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The 2024 B2C Marketing Audience Building Report

How Data Drives Results

Research Conducted in Partnership with Ascend2

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Special Segments

DATA STRATEGY STARS

46%

of B2C marketers rate their marketing data strategy as very effective at improving overall marketing performance.

AMAZING AUDIENCES

42%

of B2C marketers report being very confident in determining which data types and sources to use to build effective audiences.

THIRD-PARTY COOKIE FREEDOM FIGHTERS

53%

of B2C marketers say they have a strategy in place to reduce their reliance on third-party cookies as they identify and target audiences.

THE CLEAN TEAM

56%

of B2C marketers have data quality software/tools in place to improve their data hygiene and processes.

SEGMENTATION SAVVY

35%

of B2C marketers surveyed say they are able to segment their audience to deliver personalized messaging to a great extent.

Introduction

Sourcing, understanding, and effectively leveraging data has become critical for Business-to-Consumer (B2C) marketers working to drive customer acquisition and retention and improve overall performance. However, a significant portion of B2C companies feel that challenges with data are a barrier to success. According to our research, two-thirds (67%) of B2C marketers feel held back from meeting their key objectives by challenges with data.

So, how can B2C marketers build the most effective customer audiences to drive results? To help answer this question, Porch Group Media, in partnership with Ascend2, surveyed over 350 B2C marketers about the role of data-driven techniques in developing highly effective target audiences.

We uncovered that having confidence in the data types and sources used to build audiences has a significant impact on the effectiveness of a data strategy. In fact, those who exhibit the highest confidence in this regard are an astounding 5.5x more likely to have very effective data-driven strategies than their less confident counterparts (89% vs. 16%).

Even more importantly, our study indicates that the **diversity of data sources marketers utilize directly correlates with success.** Marketers with the strongest ability to segment their audience to deliver personalized messaging use more data sources than others. Moreover, those with the highest confidence in their data strategy are more likely to use nearly all available data sources. Notably, this group is more inclined to leverage social media, mobile app data, point of sales information, and various third-party data types.

This report aims to empower marketers with insights and best practices for harnessing data's full potential in building robust B2C audience strategies. By taking a comprehensive approach to data, marketers can refine their targeting, enhance engagement, and expand their reach in today's competitive marketplace.

We hope you enjoy the report!

1.0 The Importance of Building Effective Customer Audiences

EFFECTIVE CUSTOMER AUDIENCES DRIVE SUCCESS.

For B2C and D2C companies, knowing your target audience and speaking to them in the right way at the right time is the foundation upon which your entire marketing strategy is built. In fact, our research indicates that confidence in audience building drives data strategy success. **B2C marketers who report being very confident in their ability to build effective customer audiences are 5.5x more likely to describe their overall data strategy as very effective (89% vs 16%).**

Building effective customer audiences not only impacts a B2C's ability to reach new customers and stay top-of-mind with existing ones, but it also plays a critical role in improving more strategic elements of a marketing strategy, such as marketing spend effectiveness.

What are the top benefits of building effective customer audiences?

54%	Improved customer retention
46%	Improved customer acquisition
44%	Improved ability to build brand awareness/loyalty
37%	More effective marketing spend
37%	Increased consumer/channel targeting
30%	Increased ability to up-sell/cross-sell
29%	Increased conversions

Confidence in Audience Building Improves Effectiveness of Marketing Spend.

Those who are adept at **determining the most effective data types and sources to use in their audience development strategies are significantly more likely to report more effective marketing spend** as a top benefit of building effective customer audiences.

Those reporting more effective marketing spend as a top benefit of building effective customer audiences.

46% Very Confident in Audience Building

31% All Others

What is essential to building effective customer audiences?

So, what will set B2C marketers up for success as they work to build more effective customer audiences? According to B2C marketers surveyed, having the correct data to personalize marketing communications and the correct contact information to reach across channels, coupled with the ability to combine data types and sources effectively, are the most essential elements to successful audience building.

What are the most essential elements to build effective customer audiences?

