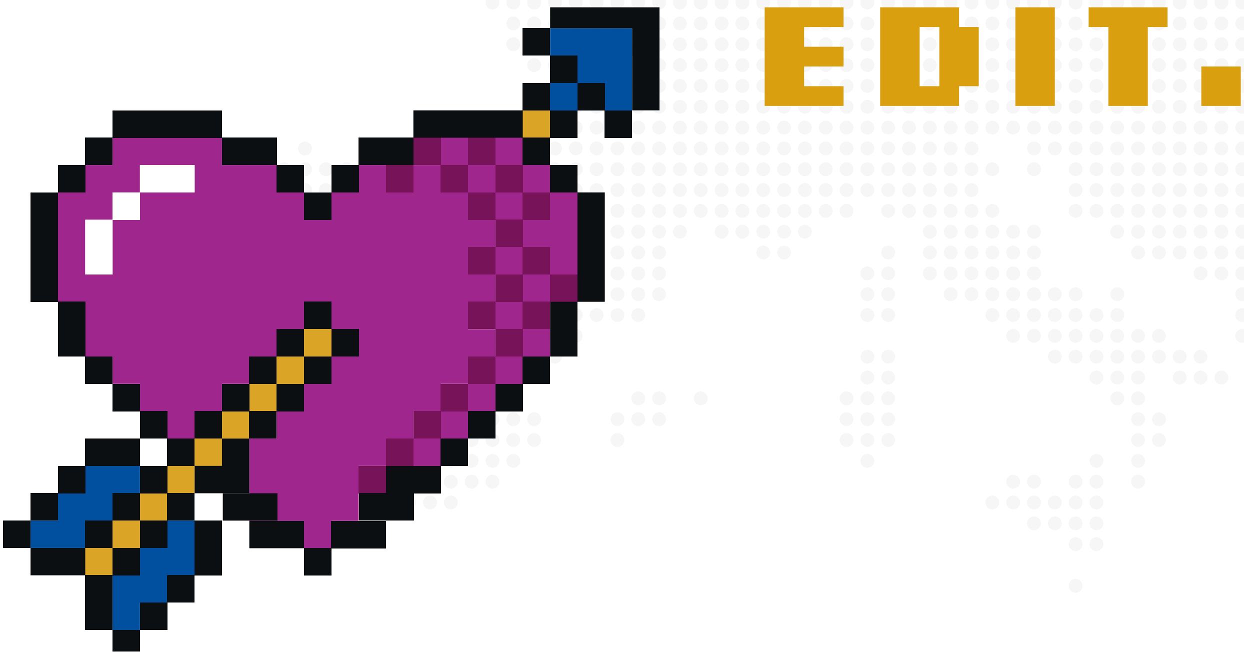
EUROPEAN MARKETING AGENDA 2023

… Digital Marketing as Evergreen of the Annual Focus Topics

The central questions of the European Marketing Agenda 2023 are the most important topics and challenges for 2023 from the perspective of marketing and sales. For this purpose, more than 6,000 marketing/sales managers in Europe were asked for their assessments, resulting in a total of 799 complete responses.

If marketing and sales managers in Europe are asked about the most important topics for 2023+, key topics such as „digital marketing“, „customer experience management“ or „brand strategy & management“ qualify for the top rankings - as in previous years (Figure 1). Some topics, such as „Content Marketing“, are clearly losing popularity compared to previous years (only 16 %).

Above all, topics such as „Employer Branding“, „Loyalty & Retention Programs“, „Omnichannel Management (D2C)“ or „Customer Data Platforms (CDP)“ differ statistically highly significant between different industries across Europe .



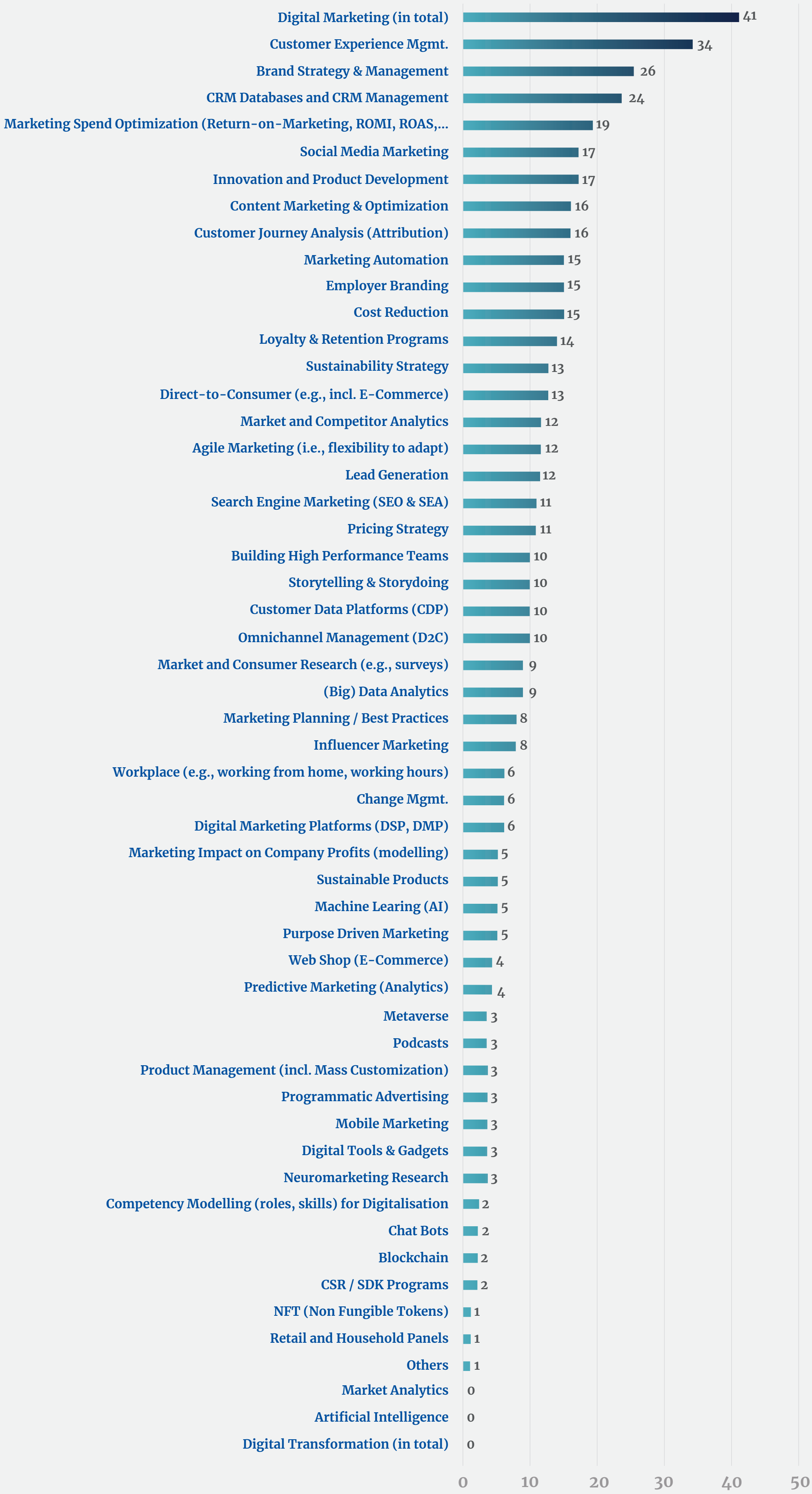


Figure 1: Most important marketing topics in Europe in 2023 (Top 5, Mult Response, in percent, n = 799)

While individual tools in the digital marketing environment are already sufficiently well understood and at least partially implemented, the interviews and project experiences of the last almost 30 years show that it is not about technology or individual tools, but the orchestration of cross-functional teams, as well as the mass individualised approach in data-driven marketing and the associated IT applications (MarTech). Contrary to all CRM discussions in the last 25 years, almost one third of senior marketing executives in Europe complain about the lack of an adequate CRM tool in their own company or are only now gradually discovering customer experience management as a superordinate concept (34 %). This gives CRM or CX a new tailwind:

- Due to the need to link online and offline and the pursuit of an integrated omnichannel approach: it is necessary to link the traditional offline business model with digital media across all touchpoints.

- Through the necessary differentiation from the competition due to increasingly homogeneous product and service offerings as well as increasing market transparency: Increasingly smaller (perceived) quality differences lead more and more to interchangeable products and services, which make it difficult to differentiate from the competition. In addition to legal binding options (such as contract terms and associated switching barriers), it is necessary to build and expand customer loyalty through unique, mass personalised customer experiences.

- By breaking away from 3rd party data: Regulations (ePrivacy Regulation), browser-side exclusion or even ad blockers ensure that interaction based on personalised 1st party data is experiencing a revival.

- By linking the functional properties of the product with emotionally charged elements that create experiences: Tectonic shifts in the structure of needs and values of consumers contribute to the fact that individual expectations and wishes are becoming increasingly important - accumulated in the individual „moment of truth".

The reasons for the lack of CRM or for the dissatisfaction with the current implementation status can be found not least (also) in the diverse spectrum of possible CRM application scenarios in combination with the following factors:

- The processes are unclear or not (sufficiently) documented, especially across different divisions and markets.

