

W H I T E P A P E R

HOW CMOs ARE ENGAGING WITH CUSTOMERS THROUGH TECHNOLOGY SOLUTIONS

M A Y 2 0 2 1



METHODOLOGY

This whitepaper is based on a survey covering responses from more than 250 leading organisations across major cities in India. The cities included are Ahmedabad, Bangalore, Delhi NCR, Hyderabad, Kolkata, and Mumbai. These businesses had an annual revenue above INR 5 billion. The survey was conducted in the last quarter of 2020. This information is supplemented by primary data from national and international sources, and secondary data from the International organisations, to allow our team to provide a unique perspective.



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EXECUTIVE SUMMARY

The importance of digital channels to connect with customers have radically increased since the pandemic, at a pace which was not anticipated. The increased amount of digital customer engagement is generating critical data about customers. However, the volume, complexity and the speed at which the data is generated is forcing organisations to have effective database management systems. Today, the Chief Marketing Officers (CMO) have a larger role to ensure higher customer engagement through digital platforms and effectively manage customer data so that the sales team can contact more qualified prospects and close more deals in less time. Recognizing the important role of CMOs in a digitised marketplace, we reached out to 250 CMOs across eight sectors and across six major cities in India. These businesses had a revenue of more than INR 5 billion. The survey was conducted in the last quarter of 2020. This helped us to understand:



WHAT IS THE MARKETING BUDGET ALLOCATED ACROSS SECTORS AND WHAT ARE THE KEY MARKETING ACTIVITIES PURSUED BY CMOs?



HOW COMPANIES ARE DERIVING REVENUE THROUGH DIGITAL PLATFORMS?



HOW CMOs ARE EFFECTIVELY TARGETING THEIR CUSTOMERS THROUGH DIGITAL PLATFORMS?



HOW ARE TECHNOLOGIES USED BY CMOs TO MANAGE DATA AND GATHER ACTIONABLE CUSTOMER INSIGHTS?

This whitepaper provides answers on the above four questions. The outcome of this whitepaper will help to understand the growing importance of digital channels to connect with customers and how CMOs of leading organisations are applying new age technologies to deliver a better customer experience. The whitepaper also helps to understand the readiness of marketing automation tools amongst CMOs across sectors.

KEY TAKEAWAYS



One in five surveyed companies allocate more than 20% of their sales revenue towards marketing activities. In terms of value, one in three surveyed companies allocate more than Rs 100 million for the same



Offline & Online Advertising (60%), Social Media Advertising (47%) and Data Analytics (37%), are the three most popular activities where companies spend their marketing budget



The current pandemic has accelerated the usage of digital mediums to generate sales. Around 77% of the CMOs agreed that there has been an increase in digital engagement and one in five companies generate 30-40% of their sales through the digital medium



More than 70% of the CMOs use sales intelligence platforms to connect with customers and are willing to explore more options



Usage of Artificial Intelligence (AI) and Machine Learning (ML) tools for database management is high as three out of four surveyed CMOs are currently using such tools



More than 90% of surveyed CMOs currently use data analytics for customer segmentation



Application of new age automated technologies is also high. Our survey indicates that 90% of CMOs will have marketing automation tools by end of 2021



ALLOCATION
OF MARKETING
EXPENDITURE
TOWARDS
TOP MARKETING
ACTIVITIES

ALLOCATION OF MARKETING EXPENDITURE TOWARDS TOP MARKETING ACTIVITIES

The survey tried to capture the budget that is allocated to CMOs for pursuing various marketing activities and how this budget is allocated towards different marketing channels. The survey provides insights on how the preferences of CMOs for targeting their customers vary across sectors.

SHARE OF SALES REVENUE ALLOCATED FOR MARKETING



One in five surveyed companies allocated more than 20% of their sales revenue for marketing activities

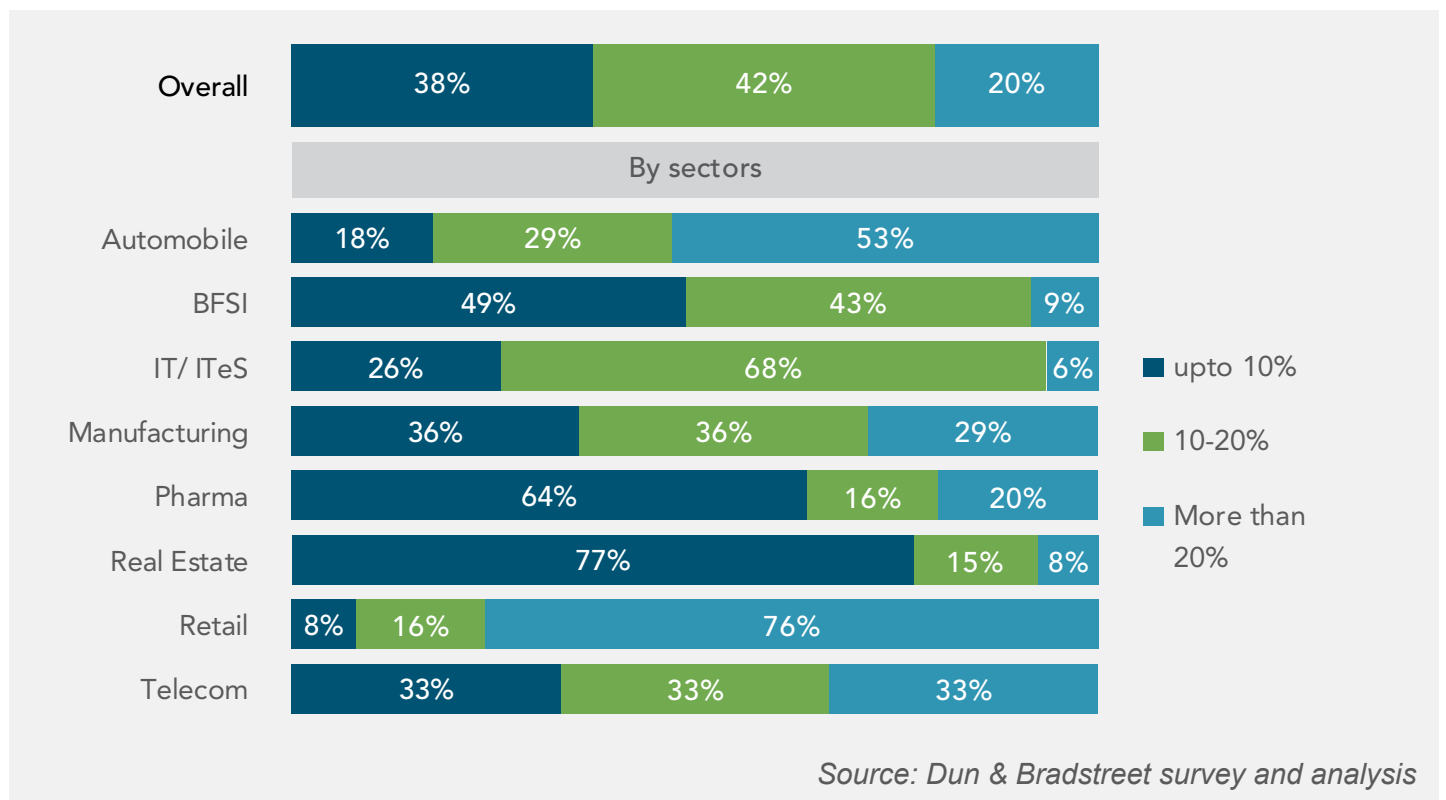


42% of surveyed companies spend 10%-20% of their sales revenue for marketing activities while another 38% spend up to 10% of their sales revenue



