BCG

Executive Perspectives

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Future of Marketing with GenAI

June 2025

Introduction

We meet often with CEOs to discuss AI—a topic that is both captivating *and* rapidly changing. After working with over 1,000 clients in the past year, we are **sharing our most recent learning in a new series designed to help CEOs navigate AI**. With AI at an inflection point, the focus in 2024 is on turning AI's potential into *real* profit.

In this edition, we discuss the future of marketing, and the role AI will play in turbocharging growth. We address key questions on the minds of marketing leaders:

- How will the talent and skills of my marketing team change? Do I need a different team, or how do I upskill?

- How can I leverage GenAI to win in an environment with declining ROI, driven by rising competition and increasing demands for personalization?

- How will the customer experience evolve as a result?

- How do I get started…and how do I get this right?

This document is a guide for CEOs and CMOs to cut through the hype around AI and understand what creates value now and in the future.

In this BCG
Executive Perspective,
we articulate the vision
and value of the future
of marketing with AI
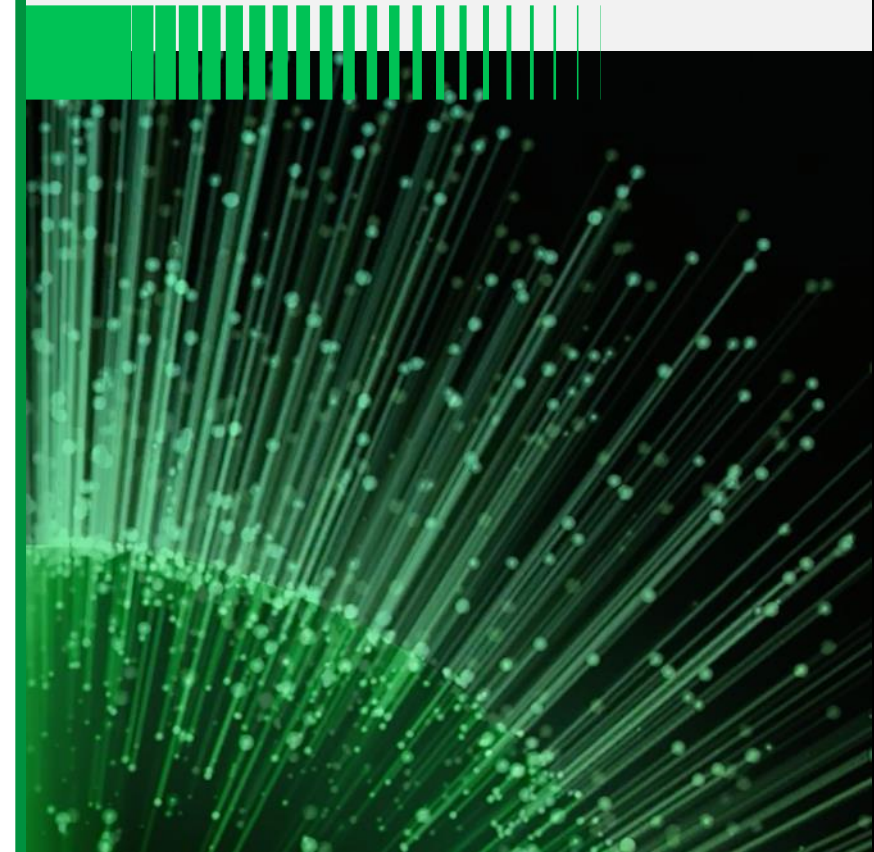
Value of AI in marketing is unleashed through reshaping the function

DEPLOY

Augment productivity of everyday tasks for marketers and creatives

Improve effectiveness of existing tasks within marketing and creative roles

Change focus to **driving adoption and improving effectiveness** within existing startup

Broad enterprise-wide productivity
10-20%

RESHAPE

Enable new E2E workflows that transform the entire marketing function

Re-engineer critical end-to-end workflows

Reshape how employees work within marketing, necessitating work with **change, new skill sets, WoW, org setup**

Radical productivity/speed/ quality improvement
50%+

Primary focus for these materials

INVENT

Reimagine business models and/or create new sources of comp. advantage

Create new customer value propositions enabled by GenAI

Restructure/rethink 3rd party relationships, pricing, support

New value propositions, revenue streams
2-3x+

Executive summary | Future of marketing with GenAI

GenAI helps break the economic deadlock	**Sustaining marketing returns is becoming increasingly difficult** as content demands surge, consumer needs fragment, and digital journeys grow more complex. To compete, CMOs have needed to continue **layering on experts, which becomes unsustainable** at scale. **GenAI can help break this pattern** by drastically collapsing the costs and bringing execution control in a scalable way. To best compete, CMOs need to embrace GenAI to transform their marketing functions across all pillars, potentially **realizing real value of 3-6x ROI on total marketing spending**
GenAI will reshape how marketers execute work	End-to-end transformation of marketing **function requires reshaping across three pillars:** • **"Art" of brand building:** Creating a distinctive brand voice that expresses itself across all channels; enabled by content automation increasing ability to adapt content, reducing creation time to focus on creativity and bolstering innovation • **"Science" of end-to-end activation:** Deep expertise across steps, powered at scale through data and automation to empower the right decisions. GenAI improves the breadth and depth of insights as well as automates generation • **"Orchestration" of portfolio:** The ability to plan and identify the right product, at the right time, the right place, all backed by a strong customer strategy view and deep AI-powered analytics and simulation capabilities
Executing successfully requires the right enablers	**Five areas of focus to support a GenAI-enabled marketing transformation:** 1. **Reshape op model:** Rethinking the role of media and creative agencies and shifting more global vs. local split 2. **Transform skills and capabilities:** Internalizing critical expertise and services, and streamlining project management 3. **Unlock MarTech and GenAI:** Increasing investment in marketing tech and AI, while reimagining governance 4. **Set and end-to-end measurement frame:** Setting up holistic measurement supported by the right operating cadence 5. **Align on unique company AI ethics:** Implementing guiderails for how AI will be used to align with brand identity

… GenAI can help break this pattern

Need (and cost) for content exploding

Need for content is exploding due to number of channels and the demand for personalization. Content overload makes it harder to cut through the noise, raising the bar for creativity

Demand volatility, reduced shelf-life

Higher volatility in demand has increased burden of ROI proof on marketing costs, while reducing shelf-life of marketing outputs