- A profound understanding of processes is missing or is only located with individual employees („go-to man/woman").

- Working in the area of conflict between technical processes (use cases) and the derivation of detailed requirements for IT applications (requirements) is still „uncharted territory".

- This results in insufficiently defined technical requirements.

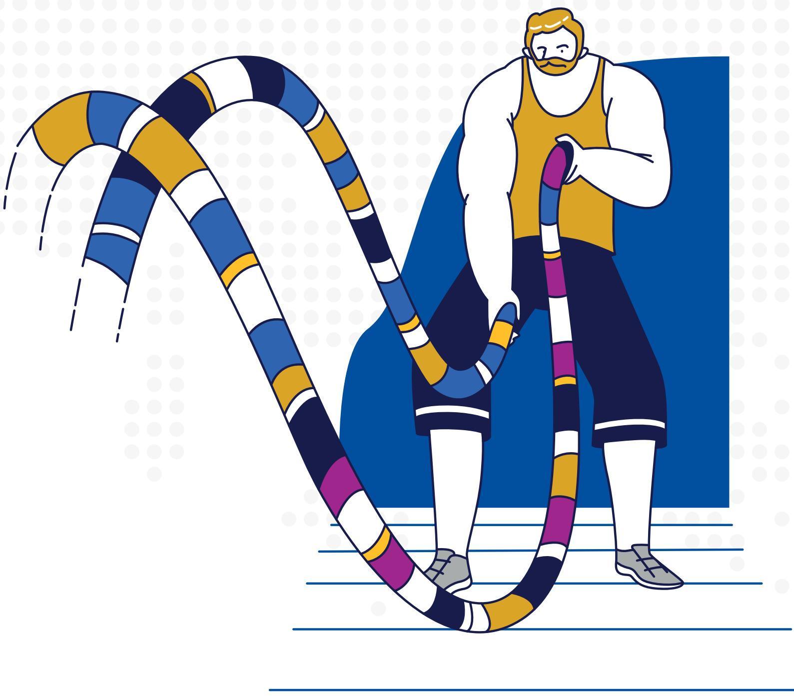
- Projects are overloaded with requirements and the constant discussion of what is „in scope" and what is or has to be „out of scope".

- Over-complex, cross-functional projects

- Insufficient support from top management

- the lack of experienced project leaders and the start in „youth research" mode

- as well as insufficient functional coverage of existing CRM installations: 55%, for example, state that their CRM system cannot be adapted to their specific needs, 75% complain about insufficient consolidation of customer data and 81% complain about a lack of relevant, personalised messaging.



[1] SugarCRM: The CRM Impact Report 2022, Cupertino 2022

The (by definition) cross-functional character of CRM, such as

- Lead management via marketing (contact) to the pipeline (opportunity) and purchase conclusion;
- from marketing planning to segmentation and multichannel campaign management to reporting;
- the creation of a central customer master record with attributes from all customer interactions;
- including a more complex IT integration,
- e.g. including merchandise management (checking item availability, e-commerce or financial accounting/billing)
- or also the integration of the stationary POS/retail,

As a consequence, it often seems hardly possible to „encapsulate“ - i.e. functionally delimit - smaller application scenarios. This means that complexity is (unfortunately) an inherent part of the CRM DNA.

This means that many CRM concepts and application scenarios will foreseeably experience a renaissance under a broader customer experience management understanding and will increase in importance compared to 2022 (+3.8%), Figure 2).

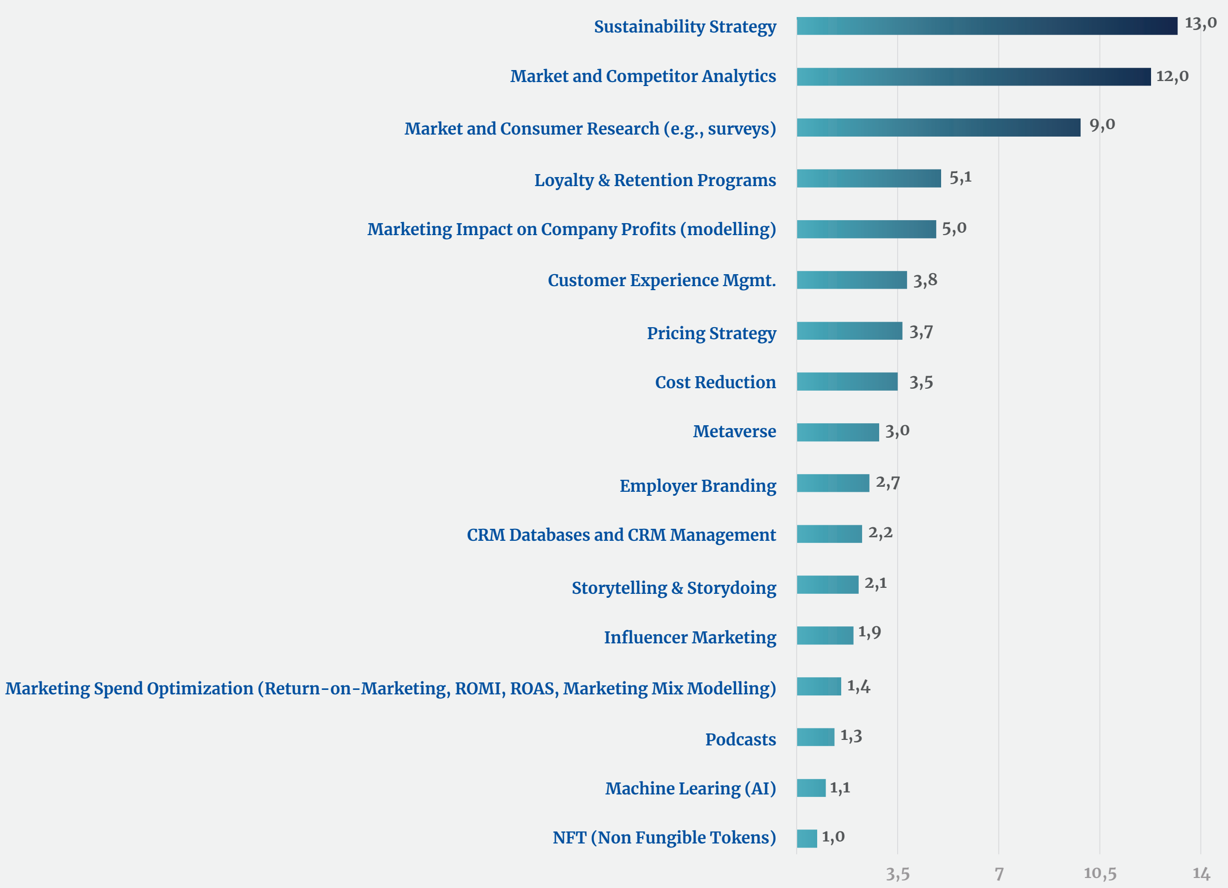


Figure 2: Top 5 marketing topics in Europe in 2023 with the biggest increase compared to 2022 (in percent, Mult Response, n = 799)

Compared to the previous year, topics like

- the return of the „analytics yedi“: market and competition analytics, marketing mix modelling or even market research;

- the desire for perfect customer experience management and the associated customer loyalty (+ 5.1 %);

- Sustainability beyond opportunistic greenwashing (+13 %).

Former „high flyers“ such as „direct-to-consumer“ (-4.3%), „agile marketing“ (-4.5%), „brand strategy & management“ (-4.6%) or „content marketing & optimisation“ (-7.6%) are clearly relegated to the bottom of the list compared to 2022. Even if the metaverse is slowly moving into the field of vision of European marketing managers as a new topic area, it is currently still rather a marginal phenomenon (3%). According to Forrester, the metaverse lacks the „Pokémon Go effect“: Augmented reality (AR) was invented in 1968, but only reached critical mass 48 years later with the introduction of Pokémon Go by Niantic in 2016.

From the point of view of brand managers, aspects such as sustainability and social and ecological responsibility play a greater role than in earlier years. Attitude or „purpose“ is a long-term issue that must above all be communicated and lived internally. Without consistency internally and externally, attitude is quickly exposed as a purely opportunistic instrument for selling. Contrary to expectations, „Purpose“ is only mentioned by 5% of marketing managers - according to their own statements, the topic is often included as a sub-topic in topics such as „Brand Strategy & Management“ or more specifically in „Sustainability“.

A comparison of the statements made by marketing and sales managers in Europe in previous years (as part of the European Marketing Agenda 2021 and 2022) with the most important topics for 2023+ reveals a clear shift in the focus topics (Figure 3).

largest difference	Lower importance in 2023 (compared to the European Marketing Agenda 2022)	Higher importance in 2023 (compared to the European Marketing Agenda 2022)
1	Market Analytics	Sustainability Strategy
2	Content Marketing & Optimisation	Market and Competitor Analytics
3	Brand Strategy & Management	Market and Consumer Research (e.g., surveys)
4	Agile Marketing (i.e., flexibility to adapt)	Loyalty & Retention Programs
5	Direct-to-Consumer (e.g., incl. E-Commerce)	Marketing Impact on Company Profits (Modelling)

Figure 3: Comparison of the most important topics in Europe in 2022 (European Marketing Agenda 2022) with the following year 2023 (top 3 topics in each case, in percent, different numbers of cases, percentage difference of answers)

The comparison of the most important topics between 2022 and 2023 shows several effects (Figure 4):

- On the one hand, the implementation of digital, data-driven marketing will remain the top priority in 2023 onwards, increasingly hand in hand with the need to change the organisation (competences, roles, processes) and the need to use IT applications (MarTech).