Sector-wise, retail and automobile sectors allocate a higher share of sales revenue for marketing activities; 76% of companies in the retail sector and 53% of companies in the automobile sector allocate more than 20% of their sales revenue for marketing activities

SHARE OF SALES REVENUE ALLOCATED BY CMOs FOR MARKETING EXPENDITURE ACROSS SECTORS



MARKETING BUDGET

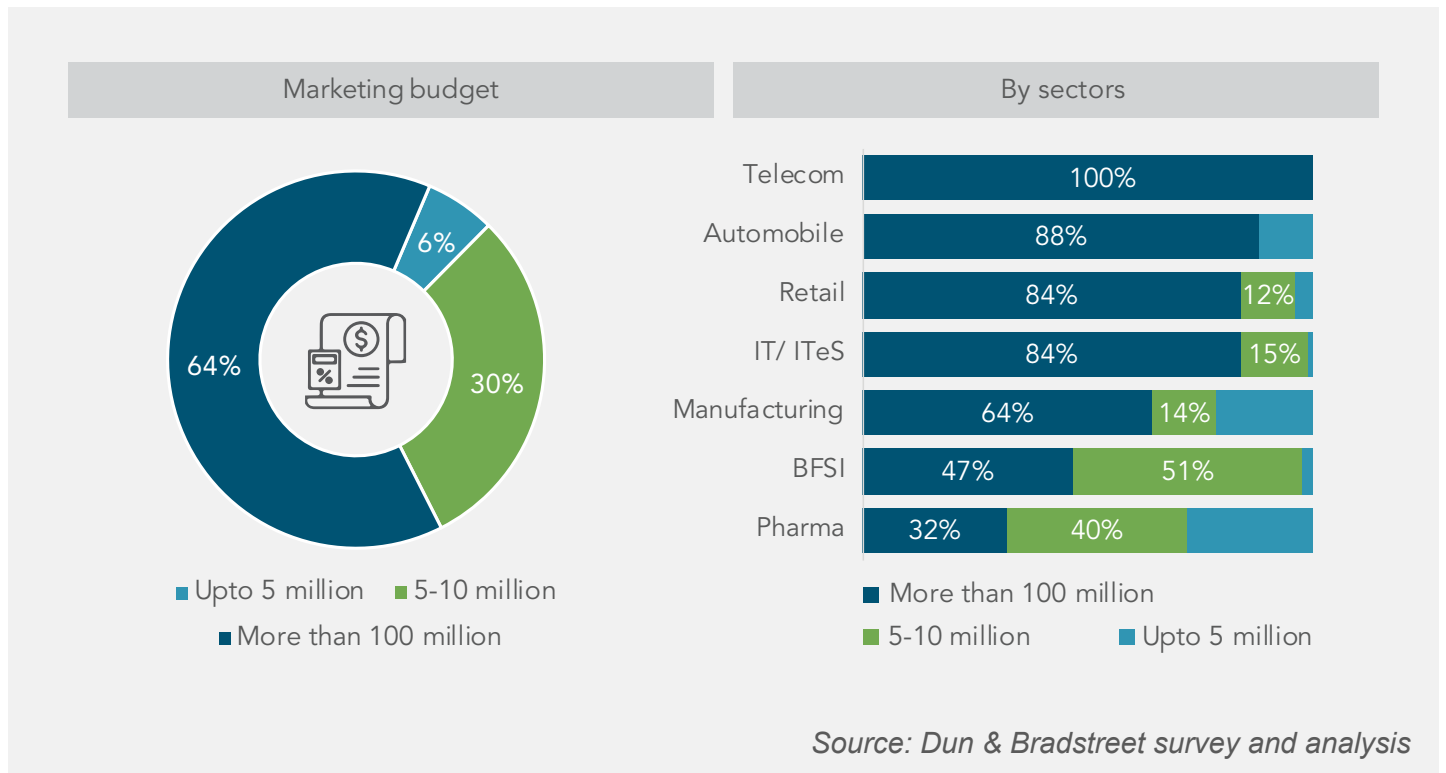
The survey found that while the share of sales revenue allocated to marketing budget is low, in value terms this is quite high

One in three surveyed companies allocate more than Rs 100 million for marketing activities

30% of the surveyed companies spend between Rs 50 – 100 million for their marketing activities, while only 6% spend less than Rs 50 million

Sector-wise, the survey found that all companies in the telecom sector and close to nine in ten companies in the automobile sector allocate more than Rs 100 million for marketing activities

MARKETING BUDGET ALLOCATED TO CMOs ACROSS SECTORS



THE TOPMOST MARKETING ACTIVITIES PURSUED BY CMOs

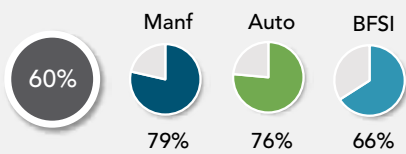
The survey revealed that Offline & Online Advertising (60%), Social Media Advertising (47%) and Data Analytics (37%) are the most popular amongst CMOs

Paid Digital (36%), Marketing Automation (34%) and Research & Content (30%) are also popular amongst the CMOs

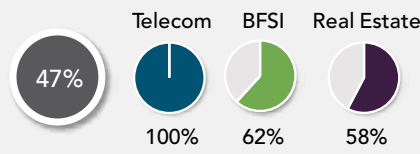
THE MOST POPULAR MARKETING ACTIVITIES PURSUED BY CMOs ACROSS SECTORS

The most popular marketing activities pursued by CMOs across sectors

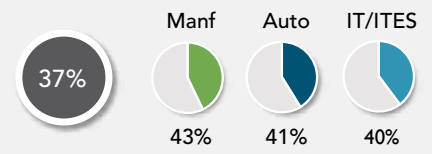
1. Advertising (offline & online)



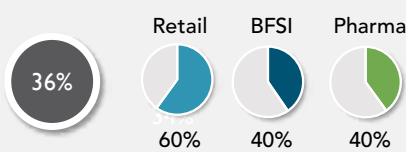
2. Social media advertising



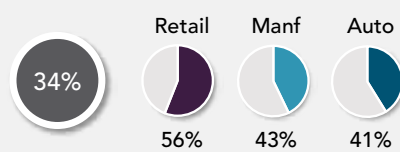
3. Data analytics



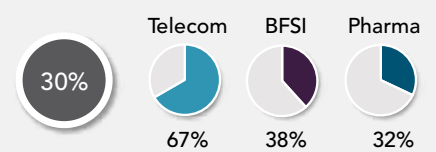
4. Paid digital



5. Marketing automation



6. Research and content



Notes: The chart represents 3 sectors where the selected marketing activities are the most popular

Source: Dun & Bradstreet survey and analysis

CMOs in the Manufacturing and Automobile sectors gave priority to Online & Offline Advertising and Data Analytics