59% Having the correct data to personalize communications

45% Having the correct contact info to reach across channels

41% Combining data types and sources

41% Being able to build the right segments

40% Accessing first-party data insights

27% Accessing intent data

18% Using data not reliant on third-party cookies
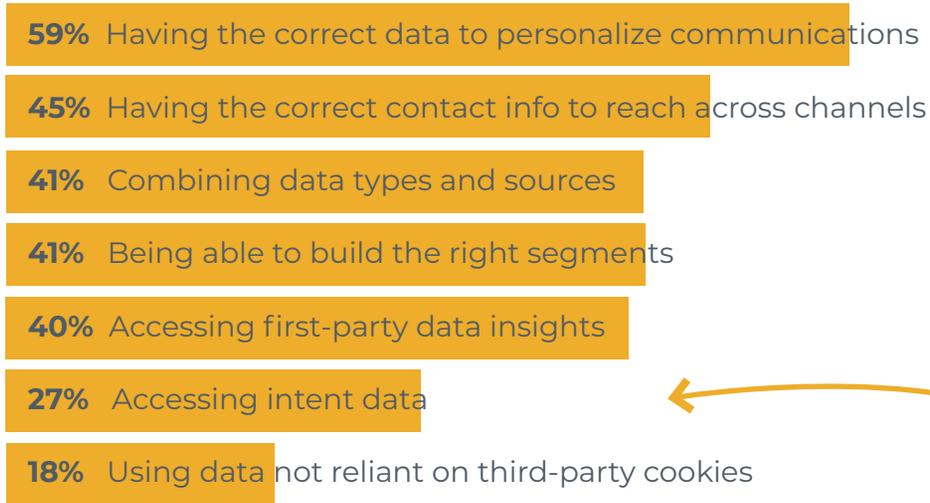
Intent data shouldn't be ignored. Those most confident in their ability to determine which data types and sources to use to build effective customer audiences are significantly more likely than others to consider accessing intent data as a critical element to success. (33% vs 23%)

Building effective audiences doesn't come without challenges.

Accessing the correct data for personalization and cross-channel reach are not only essential elements for B2C marketers as they work to build effective customer audiences, they are also the most significant challenges, according to those surveyed. Combining data types and sources is also a barrier to successful customer audience building for 39% of those surveyed.

What are your greatest challenges in building effective customer audiences?

57% Having the correct data to personalize communications

43% Having the correct contact info to reach across channels

39% Combining data types and sources

35% Being able to build the right segments

27% Accessing intent data

25% Accessing first-party data insights

23% Using data not reliant on third-party cookies

Accessing first-party data insights is more likely to be considered an essential element than a top challenge, indicating its value in a B2C data strategy. But while first-party data is marketing gold, layering multiple data types and sources is essential to building the most effective customer audiences.

2.0 Types of Data for Audience Building

WHAT TYPES OF DATA ARE B2CS USING TO BUILD THEIR CUSTOMER AUDIENCES?

The vast majority of B2C marketers are incorporating multiple types of data in their data strategy.

Over nine out of ten B2C marketers report using first-party data in their strategy,

84% of those surveyed use second-party data to some extent.

About two-thirds of B2Cs use third-party (67%) and zero-party (65%) data to build customer audiences.

Data Refresher

First-party data: Data collected by your own organization

Second-party data: Data collected by another organization/partner

**Third-party data:** Data acquired from a data aggregator or other third-parties

Zero-party data: Data willingly shared with your organization, such as survey data

Intent data: Data signaling purchase intent

2.0 Types of Data for Audience Building

WHAT TYPES OF DATA ARE B2CS USING TO BUILD THEIR CUSTOMER AUDIENCES?

To what extent do you use each of the following types of data to build your customer audiences?