- More classic topics such as “Brand Strategy & Management” or “Content Marketing & Optimisation” will again lose (relative) importance after a flare-up in 2022. Digital requires brand strategy and content ... and vice versa ... it is and remains one and the other ... two equal, complementary sides of the same coin - with a strong focus on implementation within the framework of digital marketing.

- In addition to the development and expansion of individual tools, the overarching concept of “customer experience management” continues to gain momentum. With increasing maturity and experience, overarching concepts are gaining the upper hand, while individual tools and instruments tend to recede in importance as “enablers”.

Top Priorities	European Marketing Agenda 2022	European Marketing Agenda 2023
1	Digital marketing (in total) – 43,5 %	Digital Marketing (in total) – 41,0 %
2	Brand Strategy & Management – 30,6 %	Customer Experience Mgmt. – 34,0 %
3	Customer Experience Mgmt. – 30,2 %	Brand Strategy & Management – 26,0 %

Figure 4: Comparison of the top 3 priority topics in Europe in 2022 (European Marketing Agenda 2022) and in 2023 (European Marketing Agenda 2023) (top 3 in each case, in percent, different numbers of cases)

While topics such as digital transformation or the development of customer data platforms tended to be ranked higher in previous years, they are losing ground ... in some cases massively compared to previous years.

In most companies, the enthusiasm for the supposed saviour of "marketing automation" has given way to the realisation that the necessary foundations must first be created in the form of platforms and aggregated databases, for example in the form of customer data platforms (CDPs, 10%), Figure 5) ... even if meaningful application scenarios are still hidden behind an opaque morning fog in many companies ... such as the question of the sense of a CDP compared to existing data warehouse systems.

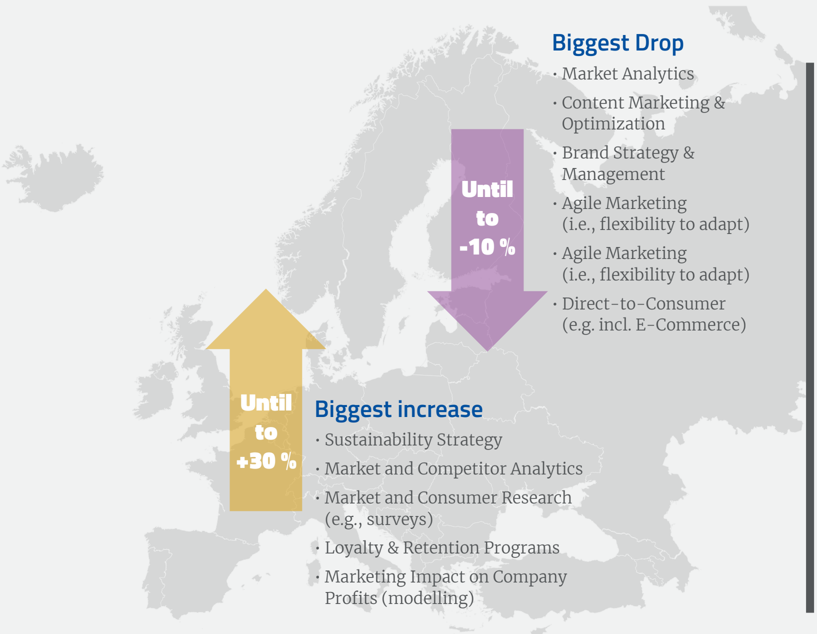


Figure 5:
Overview in the growth in importance of the most important topics in marketing in Europe in 2022 and in 2023 (top 5 topics in each case, in percent, different numbers of cases)

Ultimately, the goal must be to be able to collect first party data with as many customers as possible (even if they are only indirect customer relationships) via content or various types of community concepts and to further enrich and gradually qualify this data in the direction of a CRM application scenario with personalised data - ideally paired with a loyalty programme.

Loyalty programmes are thus gaining new momentum, often hand in hand with retail media for monetising customer data. Establishing a standalone data strategy is emerging as the only way to escape GAFA auction mechanisms in a platform-dominated world. For this reason, most retailers are pushing to build their own loyalty programmes.

From Zero to Hero: The voice application **ChatGPT** (Generative Pre-Trained Transformer) has been proving to be a game changer for the assessment of **artificial intelligence (AI or AI)** in marketing and sales for a few weeks now. Millions of users have been reached in record time and, according to the company, GPT-3 already uses over 175 billion parameters to recognise and form sentences and word groups.

With increasing usage, the system "learns" as a "weak AI", although capabilities for contextualisation and creativity are (still) lacking (Figure 6).

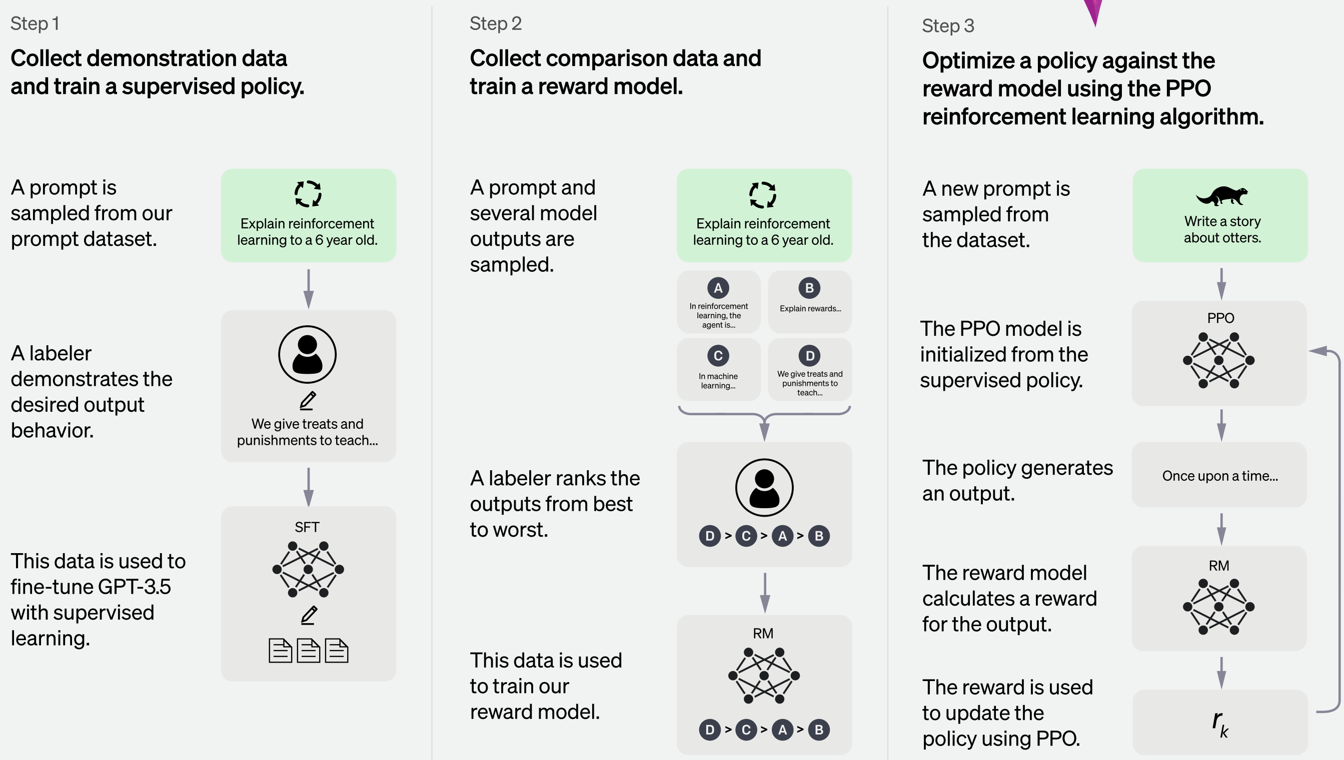


Figure 6: How ChatGPT works (Source: OpenAI, openai.com/blog/chatgpt/)

This is the twilight of the gods for application scenarios with artificial intelligence (AI): While has philosophised a lot about possible application scenarios with AI in recent years , the AI tsunami is catching companies largely unprepared. European marketing managers still do not have the topic of AI at all on their list of priorities for 2023 (0%) … neither in terms of building up the necessary competences nor as an acute field of action that they want to or will deal with.
From a marketing and sales perspective, such AI application scenarios (within limits), such as ChatGPT, offer the option of

- for zero-shot response generation: the generation of responses to unprecedented prompts, without any fine-tuning or additional training;
- to contextual understanding: Applications such as ChatGPT are able to maintain a consistent understanding of the context of a conversation, which enables them to generate responses that are or appear relevant and on-topic;

- for personalisation: ChatGPT can, for example, be tuned to specific data sets or specific targets, so that it can deliver personalised responses tailored to a specific audience or use case.

