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THE FUTURE OF PERSONALISATION IN B2C MARKETING

MARKET RESEARCH REPORT

ACXIOM

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FOREWORD

Since we began this research project, whispers of macroeconomic disruption have evolved into full-blown predictions of continued inflation, supply chain disruptions, and a near certainty of a global recession. Yet rather than despair, there are plenty of underlying reasons for optimism: buyers that now have new acceptance for digital channels, large consumer savings, and executive leaders who realise that times of disruption often represent times to lean in and innovate.

For those looking to plot a course through this time of uncertainty, it's well worth remembering the one strategy that has worked in the past will work in the future: knowing your customer and being able to act on those insights better and faster than anyone else in your industry.

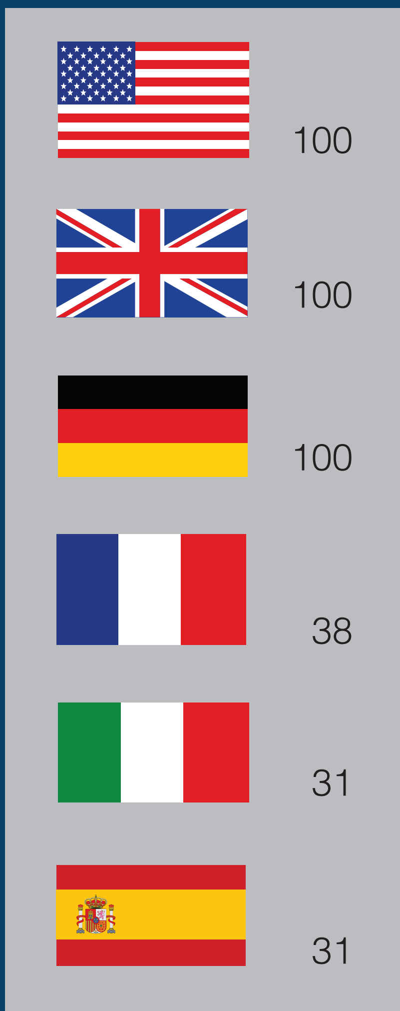
Key to all this is real-time personalisation. It changes the way consumers relate to brands and it also has the power to completely transform organisations. As a leader within the digital experience industry, every day we see the incredible results our customers achieve by delivering rich and impactful customer experiences. We are also deeply attuned to the challenges facing B2C marketers today to make this a reality—the pressure to keep up with evolving consumer behavior, the obligations that accompany the transition to first-party data, and the need to leverage value from existing tech stacks.

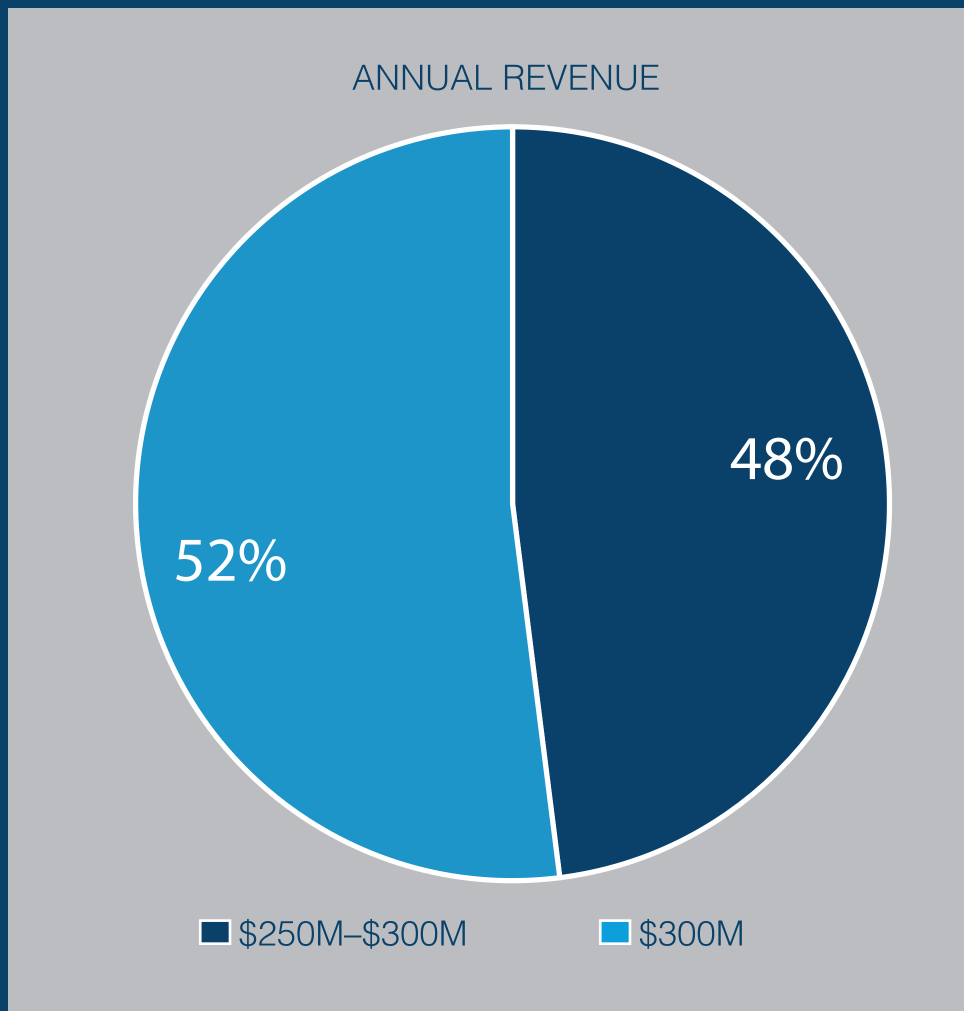
The insights shared in this report offer a fascinating snapshot of an industry grappling with rapid change. It's clear that every brand is facing a different CX journey, but with the support and buy-in of their organisations, those that adapt and level up to meet customer demands and expectations will emerge equipped and ready to make exceptional customer experiences a reality and can fearlessly look to the future with optimism.

David Schweer
Vice President, Product Marketing
Sitecore

RESEARCH APPROACH AND SAMPLE

400 interviews were conducted using a 10-minute online survey of senior marketing decision-makers in US and Europe—all currently involved in the selection of marketing technology for their business. Interviews were conducted between March and April 2022.





BACKGROUND

In recent years, many B2C organisations have been focusing their efforts on creating, building on and maturing their digital marketing capabilities, often with an emphasis on providing personalised customer experiences (CX) to ultimately foster trust, develop affinity and deliver recurring revenue for their brand.

The use of data has been a critical way for B2C organisations to gain richer insights into their customer's preferences and intent, which can be used to tailor experiences. The COVID-19 pandemic accelerated data-driven marketing efforts to advance their digital presence in response to restrictions on in-person contact.

Although progress has been made by many organisations, challenges remain around defining and collecting the right data, as well as choosing the marketing technology that is needed to deliver excellent digital customer experience.

In recent years, there has been a rapid increase in the number and variety of marketing technology tools that are available, with chiefmartec.com showing more than 9,000 and growing annually[1]. While this presents an opportunity for B2C marketers to strengthen digital CX strategies, deciding on the right marketing technology for an organisation's needs is not always straightforward. As the range of digital tools available to marketers continues to expand, understanding and identifying the right technology solution which is set up to deliver against future marketing objectives, has become a more complex task.

B2C brands have been reliant on third-party cookies for years to track web activity, tailor adverts and improve user experience. The discontinuation of support for cookies is driving innovation in marketing technology as brands look to first party data strategies to help them inform their future digital marketing efforts.

Acxiom and its market research partner, B2B International, have explored the challenges faced by B2C marketers across the globe. This report is based on a study comprising 400 online survey responses from senior marketing decision makers working in $250m+ B2C businesses in the UK, Germany, France, Italy, Spain, and the United States. All respondents were actively involved in the selection of marketing technology for their business.

This research report outlines the current state of B2C marketing and the challenges that marketers face today. It will then consider the roles that marketing technology can play in the journey to delivering real-time personalisation, and how B2C organisations could make better use of the tools available to them in order to fulfill their digital customer experience ambitions. It will conclude by identifying the three different stages of data driven marketing maturity that brands find themselves on in their journey to delivering CX beyond imagination.

CURRENT STATE OF B2C MARKETING

ORGANISATIONS ARE PREPARING FOR THE DISCONTINUATION OF SUPPORT FOR THIRD-PARTY COOKIES

While awareness of the upcoming discontinuation of support for third-party cookies is high, there is a lot of variation in how prepared marketers are for the transition. As shown in Figure 1, **ONLY A MINORITY (41%) OF B2C ORGANISATIONS SAY THEY ARE VERY WELL INFORMED.**

Brands are considering a variety of solutions to help with the transition, typically looking to adopt multiple options, showing that there is no 'one size fits all' approach to tackling the discontinuation of support for third-party cookies. That being said, first party identity management within a **CDP DEPLOYMENT IS THE MOST COMMON OPTION CONSIDERED (55%) (SEE FIGURE 2)**.

As well as looking at implementing new solutions, many B2C organisations are ramping up their efforts to become data-driven more generally and acquire more first-party data as part of their strategies to develop excellent digital CX for the future.

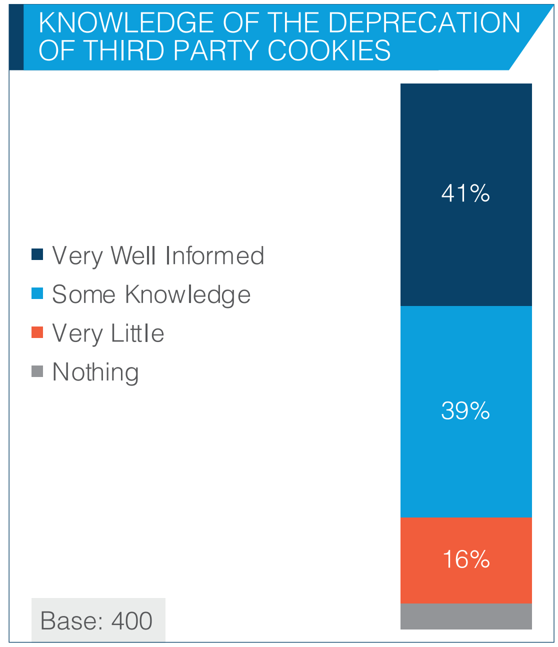


FIGURE 1: Q12. How knowledgeable do you feel you are about the upcoming removal of third-party cookies?

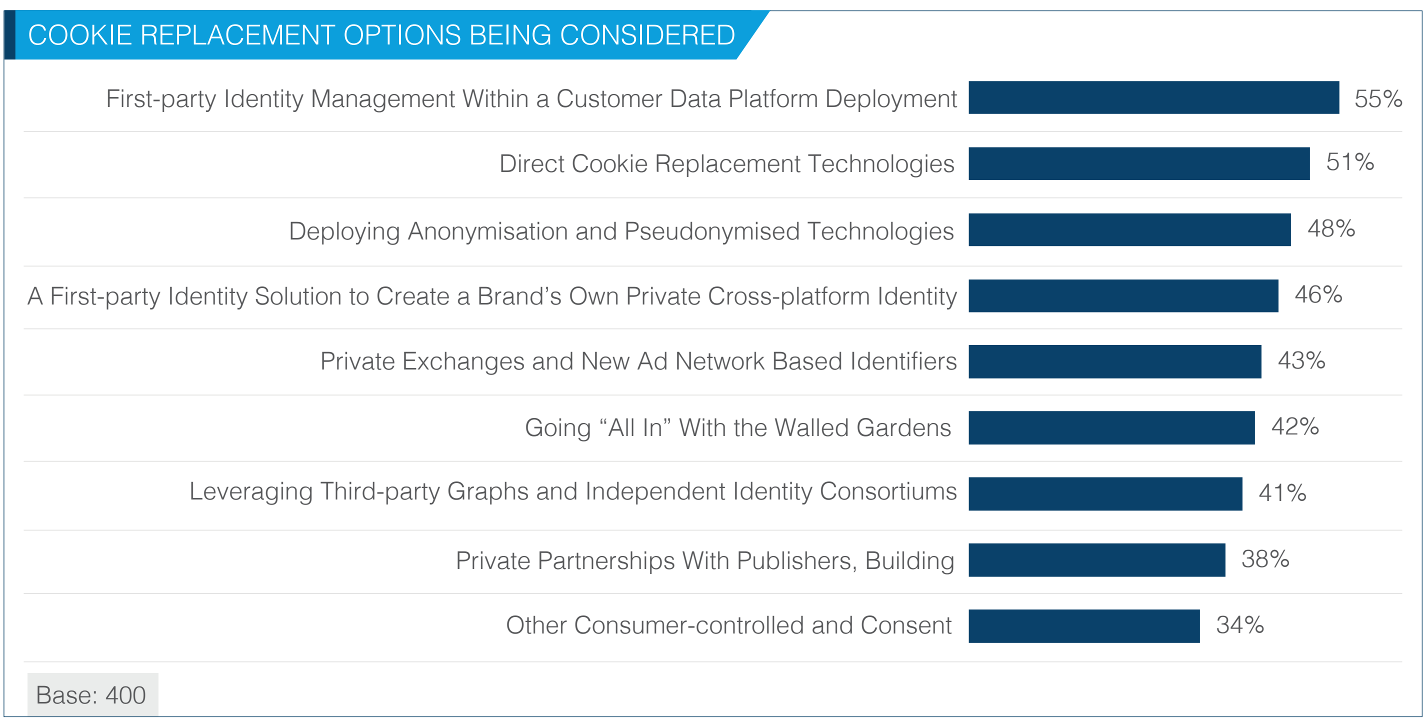


FIGURE 2: Q13. Which of these following cookie replacement options is your organisation considering once third-party cookies are no longer supported?

