

moengage

# State of Personalization

in the Middle East & Africa

How Enterprise Retail and Banking Brands Drive Higher Business Results



Hi Abdul!  
Your order XXX34  
is out for delivery

58%

Click Through Rate



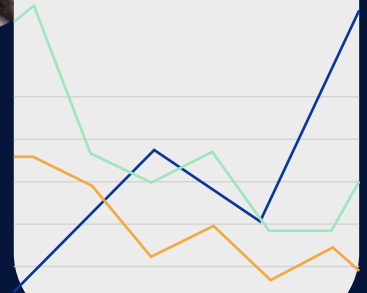
Conversions

73%



Campaign  
Performance

Hours



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click to navigate

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## Customer's Expectations Remain Dynamic

Personalization as a concept has been present for eternity. Be it your 'Baqala' (grocery stores) or the nearby bank branch, they would know you by your name and be aware of your preferences, likes, and dislikes.

For instance, your local grocery store is the one-stop shop for all your household needs. The owner knows when you plan your future purchase depending on the stock and keep the products ready. Moreover, depending on your purchase history, they would also recommend a new product.

## From Physical to Digital to Phygital

Even for customers, this bundling/recommendation of additional products seemed appealing. They would prefer visiting brick and mortar stores more often than not. Call it a pre-covid or a pre-techade era, personalization was mostly offline with limited adoption in digital (mostly mass marketing campaigns).

Fast-forward to 2020; physical stores reduced in volumes as social distancing rules were implemented. This prompted customers, who always preferred to visit a store, to sit at home and browse products online. Moreover, the proliferation of technology helped the cause.

As a result, the world witnessed a paradigm shift in customer engagement rules, and the Middle East as a region was no exception.

We see a significant change in trends if we look at two industry/vertical use cases, i.e., Retail/E-commerce and Banking and Financial Services (BFSI). For example:

- **Increased** use of

↑ online shopping channels

particularly **smartphones**

- **Increased** online or on-phone

↑ purchase of groceries

- **Online banking** has become a common notion

67%

of consumers in this region shifted to digital channels for engaging with brands.



## Consumer Habits Have Changed Due to COVID-19



51%

are mainly shopping for groceries online



92%

are likely to continue to shop online post COVID-19



53%

are shopping more on their smartphone

Spending  
less on

Clothing and  
footwear

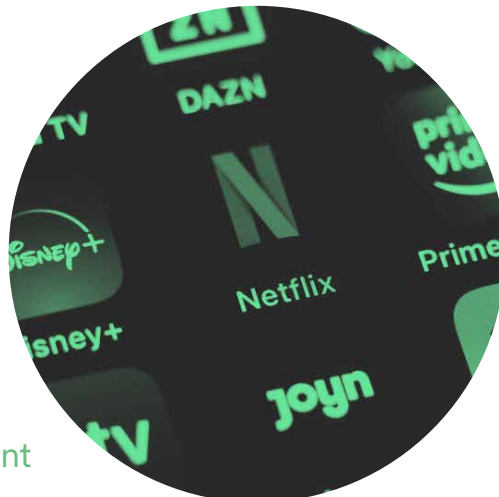


Restaurant food  
delivery

Spending  
more on

Groceries

Media and  
entertainment



## Social Media's Influence Grows



# 75%

are using **social media** more



# 71%

are using **WhatsApp and other messaging apps** more

According to a retail/E-commerce giant based in Saudi Arabia

“ While the offline engagement is important to us, our E-commerce website and mobile app have become a major source of bottom line income post-2020”.

With this enhancement of digital offerings, customers have also started expecting more personalized content for consumption. Whether a cart abandonment message or a personalized onboarding notification, customers in today's world ask and demand interaction tailored only to them.

It is imperative to note that, as the PHYGITAL ERA evolves, customers will focus or get influenced less by mass campaigns and prefer to engage with communications based on 'segment-of-one' or hyper-personalization.



## Retail and E-commerce



### Physical era

### Digital era

### Phygital era



## Brand Interaction

Customers visited brick and mortar stores while website interaction was picking up

Customers started using web apps or mobile apps in terms of purchase and any other queries

Customers are visiting offline as well as online stores

Online channels dominate for daily/quick buys, while offline channels are starting to dominate during sale/festive seasons



## Millennials vs. Gen X

Both preferred offline engagement channels

Both segments shifted towards digital channels of communication

Millennials are inclined toward digital channels

Gen X is gradually moving back to offline channel interactions



## Digital Campaigns

Bare minimum, mainly focused on email mass marketing

Utilization of CRM tools to drive basic engagement

Witnessed exponential growth with personalized messaging

Usage of data to enhance communication

Brands are looking at engagement platforms like CEP along with CDP to drive more engagement

Offline stores are utilizing digital data to offer personalization at the store and vice versa

Loyalty plays a significant role

## Banking, Financial Services and Insurance



### Physical era

### Digital era

### Phygital era



#### Brand Interaction

Customers visited branches with online banking restricted to money transfer

All transactions and other related banking activities took place online

Customers are willing to interact with branches and online

For basic transfer needs, customers prefer online apps while for insurance or wealth management purposes, customers look for a one-to-one consultation



#### Millennials vs. Gen X

Millennials started using online channels for various activities like wealth management, fund transfers

Gen X utilized branches and offline channels for the majority of banking chores

Millennials and Gen X utilized digital offerings offered by their primary banks

Majority of millennials started using digital-only fintech for their banking needs

Millennials are more dependent on digital-only banks with zero offline branches

Gen X is moving towards offline branches



#### Digital Campaigns

Bare minimum, mainly offline interaction with relationship managers

Enhanced exponentially to educate customers about digital offerings and safety

Generated trust through multiple advertisements regarding video calls, mobile apps, etc.

Usage of CEP for converting data into insights

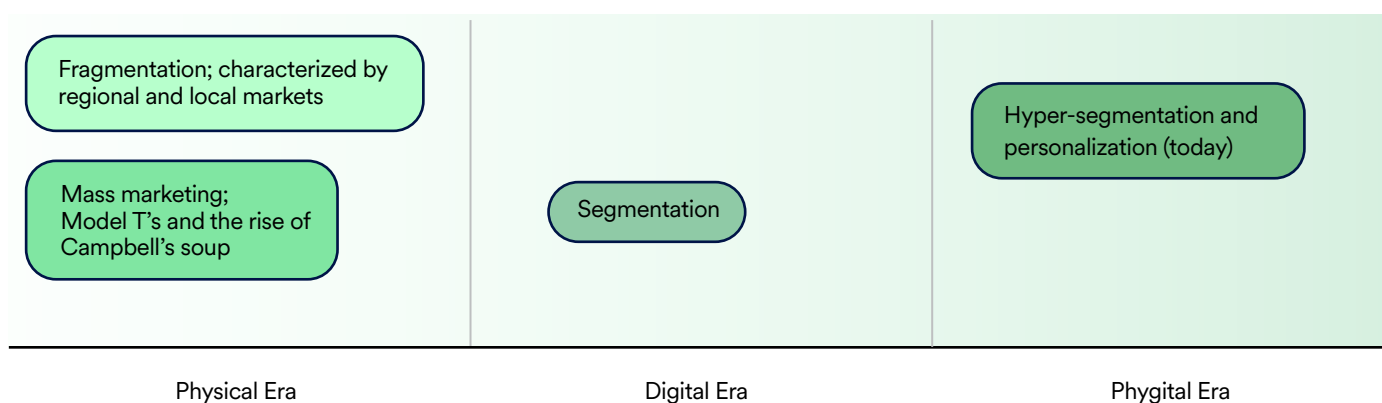
BFSI brands are using emails, SMS, WhatsApp, and social media for brand communication

Creating a partner ecosystem for 'value added services' is taking a front seat

This table indicates how customer expectations evolved in tandem with the changing eras. To tackle this and create a competitor difference, brands must re-strategize their personalization model and find a near-perfect dynamic solution. It won't be fair to say that brands today have not been reacting. Let us look at how brands across both Retail/E-commerce and BFSI verticals have evolved in terms of personalization over the years.

