Gartner

Key Stats:

The Customer Understanding Gap Limits Personalization

CMOs are heavily investing in personalization,[1] but without being rooted in thorough customer understanding, those personalization efforts might drive unintended negative consequences.

Although most CMOs believe they understand their customers, many customers disagree: 58% of consumers say brands fail to understand their needs and preferences.[2] Only 15% of B2C CMOs acknowledge shortcomings in customer understanding.[3]

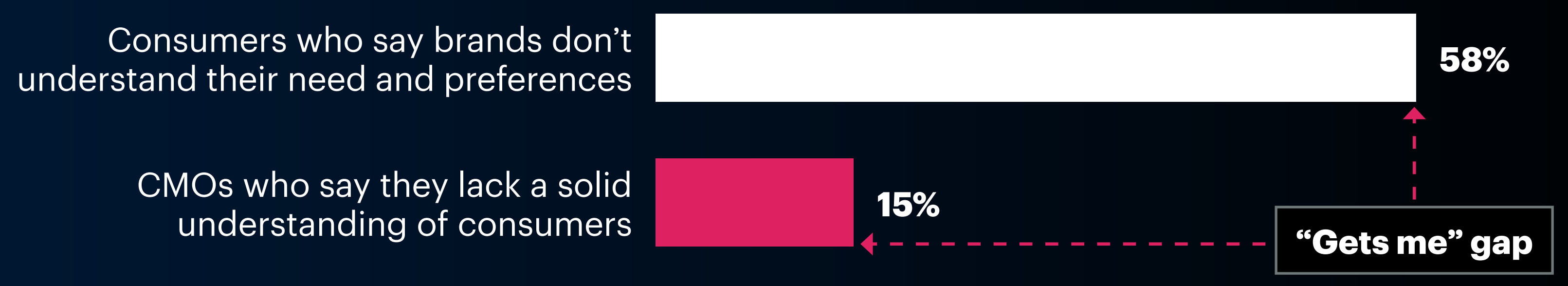
“Gets me” gap exists between CMOs and consumers.

This significant disparity highlights a disconnect — the “gets me” gap — that brands need to address to attract customers, strengthen relationships and enhance brand trust and loyalty.[3]

Nearly half of personalized digital communications miss the mark.

A lack of customer understanding can contribute to negative customer attitudes about personalized marketing communications. A recent Gartner survey found that 48% of customers perceived personalized digital communications as irrelevant, creepy or both.[4]

Figure 1: Percentage Who Believe Companies Don’t Understand Their Consumer Targets

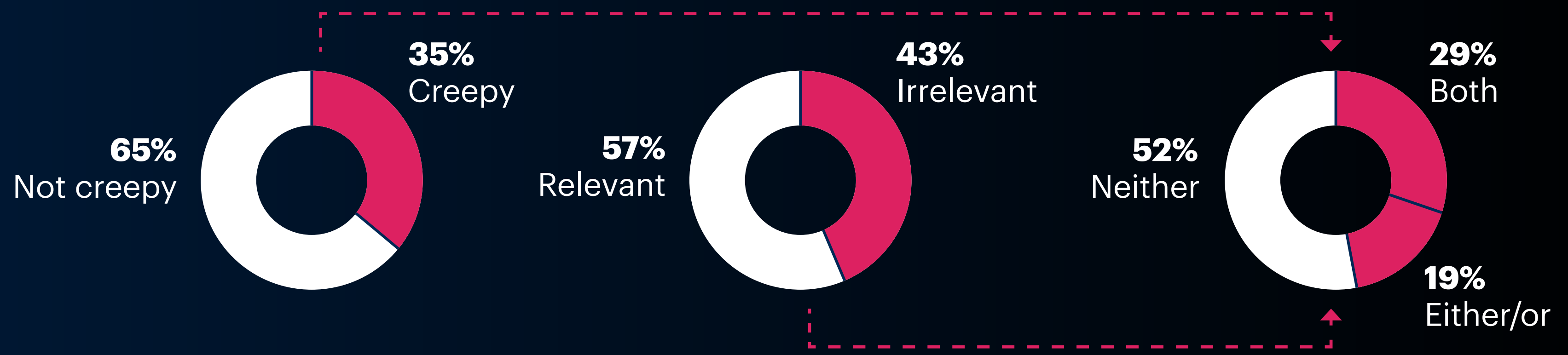


n = 4,146 U.S. consumers ages 15+; n = 82 U.S. B2C CMOs

Q: Consumer: Please read the below pairs of statements and indicate which you agree with more — that is, “much more” or just “somewhat more” than the other statement; Q: CMO: Please rate your agreement with each of the following statements

Source: 2025 Gartner CMO Strategy Survey/Consumer: 2024 Gartner Consumer Values and Lifestyle Survey