CMOs in the BFSI (62%) and Real Estate (58%) sectors prefer to engage in Social Media Advertising

Marketing Automation is preferred by CMOs in the Retail (56%) and Manufacturing sector (43%)

TOP MARKETING CHANNELS WHERE CMOs ALLOCATED THEIR BUDGET



The top four marketing channels where companies spend their marketing budgets are Social Media (70%), Advertising (68%), Email Marketing (60%) and Marketing/Lead Generation Tools (48%)



When asked about the distribution of their marketing budget amongst different marketing channels, it was found that the CMOs of leading companies on an average allocated Rs 30 out of every Rs 100 of their marketing budget on Advertising

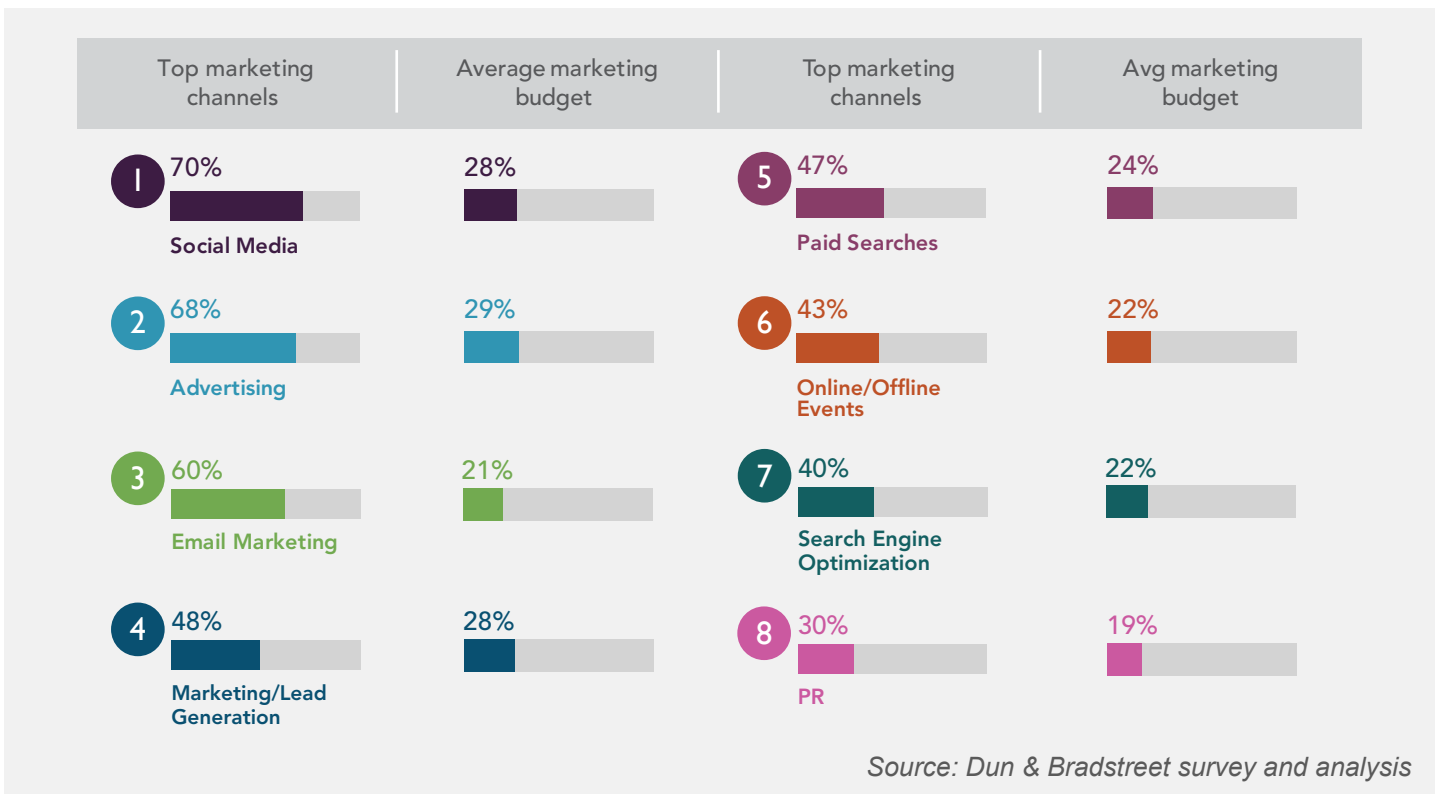


The next popular marketing channels that the surveyed CMOs allocated their funds was Social Media Campaigns and Marketing/Lead Generation Tools. 28% of the marketing budget on an average was allocated by CMOs towards each of these two marketing channels



The survey revealed that CMOs in the Pharma and Manufacturing sectors allocated a higher budget for social media activity

DISTRIBUTION OF MARKETING BUDGET ON VARIOUS MARKETING CHANNELS





TARGETING
CUSTOMERS
THROUGH
DIGITAL
PLATFORMS

TARGETING CUSTOMERS THROUGH DIGITAL PLATFORMS

The importance of digital channels and real-time data to connect with customers and gain customer insights have radically increased since the pandemic. Engaging with customers on digital platforms help CMOs to collect critical information about their customers. To derive meaningful customer insights from such data, applications like Sales Acceleration Solutions and Customer Relationship Management tools (CRM) are being largely used by CMOs as revealed by our survey. These platforms can analyse and process large quantity of real time data, empowering sales & marketing teams with timely data to have meaningful conversations with customers. According to Dun & Bradstreet's survey of B2B buyers, conducted in 2017, 67% agree sellers should use business data to drive more meaningful conversations.

