

REPORT

Personalization Pulse Check 2023

Get actionable insights into what today's consumers expect wrt personalization and where the brands are falling short- from SMBs to Enterprises!



Table of Contents

[Click to navigate](#)

1

Personalization in India's
Phygital Landscape: Driving
Customer Satisfaction

Page 04

- More Than Just a Theme

Page 04

- Current State of Personalization

Page 05

- Meeting Your Customers at the
Right Place and the Right Time

Page 11

- The Heart Will Go On...and so
Will Customer Expectations

Page 13



2

Leaving the Silos Behind and
Embracing Data-Driven
Personalization

Page 16



3

Conclusion: Actionable
Strategies To Stay Ahead in the
Personalization Game

Page 18

→ Foreword

In today's rapidly evolving digital landscape, the relationship between consumers and brands has undergone a profound transformation. Despite the fact that online shopping has become a staple choice for Indian consumers, physical store experiences are still equally favored. Hence, brands that want to be at the forefront of their customers' minds need to meet their customers where they are and do so in a personalized manner. This is relatively easy when it comes to in-store experiences, where the human touch is prevalent. However, extending the same level of contextualization to the online world is how brands can avoid silos. To say the least, gone are the days of one-size-fits-all marketing and generic customer interaction.

So, to dive deeper into the multifaceted world of personalization and its role in driving customer satisfaction, we surveyed 1,000 Indian consumers nationwide. This report sheds light on the level of personalization consumers currently experience, the evolving consumer expectations, the missing links, and the need of the hour. Along with the findings from the survey, we present actionable strategies that marketers can put in place right away to see a genuine difference in customer satisfaction levels and their brands' bottom line.



Narasimha Rao

General Manager, IMEA

Personalization in India's Phygital Landscape: Driving Customer Satisfaction

1 More Than Just a Theme

In the digital age, personalization has emerged as the cornerstone of effective customer engagement. Nowhere is this shift more apparent than in India, a nation characterized by its vibrant digital-first brands and traditionally in-store businesses migrating to the digital realm.

We surveyed 1,000 Indian consumers to understand their engagement preferences and personalization needs. This survey aims to provide insight into vital aspects, such as the consumers' touch points, their triggers to buy a product, the connection they want to feel with the product, and the ways they want to be tapped by brands.

The Rise of Phygital: Bridging the Physical and Digital Divide

This report delves into the multifaceted world of personalization and its pivotal role in driving customer satisfaction. From tailoring content and recommendations to meeting customers at the right place and time or understanding evolving consumer expectations, personalization stands at the center of modern customer engagement strategies.

To provide a comprehensive understanding of this dynamic landscape, we will draw upon survey data and real-world examples to shed light on India's current state of personalization. From interaction frequencies to preferred communication channels, customer frustrations, and the factors influencing brand selection, these findings will serve as valuable insights into the minds of Indian consumers.

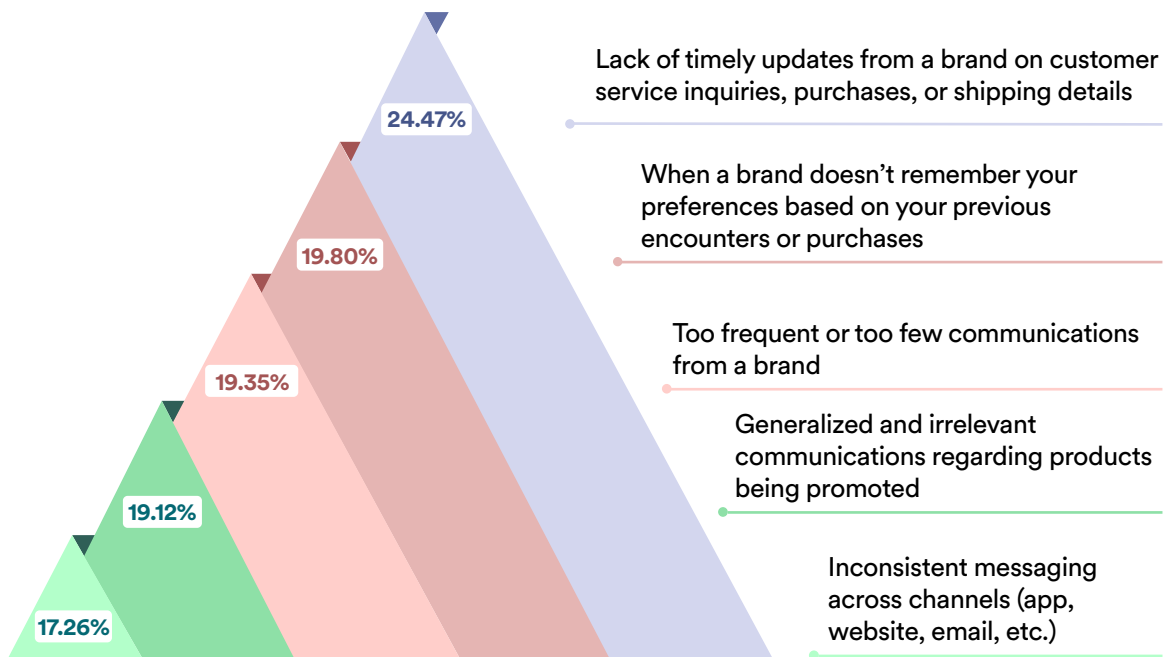
In an era where consumers are used to having everything at their fingertips, businesses require modern solutions. Consumers demand a wide range of choices, demanding bespoke experiences beyond initial purchases, spanning both the physical and digital worlds.

2 Current State of Personalization

Customer Preferences and Expectations

The survey findings shed light on the preferences and expectations of modern consumers regarding personalization. This section discusses how consumers expect brands to engage with them in a relevant and personalized way.