## How Brands Have Jumped on the Personalization Bandwagon

If we consider the timeline evolution of personalization as per “In New and Improved: The Story of Mass Marketing in America by Richard Tedlow”, personalization can be bucketed into four categories:



This does not mean that fragmentation, mass marketing, and segmentation do not exist in today's marketing landscape.

In fact, one of the first channels that established personalization is Email marketing. We're not yet talking about personalized emails as we know them today. Personalization was simply about inserting the customer's name into the email – a milestone in the history of marketing! However, the email content was still the same for everyone, and nobody was even thinking about extending email campaigns to the website.

This can be attributed to simple fragmentation or mass-marketing, mainly during the 'Physical' era. However, things changed as evolution took place, and major global brands such as Amazon put on their thinking hats to improve personalized experiences.



**a new star on the  
personalization  
horizon**

Today's biggest E-commerce brand was one of the pioneers to start personalized recommendations. It not only inspired its customers but also brand marketers of both big and small online brands.

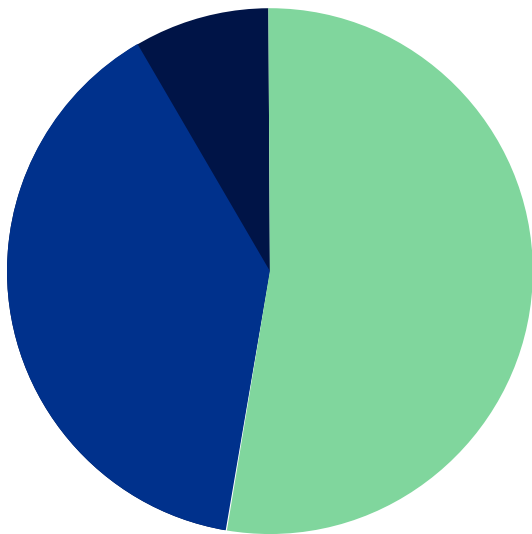
In the beginning, most brands were already capable of implementing simple recommendations such as other items of the same category. However, today things have changed.

# Personalization Goes Mainstream

Fast-forward to 2018 and beyond, more brands finally started personalizing customer experience on their websites. In the meantime, personalization had also become a realistic option for smaller brands in E-commerce and Fintech.

**A case in point** - According to our recent study, 52% of brands are investing more in their martech stack to drive personalization, while 39% are investing the same amount they invested previously.<sup>1</sup>

	Value	%	Responses
●	Investing more	52.3	56
●	Investing the same	39.3	42
●	Investing less	8.4	9

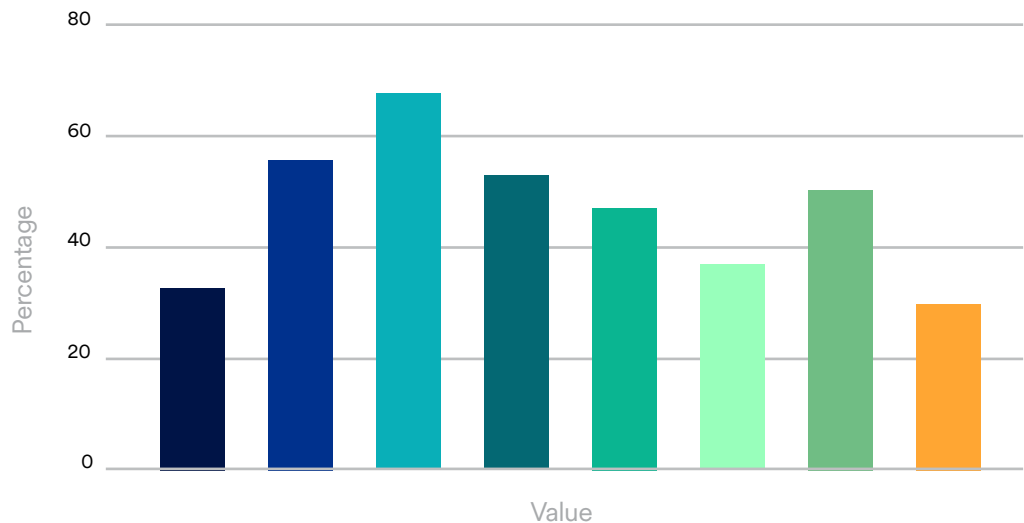


In today's day and age, there are many options for a personalized approach for both Retail and BFSI verticals:

- ✓ The online customer experience can almost be similar to the experience they get in their local shop around the corner.
- ✓ If the customer was primarily interested in weight training during his last visit, the homepage can be redesigned the next time so that all things concerning cardio workouts fade into the background.
- ✓ If a customer has newly onboarded on the app (E-commerce or financial app), he/she can receive customized messages to nudge further actions.
- ✓ The website needs to adapt in real-time to the customer's needs and interests – but also to local circumstances like the weather.



To support these options and create new ones, let us look at what kind of Martech technology brands are spending their capital.



Value	%	Responses
Artificial intelligence	32.7	34
Marketing automation	56.7	59
Email marketing	66.3	69
Customer data management	54.8	57
Multichannel customer engagement	46.2	48
Mobile Marketing	37.5	39
Personalization	50.0	52
Account-based marketing	30.8	32

According to the survey, 1 in 2 brands is investing in marketing technology to enhance the personalization attribute.

