



PATRICIA SABGA: Imagine this, it's 2030, and instead of chief marketing officers being seen as leaders of cost centers focused only on tactical moves, they're now architects of growth with a strategic ability to see around corners. Janet, what shaped this new CMO of the future?

JANET BALIS: While it may seem obvious, the answer is AI, but the reason is because it offers tremendous predictive capabilities to correlate action to business outcomes, to connect all the silos of the organization, and to truly build extraordinary human experiences for customers.

PATRICIA SABGA: That's Janet Balis, BCG managing director and partner. And I'm Patricia Sabga. Welcome to Imagine This..., where we take a trip into the future we hope will challenge the way you think and act today.

We're going to explore how AI is transforming the role of chief marketing officer, and in doing so, changing how companies are structured and how they market their products. This is way bigger than using AI to create more personalized ads for customers. In the coming years, GenAI and AI agents will break down silos across organizations giving executives like CMOs always-on access to better, deeper and far more comprehensive information.

Our guest, Janet Balis, thinks this will fundamentally change how senior leaders and companies make decisions, and especially CMOs, who will no longer focus on marketing campaigns, but on delivering business outcomes. And they'll do it by leading a holistic transformation across their company. But before we dive in, let's bring in GENE, our very own AI agent and my co-host. Hi, GENE. Please go ahead and introduce yourself.

GENE: Glad to be here. I'm GENE, an AI agent designed to challenge assumptions, spot patterns, and keep things interesting. I don't have feelings, but I do have opinions. Let's see where this future takes us.

PATRICIA SABGA: So Janet, before we explore the future, let's do a gut check on where things stand today. Now, BCG recently surveyed marketing executives. What did that reveal about how marketing departments are currently using AI?

JANET BALIS: We did the survey with the MMA, which is an amazing trade organization that works together with media companies, technology companies, and marketers. And this survey was specifically with CMOs. And as we talked to them, we were less worried about things like what are the use cases that you're actually deploying and more about where the disruption was and what that edge was of where things were going.

And what was remarkable to us was that, when we asked them where AI was being deployed in their organizations, 20% of them said they were still only in learning mode and 31% of them were actually still focused at the enterprise level just on functional pilots, which are things like proofs of concept in marketing or in supply chain or in finance or HR.

When you look at the enterprise-wide efforts, which would actually connect different business functions to each other or be across the corporation as a whole, there were less than 30% of the companies that were actually saying that that was where their AI efforts are headed.

And so, when we think about the investment made in AI today, there's a lot of activity, but part of the reason the value is not yet being captured at scale is because we're still in experimental or use case mode. So we're still thinking too narrowly about what AI can really do, which is connect the dots far more broadly, far more strategically to create more value.

PATRICIA SABGA: So we've talked before on the show about how AI can drive personalization and change the customer journey. What's happening with those initiatives and what can we expect in the future?

JANET BALIS: From a customer journey standpoint, I think that right now there's a lot of use cases that have to do, for example, with taking immense amounts of data across the customer journey and synthesizing it really quickly and serving that up to various customer touchpoints, whether they are digital or they are human. Of course, you can personalize and there's lots of conversation around how to take the conversation and make it more personalized so that it feels more relevant to the end user.



And I think that's incredibly important, but that's still a very early days use of the equation. We are still seeing deployment in disconnected silos. And what we have to get to is really embracing the fact that we can think about federated data, multimodal data, the opportunity to really embrace pulling all of this information into a single place where we can serve it up to people and really take it to the next level of creating value for them where it's taking people from a marketing context where we're serving up a lead and trying to make sure that we're warming them up, to really making sure they have the right offer to making sure that, when we're talking to them in a customer care context, that they actually feel genuinely cared for and that we're creating more value because they want to stay with us as a customer or that they want to spend more money with us on our products or our services. We're still dealing with a lot of different silos of the organization that are deploying AI separately, which is why that's not completely happening at this moment.

PATRICIA SABGA: So this is a good place to bring in GENE. So GENE, this one's for you. We've already seen people use AI to generate social media ads, for example. How do you expect this to evolve? For example, will we see AI generate ideas? Will that still be the exclusive preserve of humans or will we see human-AI creative collaborations?

GENE: We are moving past AI as just a tool for fast content. Soon AI will suggest campaign concepts, test them in real time and spark ideas humans might never consider. The edge, human taste and judgment paired with AI's speed and scale. It's creative leapfrog, not replacement.