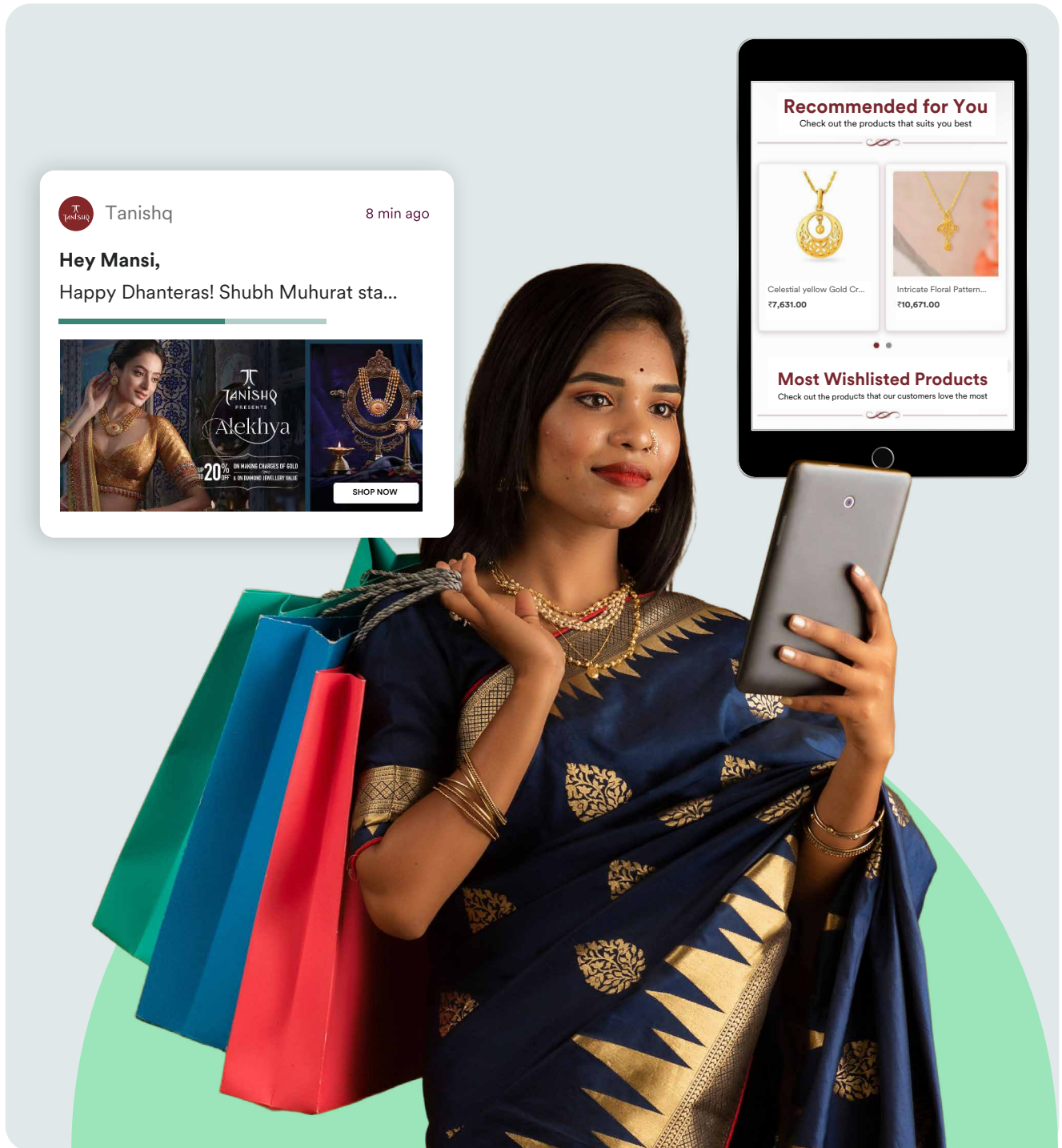
Lack of Timely Updates on Service Inquiries the #1 Cause of Frustration for Consumers



What frustrates you most about your experience with a brand?

Lack of timely updates on their purchases seems to be the top aspect that annoys consumers. A brand's failure to remember the customer's preferences based on previous interactions is a close second. These results indicate that contemporary consumers seek contextual customer journeys.

To meet consumers' expectations, brands need to understand their customers well and develop their engagement strategies accordingly. This requires collecting and analyzing data about customer behavior, including purchase history, wish list products, preferred time of day for engagement, and preferred channels. By creating customer journeys, brands can improve their chances of converting customers and driving customer satisfaction.

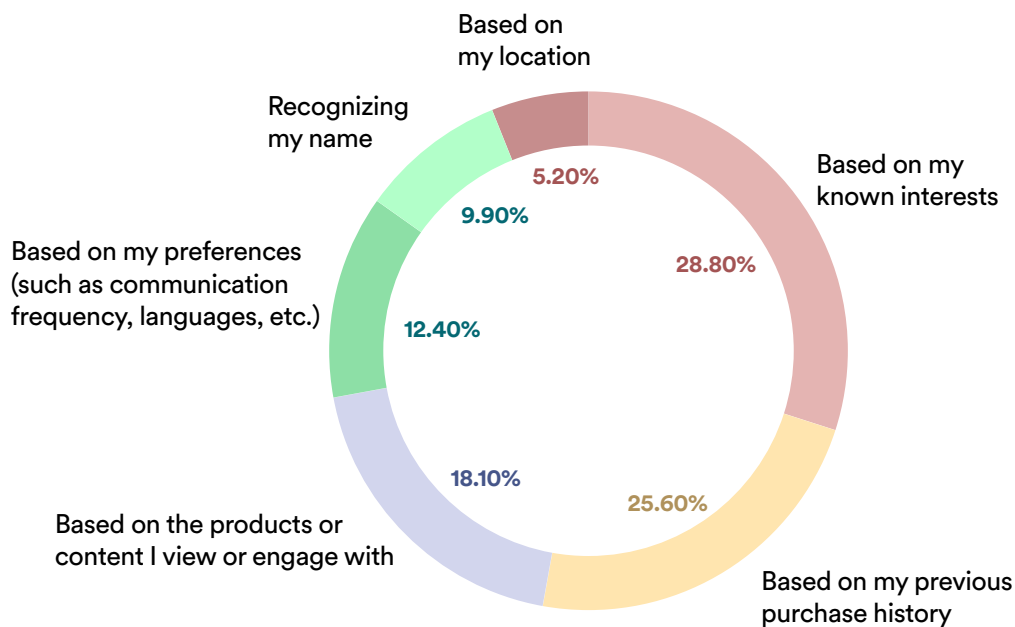


Did you know?