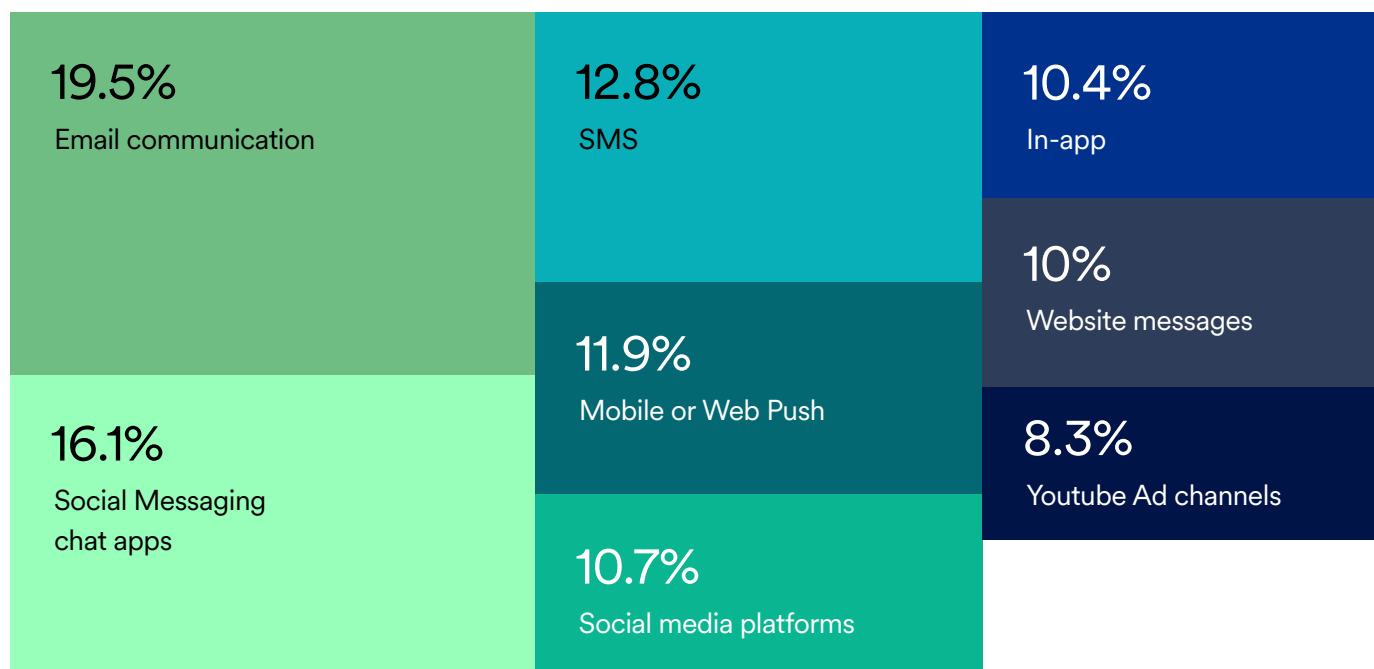
Interesting thing to note is that

66%

of brands want to enhance their email marketing capabilities.



Also, at the Middle East level, the most frequently used touchpoint remains Email.<sup>2</sup>



But, what is more interesting to note is that Social Media as a communication channel is preferred in the Middle-east region. This indicates that as we move forward in this decade, the preference for channel engagement on both sides of the coin, i.e, customers and brands, will change.

And this is where we enter the phygital era, or the age of hyper-personalization



### Mashreq Neo Boosts Engagement using personalization

Using a sophisticated Martech stack, Mashreq Bank was able to analyze the app behaviour of the customer. along with this, the bank was also able to analyze preferences and customer journey flows.

This enabled them to target customers with personalized offerings, resulting in 16% boost in debit card activation amongst other benefits

[Read how Mashreq Bank uses a Customer Engagement Platform for an omnichannel experience.](#)



## Trending Now: Hyper-Personalization

Before we jump into what brands are or can do in this next level of personalization, let us first understand what hyper-personalization is.

Hyper-personalization is taking a step further from using just a customer's name and search history. Instead, it gathers behavioral and real-time data of customers and uses them to provide more personalized and relevant products recommendations and, ultimately bigger conversions.

To enable this, brands will have to look at the engagement gaps internally, remove silos, update their martech stack, and, most importantly, manage data.

For traditional banks and retailers, brick and mortar establishments collected offline data for years and decades. It becomes imperative for such brands to merge the collected offline data with the recent digital data and create a unified, 360-degree customer view to drive better understanding and engagement.

This way, brands will unlock the hyper-personalization potential by having access to insights like



But the persisting question remains: which is the most favorable route for a particular brand? Website personalization, in-app personalization, personalization in communication, or all of them together?

**Well, the application of personalization will differ for each brand. The one that suits your business use case can be identified by analyzing successful examples from various brands.**

In the next section, we look at how **Retail and BFSI brands** in the GCC region have implemented personalization and how it has evolved over the years.

## Retail and BFSI Brands Building Insights-led Engagement with Personalization

Use case 1

A leading E-commerce brand witnesses **2X CVR** for personalized emails<sup>3</sup>

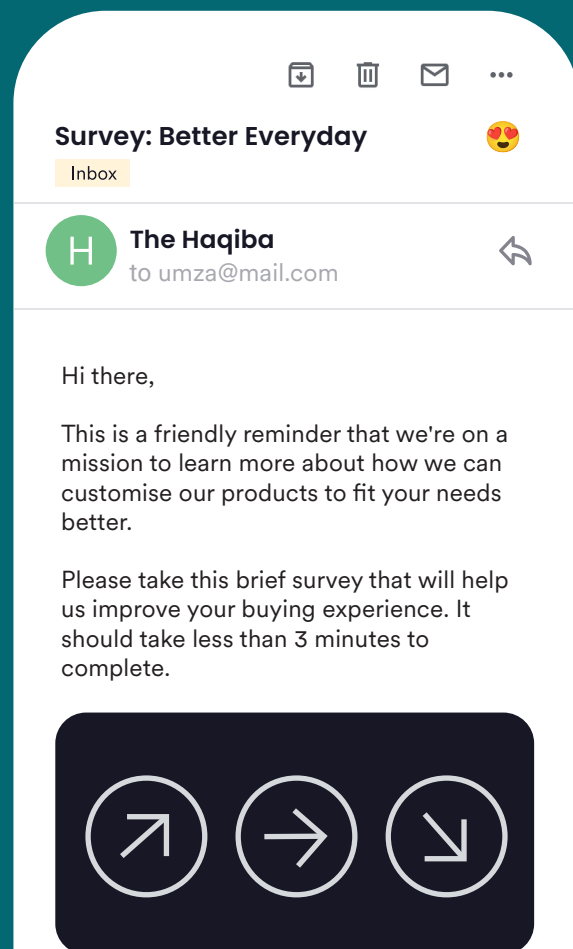
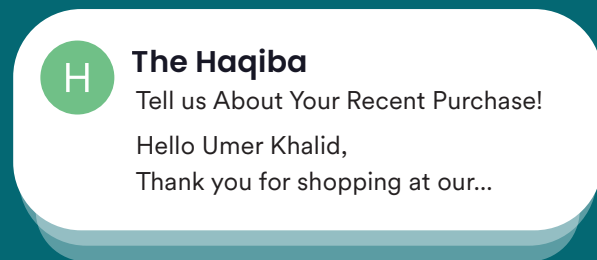
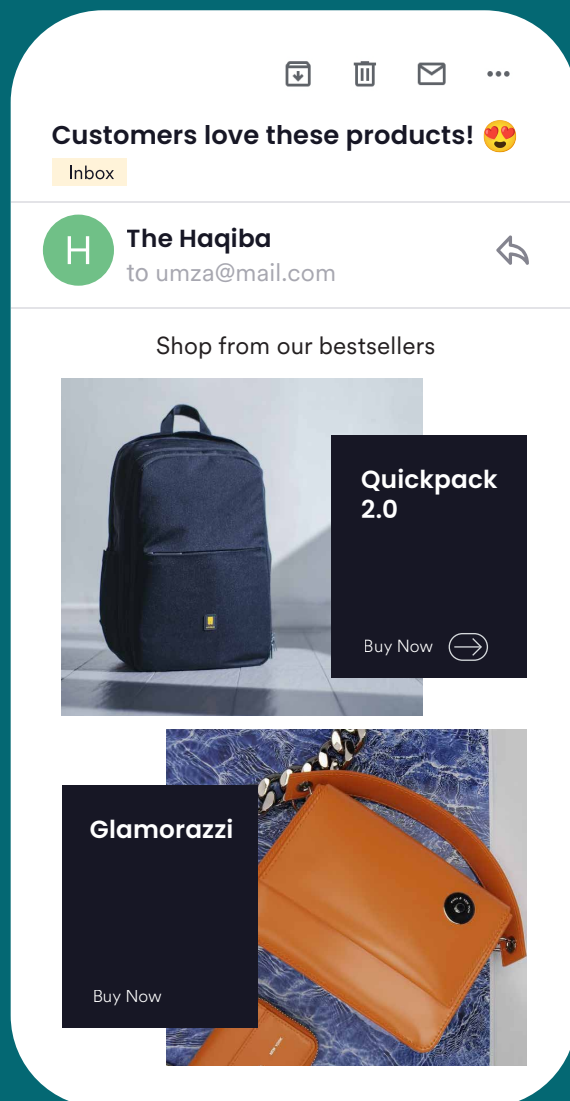
	Between July 2020 - July 2021	August 2021 - Present
Total Emails Sent	2,27,84,245	15,24,85,513
Personalized vs. General Email Split	<div><div>Personalized 4.2%</div><div>General 95.8%</div></div>	<div><div>Personalized 6.1%</div><div>General 93.9%</div></div>
General Email Open Rate	56.10%	55.16%
Personalized Email Open Rate	31.81%	38.80%
Average Email Open Rate	43.59%	48.90%
General Email CVR	3.93%	3.93%
Personalized Email CVR	7.37%	6.62%
Type of personalization	Product Personalization Customer Personalization	Product Personalization Customer Personalization Customer + Product Personalization