Complexifying, digital journeys

Consumer/shopper journeys are becoming increasingly digitally-influenced and complex, which dilutes scale of spending and increases need for platform specific operations and expertise

Cost of expertise unsustainable

To best compete, CMOs have needed to continue layering on experts (by channel, by lever, etc.) on top of their core teams, which puts pressure on SG&As
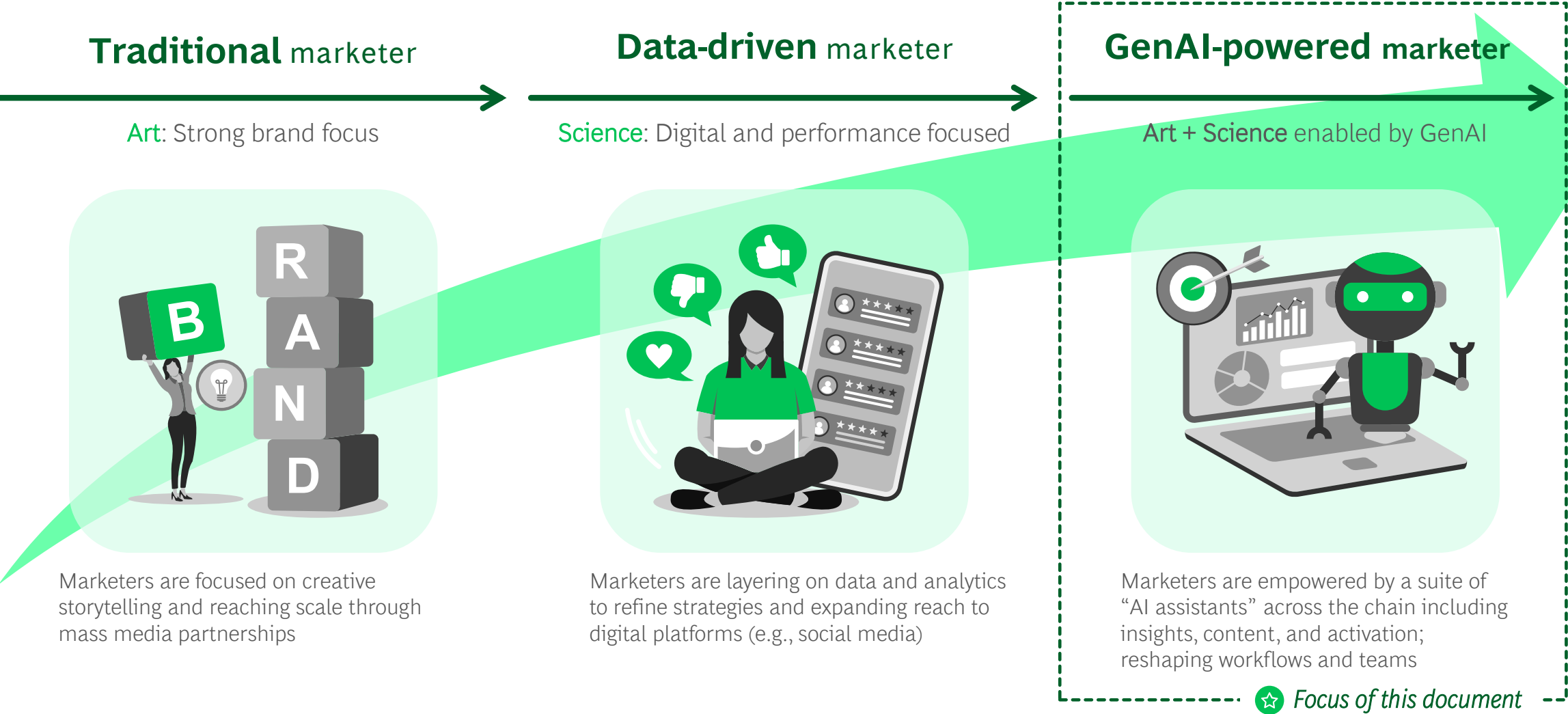
AI can break this deadlock:
- Drastically collapse cost of content
- Enables scalable personalization
- Enables execution control at scale
- Democratizes expertise

Leading players are starting to scale, and are reaping the benefits
- 3-6x more ROI on overall marketing spend
- Time to market collapsing from months to weeks
- Improved brand salience and engagement by 30-40%

Source: BCG experience

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Future of marketing │ AI allows marketing functions to excel at both "art" and "science"

Traditional marketer

Art: Strong brand focus

Marketers are focused on creative storytelling and reaching scale through mass media partnerships

Data-driven marketer

Science: Digital and performance focused

Marketers are layering on data and analytics to refine strategies and expanding reach to digital platforms (e.g., social media)

GenAI-powered marketer

Art + Science enabled by GenAI

Marketers are empowered by a suite of "AI assistants" across the chain including insights, content, and activation; reshaping workflows and teams