Approximately **72%** of Indian E-commerce shoppers (of the younger demographic, i.e., 18–29 years) purchase products based on personalized recommendations. *(Source)*



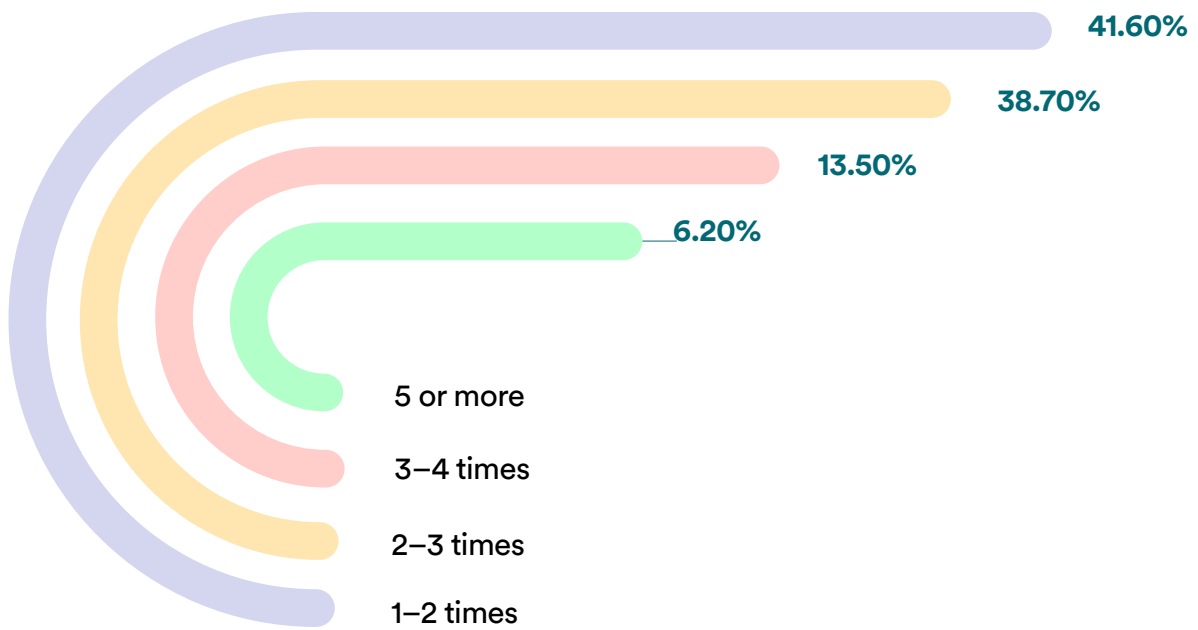
Brands Use Past Purchases and Known Interests to Personalize Experiences



When it comes to brand communication, pick the statement that best describes the level of personalization you get.



Consumers Interact With Brands Once or Twice Before Making a Purchase



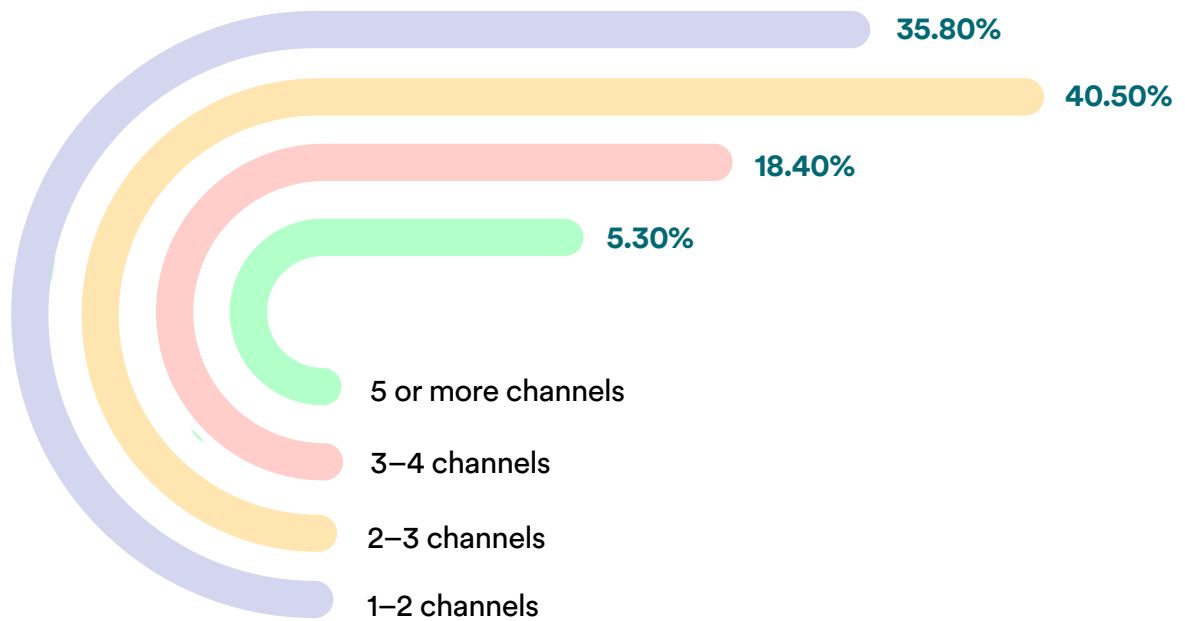
How often do you interact with a brand before buying from them?

41.60% The majority of respondents indicated that they interact with a brand 1–2 times before making a purchase decision.

This suggests that many consumers engage with brands at least once for initial awareness and then revisit or interact with them once more before making a purchase.

Overall, the survey findings suggest that consumer engagement with brands before making a purchase is a multi-step process. Brands must not drop the ball but be present and engaging throughout the customer’s journey.

Brands Need to Ensure Consistent Experiences Across at Least Two or Three Channels



How many channels do you use to interact with a brand before buying?

