

Personalization Has a Recognition Problem

What 2,000+ Consumers Want From Brands



In this report, "recognition" refers to personalization grounded in information that consumers explicitly share or confirm about themselves, rather than inferences drawn strictly from their behavior.

Traditional personalization is hitting hard limits. As browsers, device settings, and privacy laws restrict tracking, behavioral signals are rapidly shrinking. Importantly, consumers are also paying closer attention to how their data gets used. Brands that rely on algorithmic guesswork will fall behind those that give consumers a compelling reason to tell brands who they are.

At the same time, a personalization paradox is emerging: *consumers want relevant experiences, but many find the offers they get inaccurate or intrusive and are wary of how brands use their data.* Consumers do not owe brands their data. Brands need to earn permission to use it by explaining how it will shape the experience, and why sharing it will create value beyond the next promotion.

To understand what makes consumers feel genuinely recognized for who they are, rather than watched, SheerID commissioned Censuswide to survey 2,001 consumers across North America and EMEA to identify when individuals are willing to verify eligibility, what creates a fair value exchange, and how brands can build lasting trust and lifetime value. The survey highlights key regional and generational shifts, showing that younger consumers readily verify eligibility, while older buyers prefer zero-effort recognition.



Key Findings



INSIGHT 1

Stop guessing who your customers are.

More than half of consumers (55%) find tailored offers useful, but **only 36% say those offers often recognize something meaningful about them**, like their job or life stage.¹



INSIGHT 2

Recognition drives revenue.

When a brand recognizes who they are, such as a student or healthcare worker, **62% of consumers say they're more likely to purchase**, and the same number say they're more likely to choose that brand again.²



INSIGHT 3

Overreach, not friction, kills conversions.

43% of consumers would abandon verification if asked for sensitive data like a Social Security number, and 38% would quit if asked for more than they expected. Two-thirds (**67%**) **would rather verify on the brand's own site** than be redirected to a third-party site.



INSIGHT 4

Younger consumers respond most to recognition.

78% of Gen Z and 72% of Millennials say a **recognition-based offer** would make them more likely to purchase.³



INSIGHT 5

Recognition can't stop at verification.

61% say being **rewarded automatically for ongoing loyalty** makes them feel valued, the top choice by 20 points.

The Personalization Gap:

Brands Are Losing Sight of the *Person*



Personalization is no longer a differentiator. It's the baseline expectation.

89% of consumers surveyed have received a "tailored" offer in the past year. The question is no longer whether brands attempt personalization, but whether those attempts build connection or create friction.

Are brands attempts to connect *building connection* or *creating friction*?

"Tailored offers frequently recognize something meaningful about me."



52%
of GEN Z consumers



Useful vs. Meaningful: The Recognition Deficit

How consumers describe the tailored offers they receive

55%

Genuinely useful

54%

Relevant to immediate needs

36%

Recognize something meaningful (life stage, occupation, community)

29%

Intrusive or invasive

28%

Based on inaccurate assumptions



The Recognition Gap

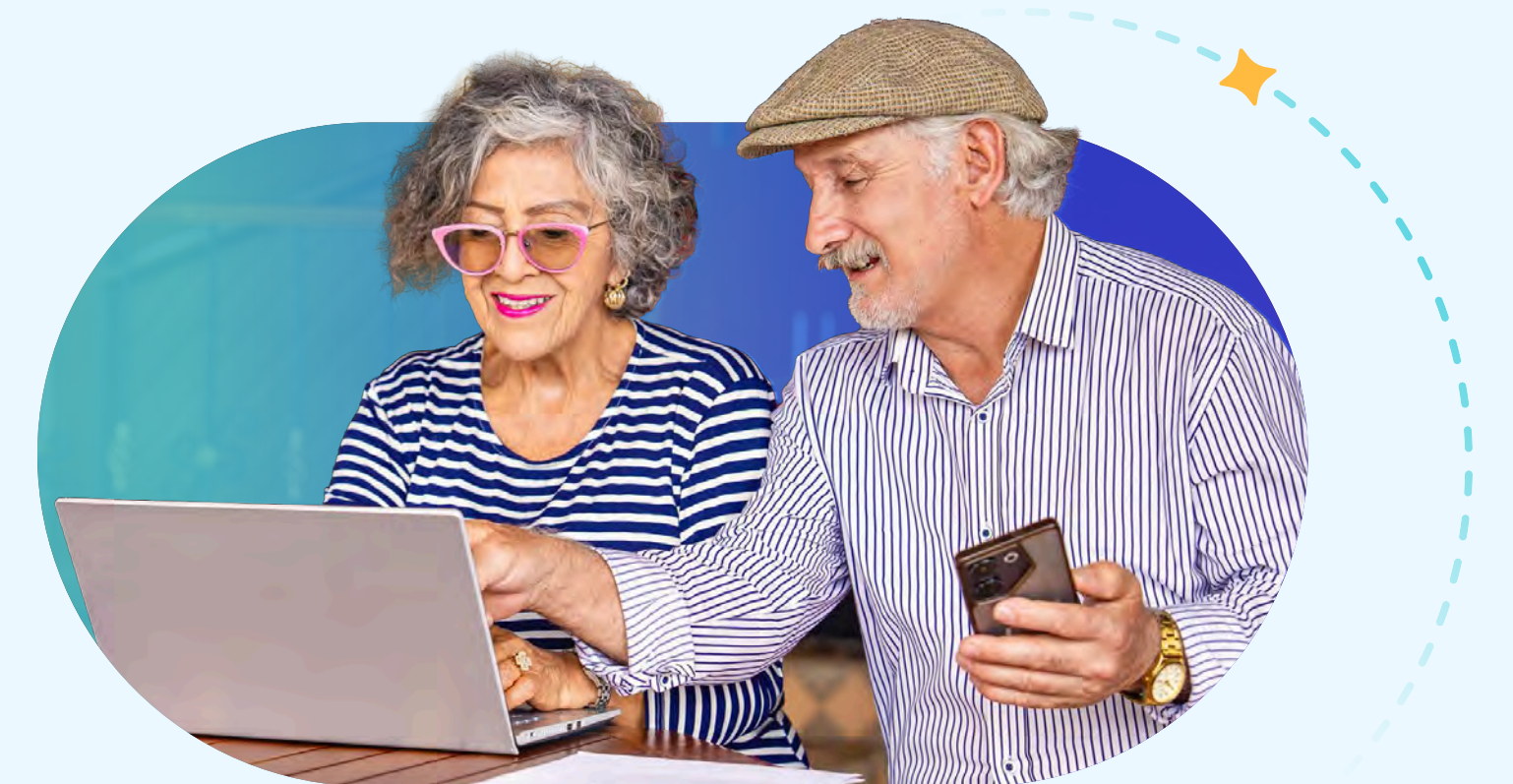
At first glance, traditional personalization looks successful: **55% of respondents find tailored offers useful, and 54% consider them relevant.** However, when asked whether these communications recognized something meaningful, such as a consumer's life stage, occupation, or membership in a community, that figure drops almost 20 points, to 36%. **Nearly 3 in 10 also say personalized offers feel intrusive (29%) or rest on inaccurate assumptions (28%).**⁴