Focus of this document

Three marketing capabilities are being transformed by AI

"Art"
Brand building

"Science"
E2E activation

"Orchestration"
Portfolio management

- **10x more content, 5-8x faster,** with greater brand consistency through radical automation and process reshaping of production
- **Improved brand salience by 30-40%,** though personalization
- **30-50% of marketer's time** reinvested in creativity and by enabling them with data (trends, consumer mirrors…)
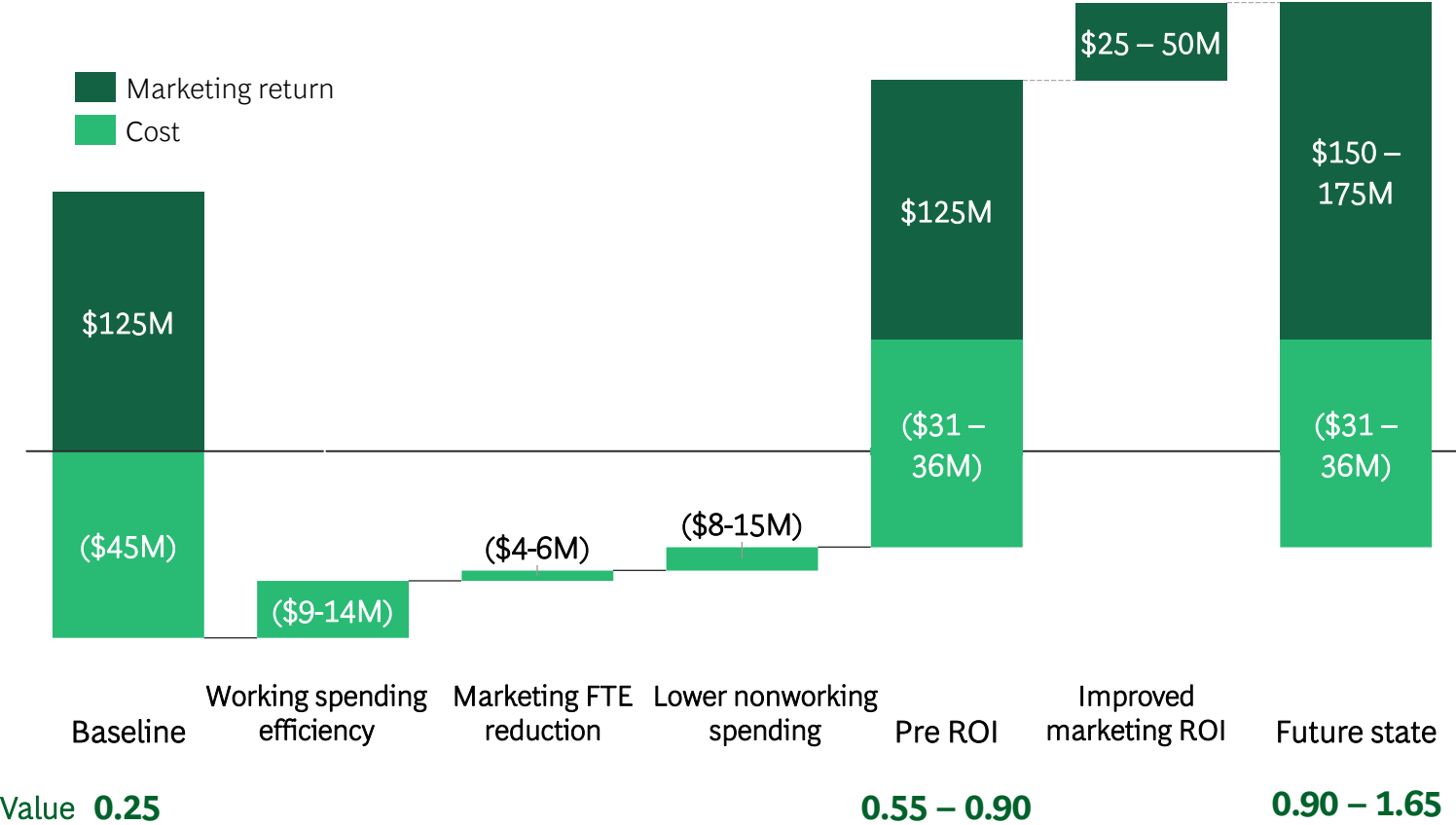
- **+50-100% ROAS** across digital and earned media touchpoints through audience analytics and automated execution control
- **10x faster campaign go-live and** up to **30% reduction of agency costs** through process automation

- **60% time reduction in E2E ideation** by leveraging virtual consumer panels and AI-based generation
- **+10-30% ROI** through AI and data driven allocation: right product, to the right consumer, on the right touchpoint
- **40% time reduction in day-to-day tasks –** perf analysis, reporting, planning

Value | **Combined impact of these capabilities** = 3-6x improvement on net contribution of marketing (working and nonworking)

Example for a company with $1B of revenue that spends 5-15% of revenue on marketing

Legend:
- Marketing return (dark green)
- Cost (light green)

Baseline: $125M / ($45M)
Working spending efficiency: ($9-14M)
Marketing FTE reduction: ($4-6M)
Lower nonworking spending: ($8-15M)
Pre ROI: $125M / ($31 – 36M)
Improved marketing ROI: $25 – 50M
Future state: $150 – 175M / ($31 – 36M)

Value **0.25**   **0.55 – 0.90**   **0.90 – 1.65**

20 – 30%
Working spending efficiency — Faster content origination, production, and adaptation

15 – 25%
Marketing FTE reduction — Automation of day-to-day marketing tasks (reporting, checks, etc.)

25 – 50%
Lower nonworking — Lower spending on agencies for activation and concept/content creation

20 – 40%
Improved marketing ROI — Better allocation and activation decisions on current marketing spending

Note: Assumed baseline made up of $1B total revenue, marketing total costs at 10% of revenue, internal people cost for marketing 2-3% of revenue, remainder of cost 40% nonworking and 60% working spending. Current marketing attributed revenue between 10 – 15%
Source: BCG experience

Illustrative BCG case example

Impact created

80%
Reduction in time spent on insights to action planning

10x
More assets variants

5-6x
Faster time to market, from 18-month to 3-month cycles

40-60%
Revenue upside

AI platforms
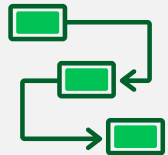
Further detail in next slides

'Big idea' generator and tester ←→ Brief generator ←→ Content producer ←→ Content adapter and publication engine

