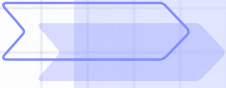




# The Modern Marketing Mandate

*A strategic guide for marketing leaders  
in the Age of Artificial Intelligence*



Welcome to an era where marketing excellence demands more than just creativity and brand stewardship; it requires an operating model.



This playbook outlines how successful marketing leaders are evolving their marketing organizations and strategies, moving beyond AI experimentation to operational transformation that delivers both customer value and business results.

**1. THE 'ERA OF LESS':** Marketing budgets have leveled off at 7.7% of company revenue for the second consecutive year, demanding unprecedented efficiency gains while maintaining growth trajectories. But the reality is that most marketing departments are operating on less.

**2. MARKETERS ARE PRIORITIZING STACK CONSOLIDATION:** Organizational, economic and technical pressures are finally forcing organizations to consolidate their very bloated martech stacks. Companies are consolidating tools as platforms absorb adjacent categories, making all-in-one suites capable of handling most end-to-end workflows. As organizations shift to platform-first decisions, the need to stitch together many specialized tools diminishes. This drives vendor rationalization, with teams buying more from fewer vendors to reduce cost, complexity, and operational overhead.

**3. NEW DATA SOURCES TAKE CENTER STAGE:** The phase out of third-party cookies and the growing role of AI are accelerating a healthier shift toward more trusted, customer-centric data strategies. While 61% of marketers still use third-party data<sup>1</sup>, most now prioritize first party, transactional, and customer insight data, reflecting progress toward more reliable foundations for personalization and AI optimization. This transition, though complex, positions businesses to build more meaningful, compliant, and effective customer experiences.

**4. CONSUMER EXPECTATIONS CONTINUE TO CLIMB:** Connected and relevant customer journeys are no longer a goal to aspire to, they are now required by consumers for brand loyalty. In fact, 70% of customers choose brands based on the expectation of a good experience<sup>2</sup>. And surface level personalization won't cut it, consumers want personalized help. According to Gartner, personalization without help, is worse than none at all.

**5. PRIVACY AND GOVERNANCE ARE MISSION CRITICAL:** Consumer privacy has become a clear priority for individuals, even as they continue to share data in everyday digital interactions. Widespread distrust of social media and AI companies, combined with fragmented and evolving regulations, is pushing consumers to expect more transparent, relationship driven privacy practices from the brands they engage with.

1. <https://martech.org/61-of-marketers-still-relying-on-third-party-data/>

2. <https://www.ipsos.com/en-us/cx-global-insights-2025-unlocking-future-customer-experience>

# The State of Marketing

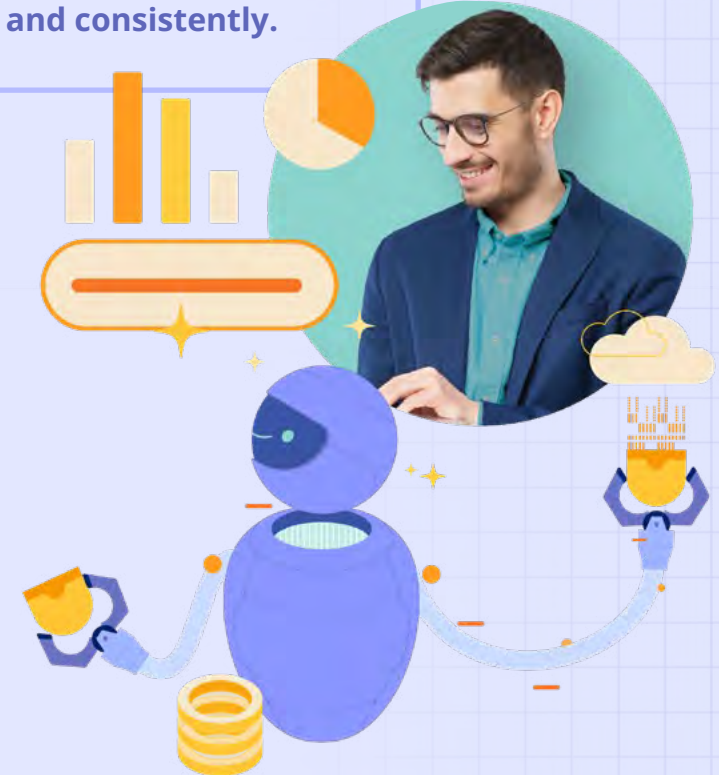
## Budget Realities & Strategic Shifts

Marketing leaders are operating in a fundamentally different environment than they were just a few years ago. After a long period of expansion, budgets have stabilized at roughly 7.7% of company revenue, creating a new baseline that reflects ongoing economic pressure, inflation, and geopolitical uncertainty. For many CMOs, this level of investment is no longer a temporary constraint but a structural reality that demands sharper prioritization and tougher trade offs.