Email personalization

Push personalization

## Key Findings

- ✓ Between 2021 and the present, the brand sent a higher volume of personalized emails resulting in better metrics in terms of open rate and conversion rates.
- ✓ Personalized campaigns like a new product launch or festive greetings observed better open rates and conversions.
- ✓ Personalization between 2021 and the present, the brand used “Customer + Product Personalization” attribute.



Email personalization

Push personalization

Use case 2

An African fintech garners an **85% increase in email open rates** using “Customer Personalization”

	In 2021	In 2022
Total Emails Sent	191,908	286,655
Personalized vs. General Email Split	<div><div>Personalized 0%</div><div>General 100%</div></div>	<div><div>Personalized 6.1%</div><div>General 93.9%</div></div>
Average Email Open Rate	42.95%	
General Email Open Rate		63.55%
Personalized Email Open Rate		79.65%
Type of personalization		Customer Personalization

Email personalization

Push personalization

## Key Findings

- ✓ In 2021, the fintech brand's email campaigns were not personalized. But in 2022, they made significant shift and started utilizing personalization.
- ✓ In 2022, the brand used 'personalization' in its email campaigns to engage with customers.
- ✓ As a result, it witnessed a higher open rate for its personalized emails vs. general emails.
- ✓ In terms of the delivery rate, personalized emails average delivery rate was 99.31%, while for general emails, it was 98%.
- ✓ However, in terms of unique clicks - in 2022, general emails garnered 451 unique clicks vs. 193 for personalized emails.

### Campaign Performance

Sent

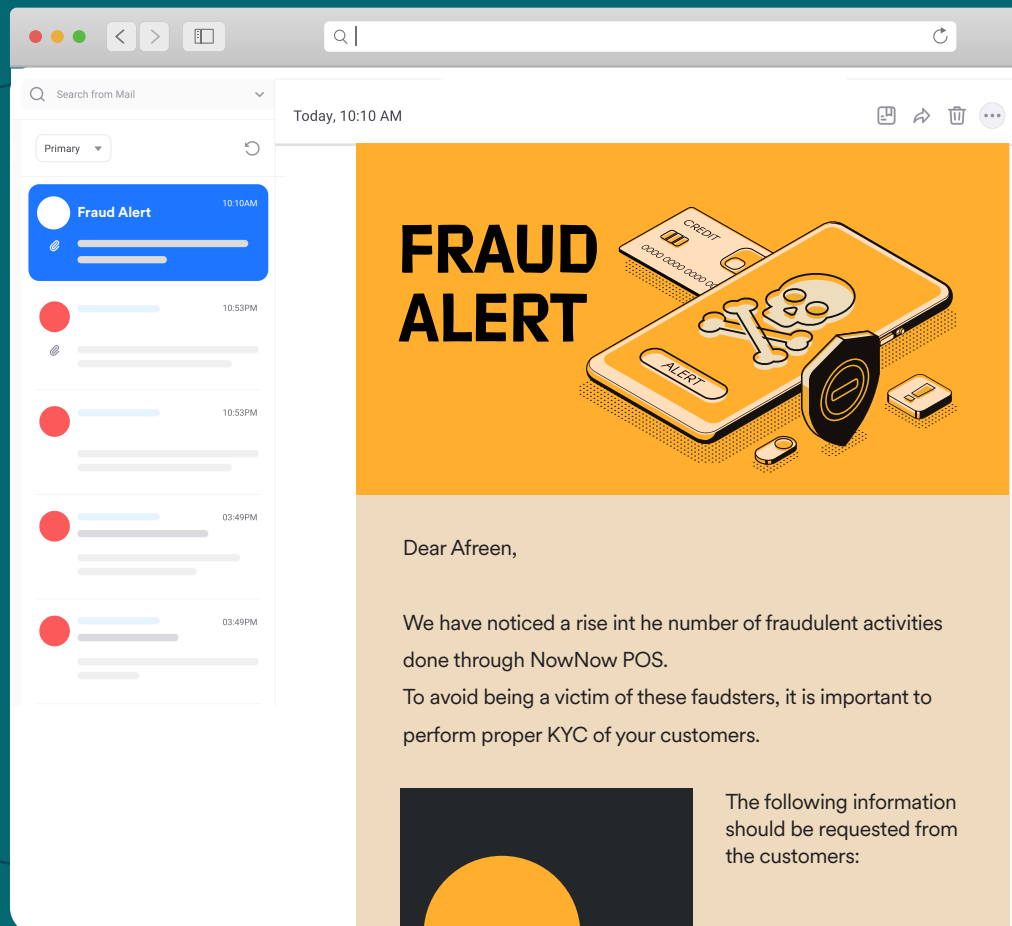
127K

Delivered

126K

Opens

11.5K



Use case 1

A leading private bank in UAE increases the average click rate by **3X**

	No Personalization	Customer Personaliation
Total campaigns	25	16
Personalized vs. General Email Split	<div><div>Flows 11.9%</div><div>General 88.1%</div></div>	<div><div>Smart tirgger 0.8%</div><div>General 99.2%</div></div>
Notifications Sent	4515765	784391
Average click rate	2.23%	7.90%

## Key Findings

- ✓ What is noticeable is that in terms of campaign type, the bank has majorly dependent on general campaigns, followed by smart triggers.
- ✓ However, even for non-personalized notifications, smart triggers and flow notifications have garnered better CTRs than general notifications.
- ✓ For customer personalization, i.e., delivering content and functionality that matches specific customer needs or interests, that bank has garnered higher CTRs.
- ✓ Majority of the general campaigns run by the bank using personalization were around logins, KYC completion, and money transfer details.
- ✓ In terms of smart trigger campaigns, the majority of the campaigns were around product updates targeted at different customers. As a result, these campaigns on an average, garnered a CTR of 11.7%

