



# Winning Millennial Engagement in The Middle East in 2022

How Consumer Brands Can Engage  
The Rising Wave of Tech-Savvy Customers  
with Personalization



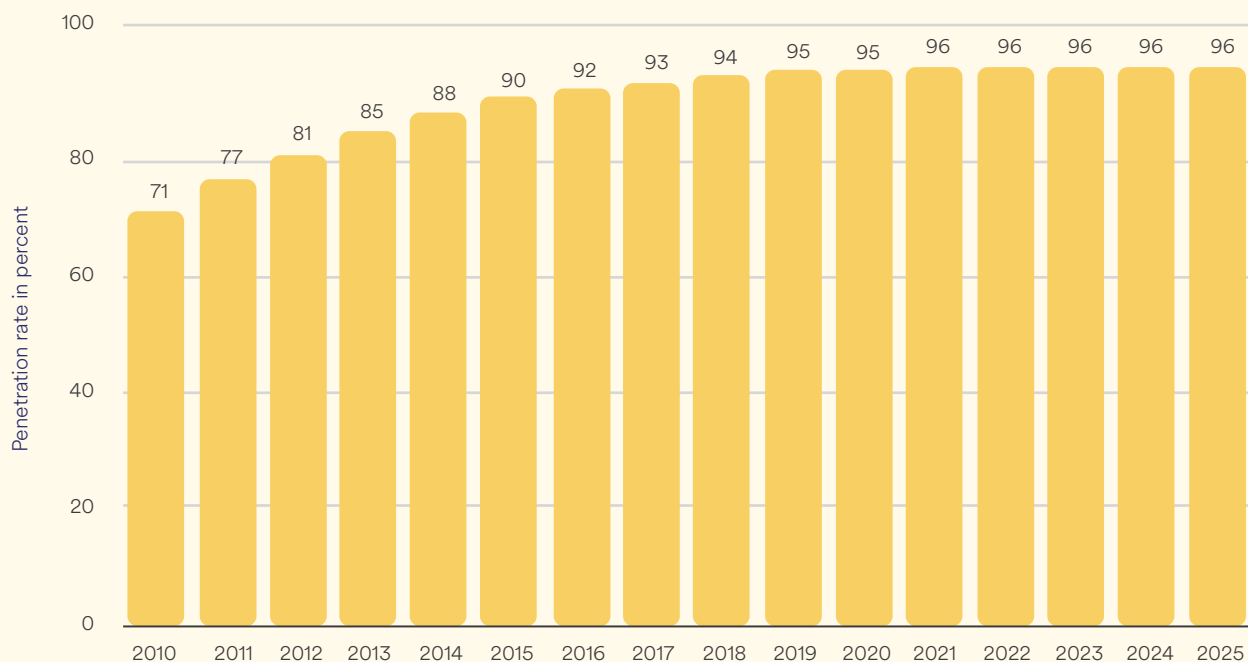
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# Introduction

Consumer preferences and purchase behavior in the Middle East have changed rapidly due to increased digital adoption. The internet penetration in UAE is expected to reach 96% by 2025, with 67% of Middle East consumers shifting to digital channels for engaging with brands. 47% have already started using smartphones for online purchases.



Forecast of the internet penetration in the United Arab Emirates from 2010 to 2025 (source: Statista)

The increased digital adoption has been the key reason for a 31% increase in online spending in the Middle East. Online retail sales are poised to grow by 20% in 2022, outpacing brick-and-mortar sales. 62% of consumers in the Middle East have also stated that they have shifted to online channels due to their convenience.

These statistics indicate that consumer brands in the Middle East have to prioritize digitalization proactively to thrive in this hyper-competitive space. It has become even more critical after the pandemic changed consumer behavior drastically in the last couple of years.

And that's not all. Consumer brands need to build deep engagement with consumers through continuous and consistent communication across all digital touchpoints. To help consumer brands stay connected with the digital consumer, we put together insights into preferred channels, winning personalization strategies, and more.