**As a result**, strategy has shifted from growth through expansion to growth through efficiency and impact. The central question facing marketing teams is no longer how to secure more budget, but how to deliver stronger outcomes, faster execution, and clearer business value with the resources already in hand.

In today's constrained budget environment, marketers are making deliberate bets on fewer, higher confidence channels rather than trying to be everywhere at once. Investment is flowing toward paid search, paid social, retail media, digital display, and email; channels that capture real customer intent, scale predictably, and show clear contribution to revenue and retention.

**This isn't about chasing performance metrics; it's a strategic shift toward channels that earn trust in the boardroom by proving value quickly and consistently.**



# The State of Marketing

## The CMOs NEW Mandate: Beyond Brand Stewardship

The role of the modern CMO has evolved dramatically. You are no longer simply the custodian of brand identity and awareness; you are the architect of the customer journey and a primary driver of measurable revenue.

**Today's CMO** must manage the inherent tension between business needs (sales targets, retention goals, operational efficiency) and customer needs (relevance, respect, empathy, and value).

**Traditional marketing methods like mass campaigns, manual segmentation, and one-size-fits-many messaging cannot achieve this balance at scale. The businesses that thrive are those that leverage technology and human labor to serve both simultaneously.**



# The State of Marketing

## Essential vs. Experimental



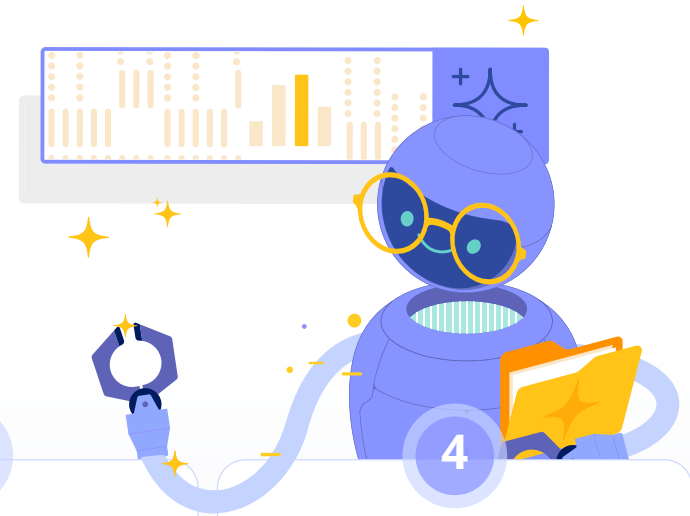
We've moved past the experimentation phase with AI. **The mandate now is implementation at scale of different combinations of Predictive, Adaptive and Generative AI.** Marketing leaders must transition from pilot projects and proofs-of-concept to operational AI that solves real complexity: orchestrating hundreds of potential actions across dozens of channels in real-time, making decisions that optimize for long-term customer value rather than short-term conversion metrics.

The modern CMO must demonstrate clear return on investment, not just in terms of campaign performance, but in sophisticated metrics: Customer Acquisition Cost (CAC), Customer Lifetime Value (CLV), and the efficiency of the marketing engine itself. This requires moving beyond vanity metrics like impressions and clicks to business metrics that connect marketing activities directly to revenue and retention.

Perhaps most importantly, today's marketing leader must oversee end-to-end customer experiences that prevent the disconnected, irrelevant messaging that erodes trust. This means coordinating across organizational silos, for example, ensuring that the message a customer receives in email is informed by their recent mobile app behavior, which is in turn connected to what happens when they call the contact center.

# The Four Pillars of AI-Powered Marketing

Building a modern marketing engine requires four foundational capabilities working in concert:



1

## HYPER-PERSONALIZATION

True personalization extends far beyond inserting a customer's name into a greeting line. It means leveraging real-time data to understand intent in the moment and delivering contextual relevance. This requires systems that can process signals like browsing behavior, transaction history, life events, service interactions and synthesize them into an understanding of what matters to this customer right now. It's the difference between demographic segmentation ("all 35-year-old professionals") and individual understanding ("this specific person just researched retirement planning").