FIRST-PARTY DATA

- 3%
- 2%
- 29%
- 65%

SECOND-PARTY DATA

- 5%
- 11%
- 31%
- 52%

THIRD-PARTY DATA

- 10%
- 25%
- 23%
- 42%

ZERO-PARTY DATA

- 16%
- 29%
- 19%
- 36%

INTENT DATA

- 14%
- 29%
- 15%
- 42%

Legend:
- SIGNIFICANT USE
- SOME USE
- VERY LITTLE USE
- DON'T USE
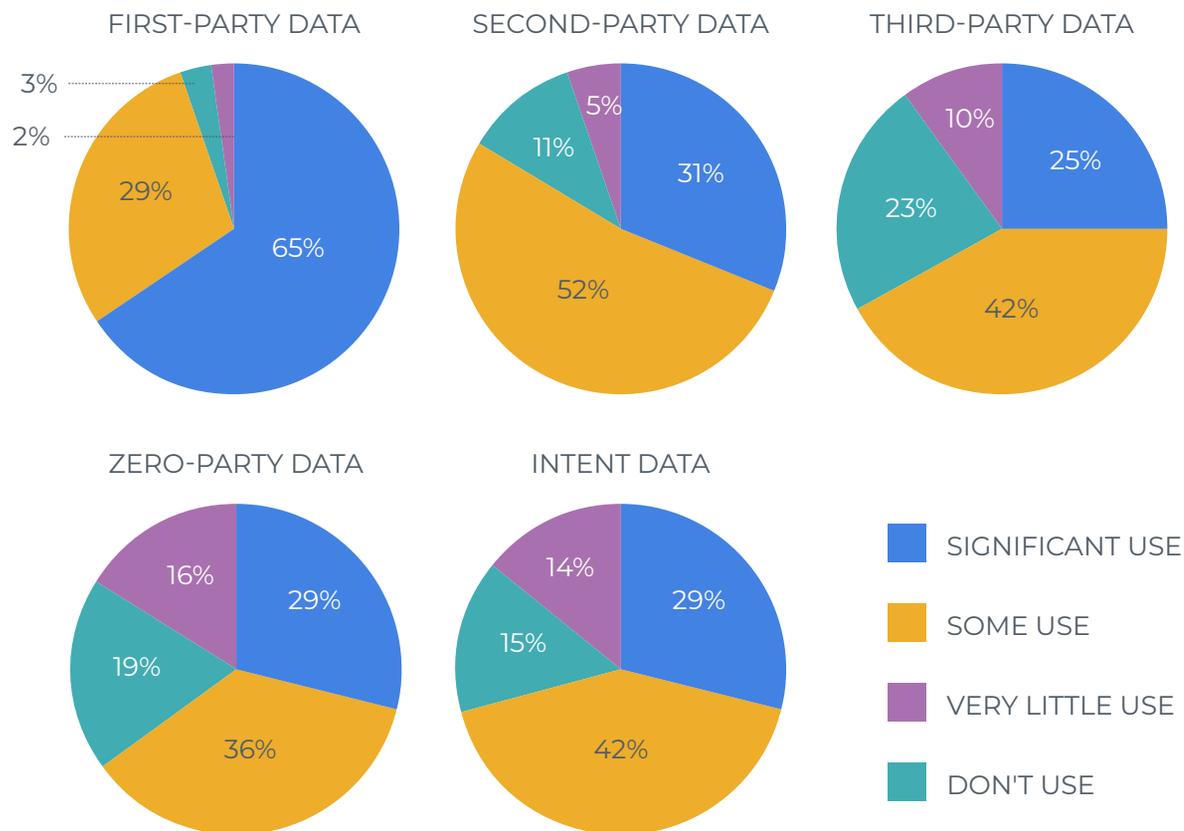
2.1 TYPES OF DATA FOR AUDIENCE BUILDING

Doors open when using more data types.

B2C marketers recognize the importance of including various data types when building effective customer audiences. While nearly all (98%) of those surveyed consider first-party data important to their strategy, over nine in ten B2C marketers report that second-party and intent data are important in building effective customer audiences. Four out of five B2C marketers consider third-party and zero-party data important to their strategy.

Rate the importance of each of the following data types in building effective customer audiences.

