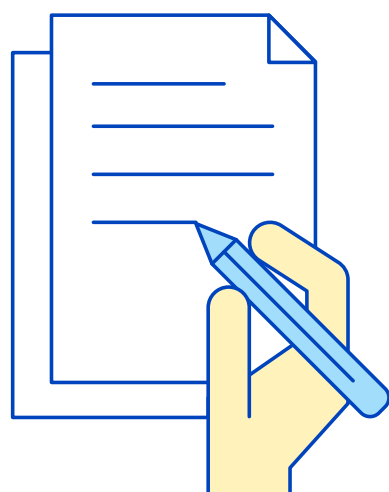


moengage



Customer Engagement Benchmarks 2021, Southeast Asia

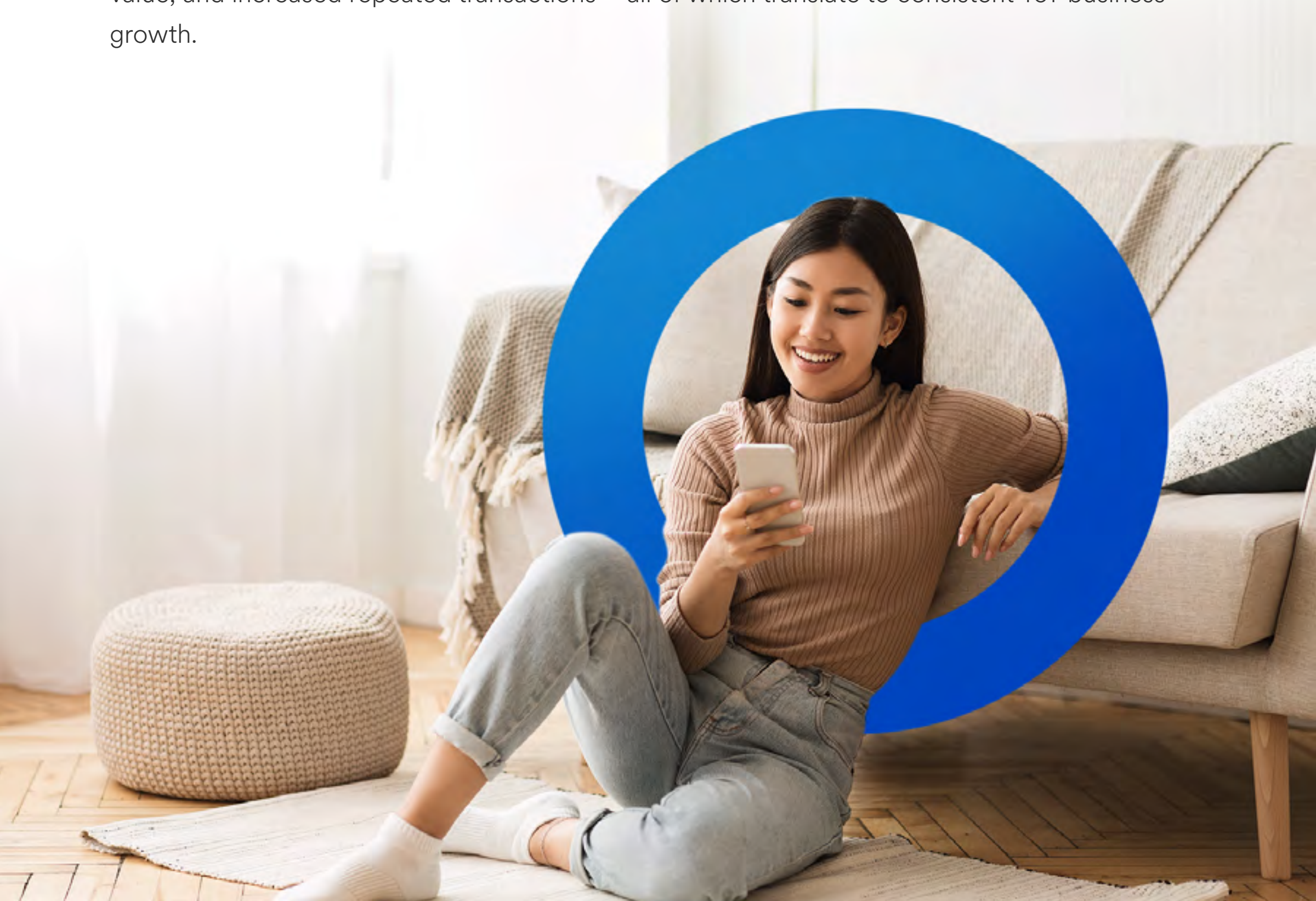


INTRODUCTION

In 2020, over 40 million people in six countries across Southeast Asia - Indonesia, Singapore, Malaysia, the Philippines, Thailand, and Vietnam, came online for the first time. This pushed the total number of internet users in these countries to 400 million (that's about 70% of the population). With an overall increase of 11% in online users, Southeast Asia has become one of the world's fastest-growing internet markets containing, arguably, the largest number of digitally engaged users.

The Covid-19 pandemic was the biggest driver of rapid digital adoption by consumers across Southeast Asia, much of which is here to stay. Observing this trend, businesses across industries like E-commerce, Retail, Banking, Financial Services, Digital Entertainment (OTT), Gaming, and Telecommunications have placed customer-centricity at the forefront of their business communication for the year 2021.

The key to unlocking the true state of customer-centricity lies in relevant communication that adds value to your customers. Unlike 'spray and pray,' a data-driven and intelligent approach to Customer Engagement accelerates growth in key business areas like Retention and Monetization. Insights-led Engagement leads to more returning users, higher customer lifetime value, and increased repeated transactions – all of which translate to consistent YoY business growth.



About the Customer Engagement Benchmarks report



In an attempt to understand how digital consumers in Southeast Asia interact with communication from Online Shopping, Banking & Fintech, and Digital Entertainment (OTT) brands, we studied over 6.6 million users from Southeast Asia – primarily from Indonesia, Singapore, Malaysia, the Philippines, Thailand, and Vietnam. This report is a collection of our findings.

Here, you will find how Daily Active Users (DAU) and Monthly Active Users (MAU) have changed in these sectors from January till April 2021. You will also find benchmarks for Click-through Rates (CTRs) and Conversion Rates from digital communication channels like Push Notifications, In-app Messages, Emails, and Website Messages in this report.

We've also gathered Customer Engagement tips and strategies from some of the top consumer brands in the Online Shopping, Banking & Fintech, and Digital Entertainment sectors in Southeast Asia. Since more and more brands in the Telecommunication vertical are introducing OTT streaming services on their mobile apps and website as a part of their offerings, knowing the shift in media consumption and benchmarks from the Digital Entertainment sector will be of utmost importance to them in the coming year.

For the scope of this report, we will not be differentiating between the performance of promotional versus transactional messages. However, it is essential to note that transactional messages generally have higher CTRs and conversion rates. For example, say your customer has just completed their first transaction on your mobile app. Message A, which informs them of this transaction and prompts them to view the invoice, will get better traction than message B, asking them to perform another transaction because they've unlocked a 50% discount coupon.