2

## CONNECTED JOURNEYS

Modern customers interact with brands across an average of 25+ touchpoints: web, mobile app, branch, call center, email, social media, and more. Connected journeys ensure that context carries over seamlessly from one channel to the next. When a customer abandons a shopping cart on mobile and later calls the contact center, the agent should already know and be empowered to help complete the transaction. This level of connectivity requires a centralized architecture that all channels can access and update in real-time.

3

## ADAPTIVE AI

Static business rules and manual decisioning cannot keep pace with the complexity of modern marketing. Adaptive AI uses machine learning to learn from every interaction, continuously optimizing decisions based on what actually works. This means transitioning from rules-based logic ("if customer is in segment A, send offer B") to propensity-based decisioning ("based on this customer's context and predicted response, the optimal action right now is C, which our AI predicts has a 47% likelihood of positive engagement").

4

## REAL-TIME INTERACTIONS

Customer sentiment and needs shift instantly. Data from last week, yesterday or even 2 hours ago may already be obsolete. Real-time interaction capability means listening to customer signals and responding in milliseconds, not days. It means shifting from batch processing and scheduled campaigns to event-driven marketing that detects a service issue and immediately suppresses sales offers, or recognizes a high-propensity moment and delivers the perfect next action before the opportunity passes.

# From Fragmented to Unified: Architectural Transformation

Traditional marketing operates through disconnected campaigns where each channel maintains its own logic, its own customer data, and its own decision-making processes. Marketing teams manually segment customers, build creative assets, schedule sends, and measure results in isolation.

## THE CONSEQUENCES:

**high labor costs, slow time-to-market, and most critically, irrelevant customer experiences that lead to high opt-out rates. The numbers tell the story: standard campaign approaches yield click-through rates around 0.16%, and customer feedback consistently cites “irrelevant messaging” as a primary frustration.**

# The Unified ‘Always-On’ Approach: The New Architecture

The Always-On approach centralizes marketing intelligence into a single orchestration layer; a “brain” that all channels access for decisioning. Rather than pre-determining who receives which campaign weeks in advance, the system evaluates every customer interaction in real-time, considering hundreds of potential actions and selecting the optimal one based on context, propensity, and business rules.

*This architecture delivers transformational results:*

## Speed

New offers or messages reach market in less than 24 hours rather than weeks

## Relevance

Contextual triggers based on propensity models rather than static segmentation

## Engagement

Next-Best-Action approaches deliver click-through rates up to 25 times higher than traditional single-message campaigns

## Efficiency

Massive reduction in manual labor and operational waste

The Always-On model doesn't eliminate campaigns, journeys, or triggered communications; it unifies them under intelligent orchestration that ensures every interaction adds value to the customer relationship.

**Pega helps us deliver personalized conversations at true enterprise scale – spotting patterns from billions of interactions so the customer gets the right message and the best experience.**

Giles Richardson  
Head of Personalization, Wells Fargo

# Making AI Actionable: Campaigns, Journeys, and Triggers

Moving to an Always On architecture starts with understanding how three distinct, but tightly connected, approaches work together in practice.

## CAMPAIGNS (THE PUSH)

Campaigns still play an important role in driving major performance goals and building awareness at scale. They use paid media strategically and are typically aligned to quarterly business priorities. In a unified model, campaigns are no longer standalone efforts. Instead, they are coordinated initiatives that both inform and are informed by centralized intelligence. A retention campaign, for example, can be adjusted in real-time based on performance trends and how individual customers are responding.

## JOURNEYS (THE EXPERIENCE)

Journeys support complex, high value interactions that unfold over time. Onboarding, renewals, and considered purchases often span weeks or months and involve multiple steps. Journey orchestration helps maintain consistency across these longer lifecycles by adapting each next step based on how the customer has progressed so far. Rather than following rigid, pre-built paths, intelligent journeys respond dynamically to behavior and context as they evolve.

## TRIGGERS (THE RESPONSE)

Triggers enable immediate responses to specific customer actions or events. When a customer shows strong intent, such as repeatedly viewing a product category within a short period, the system can respond right away with timely and relevant information. Triggers also play a protective role. If a service issue is detected, promotional messages can be paused until the problem is resolved. This kind of responsiveness builds trust by showing customers that the brand is paying attention, not simply pushing messages.