Use case 2

UAE's leading Re-commerce platform leverages "flows" to enhance engagement

	No Personalization	Customer Personalization
Total campaigns	51	14
Personalized vs. General Email Split	<div><div>Flow 0.1%</div><div>General 99.9%</div></div> <p>Only using flows</p>	
Total notifications sent	20,42,30,983	689,773
Average click rate	5.11%	4.90%

## Key Findings

- ✓ In terms of campaign types, the brand preferred general and flows.
- ✓ The brand used event-triggered campaigns like a festive sale or product updates to drive engagement.
  - As a result, in July 2021, through its product update campaigns for laptops, the re-commerce brand was able to convert 276 customers and the CTR was 1.78%.
  - Similarly for the festive sale campaign in July 2022, the brand was able to convert 569 customers at a CTR of 2.17%.
- ✓ For personalized campaigns, the brand used attributes like 'Dynamic Product Messaging' (DPM) to convert customers at the last mile.
- ✓ The brand used customer personalization with a flow push notification to drive engagement and garner above-average CTR.



Email personalization


Push personalization

Use case 3

An off-price retailer generated **higher CTR** through Web Personalization


	No Personalization in Web	Event + Customer Personalization in Web
Total campaigns	36	33
Total notifications sent	6902024	416251
Average delivery rate	59.35%	61.35%
Average CTR	2.48%	3.50%
Average CVR	14.96%	22.03%

## Key Findings

- ✓ In terms of personalization, the brand used the following types:
    - **Customer personalization:** Nudge customers to complete their first transactions.
- 

SUMO SNACKS 8 min ago

**Check out the items in your cart & avail Free shipping on your first purchase**

Use Code: SHIPMEFREE. Don't miss it!
- **Event personalization:** Nudge customers using DPM for those who had dropped off. post-adding products in the cart.
- 

SUMO SNACKS 8 min ago

**You left your item in our 🛒...**

Come back and purchase it!"
- ✓ As a result, the brand gained momentum with average CTR and CVR for personalized messages on the web were more than **1.5 times higher than general messages**.

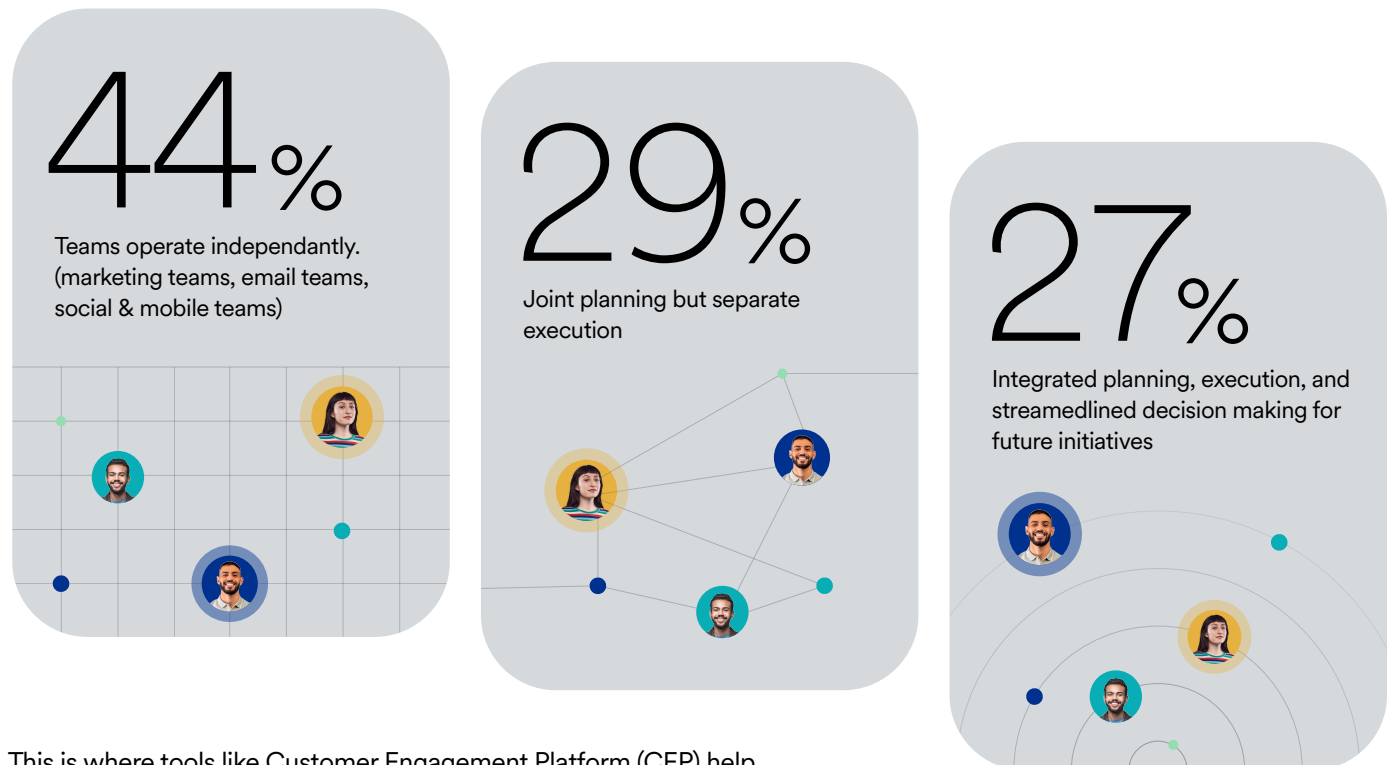
## What's Next

Looking at the use cases mentioned across emails and push notifications, it is visible that brands in this “Hyper-Personalization” age are striving for different means to drive engagement through personalized engagement.

Be it customer personalization, event personalization, product personalization, or an amalgamation of all of them, brands want to increase impressions, CTRs, CVRs, and other key metrics with the overall aim of acquiring, engaging, and retaining.

However, this is easier said than done. Brands and marketers need to look at various data (online and offline) and build a single customer view to get a holistic picture. But as per our latest findings, brands in the Middle East often operate in silos, leading to a disjointed flow of information, and a disjointed customer experience.

## How do you Engage Customer Engagement Resources and Operation?<sup>4</sup>



This is where tools like Customer Engagement Platform (CEP) help brands bridge the gap and remove the silos.

To showcase the benefits of a CEP, let us take different scenarios of an E-commerce brand and how they can drive engagement.

With thousands of brands trying to grab a share of the customer wallet, it providing a superior shopping experience across their app, website, and offline retail stores is imperative.

## So How Exactly Can We Personalize This Experience?

Let's take an example:

**Hana - a multi-brand apparel outlet's customer** - installed the app and now the brand needs to find the right personalized communication to nudge her for the next steps.

### Step 1

### Personalize the first interaction on the website and app

This is the crucial moment when most consumers drop off at least once. And this is where personalization can change the game.

- **Situation:** Hana is interested in a specific top.
- **Strategy:** Website and app personalization to engage customers
- **Solution:**

#### Banners


The brand can use rich banners to showcase different tops and kurtis similar to what Hana browsed earlier. This is likelier to get more clicks and engagement than random or generic banners.