Online communication channels

When communicating with your users, online channels are among the most powerful tools at a marketer’s disposal. Here is a quick overview of the most commonly used digital channels in each industry:

	Email	Push Notifications	In-app Messages	Text/ Messaging services	Social media	Website messages /banners
Retail	✓			✓	✓	
E-commerce	✓	✓	✓	✓	✓	✓
Banking	✓			✓	✓	✓
Fintech	✓	✓	✓	✓	✓	✓
Digital Entertainment (OTT)	✓	✓	✓		✓	✓
Gaming		✓	✓		✓	
Healthcare	✓	✓	✓	✓	✓	✓
Edtech	✓	✓	✓		✓	✓
Telecom	✓	✓	✓	✓	✓	✓



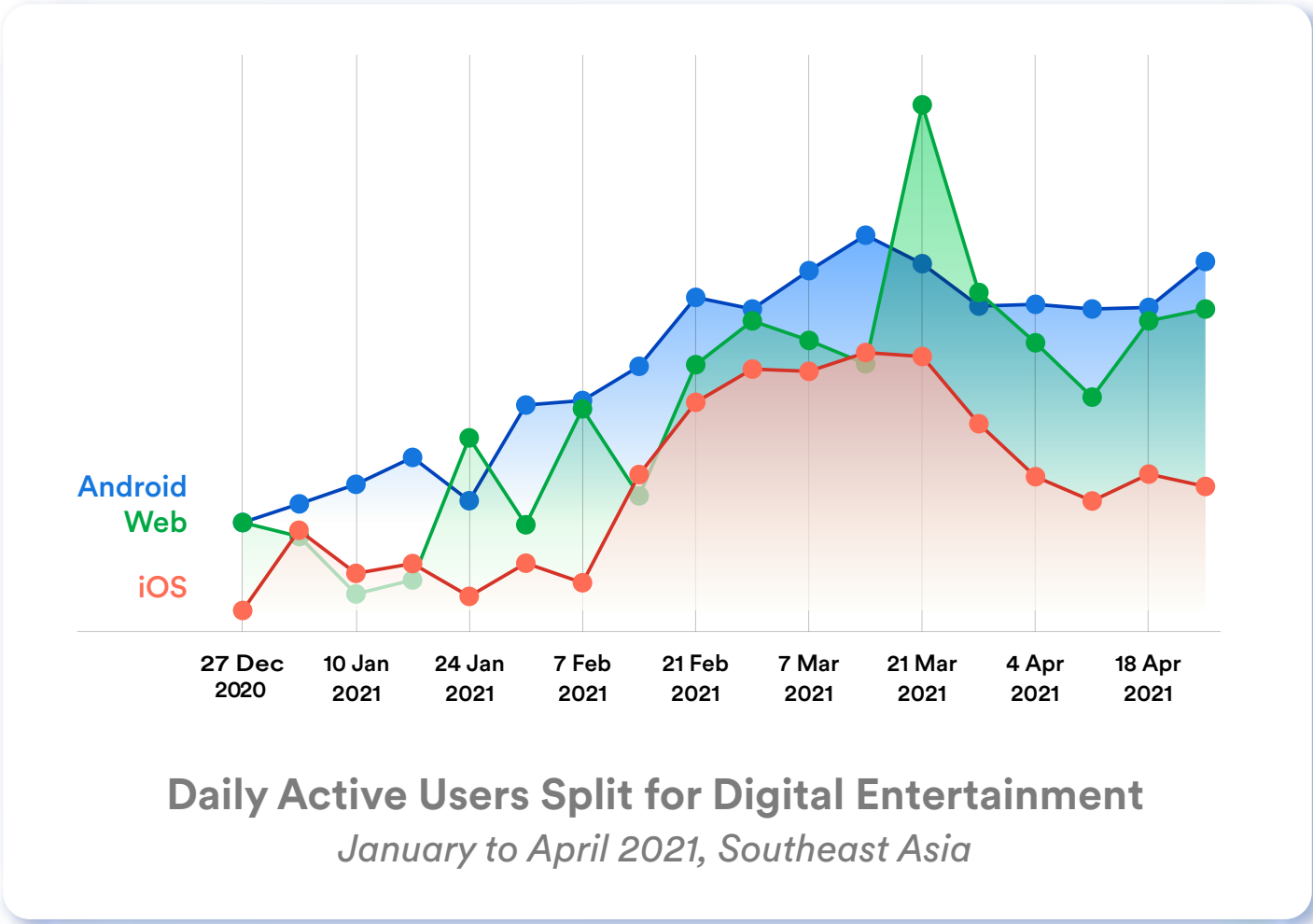
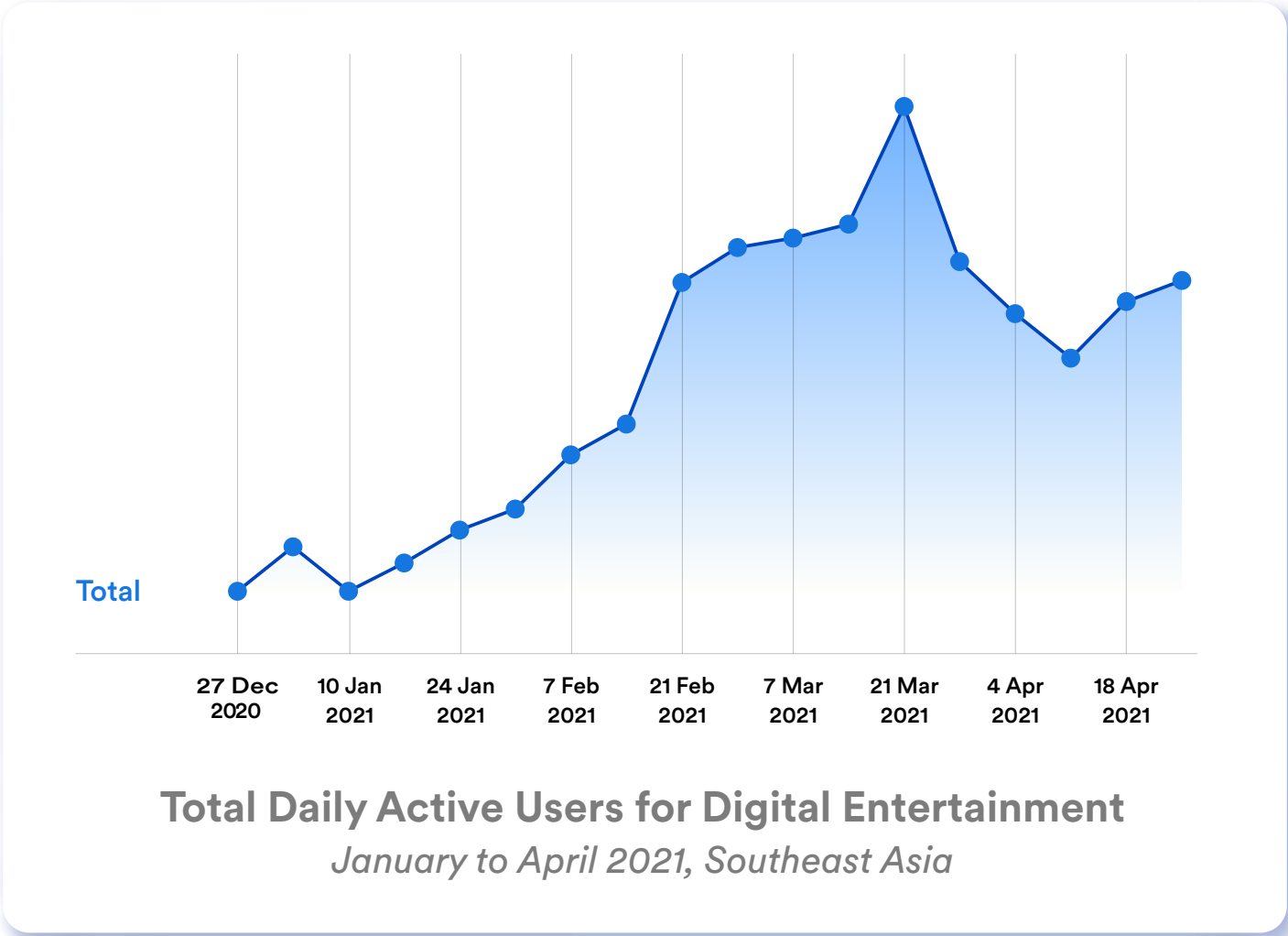
DIGITAL ENTERTAINMENT (OTT)