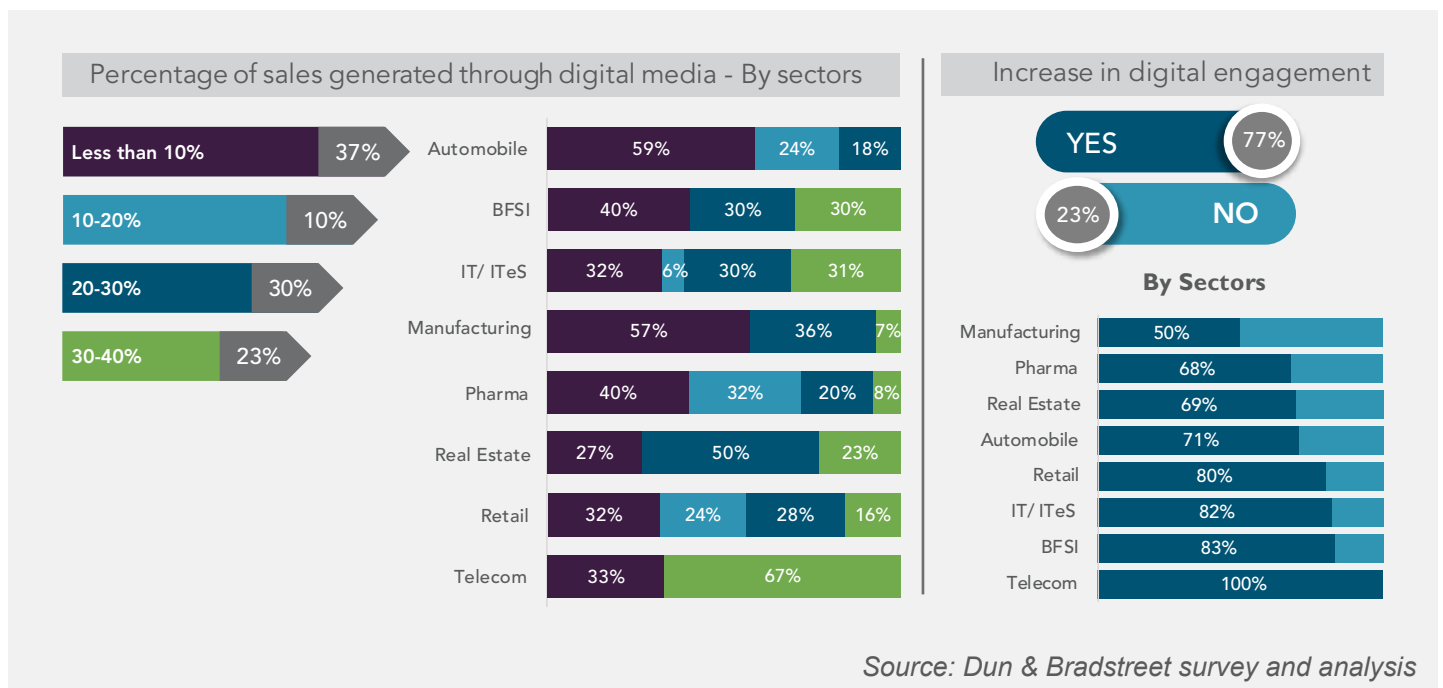
The Dun & Bradstreet survey conducted in 2020, provides insights on how leading companies are driving revenue through digital platforms, the increase in digital engagement that they have witnessed during the pandemic and the various Sales Intelligence and CRM tools that are being adopted to effectively target their customers.

GENERATING SALES THROUGH DIGITAL MEDIUMS

The current pandemic has accelerated the usage of digital mediums to generate sales. Not surprisingly, CMOs of leading companies have witnessed increase in digital engagement through websites and other platforms during the pandemic. Around 77% of the CMOs agreed that there has been an increase in digital engagement

The survey also revealed that one in five companies generate 30-40% of their sales through digital platforms. Another 30% generate 20-30% of the sales through digital platforms, the remaining 47% generate up to 20% of their sales through digital platforms

INCREASE IN DIGITAL ENGAGEMENT





Sector-wise more than 30% of companies each in the BFSI and IT/ITeS sectors generate 30 - 40% of their revenue through digital platforms



While all the eight surveyed sectors have witnessed an increase in digital engagement, every four in five CMOs in the BFSI, IT/ITeS and retail sectors witnessed increase in digital engagement through website and other platforms

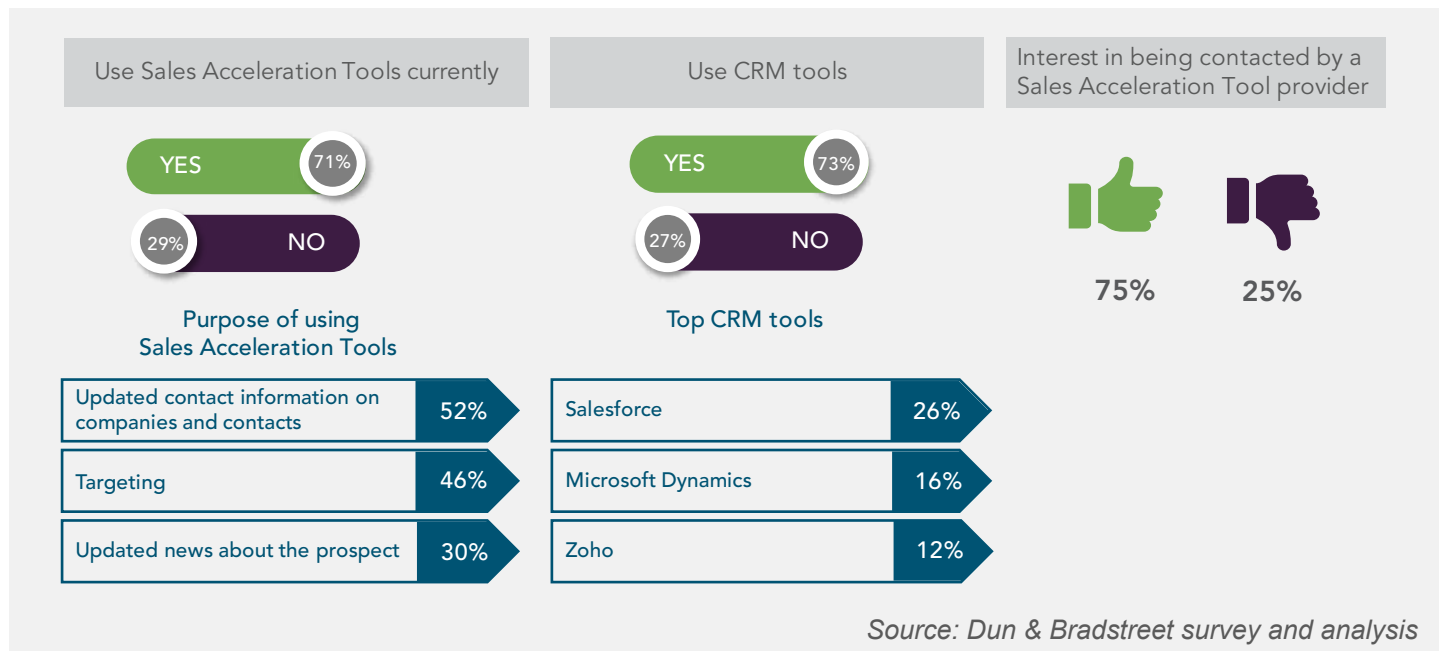
SALES ACCELERATION AND CRM TOOLS USED TO ENGAGE WITH CUSTOMERS

The survey revealed that there is a need for Sales Acceleration Tools. 75% of CMOs stated that they are interested in being contacted by a Sales Acceleration Tool provider

Interestingly, amongst the 29% of CMOs who do not use Sales Acceleration Tools, 52% are interested in being contacted by a Sales Acceleration Tool provider. However, amongst the 71% of CMOs who use Sales Acceleration Tools, 85% are interested in being contacted by a Sales Acceleration Tool provider indicating the need amongst CMOs to explore more such options

80% of CMOs in the IT/ITeS sector use Sales Acceleration Tools followed by 76% in the Retail Sector