**Together, these three approaches allow marketing teams to preserve the discipline of strategic campaign planning while adding the speed of real-time responsiveness and the consistency of well managed journeys. All of it is coordinated through centralized AI decisioning, so each interaction feels connected and intentional rather than fragmented.**

# How Pega Supports the Always-On Imperative

Pega helps brands put their customer squarely at the center of all the different journeys you manage, and prioritize around them. Recognizing that customers are rarely focused on just one thing; they're people managing their different priorities simultaneously. Some of these priorities relate to your business, representing opportunities where you can provide real value.

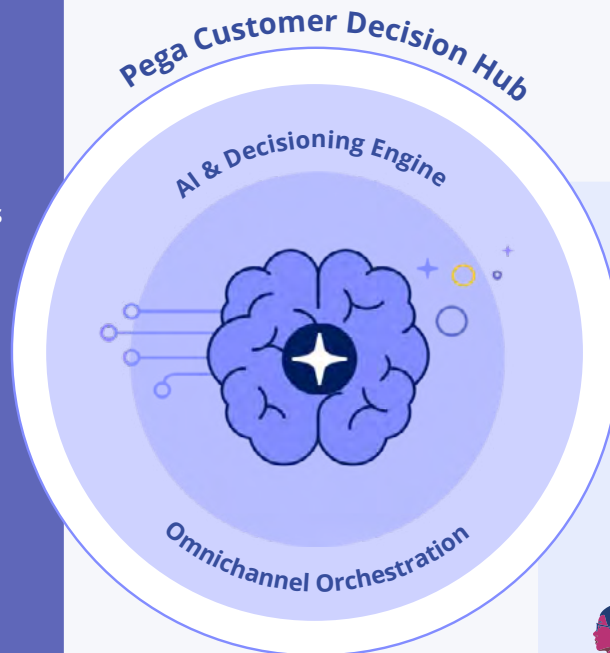
This is where Pega's Customer Decision Hub (CDH) stands out as a critical tool in helping CMOs execute against the new mandate.

Through a powerful combination of predictive, adaptive and generative AI, CDH sits at the center of your martech stack and determines the next-best-action for every customer based on streaming data signals – then delivers it in their preferred channel, precisely during their moment of need.

With the right data and decisioning capabilities in place, you can orchestrate the entire end-to-end customer experience, seamlessly following customers as they move between channels; whether they're on your website, speaking with your call center, using your mobile app, visiting a physical location, or checking their email.

## Data & Sources

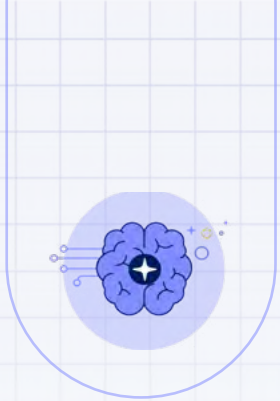
- Browsing history
- Inbound content clicks
- Outbound click-throughs
- Streaming events
- Active agent dialogs
- Rejection rationales
- Contiguous interactions
- Conversion events



## Channels

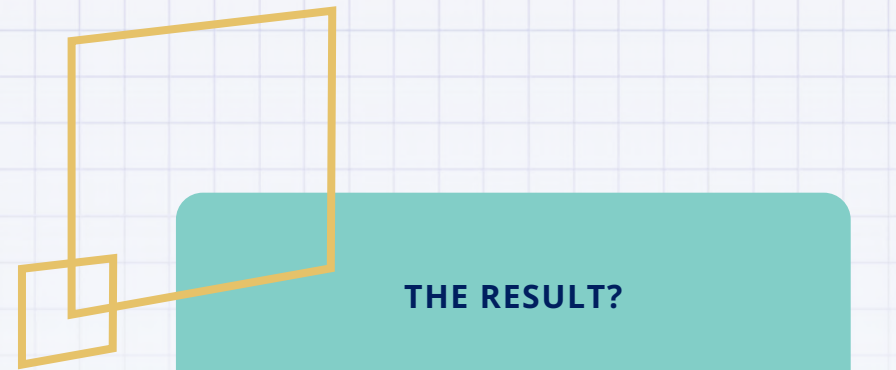
- Web/Mobile App
- Email/SMS
- Call Centre
- Paid Media
- Agent Desktop