IT'S OFFICIAL— FIRST PARTY DATA **IS** THE NEW NORMAL

The research shows that many B2C businesses are well on their way to the transition to a 'cookieless' world. Amidst the need to build a complete view of the customer, first-party customer data (data which is directly obtained from customers) has gained importance to organisations in their journey to delivering an enhanced digital CX. **MOST ORGANISATIONS STATE THAT FIRST PARTY DATA HAS EITHER BEEN A PRIORITY FOR SEVERAL YEARS OR ITS IMPORTANCE HAS INCREASED IN THE LAST TWO YEARS**. US-based businesses lead the way, with 59% stating that first-party data has been a priority for several years, ahead of all other markets surveyed where less than half of organisations are in this position (see Figure 3).

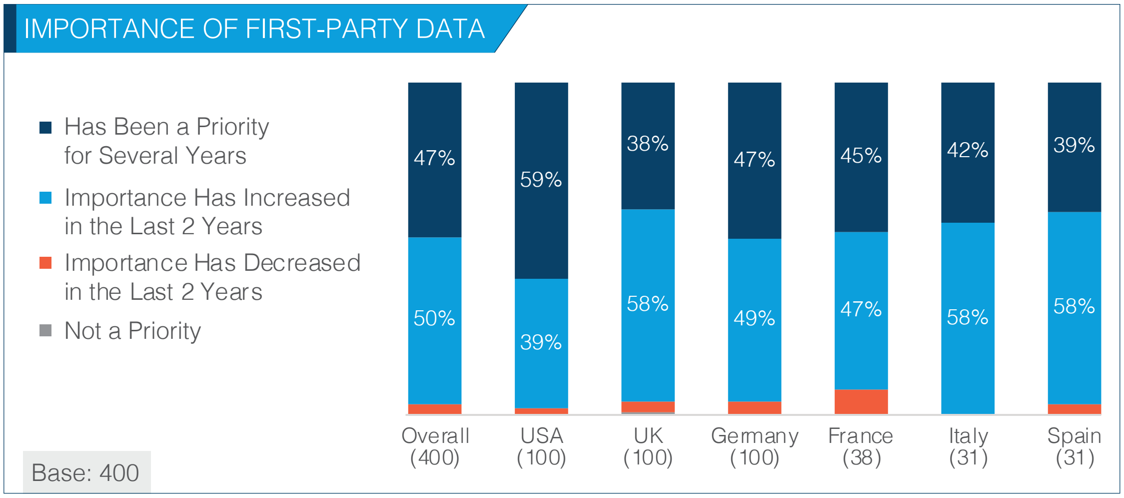


FIGURE 3: Q5. Which of the following statements best matches the importance your organisation places on first party data?

Organisations are using six sources on average when collecting first-party data on customers and prospects. As shown in Figure 4, the most popular sources of data include CRM platforms, social media, and website analytics. Businesses in the UK (7), US (6), and Germany (6) tend to use more sources on average than those in France, Italy, and Spain (each using 5). Most prominent channels to collect customer and prospect data in the UK included CRM (80%), social media (77%), and in-store transactions (32%).

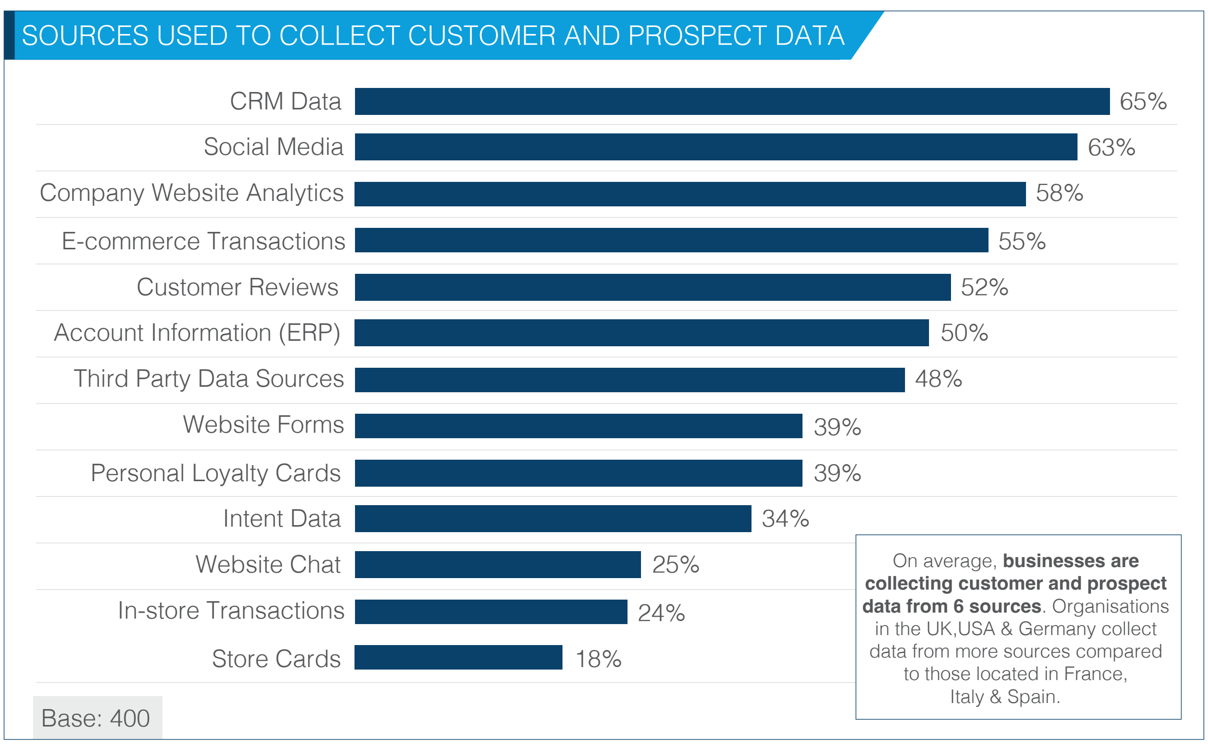


FIGURE 4: Q4. From which of these sources does your organisation collect customer and prospect data?

A multi-pronged approach of this nature allows businesses to access the greatest amount of data to support data-driven marketing activities but managing such a range of sources is where the challenge lies.

Customer channels are constantly evolving and new ones springing up almost daily—and touch points which collect data can reside in multiple different areas of an organisation and in siloed systems, making delivering a consistent omni-channel customer experience a pipe dream without the right connections, enablement and resources.

B2C MARKETERS FACE A RANGE OF DATA AND TECHNOLOGY CHALLENGES AS THEY GEAR UP FOR THE LOSS OF THIRD PARTY COOKIES AND DOUBLE DOWN ON FIRST-PARTY DATA TO FIRST-PARTY DATA

As a result of changes to data privacy regulations and the need for cookie replacement solutions, it is not surprising that marketers are focusing on data-driven activities. The key objectives for a typical B2C marketer today include becoming more data driven, acquiring more first-party data, and identifying the most suitable marketing technology (see Table 1).

DATA-DRIVEN MARKETING ACTIVITIES (42%)	MARTECH STRATEGY AND DELIVERING DIGITAL CX (36%)	CUSTOMER ACQUISITION AND RETENTION (32%)	UNDERSTANDING TRENDS AND DEMONSTRATING ROI (30%)	BUILDING BRAND AWARENESS AND ENGAGEMENT (28%)
• Becoming more data driven • Acquiring more first party data • Identifying the best MarTech to meet needs	• Developing the MarTech strategy • Improving the digital CX	• Retaining and growing customers • Acquiring new customers	• Understand customer trends • Demonstrating sound ROI	• Understand customer trends • Demonstrating sound ROI • Increasing brand awareness • Building customer engagement

TABLE 1: TOP B2C MARKETING OBJECTIVES TODAY
Q2. Thinking about your marketing objectives in order of importance, what are the top 2 objectives of your marketing team? Base: 400; HCA analysis

As shown in Figure 5, the biggest challenge marketers are facing is implementing key data-driven marketing activities. This includes gathering and connecting data and insights from multiple sources and acquiring more first party data. Linked to this challenge, marketers are struggling to identify and determine the solutions which will enable them to make the best use of their data.

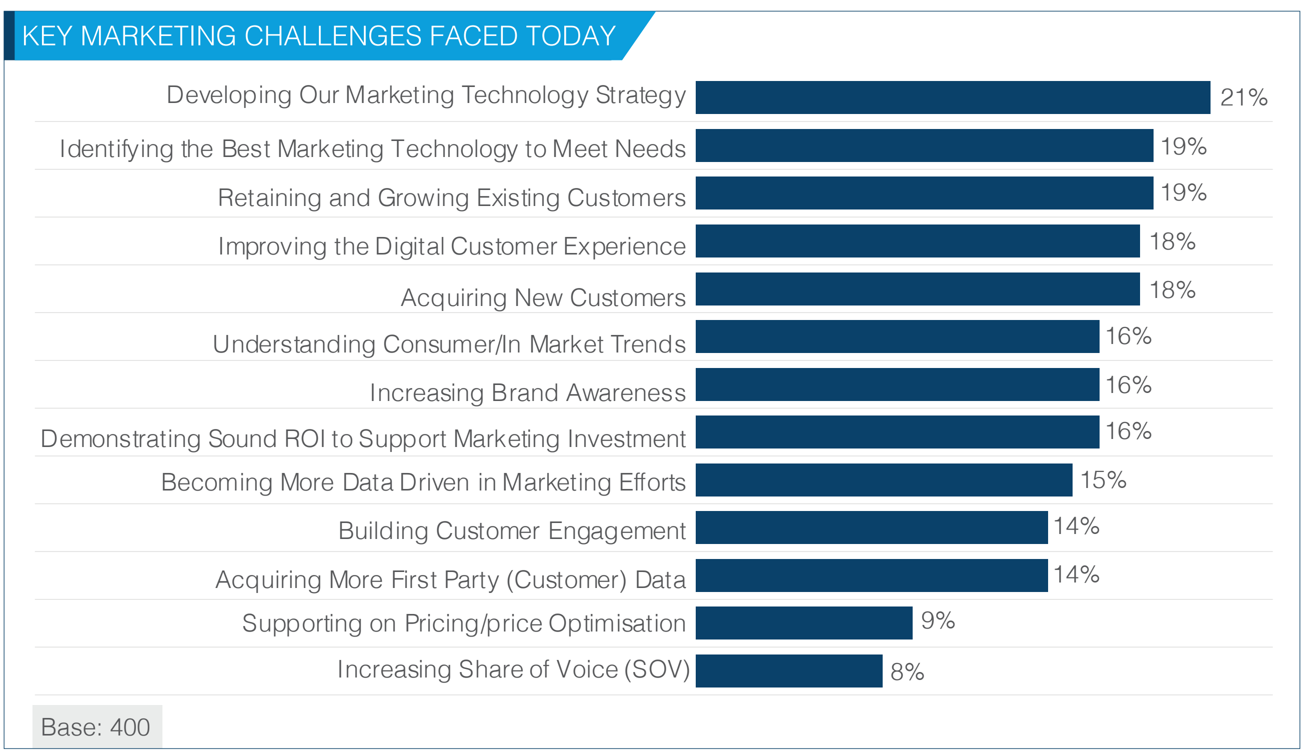


FIGURE 5: Q2. Thinking about your marketing objectives in order of importance, what are the top 2 objectives of your marketing team?