Once again, there are considerable differences in the priorities for 2023 between the **countries in Europe** (Figure 7): In the Eastern Alps, the focus in Austria is consistent with 2022 on topics in the area of "Digital Marketing", closely followed by "Brand Strategy & Management" or "Employer Branding". Digital transformation", which was still hyped in previous years, is steadily giving way to more operational fields of action. Big data" and "predictive analytics" are still found comparatively less than in other countries. The metaverse (0 %) and machine learning (6 %) appear more as marginal notes in Burgenland's marketing news.

As in previous years, **Germany** presents itself differently from the other European partner countries: "Customer Experience Management", "Marketing Spend Optimisation (Return-on-Marketing, ROMI)" and "Digital Marketing" dominate here. This is fuelled (as in other countries) by the need to establish "Omnichannel Management (D2C)" with 29 %. Marketing will continue to be dominated here in 2023 by the establishment of adequate platforms ("customer data platform" with 22%) and organisational structures in the form of an agile marketing organisation (21%) as "marketing operations management". Compared to other countries, Germany has the highest affinity (29%) for topics related to CRM and customer experience (CRM).

In **Lithuania**, topics such as "Social Media Marketing", "Brand Strategy & Management" (34%) or "Innovation & Product Management" (18%) dominate in 2023 (consistent with 2022). Compared to other countries, significantly less time and effort is allocated to topics such as "mobile marketing", "artificial intelligence" or "competence modelling". Thus, in comparison to the most important topic areas of the marketing agendas of previous years, Lithuania shows itself to be largely constant and (statistically significantly) dichotomous: on the one hand, with a high focus on rather longer-term focal points such as employer branding or a differentiating brand strategy, on the other hand, with a strong focus on the more extensive implementation of digitalisation - however: without having to pay greater attention to the implementation of data analytics ... this field of action seems to have already been largely implemented and resolved. Digital marketing platforms are only (still) top of mind for 1%.

Prio.	Austria	Germany	Ireland	Lithuania	Nether-lands	Slovenia	Switzer-land	UK	Portugal	Spain
1	Digital Marketing (in total) 53 %	Customer Experi-ence Mgmt. -55%	Sustainabil-ity Strategy 40%	Digital Marketing (in total) 52 %	Digital Marketing (in total) 44 %	Digital Marketing (in total) 44 %	Digital Marketing (in total) 38 %	Digital Marketing (in total) 45 %	Digital Marketing (in total) 43 %	Digital Marketing (in total) 43 %
2	Brand Strategy & Manage-ment -29 %	Marketing Spend Op-timization (Return-on-Market-ing, ROMI, ROAS, Mar-keting Mix Modelling) 43 %	Customer Experience Mgmt. -35 %	Social Media Marketing -49 %	Brand Strategy & Manage-ment 42 %	Brand Strategy & Manage-ment -39 %	Innovation and Product Develop-ment 26 %	Customer Experience Mgmt. -36 %	Customer Experience Mgmt. -33 %	Customer Experience Mgmt. -30 %
3	Employer Branding 29 %	Digital Marketing (in total) – 32 %	Brand Strategy & Manage-ment 35 %	Brand Strategy & Manage-ment 34 %	Employer Branding 31 %	Social Media Marketing 33 %	Brand Strategy & Manage-ment 21 %	Brand Strategy & Manage-ment 27 %	Brand Strategy & Manage-ment 31 %	Brand Strategy & Manage-ment 28 %

Figure 7: Top 3 topics in Europe in 2023 by country (each from top 5 topics, Mult Response, n = 798)

Swiss marketing managers in 2023 are consistent with their Alpine colleagues in Austria: "Digital Marketing" dominates the Marketing Agenda 2023, closely followed by "Innovation and Product Development" and "Brand Strategy & Management". The Swiss priority list thus focuses on further digitalisation in marketing, while maintaining the main topics in the area of product devel-opment and cost management. The rather general field of action "Digital Transformation", which still dominated in previous years, is thus being overtaken by other, more specific topics. The once postulated (rather longer-term) move away from "push marketing" towards "pull mar-keting" and the strengthening of the brand is receiving Corona-induced further centrifugal forces in the direc-tion of digitalisation. The number of "content marketing apostles" shrinks to only 11 %.

The situation is different in **Slovenia**: Led by "digital marketing (overall)", the already established brand man-agement and the staging of the brand require a shift in direction towards social media marketing. The previously postulated increase in marketing automation (11%) is also losing ground, as is the movement away from traditional push to pull mechanisms in the context of "content mar-keting and optimisation" (12%), supported by "marketing spend optimisation (return on marketing, ROMI, ROAS, marketing mix modelling)" (23%) and "CRM databases and CRM management" (22%).

In the **UK**, Brexit and the coronation of King Charles go hand in hand with a focus on "Digital Marketing (in total)" (45 %) and "Customer Experience Mgmt. (36%), closely followed by "Marketing Planning - Best Practices" or "Brand Strategy & Management". Some of the focal points in other European countries, such as "Cost Reduc-tion", "Customer Data Platforms (such as CDP)", "Em-ployer Branding", "Artificial Intelligence" or "Program-matic Advertising" and "Blockchains", hardly appear at all in the Anglo-Saxon hit parade of topics for 2023. The promises of salvation of the metaverse (3 %) or artificial intelligence (0 %) have not really found their way into English marketing pubs.

In **Spain**, the armada of "digital marketing enthusiasts" will also set sail in 2023 to conquer the "digital overseas territories" including customer experience manage-ment as well as brand strategy and management. Spanish marketing managers are comparatively unenthusiastic about topics such as "Competency Modelling", "Web Shop (E-Commerce)" or "Artificial Intelligence" (less than 1% each). The lack of focus on organisational fundamentals such as competence fields possibly prevents a view of rap-idly emerging new topic areas and the associated organi-sational fundamentals.

Your colleagues in the west of the Iberian Peninsula (Portugal) will focus on "Digital Marketing", "Customer Experience Management" or "Brand Strategy & Manage-ment" in 2023 (analogous to 2022). While in 2022 the field of action "Customer Experience Mgmt. only just under 1% of Portuguese CMOs could warm to it, this value explodes to a level with more than a third of "CX cheerleaders". This means that the main topics for 2023 in Spain and Portugal continue to converge.

EUROPEAN MARKETING AGENDA 2023

… between Corona pandemic, Ukraine war, inflation, recession and global supply chains

The subsiding of the global Covid 19 pandemic, hand in hand with political/military conflicts and inflation concerns, is not (so far) blocking the path to data-driven marketing across Europe … rather, the uncertainties are reinforcing the desire for greater efficiency in customer interaction and the use of all design options of data-driven marketing. The marketing decision-makers across Europe state that the existing uncertainties are responsible for this (Figure 8) that

- digital channels for customer interaction are (forcibly) prioritised, as is the consolidation of data across different sources and touchpoints using **MarTech**;

- the marketing organisation in terms of structures, the (lived) cross-functional cooperation model or also the required competences must be (or must necessarily be) reconsidered in more detail. The focus is on establishing a **marketing operations function** to orchestrate all cross-functional topics and projects;