We recently studied over 7500 Email and Push Notification campaigns sent to 2 million consumers in 2021 by the top brands in the Middle East. This report will help you understand:

- **What channels work well for your industry.**
- **How personalization impacts customer engagement and retention.**
- **Personalization tips for Shopping, Banks and Financial Institutions, and Media & Entertainment (OTT streaming) segments.**





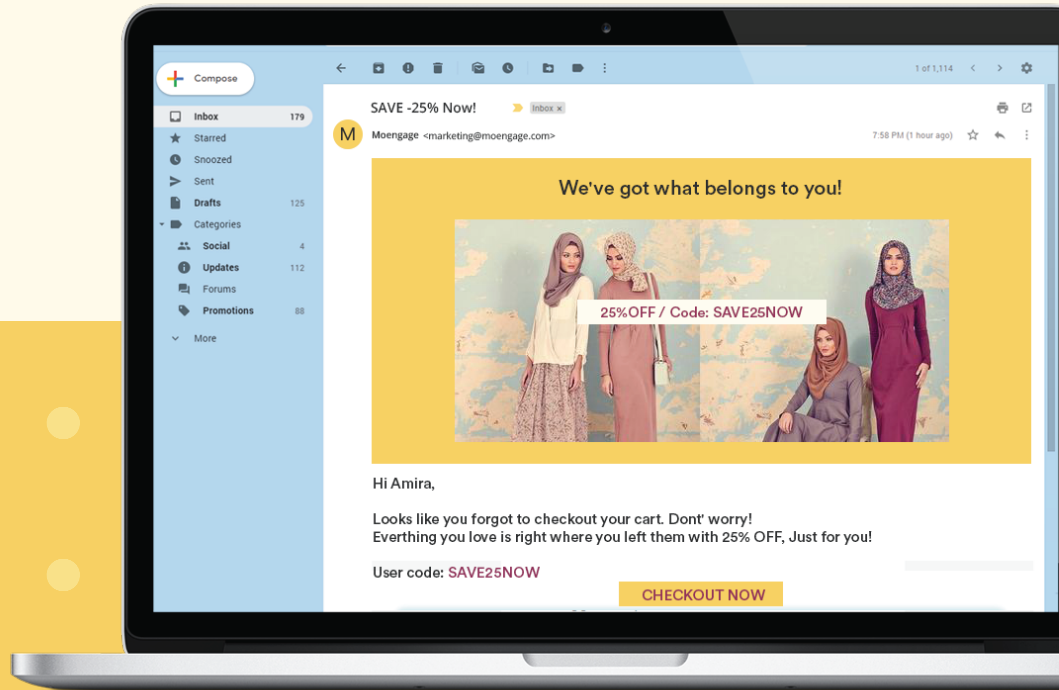
# The best ways to communicate with consumers

The Middle East is one of the fastest-growing markets globally, with over half of the population being below the age of 25. Digital communication is the best way to engage with these tech-savvy customers. While various digital touchpoints are available to reach out to customers, Emails and Push Notifications have proven to outperform every other form of communication.



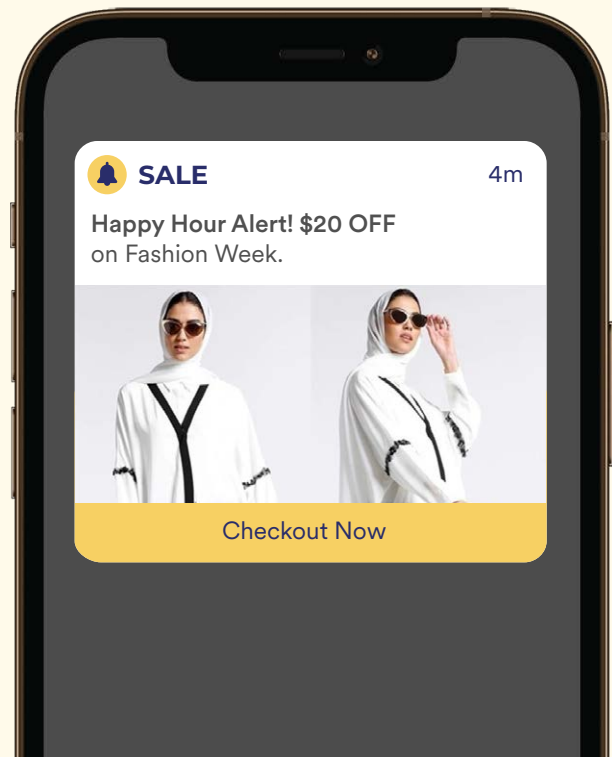
## ○ Email

It's unlikely that a digitally-savvy consumer in the 21st century does not have an email id. There are over [4 billion Email subscribers](#) worldwide, 28% more than Facebook's users. When used efficiently, Email can prove to be a very versatile communication channel. You can use Email to send various messages – from information on upcoming products and OTT content, alerts on the availability of a product they had added to their wishlist, to reminders to purchase the products added to the cart or renew subscriptions.