A Stark Generational Divide

The recognition gap also varies sharply by audience. **Just over half of Gen Z respondents (52%) say tailored offers frequently recognize something meaningful about them,** compared with 36% of consumers overall. Among Baby Boomers, that figure falls to 23%.

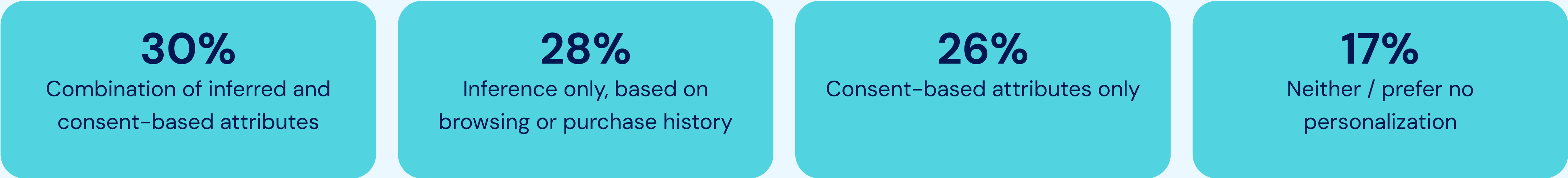
Moving From Inference to Authentic Knowledge

This tension between relevance and truly being seen highlights the fundamental divide between what brands infer about consumers and what consumers explicitly confirm about themselves. While traditional personalization relies on tracking browsing history and purchase patterns to create generalized relevance, genuine recognition requires authentic knowledge. It demands that brands demonstrate they understand a specific, verifiable truth about a person, not just a probabilistic pattern that resembles them.



Genuine recognition demands that brands demonstrate they understand *a specific, verifiable truth about a person.*

How Consumers Want Their Preferences Met



Complementary Models, Not Competitors

This split reveals a crucial insight: consent-based attributes and inference aren’t competing models for many consumers. While inference provides reach, **consent-based attributes offer a distinct advantage: they eliminate guesswork.**

Eliminating the Uncertainty

A striking 82% of consumers⁵ say it matters that a brand explicitly acknowledges who they are and why they are receiving a specific offer. Predictive algorithms can only approximate these attributes; consent-based attributes remove that uncertainty. **While demand for explicit recognition spans every age group, younger generations drive the highest expectations.**





82%

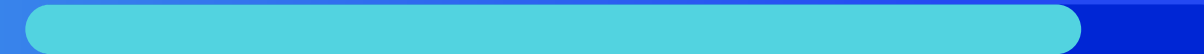
of consumers say it matters that a brand
explicitly acknowledges who they are.

BY GENERATION

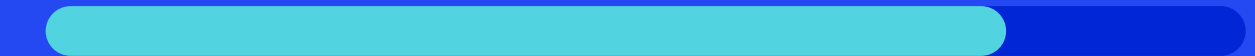
89% Gen Z



88% Millennials



80% Gen X

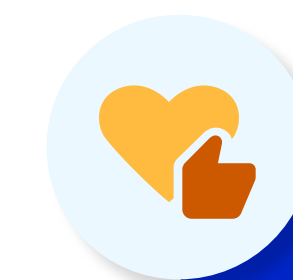


71% Baby Boomers



KEY TAKEAWAY

With customer personalization now expected, relevance alone won't set a brand apart. The next advantage belongs to brands that give customers a simple way to confirm who they are, then use that information alongside the behavioral data they already have. Offers built on what a customer has confirmed feel personal in a way inferred offers struggle to match.