Challenges vary by size of business with smaller organisations particularly struggling with analytics, the data they hold on their customers, understanding the needs of their customers and aligning their marketing priorities with business objectives. In contrast, businesses with revenue over $300m are more concerned with optimising their marketing technology, developing talent, demonstrating the value of investment, and making the best use of data and technology.

	REVENUE UNDER $300M (191)	REVENUE OVER $300M (209)
#1	Lack of internal expertise in advanced data analysis	Developing talent with the correct skills
#2	Lack of data held on customers	Demonstrating the value of marketing investment
#3	Keeping ahead of customer needs and desires	Making the best use of data

TABLE 2: TOP B2C MARKETING CHALLENGES TODAY
Q3. Please rank the top three key challenges you face in relation to delivering your marketing objectives, where 1 is the most important, 2 is the second most important and 3 is the third most important, selecting from the list below.

MARKETING TECHNOLOGY IS WIDELY USED AND IS EXPECTED TO GROW OVER THE COMING YEARS

With a wider range of options on the market than ever before, B2C businesses generally have high familiarity with marketing technology solutions today, some of which may be used as solutions to the loss of third-party cookies.

As shown in Figure 6, around half of organisations feel they have a good understanding of marketing cloud platforms, such as Salesforce and Adobe, as well as e-commerce platforms such as Magento. Two in five have a good understanding of marketing automation providers and Customer Data Platforms (CDPs).

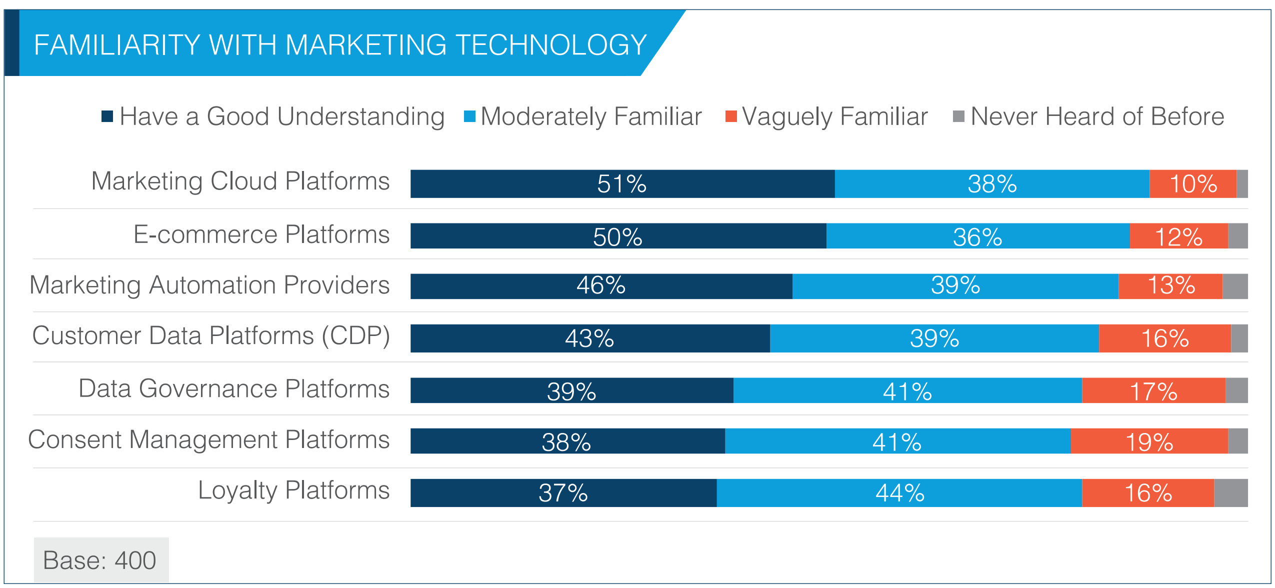


FIGURE 6: Q8. How familiar are you with the following marketing technology tools?

As the range of options grow and organisations are becoming more focused on their data and technology strategy, a variety of different platforms are being used or considered. The majority of B2C organisations have already adopted marketing cloud platforms (52%), with just under half adopting e-commerce platforms, customer data platforms (CDPs) data governance platforms, and marketing automation providers (see Figure 7).

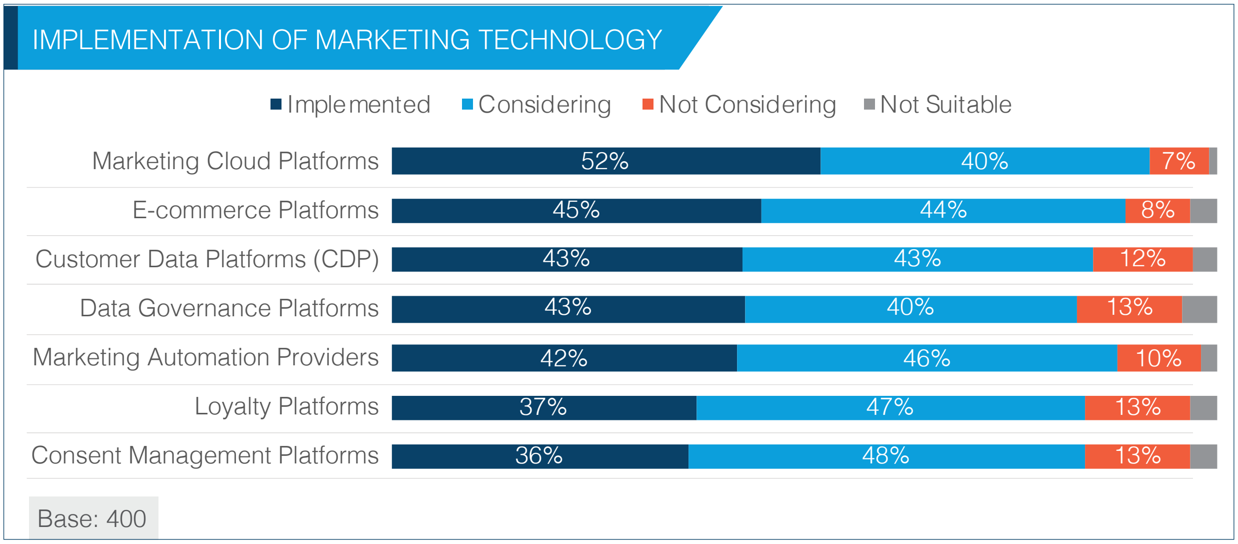


FIGURE 7: Q9. Which of the following best describe your organisation's use of the following marketing technology?

Growth in interest and use of marketing technology is expected to rise as the overwhelming majority of B2C **ORGANISATIONS (83%) EXPECT THEIR BUDGET FOR THESE RESOURCES TO INCREASE IN THE NEXT 12 MONTHS (83%)**. Most expect this to be an increase of up to 10% in additional investment (See Figure 8).

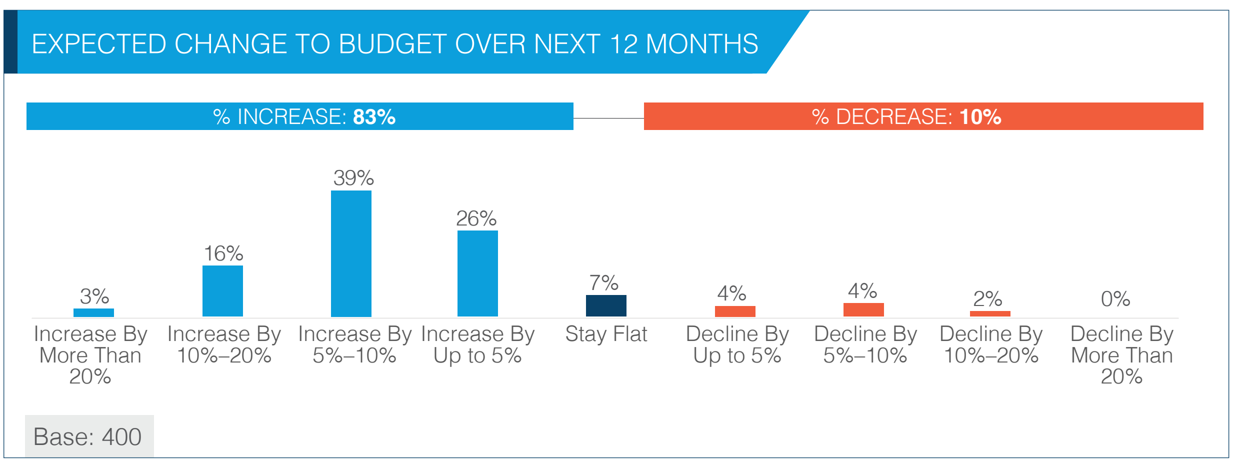


FIGURE 8: Q11. How do you expect your budget for marketing technology / tools to change over the next 12 months?

THE DIGITAL CX JOURNEY

ORGANISATIONS ARE AT DIFFERENT STAGES OF THE JOURNEY TO DELIVER A SEAMLESS DIGITAL CUSTOMER EXPERIENCE

Most organisations regard improving digital CX as moderate (40%) to high priority (53%) on their marketing agenda. As shown in Figure 9, businesses with over $300 million annual revenue and US-based organisations are most likely to say it is a high priority.

There is progress to be made for the majority of B2C organisations to realise their digital CX ambitions. As shown below in Figure 10, only one in four organisations feel they have fully implemented digital CX management capabilities today. Maturity is greatest in the USA and amongst businesses with $300m+ annual revenue. However, whilst a quarter feel well positioned in this area, the majority are still figuring out the best route to delivering their digital CX goals. Most B2C organisations are scattered across different stages in the journey, with the largest portion (40%) feeling they have mostly implemented digital CX capabilities. Almost a quarter (23%) feel they are around halfway to implementation, and the remainder (13%) describe their efforts as incomplete or not yet started.

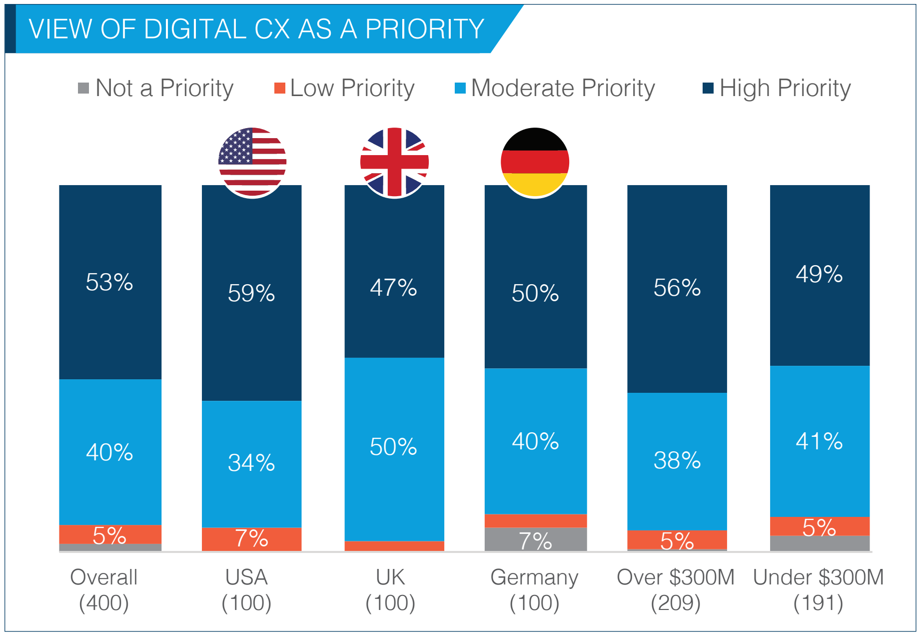


FIGURE 9: Q14. Thinking about your marketing priorities, how important is improving the digital customer experience?

