

# The State of **Personalization** in Digital Marketing

Proven Strategies, Common Pitfalls,  
and Predictions on the Path Forward



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# What We Mean By

# Personalization



In this report, personalization refers to the use of customer data to tailor messaging, creative, or offers across channels. It ranges from basic tactics—such as dynamic creative optimization (DCO) in display advertising and personalized offers via email—to more advanced strategies, including AI-powered cross-channel orchestration.



# Executive Summary

## How Personalization Helps Marketers Stay Relevant

Inboxes filled with unread promotions and deals. Social feeds packed with sponsored posts. Banner ads fighting for attention across publishers.

The internet is flooded with ads. Most of them reach the right person, but many fail to be truly memorable due to ad fatigue and a lack of relevance.

As a result, marketers have moved away from the one-size-fits-all approaches that dominated early digital advertising and adopted more personalized strategies.

Most say they're advanced, but the data suggests otherwise.



We wanted to know how marketers use personalization today, what challenges are holding them back, and where they plan to focus their efforts next.

To answer these questions, we partnered with Ascend2 to survey nearly 500 brand and agency marketers across North America on how personalization is actually being used today, and where it still falls short.

**The results show a growing divide between marketers who can put personalization into practice across channels and those held back by disconnected data, tools, and measurement.**

## Key Takeaways

93%

of brands and 94% of agencies agree that AI is improving personalization, but only one in five have fully integrated it across channels.

85%

of brands plan to increase their investment in personalization over the next year.

77%

of agency marketers say quantifying and communicating the results of personalized campaigns remains a challenge.

47%

of agencies and 45% of brands believe AI-powered cross-channel orchestration will have the greatest impact in the next 2-3 years.

# Personalization

## Pulse Check

### How Customer-First Thinking Is Shaping Personalization

Consumers now expect brands to understand their needs, remember their preferences, and anticipate what they want next.

Brands and agencies that use what they know about customers to create personalized experiences are pulling ahead and setting a new standard in digital marketing.

Here's how they're doing it today and where there's room for improvement.



## Personalization Is No Longer Optional

The impact personalized marketing initiatives have on the bottom line is undeniable, and brands know it. A whopping 87% plan to increase their investment in personalized marketing over the next 12 months, with more than one-third (36%) expecting to make a significant boost in spend.

Clearly, personalization has evolved from a niche strategy into a core component of modern marketing. Most organizations now fall into the developing (34%) or advanced (30%) stages of personalization maturity, while only 2% report not using it at all.

### KEY TAKEAWAY

Most marketers say they're advanced in personalization, but the data shows that gaps remain. Leaders should reassess their team's personalization readiness and ensure their capabilities match their ambitions.