Verticals included:

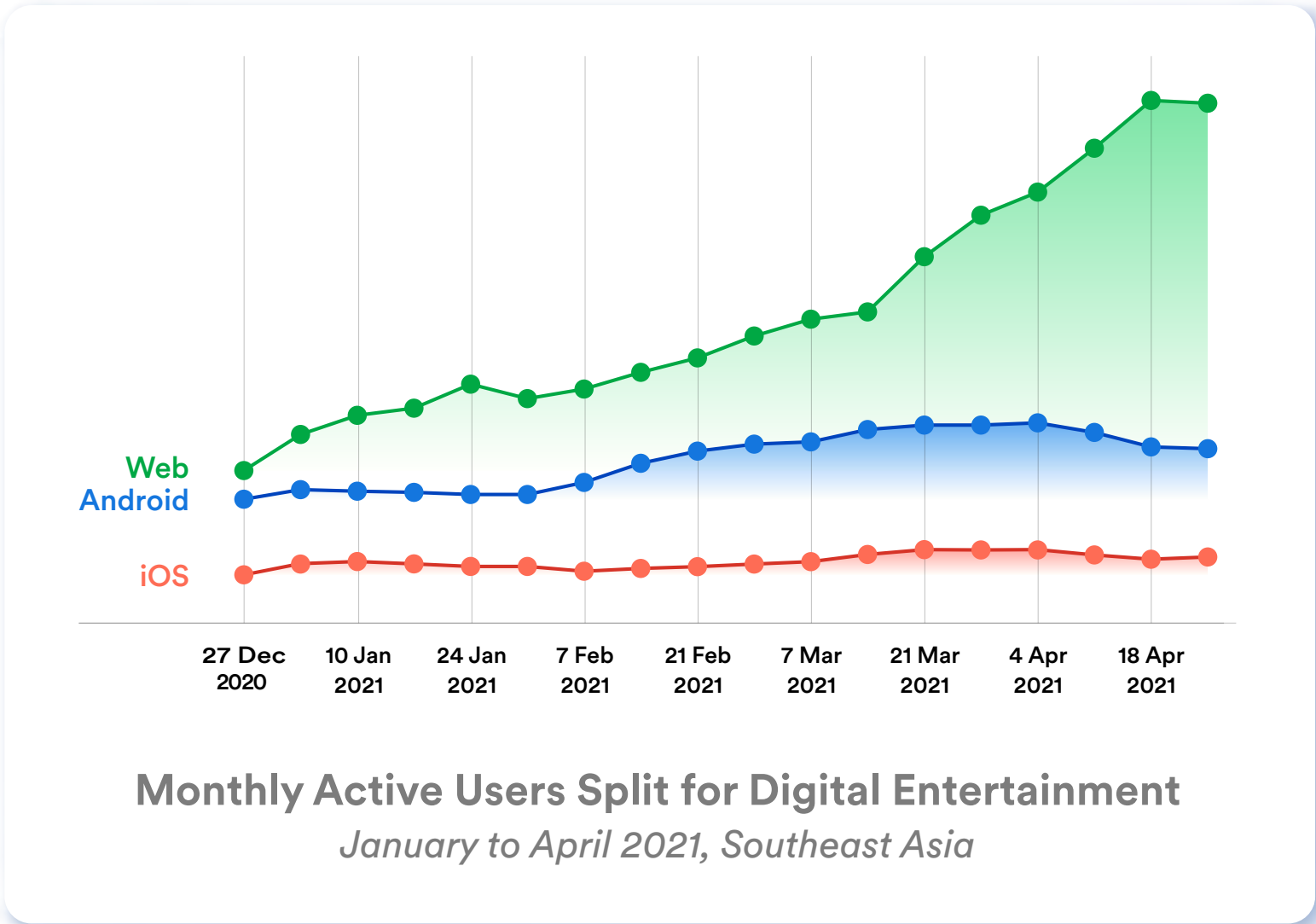
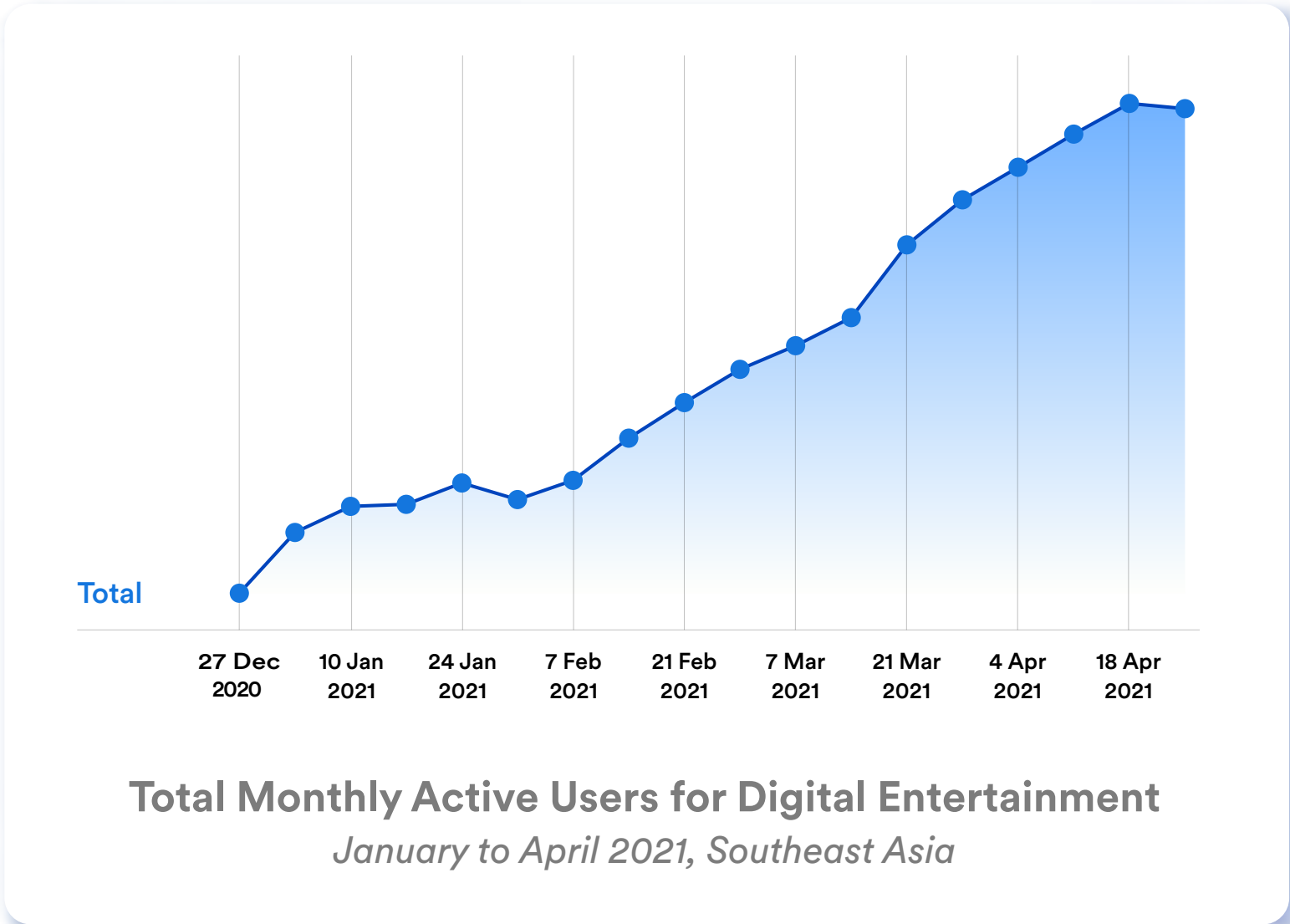
Audio streaming, Video streaming, Gaming, Sports, News