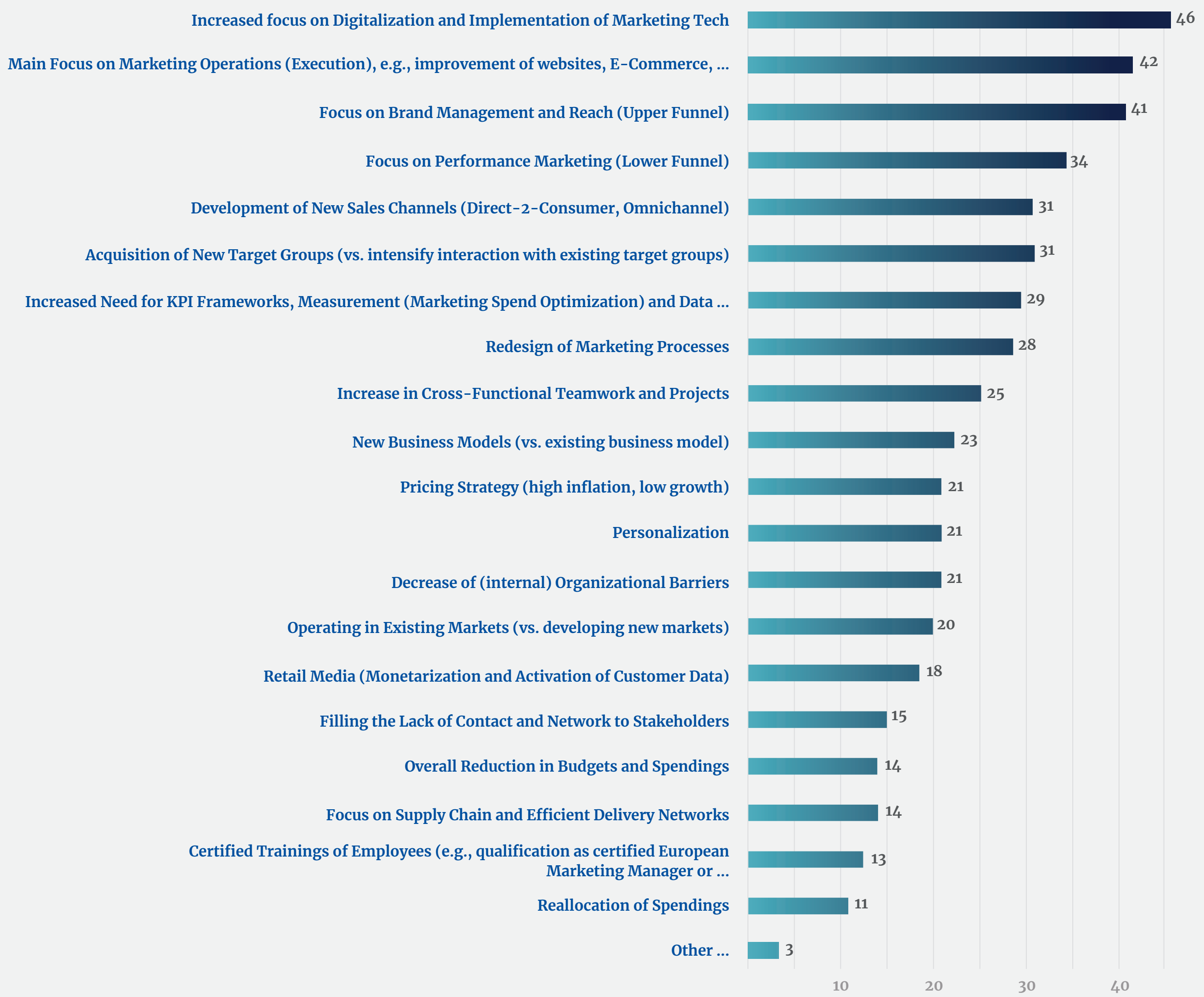


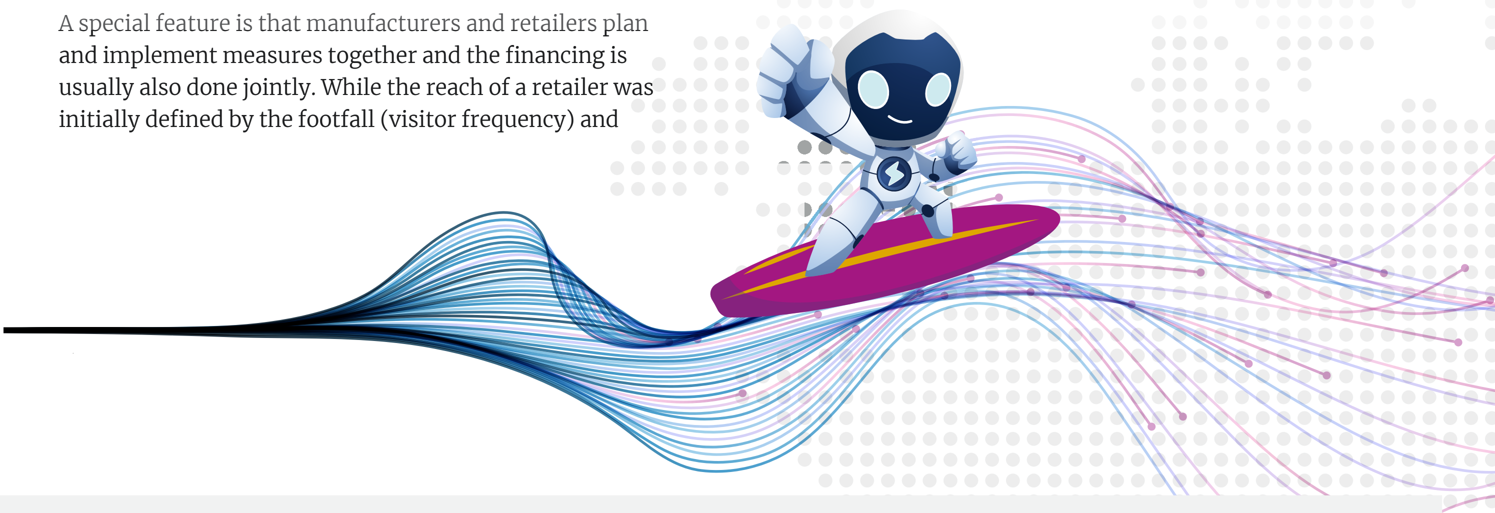
Figure 8: Strategic focus in marketing in Europe in 2023 in the face of political and economic turbulence (top boxes each, multi-response, n = 799, in percent)

- Retail media has been gaining prominence for about 7-8 years. Zenith estimates that the global retail media volume will reach US$ 51 billion by 2020, with annual growth of 46%. Platforms such as Amazon, eBay, Zalando and others have laid the concrete foundation for the retail media house in two dimensions: (1.) the WKZ principle has been transferred to the internet and (2.) platforms/marketplaces and large online retailers are earning not only through pure product sales but increasingly also through advertising.

For example, Amazon has already earned more than €1 billion from advertising in Germany in 2021. On average, the margin generated via advertising revenue is significantly higher than the current retailer margin via pure product sales ... so beyond 70 % for Amazon. Retail Media has its origins in traditional WKZ (advertising cost subsidies/trade funds), which manufacturers pay to retailers as a "listing fee" in order to get their own products preferentially placed.

A special feature is that manufacturers and retailers plan and implement measures together and the financing is usually also done jointly. While the reach of a retailer was initially defined by the footfall (visitor frequency) and POS measures as well as individual media such as flyers or print ads, it is increasingly being extended by traffic on the retailer's own online presences such as shops, content platforms, company website, email newsletter, social media or in-store advertising. From the retailer's point of view, the focus is on the extended monetisation of their own reach and customer contacts (Figure 9).

The basis is a cycle of data, which determines the affinity of potential customers to a product (be it purchase, brand awareness, etc.), up to the collection of data regarding target achievement within selected target groups. "Success data in sales flows back into the customer profiles in order to be able to target the customer approach even more precisely in the next iteration.



	WKZ/advertising subsidies	Retail Media
Content	ubsidies for product listing, unit-linked subsidy for sales or supplementary WKZ for promotions (unit-based)	Paid advertising for communication performance (reach and visibility)
Objective	Sale	Branding and/or sale
Bound	Rather obligatory for listing	voluntary
Budget pots of the brands	Classic sales budgets	Sales and marketing budgets
Client	Distribution of the manufacturers (brands) selling in the webshop/app	Marketing/distribution of manufacturers (brands)/retailers or media agencies on behalf of manufacturers (brands)/retailers

Figure 9: Difference between WKZ and Retail Media

In the process, companies in the different countries are trying to digest the effects of the political and economic uncertainty quite differently: While **Austria**, together with Lithuania and Spain, is targeting the development/expansion of marketing tech, Germany and Slovenia continue to put the development of a marketing operations function in the crosshairs of their efforts, as in 2022 (Figure 10). Other countries such as **Ireland, the Netherlands** and the **UK**, on the other hand, are focusing more on the "power of the brand".

Prio.	Austria	Germany	Ireland	Lithuania	Netherlands	Slovenia	Switzerland	UK	Portugal	Spain
1	Increased focus on Digitalization and Implementation of Marketing Tech 54 %	Main Focus on Marketing Operations (Execution), e.g., improvement of websites, E-Commerce, CRM-Systems, Data Analytics 49 %	Focus on Brand Management and Reach (Upper Funnel) -70 %	Focus on Brand Management and Reach (Upper Funnel) 51 %	Focus on Brand Management and Reach (Upper Funnel) -58 %	Main Focus on Marketing Operations (Execution), e.g., improvement of websites, E-Commerce, CRM-Systems, Data Analytics 50 %	Acquisition of New Target Groups (vs. intensify interaction with existing target groups) 48 %	Focus on Brand Management and Reach (Upper Funnel) 55 %	Increased focus on Digitalization and Implementation of Marketing Tech 49 %	Focus on Brand Management and Reach (Upper Funnel) – 57%
2	Main Focus on Marketing Operations (Execution), e.g., improvement of websites, E-Commerce, CRM-Systems, Data Analytics -47 %	Increased focus on Digitalization and Implementation of Marketing Tech 43 %	Increased Need for KPI Frameworks, Measurement (Marketing Spend Optimization) and Data Models (Marketing Mix Modelling, ROMI, etc.) 55 %	Main Focus on Marketing Operations (Execution), e.g., improvement of websites, E-Commerce, CRM-Systems, Data Analytics 43 %	Main Focus on Marketing Operations (Execution), e.g., improvement of websites, E-Commerce, CRM-Systems, Data Analytics 47 %	Increased focus on Digitalization and Implementation of Marketing Tech 50 %	Increased focus on Digitalization and Implementation of Marketing Tech 41 %	Main Focus on Marketing Operations (Execution), e.g., improvement of websites, E-Commerce, CRM-Systems, Data Analytics 52 %	Personalization 42%	Increased focus on Digitalization and Implementation of Marketing Tech – 50%
3	Focus on Brand Management and Reach (Upper Funnel) 44 %	Increased Need for KPI Frameworks, Measurement (Marketing Spend Optimization) and Data Models (Marketing Mix Modelling, ROMI, etc.) 41 %	Focus on Performance Marketing (Lower Funnel) 45 %	Focus on Performance Marketing (Lower Funnel) 42 %	Increased focus on Digitalization and Implementation of Marketing Tech 42 %	Acquisition of New Target Groups (vs. intensify interaction with existing target groups) – 50 %	Focus on Performance Marketing (Lower Funnel) 39 %	Increased focus on Digitalization and Implementation of Marketing Tech 42 %	Focus on Performance Marketing (Lower Funnel) 41 %	Focus on Performance Marketing (Lower Funnel) 40 %

Figure 10: Top 3 Impact of political/economic turbulence on marketing in Europe in 2023 (each from top 5 topics, Mult Response, n = 799, in percent)

EUROPEAN MARKETING AGENDA 2023

… between data consolidation and new competences

Aggregating the most important challenges for marketing across Europe in 2023, the topic of "consolidating distributed customer data to get a 360-degree customer view" is at the top of the list (35%), followed by all issues around attracting employees with relevant experience (32%).