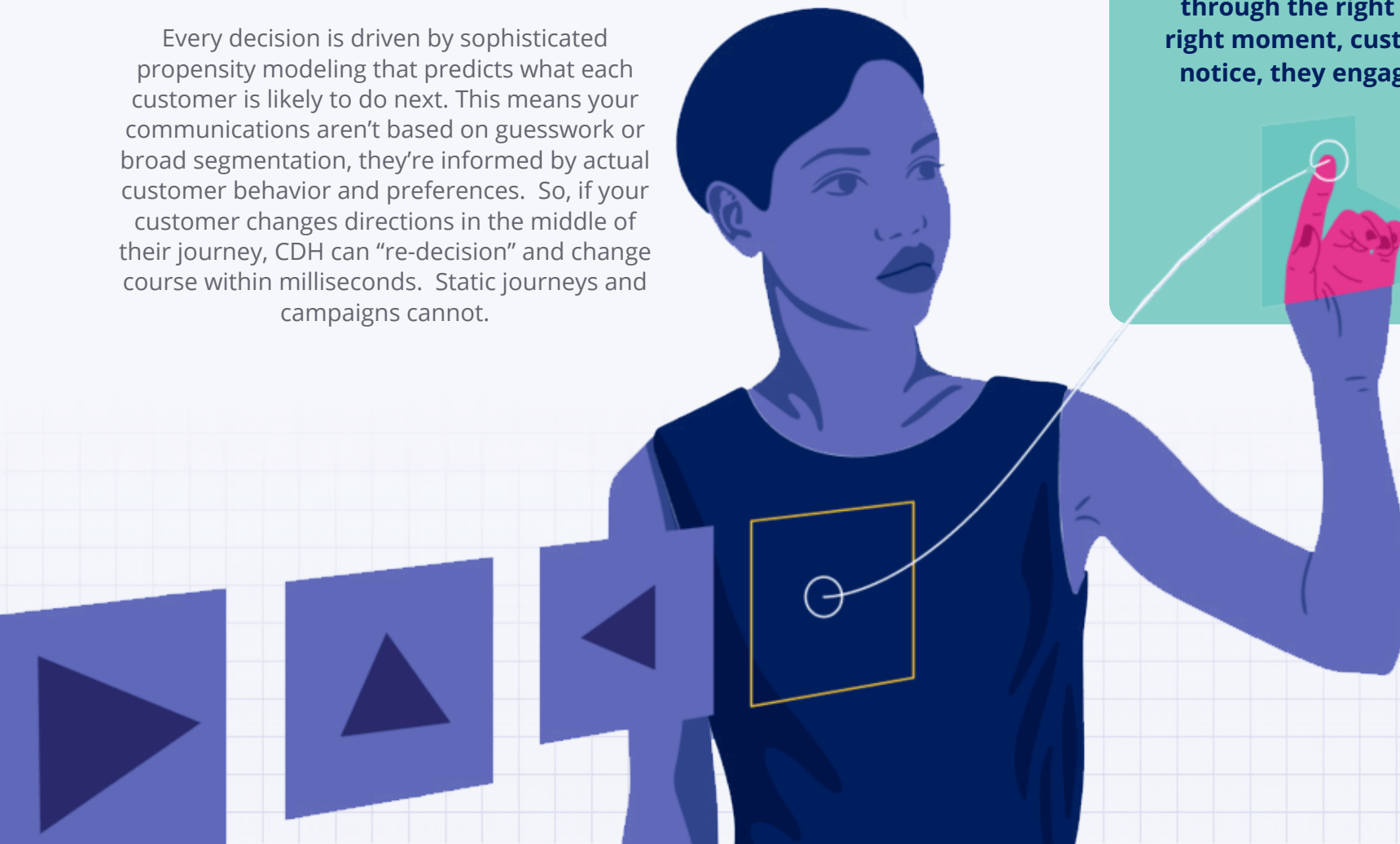
## What makes this approach so powerful:

Every decision is driven by sophisticated propensity modeling that predicts what each customer is likely to do next. This means your communications aren't based on guesswork or broad segmentation, they're informed by actual customer behavior and preferences. So, if your customer changes directions in the middle of their journey, CDH can "re-decision" and change course within milliseconds. Static journeys and campaigns cannot.