### Recommendations

Use their preferences to showcase different products under the recommendations section to keep them checking out more products. Continue to use their browsing behavior to automate what products are shown

### Top Fashion Trends



Arora Blouse  
**AED 250**  
Add to cart



Selin Sunglasses  
**AED 400**  
Add to cart

## Step 2

## Personalized Engagement

- **Situation:** Hana spends much time adding products to the cart but doesn't make a purchase. It's time to bring her back and get her to make a purchase.
- **Strategy:** Dynamic Product Messaging to personalize communication across email, SMS, and push
- **Solution:**
  - Cart abandonment: Nudge Hana to complete the purchase by recommending her unpurchased products in the cart via push and email.
  - Price drop and in-stock alert: Inform Hana on various discounts on her wishlist products/ in-cart products or are in stock to push her to make a purchase.
  - Personalized recommendations: Use Hana's buying history and browsing patterns to send her new product recommendations and information on sales. Personalized campaigns can drive up to 40% more CTRs than generic campaigns.

Step 3

## Winback customers with relevant recommendations across ad networks

- **Situation:** Hana may have spent time on the website but not registered or made a purchase. Or she has uninstalled the app.
- **Solution:**
  - Advanced segmentation and social connectors:  
Create thousands of micro cohorts and segments based on customer preferences and behavior. Pass these cohorts to ad publishers and use social connectors to run retargeting campaigns that showcase products customers love to keep them coming back.

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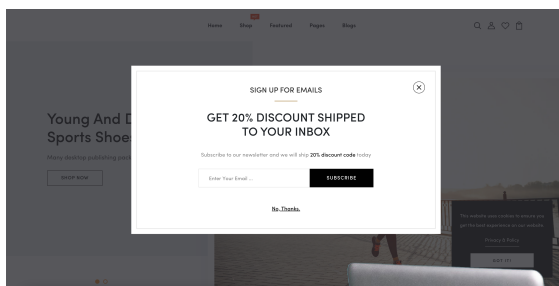
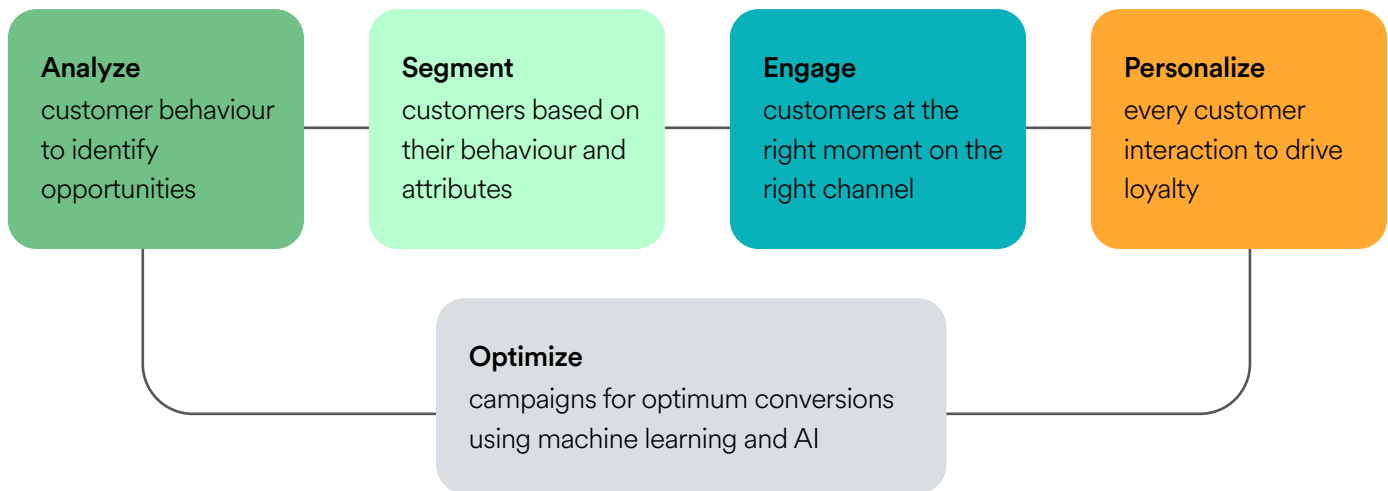
From these scenarios, we can see that brands need to utilize the right data and draw relevant insights, which can help them make an informed decision and anticipate the future in terms of interact.

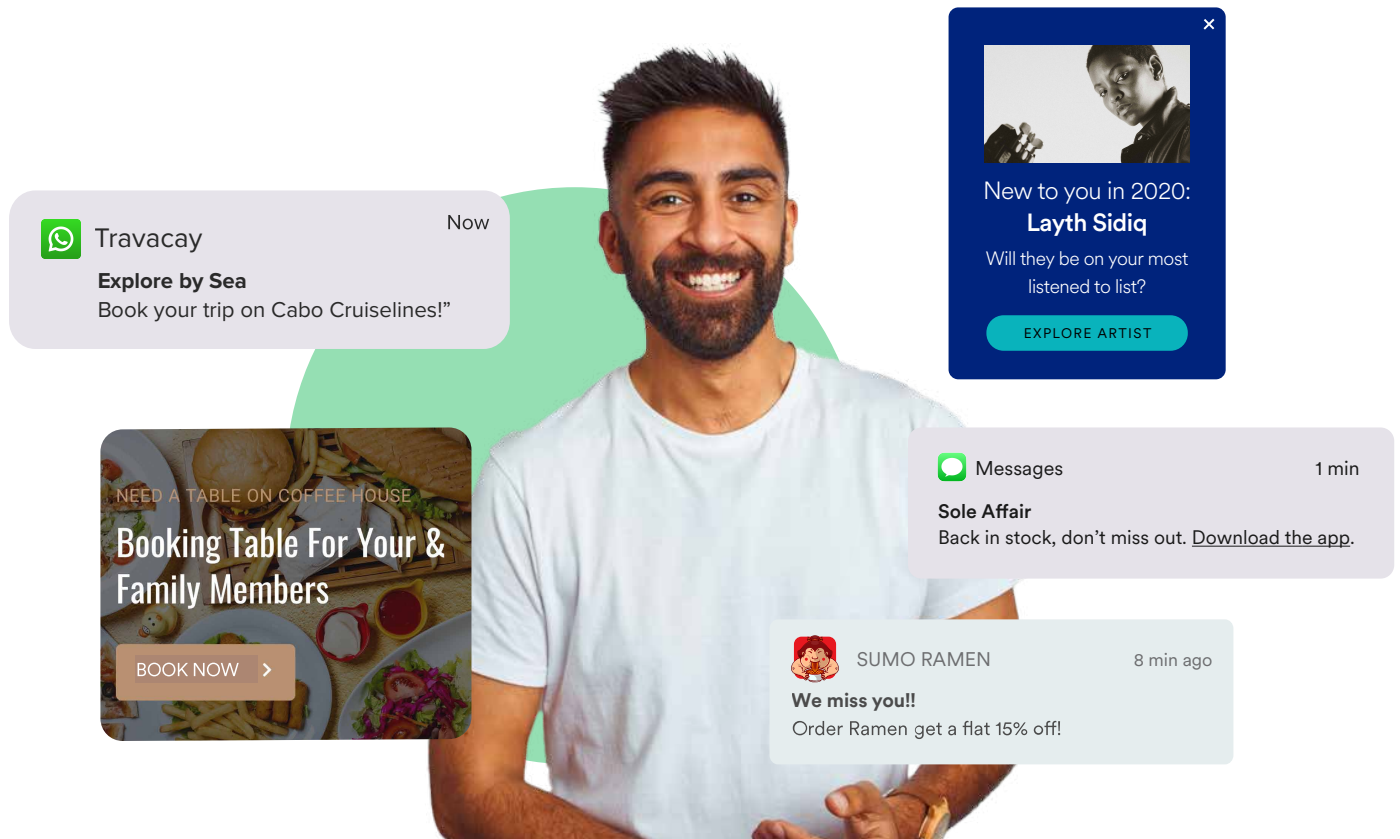
## Inside the Insights: Delivering Personalized Experience to Customers