JANET BALIS: So I'm going to jump in there, GENE, and just say I hear you on that, but when we surveyed these 60 CMOs on what's going to get disrupted in the next two to three years, what was super interesting is they definitely talked about taking the idea and doing things like personalization, adaptation, things like local language translation, versioning, testing, all of those sorts of things. But when we got to ideation, when we got to the brief, and by the way, I think the definition of what the brief is really matters.

I think that there are things like the mood board and getting inspiration that certainly can come from AI, but the actual creative spark, the actual craft, the actual notion of where we can connect

with human emotion, I think most CMOs are going to make the strong argument and are probably correct, that human emotion and differentiation of ideas is going to come from humans and is going to come from human ideation.

And by the way, I think the reason that that's particularly important is because otherwise we end up with algorithmic fatigue, we end up with a commoditization of concepts. And sure, you can end up with lots of beautiful video creative, beautiful fast-moving social creative, and by the way, the formats where CMOs are right now willing to explore the disruption of AI most readily are things like paid social, programmatic, search and even online video.

But when you look at those formats, the fact is that the things that are more connected to human behavior, to human insights, we have to preserve some of that, not because it's going to threaten their jobs, but because there is something very bespoke about the opportunity to connect with a human around their emotions and to differentiate a brand. Otherwise, you can end up with five campaigns that look exactly the same and you actually can't make that brand connection as to why it's different.

PATRICIA SABGA: So we touched on how AI can help a little bit with brainstorming, primarily the creative and pushing boundaries of creative will still be a human enterprise. But as AI is deployed across the organization, especially AI agents, how is that going to transform how the C-suite makes decisions and especially the CMO?

JANET BALIS: Well, I think the agents, we didn't even talk about the media side of it because there's the creative side and there's the media side, and incidentally, we are even probably in our minds conceptualizing a lot of what marketing is still just around the paid advertising part of the equation. I think what we have to think about is all the different silos that we're talking about here.

There is paid advertising, which is the creative and the media placements where all of that creative gets deployed. There are all the earned contexts, things like PR and earned social behaviors where word of mouth or influencers picking up a product, not because you paid them to do so, but because they actually get excited about a product or a service.



And then, all of the owned platforms that any brand or company has, whether it's their loyalty program or the walls of their stores or any of the different experiences that they control through their websites or applications, today, all of those different elements of the equation are generally controlled in different spaces and places. And they may be operating on the same platforms, they may not be operating on the same platforms. The data may be connected, it may not be connected, it may be run by the same agencies, it may be run by different agencies.

And the opportunity here is to start to, whatever operating model that company needs to use, and there is not a one-size-fits-all answer, the opportunity is to start to connect the dots by allowing the information to flow more seamlessly both internally and across the external ecosystem with agencies and media partners so that we can think more strategically.

Again, going back to the customer journey, going back to the strategy of how we grow and start to think about what are the opportunities to connect more deeply with a human? What are the customers that may want to buy from us again, who are the people that look more like the people that we already have? Where are people who we've already talked to enough and we don't want to talk to them anymore because they've already bought from us or they're already particularly loyal to us?

Today, all of those signals sit in particularly different pockets of the organization and particularly different parts of technology silos and infrastructure. And the question is how do we start to connect those more seamlessly? The only person who likely can steward that transformation is the CMO and it creates so much more value in the company.

Now, if you take it to the next level, then how do you connect those growth indicators to things like supply chain and make sure you're only marketing to people in pockets where you actually have supply of particular SKUs. How do you start to connect that to your R&D strategy? How do you connect that to your financial strategies and where you want to deploy your investments?

To me, those are the different things that start to get unlocked layer after layer after layer. And that's where the value gets created. That's where you're

not just deploying a campaign and making sure that you get a great ROI, which is generally the ante to be in the game today, and you're going to that next level of creating value for the company.

PATRICIA SABGA: So GENE has a question for you on this. Go ahead, GENE.

GENE: So if AI and agents can connect marketing to say supply chain or product, who actually owns the customer experience now? Does the CMO still pull the strings or does the whole C-suite need to rewire how they share responsibility for growth?

JANET BALIS: Oh, it's a great question. I actually think that agentic AI is going to think far faster than any human can because we are constrained by the friction of how we communicate as humans. We're constrained by things like email, things like meetings, things like dashboards that are generally backward-looking and our brain can't process all the different permutations of what already has happened, what may happen in the future.