Figure 2: Customer Perceptions of Personalized Digital Communications



n = 1,210 consumers and B2B buyers

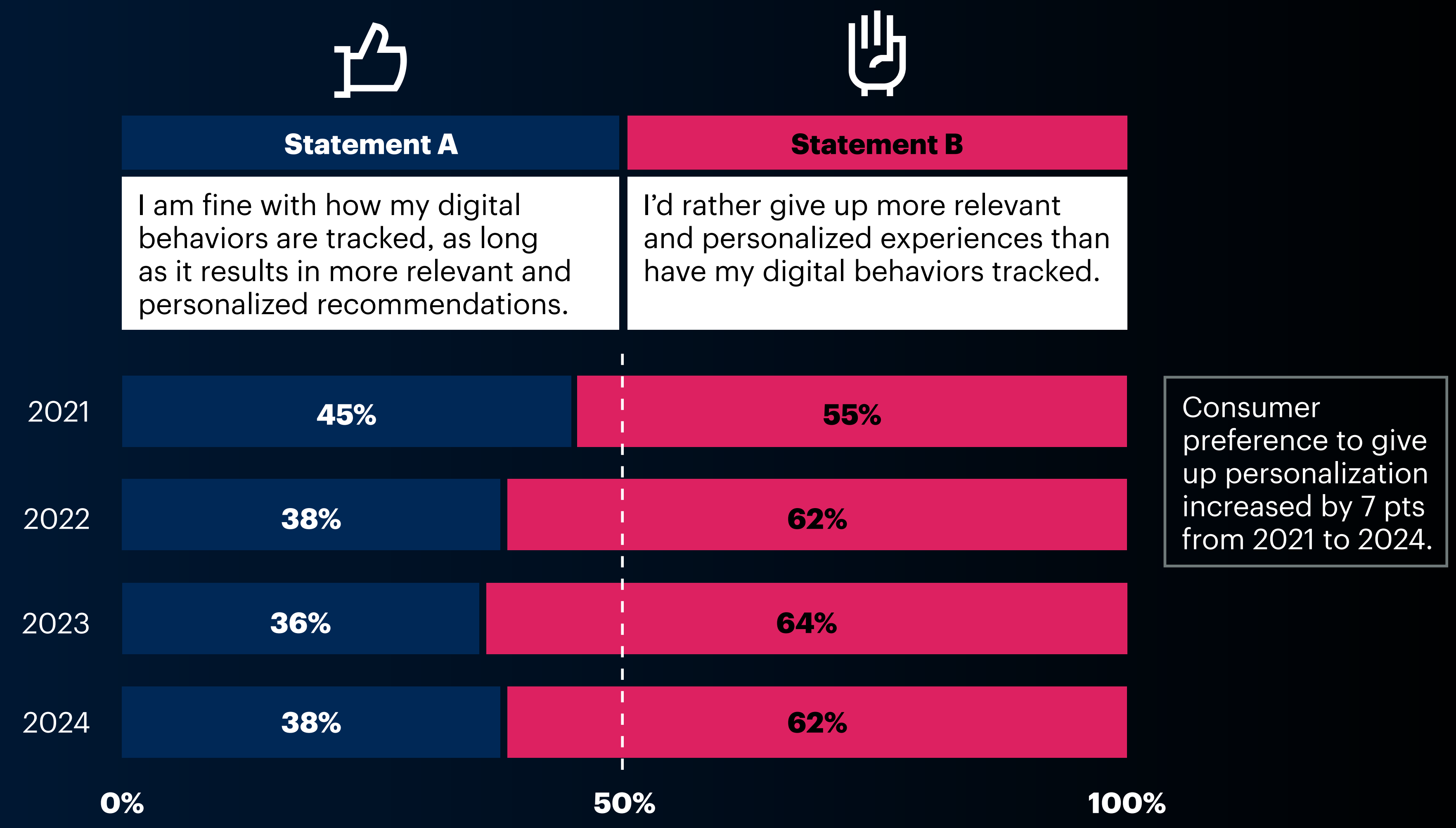
Q. To what extent did your digital interaction(s) ... :Use information about you that you found creepy or invasive? Use information about you in a way you found irrelevant?

Source: 2025 Gartner Marketing Personalization Survey

Openness to data tracking in exchange for personalization declines.

A growing share of customers would rather give up more personalized experiences than have their digital behaviors tracked.[2]

Figure 3: Percentage of Respondents Who Agree (Somewhat or Much More) With Each Statement



n = 1,555 ('21); 2,064 ('22); 1,934 ('23); 1,849 ('24); U.S. consumers age 15+

Q. Please read the below pairs of statements and indicate which you agree with more- that is, "much more" or just "somewhat more" than the other statement.