Recognition Is a Revenue Lever



Recognition makes customers more likely to buy, return, and recommend.

Recognition lifts purchase intent at every stage that shapes customer lifetime value, from the first purchase to repeat business and referrals. When offers are tied to explicit identity attributes, like profession or life stage, consumers say they're more likely to buy, come back, and recommend.

Recognition lifts purchase intent at every stage that shapes *customer lifetime value*.

“When recognized, I’m more likely to purchase from the brand.”



72%
of DIGITAL-FIRST shoppers



52%
of IN-PERSON shoppers



Recognition Drives the Customer Lifecycle

62%

More likely to make a purchase

62%

More likely to choose the brand again

56%

More likely to purchase more frequently

56%

More likely to recommend the brand

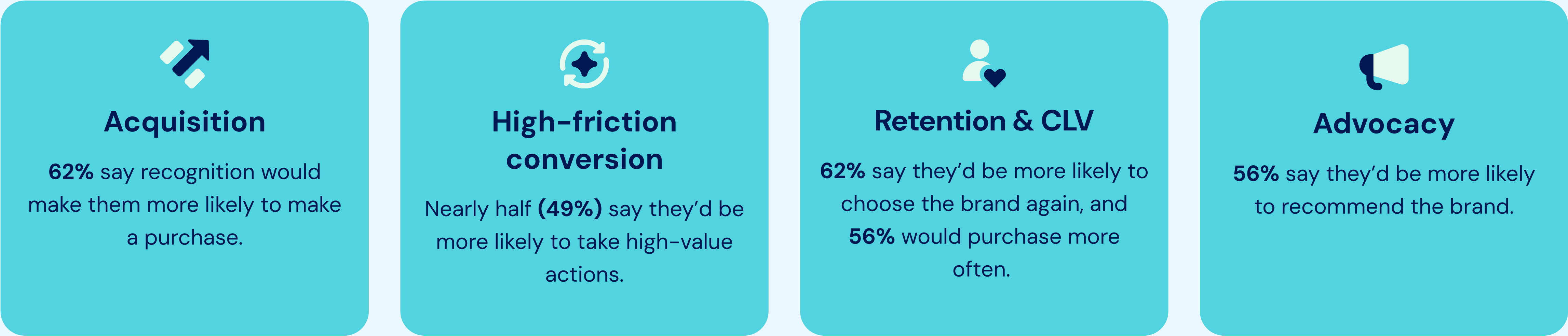
49%

More likely to create an account or join a membership



Full Lifecycle Impact⁶

Recognition’s impact doesn’t stop at the first purchase. It extends across the entire customer lifecycle.



Strong Lift Across Regions

This positive lift holds globally, with North American consumers showing especially strong repeat intent after their first purchase.

Repeat Intent

65% of North American consumers and 58% of EMEA consumers are more likely to choose the brand again.

Brand Advocacy

Recommendation rates stand at 59% in North America and 53% in EMEA.

Generational Nuance: Friction vs. Automatic Value

While recognition drives results across all age groups, how brands execute it must adapt by generation.

Younger consumers

(Gen Z & Millennials)



- ✓ **High responsiveness**

78% of Gen Z and **72% of Millennials** say a recognition-based offer would make them more likely to purchase.⁷

- ✓ **Willingness to verify**

Younger respondents are far more open to verification when the value is clear. Only **5% of Gen Z** and **12% of Millennials** say no benefit would make verification worthwhile, compared with 33% of Baby Boomers.

- ✓ **Direct brand trust**

81% of Gen Z respondents prefer to verify on the brand's own website or app.

Older consumers

(Baby Boomers)



✓ Preference for frictionless rewards

While **41% of Baby Boomers⁸** say a recognition-based offer increases purchase likelihood, **65% say automatic loyalty rewards make them feel valued**, the highest of any generation.

KEY TAKEAWAY

Use recognition across the full customer lifecycle, including onboarding, loyalty, retention, and referral programs. Brands that reserve it only for first-purchase offers miss out on the repeat business that drives lifetime value. Treating recognition as a lifecycle strategy turns a single verified moment into revenue that builds over time.



The Value Exchange:

Clear Value and Total Transparency



Consumers complete verification when they know what they'll get.

Consumers are open to confirming who they are (such as their profession, military enrollment, or student status) but not simply because a brand asks. Before completing verification, consumers make a calculated decision: the reward must be clear, and the terms must be transparent upfront.

The Reward Needs to Be Meaningful

Consumers weigh the effort and privacy risk of verification directly against the immediate benefit.

- ✓ **Financial incentives drive action**

One-time discounts (32%), loyalty points or rewards (28%), and ongoing savings (26%) are the top motivators that make verification feel worthwhile.

- ✓ **Generational priorities shift**

Gen Z respondents are more than twice as likely as Baby Boomers to say free access or a free trial would make verification worthwhile (31% vs. 13%).

- ✓ **Exclusivity alone is not enough**

Only 10% of consumers say an offer being "exclusive to people who qualify" is sufficient motivation on its own. Exclusivity framing sets the context, but consumers still demand a concrete financial or access reward in return.