## How Marketers Rate Their Personalization Efforts (% of Brands)

Developing

34%

Advanced

30%

Limited

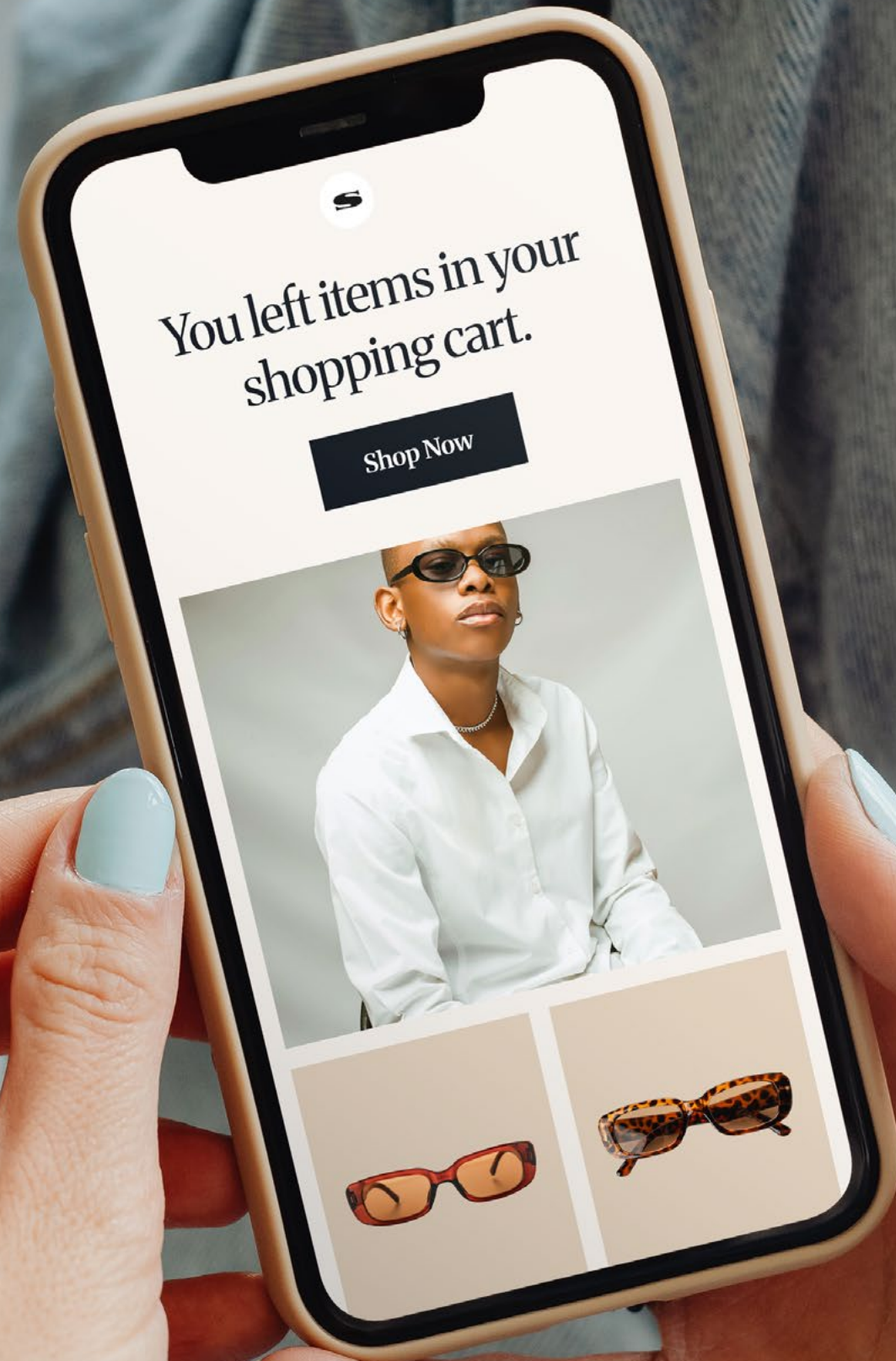
20%

Early experimentation

14%

Not Using Personalization

2%



## Email Reigns Supreme, But Opportunities Remain

Email remains the foundational channel of most personalization strategies. Nearly half of brand marketers surveyed (47%) say personalized email campaigns are their primary method for driving results, followed closely by product recommendations (45%) and DCO in digital ads (43%).

For example, only 40% of brand marketers use account-based marketing (ABM) to target high-value accounts with tailored messaging, despite their proven ability to drive stronger engagement and higher conversion rates across the funnel.

### KEY TAKEAWAY

Advanced marketers\* are nearly twice as likely to use DCO compared to those still developing their personalization efforts (58% vs. 37%).

\*Advanced marketers are survey respondents at manager level and above from \$10M+ revenue companies who reported using advanced, scalable personalization across most channels.

PERSONALIZATION PULSE CHECK

Brands report the greatest impact from owned-channel tactics like personalized email campaigns, product recommendations, and content journeys.

Agencies, meanwhile, see stronger performance from media-led tactics like DCO (47%) and ABM (46%).

99%

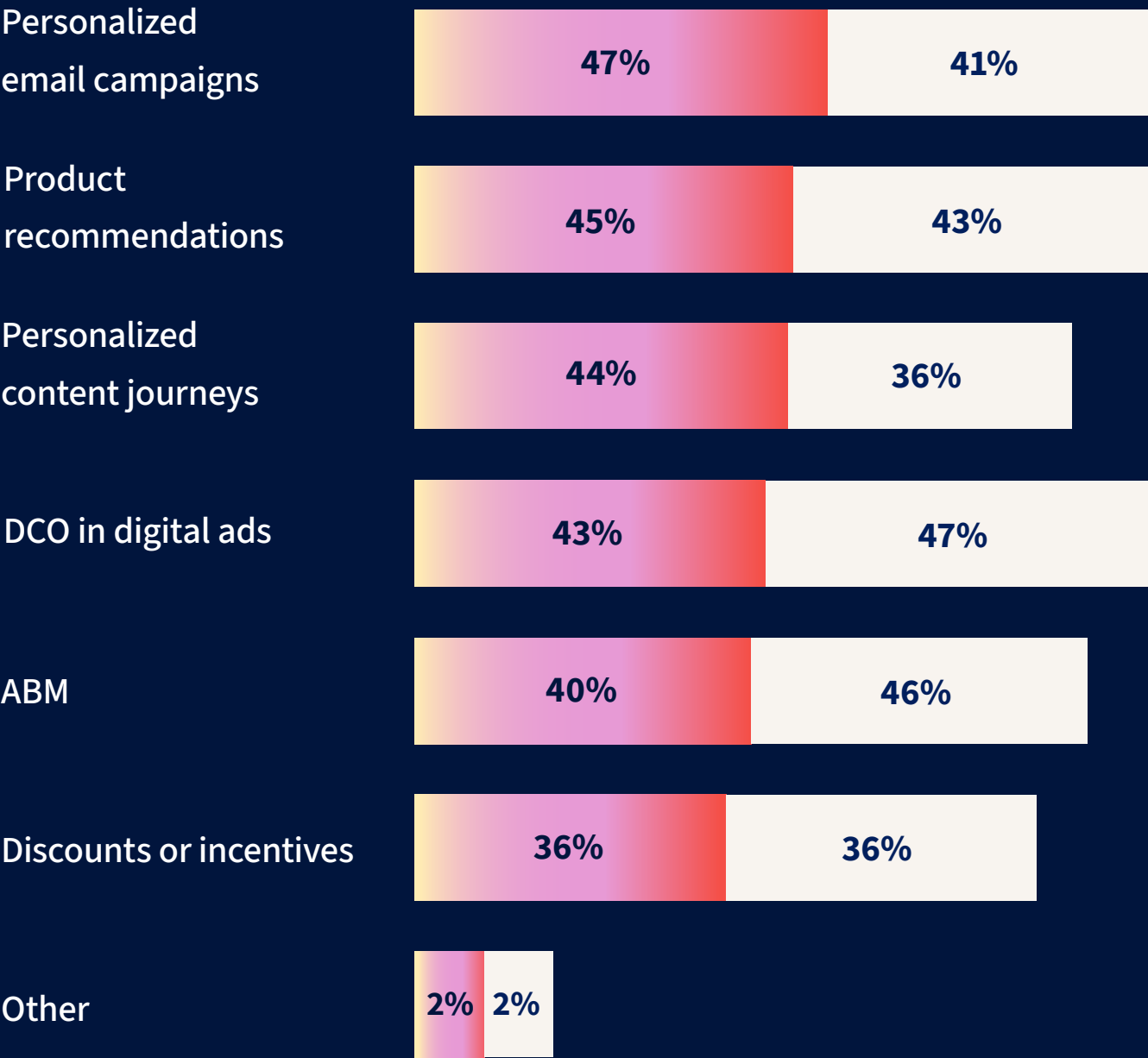
of agencies say personalization directly drives client revenue growth.

KEY TAKEAWAY

Brands and agencies agree personalization drives revenue, but they diverge on where that impact actually comes from. Marketing leaders should reassess whether their personalization mix is too narrow and consider pairing owned-channel tactics with paid media to capitalize on opportunities they may be leaving on the table.