Source: 2021-2024 Gartner Consumer Values and Lifestyle Survey

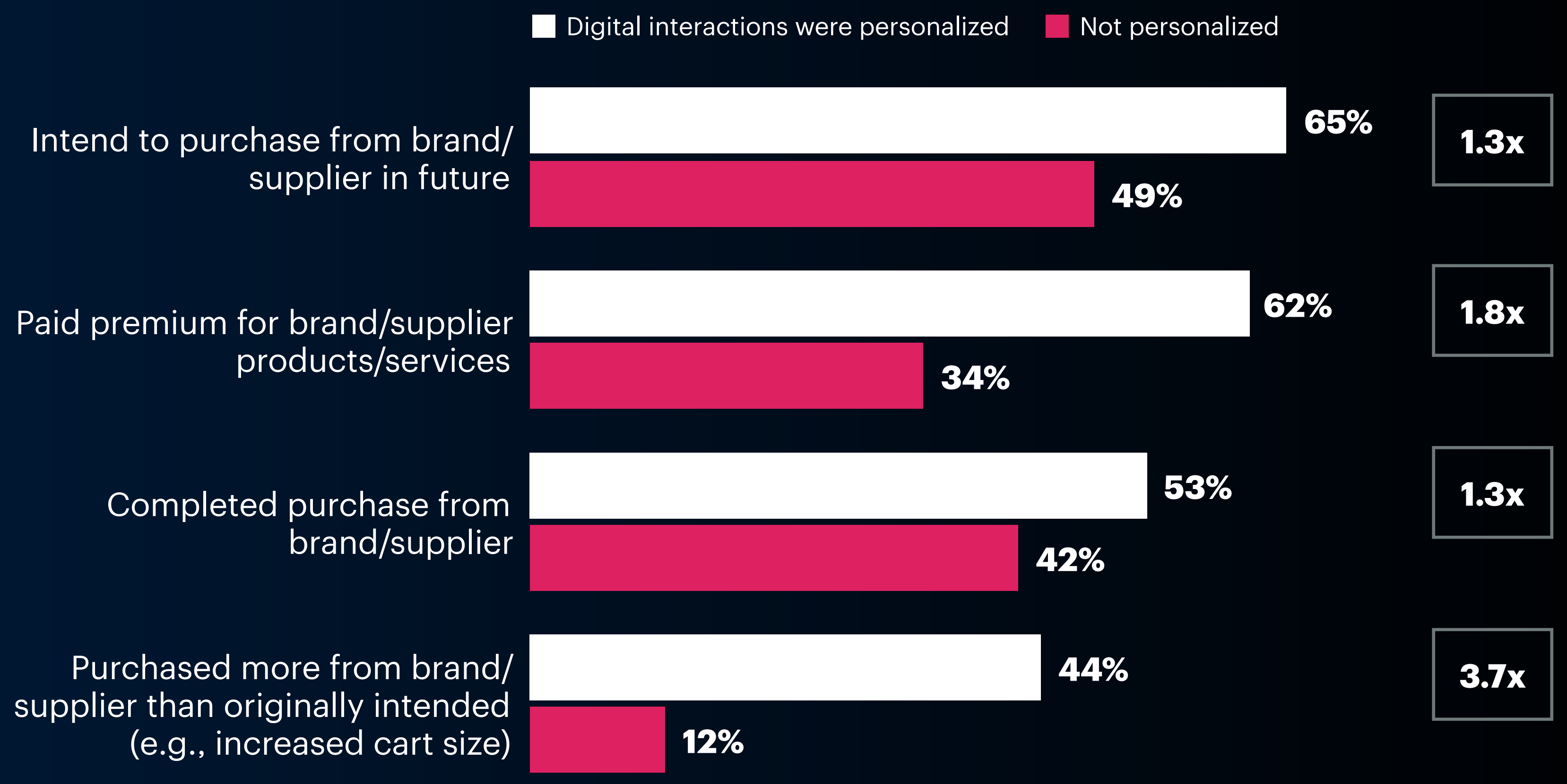
Note: Percentages may not total 100% due to rounding.

Personalization is commercially valuable.

Still, personalization offers brands a tremendous upside. Personalization of digital communications can boost commercial outcomes.

Recent Gartner research found that customers who received personalized communications were 3.7 times more likely to purchase more from a brand or supplier than originally intended compared to customers who did not receive personalized communications.[3]

Figure 4: Commercial Outcomes of Recent Customer Journeys
By whether customer reported personalized digital interactions with brand/supplier



n varies; consumers and B2B buyers

Q: In your digital interactions with the supplier/brand you considered for purchase, did any digital interactions feel tailored, customized, or personalized specifically to you?

Source: 2025 Gartner Marketing Personalization Survey

Bridge the “gets me” gap.

So, how can brands use personalization to address the “gets me” gap without being seen as creepy or irrelevant? For one thing, they can apply data that consumers are most comfortable with brands using.