The reward must be clear,
and the terms must be
transparent upfront.



What Makes Verification Feel Worthwhile



32%

One-time savings on a purchase



28%

Loyalty points or rewards



26%

Savings on future purchases



22%

Free access or a free trial



18%

No offer or benefit would make verification worthwhile



13%

Product or service upgrade



10%

Offer available only to people who qualify



10%

Early access to a product, service or event

The Terms Need to Be Transparent Upfront

Consumers decide whether to verify *before* they begin the process. **57% want to know the benefits they'll receive before they start**, and it's the top ask across all generations (55 to 58%).

- ✓ **Clear consumer priorities**

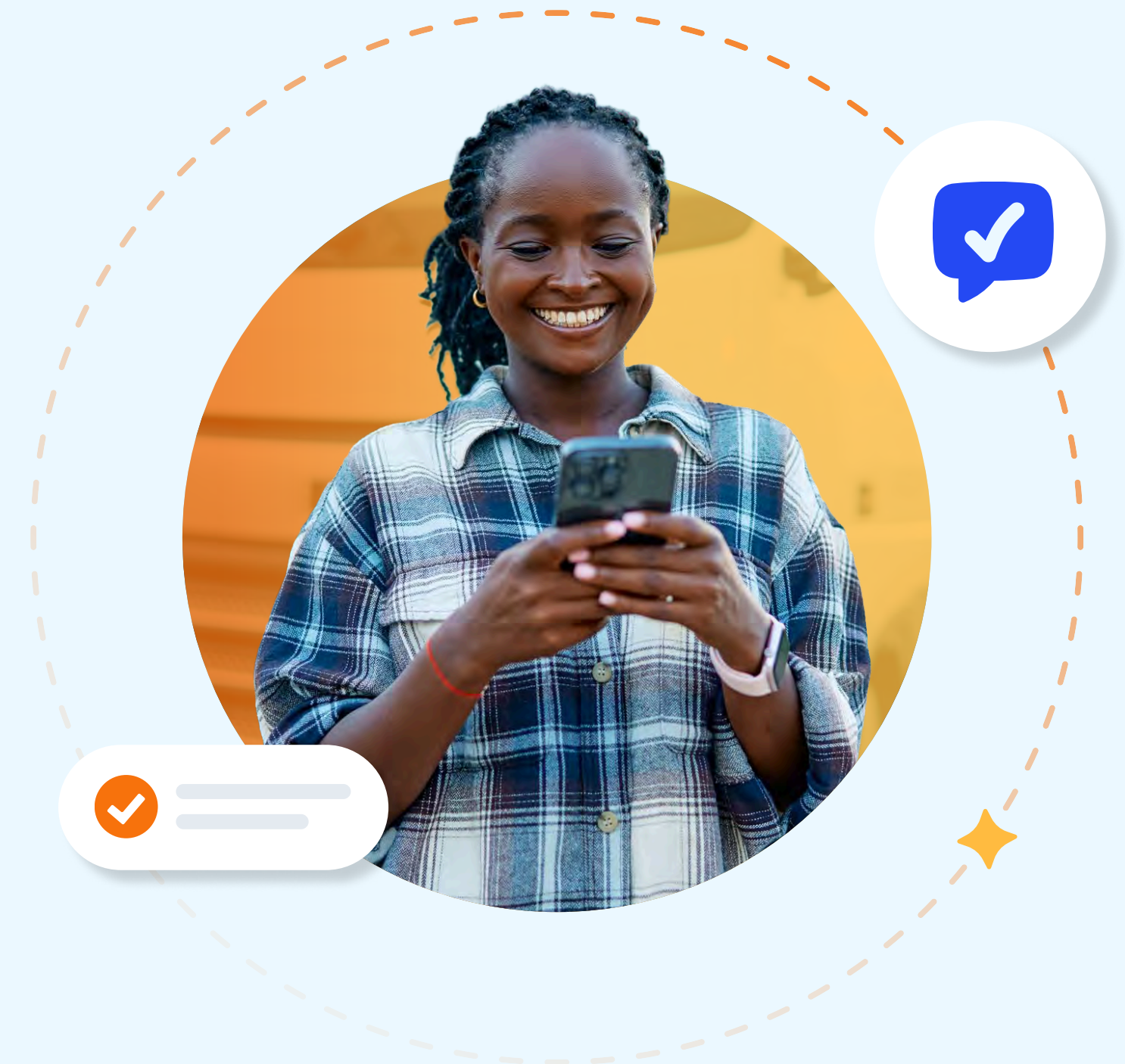
When deciding to verify, consumers care far more about the exact benefit they will receive (57%) and how their personal data will be used (45%) than how long the process takes (13%).

- ✓ **“We use your data to personalize your experience” is not the whole explanation**

Tell customers what is needed to confirm eligibility, whether any of it will inform future offers, and how those uses will make the relationship more valuable.