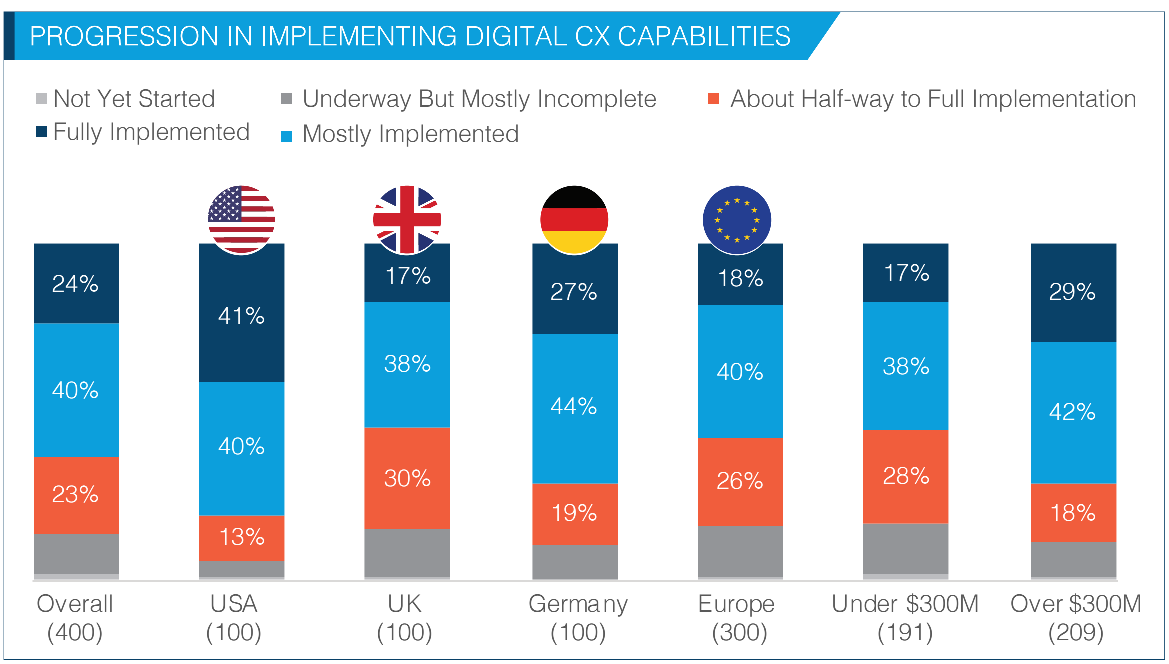


FIGURE 10: Q21. To what extent do you feel your organisation has progressed in implementing digital customer experience management capabilities?

REAL-TIME PERSONALISATION IS FRONT AND CENTER OF MOST ORGANISATIONS' DIGITAL CX STRATEGIES TODAY

Real-time personalisation is currently the dominant digital CX activity, with **88% OF B2C ORGANISATIONS REPORTING THAT THEIR CURRENT STRATEGY INCLUDES DELIVERING REAL-TIME PERSONALISATION (SEE FIGURE 11)**. However, it should be noted that 'personalisation' in general is a broad term and could encompass a range of activities. It is followed closely by improving the use of data for marketing efforts (70%) and campaigns (69%)—two strategies which are critical to building a solid foundation for personalisation.

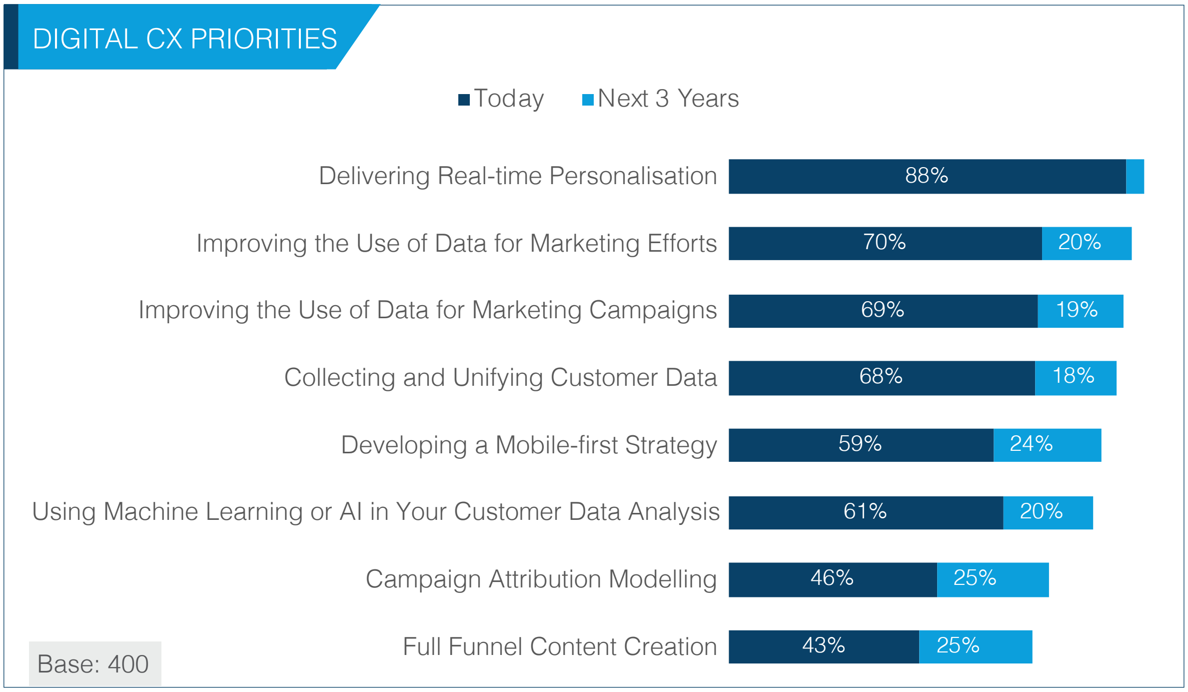


FIGURE 11: Q15. Which of the following activities are currently part of your organisation's digital customer experience strategy? **Q16.** SHOWING ACTIVITIES NOT SELECTED AT **Q15:** Which of the following activities do you plan to have as part of your organisation's digital customer experience strategy over the next 3 years?

Real-time personalisation is expected to remain a core marketing priority over the next three years, **WITH 79% OF B2C ORGANISATIONS STATING THAT IT WILL BE VERY IMPORTANT** —an increase of 15% upon those who say it is very important today (64%) (See Figure 12).

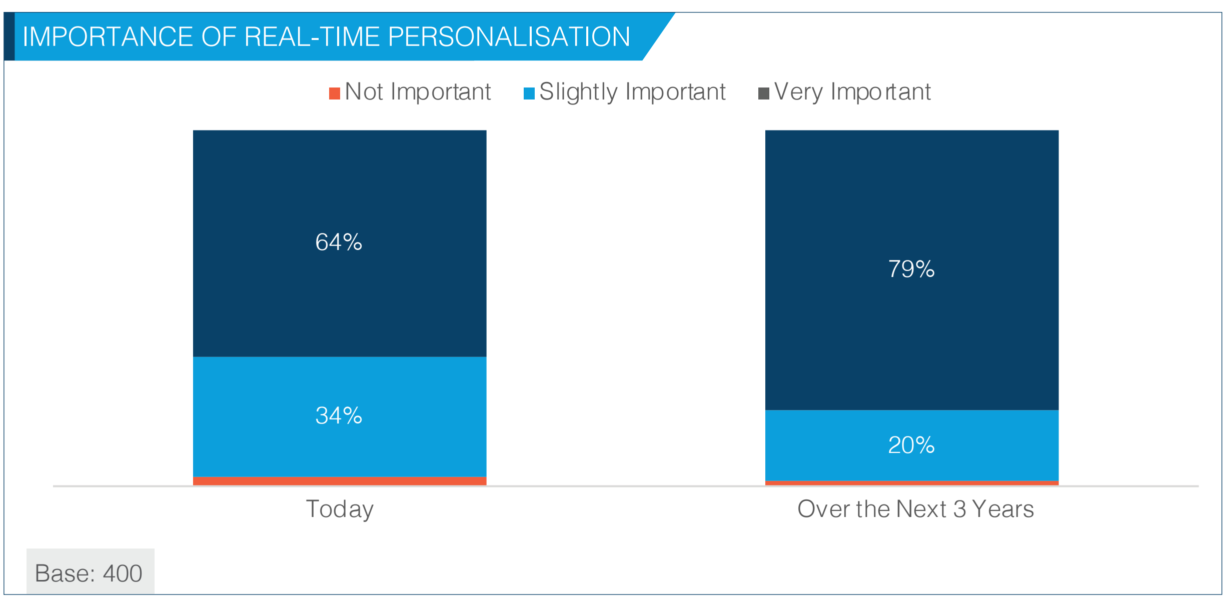


FIGURE 12: Q24. How important is real-time personalisation to your organisation's digital customer experience strategy?

B2C organisations see improved customer retention, lead nurturing, and CTA conversion as the greatest benefits of real-time personalisation (See Figure 13).

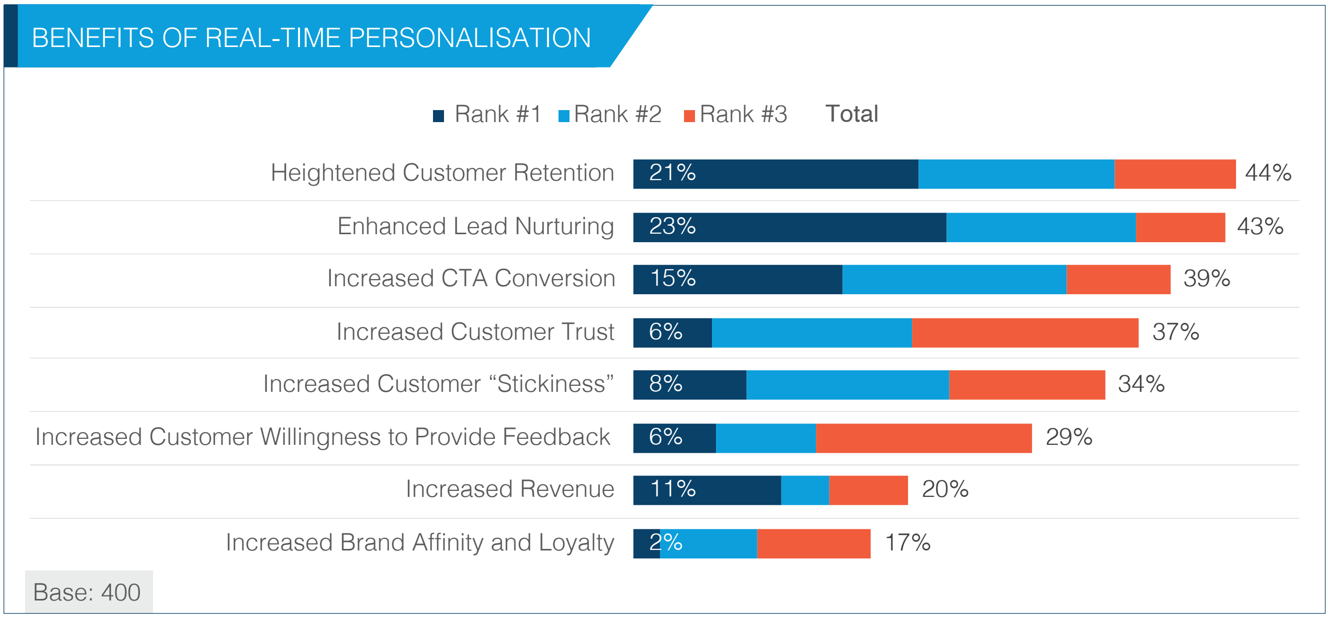


FIGURE 13: Q23. Please rank what you feel are the top three benefits of real-time personalisation, where 1 is the greatest benefit, 2 is the second greatest and 3 is the third greatest?

Commerce experience platforms, marketing automation providers and customer data platforms (CDPs) are seen as the best tools for enabling real-time personalisation (See Figure 14). It is likely that uptake in these technologies will increase over the coming years in line with growing budgets, as well as the uptake of broader activities to deliver digital CX which will require the use of marketing tools, such as using data for marketing campaigns and efforts.