So far, all the information we have collected indicates that insights transform data into delightful customer experiences. Insights help brands connect disparate data points and convert them into actionable items. Modern CEPs such as MoEngage go one step further and help you automate the process of insights-led engagement, helping you uncover insights such as:

### Understanding Customer Behaviour at Every Stage Across Channels

MoEngage lets you analyze, segment, personalize, engage and optimize all your campaigns with our omnichannel customer engagement solution. It combines powerful customer analytics, cross-channel engagement, and AI-driven personalization capabilities that allow you to automate, scale, and improve your omnichannel strategy to reach your goals faster.





## Building a 360 Degree Customer View

MoEngage allows you to orchestrate customer journey across channels (app, website, CRM, data warehouses, etc) with a single, unified view of your customers with one platform for marketing, insights, and engagement. Open Analytics lets you access all this data in a clean schema. You can even pull in transactional data and offline CSV files from physical stores or branches.



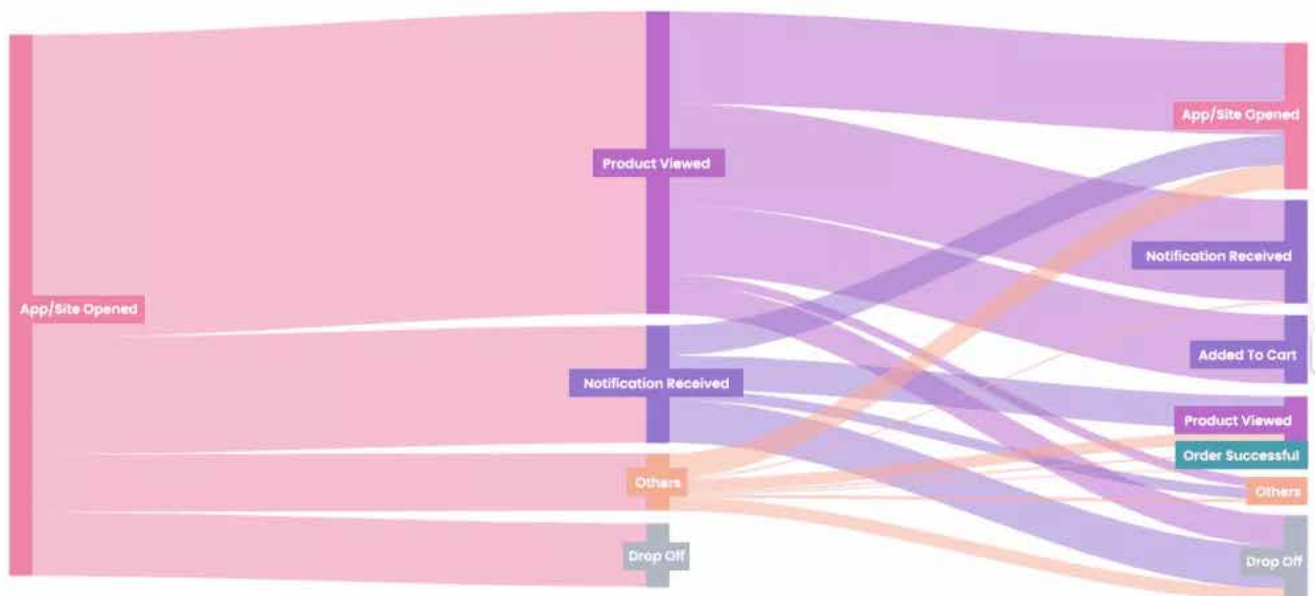


## Developing a Path to Delightful Experience With User Path Analysis

With MoEngage User Path Analysis, you can get a bird's-eye view of customers' different paths, dig deep into the steps they take from one activity to another, and all gaps in the customer journey. You can learn what intersects the path your customers are on, understand customer requirements at every touchpoint, and out what keeps them on or off the path, and help them navigate the journey.

With User Path Analysis, you can get answers to questions like:

- What are my customers doing right after installing? Or right after opening the app?
- What do customers do right before making a purchase? Or, more importantly, right before uninstalling the app?
- What paths do customers follow between receiving a notification and completing a purchase?



## Segmenting Customers Into Cohorts

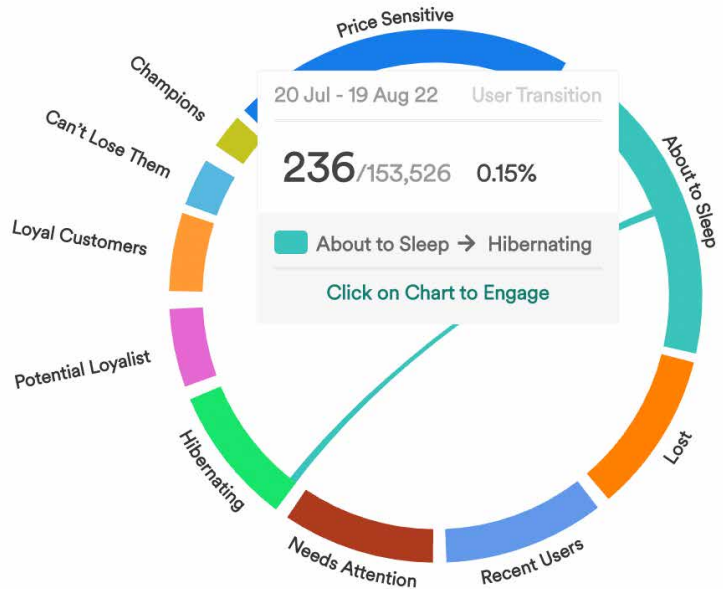
Segmenting based on engagement levels is a great tactic to drive more engagement and reduce unsubscribes.

MoEngage's RFM (Recency, Frequency, and Monetary) Model provides auto-segmentation and bucket customers into categories such as Loyal, Promising, At Risk, etc. based on their behavior. These auto segments can be used in multiple different ways such as customer analysis, churn analysis, and campaign effectiveness. You also get distribution charts for RFM individually.



RFM Analysis can be used to answer questions like:

- Who are your loyal customers?
- Which are the customers who are most likely to churn?
- Which customers are purchasing the most on your platform?
- Which are the customers who can be turned into the best customers with little effort?
- Which customers are most likely to engage with your campaigns?