FIRST-PARTY DATA
- 2%
- 20%
- 78%

SECOND-PARTY DATA
- 7%
- 54%
- 39%

THIRD-PARTY DATA
- 17%
- 47%
- 36%

ZERO-PARTY DATA
- 14%
- 47%
- 39%

INTENT DATA
- 8%
- 48%
- 44%

- ■ VERY IMPORTANT
- ■ SOMEWHAT IMPORTANT
- ■ UNIMPORTANT
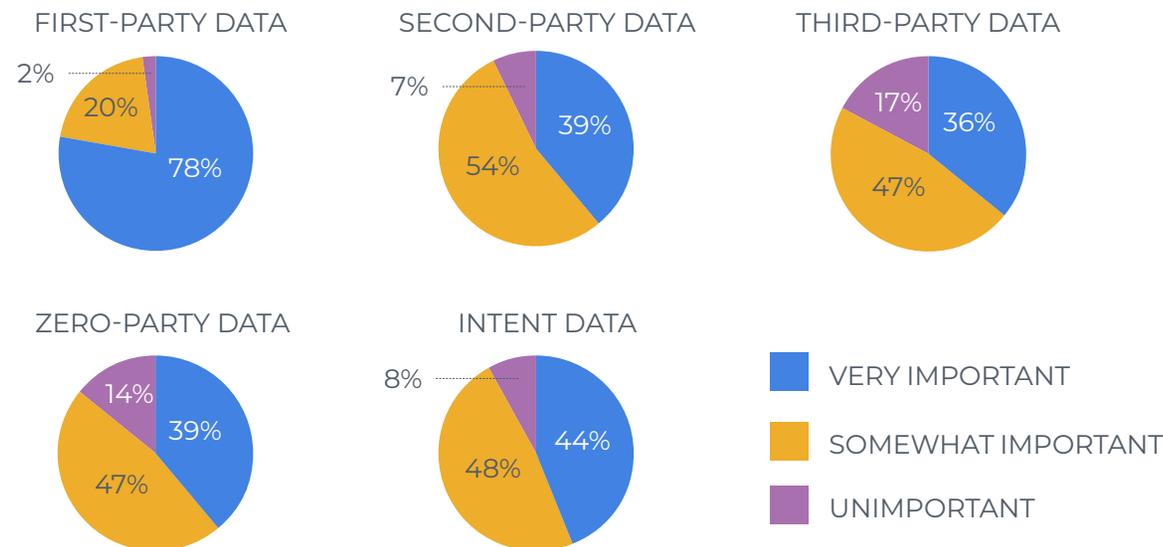
Those who have the most effective data strategies are significantly more likely to consider all types of data very important. A well-rounded data strategy comes from utilizing several data types to find and speak to your audience.

Rate the importance of each of the following data types in building effective customer audiences. (Very Effective Data Strategy)

	Very important	All Others
First-party data	84%	72%
Second-party data	59%	21%
Third-party data	55%	20%
Zero-party data	51%	27%
Intent data	58%	30%

3.0 Targeting the Right Audience

TARGETING THE RIGHT AUDIENCES.

When targeting audiences, nearly two-thirds (64%) of B2C marketers rely on website data. Social media data (58%), survey data (57%), email data (56%), and point of sales data (50%) are also among the top most commonly used data sources to build target audiences. However, our research indicates that using a wider variety of data may result in greater success in audience targeting.

Which data sources do you currently use to build your target audiences?