Personalization Tactics Driving Strongest Revenue

% of Brands  
% of Agencies



# The Tools That Power Personalization

Marketing automation platforms are the most widely used tools for powering personalization efforts (64%), followed closely by customer data platforms (CDPs) and business intelligence tools (both at 61%). Together, these systems form the backbone of how marketers connect data and deliver relevant experiences at scale. More than half (52%) also use data management platforms to refine targeting and measurement.

Among advanced marketers, the technology gap widens. Brands in mature stages of personalization are far more likely to use CDPs (73%)—a clear sign that success increasingly depends on unified data and automation.

## KEY TAKEAWAY

Without a unified foundation, even the best personalization strategies will struggle to deliver consistent results. Leaders should prioritize consolidating their data and tools so everything works together, not in isolation.



# Digging Into Data

## What's Powering Personalization Behind the Scenes

Personalized marketing campaigns start and end with data. But how that data is collected, shared, and managed can make or break performance.

**As brands and agencies expand their personalization efforts, gaps in data quality, access, and integration are becoming harder to ignore.**

The way marketers handle data today shows why some teams are excelling, and why others are still struggling to connect the dots.



## Inside the Data Driving Personalization

When it comes to personalization, confidence in data quality and access is what ultimately determines performance.

Nearly all brands (95%) say their 1st-party data is accurate and reliable enough to power personalized campaigns.

**But agencies see a different picture—95% report running into issues with a brand's 1st-party data at least some of the time, and more than half (55%) say those issues happen often.**

These challenges likely stem from familiar pain points, such as fragmented systems, incomplete records, or inconsistent data—all of which make it harder to deliver personalized campaigns across channels.



Internal StackAdapt data shows that enterprise brands are far more likely to use 1st-party data for advertising (70.4%) compared to small-to-medium-sized businesses (52.4%), reflecting deeper data maturity among larger advertisers.

## Data Access Gaps Between Brands and Agencies

While brands and agencies draw from many of the same data sources, their access and focus differ in notable ways.

Agencies report less access to 1st-party CRM data (53% for agencies vs. 65% for brands), limiting visibility into key customer insights.

**To fill those gaps, they often rely more on 2nd-party (37%) and 3rd-party data (35%).**

Although these sources still add value, data-sharing barriers can limit campaign performance, underscoring the need for closer data collaboration and shared data between brands and their partners.



StackAdapt's internal data shows that expert-level marketing teams are twice as likely to use a combination of 1st- and 3rd-party data for audience targeting than intermediate accounts (16.3% vs. 8%). This suggests that marketers see stronger results when they blend multiple data signals, making it worth reassessing whether your audience strategy relies too heavily on any single source.

## Fragmentation Is Holding Personalization Back

Beyond collaboration challenges, many marketers face hurdles inside their own data management systems.

Limited integration and the cost of data management platforms are the top obstacles brands face when managing customer data to create personalized marketing campaigns.

Agencies encounter even more friction, reporting greater difficulty unifying data into a single customer profile and integrating platforms.

### KEY TAKEAWAY

Many organizations see personalization as a strategy issue, when the real barrier is fragmented systems. Improving how platforms and data sources connect can remove some of the biggest operational obstacles holding teams back.

## Top Data Challenges in Personalization

■ % of Brands  
■ % of Agencies

### Limited integration across platforms/tools



### Difficulty unifying data into a single customer profile



### High costs of data management solutions



### Lack of real-time access to data



# Personalization

## Across Channels

### Expanding Scope and Influence

Coordinating personalization efforts across channels has become critical to marketing performance.

Every agency surveyed (100%) agrees personalization is important for driving revenue, yet only about half of brands (51%) say it's a high priority within their organizations.

That gap highlights a clear opportunity. While most marketers have mastered personalization within individual channels, fewer are connecting those efforts to create cohesive, cross-channel experiences.

Here's where personalization is happening today, how agencies are helping brands expand their reach, and which channels are rising in priority.





## Channels Powering Personalization Today

Email's proven track record, flexibility, and accessibility make it the top channel brands use to personalize campaigns, with three-quarters (76%) of respondents using it.

But personalization is increasingly moving beyond the inbox, bringing individualized experiences into both owned and paid digital channels.

### Top Channels Brand Marketers Use for Personalization (% of Brands)



Email

76%



Web/Apps

65%



Paid Social

52%



Paid Search

43%

## PERSONALIZATION ACROSS CHANNELS



Brands working with agencies are taking personalization even further and are more likely to use emerging, high-impact channels to extend reach than those running personalized marketing campaigns strictly in-house.

As campaigns expand across more touchpoints, so does the need for a more unified activation strategy. Programmatic platforms make this possible by personalizing messaging across formats and funnel stages—all from a single platform, without fragmenting execution.

## KEY TAKEAWAY

Reassess whether your channel strategy reflects where personalization can truly move the needle, not just where it has historically been easiest to execute.

Top Emerging Channels  
Used for Personalization

 % of Brands working with agency partners  
 % of In-house teams



Retail/Commerce Media

39%

36%



Digital Audio/Podcasts

36%

16%



Connected TV (CTV)/Over-The-Top

27%

16%

## More Channels = More Impact

Organizations report greater revenue gains when activating campaigns across a wider mix of touchpoints and deeper in the funnel. High-performing brands are also more than twice as likely to use personalization in emerging formats like CTV compared to other brands (33% vs. 14%), showing that broader and more integrated campaigns can deliver stronger results.



Survey respondents say email continues to deliver the highest ROI, but agencies report stronger results across paid channels, especially social (59%) and video (43%).

## Channels Top Performers Use for Personalization (% of Brands)

Paid Social

 65%

Display & Video

 49%

Digital Audio/Podcasts

 40%

CTV

 33%

## Where Brands Are Looking Next

Looking ahead, brands plan to push personalization further up the funnel.

Despite practically being legacy formats in digital advertising at this point, display, native, and video lead the list of channels expected to see new personalization activations over the next year, thanks to improved automation, flexibility, and creative relevance through DCO and stronger data connections.