Generate consumer-sensitive and brand fit concepts

Automate briefing incorporating relevant insights

Produce content with multiple variants and ongoing quality checks

Localize content to channel and market and automate dissemination

Operating model

Shift from siloed teams to multifunctional teams responsible for E2E processes (from insights to creation, activation, and optimization), with creatives becoming part of client engagement team
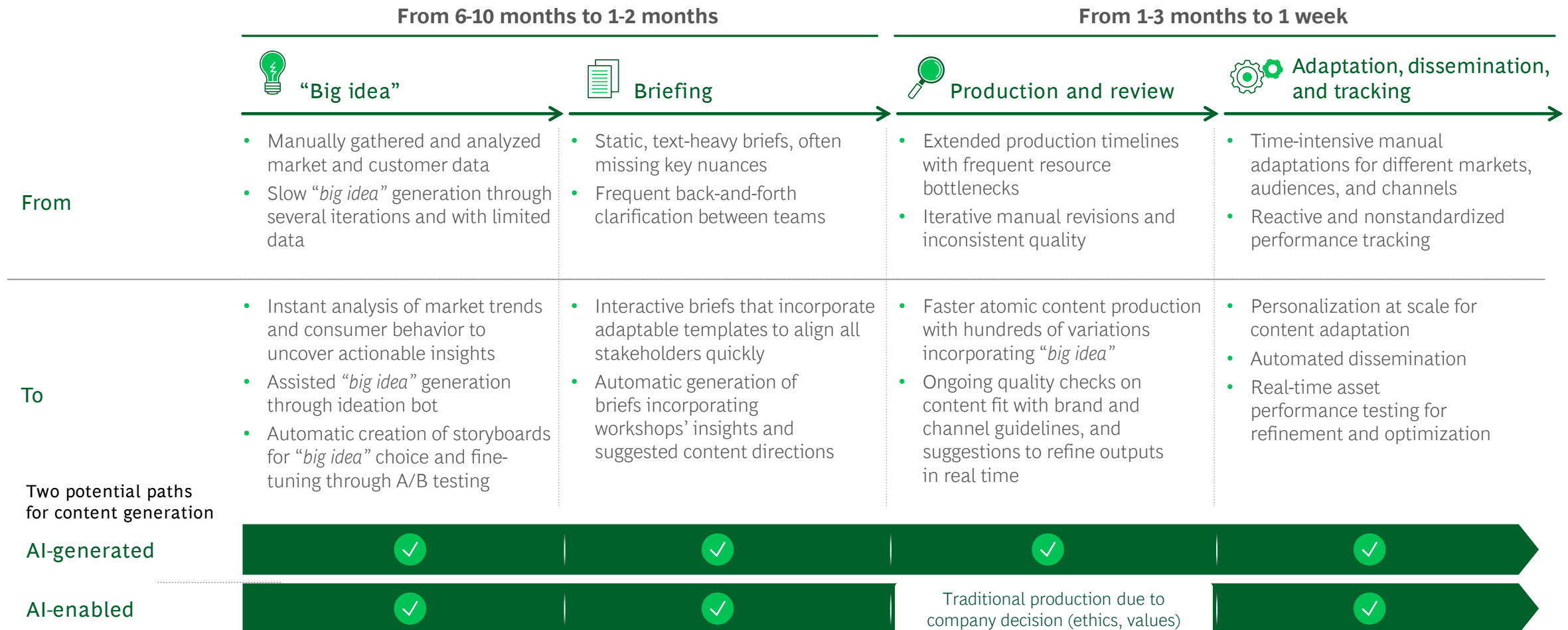
Teams upskilling, building deeper in-house capabilities and reducing dependency on agencies, resorting to them for *"big creatives"*

Increased importance of E2E ownership of data-driven processes

Illustrative BCG case example

	From 6-10 months to 1-2 months		From 1-3 months to 1 week	
	"Big idea"	**Briefing**	**Production and review**	**Adaptation, dissemination, and tracking**
From	• Manually gathered and analyzed market and customer data • Slow "*big idea*" generation through several iterations and with limited data	• Static, text-heavy briefs, often missing key nuances • Frequent back-and-forth clarification between teams	• Extended production timelines with frequent resource bottlenecks • Iterative manual revisions and inconsistent quality	• Time-intensive manual adaptations for different markets, audiences, and channels • Reactive and nonstandardized performance tracking
To	• Instant analysis of market trends and consumer behavior to uncover actionable insights • Assisted "*big idea*" generation through ideation bot • Automatic creation of storyboards for "*big idea*" choice and fine-tuning through A/B testing	• Interactive briefs that incorporate adaptable templates to align all stakeholders quickly • Automatic generation of briefs incorporating workshops' insights and suggested content directions	• Faster atomic content production with hundreds of variations incorporating "*big idea*" • Ongoing quality checks on content fit with brand and channel guidelines, and suggestions to refine outputs in real time	• Personalization at scale for content adaptation • Automated dissemination • Real-time asset performance testing for refinement and optimization

Two potential paths for content generation

	"Big idea"	Briefing	Production and review	Adaptation, dissemination, and tracking
AI-generated	✓	✓	✓	✓
AI-enabled	✓	✓	Traditional production due to company decision (ethics, values)	✓

Future of art | GenAI unlocks infinite content creation combinations and ensures brand alignment by embedding customers' emotions into the model

Illustrative BCG case example

GenAI drives faster content generation, enabling more variants and personalization at scale ...

Marketers and/or agencies concentrate their efforts on generating campaign concepts and ideas…

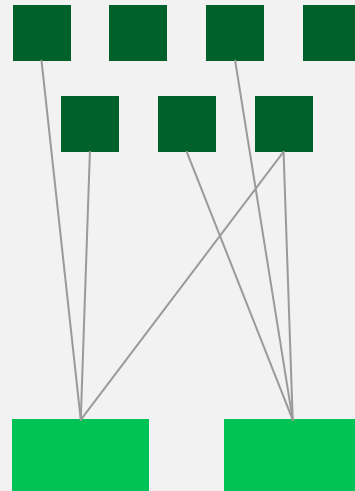### Atomic content

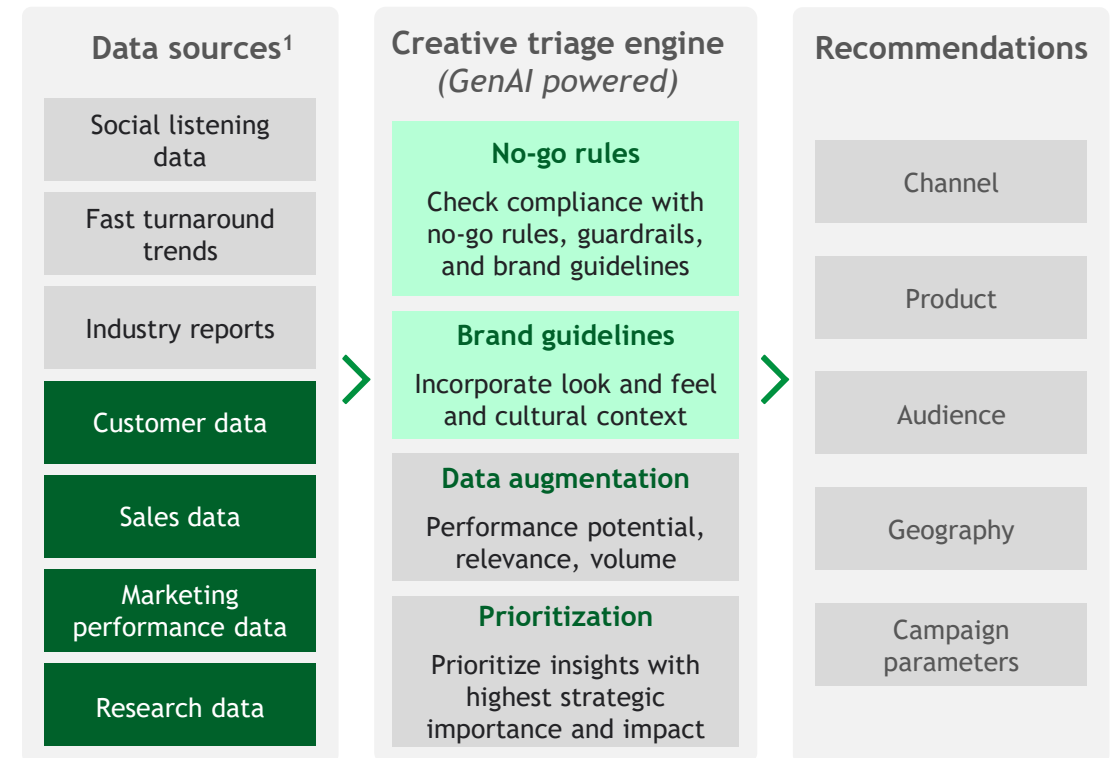Modular and reusable content components that can be combined and customized