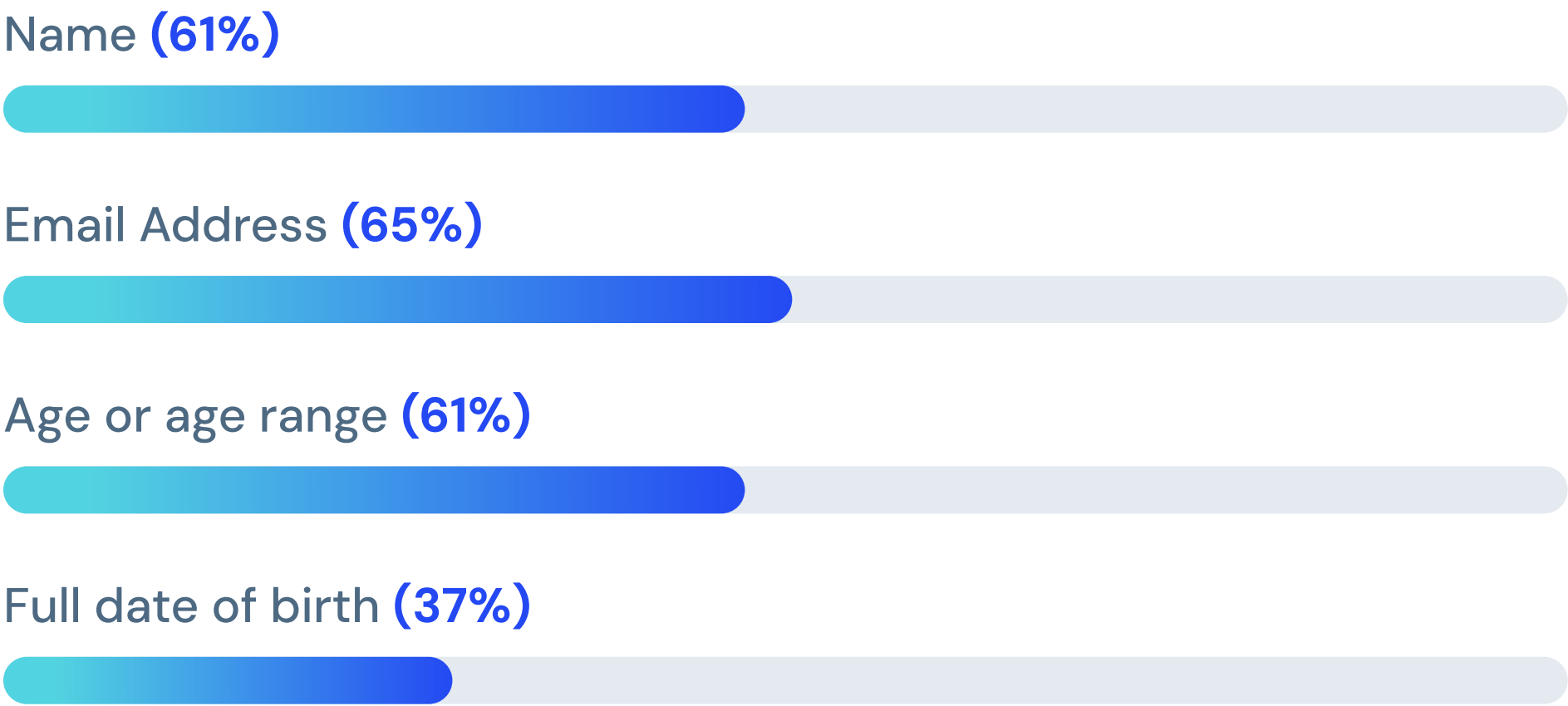
- ✓ **Low vs. high sensitivity data**

Most consumers comfortably share basic details like email address (65%), age range (61%), and name (61%). However, comfort drops sharply when asked for full dates of birth (37%) or sensitive identity credentials (less than 25%).