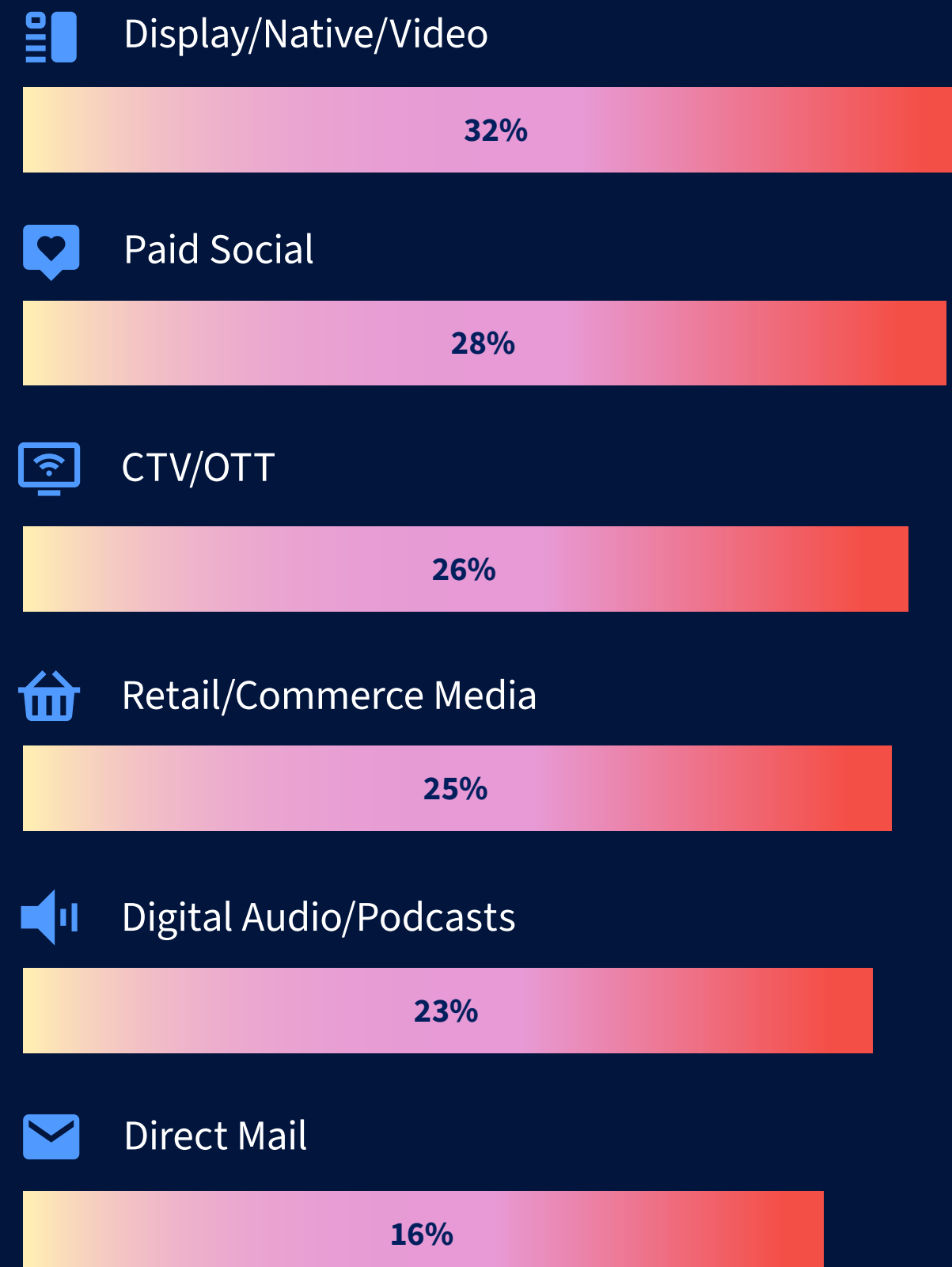
What stands out is where personalization won't grow: only 12% of brands plan to focus on email, suggesting that, for many, the channel on its own is already part of their personalization strategies.

As a result, investment will increasingly go toward channels that extend reach even further, either on their own or as part of omnichannel strategies involving email.

### KEY TAKEAWAY

For many, email remains the foundation of personalized marketing campaigns. But shifting some of those efforts into channels like display, video, paid social, and CTV can unlock greater reach and impact than email alone.

## Top Channels Brands Plan to Invest in Next for Personalization (% of Brands)



# What's Holding

# Marketers Back

## Barriers to Scaling Personalization

Personalization may be maturing, but putting it into practice—and at a scale that drives results—remains a challenge.

Even as confidence grows in strategy and execution, many marketers still face limited budgets, unclear success metrics, and fragmented data that slow progress and make it harder to prove impact.

Here's where those roadblocks appear most often, and what brands and agencies can do to overcome them.