64%	Website data
58%	Social media data
57%	Survey data
56%	Email data
50%	Point of sales
48%	CRM
47%	Transactional data
39%	Mobile app data
37%	Third-party demographics
31%	Third-party contact data
24%	Third-party behavioral/intent data
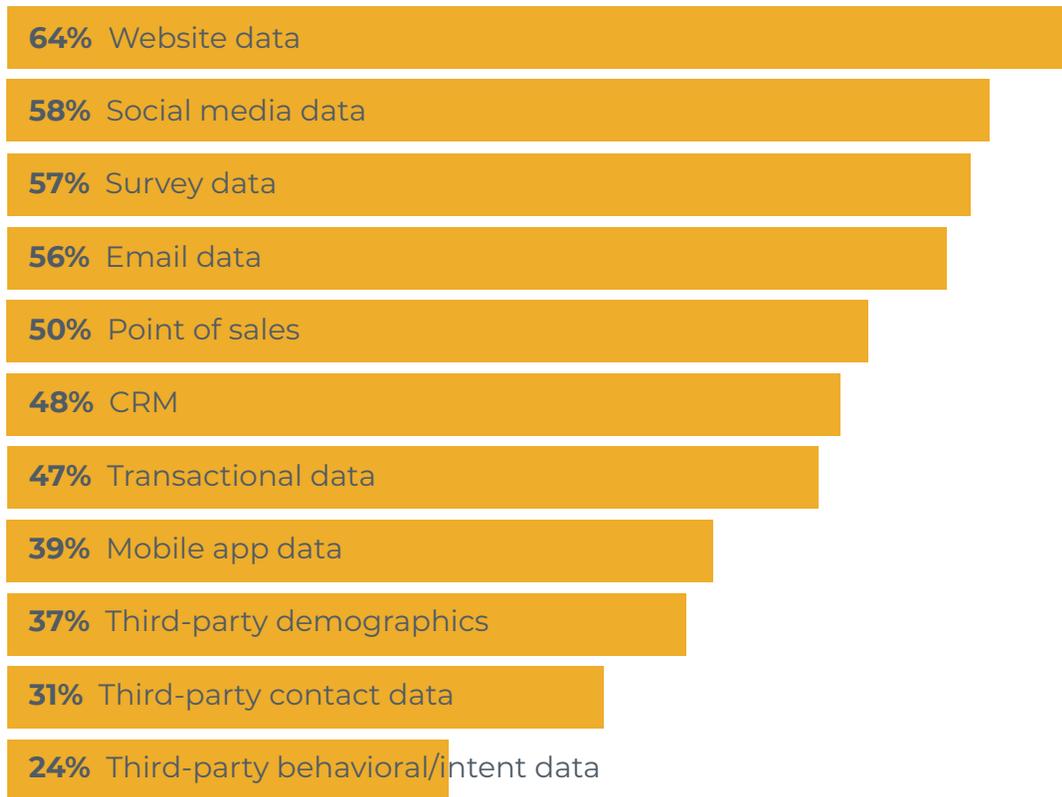
Those with the most effective data strategies are significantly more likely to use **eight or more data sources** to build target audiences than those with less effective strategies (24% vs 15%).

3.1 TARGETING THE RIGHT AUDIENCE

Those who get the most out of their data rely on various sources.

B2C marketers with the most confidence in choosing the right data types and sources to build audiences are more likely to use nearly all data sources than those with less confidence but are significantly more likely to be using social media, mobile app, point of sales, and all types of third-party data.

Similarly, the group of B2Cs who have **the strongest ability to segment their audience to deliver personalized messaging are also using more data sources** across the board than all others.

Why are the most successful B2C marketers using more data types? Simply put, the more variety in data sources, the better a marketer can know their customer, know what their values are, what their behaviors indicate, and what they need. This enables the delivery of more impactful, effective campaigns that drive more revenue.

Which data sources do you currently use to build your target audiences?

	To a Great Extent	All Others
Website data	67%	62%
Point of sales	62%	44%
Survey data	61%	55%
Social media data	60%	57%
Email data	57%	56%
CRM	55%	44%
Transactional data	50%	45%
Mobile app data	47%	34%
Third-party demographics	43%	33%
Third-party contact data	39%	26%
Third-party behavioral/intent data	31%	20%

Those with the most **effective data strategies** are more likely than others to be using all types of third-party data in their audience targeting, along with most other data types.

Which data sources do you currently use to build your target audiences?

	Very Effective	All Others
Third-party demographics	40%	34%
Third-party contact data	36%	26%
Third-party behavioral/intent data	26%	22%

3.2 TARGETING THE RIGHT AUDIENCE

How many data sources should marketers be using?