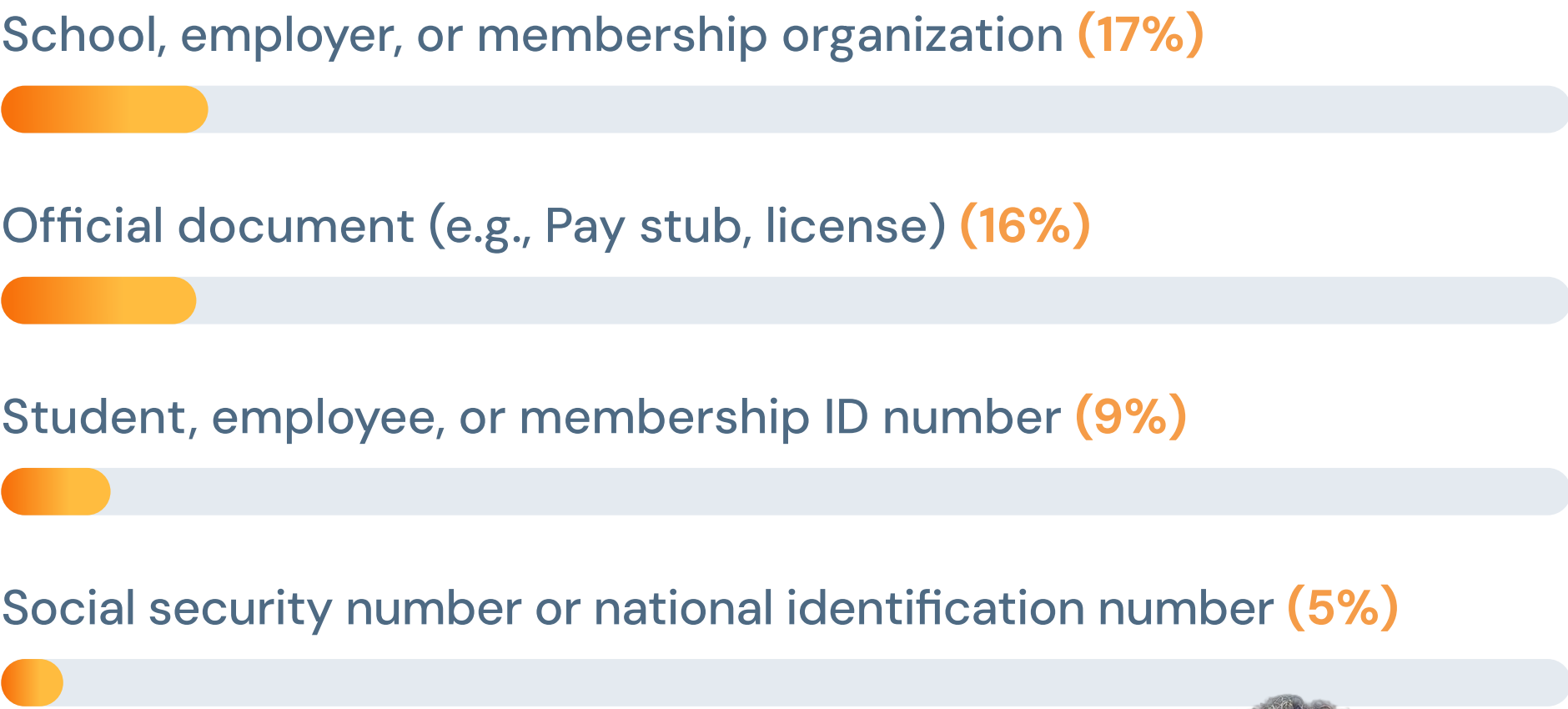


Lower-friction vs. higher-sensitivity information

LOWER-FRICTION (more likely to share)



HIGHER-SENSITIVITY (less likely to share)



KEY TAKEAWAY

Write the verification prompt as carefully as the offer itself. Specify the exact reward upfront and explain both the how and the why: how each requested detail will be used, and why sharing it benefits the customer. Brands that establish this clarity give customers fewer reasons to walk away before they start.



Trust Decides Who Finishes Verification



The offer gets a customer to start verifying. Trust gets them to finish.

What brands ask for, and where they ask for it, determine whether consumers complete the verification process.

Data Sensitivity Beats Friction as the Top Abandonment Driver

Cutting steps from a verification flow matters far less than getting the request right. The primary reason consumers abandon verification is being asked for sensitive or unexpected personal data.

- ✓ **Overreach triggers drop-off**

43% abandon if asked for sensitive personal details (e.g., Social Security or national ID numbers), and 38% abandon if asked for more information than expected.

- ✓ **North America is exceptionally protective**

48% of North American consumers abandon over sensitive data requests, compared to 39% in EMEA.

- ✓ **Friction isn't the primary barrier**

Only 12% abandon due to too many steps, 11% because it takes too long, and just 3% due to technical issues.

43%

of consumers abandon the verification process if *asked for sensitive personal details.*

What Makes Consumers Abandon Verification



Data & Privacy Concerns

- 43% Asked for sensitive information (e.g., Social Security or national ID number)
- 38% Asked for more information than expected
- 16% Required to upload a document
- 16% Do not understand why the information is needed
- 13% Do not understand how the information will be used
- 8% Information may be used to show ads elsewhere



Value & Trust Gaps

- 32% Benefit doesn't feel worth the effort
- 26% Benefit is unclear
- 13% Process takes them to another company's website or app
- 7% Do not trust the company confirming eligibility



Friction & Technical Issues

- 12% Too many steps
- 11% Process takes too long
- 3% Technical problem
- 2% Quality of the site or landing page

Location Matters: The On-Site Preference

Trust shapes *where* consumers expect to verify their eligibility. Given the choice, 67% of consumers would prefer to complete eligibility confirmation directly on the brand’s website or app, while only 11% prefer being redirected to a third-party website.

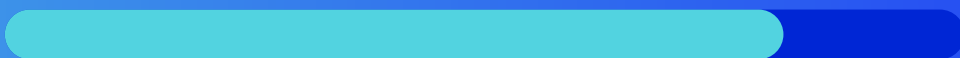
- ✓ **Regional alignment**
On-site verification is strongly preferred across markets (70% in North America and 64% in EMEA).
- ✓ **Perceived security**
Among those who prefer on-site verification, **67% say their personal data feels safer when fewer companies are involved.**
- ✓ **Risk aversion**
39% of those respondents worry about phishing or scams when redirected to an outside site.
- ✓ **Friction reduction**
30% of that group prefer it simply to avoid extra clicks and ensure a faster experience.

“I prefer to verify on a brand’s own website or app.”