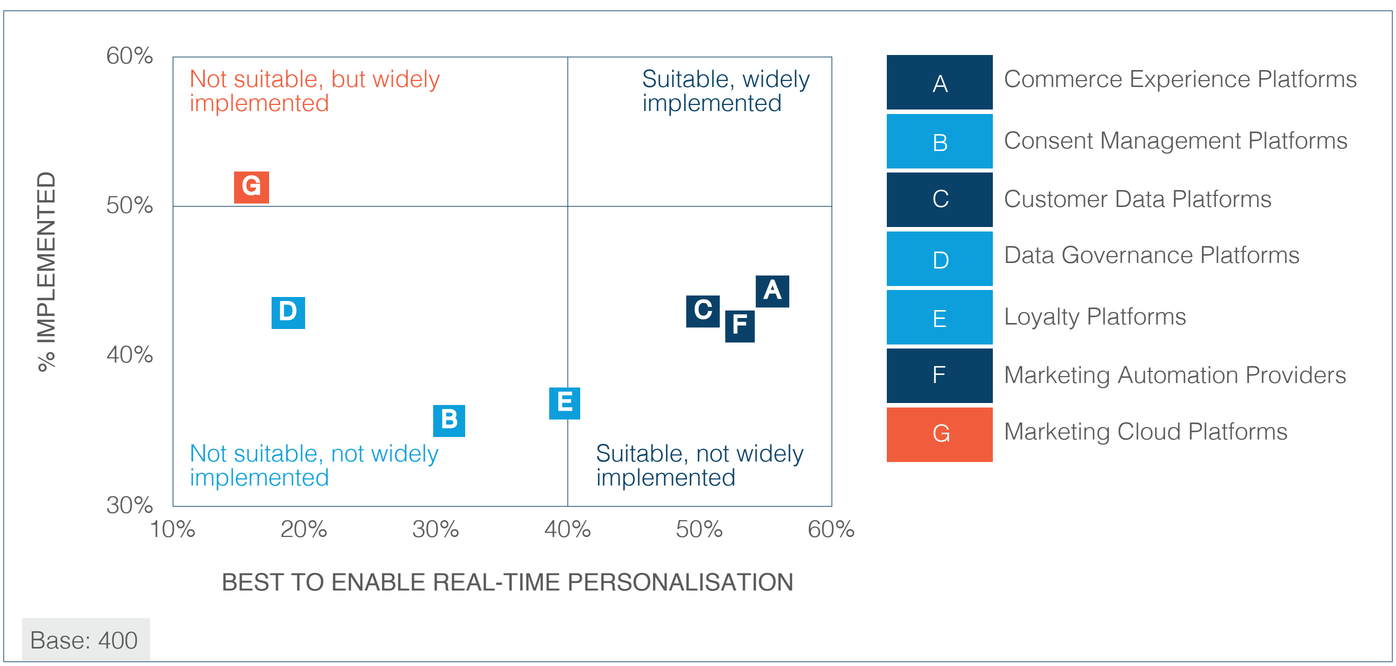


FIGURE 14: Q9. Which of the following best describe your organisation's use of the following marketing technology? **Q25.** Please rank up to three of the top technologies you feel are best for enabling real time personalisation, where 1 is the most important, 2 is the second most important and 3 is the third most important.

ORGANISATIONS FACE A RANGE OF INTERNAL AND EXTERNAL CHALLENGES DELIVERING DIGITAL CX GOALS

Organisations at all stages of the digital CX journey face challenges fulfilling their ambitions. As shown in Table 3, defining the right technology to gather, connect and manage data from different sources is the most challenging area of digital CX for brands surveyed. This is closely followed by challenges around internal resources and working methods, which include a lack of talent or knowledge, implementing new technology internally, or securing investment.

DEFINING TECHNOLOGY, AND CONNECTING AND GATHERING DATA (69%)	INTERNAL RESOURCES AND WORKING METHODS (68%)	INTERNAL RESOURCES AND WORKING METHODS (68%)	PRIVACY REGULATIONS (37%)
• Defining what MarTech will be needed in the future • Connecting customer data and insights from multiple sources • Gathering customer data and insights from multiple sources	• Lack of talent / knowledge • Agile working across teams • Implementing new tech • Securing investment	• Loss of third-party cookies • Changes to platform policy • Weak partnerships /integration with external partners	• Understanding data and privacy regulations • Operating within data and privacy regulations

TABLE 3: CHALLENGES IMPLEMENTING DIGITAL CX STRATEGY
Q18. Which of the following are the three greatest challenges you experience in delivering your digital customer experience objectives? Base: 400 HCA analysis

Given the breadth of challenges faced by organisations, they are typically investing time and resources into multiple solutions to keep progress towards digital CX goals on track. Three solutions are being adopted on average (see Figure 15). The most common solutions being implemented include exploring new marketing technology, optimising collection of first-party data, connecting and centralising data from across the business and investing in digital marketing and data talent—where just over half of organisations are using these solutions.

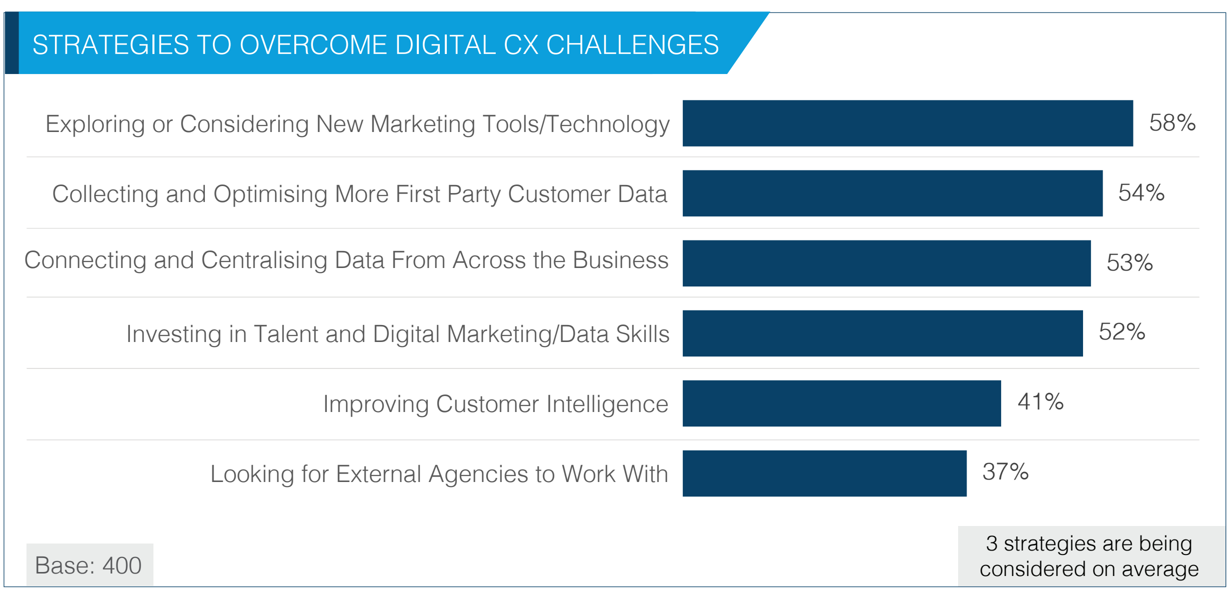


FIGURE 15: Q19. What is your organisation doing to overcome the challenges you are facing in relation to delivering high quality digital customer experience?

WHERE CDPs FIT INTO THE MARKETING TOOLKIT

CDPs ARE BECOMING AN ESTABLISHED TOOL FOR B2C MARKETERS

As already discussed, many B2C organisations see CDPs as an effective tool for enabling real-time personalisation and for helping marketing with the transition to prospecting in an environment free from third party cookies. CDPs have emerged over the last decade, but it has only been in recent years that adoption has truly taken off in the B2C world. This study has explored B2C marketers experience and use of CDPs in detail, to understand how they are being used to deliver digital CX.

CDP use is growing in response to the discontinuation of support for third-party cookies, with particularly high implementation in the USA and organisations with annual revenue of over $300 million (See Figure 16).

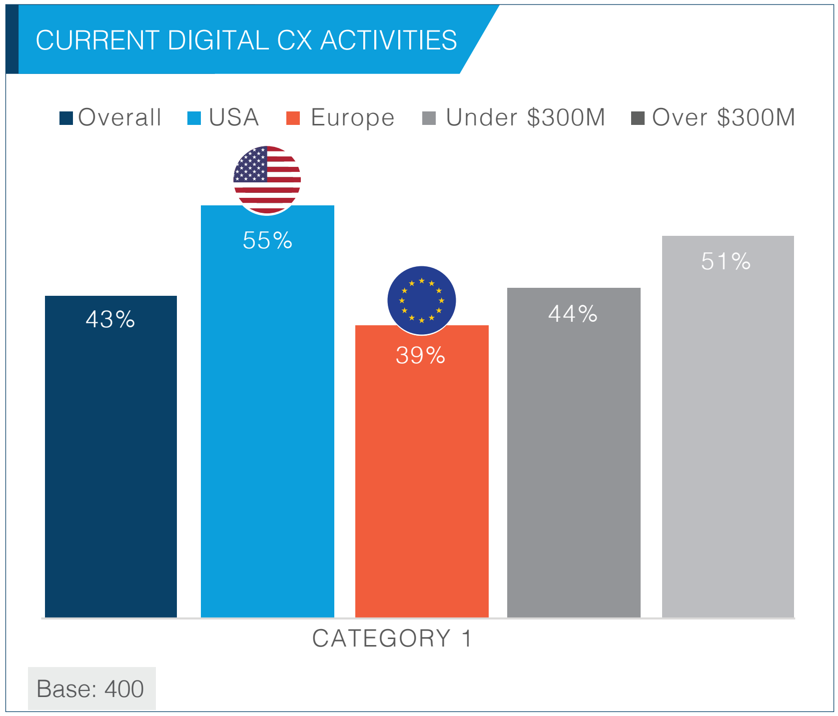


FIGURE 16: Q9. Which of the following best describe your organisation's use of the following marketing technology?

As shown in Figure 17, CDPs are typically being adopted for three key reasons: (1) customer data collection, analysis, ingestion, and integration, (2) marketing, advertising & activation, (3) real time personalisation.

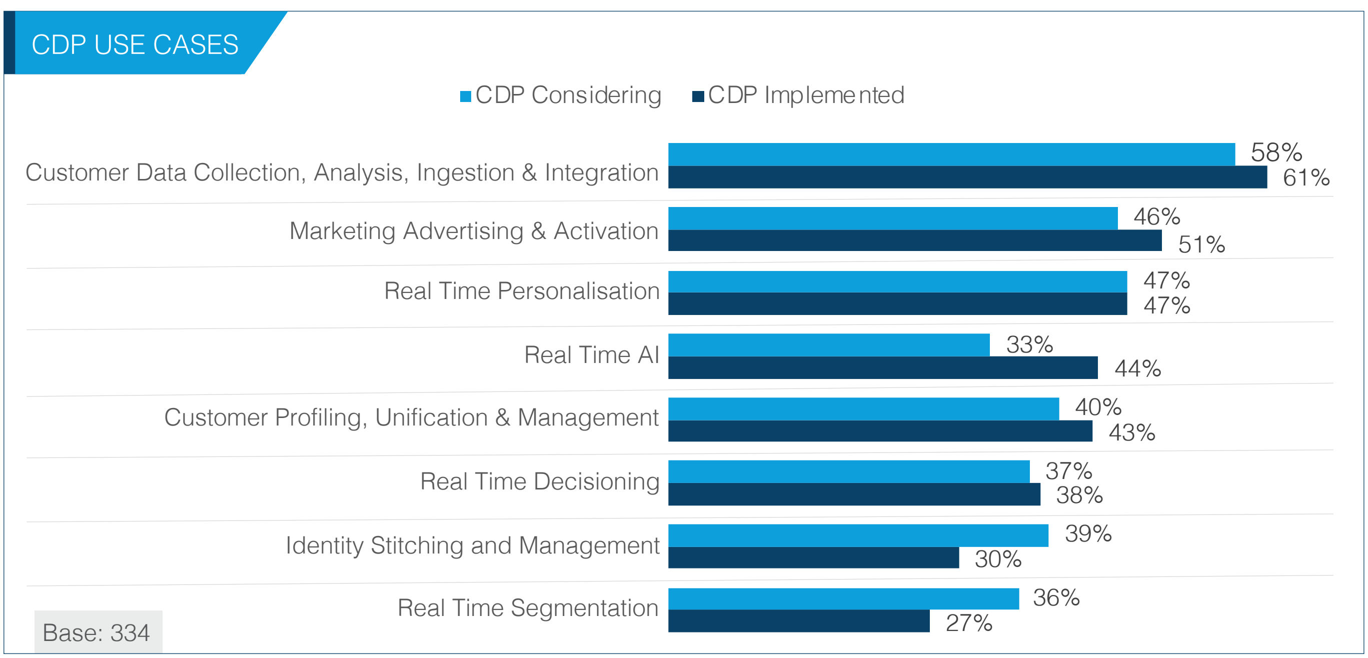


FIGURE 17: Q27. For what purposes does your organisation currently use CDPs? / For what purposes would your organisation like to use CDPs?

CDPs are seen as an effective tool to help organisations adapt to the new 'cookieless' world. 57% of organisations believe CDPs can address most challenges and a further 26% say they can address all challenges presented by the discontinuation of support of third-party cookies (see Figure 18). Belief in the effectiveness of CDPs to meet all challenges is higher in the US (36%) and larger organisations (See Figure 19).