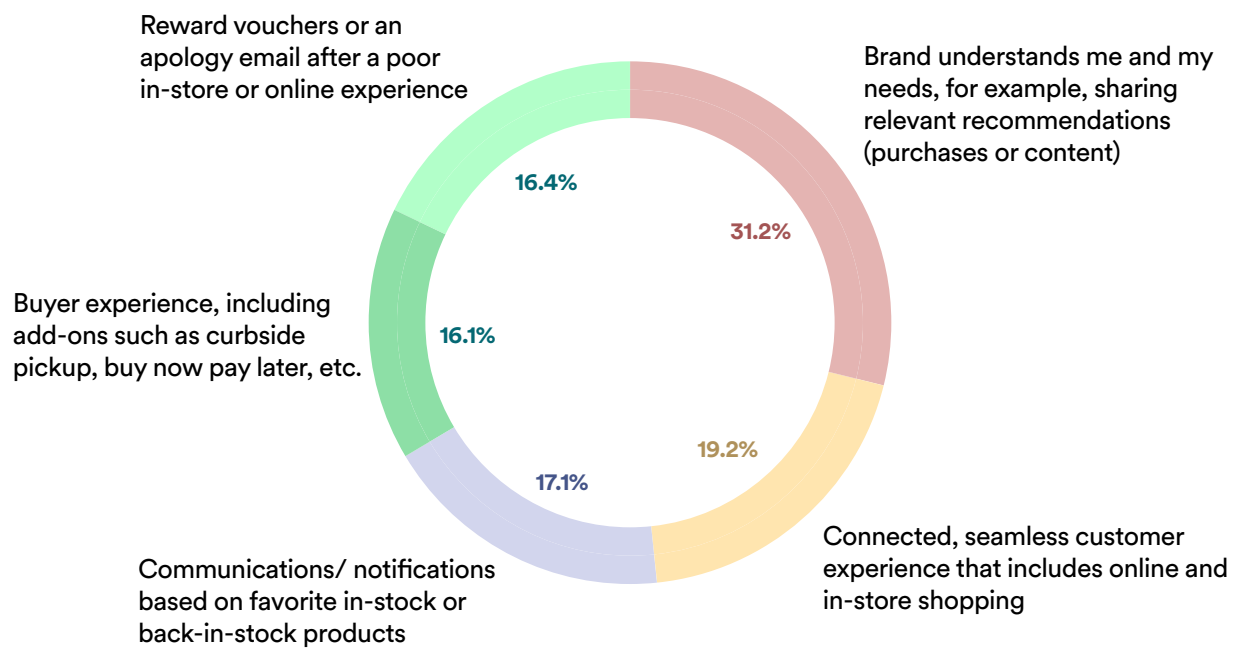
40.50%

The largest segment of respondents indicated that when they interact with a brand, they use 2-3 channels before making a purchase.

The survey findings emphasize that a significant proportion of consumers is increasingly adopting an omnichannel approach when interacting with brands before purchasing.

Therefore, brands need to ensure consistent and seamless experiences across these channels to meet the diverse preferences of their customers.

Consumers Prefer When Brands Understand Their Needs



What do you like the most about your interaction with a brand?

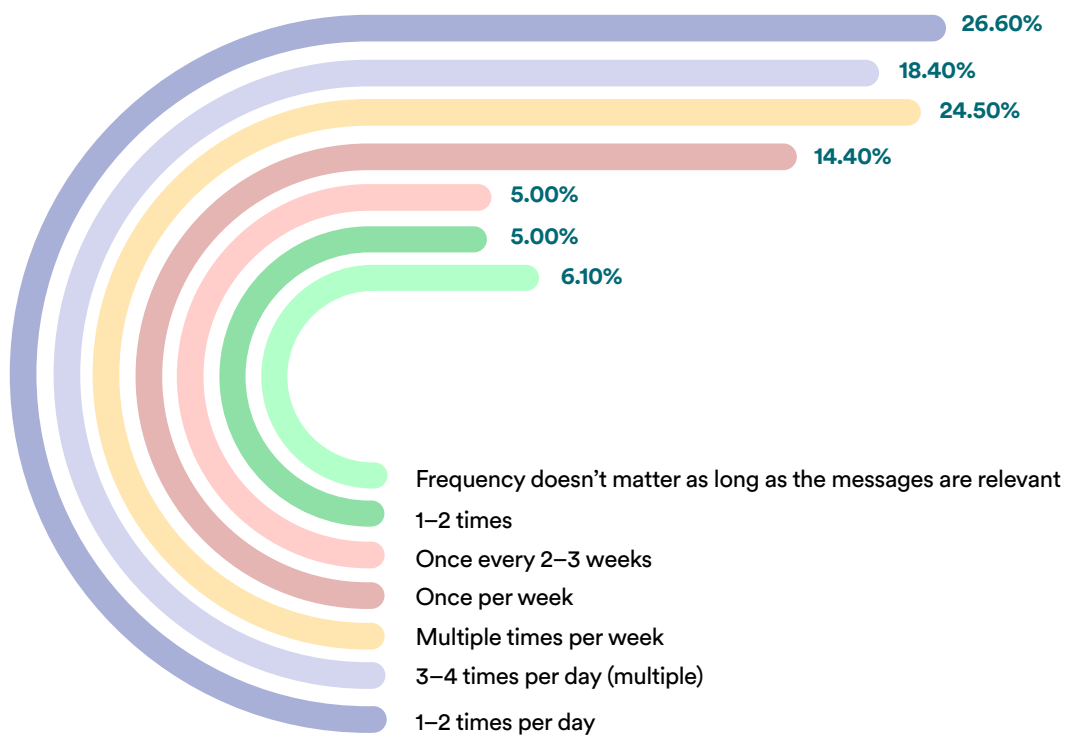
31.20%

The highest percentage of respondents expressed a strong preference for brands that understand them and their needs, particularly when it comes to sharing relevant communications or recommendations for purchases.