USE OF SALES INTELLIGENCE PLATFORMS BY CMOs AND WILLINGNESS TO EXPLORE



PURPOSE FOR USING SALES ACCELERATION TOOLS

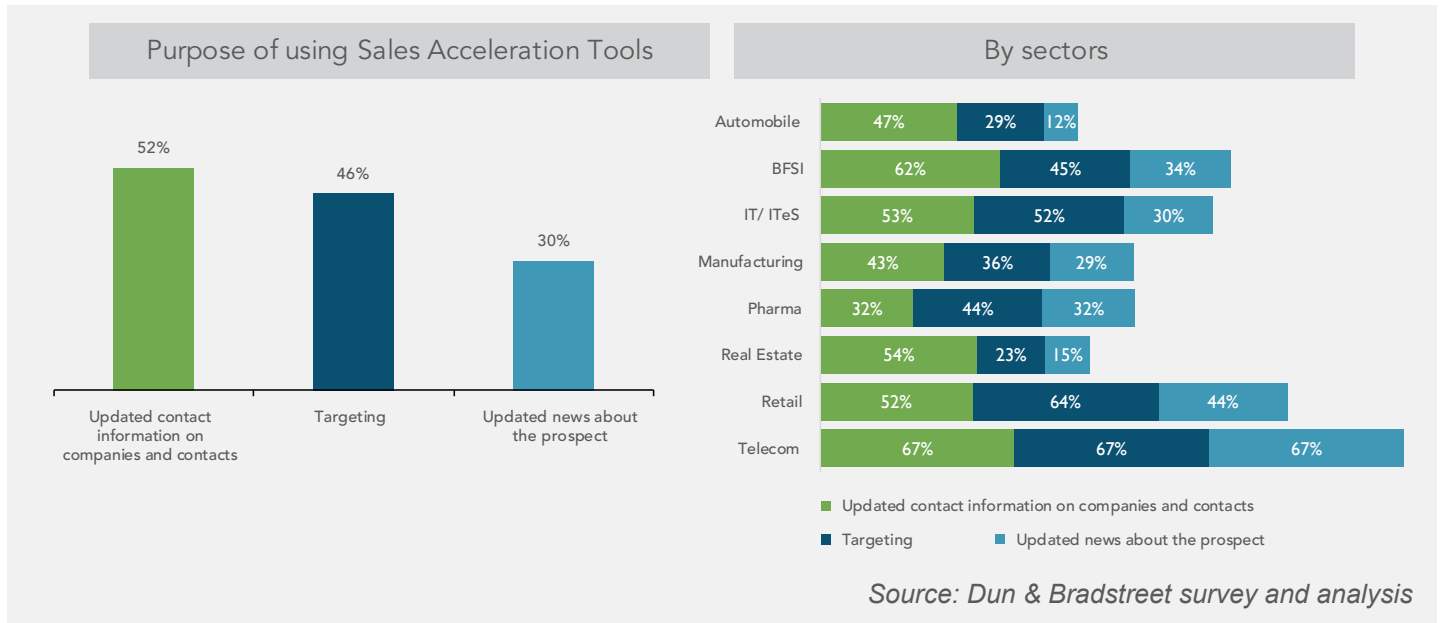


Sales Acceleration tools are mostly used to Update Contact Information (52%). 46% of CMOs use it for Customer Targeting and 30% use it to Get News Updates about the prospective client



Sales Acceleration tools are used by more than 60% of companies in the BFSI and telecom sector and by more than 50% of companies in the IT/ITeS, real estate and retail sectors to update information on companies and contacts

PURPOSE OF USING SALES ACCELERATION TOOLS SECTOR WISE



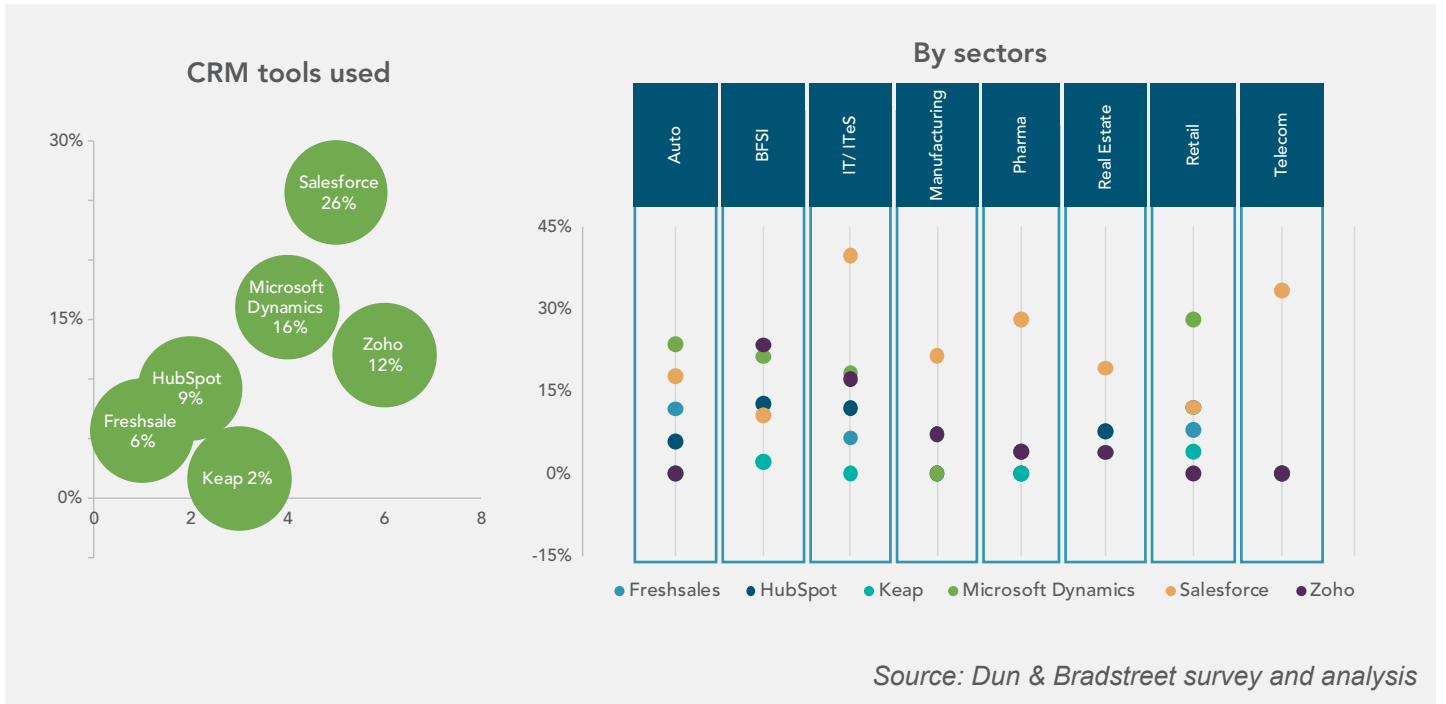
CRM TOOLS USED BY CMOs

73% of CMOs use CRM tools. The most popular tools are Salesforce (26%) followed by Microsoft Dynamics (16%) and Zoho (12%)

40% of CMOs in the IT/ITeS and 28% of CMOs in the Pharma sector use Salesforce. The survey also revealed that 28% of CMOs in the Retail sector use Microsoft Dynamics and 23% of CMOs in the BFSI sector use ZOHO

The other CRM tools used are Freshsales, HubSpot, Keap, SAP, own in-house developed software, etc.

PREFERENCE FOR CRM TOOLS ACROSS SECTORS





DATABASE
MANAGEMENT,
CUSTOMER
INSIGHTS AND
AUTOMATION

DATABASE MANAGEMENT, CUSTOMER INSIGHTS AND AUTOMATION

The amount of data created over the next three years will be more than the data created over the past 30 years. The volume, complexity and the speed at which data is generated is forcing organisations to deploy intelligent tools to interpret the data and improve its quality, and most importantly address data security issues. Use of data analytics and automation tools to effectively interpret quality data empowers CMOs to determine preferences of customers, segment customers according to their need and design effective marketing campaigns to ultimately deliver a better customer experience.