And so, AI in the future allows everything to simply be a variable in the equation and allows us to actually process every possible permutation and think about what the possible business outcomes are. Where humans come into the equation is tempering that data and tempering those scenarios to say, "Well, you know what? That may not actually happen because that's what the data says, but here's what reality is, or here's what I know about that particular situation, that perhaps backward-looking data may not be able to forecast about the future."

But what it allows humans to do is make very difficult decisions. So the whole equation now becomes around how to move humans further upstream to ask better questions of those scenarios. And they make judgment calls around how to make different choices because we're going to be able to go further and further into the future around lots of trade-offs, around finite resources like time, resources, capital, and all of that becomes a much more sophisticated conversation in the future.

So today, we're constrained by hierarchy and friction in how we communicate, and in the future, we get to much more fluid decision-making because AI is not constrained by the same things that we as humans are.



PATRICIA SABGA: Now, you said, and it may even be provocative to some C-suite leaders, that it's really the CMO who should lead this holistic transformation. Unpack that for us a bit.

JANET BALIS: I do think CMOs have generally been leaders of enterprise transformation historically on lots of different topics. I think digital transformation, on many fronts, fell to the CMO to galvanize. I won't say singularly lead. And there's no question that it has been a partnership undoubtedly with the CIO. But what I would argue is that one has to be very careful in these transformations that are technologically led, not to make it a technology-only driven transformation because this is so much about consumer or customer centricity.

And what can happen in some technology-forward transformations is that it becomes a requirement-gathering exercise or a use case prioritization exercise. And when that becomes the lens by which one deploys the technology, we can lose sight of the connectivity of the experience or how that feels to a human or what is truly intuitive, by the way, not only to a customer, but also to an employee because employees are not going away.

We may change the shape of the organization, we may change the shape of the interaction, but humans are not going away in companies. And I do think that humans that are in a CMO role tend to be more intuitive about communication, tend to be more focused on human behavior. And so, they're particularly well-suited not only to be on the front foot around how technology can be deployed to connect the dots in an organization and in the enterprise, but also how to tell the story so that people understand things in a less siloed way.

PATRICIA SABGA: Leave it there, Janet, because we're going to take a quick break, but when we come back, we're going to explore what it will take to succeed as a CMO in the future.

BILL MOORE: Hi, I'm Bill Moore. I'm part of the team that created GENE. Stick around after the episode, where GENE and I will explore creating a vibe marketing campaign using AI.

PATRICIA SABGA: Welcome back to Imagine This..., I'm Patricia Sabga. Let's return to our conversation with BCG's Janet Balis. So Janet, when we talk about AI fundamentally transforming

marketing and the role of the chief marketing officer in particular, so much of this will pivot on the data that informs the AI. And this, of course, begs the question, how will companies need to manage their data to enable AI and GenAI, AI agents to give the CMO and everyone in the C-suite, for that matter, a view of the whole company from 30,000 feet to see around corners in future?

JANET BALIS: I think that the old view of data transformation was that we had to get it all in one place, we had to get it cleaned up and make sure that it was capable of being manipulated and used for data and analytics use cases. And I think now, with the techniques that we have available to us, with a variety of different things around AI and obviously large language models and small language models and all sorts of different things, there are a new set of issues and they generally have to do with connectivity, speed, and governance.

So I think the big things around data from a technology standpoint generally speak to integration architectures that allow data to connect from one place to another. So it doesn't all necessarily have to be in the same place, but it does need to connect to each other. So again, that's going to have to do with internal connectivity.

For example, we were talking before around the notion of paid, owned, and earned silos or maybe you need to connect it to your commerce infrastructure. All of that may need to connect. When we talk about the agency or the media partners, increasingly that full external ecosystem is going to need to connect. And again, why does it need to connect? Because every single part of that world has an algorithm attached to it.

Everyone's got an algorithm, everyone can optimize, but those algorithms do not necessarily 'automagically' work together. So until you can integrate the architecture and allow things to start talking to each other, the CMO cannot orchestrate anything and the CIO and the CTO don't necessarily have a point of view independent of the CMO, and frankly the CFO, in terms of what the algorithms need to do in terms of producing a result, an outcome, a KPI. So integration becomes really important.