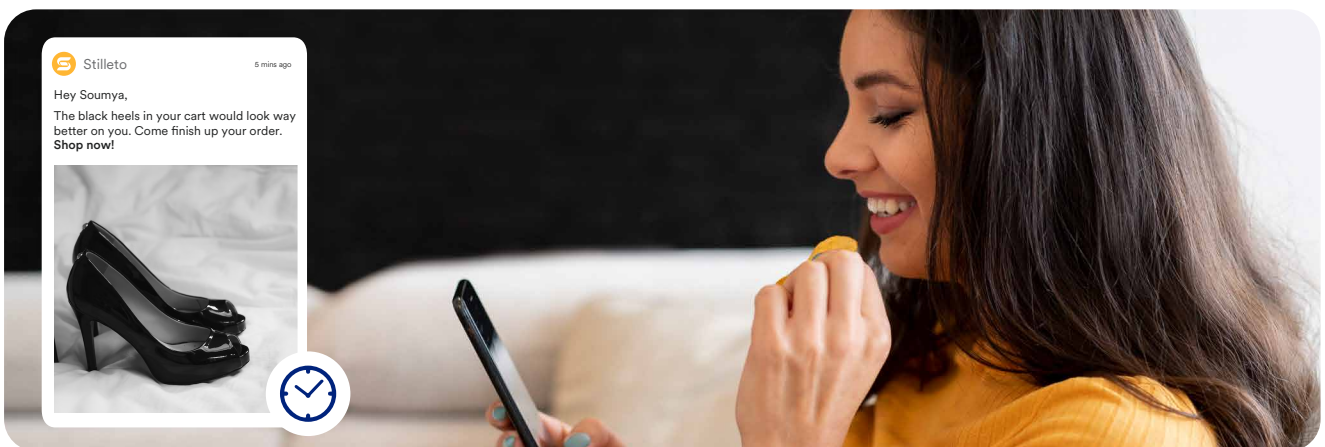
This response underscores the significance of personalization in modern consumer preferences. Hence, brands that effectively utilize data to tailor recommendations are likely to build stronger connections with their audience.

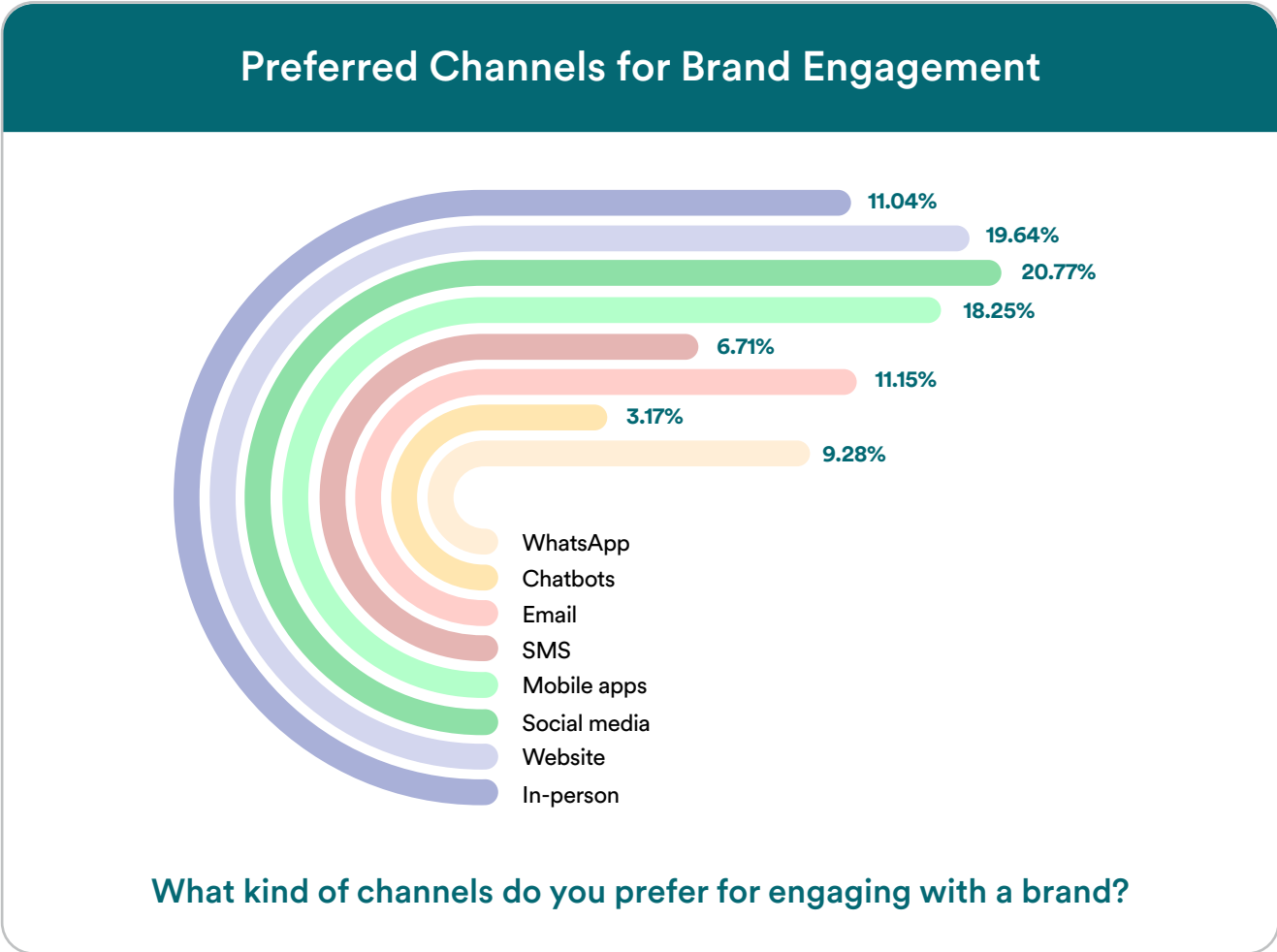
3 Meeting Your Customers at the Right Place and the Right Time

Insights on Frequency of Brand Communication



How often do you prefer to receive messages and communications from brands?






The survey’s findings reveal a range of preferences regarding the frequency of brand communication. Brands should consider these preferences when planning their communication strategies to ensure they align with customer expectations and enhance engagement.

20.77% The majority of the respondents prefer to engage with brands through social media platforms.

