The Evolution of the Marketing Function in the Age of Al

A whitepaper report by tml Partners, featuring insights from Boathouse Inc.



Introduction

Al is transforming marketing, but its impact extends far beyond the marketing department—it is now a top priority for CEOs. With 76% of CEOs integrating Al into their organisations, the question is no longer whether to adopt Al, but how to use it to drive growth, efficiency, and innovation.

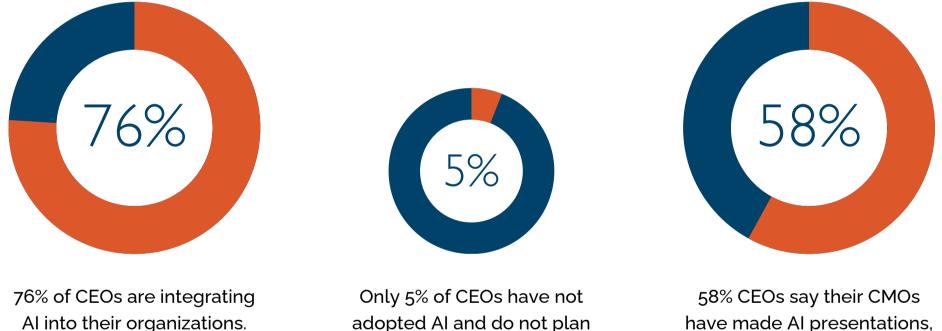
For CMOs, this shift presents both an opportunity and a challenge. No longer just brand custodians, marketing leaders are expected to harness AI to deliver measurable business impact. In fact, **58% of CEOs report that** *their CMOs have already made AI presentations, requested funding, or introduced AI-driven processes.*

The evolving CEO-CMO dynamic now requires marketing leaders to align AI strategies with broader corporate objectives, balancing innovation with business sustainability and customer trust.

This report, informed by insights from a webinar hosted by tml Partners and Boathouse Inc., utilizes data from <u>The CEO Study on the CMO</u> by Boathouse, real-world examples from our featured panelists, and insights from <u>The CMO Report</u> by tml Partners.

How are CEOs Approaching AI?

76% of CEOs are integrating AI into their organisations, and only 5% have no plans to adopt it. This suggest that AI is becoming increasingly important for businesses. 58% of CEOs say their CMOs have made AI presentations, requested funding, or created new processes using AI, which suggests that marketing is taking a leading role in its adoption.



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*These insights are from *'Boathouse CEO Study on Marketing and the CMO'*.

How do CEOs View AI in Marketing?

CEOs hold varied views on AI's role: 46% see it as a means to enhance current offerings, 28% believe it can revolutionize their company or sector, and 26% view it as an efficiency driver. This suggests that CEOs hold diverse perspectives on AI's applications, yet a general consensus exists regarding its potential value.

26% View AI as a tool to drive efficiency for the company - reduce cost/increase margins/scale 28%

46%

View AI as a way to sustain/supplement innovation in the company - make good products/services better

View AI as a way to disrupt the own

company/category - create new products/service

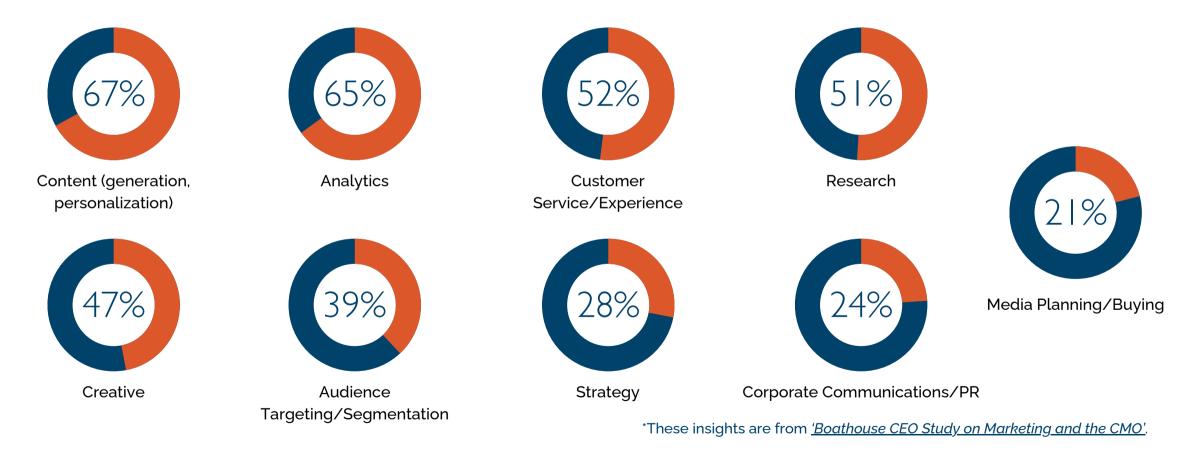
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Where is AI Being Integrated Within

Marketing?

% of sample CEOs when asked where AI is being integrated into Marketing

The top three areas where AI is being used are content generation and personalization (67%), analytics (65%), and customer service/experience (52%). This suggests that AI is being employed to enhance efficiency and effectiveness across various areas of the marketing function.



Harnessing AI for Growth: The New Frontier for Marketing

Al is increasingly viewed as a key driver for growth in marketing, providing brands with tools to leverage vast amounts of data, personalize customer interactions, and optimize decision-making. The shift from traditional marketing approaches to AI-enhanced strategies is reshaping the industry.