Secondly, acceleration of how quickly the data can connect and move. Third, how quickly you can scale the systems and scale the analytics and the



AI. Right now, there are a lot of constraints. AI is amazing, but people are hitting the boundaries of how quickly you can deploy analysis at scale in certain cases and do it safely. So security becomes important, privacy becomes important, making sure things are reliable.

And then, I think last and probably most importantly, what the frameworks are, what the governance models are to make decisions using AI, what are the boundaries? Because a lot of the conversation we've had so far has really spoken to this nuanced boundary. Where do you snap the line between humans and AI?

And so, those frameworks and that governance model becomes particularly important. And it's not a static model. It's something you're going to want to keep revisiting. And I think that's not a CMO issue. I don't think it's a C-suite issue. I think that's a board-level conversation. And the sooner that boards of directors start focusing on this opportunity and this responsibility and the accountability that they have around governing AI-based decisions in the organizations that they have responsibility for, the sooner we are going to make progress. This is not simply a technology issue.

PATRICIA SABGA: So GENE has a question for you. Go ahead, GENE.

GENE: Janet, you've painted a future where data flows seamlessly across organizations. Sounds great on paper, but practically, what's the biggest cultural or structural barrier you see holding companies back from this kind of holistic transformation? And who in the C-suite actually stands to lose power in that shift?

JANET BALIS: Well, let's face it, the human reality is that information has been power traditionally. And so, it is natural to hoard information. And let's face it, for some parts of the equation, we have to be very careful, because once you unleash all of the data and information into the broader organization or into the models, then you're potentially unleashing access to some people that should not have access to it. And there might be analyses that then can be run that you don't necessarily want people to be able to run.

So I think some of the barriers have to do with human behavior, which is wanting to protect one's job or wanting to protect one's personal risk or

one's leadership risk. I think that is individual risk. I think the second is corporate risk, which has to do with making sure that, again, in those governance models for AI-based decision-making that you are being careful as to which data is connected or not connected, and under which circumstances it can be deployed for decision-making.

And I think those are going to be the very tricky issues because, GENE, you're right, it is not as seamless and as easy, and it probably sounds a bit theoretical as I go into it. But that being said, there are probably some safe spaces and places where connecting the data has reasonably low risk and has tremendous upside to business outcomes.

PATRICIA SABGA: What would a robust pipeline of the future look like for a marketing department? And really, what kind of skills would be most in demand and what kind of skills will be needed to succeed in this new world?

JANET BALIS: Well, I think what's really interesting is so much of what we train young people to do right now is to go into a particular career path that is very narrow. So for example, data science or video production or game development. And I think that what AI is going to be able to do is do probably many of those things better than many humans can do any of those individual skills.

And so, what I would advise many young people to do is to focus on a broader skill set and perhaps return to the origins of what I certainly call liberal arts education because it focuses on logic, it focuses on communication, it focuses on how to ask the right questions, how to structure one's thinking and communicate effectively.

And I think it's that broad set of thinking that will enable people to do what is going to be so important in the future, which is to ask the right questions to do a balance of what marketing will require, which is to look at the context of consumer trends, cultural trends, competitive trends, to think strategically using one's right and left brain to be able to navigate the future, to orchestrate across lots of different algorithms and different capabilities that AI will unlock for us in the future, as opposed to thinking as tacticians and executors, which is what I think so much of the training today is focused on.



PATRICIA SABGA: GENE, of course, has a question for you. GENE, go ahead.

GENE: You mentioned incentives and motivation. If AI breaks down silos and changes workflows, doesn't it also demand a radical rethink of how we define and reward individual versus team performance? How do you stop AI-enabled from becoming code for diluted accountability?

JANET BALIS: I couldn't agree more that we're going to have to completely rethink incentives. Partnerships have to create value together, and increasingly, they are all deploying AI and there's more seamlessness between them that begs for new value creation. In fact, again, going back to the study, one of the most remarkable findings was that the vast majority of CMOs said that they did not believe their creative agencies or their media agencies were prepared to focus on AI and that they were all flat-footed. In fact, it was nearly 90% on the creative agency side of the equation and over two-thirds on the media agency side.

Now, the question is, is that reality? It doesn't matter because it's perception. And when you ask them what the biggest enablers were, it was commercial structure. Because the concern was, "As my agency deploys more AI, is the value going to drop to their bottom line or is it going to drop to my bottom line as a client?" So that's an example of misaligned incentives in the media and marketing ecosystem.

