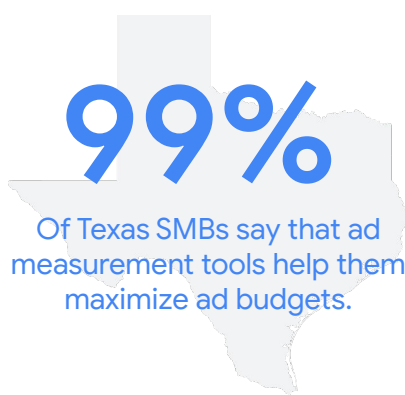


Balancing Regulation and Growth Opportunities for Texas Small Businesses

In the Lone Star State, personalized advertising has become a critical tool for small and medium-sized businesses (SMBs). This form of advertising, which tailors ads to individuals' interests and needs, offers numerous advantages over traditional methods.

A recent survey conducted by Advertiser Perceptions in partnership with the Connected Commerce Council and Google highlights the significant impact of personalized ads on Texas SMBs. A staggering 99% of Texas SMBs reported that ad measurement tools, which often rely on data used in personalized advertising, are essential for maximizing their ad budgets. By understanding which ads are most effective, SMBs can optimize their spending and achieve a higher return on investment.



Furthermore, three-fourths of Texas SMBs leverage digital ads to attract new customers within their local communities. This emphasizes the ability of personalized ads to connect businesses with consumers who are most likely to be interested in their products or services.

However, potential restrictions on personalized advertising pose a significant threat to Texas SMBs. Half of SMBs in the state would need to increase the prices of their products or services if they could no longer utilize personalized ads.

Additionally, 34% of Texas SMBs anticipate a decline in revenue and sales if they are unable to use personalized ads. This demonstrates the critical role that personalized advertising plays in maintaining affordability and competitiveness for Texas SMBs.

Perhaps most concerning is the impact that a ban on personalized ads would have on customer acquisition. Half of Texas SMBs say that banning personalized ads would severely hinder their ability to reach new customers. This could stifle growth and innovation for businesses across the state.

Top Statistics from Texas SMBs

34%

Of Texas SMBs say revenue and sales would drop without personalized digital ads.

50%

of Texas SMBs say banning personalized ads would severely hinder their ability to reach new customers.

75%

of Texas SMBs use digital ads to find new local customers.

50%

of Texas SMBs would increase the prices of their products or services if personalized ads were banned.

Top Quotes from Texas SMBs

“ I do get clients from my personalized ads so if these types of ad were not permitted it would reduce the number of clients served and, therefore, our bottom line. ”

Founder, SMB 1 - 24 employees.

“ It's important to our organization to reach specific demographics. If we are unable to specify or reach the group we need to then our advertising cost will go way up or our conversions will go down. ”

C-Level, SMB 100 - 249 employees.

“ We're a local company, so being able to market based on location and demographic data is hugely beneficial to us. ”

Director, 250 -499 employees.

“ Being able to more accurately advertise based on customer interests, demographic information, and geographic location ideally helps us streamline our budget and show relevant ads to relevant people. ”

Director, SMB 1 - 24 employees.

“ Our ad spend would be much less efficient, and we would see a lower return on our investment in that area. It would also make it harder for us to stay connected to our current customers and be able to reach them where they are on social, etc. ”

Founder, SMB 100 - 249 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 Texas small and medium businesses who use digital ads