The greatest challenges in 2023 thus comprise the following fields of action (Figure 11):

- The consolidation of all existing and newly generated data sets, for example in the context of data management (such as ETL operations);
- The establishment of a consistent customer experience along all touchpoints;
- The basis for this is formed by experts who can design the convergence of digital marketing application scenarios with IT applications;
- And subsequently, the implementation of new marketing applications;
- And connected to this, the further creation of a common understanding of the importance as well as the foundations and platforms for the implementation of data-driven marketing.

Interestingly, there is less focus on the realignment of all processes .... although it is clear to all involved that the further digitisation and use of marketing applications can only succeed along the customer journey and the underlying processes here ... otherwise the "A fool with a tool is still a fool" syndrome threatens.

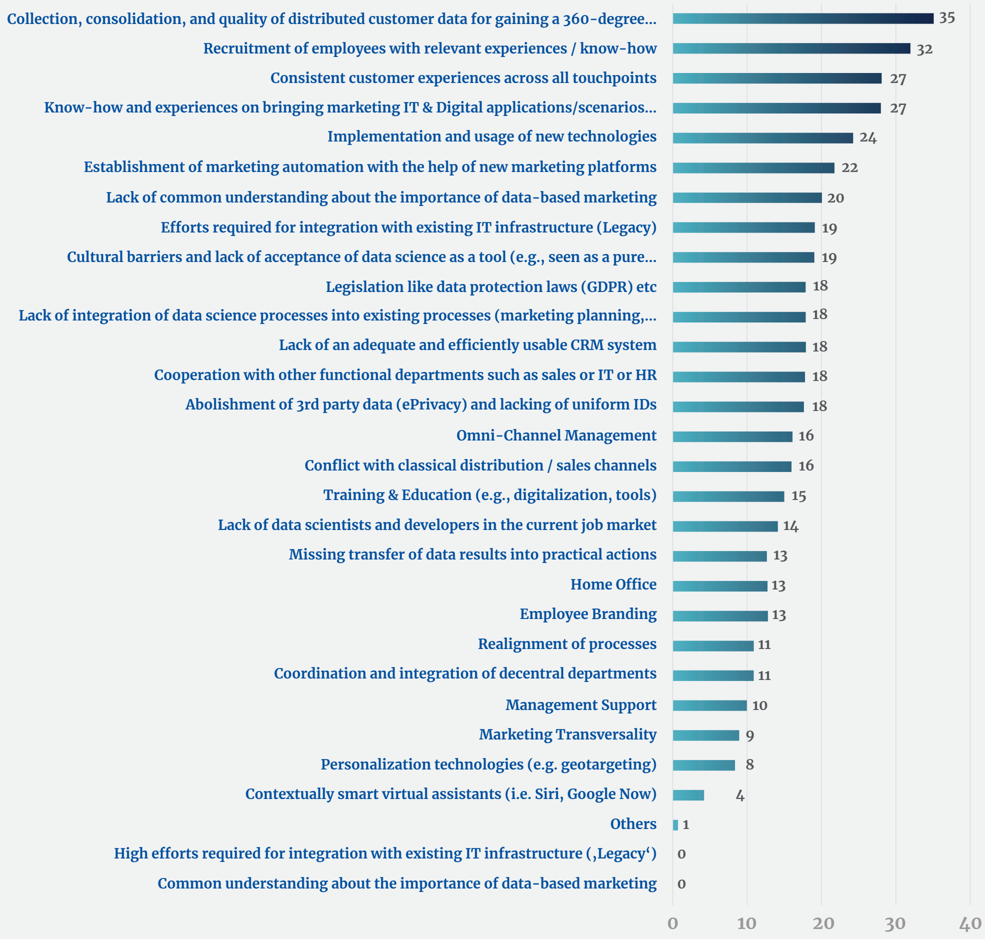


Figure 11: 11. Most important challenges & barriers in the coming 12 months in marketing in Europe in 2023 (each from top 5 topics, Mult Response, n = 799, in percent)

Integration efforts between the existing (legacy) application landscape and new applications or even the basic understanding of the importance of data-driven marketing are disappearing compared to previous years.

In other words, no CMO in Europe is lamenting the lack of understanding of the importance of data-driven marketing ... the question is no longer „if“, but only „how“ (Figure 12). In Spain in particular, this is subsumed under **„marketing transversality“**.

Prio.	Austria	Germany	Ireland	Lithuania	Netherlands	Slovenia	Switzerland	UK	Portugal	Spain
1	Recruitment of employees with relevant experiences / know-how 40 %	Establishment of marketing automation with the help of new marketing platforms – 48 %	Implementation and usage of new technologies 55 %	Recruitment of employees with relevant experiences / know-how – 39 %	Collection, consolidation, and quality of distributed customer data for gaining a 360-degree view on the customer – 47 %	Implementation and usage of new technologies 39 %	Recruitment of employees with relevant experiences / know-how – 38 %	Collection, consolidation, and quality of distributed customer data for gaining a 360-degree view on the customer – 42 %	Difficulties in selecting the right tools for data analytics (Big Data) – 29 %	Marketing Transversality – 33 %
2	Consistent customer experiences across all touchpoints 35 %	Know-how and experiences on bringing marketing IT & Digital applications/ scenarios together – 47 %	Recruitment of employees with relevant experiences / know-how – 40 %	Collection, consolidation, and quality of distributed customer data for gaining a 360-degree view on the customer – 37 %	Consistent customer experiences across all touchpoints 47 %	Lack of common understanding about the importance of data-based marketing 39 %	Missing transfer of data results into practical actions 30 %	Consistent customer experiences across all touchpoints 39%	Collection, consolidation, and quality of distributed customer data for gaining a 360-degree view on the customer – 28 %	Consistent customer experiences across all touchpoints – 32 %
3	Collection, consolidation, and quality of distributed customer data for gaining a 360-degree view on the customer 32 %	Collection, consolidation, and quality of distributed customer data for gaining a 360-degree view on the customer – 44 %	Cooperation with other functional departments such as sales or IT or HR – 35 %	Cooperation with other functional departments such as sales or IT or HR – 33 %	Recruitment of employees with relevant experiences / know-how 31 %	Recruitment of employees with relevant experiences / know-how 33 %	Home Office 30 %	Lack of an adequate and efficiently usable CRM system 39 %	Implementation and usage of new technologies 28 %	Collection, consolidation, and quality of distributed customer data for gaining a 360-degree view on the customer – 28 %

Figure 12: Top 3 Challenges & barriers in the coming 12 months in marketing in Europe in 2023 by country (each from top 5 issues, Mult Response, n = 799, in percent)

The consistently articulated **striving for a higher „user centricity“** as a noble strategic overall goal and obstacle at the same time.

- thus refers not only to (external) customers in the sense of total customer experience management or experience design, but also to the (internal) company organisation;
- often gets stuck in the lowlands of marketing operations (competencies, processes, systems) or is obscured in perception by operational issues.
- The existing corporate culture is insufficiently successful in anchoring the mission statement and brand values consistently in the organisation or else
- Autocracy and strict alignment with rigid hierarchical bureaucratic structures (such as alignment with respective superiors) prevent a higher proportion of self-organisation and organisational learning in a „fail faster“ approach.