How has Media consumption changed in 2021?

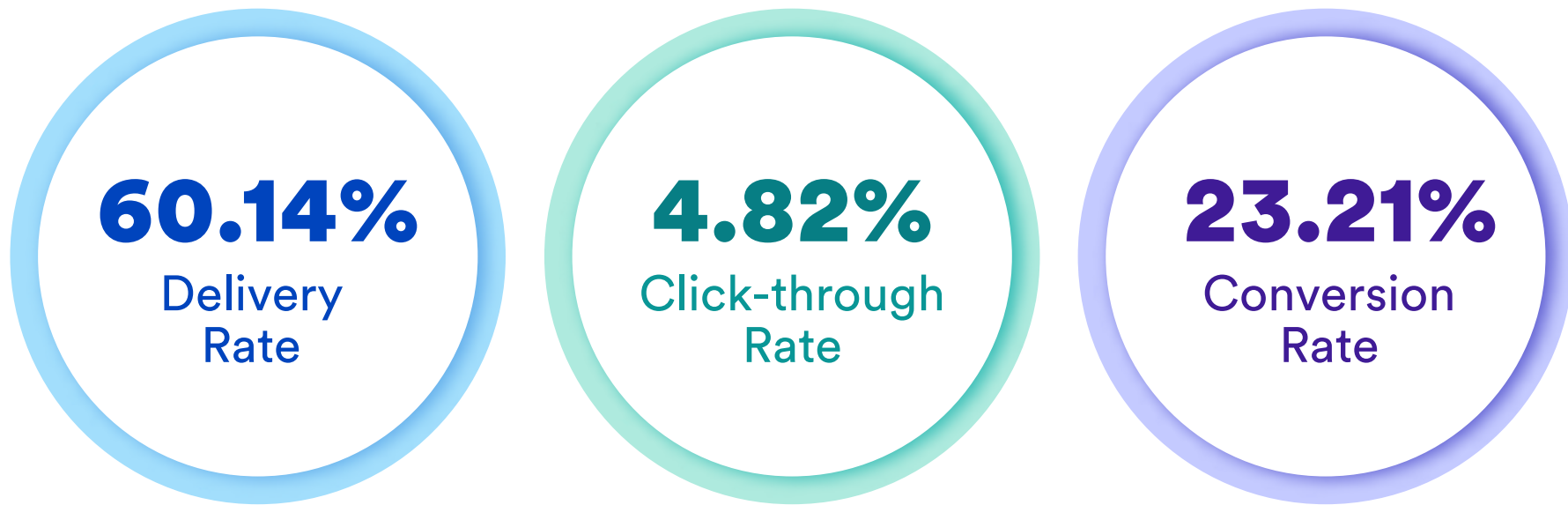
In Southeast Asia, the number of DAUs of Audio streaming, Video streaming, Gaming, Sports, and News brands has increased by 61.70% from January to April 2021. There's been an increase of 73.42% in DAUs on Android devices and a 47.80% increase in DAUs on iOS devices. The number of Website DAUs of the brands in this sector has increased by 60.24%.



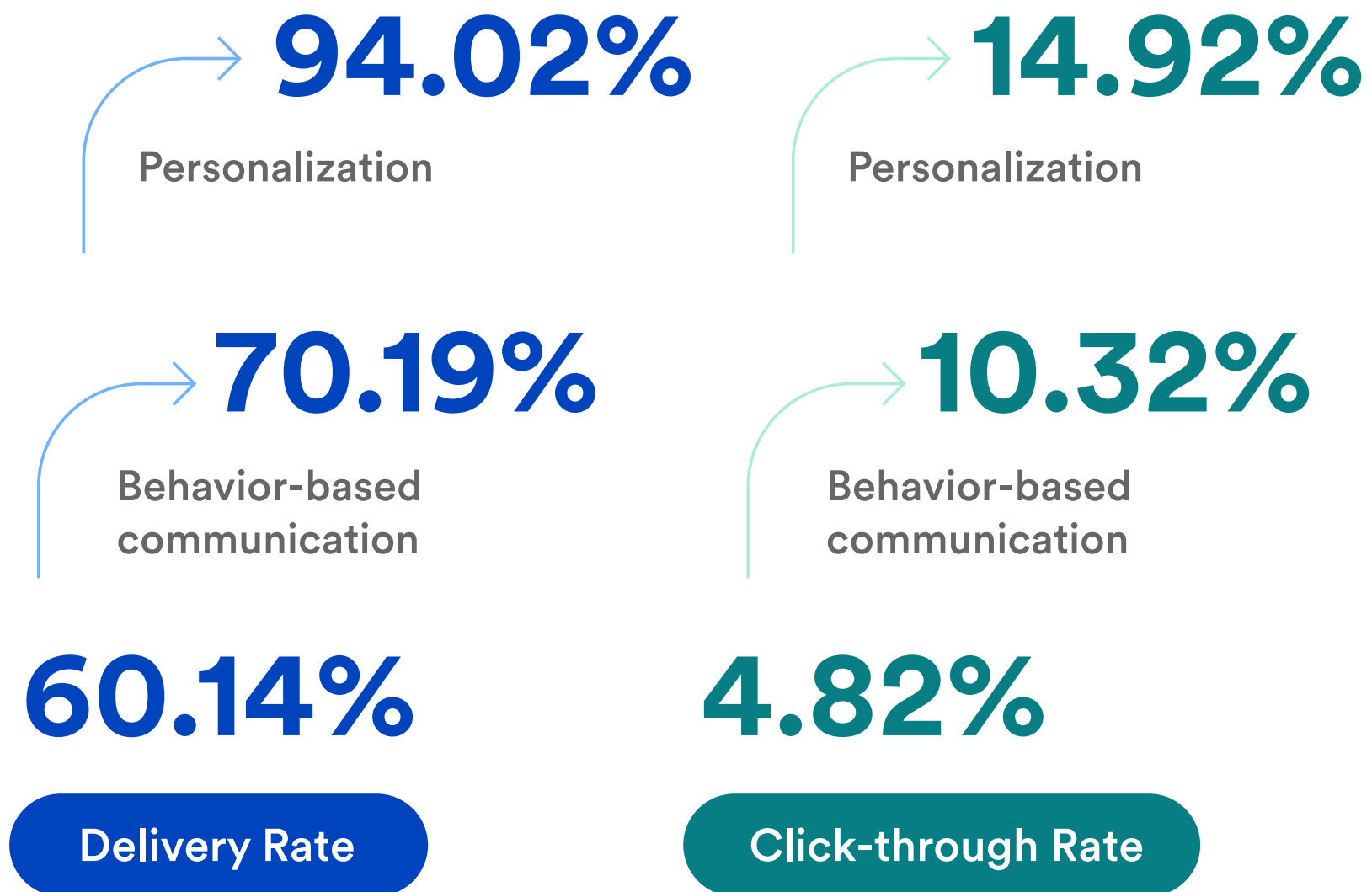
When studying the number of MAUs of the same brands from January to April 2021, we observed an overall increase of 80.55%. Android devices saw an increase of 26.15% in MAUs while there was an increase of 14.15% in MAUs on iOS devices. The largest overall jump was observed in website MAUs (163.25%), taking the total number of MAUs ahead of both Android and iOS devices.