The Dun & Bradstreet survey gathered insights on the benefits derived by the CMOs of leading organisations from managing their databases and the level of deployment of intelligent tools for database management. The survey also found how CMOs of different sectors are using Data Analytics for customer segmentation to better target their customers and the readiness of marketing automation amongst CMOs.

BENEFITS OF DATABASE MANAGEMENT

The benefits of database management are many. The survey helps us to understand the ways in which managing databases will help CMOs and how they differ across different sectors.

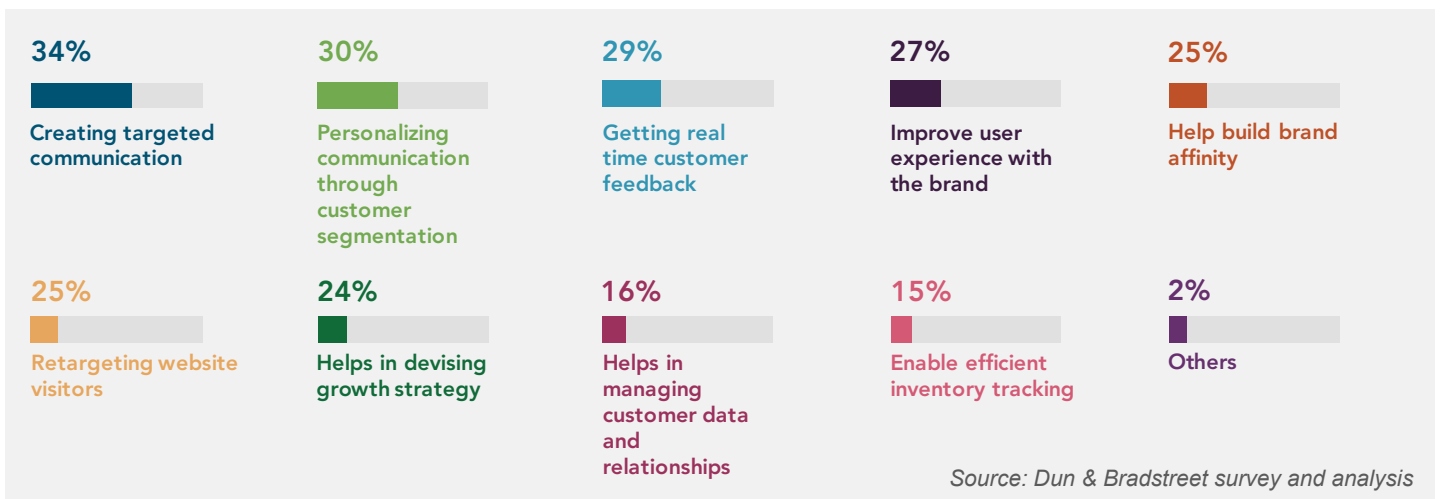
CMOs consider that managing their database would help them in various ways. The top three areas where it would benefit them are Creating Targeted Communication (34%), Personalizing Communication Through Customer Segmentation (30%) and Getting Real-Time Customer Feedback (29%)

For almost 100% of surveyed CMOs in the Telecom sector and 44% of CMOs in the Retail sector, database management helps them to create targeted communication

48% of CMOs in the Retail sector and 40% in the Pharma sector say that managing database helps them to personalize communication through customer segmentation

More than 50% of CMOs in the BFSI sector are of the opinion that managing database helps them to get real-time customer feedback

BENEFITS DERIVED FROM DATABASE MANAGEMENT BY CMOs



TECHNOLOGY APPLICATIONS USED FOR DATABASE MANAGEMENT

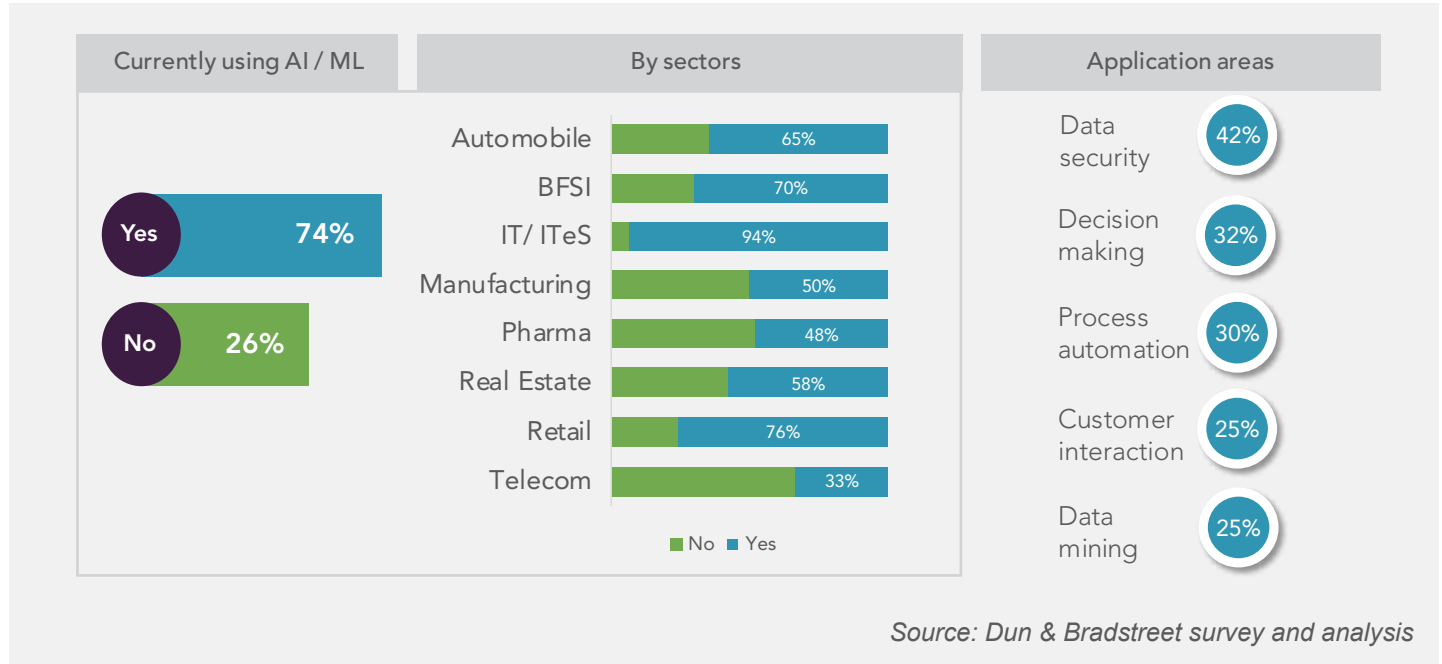


Three out of four surveyed CMOs are currently using Artificial Intelligence (AI) and Machine Learning (ML) tools for database management



Use of AI/ML tools are higher amongst CMOs in the IT/ITeS Sector (94%), followed by the Retail and BFSI sector where more than 70% of CMOs use AI/ML tools