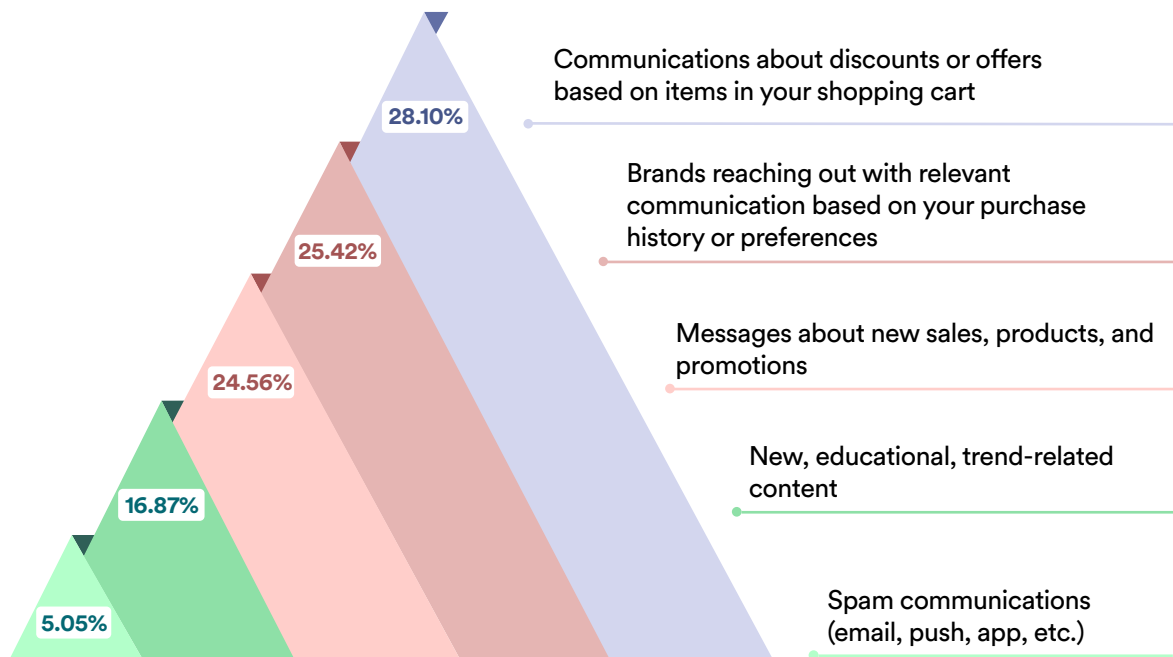
This reflects the significant role that social media plays in brand–consumer interactions, including content consumption, customer support, and brand promotion. In summary, the survey findings highlight consumers’ diverse channel preferences for engaging with brands.

Did you know? Customer loyalty has been demonstrated to be significantly impacted by personalization. Businesses that invest in personalized experiences benefit from repeat purchases, customer loyalty, and brand advocacy.



4 The Heart Will Go On ... and So Will Customer Expectations

Cart-based Discount Communications are the Main Reason for Choosing One Brand Over Another



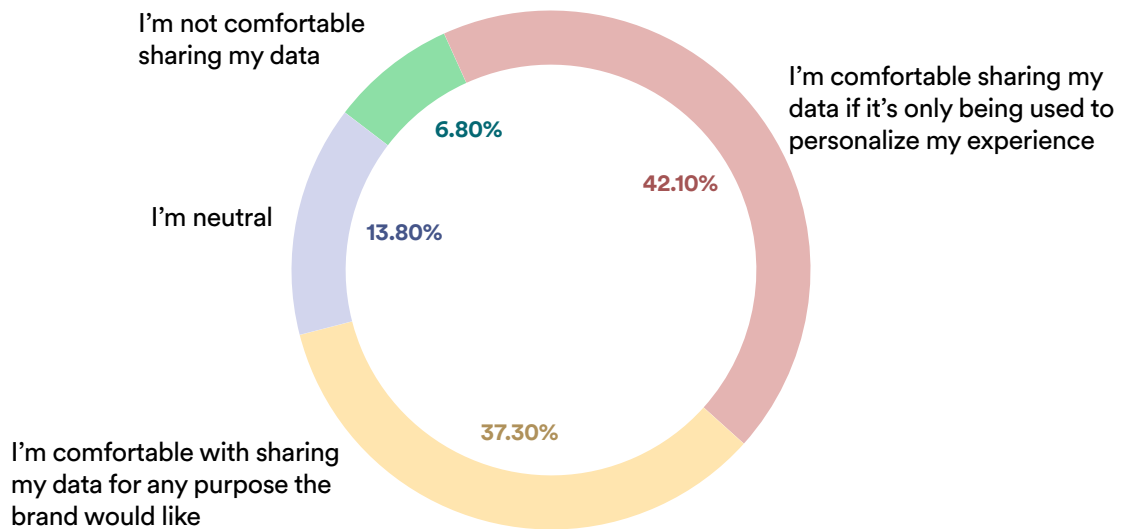
Apart from product quality, what factors lead you to choose one brand over another?

28.10%

The highest percentage of respondents are swayed by communications about discounts or offers based on items in their shopping cart. This highlights the impact of targeted promotions and incentives in driving brand preference, especially when consumers consider purchasing.

The survey data indicates that a sizable portion of consumers (**5%**) is averse to spam communications. Therefore, brands must be cautious about bombarding consumers with irrelevant spam messages, as this can lead to disengagement and negative brand perception.

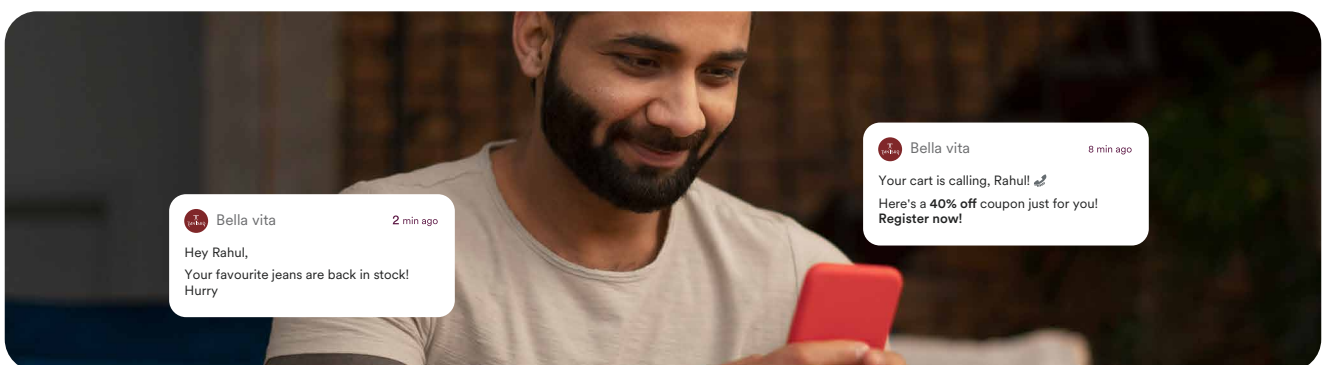
Most Consumers are Comfortable Sharing Their Data if it Enhances the Experience