At a general level, those using CDPs believe their organisation is using customer data more effectively than those who have not implemented a CDP (See Figure 20). This is also seen in their broader use of marketing technology. As shown in Table 4, CDP users are far more likely to say they are delivering effective customer segmentation, real time personalisation, advanced analytics, marketing stack interconnectivity and reporting of ROI on marketing performance.

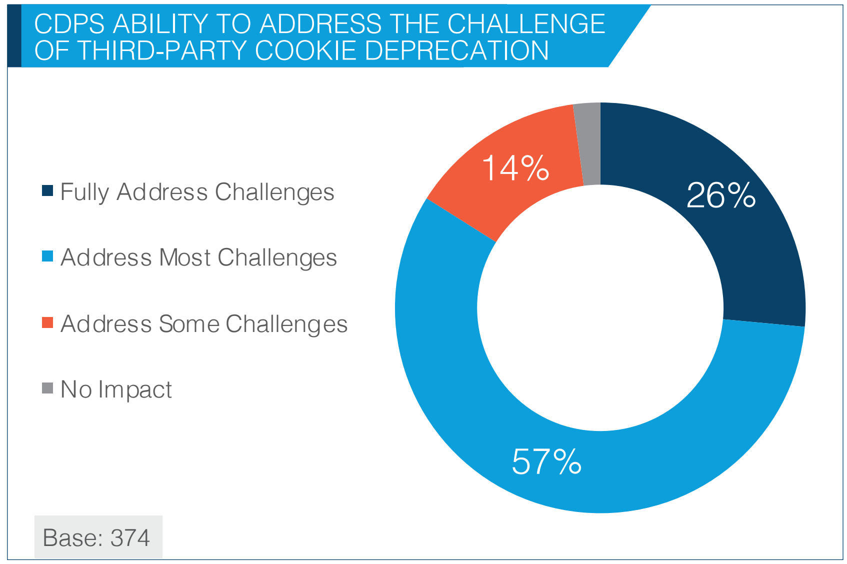


FIGURE 18: Q31. To what extent do you believe CDPs can address challenges created following the removal of third-party cookies?

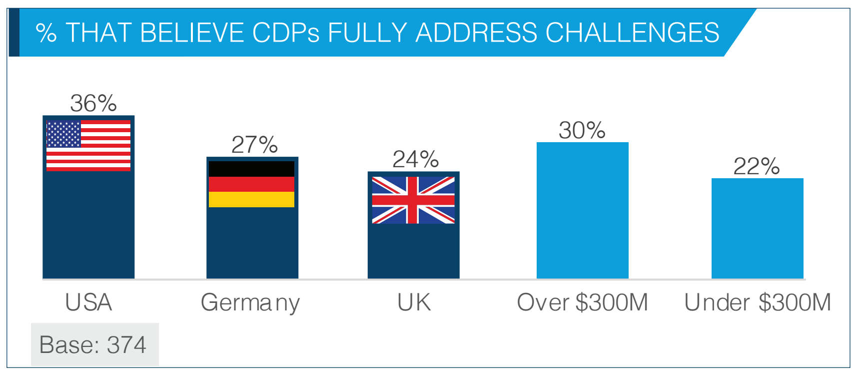


FIGURE 19: Q31. To what extent do you believe CDPs can address challenges created following the removal of third-party cookies?

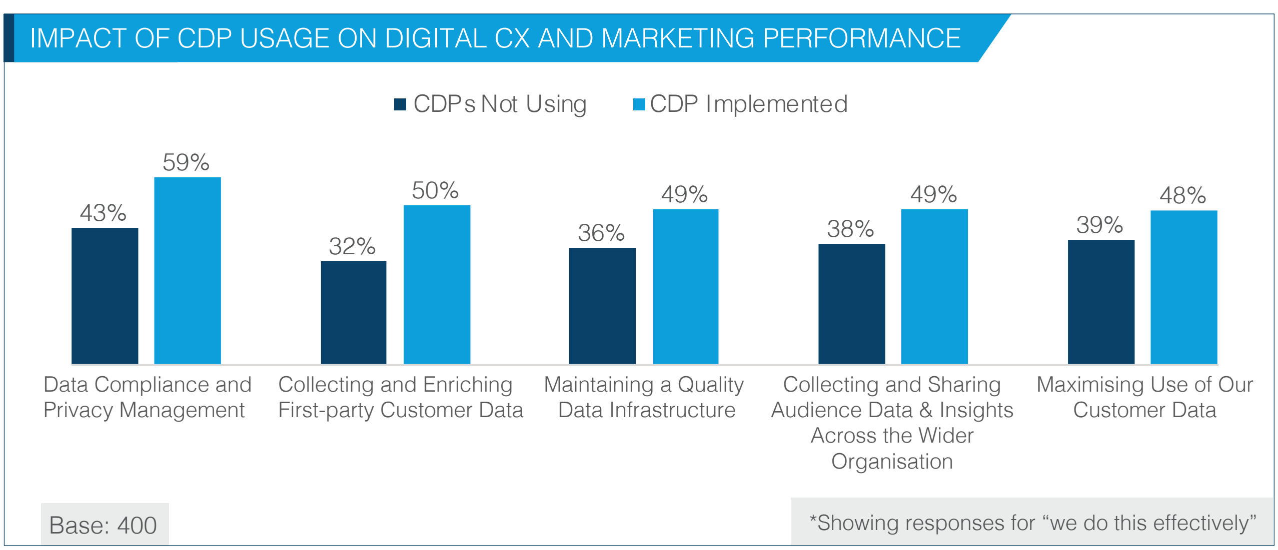


FIGURE 20: Q7. When it comes to customer data, how would you rate your organisation's performance in the following areas?

	CDPS NON-USERS	CDP USERS	% DIFFERENCE
Having Holistic Customer Insights	30%	39%	9%
Reporting ROI on Marketing Performance	29%	39%	10%
Marketing Stack Interconnectivity	30%	40%	10%
Real-time Decisioning	32%	41%	9%
Campaign Attribution	35%	41%	6%
Integration of Digital and Offline Experiences	38%	41%	4%
Advanced Analytics	33%	44%	11%
Identity Management	37%	44%	8%
Customer Segmentation	32%	47%	16%
Real-Time Personalisation	38%	48%	10%
Standard Analytics	45%	51%	6%

TABLE 4: PERFORMANCE USING MARKETING TECHNOLOGY (% SAYING 'WE DO THIS EFFECTIVELY')
Q10. When it comes to things you use your marketing technology for, how would you rate your organisation's performance in the following areas?

SATISFACTION WITH CDPs IS VERY HIGH, BUT ORGANISATIONS NEED SUPPORT TO CAPITALISE ON ALL THE BENEFITS

As shown in Figure 21, the majority of organisations (53%) that have already implemented CDPs are very satisfied with them[3], citing data enhancement, improved data quality, and privacy compliance, as the key areas in which they have provided support for digital marketing efforts (See Figure 22).

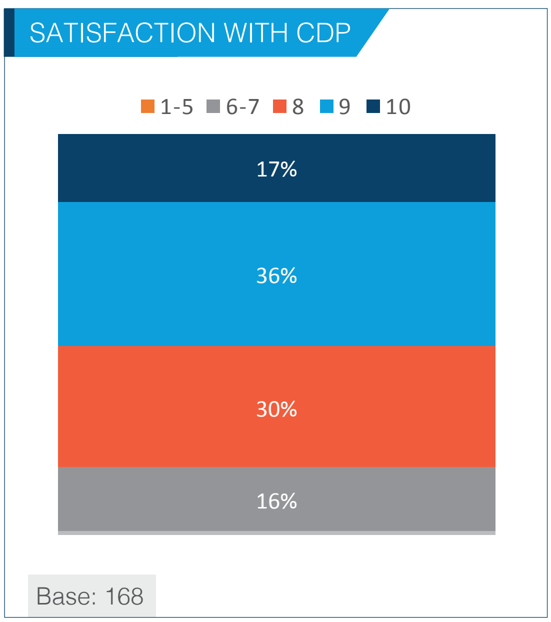


FIGURE 21: Q29. Overall, how satisfied are you with the CDP platform(s) that you are using?

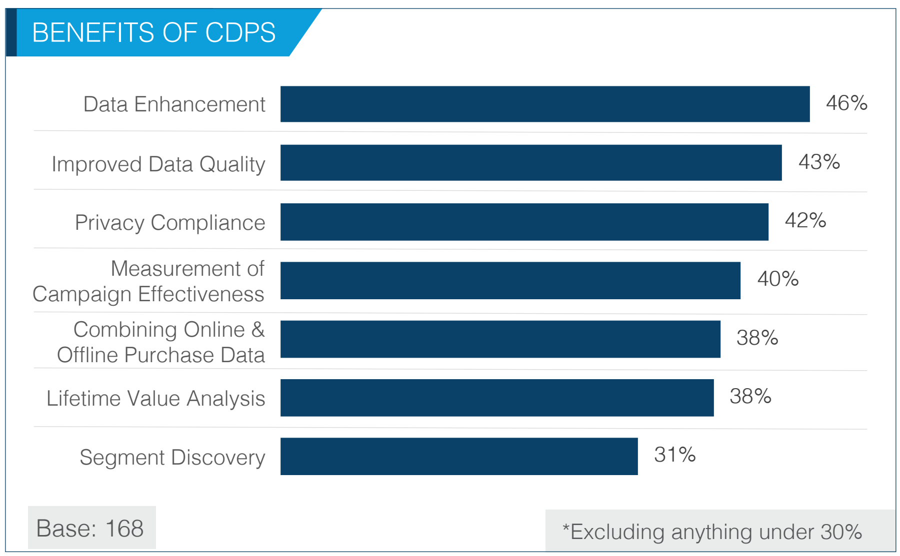


FIGURE 22: Q30. In what ways have CDPs helped with your marketing strategy and optimisation?

#1 Upskilling the team to use it effectively (36%)	#2 Cost (36%)	#3 Wider use of CDP-generated insights across the business (34%)
#4 Inconsistent use across the business (29%)	#5 Underperformance against marketing objectives (29%)	#6 Difficult to integrate with other platforms (26%)
#7 Lack of support from provider (25%)	#8 Stakeholder buy-in across the organisation (25%)	#9 Difficult to set-up (24%)

Base: 400

*Excluding anything under 20%.

TABLE 5: CHALLENGES USING CDPS
Q32. What challenges have you had with your CDP(s)?

#1 Getting stakeholder buy-in (43%)	#2 Lack of knowledge about the benefits (39%)	#3 Not a current business priority (30%)	#4 Securing investment (30%)

Base: 56

TABLE 6: BARRIERS TO USING CDPs
Q26. What are the barriers to your organisation considering customer data platforms (CDPs)?

However, CDPs do not come without their challenges. As shown in Table 5, current users face difficulties upskilling teams to use CDPs effectively (36%), managing costs (36%), and sharing insights gleaned from CDPs across the wider business (34%). Smaller organisations tend to feel these challenges more acutely.

Despite the widespread interest in using CDPs, organisations face several barriers to rolling them out. Gaining stakeholder buy-in (43%) and lack of knowledge about the benefits (39%) are the biggest barriers to CDP adoption (see Table 6).

FIGURE 23: Q33. What areas of support from your CDP provider will you be looking for to make the most out of your CDPs over the next 1-2 years?

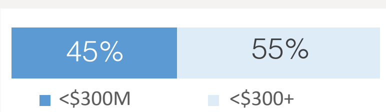
There is an opportunity for providers to deliver greater value to their clients by offering education support and demonstrating the benefits of CDPs to key stakeholders. As shown in Figure 23, B2C organisations that are either using or considering CDPs are most interested in help with fully utilising the functionality of CDPs, scaling them across their business, and understanding the benefits of the technology.

THE THREE STAGES TO B2C DIGITAL CX MATURITY

This research has shown that there is significant variation between B2C organisations in terms of where they are on their journey to deliver excellent digital CX. Some are well established in their efforts with a multi-pronged marketing technology strategy, while others still have some way to go to determining the right approach for their brand. Based on their digital CX maturity, organisations can be divided into three distinct segments which help us understand their position on this journey (see Table 7).