## ○ Push Notifications

Push Notification is one of the easiest and effective ways to communicate with mobile-first consumers. You can use Push Notifications to send reminders, inform about new content or sales and offers, or alert the customer to take action. While this communication channel is permission-based, i.e., you can send notifications only after the app customers opt-in, about 80% of mobile consumers in the Middle East can be reached via Push Notifications.



# How can consumer brands use digital channels to communicate with customers

## ○ Shopping

The Middle East region may have been slow at adopting online shopping. However, the pandemic has compelled consumers to embrace it. The E-commerce sector has grown from \$5 billion in 2015 to [\\$24 billion by 2020](#). Here's how brands can use digital communication to sustain this growth:



Send promotional Emails for big sale days such as Dubai Shopping Festival, White Friday, Black Friday



Send transactional Push Notifications such as payment confirmations, order status, invoice



Send reminder Emails to consumers who have dropped off or abandoned the cart or whose subscriptions are due for renewal



Show personalized recommendations based on browsing and purchase history via Push Notifications



Send personalized product recommendations based on customer actions even if there is no up-to-date catalog metadata via Emails



## ○ Banking and Fintech

The Middle East has embraced open banking and accepted the fintech revolution in recent years. The fintech sector is growing at a CAGR of [30%](#). A survey conducted by Visa showed a [98% increase in contactless payments](#) during the pandemic in UAE. 45% of consumers are likely to continue using that option in the future. Hence, to continue providing differentiated services to consumers, fintech companies can use digital communication.



Offer personalized recommendations across all touchpoints



Get a 360-degree overview of the consumer's financial history, preferences, and investment behavior



Use these attributes to map with fintech products and predict the right product for the consumer



Send tailored Emails to recommend credit card offers, loans, etc.



Send educational content to create financial awareness and build engagement with consumers



Send transactional Emails such as reactivation, payments that are due, transaction messages, etc.





## Media & Entertainment

OTT streaming platforms are seeing an uptick in usage due to personalization and digitalization. The market is expected to reach \$69.83 billion by 2026. To ensure continuous engagement, brands can use digital communication for the following purposes:



Send Push Notifications on the latest releases



Send personalized Emails notifying about the new events in the city



Show an in-app message to download or watch the video offline if the viewer plans to stop watching the video mid-way



Send transactional Emails informing about payment confirmations, password resets, etc.



Send personalized suggestions on new shows to watch or new subscription plans based on consumer's usage and previously consumed content



# Cut through the noise with personalization

A consumer receives an average of 121 Emails every day. Plenty of brands vying for your customer's attention, and an inconsistent or irrelevant Email could be frustrating. The best way to cut through the noise is by personalizing your communication.

Personalization goes beyond 'Hello <first\_name>.' It's about sending relevant content to the right consumer at the right time. 80% of consumers prefer to receive personalized offers from brands. When the message is relevant to the consumer, they interact more with the brand and are likely to complete the purchase.

By personalizing your digital communication, you can:



Improve conversions



Strengthen brand affinity through increased engagement



Increase the number of leads generated



Reduce customer churn and retain more customers



Generate more revenue



# How does personalization boost engagement metrics

Consumers expect personalization from brands. Here's what we found from our comparison studies between personalized and broadcast communication sent by the top consumer brands in the Middle East.