Understanding the nuances and complexities of consumer behavior comes from combining different data types to get a full picture of a target audience. While 14% of those surveyed report relying on 2 or fewer data sources when building target audiences, nearly half (48%) use data from 3 - 5 sources. Over one quarter (28%) are using 7 or more data sources and this group sees better outcomes than those using fewer sources.

How many data sources do you currently use to build your target audiences? (Option Count)

Number of Data	Sources Selected
1	5%
2	8%
3	20%
4	15%
5	13%
6	11%
7	8%
8	6%
9	5%
10	3%
11	5%

99% of B2C marketers using 7 or more different types of data can segment their audience to deliver tailored/personalized messaging somewhat or to a great extent, compared to 88% of those using fewer than 7.

To what extent are you able to segment your audience to deliver tailored/personalized messaging?

|	7 or more	Less than 7
To a great extent	44%	31%
Somewhat	55%	57%
Very little	1%	9%
Not at all	0%	3%

4.0 Factors Impacting Data Use

FEELING THE IMPACT OF COOKIE DEPRECATION.

B2C marketers are feeling the repercussions of the loss of third-party cookies. An overwhelming 73% of those surveyed feel cookie depreciation will greatly inhibit or somewhat limit their ability to access the right data to build audiences.

In an effort to alleviate the impact of cookie deprecation, 53% of those surveyed have already implemented a strategy to identify and target audiences without relying on third-party cookies.

Those who are operating with a strategy to identify and target audiences without relying on third-party cookies are over 2x more likely than others to consider their data strategy very effective (62% vs 29%) and also over 2x more likely than others to be very confident in choosing the right data types and sources as they build audiences (58% vs 23%).

But what solutions are B2C marketers considering implementing to offset this loss? Collecting more first-party data and social media advertising and targeting are the top solutions B2Cs plans to use to identify and target audiences without relying on third-party cookies.

4.0 Factors Impacting Data Use

FEELING THE IMPACT OF COOKIE DEPRECATION.

What solutions are you considering to identify and target audiences without relying on third-party cookies?

61%	Collect more first-party data
59%	Social media advertising/targeting
43%	Advertise on a retail media network
35%	Implement contextual advertising
33%	Use more third-party data
30%	Advertise using Google's Privacy Sandbox
28%	Advertise using a consumer ID solution

Those with a strategy already in place to offset third-party cookie loss are significantly more likely to list advertising on a retail media network, advertising using a consumer ID solution, as well as contextual advertising among the solutions they are considering to build audiences without third-party cookies.

Advertise on a retail media network	**48%**	**31%**
Advertise using a consumer ID solution	**34%**	**16%**
Implement contextual advertising	**38%**	**26%**

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Increasing the use of first-party data.

Collecting more first-party data is the most commonly reported solution that B2C marketers are considering when it comes to identifying and targeting audiences without relying on third-party cookies.

Our research indicates that the collection and use of first-party data to build audiences results in improved customer experiences, increased customer retention, improved ROI on advertising, and increased customer engagement.

In which areas have you realized the greatest benefits of collecting and using first-party data to build customer audiences?

40%	Improved customer experience
39%	Increased customer retention
36%	Improved ROI on advertising
36%	Increased customer engagement
36%	Improved targeting accuracy
34%	Increase customer acquisition
29%	Increased personalization of content
25%	Optimized marketing campaigns

Two-thirds (65%) of those surveyed report significant use of first-party data in their audience building.

This group reports more effective data strategies. 56% of those who report significant use of first-party data have very effective data strategies compared to 29% of all others.

This group that uses first-party data more than others is also 2x more likely to be very confident in their ability to choose the right data types and sources to build customer audiences (51% vs 25%).

5.0 Segmentation and Data Quality

CHALLENGES WITH AUDIENCE SEGMENTATION.