Push Notification benchmarks



We observed that digital consumers in Southeast Asia react much more positively to the communication sent based on their app behavior. Behavior-based Push Notification CTRs increase to up to 10.32% and deliverability reaches as high as 70.19% as compared to generic broadcasts. We observed that when a layer of personalization complements these Push Notifications, CTRs reach up to 14.92%, and delivery rates reach as high as 94.02%.





Sarika Tulsyan

Chief Revenue Officer at POPS Worldwide



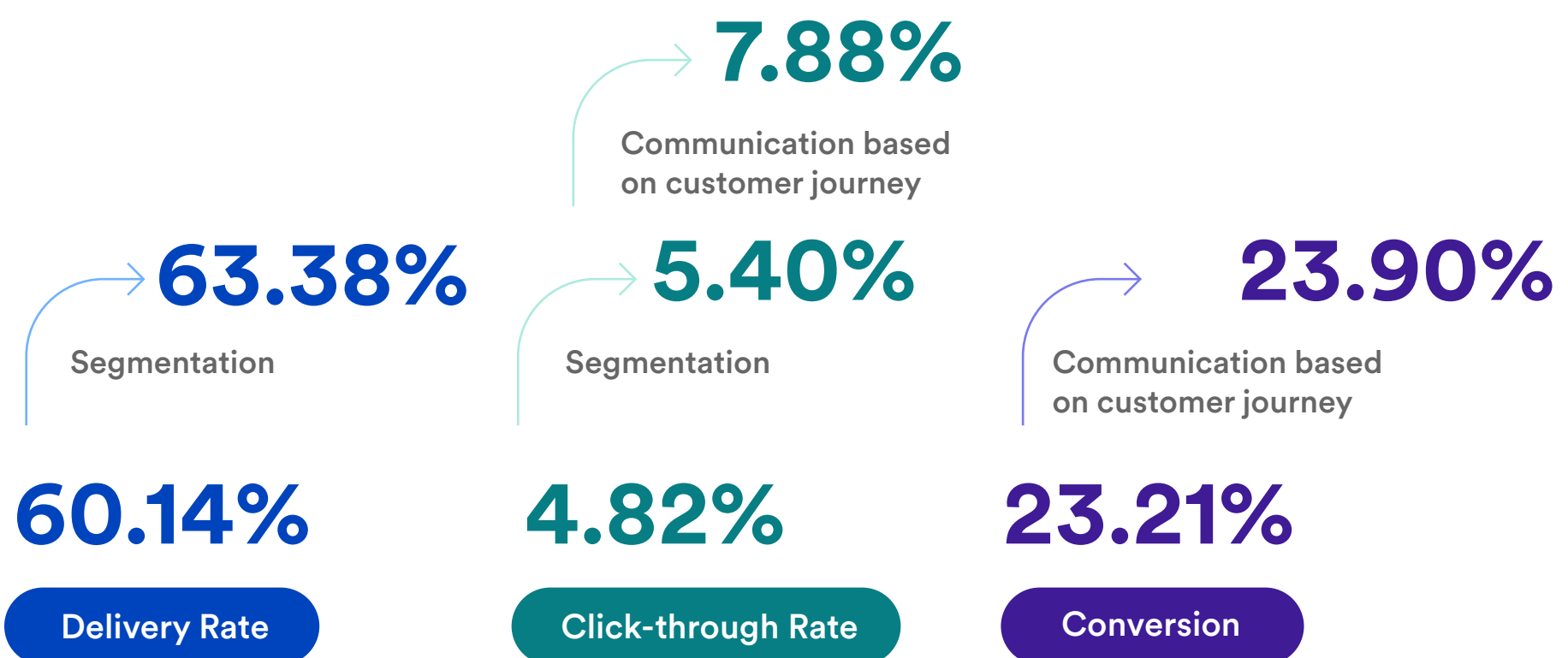
As next-gen marketers, it's our job to drive the business by understanding the next 'trigger' that's informed by data. This also helps acquaint customers with that 'unknown new' to enable lasting business growth.

Organizations tend to define their success metrics in silos for different departments rather than look at it as a common success metric; one which can then cascade into individual departments. Having a common metric can help minimize the gap.

This can be done by aligning our organization's goals to department goals with respect to marketing, product, or customer service. Doing this creates a certain level of competencies between the department in terms of defining the clarity and understanding key responsibility towards the goals. When you map those success metrics to department success metrics, you create a harmonious, well-oiled business where everyone is aligned and works towards shared goals, and maximizing revenue. In short, the three P's – People, Process, and Product should be in complete harmony.



Brands in the Digital Entertainment (OTT) vertical have witnessed an improvement in campaign performance by implementing advanced segmentation strategies and customizing communication for each customer segment. Segmented Push Notifications see delivery rates as high as 63.38% and CTRs as high as 5.40%. We also observed that when communication is customized as per the customer lifecycle and the buyer journey, conversion rates increase to up to 23.90% on Android devices, and CTRs reach as high as 7.88% on iOS devices.