… which are then assembled by GenAI to produce final creative assets

Dynamic content

Campaign-ready content, personalized and localized across different cultural and interest-based segments

Enables 10x volume of content and 5-6x speed

… and enforces strict brand guidelines and relevance to guarantee consistency despite volume using automation

Data sources[1]	Creative triage engine *(GenAI powered)*	Recommendations
Social listening data	**No-go rules** — Check compliance with no-go rules, guardrails, and brand guidelines	Channel
Fast turnaround trends	**Brand guidelines** — Incorporate look and feel and cultural context	Product
Industry reports	**Data augmentation** — Performance potential, relevance, volume	Audience
Customer data	**Prioritization** — Prioritize insights with highest strategic importance and impact	Geography
Sales data		Campaign parameters
Marketing performance data		
Research data		

■ Proprietary data

Illustrative BCG case example

Impact created

80%

ROI improvement digital marketing (paid and earned)

30+%

Digital media efficiency across platforms

AI platforms

Further detail in next slides

Audience engine

Execution control engine
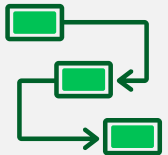
Omnichannel measurement engine

Capture who the audience truly is and what best resonates with them

Monitor and optimize campaigns' efficiency in real time

Prioritize resources based on expected touchpoint ROI

Operating model

Upskilling marketers, insourcing of activation and audience expertise, RTB[1] buying internalized in complex geographies (e.g., US and China)

New engagement rules for agencies: Apply internal tech and KPI framework, tight optimization routines, controlled test and learn agenda

Brands share best-in-class expert capability centers at global and local levels

1. Real-time bidding

Future of science | AI enables end-to-end audience segmentation and activation

Illustrative BCG case example

Data capture engine

GenAI and advanced analytics enable **automatic and faster data capture and consolidation** at scale across several sources

Activation engine

GenAI allows for **automated audience creation** and **best-fit activation approach** through industrialized use cases

Audience engine

- Data capture engine
- Insights and planning engine
- Activation engine

Insights and planning engine

GenAI powers **accurate and real-time insights generation**, capturing market trends, customer behaviors, and platform targeting effectiveness

Example | E2E audience engine at global automotive

Several data sources ingested and integrated...

Total population	Owned data sets
	Purchased data sets

... to build a single consumer 360 profile...

Email/Phone/Address	Demographics	Web engagement
Vehicle ownership	AutoCo financial data	Major life events

... enabling targeting engine...

Centralized analytics platform for modeling buying propensity score per customer profile
Results are refined based on real-life data

... to be activated in media via three core tactics

1:1 targeting lists

Seeds for look-a-likes

Refined parameters for prospecting

~30%
Reduction in cost per view

~80%
Increase in ROAS

7pts
Sales uplift

Key impact

Future of science | GenAI facilitates campaign automation for mistake minimization and execution optimization

Illustrative BCG case example

Golden Rules dashboards

Automated checks on key compliance rules (QA and Golden Rules) to increase campaign efficiency and accuracy

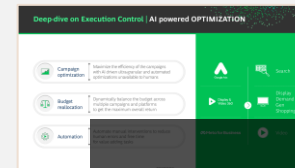**15-30% efficiency gains on media KPIs**

Set-up automation and QA

Automated checks on campaign set-up to increase overall media accuracy and quality by avoiding human mistakes
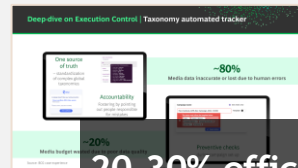
20-30% efficiency gains on digital media operations

Optimization assistant

Campaign efficiency optimization through automated recommendations on budget allocation and media trading

15-30% efficiency gains on media KPIs

Post-campaign analysis assistant

Consolidated insights and learning from several campaigns, enabling better decisions and continuous improvement

~60% time reduction in post-campaign analysis

Key impact

1

AI augmentation

AI tools that enhance marketers' abilities with deep analytics, predictive insights, and data-driven recommendations to strategically deliver the right products, timing, and channels for optimal customer engagement

2

AI automation

AI tools that independently plan, execute, analyze, and adapt marketing campaigns in real-time, automating interactions and seamlessly communicating strategic insights back to marketers

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Illustrative BCG case example

① AI augmentation

Impact created	**10-30pp** Working allocation and portfolio improvement across channels	**10-15%** Revenue uplift

AI platforms

Further detail in next slides

Resource allocation ⟷ Consumer-led portfolio planning
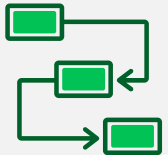
Optimized allocation with trade-offs by brand segment, channel, touchpoints, sales impact vs. consumer impact

Incorporated insights on consumer needs into concept generation to drive the right activation plan to win with the right consumers

Operating model

Common currency established across the organization, cascading in incentives across global and local, sales and marketing, internal and external

Data foundations and analytics team built, continuing to evolve analytics capabilities