## Measuring Impact

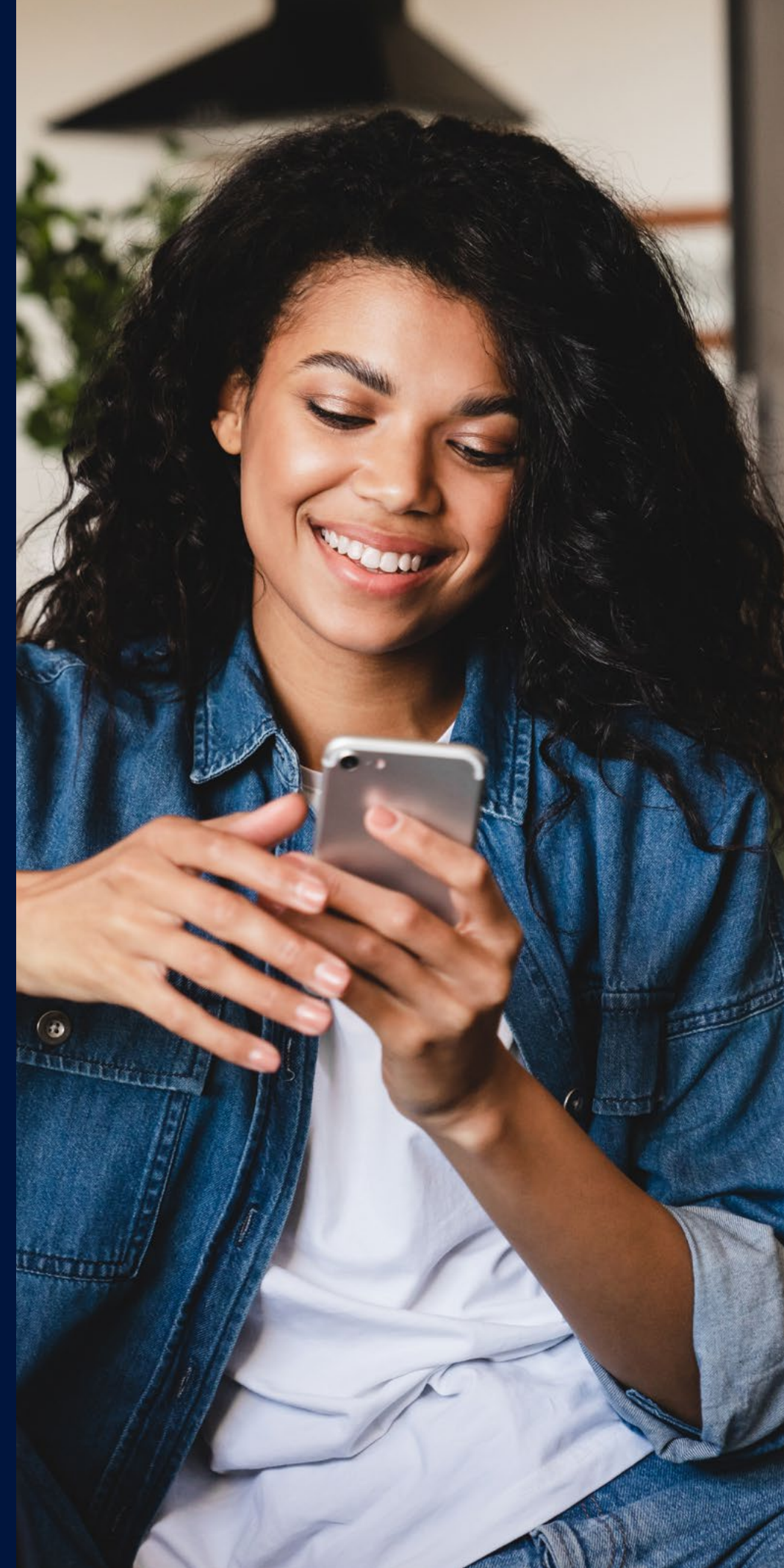
Measuring the true impact of personalization remains one of the biggest barriers to scaling campaigns.

**Nearly all brands (96%) express at least some confidence in their ability to link personalization to revenue, but only about half (54%) feel very confident.**

Agencies, however, report higher confidence overall: 72% say they can reliably quantify personalization's impact on revenue.



Partnership plays a role here. Brands working closely with agencies are more likely to feel very confident in their measurement capabilities compared to those who don't (53% vs. 44%), suggesting that collaboration can make results easier to validate and compare.