EUROPEAN MARKETING AGENDA 2023

... the „Don Quixote battle“ against „all-knowing data dumps“

Topics such as

- gaining the necessary experience in digitalisation and the associated combination of departmental and IT know-how,
- the **recruitment** of employees with relevant know-how or also
- (at least indirectly) the establishment of modern work structures under the concept of a **New Work** with building blocks such as self-determination, democratic leadership structures, creative workspaces, fast/agile decision-making processes and flexible working models.

are also increasing significantly in importance compared to previous years (Figure 13). The next evolutionary leap in the field of **data science** and **marketing analytics** is in the view of European marketing managers:

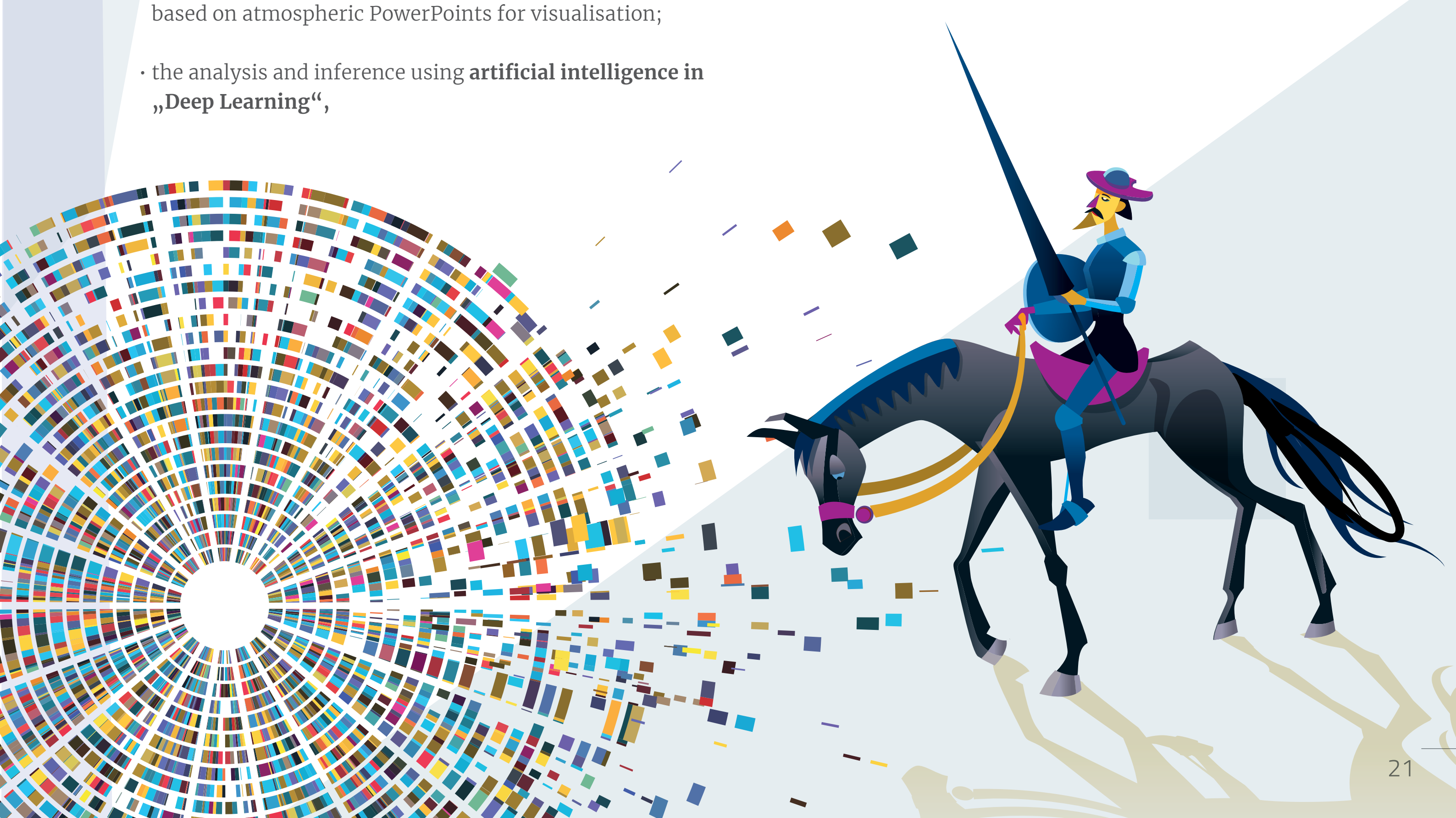
- the procedural and technical consolidation of all data sources, for example through **the use of so-called data stewards;**
- **a higher degree of automation**, beyond manual models based on atmospheric PowerPoints for visualisation;
- the analysis and inference using **artificial intelligence in „Deep Learning“, to generate useful consumer insights from the resulting „data lakes“** and then implement them in the form of marketing spend optimisation (marketing mix modelling) in interactive dashboards with simulation capabilities.

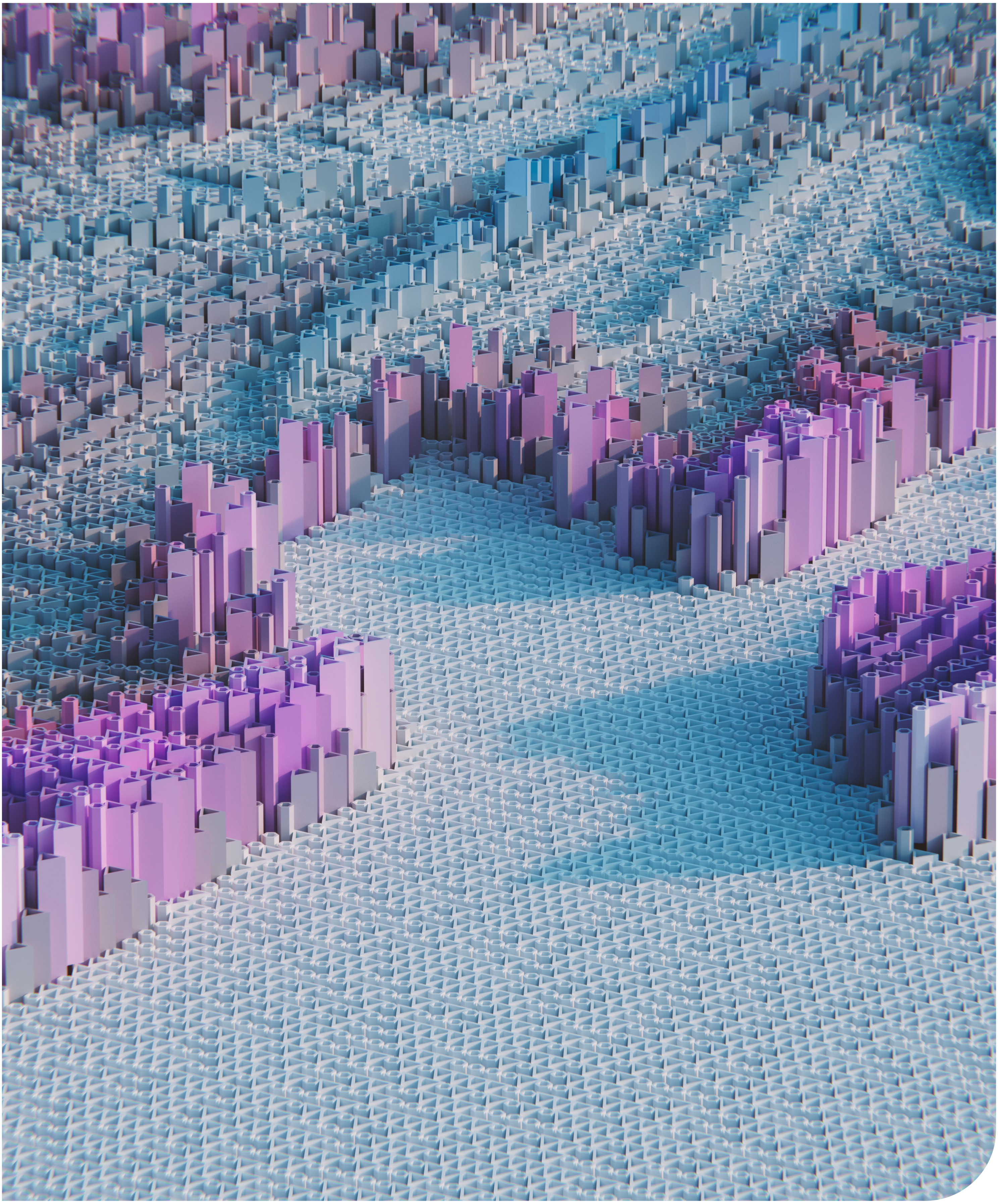
The challenge: to efficiently aggregate the often existing, „all-knowing data and number dumps“ in a wide variety of formats, media and semantics (KPI definitions) and to derive recommendations for action along the entire customer journey on this basis. Accordingly, data science is at the top of the rankings across Europe, hand in hand with the continuing trend towards insourcing.

The reason: many of the topics such as **data science** or **marketing tech** are gradually becoming a core competence that **must be developed in-house.**

Depending on the industry and size, specific questions arise for companies:

- How can I bundle and prepare my existing data, which may be in different databases in different places?
- How can I combine my internal data with external data?





- How can the quality of the data be levelled, for example due to different time intervals, such as online attribution vs. retail sales data (from IRI or Nielsen);

- How can I build up know-how in the field of data science in order to purposefully avoid falling into a „method trap“ ... i.e.: a disproportionate number of discussions about a supposedly correct method ... and less on the respective implications and the anchoring of the methods in the organisation?

- Which methods of analysis are suitable?