Upskilling of full function on marketing effectiveness, **global COE built**

Future of orchestration—augmentation | GenAI enables data-informed decisions for optimal resource allocation
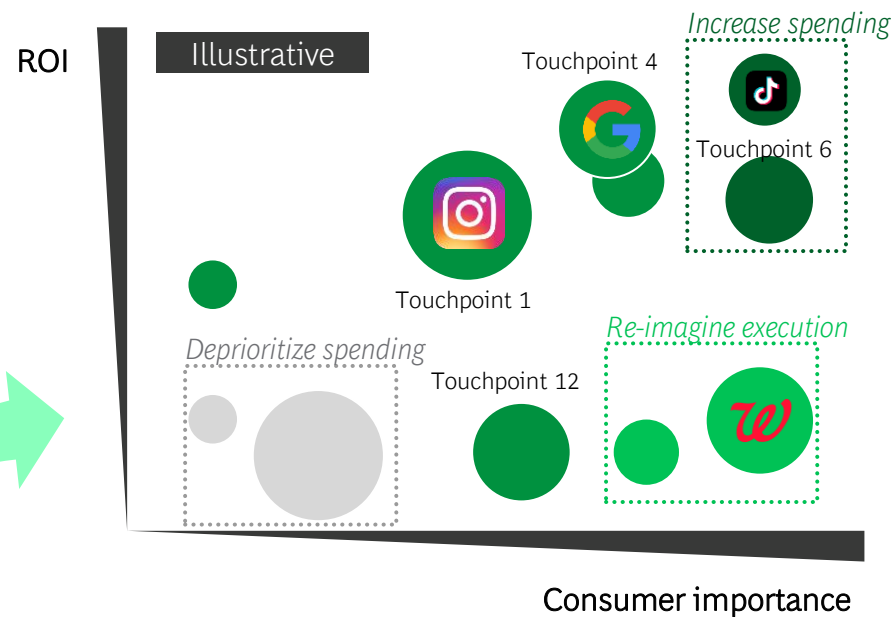
Illustrative BCG case example

Internal data sources

- Consumer research
- Product information
- Financial information
- Marketing and sales execution
- …

External data sources

- Sell-out and panels
- 3rd party variables (e.g., weather, inflation…)
- Competitor information
- …

Investment decisions are made based on **ROI and consumer importance,** with **trade-offs** across the **portfolio** (sales and marketing touchpoints, channels)

Key impact

+4-8pp

Bottom-line or sales increase (depending on level of ROI and reinvestment)

+10-20%

ROI increase across all marketing and consumer-facing sales touchpoints

Future of orchestration—augmentation | AI utilization enhances portfolio management for faster time to market and higher impact

Illustrative BCG case example

Bringing internal intelligence and external information together…

- Consumer demand space mapping
- Previous concept tests
- Brand assets
- Legal and R&D checklists
- Brand guidelines
- Financial statements

- Trends and social listening
- Ratings and reviews
- Panels and consumer research

Internal data   External data

1. Existing product developments; 2. New product developments.

… to support better-informed and faster decisions on portfolio management

New concepts to address white spaces

Positioning recommendations for existing products

Insights retrieval   **Positioning ideation**   **Synthetic testing**

GenAI supported

Key impact

-65%

Time reduction in E2E concept generation

while maintaining:

Quality: First-time pass rate for EPDs[1] and NPDs[2] on par with today

User satisfaction: All users confirm they would use the tool today

Future of orchestration—augmentation | AI will be used across all marketing roles, but level of automation will vary by specific role

Level for GenAI-powered automation opportunity

2 AI automation

Insights, innovation, and product development

Innovation strategy	🟡
Brand strategy	🟢
Artwork design and content	🟢
Product concepts	🟡
Brand equity	🟡
Post-product launch	🟡

Content generation and campaign activation

Campaign optimization	🟢
Campaign planning	🟢
Objectives planning	🟢
Media campaign reporting	🟢
Content adaptation	🟢
Comms concept and brief	🟢

Business performance and reporting

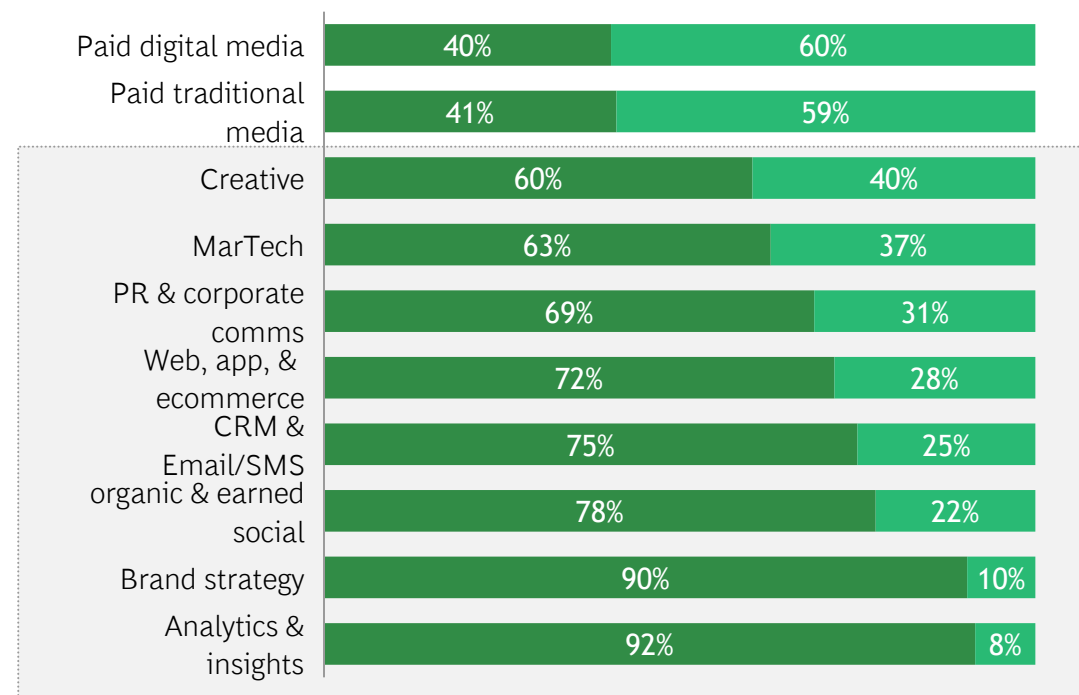|	
Monthly brand performance	🟢
Annual planning	🟢
Market and consumer understanding	🟢
Strategic planning	🟢
Forecasting	🟡
Demand planning	🟡

GenAI opportunity: 🟢 Very high 🟢 High 🟡 Medium

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How to get it right | This is our perspective on winning with AI in marketing