Audience segmentation allows marketers to deliver highly relevant content to distinct groups. This level of personalization engages customers and enables marketers to make the most out of marketing spend. Segmentation is not without challenges, however. Missing or inaccurate contact data when targeting across channels is the most challenging aspect of audience segmentation according to B2Cs surveyed. Data silos and performance measurement are also issues for over one-third (36%) of those surveyed.

Despite the associated challenges, segmentation pays off. Those who are able to segment their audience for personalized messaging to a great extent are nearly 3x more likely than others to have very effective data strategies (79% vs 29%).

This group is also 3x more likely than others to be very confident in determining which data types and sources to use to build effective audiences.

5.0 Segmentation and Data Quality

CHALLENGES WITH AUDIENCE SEGMENTATION.

What are the top challenges associated with audience segmentation?

39% Missing or inaccurate contact data when targeting across channels

36% Data resides in separate and multiple channels

36% Being able to measure segment performance

35% Lack of resources (i.e. personnel, cost)

32% Difficulty accessing the right data to form a comprehensive customer view

32% Inability to keep segments updated

27% Advertise using a consumer ID solution

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How are marketers improving segmentation?

So, what are B2C marketers doing to improve audience segmentation? Improving data quality and integrity is a top priority for over half (54%) of those surveyed. Integrating data and measuring audience segmentation performance are also points of focus for 46% and 41% of those surveyed.

Which of the following are your top priorities to improve audience segmentation?

54% Improving data quality and integrity

46% Integrating data

41% Measuring audience segmentation performance

37% Focusing on first-party data collection

35% Working with a partner to develop effective segments

32% Accessing additional types of data (i.e. Second-party, third-party, intent data)

18% Using a CDP or marketing database to gain a comprehensive customer view
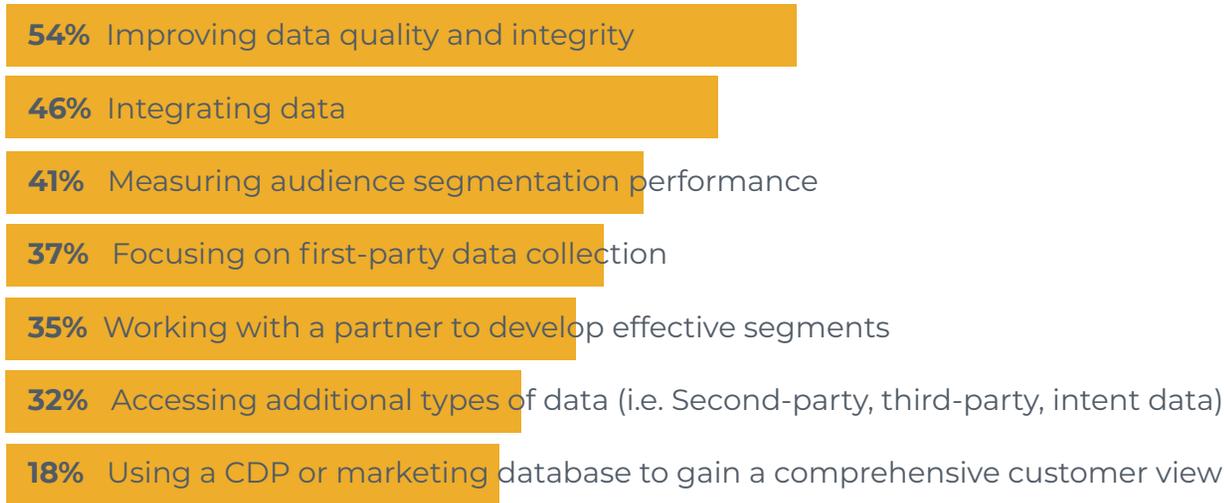
96% of those surveyed agree that effective audience segmentation improves marketing performance.

5.2 SEGMENTATION AND DATA QUALITY

Don't neglect data quality.

Data quality should not be ignored. Inaccurate data can lead to segmentation issues and a decline in performance. Overall, data strategy effectiveness heavily correlates with data quality satisfaction. A whopping 85% of those most satisfied with their data quality describe their data strategy as very effective, compared to just 24% of those who are less satisfied with their data strategy.