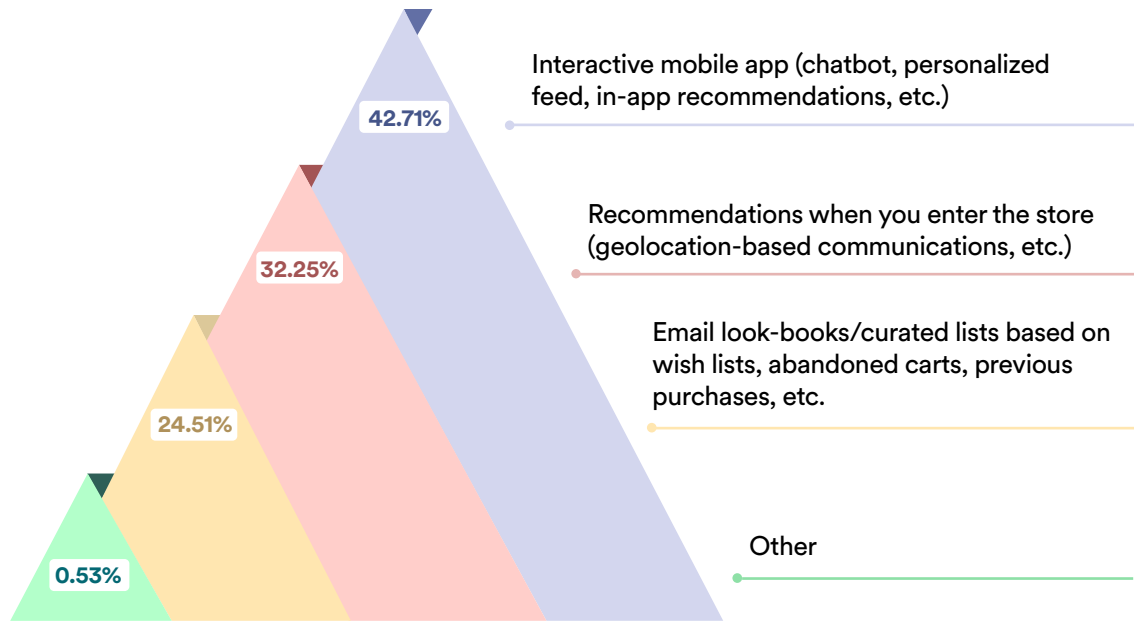
How comfortable are you with brands using your personal data, including name, location, or email, to offer you a better experience?

42.10%

The highest percentage of respondents are comfortable sharing their data only if it is used to personalize their experience. This finding emphasizes the significance of transparency and the customer's willingness to share their data when they see a clear benefit of enhanced experiences.



Interactive Mobile Apps are the Need of the Hour



What elements would you like to incorporate in your current shopping experience to make it hyper-personalized?

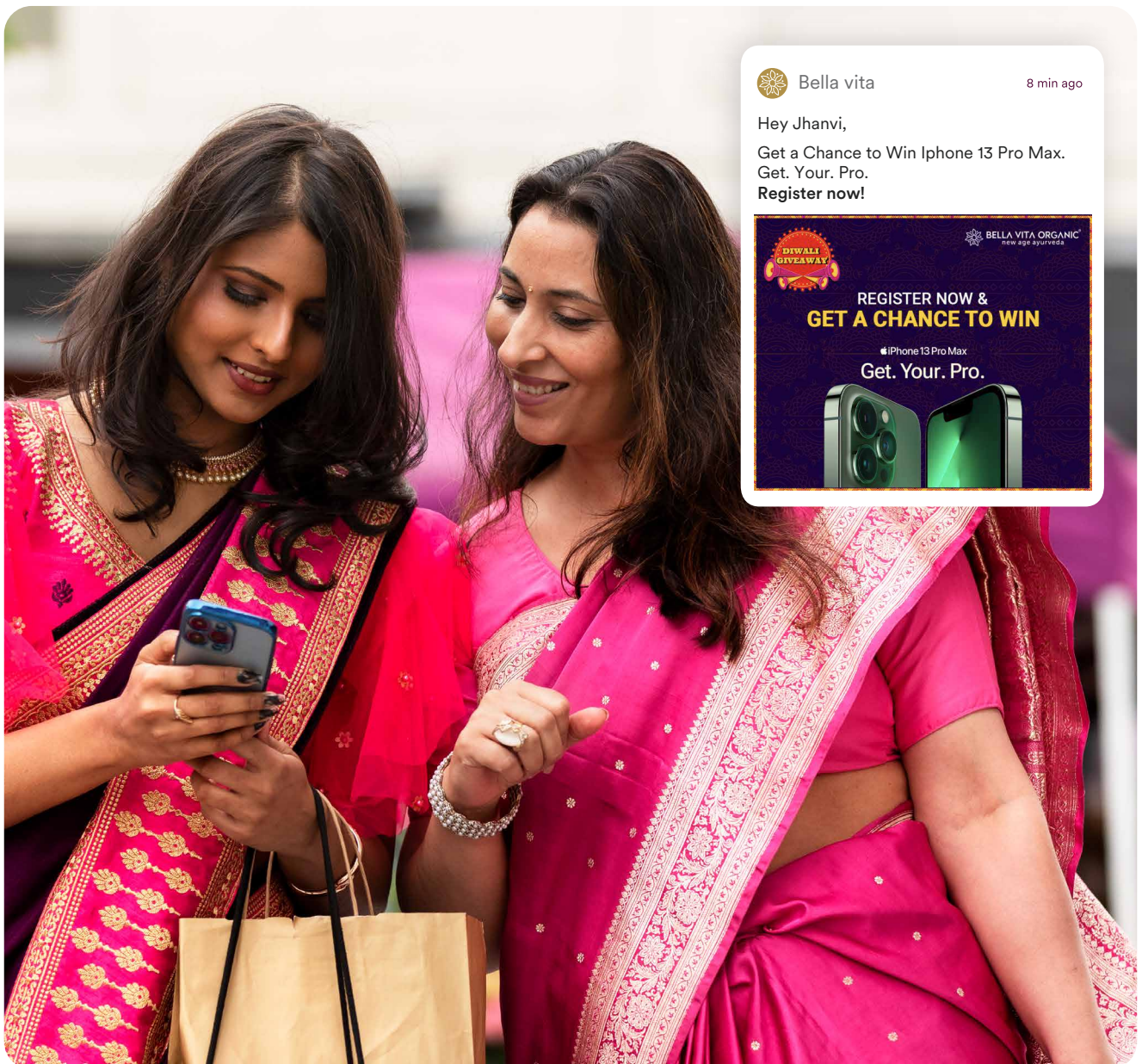
Did you know?