Reshaping operating model	Rethinking role of media and creative agencies and shifting more global vs. local	• Rethink role of media and creative agencies and rules of engagement to ensure right control of processes and execution with internalization • Re-evaluate global to local split given ease of dissemination and execution monitoring
Transforming skills and capabilities	Internalizing critical expertise and services, and streamlining project management and planning	• Build few, but strong internal expert capabilities to drive the best outcomes – on creativity, top platforms, and consumer insights • Squeeze more from your core through productivity to rightsize the organization, making room to invest in tech and capabilities
Unlocking MarTech and GenAI	Increasing investment in marketing tech and AI, while reimagining governance	• Invest in marketing technology for best-in-class activation, faster content production, task automation, and data-driven orchestration • Steer data as a collective asset to create a common language, ensure harmonization and democratization with a common data platform
Setting an end-to-end measurement frame	Establish holistic measurement across slow- and fast-moving metrics supported by right operating cadence	• Set up a comprehensive framework to include sales and brand health, campaign perf, omnichannel, attribution/liquid budgeting, & experiments • Support measurement capability with key meetings including quarterly investment planning, monthly budget steering, and daily execution
Aligning on unique company AI ethics	Implementing guiderails for how AI will/won't be used to align with brand identity	• Set up value-based guiderail creation sessions to decide which AI use cases align with brand (e.g., some companies elect not to create variations of imagery representing different demographics using GenAI) • Continue to align on values and use cases as internal AI use increases

Marketing internalization is on the rise

Category	> 50% in-house	> 50% outsourced
Paid digital media	40%	60%
Paid traditional media	41%	59%
Creative	60%	40%
MarTech	63%	37%
PR & corporate comms	69%	31%
Web, app, & ecommerce	72%	28%
CRM & Email/SMS	75%	25%
organic & earned social	78%	22%
Brand strategy	90%	10%
Analytics & insights	92%	8%

■ > 50% of operating budget in-house   ■ > 50% of operating budget outsourced

Source: GLG Marketing Org & Op Survey 2022 | BCG analysis

GenAI acceleration will continue to accelerate internalization across core areas

Creative/Content production
Increased internalization through building of new GenAI-enabled content hubs

Media
Increased internalization of planning and execution control across channels

Marketing technology
Increased investment, in-house control, and in-house build for key intelligence layers

| Capability	Evolution (% of marketing FTEs)	Future state	Output
Orchestration	↓ **40%** *(down from ~70%)*	• Build smaller and more senior broad-skilled teams • Automate half of day-to-day tasks • Augment decision making	Streamline and free up capacity to **reinvest in science and art**
Science	↑ **40%** *(up from ~10%)*	• Invest in deep execution capability across key touchpoints • Automate to enable scaled impact of top experts	Drive **ROI through deep and scaled execution control and allocation control**. Learn **new touchpoints** faster than competition
Art	→ **20%** *(stable to slightly declining)*	• Integrate content vertically (from global to localization), automating adaptation • Invest in deep creative talent	**Strengthen brand balance sheet** through more differentiating brand voice and more homogeneous execution

Key   ↑ Increase   ↓ Decrease   → Stable

Investments in marketing technology[1] as % of total marketing budget

18% — 2017
23% — 2018
22% — 2019
21% — 2020
26% — 2021
25% — 2022
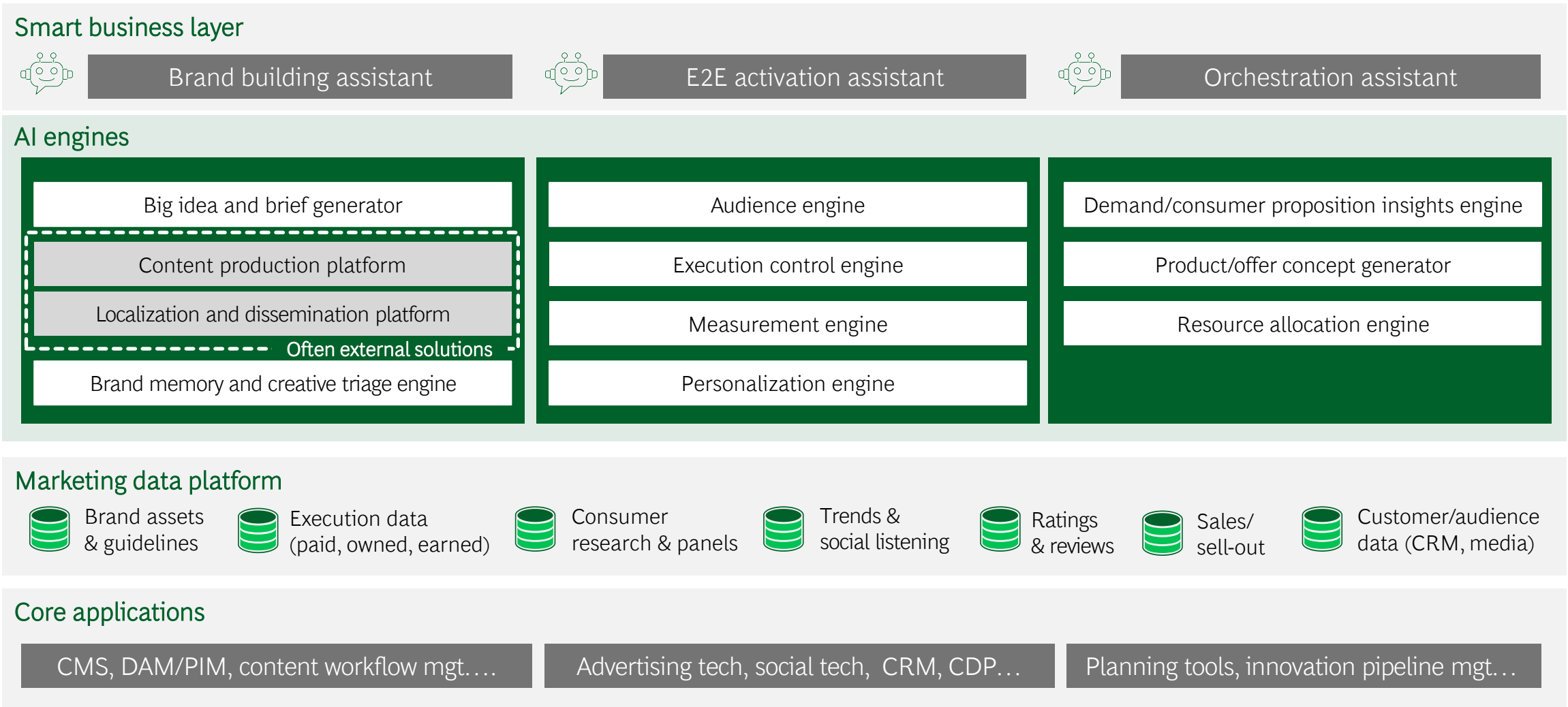25% — 2023
24% — 2024