81%

of GEN Z consumers



74%

of MILLENNIAL consumers

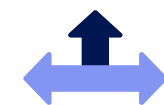


Where Consumers Want to Verify



21%

No preference, as long as it's fast and secure



11%

Redirected to a third-party site

1% Other

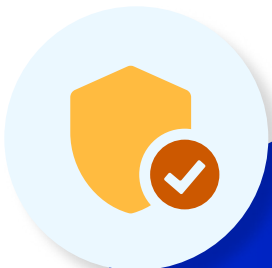


67%

On the brand's own website or app

KEY TAKEAWAY

Audit your verification flow for anything that could catch a customer off guard, from an unexpected field to a redirect off your site. Surprises raise doubts about how their data will be used, and doubt is what drives people to abandon. Explain why information is needed and how it will be used before customers proceed. Clear explanations and fewer surprises address the concerns that consumers say would lead them to abandon verification. This helps establish a foundation for the relationship that follows.



Recognition Doesn't End at Verification



Customers judge recognition by how a brand treats them over time.

When asked which brand actions make consumers feel genuinely valued or recognized as customers, clear preferences emerged based on how brands demonstrate ongoing value and personalization.

What Makes Customers Feel Recognized

This positive lift holds globally, with North American consumers showing exceptional intent after their first purchase.



Automatic loyalty rewards

Being rewarded automatically for ongoing loyalty, without filling out forms, is the top choice at 61%, 20 points ahead of any other option. It resonates most with Baby Boomers (65%).



Surprise perks & early access

Early access, exclusive perks, or birthday rewards come second overall (41%), peaking among Millennials (48%).



Contextual memory

Remembering preferences and history comes third overall (33%), and Gen Z places far more weight on it than Baby Boomers (40% vs. 23%).



Tenure acknowledgment

Celebrating customer loyalty creates a uniform impact across all age groups, holding steady at roughly 32% of respondents.



Relevant filtering

Not sending promotions for things customers don't buy shows that knowing what not to send is its own form of recognition. Nearly a quarter of respondents value it (23%), with the rate rising to 30% among Baby Boomers.

61%

Rewarding loyalty
automatically, without
forms

41%

Early access, exclusive
perks, or birthday rewards

33%

Remembering preferences
and history

32%

Acknowledging how long
they've been a customer

23%

Not sending promotions for
things they don't buy

10%

Nothing

Not sending promotions for
things customers don't buy
shows that *knowing what
not to send is its own form
of recognition.*

**"We value brands that reward loyalty
automatically, without forms."**



54%

of GEN Z consumers



65%

of BABY BOOMERS



Generational Split: Active Engagement vs. Clean Inboxes

Age dictates how consumers interpret and value recognition.

Younger consumers

(Gen Z & Millennials)



✓ Perks and early access

Nearly half of Millennials (48%) say early access, exclusive perks, or birthday rewards make them feel recognized.

✓ Remembered preferences

Gen Z places far more weight than Baby Boomers on brands remembering their preferences and history (40% vs. 23%).

Older consumers

(Baby Boomers)



- ✓ **Automatic rewards**

Baby Boomers value being rewarded automatically for their loyalty, more than any other generation (65%).

- ✓ **Fewer irrelevant promotions**

30% say a brand makes them feel recognized when it stops sending promotions for things they don't buy, compared with nearly a quarter of respondents overall.

KEY TAKEAWAY

Use verified attributes in ways customers understand and have agreed to, from relevant offers to ongoing loyalty rewards. A verified customer has told the brand who they are and what experience is promised in return. Brands that use that information to tailor messaging, perks, and what they leave out give customers a reason to keep coming back.



Five Moves to Stop Guessing and Start Recognizing



Moving from traditional personalization to recognition comes down to five strategic moves drawn directly from consumer data.

At its core, it means the shift is from **inferring intent to acknowledging identity**:

- Prediction** relies on behavioral signals to infer what a customer *might* want or who they *might* be.
- Recognition** begins with data the customer has directly confirmed, combining explicit truth with behavioral insights to deliver true relevance.

Traditional Personalization	Permissioned Recognition
Predicts	 Asks
Infers	 Confirms
Optimizes messages	 Establishes relevance
Collects signals	 Creates a value exchange
Focuses on the next interaction	 Builds an ongoing relationship



MOVE 1

Ask customers to confirm what matters.

Identify the attributes that would change your offer, such as student, educator, healthcare worker, or military affiliation, and give customers a simple way to confirm them. Layer that information on top of the behavioral data you already have.



MOVE 2

Lead with concrete value.

Build every eligibility offer around a specific reward, and pair a sign-up benefit with one that keeps paying off. Exclusivity explains why a customer qualifies, and the reward drives action.



MOVE 3

Explain the exchange, then ask for less.

Before verification starts, tell customers what they'll get, what you need, and why. Treat every field as a cost to the customer, and cut any that the benefit doesn't justify.



MOVE 4

Keep verification on your site and free of surprises.

Embed the process in your own website or app instead of sending customers elsewhere. Walk through the flow the way a customer would, and remove anything they wouldn't see coming.

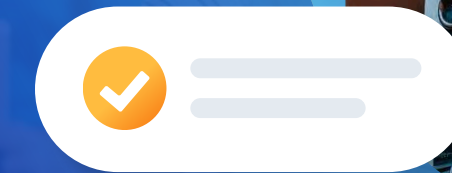


MOVE 5

Keep recognizing customers after they verify.