APPLICATION OF AI/ML TOOLS FOR DATA MANAGEMENT IN KEY AREAS ACROSS SECTORS



APPLICATION AREAS OF AI/ML TOOLS

Artificial Intelligence and Machine Learning tools are used by the CMOs for Data Security (42%), to Improve Decision Making (32%), for Process Automation (30%), to Improve Customer Interaction (25%) and for Data Mining (25%)

CMOs in the IT/ITeS sector use AI/ML tools largely for Data Security (68%), followed by Improved Decision Making (46%)

A large share of CMOs in the Manufacturing sector (36%) prefer to use AI/ML tools for Process Automation

EXPLORING TOOLS FOR REFRESHING DATABASE



56% of the CMOs revealed that they are interested and willing to explore various tools to refresh their data



Only 4% of the surveyed CMOs revealed that they have started the process of adopting tools which will help them to refresh their data

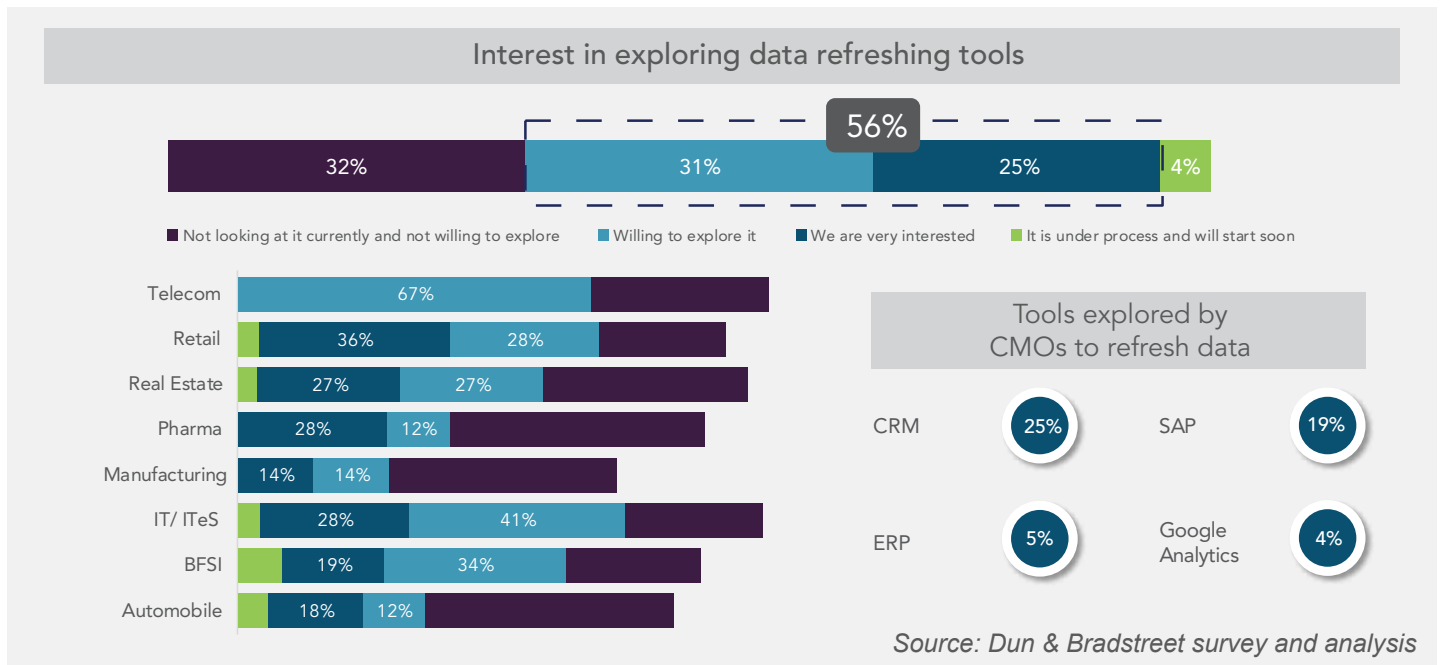


CMOs in the IT/ITeS (69%) followed by the Telecom (67%) and Retail (64%) sectors have shown greater interest and willingness to adopt data refreshing tools



The CMOs who are interested and willing to explore data refreshing tools stated their preferences for applications such as CRM (25%), SAP (19%), ERP (5%) and Google Analytics (4%)

DATA REFRESHING TOOLS CURRENTLY BEING EXPLORED BY CMOs



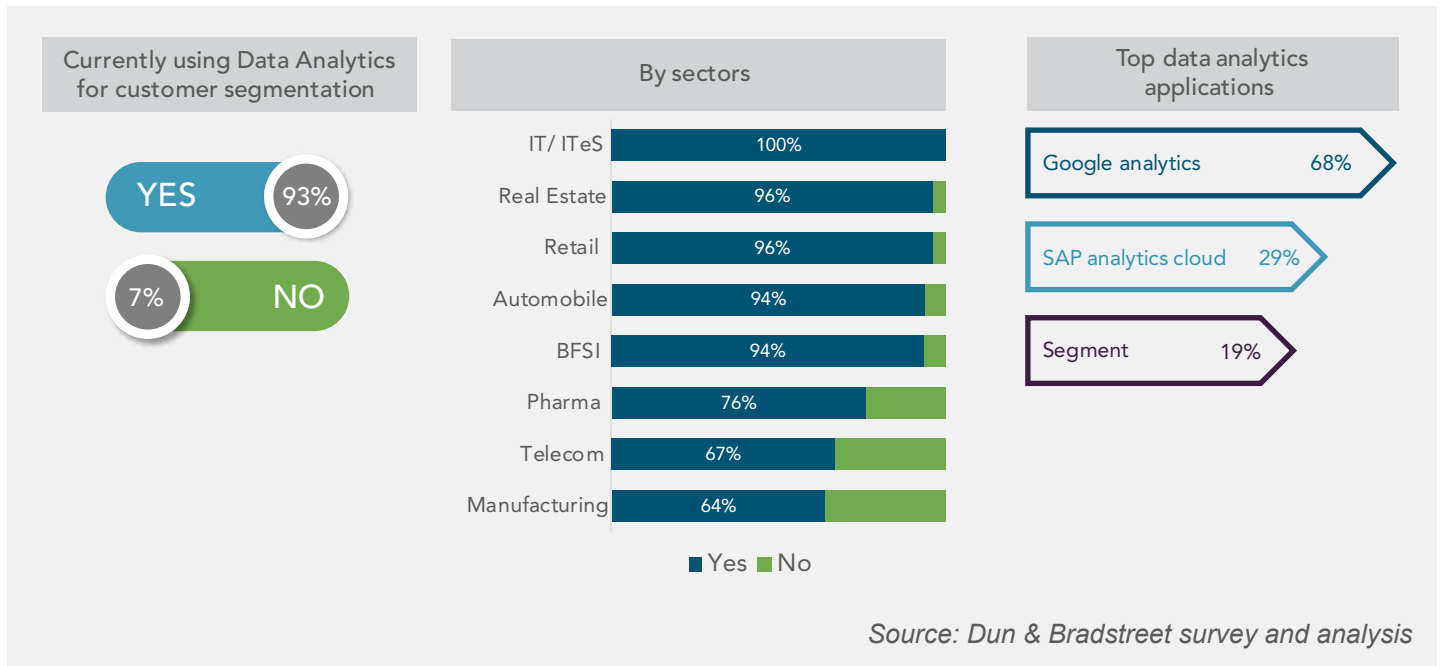
DATA ANALYTICS FOR CUSTOMER SEGMENTATION

Nine out of ten surveyed companies use data analytics for customer segmentation

Google Analytics was the most popular tool used for customer segmentation as close to 70% CMOs revealed using it, followed by SAP Analytics Cloud (29%) and Segment (19%) amongst the various tools in the market such as Yandex, Kissmetrics, Looker, Cognos, Exponea, Decision Suite, TARGIT etc.