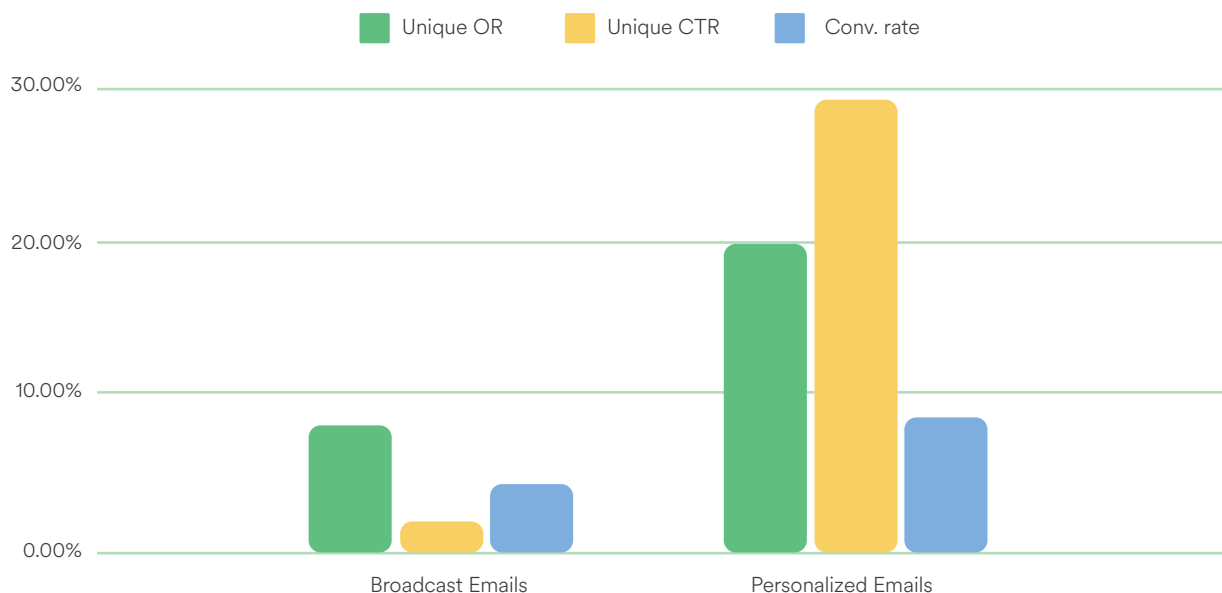
## ○ Email Communication

Our study of over 7500 Email campaigns of the top consumer brands in the Middle East shows that the unique open rate (OR) of broadcast Emails is 7.91%, while the OR of personalized Emails is **19.34%**. The unique click-through rate (CTR) for broadcast Emails is just 1.44%, increasing to **28.63%** for personalized Emails. We also found that the conversion rate of personalized Emails is **8.45%**, compared to 4.08% for Email broadcasts.



This shows that customers are more likely to open and act on them when customers receive relevant Emails. An increase in conversion rates shows that personalized Emails add more value than broadcasts.

Performance of Broadcast Emails versus Personalized Emails



## ○ Mobile Push Notifications

During our study of Push Notification campaigns of the top consumer brands in the Middle East, we observed that the unique CTR of broadcast Push Notifications is 7.73%. In comparison, that of personalized notifications is **8.17%**. The conversion rate of broadcast Push Notifications is 5.58%, and personalization boosts conversion rates to a whopping **21.12%**!



This shows that mobile customers look forward to receiving personalized communication via Push Notifications, and instead of ignoring they're more likely to click it. A higher conversion from personalized Push Notifications proves that consumers need to stop sending broadcasts to their customers.

Personalized Push and Broadcast Push



# How can consumer brands implement personalization?

Now that personalization is essential to increase conversions let's see how consumer brands can implement it for Emails and Push Notifications.



## ○ Email Communication

When it comes to ROI, Emails outperform every other digital communication channel. For every dollar you spend, you can expect an [ROI of \\$44](#). Personalized Emails delivered 6x higher transaction rate. So, make sure that your Emails are personalized, relevant, and value-driven. Here is a framework to make your Email engagement impactful.



**Analysis:** Look at customer behavior data and identify the right customers that you need to engage, what type of campaigns to run, and what information your selected customer cohorts need that is relevant and valuable to them.



**Segmentation:** Categorise your customers into different groups based on their behavior, preferences, affinity, interests, geolocation, age, and gender, among other attributes. This will help you gather customer insights on a deeper level and use automation to personalize your communication.



**Triggered timing:** Do you want all your consumers to get a personalized Email on the same day, irrespective of the location? You can consider using time-based Email triggers to send Emails. It will automatically schedule the Email depending on the time zone and send the Emails. Brands can use triggers to send invoice Emails or purchase information too.



**Contextual content:** We cannot stress enough about the importance of context. Ensure that your Email content is contextually relevant. Ensure that the subject line, body, CTA, and imagery resonate with the consumer. The more personal it is, the better will be the response rate.



**Personalization:** An essential element of customer engagement is sending recommendation Emails about what to purchase next or what films/tv series to watch next. You may also want to inform customers about the latest additions to your catalog that they'll find helpful. This means your personalization has to be dynamic and unique to each customer.