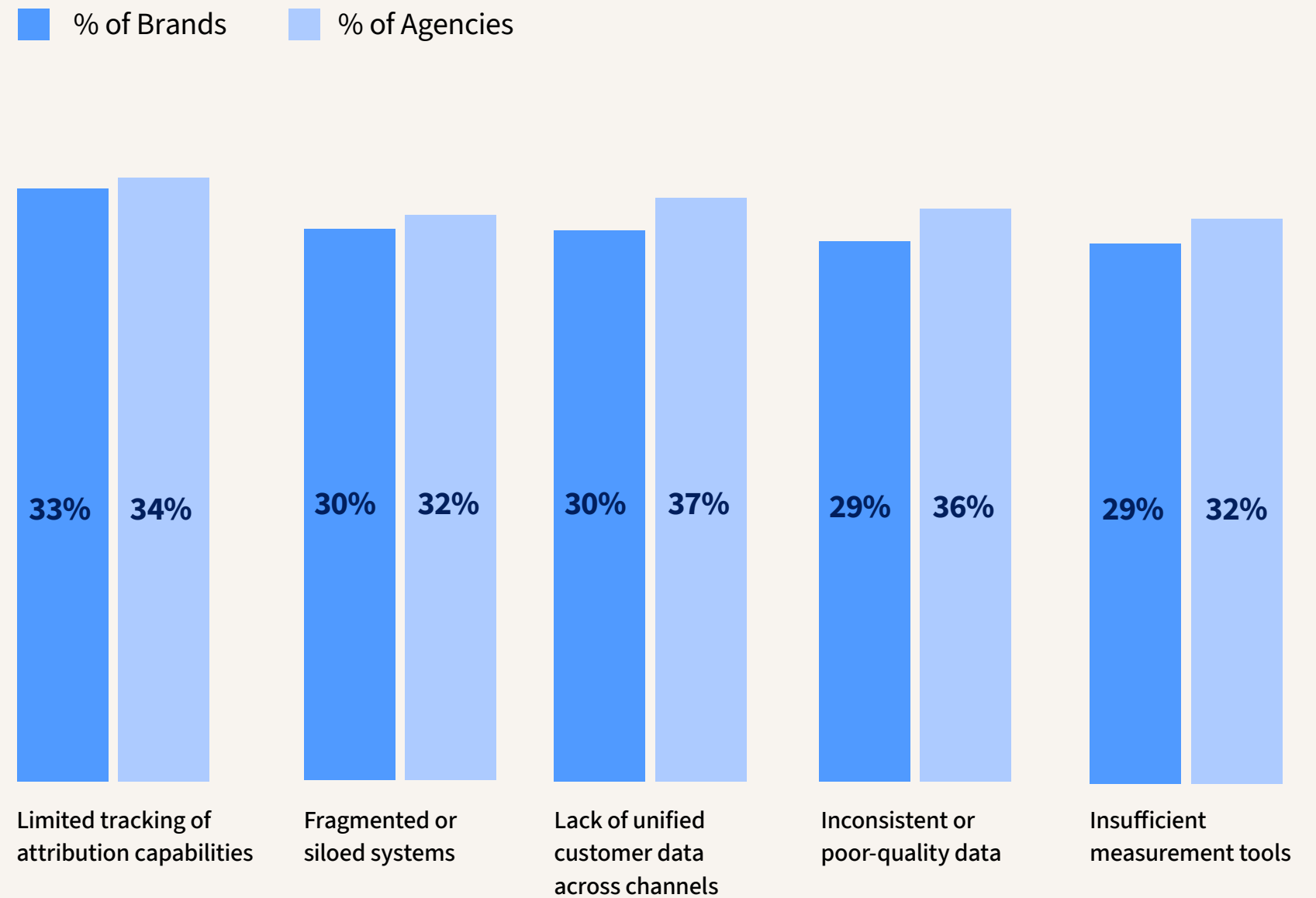


## WHAT'S HOLDING MARKETERS BACK

Still, both groups face the same core challenge: **limited tracking and attribution**.

Roughly one-third of brands and agencies cite it as their top measurement obstacle, followed by siloed systems.

## What's Preventing Accurate Measurement of Personalized Campaigns



# Budget and Data Barriers

The cost to execute personalization remains one of its biggest barriers.

For brands, limited budgets (39%) top the list of obstacles, followed by challenges related to data access, compliance, and resourcing.

Agencies report similar hurdles but feel them more acutely. Nearly half cite client budget constraints as their primary challenge.

KEY TAKEAWAY

Scaling personalization isn’t just a creative challenge. Gaps in attribution and data consistency continue to limit growth. Improving tracking, consolidating reporting, and aligning with agency partners can give teams a more accurate view of performance.

## Top Barriers to Scaling Personalization

(% of Brands)

(% of Agencies)

Budget limitations 39%	Client budget limitations 45%
Limited access to data 32%	Limited access to data 38%
Compliance and privacy restrictions 32%	Compliance and privacy restrictions 36%
Inconsistent data sharing 31%	Inconsistent data sharing 38%

# AI's Role in Personalization

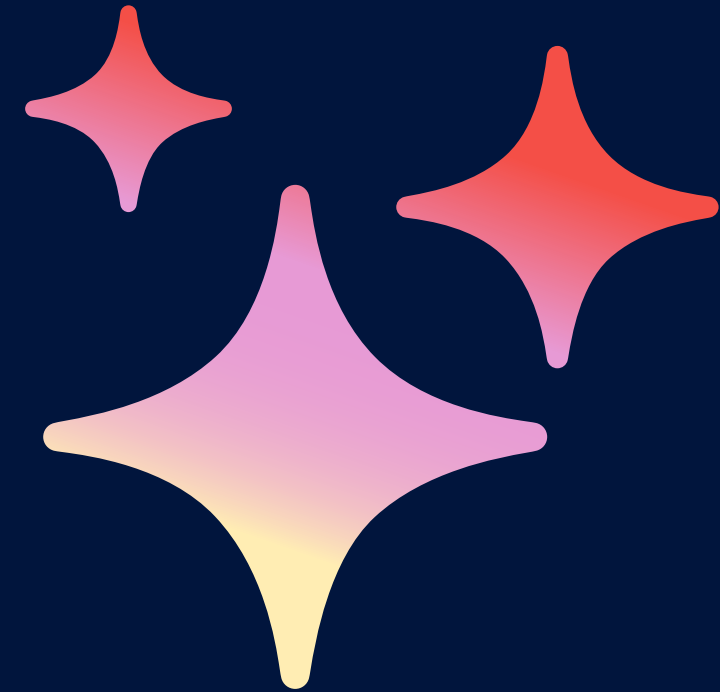
## and Programmatic Workflows

### How It's Used and Where It's Headed

From automation to optimization, AI is reshaping how marketers personalize campaigns.

Adoption is growing, but maturity varies. While most brands and agencies are experimenting with AI to improve targeting, efficiency, and creativity, few have achieved full integration across channels.

Despite these early limitations, marketers expect AI to play a larger role in how personalization is executed, measured, and scaled as technology advances.



# AI Use Today

AI is emerging as an essential tool for personalization, but most marketers are still early in their journey, with nearly three-quarters of brands and agencies using AI on a limited or moderate scale.

Enthusiasm is high, but only about one in five on either side of the brand–agency divide (22% and 23%) say AI is fully integrated across channels, indicating that most marketers are still learning how to operationalize it.

As adoption grows, the greater its impact. Brands with AI fully integrated across channels are far more confident in their results, with 79% saying they can more accurately measure personalization’s revenue impact (compared to just 14% of those not using AI at all).



Nearly all brands (93%) and agencies (94%) agree that AI is increasing the speed and efficiency of programmatic marketing workflows when it comes to personalization.