> 63% of marketers are not fully satisfied with their data quality, but those who are see significantly more success from their data strategies.

Only 37% of marketers surveyed are very satisfied with their data quality, however. This presents a significant opportunity for marketers to implement data quality measures to improve audience performance.

Over half (52%) of B2C marketers surveyed say they validate and verify data as a part of their data hygiene practices, the most commonly reported data hygiene practice among those surveyed. Nearly half say they educate and train staff (48%) and perform regular data audits (46%) to encourage data hygiene.

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Don't neglect data quality.

Which of the following data hygiene practices do you employ? (Select all that apply)

- **52%** Data validation and verification
- **48%** Staff education and training
- **46%** Regular data audits
- **43%** Standardized data formats
- **39%** Automated data entry
- **36%** Data governance policies
- **29%** Data deduplication practices
- **20%** Data append
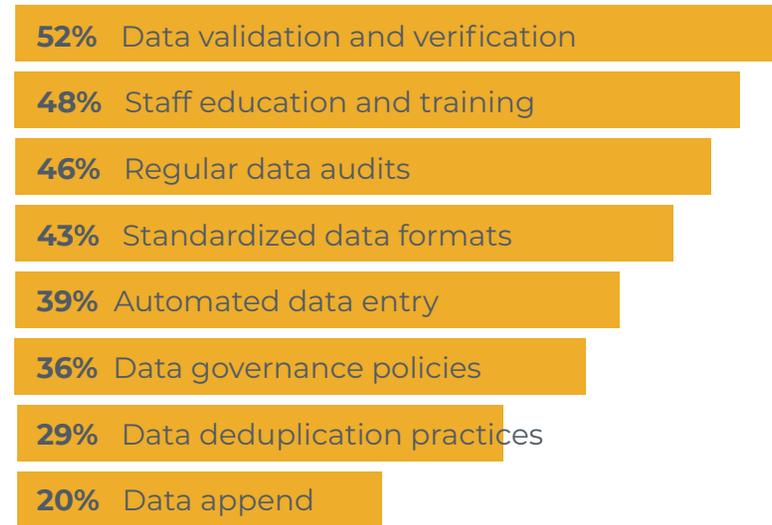
Interestingly, 56% of B2Cs have data quality software or tools in place to improve their data hygiene and processes.

This group is over 2x more likely to be very satisfied with their data quality than those without data quality software (51% vs 24%), signaling that many B2Cs may not have the right processes and tools in place to improve data quality.

Participants and Methodology

PARTICIPANTS

Marketing/sales channels

B2B (Business-to-Business)	51%
B2C (Business-to-Consumer)	90%
D2C (Direct to Consumer)	38%

Annual revenue

$25M - $99.99M	35%
$100M - $499.99M	33%
$500M+	32%

Job role

C-Level/Executive/Owner	32%
Vice President/Director	36%
Manager	32%

METHODOLOGY

Porch Group Media, in partnership with Ascend2 Research, developed a custom online questionnaire to survey 353 marketing professionals working for organizations with Business-to-Consumer (B2C) or Direct-to-Consumer (D2C) marketing and sales channels in the United States. This group of decision-makers represents roles of manager and above at organizations with over $25M in revenue (96%) across varying industries. The survey was fielded in February 2024.

About the Research Partners

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Porch Group Media is a leading provider of comprehensive audience, activation, and attribution solutions designed to create a competitive edge in today's evolving landscape. With a deep history and expertise in first party data management and audience creation, Porch Group Media specializes in new movers, homebuyers, and property insights, along with providing consumer segments, shopping intent, and automotive audiences.

Discover the difference with Porch Group Media, where innovation meets impact, and data-driven success is the standard.

Ascend2
RESEARCH-BASED MARKETING

Companies partner with Ascend2 to create original research from survey conceptualization through report and content creation to media outreach. Ascend2 helps companies fuel marketing content, generate leads, and engage prospects to drive demand through the middle of the funnel.

For more about Ascend, visit ascend2.com.