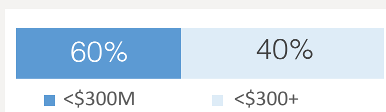
ADVANCED (46%)

- First party data insights well-established as the core driver of activities
- Feel they are using customer data and MarTech effectively and extensively to inform their marketing efforts
- Almost total RTP usage (99%)
- Majority using CDPs (52%)



IMPROVERS (41%)

- Currently utilising first party data insights to inform future marketing efforts but want to do more
- First-party data driven marketing adopted but a recent development
- Using customer data and MarTech extensively but less confident in their abilities
- Very high RTP use (85%)
- Moderate CDP use (37%)



LATE ADOPTERS (13%)

- Not currently utilising first party data as widely to inform prospecting (58%)
- Utilising first party data to inform marketing efforts is a new strategy
- Sporadically utilising customer data insight and MarTech to support marketing efforts but want to improve
- Moderate RTP use (58%)
- Low CDP use (28%)

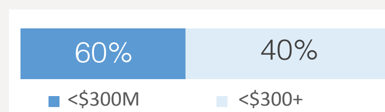


TABLE 7: DIGITAL CX MATURITY SEGMENTS

The largest and most mature segment is **Advanced** organisations, making up 46% of B2C businesses.

Advanced organisations:

- Are well established in their utilisation of first-party data insights to inform marketing efforts (96% current usage and 63% citing it as a priority for several years)
- Regard their utilisation of customer data insights and marketing technology as effective and extensive
- Are highly likely to implement real-time personalisation (99%)
- Are most likely to have implemented a CDP (52%)
- Are typically organisations with over $300 million annual revenue (55%)
- Make up the largest segment in each market, excluding Spain (see Table 8)

Improver organisations (41%) are several steps behind **Advanced** organisations along the digital CX journey.

Improver organisations:

- Have the second-highest utilisation of first-party data of the segments (91%)
- Are more recent in their adoption of first-party data to inform their marketing efforts (36% cite it as a priority for several years; 61% saying it has increased in importance in the past 2 years)
- Have widespread usage of real-time personalisation (85%)
- Have begun implementing CDPs (42%)
- Are extensive users of marketing technology but less confident in their ability to use it effectively
- Are more likely to be organisations with over $300 million annual revenue (53%)
- The largest segment in Spain, and the second largest segment in all other markets (see Table 8)

The smallest and least mature segment is the **Late Adopters** (13%). Late Adopters:

- Are least likely to use first-party data to inform their marketing efforts (58%)
- Are new to the utilisation of first-party data for their marketing efforts (23% cite it as a priority for several years; 69% saying it has increased in importance in the past 2 years)
- Are moderate users of real-time personalisation (60%), with over 40% still not delivering it today
- Have the lowest CDP implementation of all three segments (28%)
- Engage in more sporadic usage of marketing technology and are less confident in their ability to use it effectively
- Are typically organisations with less than $300 million annual revenue (60%)
- Are the smallest segment in all markets (see Table 8)

	Overall (400)	USA (100)	UK (100)	Germany (100)	France (38)	Italy (31)	Spain (31)
Advanced (183)	46%	48%	42%	47%	47%	48%	42%
Improvers (165)	41%	46%	40%	37%	42%	39%	45%
Late Adopters (52)	13%	6%	18%	16%	11%	13%	13%

TABLE 8: DIGITAL CX MATURITY ACROSS KEY MARKETS

There are further differences to note between the segments in terms of their digital CX maturity. More mature organisations tend to utilise more advanced sources such as e-commerce transactions, website analytics, and intent data for collecting customer and prospect data, whereas less mature organisations rely more on social media.

Virtually all **Advanced** organisations have real-time personalisation as part of their digital CX strategy today and are currently further ahead in their efforts to improve the use of data for marketing campaigns (80%) and efforts (76%), use of machine learning and AI for customer data analysis (70%), and campaign attribution modeling (55%). In contrast, **Improvers** and **Late Adopters** are several steps behind on all of these activities (See Figure 24)

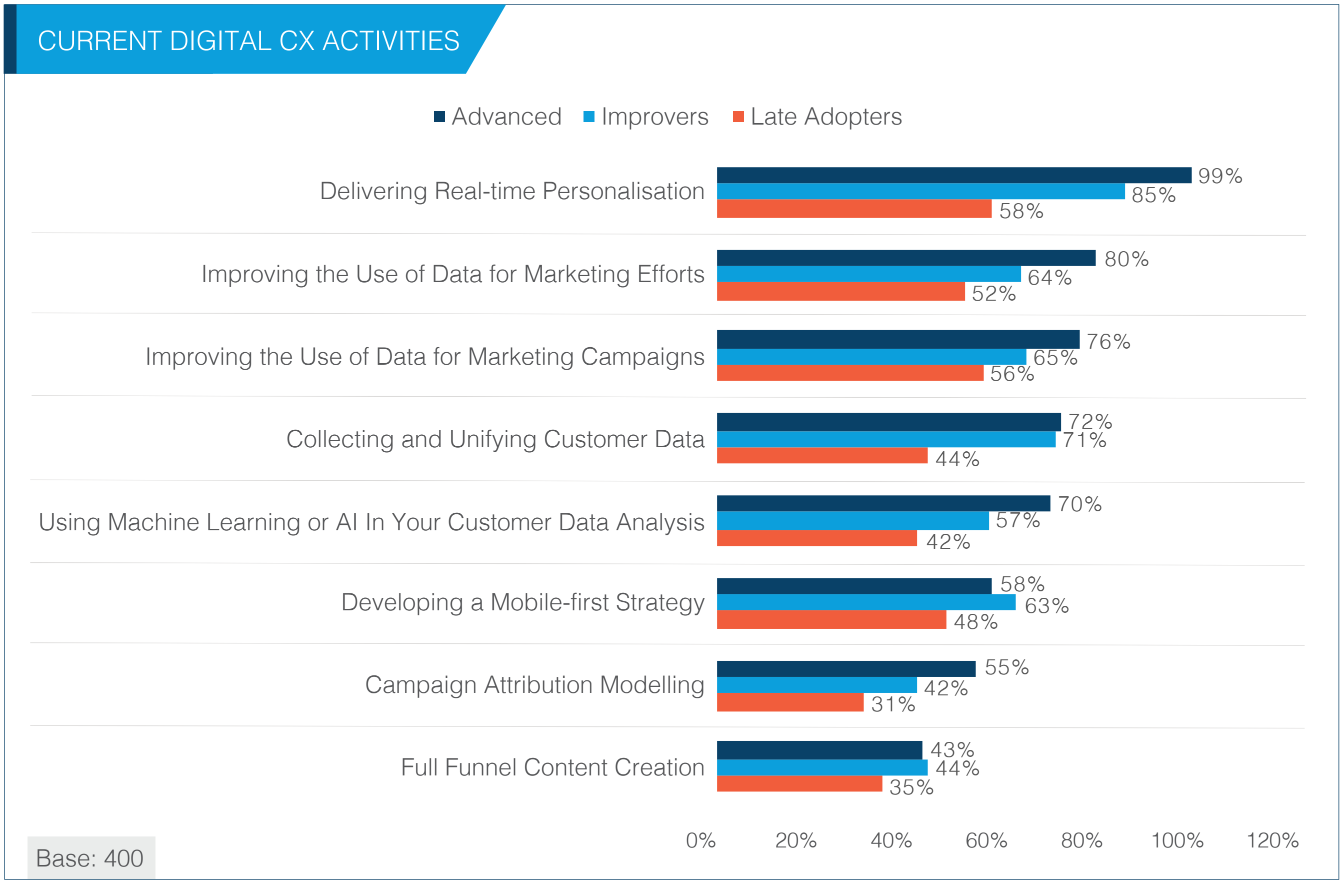


FIGURE 24: Q15. Which of the following activities are currently part of your organisation's digital customer experience strategy?

As shown in Figure 25, **Advanced** organisations also have the strongest knowledge of marketing technology available on the market, with differences of up to 56% between them and **Late Adopters** in their familiarity.

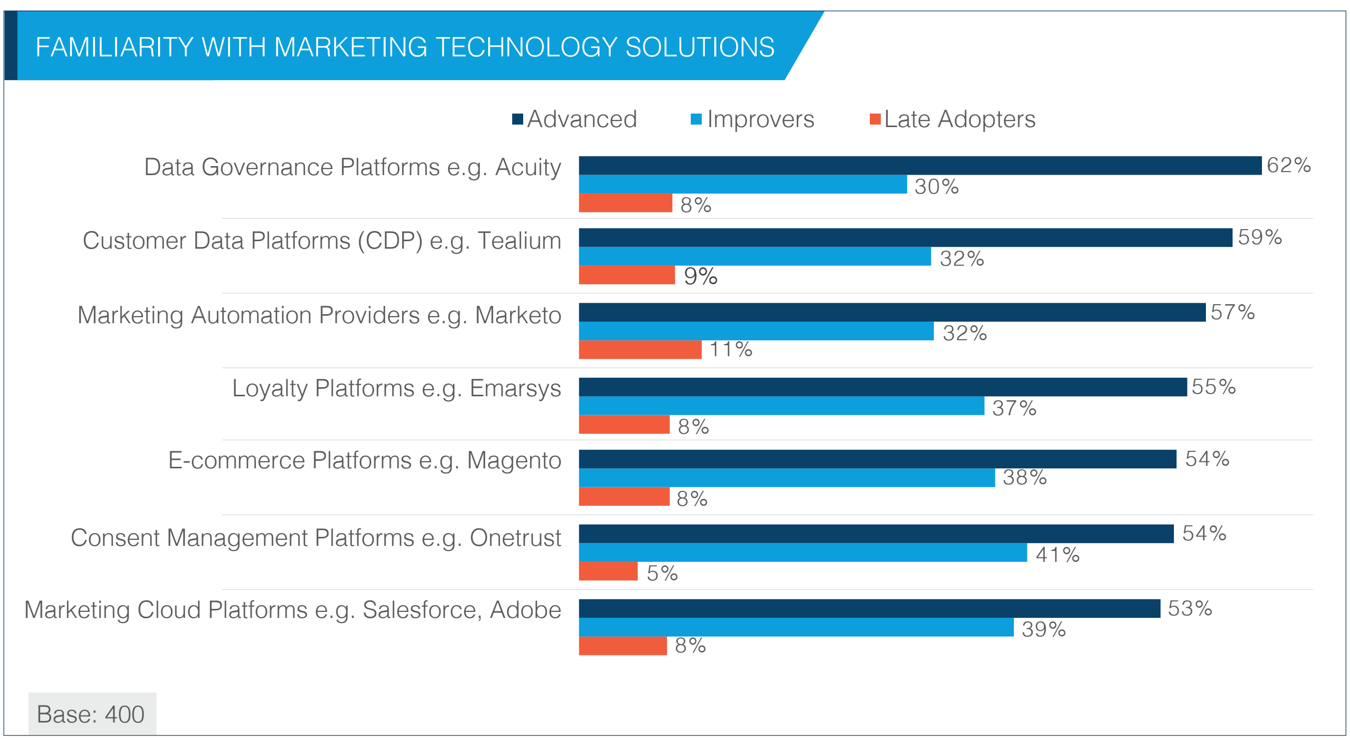


FIGURE 25: Q8. How familiar are you with the following marketing technology tools?

Advanced organisations are considering the greatest range of cookie replacement solutions. They are most likely to be considering first-party data management (57%), as well as other solutions such as direct cookie replacement technologies, and a first-party identity solution to create a private cross-platform identity graph (see Figure 26). **Improvers** are several steps behind, also considering a range of options but fewer overall. **Late Adopters** report lower consideration, which is in line with their lower awareness of the discontinuation of support of cookies, although their consideration of first party identity management within CDPs is notably higher (50%) than other available options.