## AI Integration in Personalization Workflows

■ % of Brands  
■ % of Agencies

Moderate use



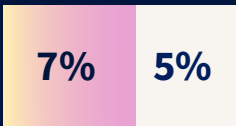
Limited use



Widely integrated



Not using AI for personalization



# Where AI Will Have the Biggest Impact

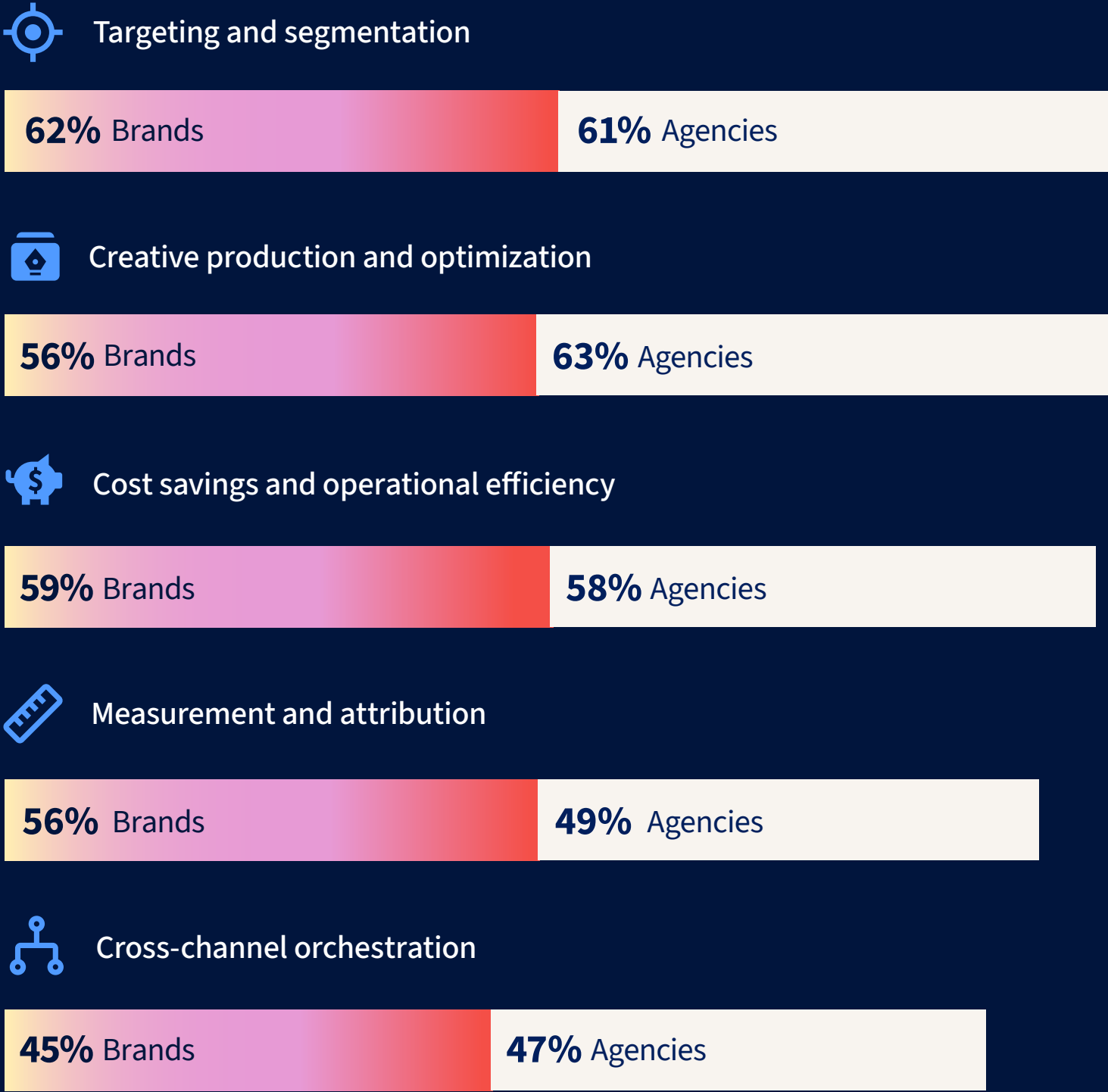
Both brands and agencies see AI not just as a tool, but as a driver for more efficient and personalized marketing campaigns.

Across the board, marketers see opportunities to improve performance and their workflow in multiple areas: 63% of agencies believe AI will accelerate creative production and optimization, while 56% of brands expect the greatest gains to come from measurement and attribution.

## KEY TAKEAWAY

Most teams are using AI for personalization, but few have integrated it deeply enough to see its full impact. Expanding AI beyond early experiments and into core workflows will help marketers measure results and scale personalization more effectively.

# Where AI Will Have the Greatest Impact in the Next 2–3 Years



# Opportunities

## for Growth

### Where There's Room for Improvement

New data, better tools, and advancing technology are opening the door to the next phase of personalization in marketing.

As personalization matures, marketers are shifting their focus from building strategies to improving how they're executed.

Looking ahead, emerging technologies—from **creative automation** to **AI-driven orchestration**—promise to make personalization more connected, measurable, and effective.



## Building on Personalization's Potential

Marketers see better customer insights in the form of more detailed and connected data as the key to scaling personalization.

**Intent and behavioral data top the list, with brand marketers placing the most value on using them to anticipate customer needs based on real actions and interests.**

Data on cross-channel interactions follows closely behind, highlighting the ongoing challenge of connecting fragmented customer journeys across touchpoints.

### Where Improved Data Access Could Scale Personalization (% of Brands)

 **51%** Intent

 **51%** Behavioral

 **48%** Cross-channel interaction

 **46%** Demographic

 **34%** Transactional

 **25%** Firmographic

**+ 2%** Other

# What’s Shaping the Future of Personalization

When it comes to what’s next, both brands and agencies agree that AI will play the defining role in the next phase of personalization.

Creative automation and generative AI lead the list of expected advancements, followed closely by cross-channel orchestration.

## KEY TAKEAWAY

Marketers see the future of personalization as more seamless and connected, not fragmented and restricted to a single channel. To deliver the seamless experiences customers expect, marketers will need creative automation and better cross-channel orchestration, not just incremental improvements to existing workflows.

# What Will Shape Personalization Over the Next 2-3 Years

What Will Shape Personalization	% of Brands	% of Agencies
Creative automation and gen AI	45%	44%
AI/ML advancements	38%	35%
Next-gen measurement and attribution	38%	33%
Personalization in emerging channels (CTV, retail media, etc.)	34%	35%
Cross-channel orchestration	33%	32%
Stronger data privacy and compliance frameworks	33%	37%
Wider adoption of 1st-party data strategies	29%	46%

# Making Every

# Moment Matter

Personalization has moved from promise to practice, but there's still room to grow.

Although marketers still struggle to unify data, tools, and teams, AI and automation are making it easier to deliver relevant experiences at scale.

Personalization's next chapter will be defined by improved measurement, collaboration, and technology that turns every interaction into something that feels made for each person, in the precise moment.



# Next Steps for

# Better Personalization

STEP 1

## Consolidate your tech stack

Deliver more consistent, personalized experiences by breaking down silos and connecting systems, so data and insights can flow freely across platforms.