100% of surveyed CMOs in the IT/ITeS sector use Data Analytics for customer segmentation, while more than 90% of CMOs in the Real Estate, Retail, Automobile and BFSI sectors use various Data Analytics tools

APPLICATION OF DATA ANALYTICS TOOLS FOR CUSTOMER SEGMENTATION ACROSS SECTORS



READINESS FOR MARKETING AUTOMATION

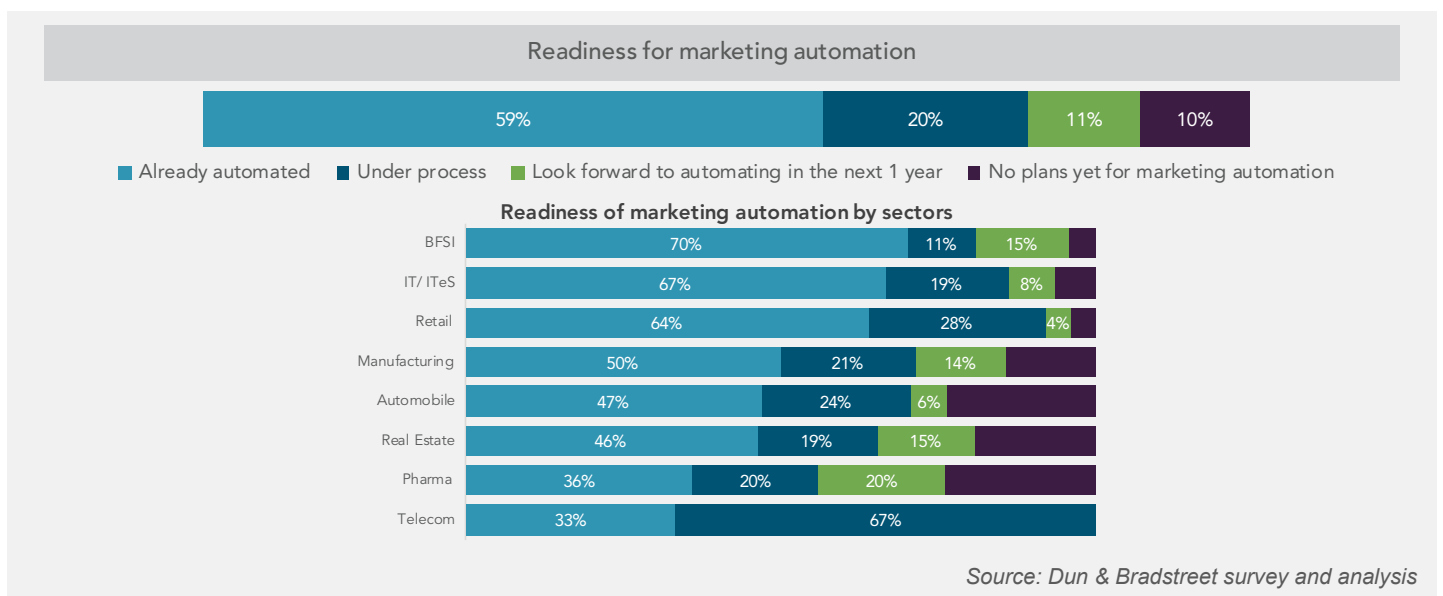
Our survey revealed that the readiness for marketing automation tools amongst CMOs are very high

59% of CMOs have already adopted marketing automation tools. While 20% of CMOs stated that they are under the process of adopting, another 11% will adopt the automation tools in the next one year

90% of CMOs will have marketing automation tools by end of 2021

Currently, the adoption is higher amongst the CMOs in the BFSI sector (70%), followed by the IT/ITeS sector (67%) and the Retail sector (64%)

READINESS FOR MARKETING AUTOMATION TOOLS ACROSS SECTORS



CONCLUSION

The rapid change in the market dynamics and customer preferences have led CMOs to pursue digital strategies to engage with customers, gather critical customer information and effectively manage their customer data. The pandemic has further amplified the importance of quality and timely data. Hence, effective management of databases through intelligent solutions have become a priority for CMOs to interpret and improve the quality of data and help sales teams reach out to the most qualified prospects. Contacting qualified prospects shortens the sales cycle and improves the sales conversion rate.

HOW DUN & BRADSTREET CAN HELP?

TARGETING CUSTOMERS THROUGH DIGITAL PLATFORMS

While the desire to speed up the sales process has always been a priority, the way in which technology and data have come together to help accelerate business outcomes is the real game changer. A sales intelligence tool can help businesses identify and focus on the best opportunities available, and provide intelligence on prospective customers, overall market and competition. It also helps in aligning the sales and marketing teams to accelerate sales. Dun & Bradstreet's Sales & Marketing Solutions such as D&B Hoovers, D&B DataVision and D&B iAccess can be used to:



Identify unaddressed markets and optimize go-to-market planning



Intelligently target customers more strategically



Enable informed conversations



Enhance sales productivity leveraging data and analytics

DATABASE MANAGEMENT AND GAINING CUSTOMER INSIGHTS

Through our extensive DUNSRight™ process, we collect, aggregate, verify and govern data from tens of thousands of sources daily so that you can use it to make profitable decisions for your business. Our solutions will help you to identify, cleanse and add firmographic intelligence to your business records and give you the confidence in segmenting the market, identifying priority targets, conducting and ensuring alignment across your business, while reducing the costs associated with bad data. The benefits of our Master Data Solutions and other sales & marketing products such as D&B Optimizer are:

Reduction in operating costs and increase in operational efficiency

More effective sales & marketing campaigns (Account Based Marketing (ABM), cross-sell/up-sell, segment targeting, etc.)

To improve your Sales & Marketing ROI, it is important to have data that's up to date, connected, insightful, customized, accessible and actionable. Please contact your Dun & Bradstreet Account Manager today to understand how to assess the quality and completeness of your data in order to identify new prospects as well as find opportunities among your existing customers.

ABOUT DUN & BRADSTREET

Dun & Bradstreet, a leading global provider of B2B data, insights and AI-driven platforms, helps organizations around the world grow and thrive. Dun & Bradstreet's Data Cloud fuels solutions and delivers insights that empower customers to grow revenue, increase margins, manage risk, and help stay compliant – even in changing times. Since 1841, companies of every size have relied on Dun & Bradstreet. Dun & Bradstreet is publicly traded on the New York Stock Exchange (NYSE: DNB).

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