

Balancing Regulation and Growth Opportunities for Minnesota Businesses

Personalized digital advertising has emerged as a critical tool for small businesses in Minnesota, enabling them to thrive and compete in today's dynamic marketplace. These ads, tailored to individual interests and preferences, offer a potent means of reaching and engaging consumers effectively. A recent study by Advertiser Perceptions sheds light on the significant impact of personalized ads on the state's small and medium-sized businesses (SMBs).

The research reveals that a majority (80%) of Minnesota SMBs credit personalized digital ads with saving them time and money while generating higher sales. This efficiency and effectiveness are crucial for SMBs, allowing them to optimize their resources and achieve growth. Moreover, nearly three-quarters of these businesses rely on personalized digital ads to attract new customers and connect with their local community, fostering stronger relationships and brand loyalty.



Personalized ads also play a vital role in leveling the playing field for SMBs, with 68% of them utilizing this approach to compete with larger brands that possess significantly greater advertising budgets. By delivering tailored messages to the right audience, SMBs can maximize the impact of their campaigns and stand out in a crowded market.

However, the study also highlights the potential consequences of restricting personalized advertising. A substantial 40% of Minnesota SMBs would face the dire prospect of laying off staff or closing down altogether if they were unable to utilize personalized digital ads.

Furthermore, the research emphasizes the importance of ad measurement tools for SMBs, with 100% of Minnesota SMBs recognizing their value in optimizing ad spend. By providing insights into campaign performance, these tools empower businesses to make data-driven decisions and achieve better returns on their investments.

In conclusion, personalized digital ads have become indispensable for Minnesota SMBs, driving growth, fostering customer engagement, and supporting economic prosperity. Any limitations on this form of advertising could have far-reaching negative consequences for these businesses, their employees, and the broader community.

Top Statistics from Minnesota SMBs

68%

of Minnesota small businesses use personalized ads to fuel growth and compete with bigger brands.

Nearly 3/4

of Minnesota small businesses use personalized digital ads to find new customers and market to their community.

40%

of Minnesota SMBs would need to lay off staff or close down without personalized ads.

100%

of Minnesota SMBs say ad measurement tools help them maximize ad budgets.

Top Quotes from Minnesota SMBs

“ Because personalized advertising allows us to better reach our desired audience, experience higher conversion rates, improve customer engagement, gives us a competitive advantage, and helps maximize our ad spend. Personalized ads allows to develop long term relationships with our customer and adapt to their expectations. ”

Director, SMB 100-249 employees.

“ As an advertiser, we don't want to use interruptive advertising methods. That is where personalized ads help us create a better customer viewing experience. ”

Director, SMB 100 - 249 employees.

“ We make much better use of our marketing budget by narrowing our ad spend on specific people and groups, depending on the segments. It will be more difficult (and expensive) to reach niche markets without personalized advertising. ”

Director, SMB 1 - 24 employees.

“ We are a private school. We want to reach people that have similar values. If we are no longer able to use personalized advertising, the audience would be too large and irrelevant to our services. ”

Director, SMB 25 - 99 employees.

“ Irrelevant ads clutter the consumer experience. We don't want our customers to feel frustrated. ”

Director, SMB 25 - 99 employees.

Methodology

Advertiser Perceptions surveyed 1,200 US small and medium-size businesses (SMBs) in March-April 2024 to understand the value of personalized advertising to their organization. SMBs included businesses with fewer than 500 employees. All respondents were involved in decision-making about digital ads and used personalized advertising. National-level results are weighted to be geographically representative using 2021 US Census data as a baseline for business distribution in each state.

Sources for All Content and Claims

Google/Advertiser Perceptions, Ads Impact Study, US, April 2024, n=100 Minnesota small and medium businesses who use digital ads



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