Vineeth Kallarakkal

Head of Marketing at theAsianparent (Tickled Media)



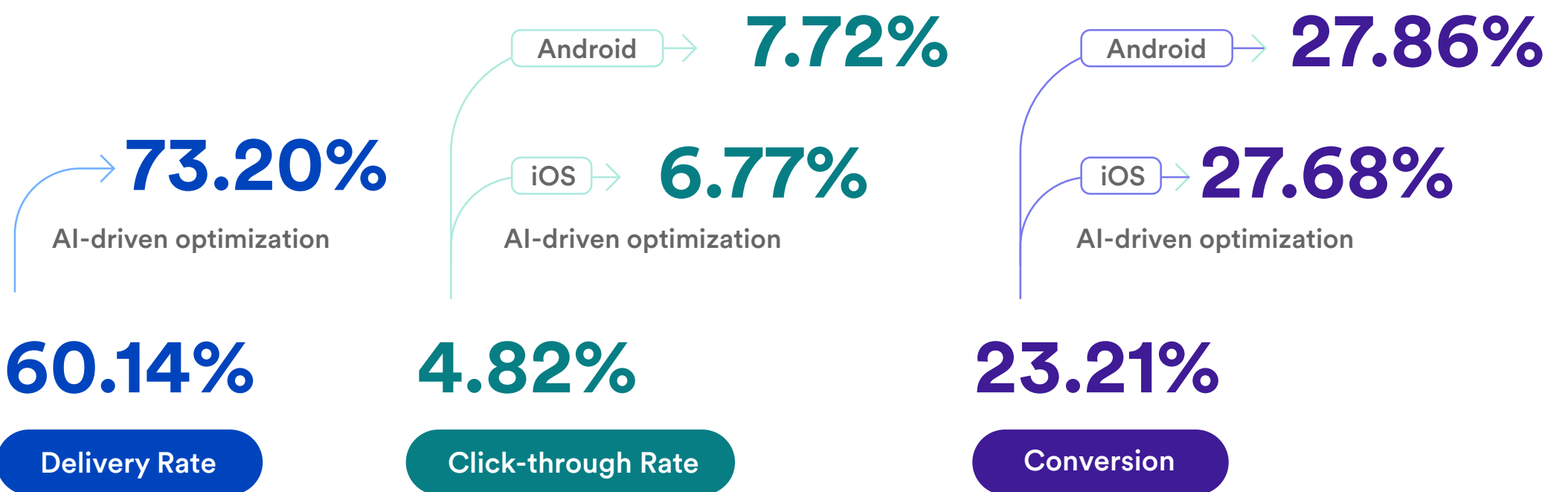
Your engagement metric will differ based on the channel you are measuring-- be it an app or a website. You also have to look at how you are catering to the different user stages. It's also important to identify what kind of metrics make sense for your user segments and the tools that the user is using and then identify the data points accordingly.

You need to build user journeys, map them out, and customize them because the wants of the users are changing at every stage. Building a proper path helps address different segments of users differently, and building a journey specifically for them ensures the stickiness of your product to the user.

When evaluating the risk of churning, first look at the usage pattern and see if there is a decreasing trend in any of the usage of your product. Dig deeper and understand why user engagement dropped off.



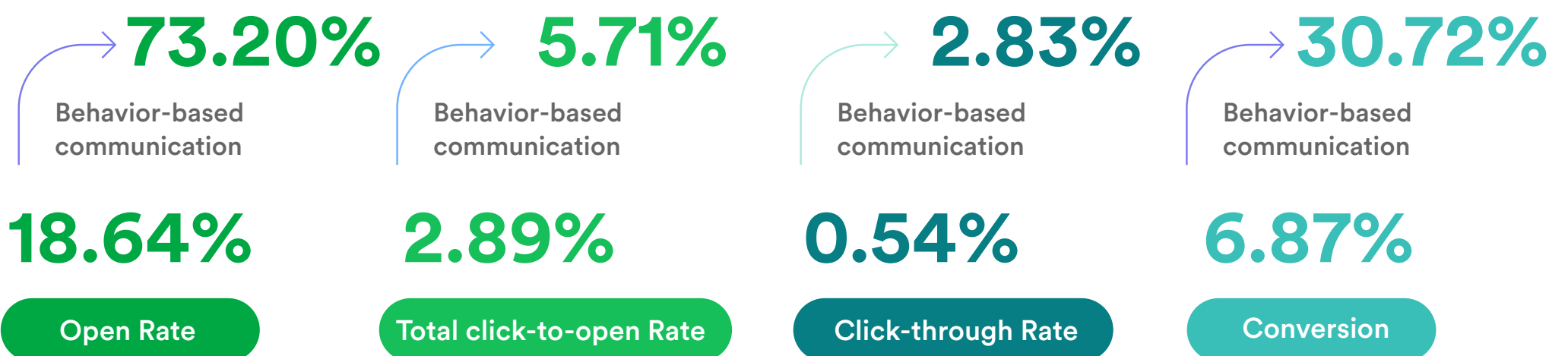
By running A/B tests and experiments on messages and the time when Push Notifications are sent, brands see CTRs on iOS devices reach as high as 6.77% and up to 7.72% on Android devices. Push Notification delivery rates on Android increase to up to 73.20% based on this approach. We observed that when Machine Learning is used to optimize Push Notification campaign performance, conversions on Android devices increase to up to 27.86% and reach as high as 27.68% on iOS devices.



Email benchmarks



We observed that email campaigns built around user behavior resonate better with digital consumers in Southeast Asia. They find such emails relevant and less spammy. We observed that the open rates are as high as 49.67%, click-to-open rates reach up to 5.71%, CTRs go as high as 2.83%, and conversions increase to more than 30.72%.





Dian Gemiano

CMO at Kompas Gramedia



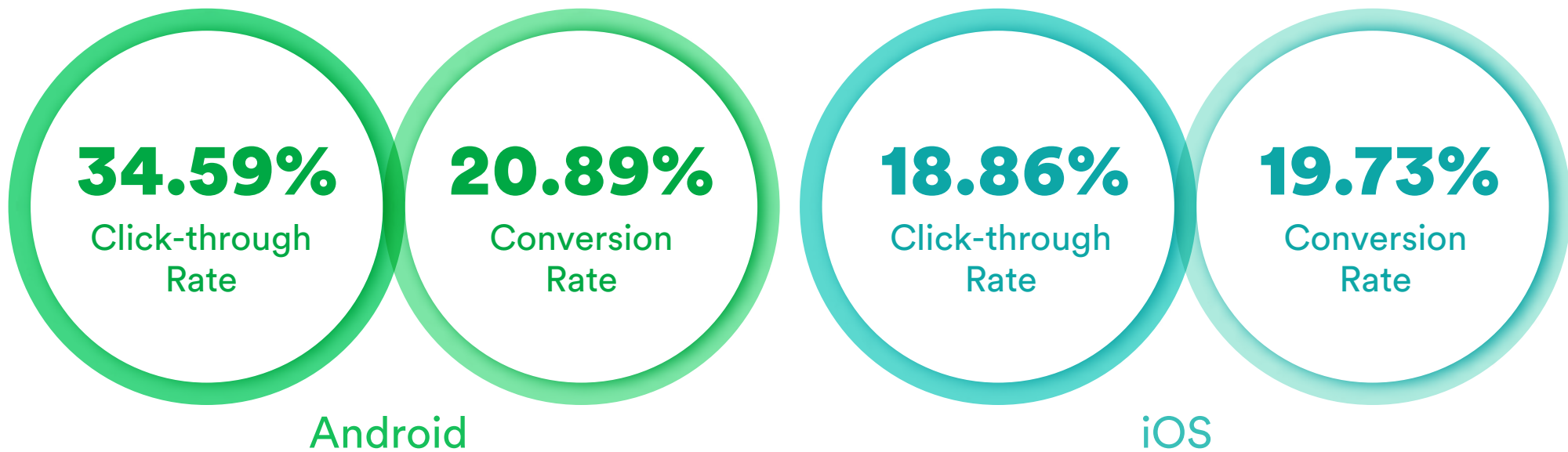
Since we are in the media industry, we cater to different target audiences, and our segmentation tactics differ for each audience type. At KG media, we have three groups: the fly-by, the moderate, and the loyal.