Consumers are more comfortable with brands using purchase history than their online browsing history.

Consumers are also more open to personalization based on communication preferences or personal preferences, such as a hobby.[5]

The bottom line for CMOs:

Insufficient customer understanding can undermine the effectiveness of marketing programs, especially those centered on personalization.

In fact, personalization that isn’t grounded in a deep knowledge of the customer can backfire and cause negative sentiment toward the brand. CMOs must invest in customer insights or else risk an erosion in their marketing program results.

Figure 5: Data Types Consumers Are Most Comfortable With Brands Using For Personalized Messages

Rank order based on percentage of top 3 selections

1. Past purchase
2. Communication preferences

More than 45% of consumers feel most comfortable with brands using these data types for personalization.

3. Personal preferences (e.g., hobbies)
4. Purchases of customers “like me”
5. Location-based information (physical store visit)
6. Demographic information

Between 25% and 45% chose these as their most comfortable data types for personalization.

7. Online search history
8. Professional information (job title, profession)
9. Online browsing history

Fewer than 25% chose these as comfortable data types for personalization.

n = 291 U.S. consumers age 18+

Source: 2024 Gartner Consumer Community December 5 to 12 2024

Note: Location-based information and demographic information tie when rounded to whole number percentages.

[1] **2025 Gartner CMO Spend Survey.** This survey explored top-line marketing budgets with the goal of understanding how changing customer journeys, pressures from the C-suite and cost challenges affect marketing's spending priorities and channel effectiveness. Conducted online from January through March 2025, the research included 402 respondents from North America (n = 202), the United Kingdom (n = 97) and Europe (n = 103; including France, Germany, Belgium, Denmark, Finland, Netherlands, Norway and Sweden). Participants were required to be involved in decisions related to setting or influencing marketing strategies/planning, aligning marketing budgets/resources, or leading cross-functional programs and strategies with marketing. Seventy-seven percent of the respondents represented organizations with annual revenue of $1 billion or more. The respondents came from a diverse range of industries: manufacturing (n = 52), financial services (n = 50), insurance (n = 43), consumer products (n = 43), healthcare (n = 42), travel and hospitality (n = 37), IT and business services (n = 36), retail (n = 36), pharma (n = 32), and media (n = 31). Disclaimer: Results of this survey do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.

[2] **2024 Gartner Consumer Values and Lifestyle Survey.** The purpose of this survey was to understand consumer lifestyles and motivations. The research was conducted online in two parts, from 30 July through 28 August 2024 among 6,174 respondents in the U.S. (n = 4,146), Canada (n = 1,012) and the U.K. (n = 1,016). The first part of the survey included screening, demographic, sentiment, values and lifestyle questions. The second part included category-specific (for example, money and spending, retail, shopping, sustainability, health, and beauty) questions. Respondents were required to be at least 15 years old. Quotas in the U.S. were set for geographic areas, age, gender, ethnicity and employment status to approximate the U.S. population as a whole. Quotas in the U.K. and Canada were set for geographic areas, age, gender and employment status to approximate the U.K. and Canadian population as a whole.

[3] **2025 Gartner CMO Strategy Survey.** This survey provides a comprehensive look at how CMOs are shaping and implementing marketing strategies across various industries in North America (n = 211) and Europe (n = 192). The survey was conducted online from October through November 2024. It involved 403 respondents who play a significant role in marketing decision making and strategy alignment within their organizations. Eighty percent of these respondents represented companies with annual revenue exceeding $1 billion. The survey included respondents from a diverse range of industries: tech services and products (n = 60), financial services (n = 50), consumer products (n = 42), retail (n = 39), healthcare (n = 38), pharma (n = 36), manufacturing (n = 36), media (n = 35), insurance (n = 34), and travel and hospitality (n = 33). Disclaimer: The results of this survey do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.

[4] **2025 Gartner Marketing Personalization Survey.** This survey was conducted to explore which elements of marketers' personalization efforts most impact customers' journey experiences and commercial outcomes. The survey was administered online from November through December 2024. It includes data from 1,464 B2B buyers and consumers in the U.S. and Canada (n = 961), the U.K. (n = 265), and Australia and New Zealand (n = 238). B2B buyers (n = 556) came from a wide variety of industries, including manufacturing and natural resources (n = 152); technology products (n = 106); banking and financial services (n = 80); healthcare (n = 58); retail (n = 39); pharmaceuticals, biotechnology, and life sciences (n = 28); and others (n = 93). Disclaimer: The results of this survey do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.

[5] **2024 Gartner Consumer Community Survey.** Gartner Consumer Community (n = 291, 5 to 12 December 2024). While the Gartner Consumer Community (n ≈ 500) resembles the U.S. general population, the data cited is based on the responses of community members who chose to take each activity. These samples may not be representative of the general population and the data should only be used for directional insights.

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