After data aggregation, the focus is on the selection of suitable models and the awareness of possible error classes associated with each, such as overfitting (overfitting to the training data, which reduces the predictive power for new data). The spectrum of alternative methods ranges from

- Unsupervised learning: such as explorative clustering for customer segmentation or also neural networks, Hidden Markov or Gaussian Mixture over the

- **Supervised learning**: hypothesis-based, e.g. by means of regression (e.g. customer termination prediction), classification (e.g. sentiment analysis), regression (LM, GLM, logistic), tree methods (random forest, XGBoost), support vector machine or neural networks/deep learning up to the level of

- **Reinforcement learning**: autonomous learning through rewards, for example in the context of Monte Carlo methods and temporal difference learning (such as deep Q learning).

This is closely followed by the need to reposition the marketing function as a business driver (57 %) and the implementation of a New Work with agile forms of work. Here, too, there is no „one master solution“.

The challenge: to develop an organisational model that is aligned with the specific concerns of the company, its products, market situation and future opportunities along all trends and technologies. Even if metaverse (17 %) and AI (44 %) have not yet really reached the „virtual marketing campfire“, they are already glimmering as scattered points of light on the marketing radar.

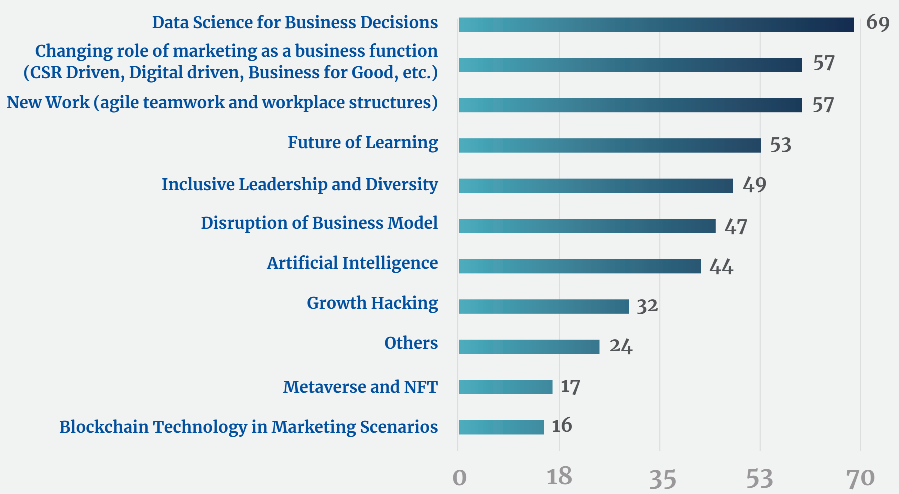
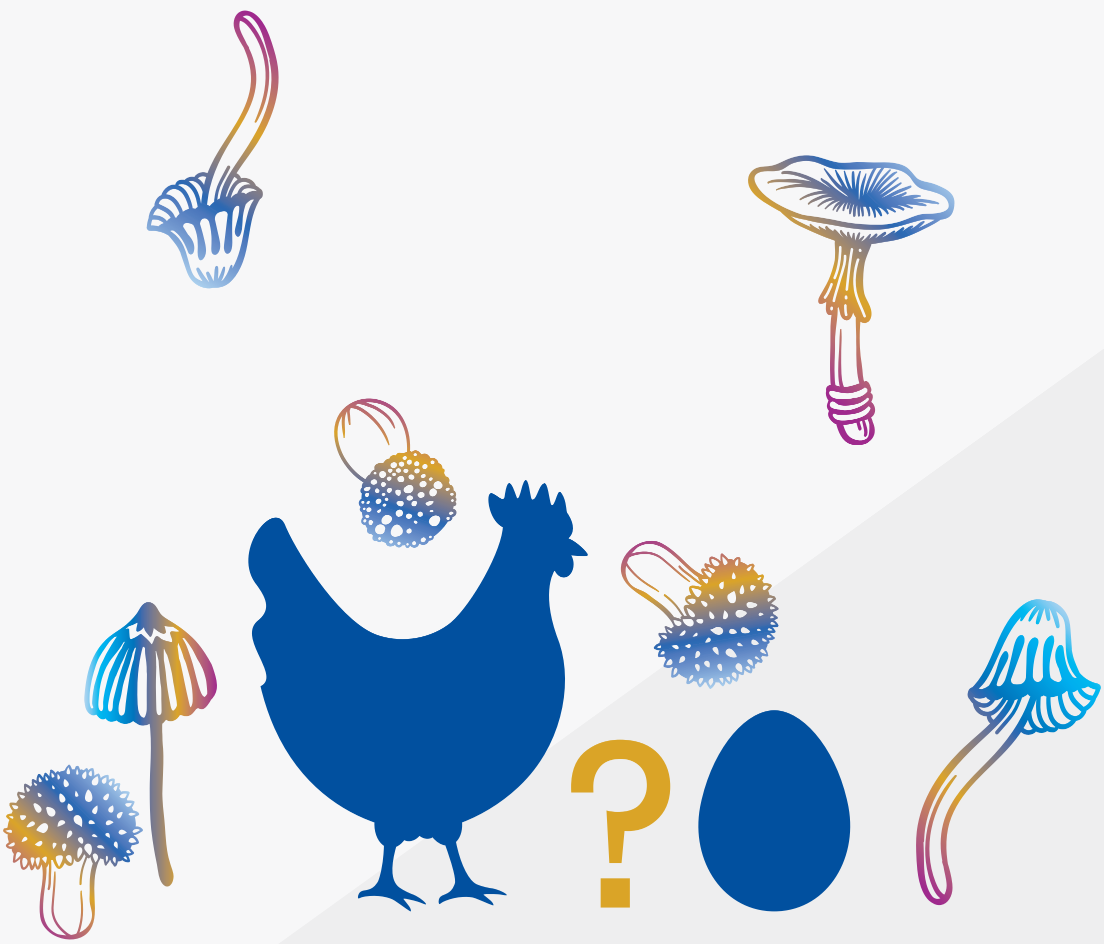


Figure 13: Most important trends & technologies in marketing in Europe in 2023 (each from top 5 trends & technologies, top boxes, sum 4 = “important” and 5 = “very important”, n = 799)

Schizophrenic, but true: the lived reality is contrary to the mantra-like demand for the development and expansion of new competences. Across Europe, comparatively little effort is being made to build up the necessary competences, for example through **training**. The topic is rarely addressed systematically and in a structured way in training courses. In some cases, training takes place, but then more on „fancy lifestyle" topics à la „digital life", less on the basics and connections along the various levels of data-driven marketing, for example.

The almost „schizophrenic chicken-and-egg problem": the exchange of experiences requires experienced and competent discussion partners, which can hardly exist without the appropriate system and the **teaching of specific competences**. Prominent role models of a „digital leader" at Amazon et al. or even case studies of other companies are much less important than the public discussion about supposed „best practices" would suggest. These role models hardly help with the very specific challenges of companies in reality.

This applies more to 1.) the success of competitors who are similarly structured, 2.) the successful test application of new instruments in one's own company and 3.) above all the example and conviction of the company management. In the opinion of the decision-makers, further postponement of the unanimously proclaimed necessary expansion of competence goes hand in hand with the danger of recklessly squandering existing competitive advantages. This is criticised above all by decision-makers in Lithuania (Figure 14).



Prio.	Austria	Germany	Ireland	Lithuania	Nether-lands	Slovenia	Switzer-land	UK	Portugal	Spain
1	New Work (agile team-work and workplace structures) 62 %	Data Science for Business Decisions 80 %	New Work (agile team-work and workplace structures) 84 %	Future of Learning -69 %	Data Science for Business Decisions -67 %	New Work (agile team-work and workplace structures) 67 %	New Work (agile team-work and workplace structures) 64 %	Chang-ing role of marketing as a business function (CSR Driven, Digital driven, Business for Good, etc.) 73 %	Data Science for Business Decisions 69 %	Data Science for Business Decisions 74 %
2	Data Science for Business Decisions 60 %	Disruption of Business Model 52 %	Future of Learning -70 %	Inclusive Leadership and Diversity -68 %	Changing role of marketing as a business function (CSR Driven, Digital driven, Business for Good, etc.) -67 %	Inclusive Leadership and Diversity 61 %	Data Science for Business Decisions 59 %	Inclusive Leadership and Diversity -70 %	New Work (agile team-work and workplace structures) 68 %	Changing role of marketing as a business function (CSR Driven, Digital driven, Busi-ness for Good, etc.) 70 %
3	Changing role of mar-keting as a business function (CSR Driven, Digital driven, Business for Good, etc.) 52 %	Changing role of marketing as a business function (CSR Driven, Digital driven, Business for Good, etc.) 45 %	Inclusive Leadership and Diversity 60 %	Data Science for Business Decisions 66 %	Inclusive Leadership and Diversity 53 %	Data Science for Business Decisions 56 %	Future of Learning - 57%	Data Science for Business Decisions 70 %	Changing role of marketing as a business function (CSR Driven, Digital driven, Busi-ness for Good, etc.) 67 %	New Work (agile team-work and workplace structures) 66 %

Figure 14: Top 3 Most important trends & technologies in marketing in Europe in 2023 by country (each from Top 5 topics, Mult Response, n = 799, in percent)

Artwork: adfacts integrierte Kommunikation KG

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