Unsurprisingly, given the headlines ChatGPT has earned in recent times, content is ranked as the top marketing application for AI, closely followed by analytics. There are thousands of different AI suppliers, but marketing leaders need to ask themselves what their priorities are with AI usage.

- Could it be used to fill productivity gaps in the organization?
- Could it be used to enhance engagements with customers?
- Could it help to provide new experiences for customers, adding additional value?

In the excitement of heightened productivity, there could be a tendency to over-commit to different AI tools, and look for tools that provide a one-sizefits-all solution, but with limited success. Equally, the technology is evolving so quickly that any long-term contract with an AI supplier could result in challenges or setbacks later on. There's no recipe for organizations to follow, but taking a test-and-learn approach enables businesses to understand the gaps within their business they can fill with AI.



"From our internal surveys, we've found AI can absorb 60-70% of an employee's time, creating massive efficiencies... but this isn't about headcount reduction; it's about redeploying time to strategic projects."

Tina Beaty, Chief Marketing & Experience Officer, *SHRM* "You have to continue to ask yourself, Is this really enhancing the experience? Is it really building trust with our customers? And is it truly adding value?"

David Alexander, Chief Marketing Officer, *Everbridge*

The Impact of AI on Marketing Teams: Redefining Roles, Skills, and Training

As AI becomes more integrated into the marketing function, it is altering the structure and dynamics of marketing teams. From hiring new types of talent to training existing employees in AI-powered tools, marketing leaders must rethink how they build and manage their teams.

Al as a Team Member

One of the most significant changes will be the evolution of AI from a support tool to an integrated part of the marketing team. This shift represents a transformation in how marketing teams operate. AI's ability to automate routine tasks will allow marketers to focus on higher-level strategic thinking and creative innovation. Marketing leaders need to prepare their teams not only to work alongside AI but to manage and direct AI in ways that align with business goals.

Upskilling for AI-Driven Roles

With AI becoming a central player in the marketing function, the skills required to succeed in this new landscape are also evolving. The development of AI literacy - understanding how to interact with and guide AI tools - is becoming essential for marketing teams. In some organizations, specialized roles such as prompt engineers are emerging to craft and refine the inputs that AI systems use to generate insights. The next generation of marketing leaders is approaching AI with a transformative perspective, viewing it not as an enhancement to traditional processes but as a foundation for building marketing activations. However, the practical and soft skills, such as solid copywriting and verbal communications, still need to be taught and learned.

Efficiency Gains and Strategic Reinvestment

Al's ability to create efficiency within marketing teams cannot be overstated. Tina Beaty noted that, through AI, SHRM was able to absorb "60-70% of an employee's time" in content creation and data analysis, creating a massive amount of efficiency. However, these efficiency gains should not be viewed purely as a means for cost-cutting or reducing headcount. Instead, they offer an opportunity to reinvest time and resources into more strategic, value-driven activities. "When we did our marketing pilot, we set up weekly drop-in sessions so that people could come in and actually learn how to write prompts and optimize the AI outputs"

> Jodie Collins, Director of Marketing Operations, *Sidley Austin LLP*

"The younger generation is thinking Alfirst, and that's a complete reverse of how we traditionally approach business"

David Alexander, Chief Marketing Officer, *Everbridge*



Ethics and Trust in AI: Building Responsible AI Systems

As AI technologies become more embedded in marketing, ethical considerations must remain at the forefront of discussions. Ensuring that AI systems are used responsibly, fairly, and transparently is key to maintaining trust with customers and stakeholders.

Addressing Data Bias and Ethical Challenges

Al systems rely heavily on the data they are trained on, making the quality and diversity of this data critical. If the training data contains biases, the Al will inevitably replicate and amplify those biases in its outputs. This highlights the importance of scrutinizing data sources and ensuring they represent a broad, unbiased perspective. Without proactive measures, Al could unintentionally perpetuate societal inequities through its recommendations and decisions.

Promoting Trust through Transparency

To mitigate these challenges, organizations must focus on transparency in the design, development, and deployment of AI systems. Rather than treating AI as an opaque, "black-box" technology, efforts should be made to ensure that its processes and outcomes are understandable to those who manage and interact with it. Transparency builds confidence, enabling teams to identify and address any potential issues that arise.

Incorporating ethical guidelines and rigorous review processes into every stage of AI implementation is critical. Marketers must take a proactive approach to safeguard data privacy, eliminate discriminatory practices, and ensure that AI outputs are both explainable and aligned with ethical standards. By embedding these practices into AI strategies, organizations can foster trust and enhance the customer experience while navigating the evolving role of AI in marketing.



Conclusion

Al is not just a tool for optimization - it is a catalyst for transformation in marketing. By leveraging AI strategically, marketing leaders can enhance customer engagement, drive growth, and create more efficient, effective teams. However, the integration of AI also requires a commitment to ethical practices, transparency, and human oversight.

To thrive in this new landscape and redefine their role within the C-Suite, CMOs must take a proactive role in AI adoption, ensuring that their teams are equipped with the skills to harness AI's potential. As AI becomes more embedded in the marketing function, it is crucial that organizations balance technological innovation with human creativity, empathy, and strategic thinking.

Al represents the future of marketing, but its success depends on how well marketing leaders can integrate it with the human elements that make marketing truly effective. By embracing AI responsibly, marketing teams can unlock new opportunities for growth, innovation, and customer engagement. We specialise in sourcing marketing and commercial leaders for the world's most ambitious firms.



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