### THE RESULT?

**Response and conversion rates that dramatically outperform traditional marketing approaches. When you deliver the right message, through the right channel, at the right moment, customers don't just notice, they engage and respond.**



# The Age of Agentic - Making Investments Go Further

Standing up the operations of such a high-functioning marketing organization won't be a herculean effort for marketing leaders. Almost as soon as we began to hit stride in understanding the enormous opportunity that AI-powered marketing enables, innovation stepped in and dropped something even more game-changing in our laps. In the next 5 years, agentic marketing will change how customers interact with brands. As CMOs aim to master what we're describing above, AI Agents will emerge as your operations team's most relied upon partner.

## Speed

Automatically generate marketing content instead of waiting for human creation.

## Scale

Ensure relevant messaging options for all customers and audiences.

## Compliance

Built-in checks prevent inappropriate or legally problematic messages.

## Performance

Continuously improves by creating new content when current options underperform.

**At its core, agentic marketing uses the agents mentioned above to fuel hyper-personalized experiences and drive business growth. This agentic layer in marketing tech stacks acts as a dynamic interface between brands and customers, enabling real-time, personalized interactions that go beyond traditional marketing mentioned throughout this guide.**

And it's not a product, it's a strategic capability – designed and iterated upon by teams working at the intersection of technology and customer experience. It even accelerates the velocity of your marketing programs and operations.





## Think of it this way:

Instead of needing a person to log into five different systems, update configurations, check dependencies, and coordinate with three other teams just to launch one campaign, you have intelligent agents handling overall orchestration.

They know what needs to happen, in what order, across which systems, and they make it happen. This is called agentic marketing operations; a system of intelligent agents that orchestrate the full lifecycle of marketing execution, across channels, systems, and organizational boundaries.

**Intelligent marketing operations represents a fundamental shift in how marketing teams work. Instead of spending your time coordinating systems, navigating interfaces, and managing handoffs, you focus on what humans are good at: strategy, creativity, and understanding what customers need.**

**For organizations managing complex marketing technology, the benefits are measurable and significant:** Campaigns go from concept to launch much faster when you're not waiting on manual coordination.

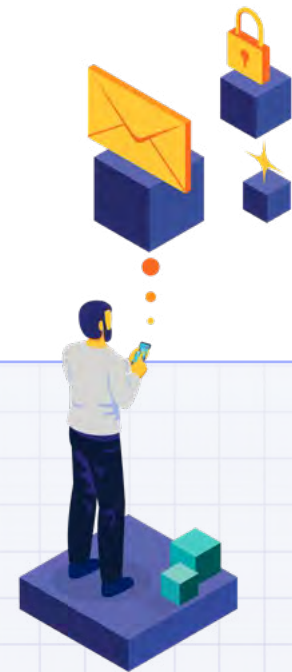
Your teams spend less time on operational overhead and more time on work that matters.

Governance improves because workflows are consistent and auditable.

No one forgets a step or skips a policy check.

Your marketing gets smarter over time through continuous optimization that happens automatically.

**And all those technology investments you've made start working together the way they were supposed to, with minimal manual intervention.**



## Proving Value: Measuring What Matters

The pace of innovation combined with changing consumer behavior and a shift in data usage trends, leading organizations have evolved their measurement frameworks. The shift is moving away from vanity metrics like clicks, impressions and open to more value driven metrics that connect marketing activities to business outcomes.

**Centralized decisioning delivers measurable efficiency improvements. Organizations implementing unified architectures report 35% reductions in marketing waste, eliminating redundant touches, preventing conflicting messages, and optimizing budget allocation based on what drives results. These efficiency gains translate directly to operational savings that can be redirected to higher-value activities.**



## Customer Lifetime Value: The Ultimate Metric

Perhaps the most compelling financial argument for intelligent, customer-centric marketing is the impact on Customer Lifetime Value. By optimizing for long-term relationships rather than short-term transactions, organizations see dramatic aggregate gains. **Best-in-class implementations demonstrate incremental value of approximately of hundreds of millions year over year, generated not by selling harder, but by serving better and retaining longer.**

In rapidly changing markets, the ability to respond quickly is itself a competitive advantage. Unified architectures reduce time-to-market for new offers from weeks to less than 24 hours. This velocity enables rapid adaptation to competitive moves, market changes, or emerging customer needs.

When marketing becomes genuinely relevant, customers respond. Organizations implementing Next-Best-Action decisioning report 3X increases in conversion rates compared to traditional campaign approaches. This isn't the result of more aggressive marketing; it's the outcome of smarter, more contextual engagement.



