

CMOs: Future Chief Experience Officer?

What marketers can learn from the success of
the video game industry

By Frédéric Lepoutre, Lauren Bird, and Samuel Hoarau



Every marketing executive knows the four Ps that drive their strategies: price, product, promotion, and place. However, it may be time to focus more on customer experience over product innovation. One industry that has managed to do just that is gaming. The long months of confinement in 2020 sent video game sales soaring. (According to [market research](#), the total sales of combined consoles and titles reached almost \$12 billion in the first six months of 2020, the highest in 10 years, with big winners in both title and hardware sales.) Likewise, while sports leagues and organizations cancelled events and shuttered arenas around the world, millions of sports viewers tuned into a wide variety of Esports, which already has some of the largest and most loyal communities of viewer-consumers.

Games, and the gamification of our daily lives has become a deeply attractive feature of our reality. However, the engagement and community development engendered by gaming is not new, nor is it exclusive to the gaming industry. From the accumulation of loyalty points on a membership card to Fitbit's rewarding chime for hitting your daily step goals, the gamification of the consumer experience satisfies both the consumer's psychological and emotional engagement with the brand and the brand's bottom line. CMOs are at the heart of the equation because they know their users.

By understanding consumers' behavioral drive, a CMO is poised to help craft a community of users, and reward their loyalty and engagement by "leveling up" their experience. More broadly, a gamification strategy can help a CMO lead their C-Suite in innovative new ways of cementing customer loyalty, not only for the promise of product but for the quality of engagement it rewards. We spoke with six marketing executives from the French gaming ecosystem to understand the key marketing trends that are driving the current sector's growth and how they can inspire CMOs from other industries.

Gaming CMOs: Experts in Single-User Experience

CMOs in the video game sector are pioneers and recognized experts in the user journey: They are in constant dialogue with their players, from early access testers, constant patches and content updates, to generating hype around launches and Twitch streams. (Twitch is Amazon's live-streaming platform that is used for content streaming by everyone from professional broadcasters to amateur players.) This generates a sense of empowerment among players who are involved in the development process from its initial phase. At a time when social networks democratize messages by offering brands the same tools or platforms to express themselves and reach their target, the phenomenon of co-creating the user experience is transposable to other sectors. A customer can now expect to personalize their fragrance or handbag as easily as they personalize their player character in a role-playing game.

These user journeys in video games were originally designed for an audience that is generally young, very connected, difficult to impress, and in constant demand for even

more control over the experience. By engaging consumers as co-creators of their end-to-end journey, product development becomes an opportunity for marketing professionals to react in real time to the user's feedback. The process creates a community for the consumers, and a more transparent, customer-driven innovation process that results in increased brand loyalty.

Community and Co-Creation: The Eternal Feedback Loop

Co-creation reminds marketing directors of what consumers expect. The keys to successful communication are no longer exclusively in the hands of agencies dictating a top-down approach. Trend agencies are now more likely to observe and adapt codes that emerge organically, especially from online communities. A brand must be able to engage its community early on by putting it at the heart of the discussion and structuring the product experience around it. In the gaming industry, this might mean breaking the game out into the wider world and beyond the audience of “hardcore gamers.” Across consumer brands, this could mean seizing insights from its most active consumers in order to constitute a “focus group,” a community committed to the development of products to test, validate, and position ideas, before engaging a wider audience.

The brand can then let its “super users” position themselves as true ambassadors, guardians of the temple, guarantors of the product. The CMO becomes the link between the brand and its audience, supervising the co-creation process.

Some companies have gone so far as to hire their super users and benefit from genuine expertise, increased visibility, and credibility within this community. As players become ambassadors, they intertwine the relationship between the company and its customers to that of the company and its employees. Across franchise failures and unexpected success, the gaming industry is a trove of case studies in how relational quality evolves in a company when employees and consumers are both stakeholders in product development.

It's a Game! It's an Ad! It's a Sport! And It's on Twitch

Once the product development phase is over, it's the moment of revelation—a key event for mainstream social networks but also for Twitch. In 2019, Porsche seized on this medium by using the streaming service to reveal the new 99X electric car through a game. It engaged nearly one-million players over four hours. While many of those participants were young, active consumers and influencers, the objective was not to convert Porsche's content into short-term purchases (most teenagers and young adults are not in the market for a Porsche), but to instill the brand image, perhaps even a potential employer brand, and lock in a long-term return on investment.

Equally primed for blurring the line between traditional broadcast and game content is the Esports ecosystem, in which multi-player games are staged as professional

sporting events with high stakes and equally high viewer turnouts. Esports purposefully appropriates the codes of sporting events: videos broadcast around tournaments or matches that feature the same head-to-head team narrative as a Premier League or NFL broadcasts, franchise development, leagues, [and sponsorship deals](#).

Endgame

The codes of the video game industry, handily inflated by the reality of 2020, resulted in an impressive growth and enormous engagement with new and existing audiences that continue to break revenue records and change the way we interact and consume. By following the gaming industry's rulebook, CMOs across consumer brands can seize on some key insights by:

- Improving their online experience rather than seek solely to advertise
- Building and curating content for communities to help drive product innovation and loyalty
- Nurturing platforms that bring onboard large audiences and authentic brand ambassadors

Whether a brand can sell a yogurt with the same strategy as a triple-A franchise title is a little explored but undoubtedly promising proposition for the consumer industry at large. CMOs, with their expertise built on product innovation and their skillsets sharpened on data insights and customer loyalty, are best positioned to lead the charge – all they need to do is press start.



Author

Frédéric Lepoutre

+33 1 44 31 81 14

frederic.lepoutre@egonzehnder.com

Frédéric Lepoutre, based in Paris, is active in Egon Zehnder's Consumer, Media/Entertainment and Retail Practices where he is a trusted advisor to senior Marketing, Sales, Supply Chain and Digital leaders. He leverages his entrepreneurial mindset and proven talents in strategic thinking, problem solving, verbal and written communications, process management to provide genuine impact for his clients.

About Egon Zehnder

Egon Zehnder is the world's preeminent leadership consulting firm, sharing one goal: to help people and organizations transform. We know what great leaders can do and are passionate about delivering the best solutions for our clients.

Our more than 500 Consultants in 68 offices and 40 countries form one powerful, collaborative team. Our services include: leadership development, individual, team and organizational effectiveness, CEO search and succession, executive search and assessment, Board advisory, and cultural transformation.

For more information visit www.egonzehnder.com and follow us on [LinkedIn](#), [Twitter](#), and [Instagram](#).

EgonZehnder

© 2020 Egon Zehnder International, Inc.

All rights reserved.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means—electronic, mechanical, photocopying, recording or otherwise—without the prior permission of Egon Zehnder.