You can send personalized Emails to a handful of customers in a day manually. But personalizing every Email to millions of your customers at scale is best done via automation. Use automation to send contextually relevant Emails to the right consumer at the right time. Ensure that you have real-time insights on consumer behavior. This will help you to work on your content accordingly.



## ○ Mobile Push Notifications

Consumers receive multiple Push Notifications from different mobile apps. Consider personalizing them to grab attention in the notification tray. Personalized Push Notifications can improve conversion rates and [customer engagement by 4x](#).

A perfect Push Notification campaign has two important components – frequency and content. Frequency indicates that the Push Notification is sent at the right time. You must be mindful that you're not sending Push Notifications too frequently, which could lead the customer to uninstall the app. Apart from ensuring that the Push Notification content is contextually relevant, consider adding rich elements such as images, GIFs, audio, and options for direct engagement. Ensure that the intent of the push message is clear enough to compel the consumer to perform the intended action.

Here are some ways to personalize Push Notifications.



**Gather customer insights:** It is important to understand how and when your customers wish to receive push communication from you before you jump into campaign creation. Understanding at which stage of the customer journey they are in will also help in sending more relevant and actionable information to your customers.



**Get an opt-in:** Ensure that your selected customer cohort has opted in to receive notifications. Communicate the opt-in benefits to convince them of the value of receiving Push Notifications.



**Use geo-fencing to personalize offers:** Although consumers prefer to shop online, they will continue to shop in physical stores, especially now as the situation is returning to normalcy. Geo-fencing can help you to erase the lines between digital and physical mediums. You can create a geo-fence for a location and send an auto-trigger notification to the consumer when they enter, exit, or stay in the selected area. This real-time interaction will help you deepen your engagement with the consumer.





**Analyze the metrics:** Keep an eye on critical metrics such as opt-in rate, delivery rate, click rate, and conversion rate to know if the Push Notifications worked well.



**Use automation:** Segment your customers based on geography, where they are at their consumer journey, timings, level of engagement with the app. Based on these insights, you can automate Push Notification delivery. To ensure that the consumer receives the notification at the right time, you can use smart triggers. The Push Notification will be delivered based on the trigger.



# Learning from the leaders: How did Landmark Group implement Personalization



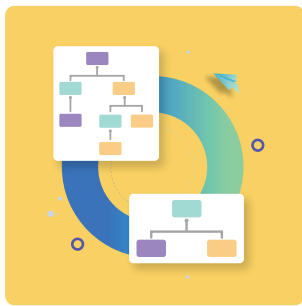
Landmark Group is one of the largest retail brands in the Middle East, Africa, and India. It has over 2,300 outlets, selling 50 world-class brands in 22 countries.

On White Friday, Landmark Group wanted to encourage app purchases and improve app conversions.

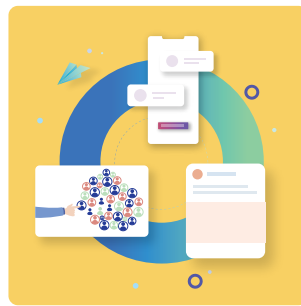


The core intent of their campaign was to ensure that their mobile customers utilized maximum offers and discounts. They also wanted to improve customer lifetime value and increase repeat customers. To achieve this, Landmark Group had to ensure that the right message was delivered to the right person at the right time.

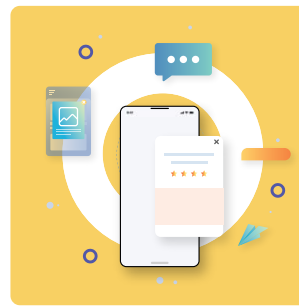
Landmark Group worked with MoEngage to improve app conversions. MoEngage advised the Group to run specific White Friday-focused offers using in-app and Push Notifications to attract and engage more customers. The Landmark Group deployed campaigns using:



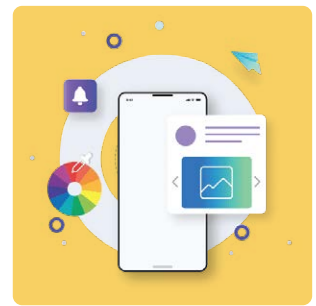
**MoEngage's  
Flows to create  
a seamless  
customer journey  
logic**