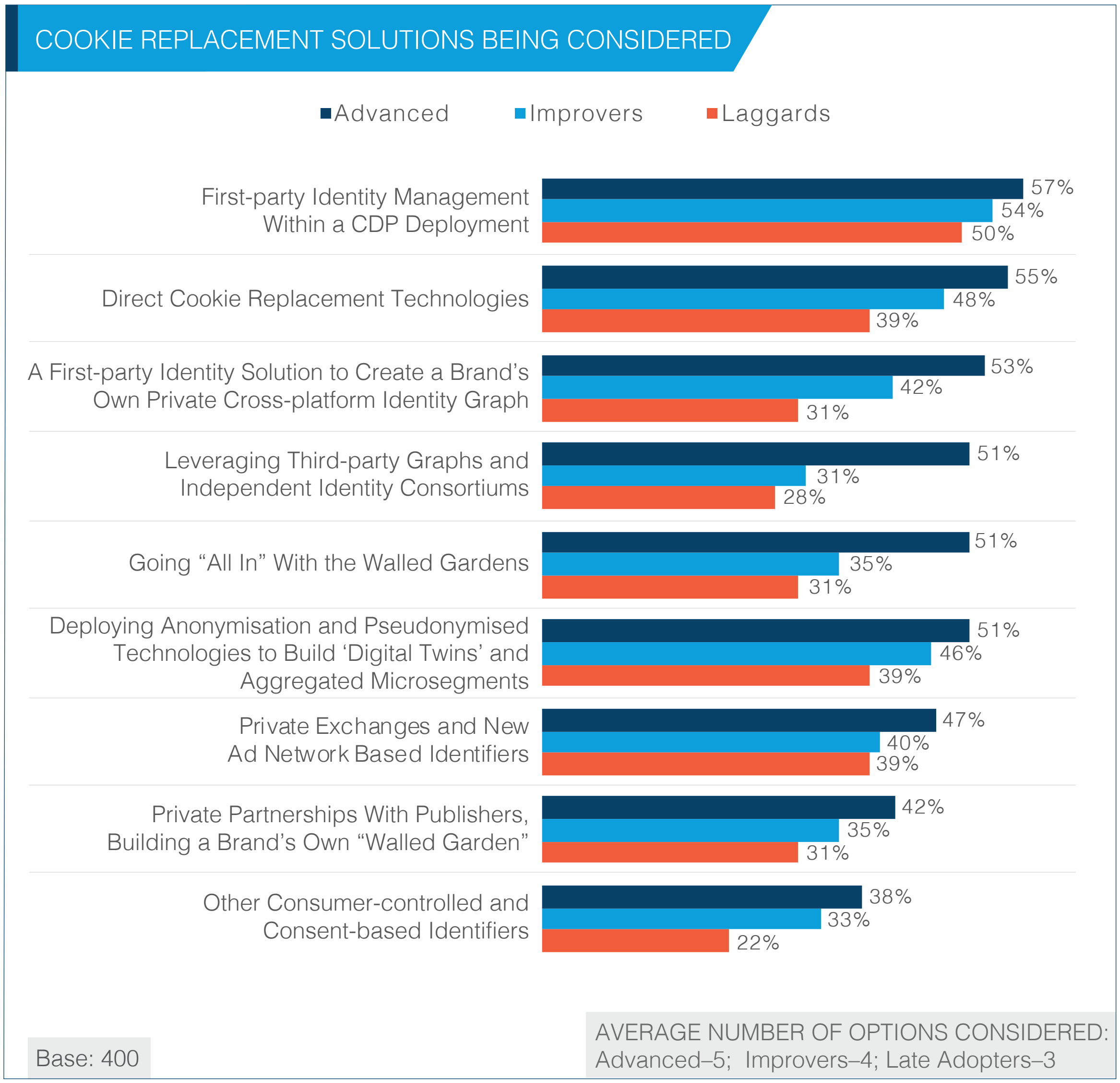


FIGURE 26: Q13. Which of these following cookie replacement options is your organisation considering once third-party cookies are no longer available?

As shown in Figure 27, most organisations are implementing real-time personalisation through personalised web experiences (54%), relevant product information (52%) and personalised product discounts (51%). **Advanced** organisations are also significantly more likely to be using personalised emails (58% compared to the average of 50%)—something that **Improvers** and **Late Adopters** can aim to introduce more of to progress on their digital CX journey.

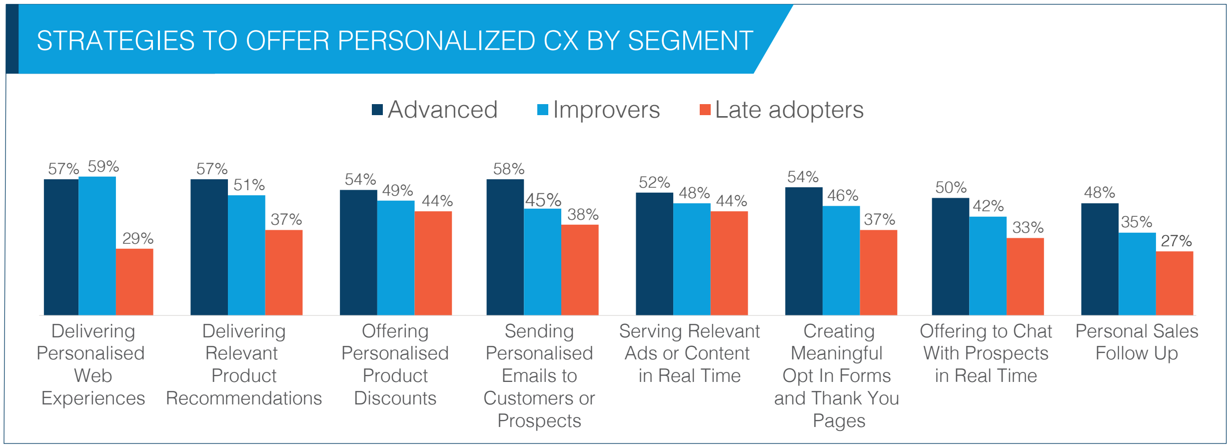


FIGURE 27: Q22. Which of the following is your organisation doing to offer a personalised customer experience?

THE ROLE OF PARTNERS ON THIS JOURNEY

ORGANISATIONS NEED GUIDANCE TO MAKE SENSE OF WHICH SOLUTION IS BEST FOR THEM AND HOW TO GET THE MOST OUT OF IT

Marketing technology has evolved considerably in recent years and evidence suggests that this will continue, with high interest in optimisation. However, due to the confusing choice between the range of available solutions making the right choice can seem overwhelming.

Researching the solution that best fits your organisation's marketing portfolio is essential to ensure that you choose the correct technology which delivers ROI for your overall digital CX strategy, as well as supporting future marketing KPIs, scaling with you as you grow.

Amongst the challenges that organisations face with digital CX, the lack of internal expertise to fully utilise the benefits of marketing technology is the area where partners can add the most value (See Figure 28).

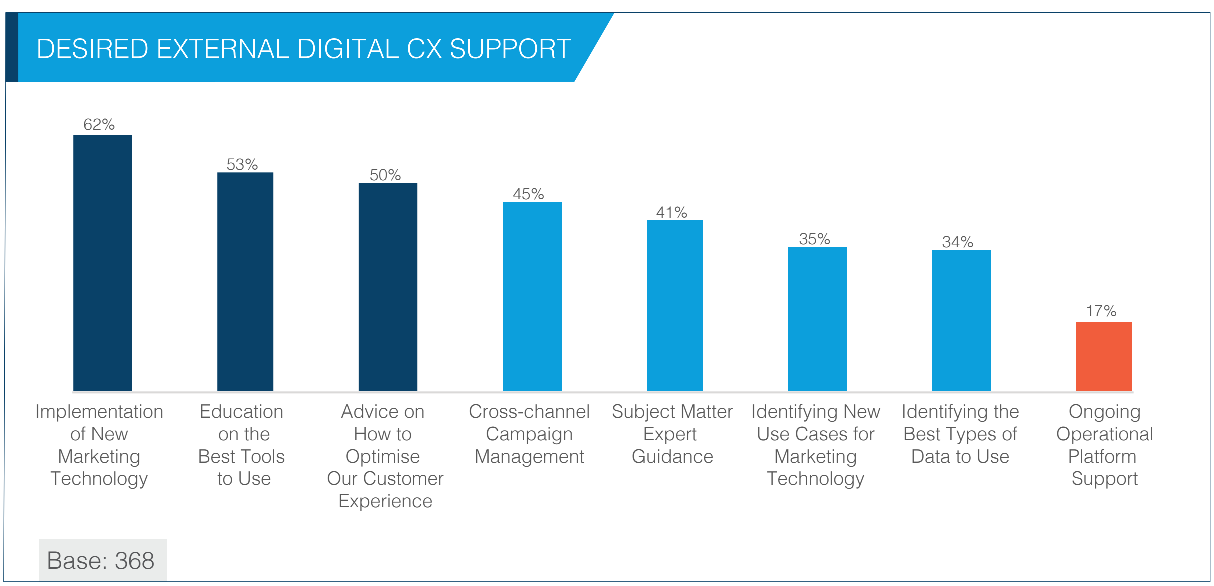


FIGURE 28: Q20. What support or advice from external partners will you be looking for to help you to deliver your digital customer experience strategy over the next 1-2 years?

This research has shown that seeking external support is far down the list of solutions considered by B2C organisations to address their digital CX challenges. However, seeking advice from consultants, peers and partners is a vital step in cutting through the noise, making the correct decision for the organisation, and moving along the journey to a more **Advanced** position.

Organisations need to be prepared to evaluate their use of marketing technology on an ongoing basis. Even once a solution has been embedded in the business, further support is needed to train and educate team members across all departments to unleash its full capabilities.

Adopting new technology may require a substantial cultural shift. Everyone needs to be on board if inter-departmental barriers are to be broken down and the insights used and shared beyond the marketing department.

Needs vary depending on where organisations are on their digital CX journey, but there is also no doubt that all B2C businesses will be looking to make advancements in their use of marketing technology in the coming years. Depending on where businesses are on their digital CX journey, priorities will vary:

- **Advanced** organisations will need support with optimising and scaling their MarTech stack for future use case development and growth.
- **Improvers** will need guidance on how they use data effectively to meet marketing objectives and bring the wider organisation on this journey with them, ensuring that insights reach beyond the marketing department.
- **Late Adopters** will need support with identifying the right marketing technology to meet their marketing objectives, identifying the use cases and correct technology to support business goals, and connecting and centralising data from multiple disparate data sources.

In this highly evolving field, collaboration between organisations and solutions providers is critical to the knowledge sharing and learning. This will help B2C businesses ensure that they use the right marketing technology to deliver excellent digital CX.

ADVANCED NEED SUPPORT WITH:	IMPROVERS NEED SUPPORT WITH:	LATE ADOPTERS NEED SUPPORT WITH:
• Implementing new marketing technology (62%) • Scaling CDP usage up across the wider organisation (41%) • Managing the cost of CDPs (41%) • Upskilling teams to use MarTech effectively (39%)	• Implementing new marketing technology (61%) • Establishing consistent usage of CDPs across the wider organisation (37%) • Ramping up the functionality of their CDPs (43%) • Upskilling teams to use MarTech effectively (34%)	• First party data use relatively recent development • Establishing consistent usage of CDPs across the wider organisation (38%) • Connecting and centralising data from across the business (60%) • Learning about the best MarTech tools to use for their business goals (56%)

TABLE 10: EXTERNAL DIGITAL CX SUPPORT NEEDED FOR SEGMENTS
Q33. What areas of support from your CDP provider will you be looking for to make the most out of your CDPs over the next 1-2 years?

IN SUMMARY

The majority of B2C organisations see developing a first party data strategy as a priority, however the path to delivering a personalised and seamless digital CX is not a straight line. There are many foundational elements that need to be fixed if marketing technologies are to truly aid digital CX efforts and ultimately the growth of B2C organisations.

Connecting data from multiple marketing channels is essential for success, especially as the range of sources increases. However, understanding the data that is collected remains a barrier to delivering effective, relevant, and tailored marketing efforts.

Finding a marketing technology is not the challenge as there is an abundance of options. This research has shown that marketers typically have good awareness of what is on offer, but for many, it is deciding the most appropriate solution. To be successful, marketers need to outline their marketing goals and develop use cases well in advance to ensure the technology selection can grow with the business as its marketing objectives evolve.

A variety of marketing technology solutions have been adopted and investment will continue, but most B2C organisations are now recognising that they are not using their marketing technology to its full potential. Even the most advanced marketing teams need help to optimise their use of technology. A culture of collaboration between MarTech providers, marketing agencies and their customers is essential to ensuring marketing technology truly enables B2C organisations to provide excellent digital CX.

> "The path to delivering B2C personalisation and CX beyond imagination is never a straight line."

[1]Chiefmartec (2022): https://chiefmartec.com/2022/05/marketing-technology-landscape-2022-search-9932-solutions-on-martechmap-com/ [accessed 1 June 2022] [2]WSJ (2021) https://www.wsj.com/articles/google-delays-cookie-removal-to-late-2023-11624542064#:~:text=On%20Thursday%2C%20the%20Alphabet%20Inc,time%20frame%20of%20early%202022. [accessed 1 June 2022] [3]Respondents were asked to rate their satisfaction with their CDP on a scale of 1-10 for this question, with 1 being not at all satisfied and 10 being totally satisfied. 53% rated 9 or 10 out of 10.

TO LEARN MORE

about how Acxiom can work for you, contact us at ukenquiries@acxiom.com.

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