Reward loyalty instantly, without extra steps, and let what customers have confirmed shape relevant messages and benefits within the use cases they've agreed to.

The Brands That Win Will Earn Permission, and Keep Earning It

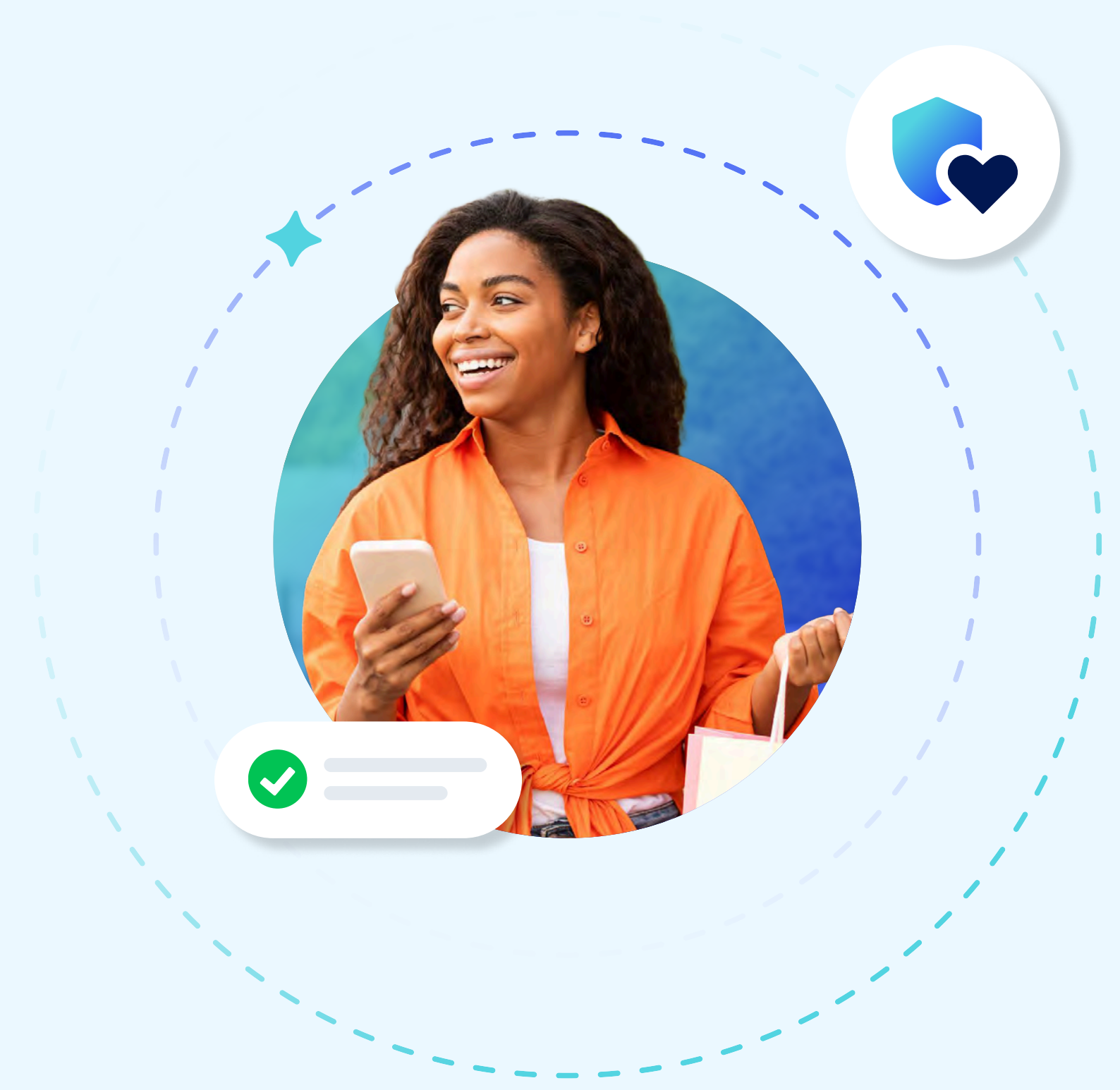


Decades of behavioral guessing are coming to an end. As tracking signals vanish, many consumers are ready to tell brands who they are, as long as the value exchange is fair, transparent, and respectful. Winning that exchange requires getting every step right, from establishing clear value upfront to honoring identity without adding friction downstream.

A Compounding Advantage

When brands deliver on this exchange, the impact compounds over time. Every verified customer provides a brand with confirmed, permissioned data that enriches behavioral models across the entire customer lifecycle. This direct line of trust creates a self-reinforcing data ecosystem that grows more accurate with every interaction.

The future of customer acquisition and loyalty belongs to brands that stop guessing and *invite consumers to tell them who they are.* Brands that build this foundation now will secure a lasting competitive advantage as third-party signals continue to vanish.



Activate permissioned data across the consumer lifecycle with SheerID's Audience Data Platform.

See How It Works

The research was conducted by Censuswide, among a sample of 2001 General consumers in NA and EMEA. The data was collected between 27.08.2026 – 14.09.2026. Censuswide is a member of the Market Research Society (MRS) and the British Polling Council (BPC), and a signatory of the Global Data Quality Pledge. We adhere to the MRS Code of Conduct and ESOMAR principles.