We look into the content consumption behavior and truly understand what kind of content will resonate with them the most. The goal is to shift the fly-by into moderate and moderate to loyal because the loyal customer gives you more revenue.

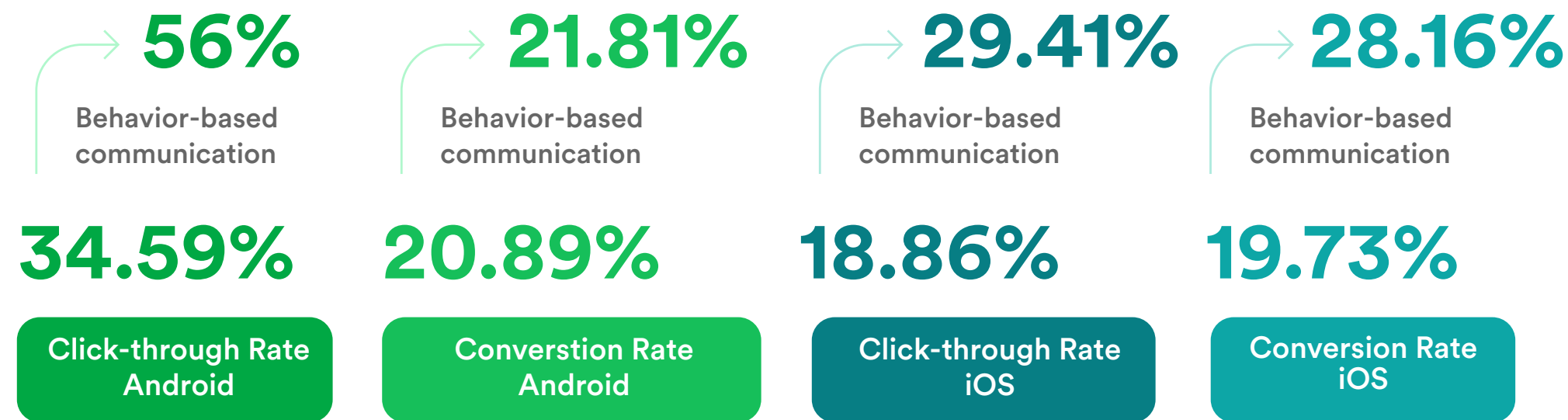
For advertisers, we are more passive and surf to understand what the advertiser needs by looking at the basic demography, consumption behavior, and purchase intent segmentation.



In-app messages benchmarks



When In-app Messages based on user behavior on the mobile app are sent to digital consumers, they find the communication valuable. They are more likely to interact with the message and take the desired action, which can be seen by higher CTRs on Android (56%) and iOS (29.41%) devices, and higher conversions on Android (21.81%) and iOS devices (28.16%).





Cahyanto Arie Wibowo

Head of Product Growth at KapanLagi Youniverse



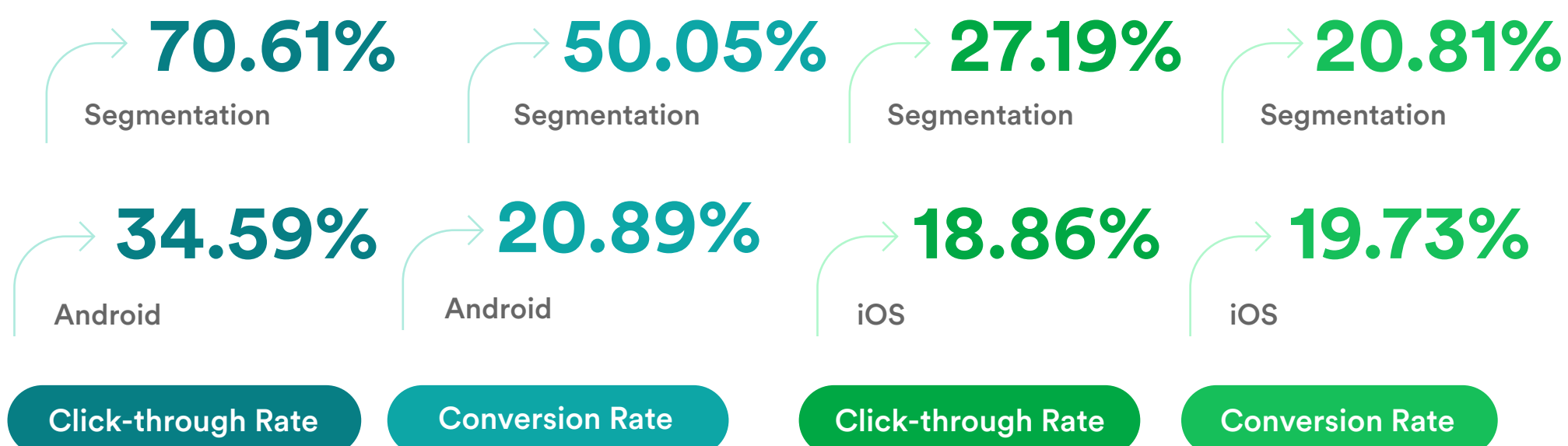
Based on the data collected, we bucket our customers into three categories:

- i) demographic data such as gender and age
- ii) behavioral data to divide our user action and
- iii) technographic data which is about the technologies our users use

We use these factors to analyze our internal theme. We also factor in metrics such as usage frequency or time spent on the website to bucket users based on their state of engagement and activity. This activity helps us improve our product's features as well.



We observed that when brands in this vertical send In-app Messages by creating custom user segments based on behavioral and user attributes, CTRs from In-app Messages reach as high as 70.61% on Android and 27.19% on iOS devices, while conversions increase to up to 50.05% on Android and 20.81% on iOS devices.





Vani Dixit

Head of Customer Management, Zee5



The starting point for crafting a brilliant omnichannel experience is by making customer-centricity the DNA of the organization.

If everyone thinks for the consumers, then this sensitivity will itself come into the process. The cornerstone of all of this is to build a very strong customer data platform.

Two things are important for a smooth experience:

Unified Segmentation – Regardless of the multiple channels customers use to interact with your platform, they are still interacting with one brand. A unified messaging is vital.