STEP 2

## Close the gaps that are easiest to fix

If you're in retail and already running email campaigns, add cart recovery messages to re-engage high-intent audiences and drive immediate returns.

STEP 3

## Expand beyond the inbox

Keep email as your foundation, but extend personalization to channels like paid social, video, and CTV to engage your audience everywhere they spend time.



STEP 4

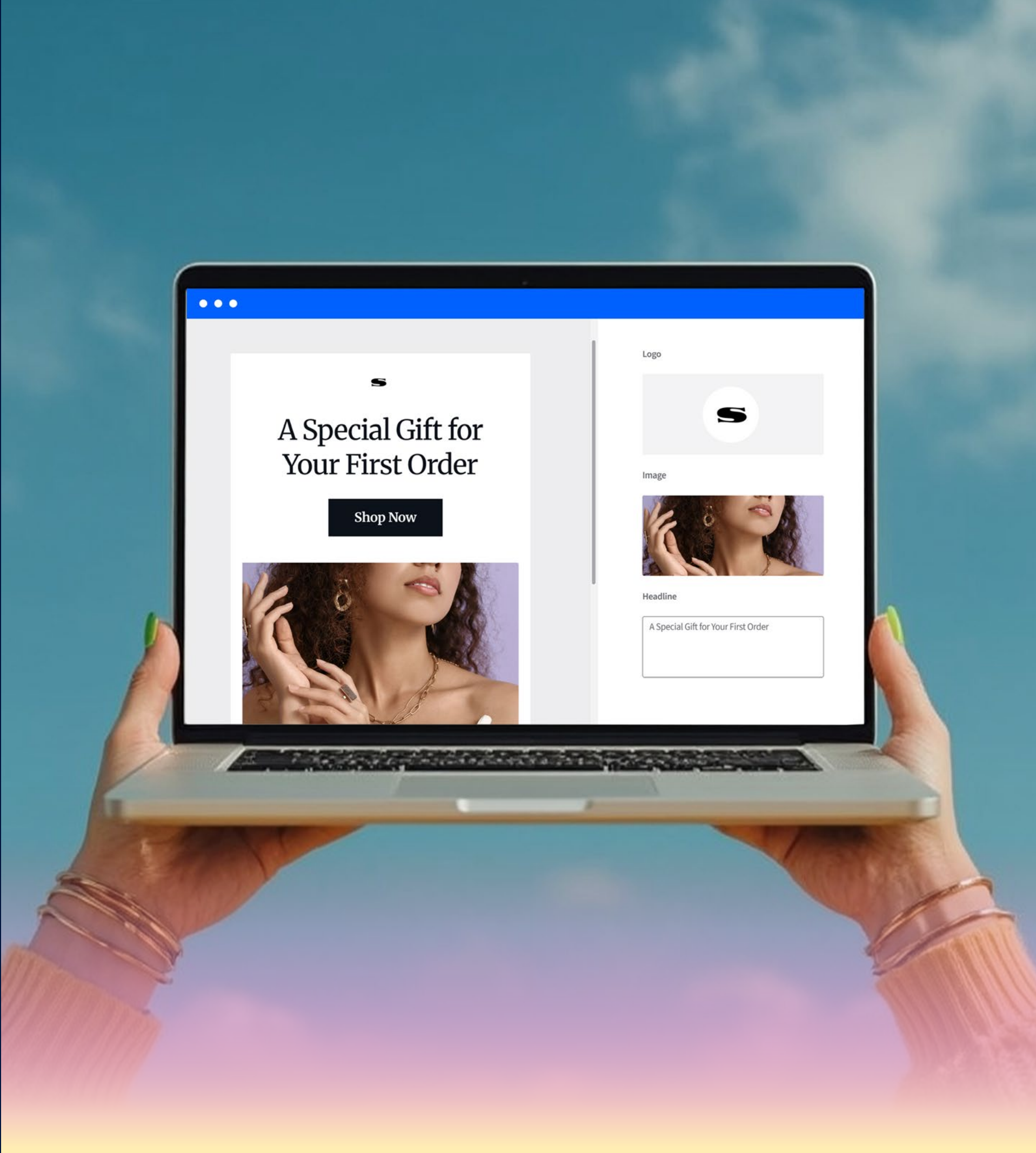
Let AI handle the heavy lifting

Use DCO to test and adjust images, copy, or offers automatically so your ads stay relevant without adding more work.

STEP 5

Measure in one place, not everywhere

Bring reporting from paid and owned channels into a single view, so you can see what’s working holistically and adjust faster.



# Connect the Full

## Customer Journey

As marketers push to make personalization more cohesive across channels, **the ability to unify data, creative, and measurement has never mattered more.**

With StackAdapt's AI-powered marketing platform, you can:

- ✓ Consolidate 1st-party data from CRMs and other sources to target more accurately.
- ✓ Connect programmatic and email in a single user journey to move customers seamlessly down the funnel.
- ✓ Use DCO to personalize ads at scale without adding to your creative workload.
- ✓ Track conversions and ROI across paid and owned media to get a clearer view of revenue and performance.



To learn more, [speak with our team.](#)



## Methodology

The survey, conducted in partnership with Ascend2, gathered responses from 285 brand marketing professionals and 183 marketing agency professionals. Respondents included companies located in the United States and Canada with over \$10M in annual recurring revenue. Each respondent self-identified as being a decision-maker in managerial roles and above. The survey was fielded in October 2025. Results are reported at a 95% confidence level.

Ascend<sup>2</sup>  
RESEARCH-BASED MARKETING

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 **StackAdapt**



StackAdapt is the leading AI advertising and orchestration platform marketers rely on to drive brand growth and revenue. Built entirely in-house with an easy-to-use interface, StackAdapt unifies programmatic and owned channels—including CTV, DOOH, display, native, audio, email, and more—into one seamless experience. The platform makes it easy to find the right audience, personalize creative, run campaigns, optimize, and measure results in one place. Trusted by the most forward-thinking brands and agencies, StackAdapt combines speed of innovation, deep vertical expertise, and partnership that powers real business growth.

For more information, visit [stackadapt.com](https://stackadapt.com).