**Push  
Amplification  
Plus to amplify  
Push Notification  
deliverability**



**Real-time event  
triggers to send  
targeted messages  
to new and existing  
customers**



**Dynamic Product  
Messaging to send  
personalized  
product  
recommendations**



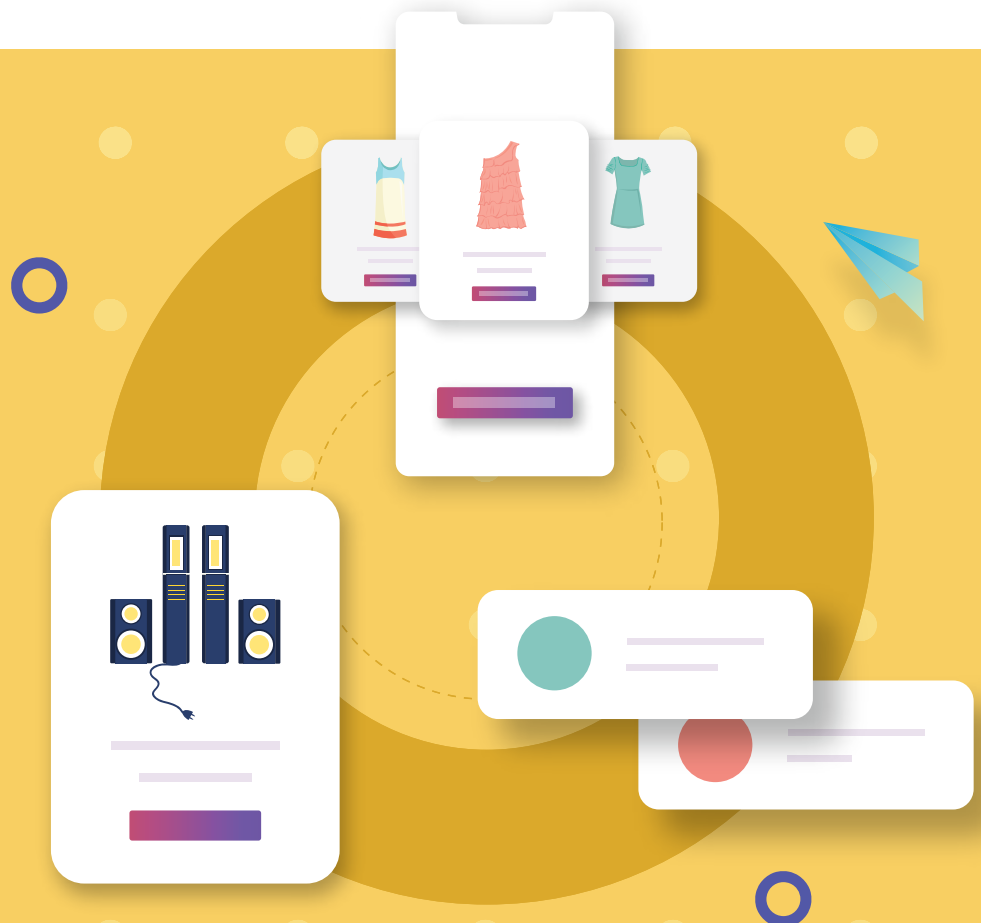
The Push Notification campaigns helped the Landmark Group to improve its deliverability rate. They observed a 30% uplift in delivery and engagement rates and a 5% increase in the conversion rates.

You can read the entire [case study](#) to know more about the successful White Wednesday campaign.

# Implementing personalization using MoEngage

Delivering personalized recommendations is not easy, especially when engaging with millions of customers with billions of preferences. Each customer is unique and has different needs and ways of engaging with your brand. To personalize at scale and create a seamless experience, MoEngage has introduced Dynamic Product Messaging (DPM). MoEngage's DPM helps consumer brands deliver rich and relevant engagement to customers. DPM helps:

- Increase customer LTV
- Drive higher profits
- Secure customer loyalty

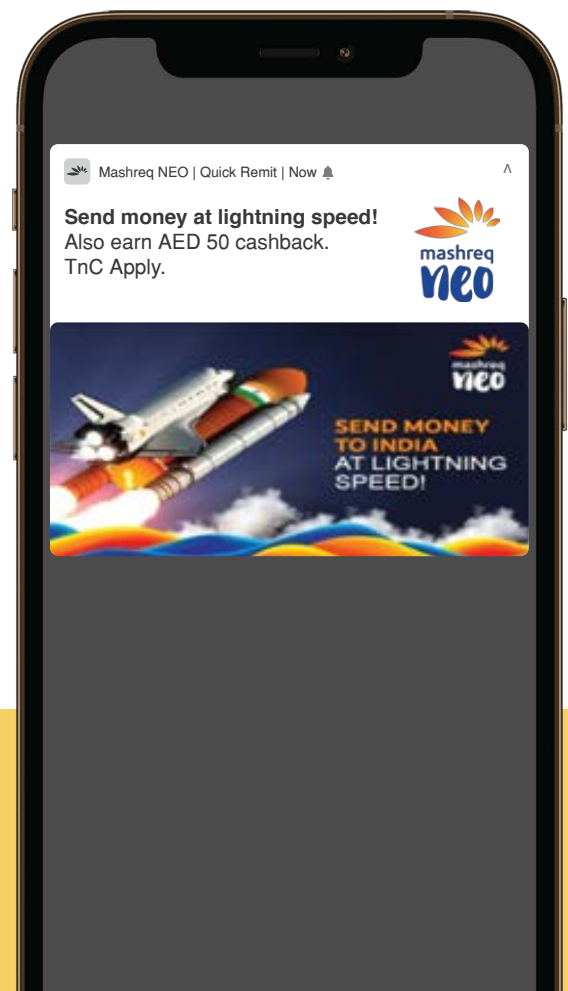


DPM provides you with a 360-degree profile of the consumers that you can leverage to analyze their behavior, preferences, shopping history, etc. You can map the shopper's attributes with the product catalog and use it to orchestrate rich product recommendations. You can also filter your catalog based on dynamic attributes such as price range, discount range, etc., to hyper-personalize the product recommendations. For example, consumers in the Middle East are highly cautious about their spending after the COVID-19 pandemic. 61% of consumers in Saudi Arabia feel that their personal and household finances will take a hit. Dynamic price and discount ranges could act as a nudge for the consumer to take action

DPM also helps marketers auto-generate campaigns and deliver personalized messages to customers at the right micro-moment on the right channel. For example, you can inform customers about price changes, fresh stocks and even send them personalized discount coupons and offers. You can also bring customers back to the app or website to complete the purchase if they have abandoned the cart.



[Mashreq Neo](#), a digital banking app of one of UAE's best-performing banks for five decades, Mashreq witnessed a 16% boost in debit card activation thanks to Personalization. Relevant and timely personalized recommendations for money transfers, savings, loans, and investment options generated massive response rates for Mashreq Neo. Overall, Mashreq Neo's campaign saw a 50% increase in CTRs when Push Notifications were personalized based on customer behavior.



# Conclusion

The young population of the Middle East is looking forward to new digital experiences and moving away from traditional shopping experiences that were purely transactional. Personalization has become a sticking point for customers to engage with brands.

Personalization also impacts the company's bottom line. 95% of companies have witnessed 3x ROI due to personalization efforts and have increased their revenue by 10-13%.

If you are just starting with personalization, we would recommend you gather insights with deep analytics and use them to create advanced customer segments.

Segmentation is the pathway to building deeper personalization. You can segment your consumers based on different criteria such as – customers who've browsed for a handbag or Android customers residing in UAE, and so on. This kind of grouping will allow you to personalize at a larger scale and set a starting point for 1:1 personalization, offering individualized content to consumers.

Once you ace the game of segmentation, you can go deeper into personalizing content and product offerings and building a long-term relationship with customers. Of course, all this is possible only with the right customer engagement platforms that will help you gather the right insights, segment your customers, and send them personalized and relevant content at the right time.



## About moengage

MoEngage is an insights-led 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 messaging channels.

Fortune 500 brands and Enterprises across 35+ countries such as Deutsche Telekom, Samsung, Ally Financial, Vodafone, and McAfee along with internet-first brands such as Flipkart, Ola, OYO, Bigbasket, and Tokopedia use MoEngage to orchestrate efficient customer engagement.

MoEngage was recognized as a Leader in the [Gartner Magic Quadrant 2020](#) for Mobile Marketing Platforms and a Strong Performer in [The Forrester Wave™ Report](#) for Cross-Channel Campaign Management (Independent Platforms), Q3 2021. G2 also named MoEngage a Leader in the [Fall 2020 Grid® Report](#), and the #1 Mobile Marketing Platform in the [Spring 2021 Momentum Report](#).

**Get a demo of MoEngage today!**



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