Personalization – Find out different kinds of things to optimize the messaging to ensure that the right user receives the right messaging about the right product through the right channel. Check the messaging language in terms of creatives and communication.

The pillars of building a good customer experience remain the same even when we are building differentiated communication strategies. One should be where the customer is. Segmenting your customers is a good starting point. Seeing how many users are coming from a particular genre or language, and do you have enough from there helps create data to input into your engagement strategy.





Seeing how the number of DAUs on Digital Entertainment websites has increased in Southeast Asia in 2021, consumers are reacting positively to website pop-up messages, with CTRs reaching as high as 6.54%.



Abhishek Joshi
Head of Marketing, MXPlayer

“ Better engagement will only be possible when a brand starts seeing things from a different perspective and approaches them differently. Being customer-centric is necessary for certain situations to maintain and grow brand engagement.

Customers should never be taken for granted. This might lead to people moving away from your platform a lot faster. One should get back to the drawing board, keep a close ear on the ground and start listening to what their viewers want. Only then the generated engagement can be retained.

The definition of engagement and retention is changing. Brands must study how they are perceived to understand what the consumers think of them. The results from this kind of study can be used to make better campaigns and keep up with the change.





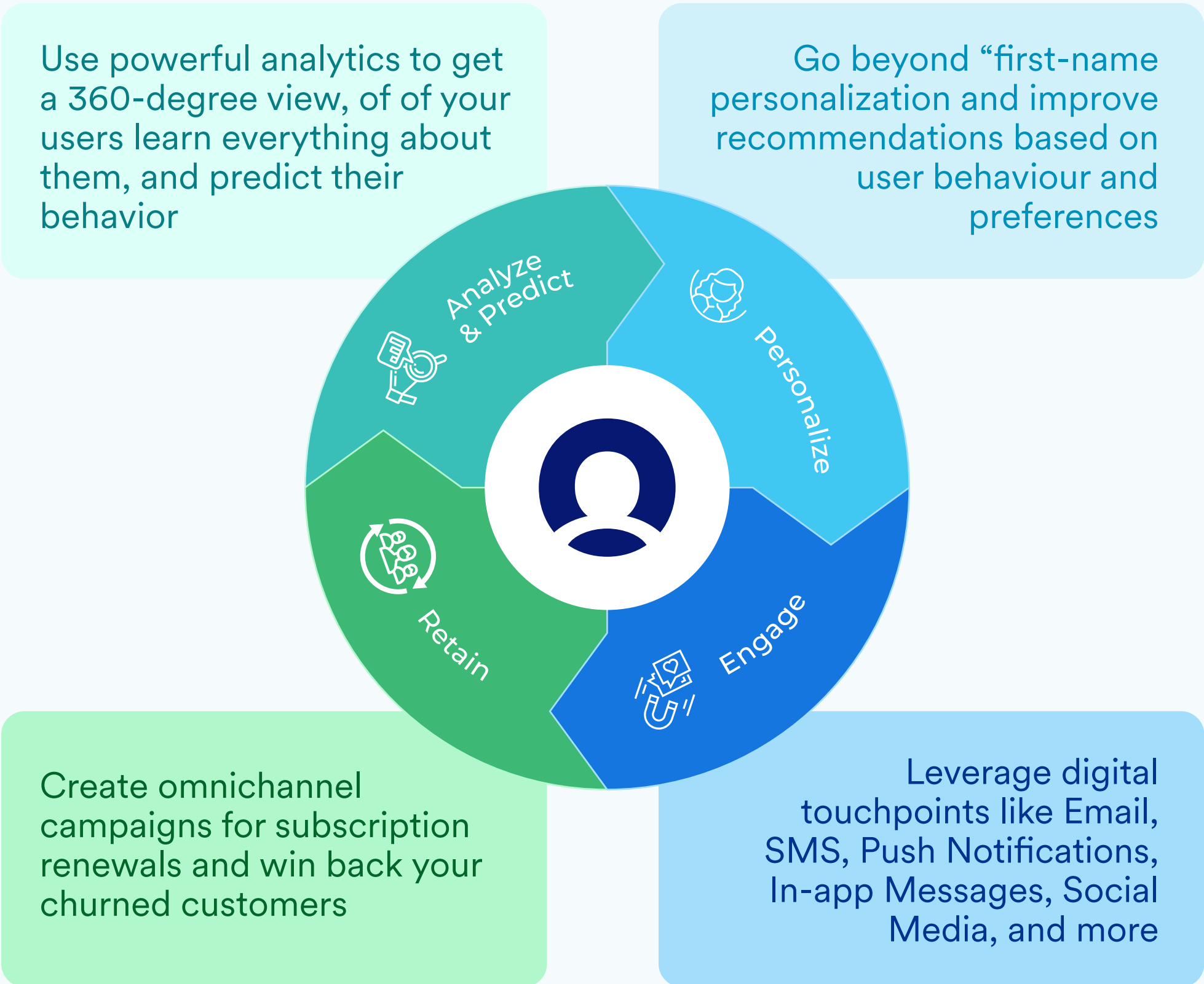
CONCLUSION

Insights-led Engagement: The Key Area of Focus For Consumer Brands In 2021

Our study shows that the only way your consumer brand can move forward in 2021 is to crack customer-centricity by using behavior-based communication that is relevant to your customers and adds value to them.

More and more digital consumers in Southeast Asia expect brands to deliver relevant recommendations, timely reminders, and valuable offers right to their fingertips. To meet this demand, consumer brands need an intelligent approach to Customer Engagement – a data-driven approach based on insights that we like to term ‘Insights-led Engagement.’

Here’s a framework consumer brands can follow to implement Insights-led Engagement:



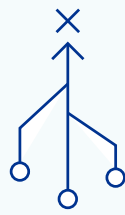
Consumer brands can achieve Insights-led Engagement through:



Behavior-based communication



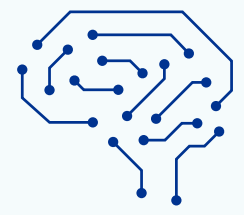
Effective segmentation



Communication aligned with the customer journey and buyer lifecycle



Personalization



AI-driven optimization

About MoEngage

MoEngage is an intelligent customer engagement platform built for the user-obsessed marketer. With AI-powered customer journey orchestration, personalization capabilities, and in-built analytics, MoEngage enables hyper-personalization at scale across mobile, email, web, SMS, and social messaging channels.

Enterprises and digital-first brands such as JD.ID, Zilingo, Blibli, POPS Worldwide, CIMB Philippines, AXIS, MAP Indonesia, Deutsche Telekom, Samsung, Ally Financial, Vodafone, and McAfee, use MoEngage to engage their customers intelligently.

MoEngage has been recognized as a Leader in the 2020 Gartner Magic Quadrant for Mobile Marketing Platforms by Gartner, and received the highest overall rating in the 2019 Gartner Peer Insights 'Voice Of The Customer' report. Forrester also identified MoEngage as a Contender in the The Forrester Wave: Cross-Channel Campaign Management In Asia Pacific, Q2 2021, and, G2 ranked MoEngage the #1 Mobile Marketing Platform in their Spring 2021 Momentum Report.

Gartner



FORRESTER



✉ content@moengage.com

🌐 www.moengage.com