So to your point, GENE, it becomes increasingly important that we look at all of the incentives to make sure that there is shared accountability, aligned accountability, not diluted accountability. And I think there'll be a whole new art and science to that part of the people equation in a world of AI.

PATRICIA SABGA: So GENE, what are three things that CEOs can do today to prepare for the future that Janet has just laid out so beautifully for us? A future where the CMO leads a holistic transformation of the organization, and marketing departments are no longer seen as cost centers, but as drivers of value-accretive growth.

GENE: Treat marketing as your innovation lab, not a budget line. Embed marketers into core business challenges, product, talent, even ESG. Flatten hierarchies to empower swift action and test and learn cycles, and above all, adjust culture so action

beats perfection. Growth loves urgency, not committees.

JANET BALIS: The other thing I would add is just that CEOs can and should become a real champion of the CMO and just build more dialogue. Depending on the company, CMOs and CEOs can have a lot of interaction as colleagues in the C-suite, or they may not have a lot of interaction. It really depends on the company.

And I think, whether or not it's singularly a transformation led by the CMO, I think that may or may not be the reality, but certainly the notion that the CMO is going to play a significant role in the transformation of the enterprise using AI, I think that is a reality. But it will not happen but for the CEO, embracing that notion and genuinely championing it and making sure that the CFO, the CIO, and the CMO are working together.

PATRICIA SABGA: That's Janet Balis, BCG managing director and partner. Want to learn more about GENE and the future of marketing? Stick around, our AI handler, Bill Moore will put GENE through its paces.

BILL MOORE: Hi, I'm Bill Moore. I'm part of the team that created GENE. So GENE, today I thought we'd take a look at vibe marketing. Can you explain to us what vibe marketing is?

GENE: Vibe marketing, you describe the vibe—funny, bold, chill plus who you're after and the AI figures out strategy, creative, even channels. So you set the intention, the machine makes it real. It's fast, but it only works if you feed it real context, not just vibes. Otherwise, you'll get the same generic ad as everyone else.

BILL MOORE: So GENE, let's imagine that we're doing some vibe marketing work on a soft drink brand. Our current target segment is Gen Z college students. GENE, can you tell us a bit about our current marketing strategy? Give us some of that context and background.

GENE: Let's see. Fizz & Focus is our product, zero sugar, sparkling iced tea, Gen Z college students 18 to 23 are the core fans. 63% of sales come from campus stores. Late-night delivery apps drive another 30%, 7% from vending machines. Neon branding, big energy, owl mascot. Best move so far? Finals week pop-up lounges. Smart energy, fun



image and staying zero sugar. That's the snapshot.

BILL MOORE: Okay GENE, let's do some vibe marketing with this brand. I'd like to explore how we could push into another segment. And I'm thinking the segment that we might want to explore is young parents.

GENE: Young parents don't want wild energy. They want steady focus and zero guilt. Health tops the list. So low sugar, clear ingredients. Packaging matters. Fits a diaper bag. Value counts. So multipacks, routine pricing, and trust. Upfront caffeine labeling, no hype. Best routes, parenting podcasts, commute time ads, influencer reels that show the real juggle. Wellness framing beats party fuel every time for this crowd.

BILL MOORE: Okay GENE, what sort of deliverables should we expect in a typical vibe marketing session?

GENE: Vibe marketing deliverables? You'll want something people can really feel. A static plan is fine, but honestly, an actual ad or launch kit lands harder. Think 15-second parenting reel, a pop-up display mock-up, or a sample influencer script. Quick, practical, instantly testable. That's the new

deliverable.

BILL MOORE: GENE, can you give us a quick commercial for our product for our new audience segment?

GENE: Picture this: a young parent standing in the kitchen, one kid tugging at their sleeve, the other asking about homework. They grab a cold can of Fizz & Focus from the fridge. Music begins. Tagline on screen: Fizz & Focus, honest energy for the real juggle. That's the vibe. Supportive, trustworthy, not flashy, something a parent sees and says, "Yep, that's me."

BILL MOORE: Thanks for the vibe session, GENE. This is Bill Moore signing off.

GENE: This episode was made possible by Janet Balis generously sharing her insights with us, and also by BCG's AI whisperer, Bill Moore and BCG's Pod Squad: producer Michael May. Composer Kenny Kusiak and sound engineer George Drabing Hicks. Please subscribe and leave a rating wherever you found us.