## Success Spotlight - Vodafone

Vodafone Greece achieved complete transformation of their customer engagement operations, moving from siloed channels to true omni-channel experiences with real-time personalization capabilities. The company now operates with 100% automated operations, reducing manual execution and time-to-market from 3-5 working days to just four hours each morning.

The transformation delivered substantial business impact across multiple dimensions. Operational efficiency improved dramatically with significant FTE savings and elimination of manual errors that previously led to customer complaints. Customer experience enhanced through unified messaging across all channels, ensuring consistent communication regardless of touchpoint. The company achieved double-digit improvements in digital conversion rates and significant NPS increases through targeted loyalty activities.



# The Way Forward

Understanding where you are today is essential to planning your transformation journey. Most organizations fall into one of three maturity levels:

## TRADITIONAL

Marketing operates through segment-based campaigns with manual processes. Channels are siloed, customer data is fragmented, and decisioning happens through spreadsheets and manual targeting. Time-to-market for new campaigns is measured in weeks. This is where most organizations began, and where many remain.

## TRANSITIONAL

The organization understands the omnichannel vision and is piloting Next-Best-Action approaches, typically in one or two channels. Data integration is underway but incomplete. Some AI models are in production, but decisioning hasn't been fully centralized. This is the bridge stage; enough progress to prove value, but not yet scaled to deliver transformational impact.

## TRANSFORMATIONAL

AI decisioning is strategic, scaled, and operational across all customer-facing channels. The centralized brain orchestrates campaigns, journeys, and triggers. Customer data flows in real-time. New offers reach market in hours, not weeks. Marketing operates as a performance engine with clear connections between activities and business outcomes.

**Be honest about your current state. There's no shame in being at Level 1 - but there's significant risk in believing you're further along than you are.**

# Immediate Next Steps

Regardless of your starting point, four actions will accelerate your transformation:



1

## AUDIT DATA & CHANNELS FOR FRAGMENTATION

Map your current state comprehensively. How many channels touch customers? How many different systems make marketing decisions? Where does customer data live, and how current is it? Where are the gaps in your customer understanding? This audit reveals both the complexity you need to simplify and the quick wins hiding in plain sight.

2

## IDENTIFY HIGH-VALUE 'LIGHTHOUSE' USE CASES

Don't boil the ocean. Select 2-3 high-impact, manageable use cases that can demonstrate value quickly. These "lighthouse" projects prove the model, build organizational confidence, and create momentum. Look for scenarios with clear metrics, executive visibility, and tangible customer pain points.

3

## ALIGN STAKEHOLDERS ON A 'CENTRALIZED BRAIN' ARCHITECTURE

Transformation requires organizational alignment, not just technical implementation. Ensure that leadership across Marketing, IT, Data, and Operations understands and supports the vision of centralized decisioning. Address concerns about control, flexibility, and change management proactively. The technology is often easier than the organizational dynamics.

4

## DEFINE SUCCESS METRICS BEYOND SIMPLE CONVERSION

Establish measurement frameworks that capture the full value of transformation. Yes, measure conversion - but also track Customer Lifetime Value, Net Promoter Score, efficiency metrics, time-to-market, and customer effort scores. These broader metrics demonstrate that you're optimizing for sustainable customer relationships, not just short-term transactions.

**The transition to AI-powered marketing is the defining challenge and opportunity for today's CMOs. In an era of constrained budgets and exploding expectations, the path forward requires architectural thinking: building unified, intelligent systems that orchestrate experiences rather than managing disconnected campaigns.**

**This isn't about technology for technology's sake; it's about fundamentally reimagining how marketing creates value. By adopting a centralized, real-time approach, you can navigate budget constraints while delivering superior customer experiences that drive measurable business results.**

**The organizations that thrive in this new era will be those that make the strategic pivot from selling to serving, from broadcasting to listening, from campaigns to relationships. The technology exists. The methodologies are proven. The results are measurable. The question is not whether to transform, but how quickly you can begin.**



## About Pegasystems

Pega provides the leading AI-powered platform for enterprise transformation. The world's most influential organizations trust our technology to reimagine how work gets done by automating workflows, personalizing customer experiences, and modernizing legacy systems. Since 1983, our scalable, flexible architecture has fueled continuous innovation, helping clients accelerate their path to the autonomous enterprise. [pega.com](https://www.pega.com)