According to a report by McKinsey, **71%** of consumers expect companies to deliver personalized interactions, and **76%** become frustrated when this doesn't happen.



Leaving the Silos Behind and Embracing Data-Driven Personalization

Personalization is a force multiplier—as well as a business necessity—that more than **70%** of consumers now regard as a basic expectation. Brands that can build and activate this capability at scale can propel customer lifetime value to new heights, resulting in double-digit revenue growth, superior retention, and deep, nurturing long-term relationships.



Factors to keep in mind that will aid in real-time implementation of this are:

Merging the Online and Offline Worlds

Brands must unify and leverage customer data, collected from both physical and digital interactions, to gain a holistic, unified view of their customers. With a clear picture of what their customers want in their hands, brands can tailor their offerings to cater to those preferences and attain success in today's phygital era.



Factor in Action:

Tanishq, one of India's largest retail jewelry brands, enhanced customer experiences by successfully striking the perfect balance between their offline and online endeavors and increased app retention rates by **25%**

Implementing Omnichannel Engagement

Phygital experiences thrive on omnichannel engagement. As they move between physical stores, online marketplaces, mobile applications, social media, and other platforms, customers demand consistency and coherence. Therefore, brands need to provide a unified experience, ensuring that customers receive personalized messages and interactions regardless of the channel they choose.



Factor in Action:

Spencer's Retail, India's first hypermarket, adopted an omnichannel approach and insights-led personalization to reach the right customers with the right offers, increasing the LTV by **15%**

Say Sayonara to Third-Party Data

The landscape of data-driven personalization is undergoing a significant transformation. Brands can no longer rely solely on third-party data, especially in light of such regulations as the Digital Privacy Data Protection Bill in India (DPDP Bill 2023). The need of the hour is to shift focus towards zero and first-party data to deliver contextual personalization and meaningful customer engagement.



Factor in Action:

Airtel Wynk Music, India's largest mobile entertainment platform for music and on-the-go entertainment, adopted insights-led engagement to send personalized content recommendations and reactivated **44%** of its dormant customers within 90 days.

Harnessing AI for Campaign Optimization

Artificial Intelligence (AI) has become a cornerstone of personalization, enabling brands to optimize campaigns and messages for maximum impact. When implemented correctly, this results in higher engagement rates and improved conversions, making personalization more effective than ever before.



Factor in Action:

Audiomack, a music streaming platform, delivered targeted, personalized interactions to its customers using AI-driven insights and increased its Premium Trial conversion rates by **18%**

Actionable Strategies to Stay Ahead in the Personalization Game

The Indian digital landscape is a vibrant tapestry of tradition and innovation. Consumers are no longer content with generic marketing strategies. They seek personalized experiences that cater to their unique preferences and desires.

In an era where consumers reign supreme, and the digital landscape continues its relentless evolution, personalization emerges as the bedrock upon which successful customer-brand relationships are built. This report embarked on a journey of delving into the preferences and anticipations of consumers while shedding light on the transformative realm of data-driven personalization. One important thing to consider is that choosing the right engagement partner can make or break these efforts.

The Triad of Success



State-of-the-Art Analytics Engine

Taking the guesswork out of your engagement strategy is crucial. Understanding the reasons behind low engagement and uninstalls is vital to prevent churn and optimize customer lifetime value. **MoEngage's Analytics** capabilities provide marketers with the right actionable insights to proactively identify and remove bottlenecks to optimize their customers' journey and enhance their experience.



The Low-Hanging Fruit of Website Personalization

Every single consumer brand has a website today. But most people don't realize the immense potential the channel has to create exceptional customer experiences. **MoEngage's Website Personalization** capabilities enable brands to devise, deliver, and optimize contextual web experiences for each website visitor based on behavior, history, preferences, and other factors. Additionally, it comes armed with a no-code visual builder, so no technical dependency on your tech teams.



Inch-Perfect Customer Journey Orchestration

What happens if a brand orchestrates customer journeys that are based on the customer's previous interactions with the brand? Customer loyalty skyrockets! This is why it's vital to craft such experiences to ensure that customers feel valued and keep coming back. Creating and automating campaigns across multiple channels with **MoEngage's Flows**, our customer journey builder is as easy as ABC!

About MoEngage

MoEngage is an insights-led customer engagement platform trusted by more than 1,200 global consumer brands such as Westside, HUL, Airtel, Flipkart, Wynk Music, Policybazaar, HT Media, OYO, Navi, Mint, Domino's, Bisleri, BigBasket, Ola, and more. MoEngage empowers marketers and product owners with insights into customer behavior and the ability to act on those insights to engage customers across the web, mobile, email, social, and messaging channels. Consumer brands across 35 countries use MoEngage to power digital experiences for over 1 billion customers every month. With offices in 13 countries, MoEngage is backed by Goldman Sachs Asset Management, B Capital, Steadview Capital, Multiples Private Equity, Eight Roads, F-Prime Capital, Matrix Partners, Ventureast, and Helion Ventures. MoEngage was recognized as a **Customers' Choice Vendor in the 2022 Gartner Peer Insights 'Voice of the Customer'** for the Multichannel Marketing Hubs Report and a **Strong Performer in the Forrester Wave™: Cross-Channel Marketing Hubs, Q1 2023 Evaluation**. MoEngage was also named a **Leader in the IDC MarketScape: Worldwide Omni-Channel Marketing Platforms for B2C Enterprises 2023 Vendor Assessment**. MoEngage was also named a **Leader in the IDC MarketScape: Worldwide Omni-Channel Marketing Platforms for B2C Enterprises 2023 Vendor Assessment**.

See how MoEngage's customer engagement platform can power your growth strategy:

[Book a Demo](#)

Forbes

Gartner



FORRESTER



To learn more, visit
www.moengage.com

moengage