+33%
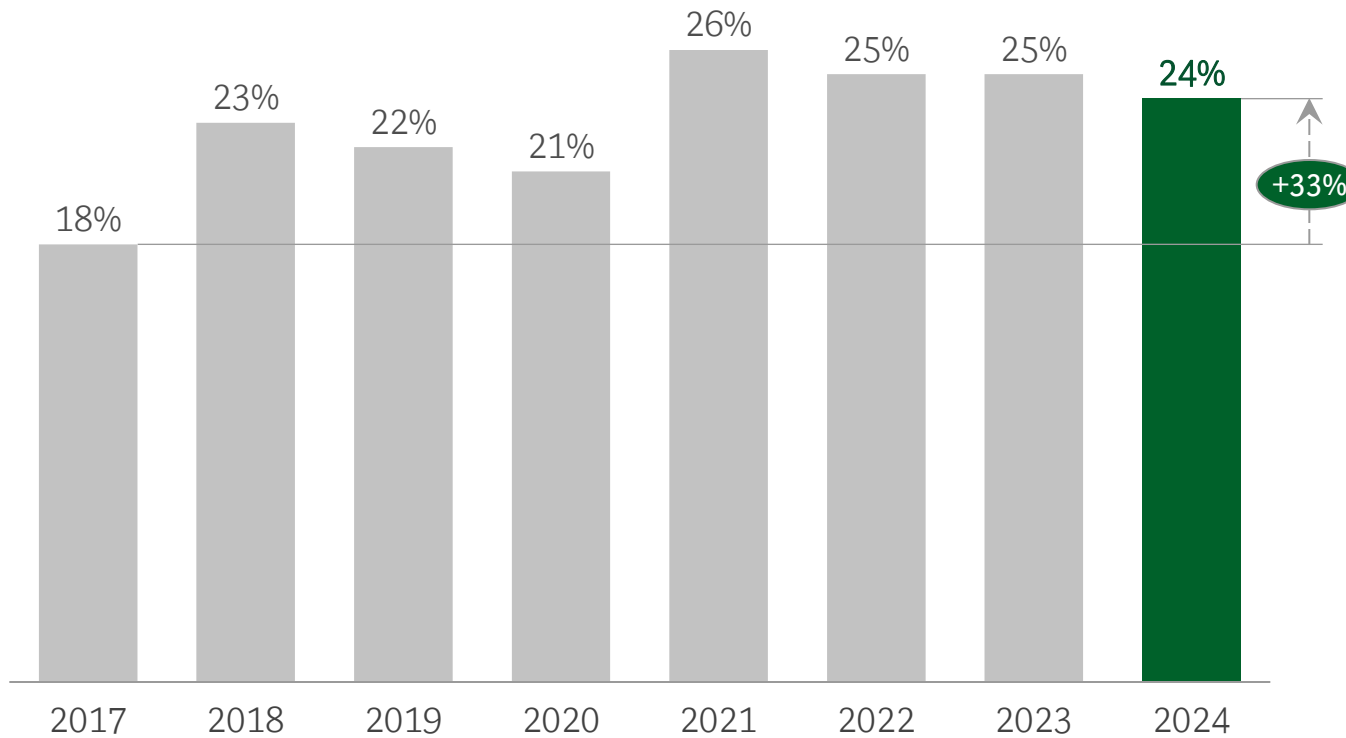
Marketing technology spending is stabilizing at ~25% of the overall marketing budget, which is comparable to cost of labor and agency costs

CMOs need to:

- Rethink the marketing technology delivery model with end-to-end product teams across marketing and tech

- Invest in their business partnering relationship with CIOs/CDOs

- Invest in AI prompt design to ensure content aligns with brand message and guidelines (e.g., prompt engineering and testing, upskilling)

- Ensure there are strong marketing technology specialists in-house to maintain tight alignment of their tech stack with their priorities

Source: BCG analysis, Gartner CMO survey 2023; 1. Marketing technology (MarTech) refers to the tools that help with marketing workflows; customer acquisition and retention; brand and communications; content and social; or data and analytics

MarTech and AI | Companies are increasingly investing in AI engines on top of core MarTech applications to provide marketers with assistants

Smart business layer

Brand building assistant

E2E activation assistant

Orchestration assistant

AI engines

Big idea and brief generator	Audience engine	Demand/consumer proposition insights engine
Content production platform	Execution control engine	Product/offer concept generator
Localization and dissemination platform	Measurement engine	Resource allocation engine
Often external solutions		
Brand memory and creative triage engine	Personalization engine	

Marketing data platform

- Brand assets & guidelines
- Execution data (paid, owned, earned)
- Consumer research & panels
- Trends & social listening
- Ratings & reviews
- Sales/ sell-out
- Customer/audience data (CRM, media)

Core applications

CMS, DAM/PIM, content workflow mgt….

Advertising tech, social tech, CRM, CDP…

Planning tools, innovation pipeline mgt…

Getting started | There are three ways to get started on your GenAI marketing transformation

Optimize
PRESENT FORWARD

Generate quick wins in your marketing operations through fast AI optimizations

- Run activity-based mapping of marketers' time based on time spent, joy vs. toil, and automation potential

- Build detailed baseline of external spending (content, insights, media)

- Prioritize optimizations based on impact potential & adoption + automation ease

Vision
FUTURE BACK

Imagine a disruptive vision of your function in 3-5 years and build roadmap to get there

- Build a target state of your function in 3-5 years

- Assess gaps in people, tech, data

- Develop a strategic workforce management plan to get to the target state

- Launch a transformation capability program to bridge the tech

Value proof
LIGHTHOUSES

Get the momentum going by disrupting a first high-impact workflow end-to-end

- Pick 1-2 workflows that will drive immediate business impact – typically, media, content, or personalization

- Build a first showcase in a market or a brand

- Demonstrate impact, then scale gradually

BCG experts |
Key contacts for AI marketing transformations

NAMR

Alex Baxter

Lauren Wiener

Matthew Kropp

Mark Abraham

Peter Dewey

Ray Yu

Silvio Palumbo

Shelby Senzer

EMESA

Amaryllis Liampoti

David Galley

Henry Leon

Javier Pérez Moiño

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Nicolas de Bellefonds

Nicole Meissner

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Parul Bajaj