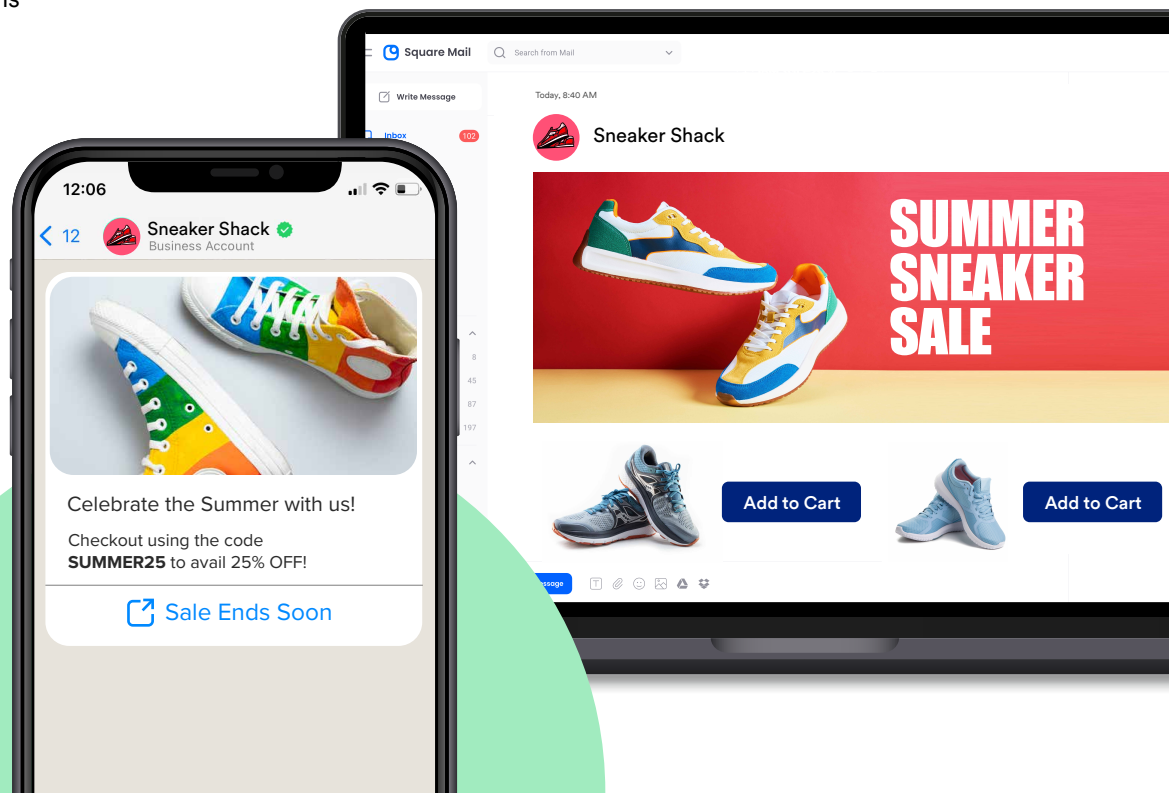


## Personalizing Messages with Dynamic Content

Using dynamically personalized content in your campaigns helps each email feel like a personalized 1:1 engagement with your end customer. There are multiple ways to leverage dynamic content such as recommended content based on previously consumed material or personalized offers. Tailoring content for each customer segment will ensure every customer receives communication they might be interested in. This will lead to higher positive engagement like opens, clicks, reply, forward, mark as important and course higher conversion.

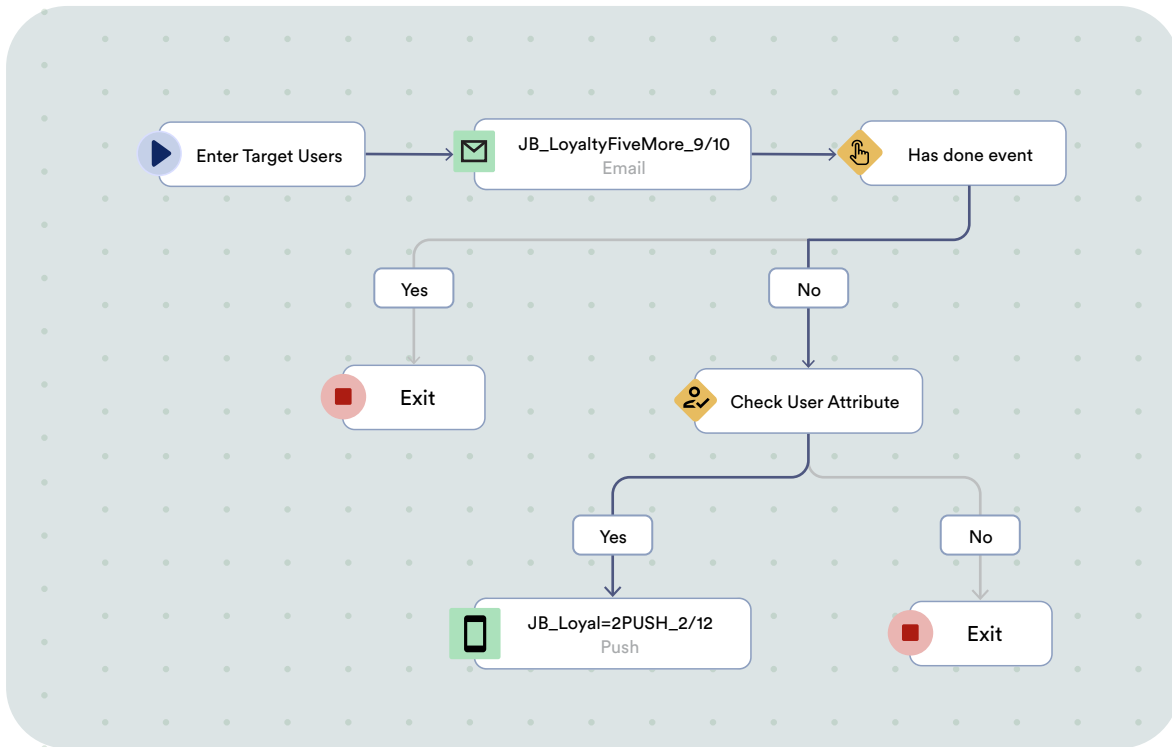
Benefits of DPM,

- Program recommendations
- Content suggestions
- Personalized offers
- New content alerts
- Transaction reminders
- Price drop alerts



## Using 'Flows' to Automate Personalized Messages

Using MoEngage Flows, banks and fintech brands are able to design marketing automation flows that are easy to create, visualize and deploy across channels. For example: from onboarding, and new prospects to earning referrals from existing customers, Flows takes care of all customer touchpoints.



## References

- 1 - Future of Marketing: Why Personalization Matters →
- 2 - The State of Insights-led Engagement Report 2022 | Middle East Edition →
- 3 - MoEngage Internal Database
- 4 - The State of Insights-led Engagement Report 2022 | Middle East Edition →

## Meet the Insights-led Mentors



**Raviteja Dodda**  
CEO and co-founder



**Yash Reddy**  
Chief Business Officer  
EMEA & APAC



**Narasimha Rao**  
General Manager  
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**Kunal Badiani**  
Senior Director  
META & Africa



**Sweta Duseja**  
Director - Customer success  
Middle East & Africa



## About Moengage

MoEngage is an insights-led customer engagement platform, trusted by more than 1,200 global consumer brands such as Azadea, Landmark, 6thStreet, Jazeera Airways, GMG, Alsaif Gallery, Pharma life, 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 monthly customers. With offices in ten 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.

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