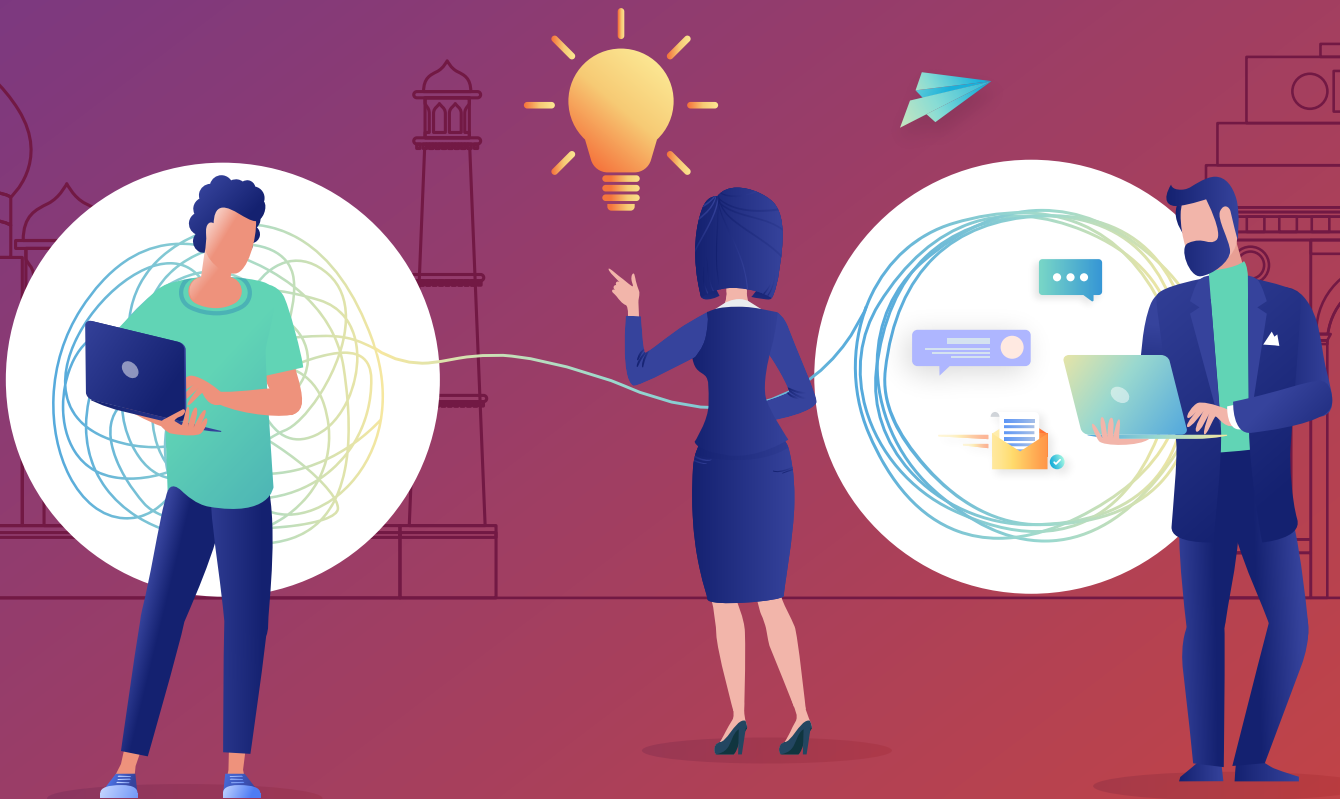


mengage

# The State of Insights-led Engagement Report 2022

India Edition

How insights help you connect the dots to build an impactful customer engagement strategy and provide a delightful experience.



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# Foreword

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Modern customer preferences are constantly changing and evolving. So much so that it can fluctuate in the time it takes to switch between websites. When you consider the multitude of options influencing purchasing decisions, it is easy to understand the importance of tailored communication. Capturing the customer's attention at the key moments is crucial for meaningful engagement. A brand's ability to eliminate information overload while personalizing customer experiences can optimize conversions by several folds.

To provide your customers with hyper-personalized experiences, it's critical to have access to customer insights.

Bearing this in mind, MoEngage set out to assess the readiness of 2000 marketers across India to adapt to insights-driven customer engagement.

This report explains the survey's findings and serves as a roadmap for marketers that want to shift from a campaign-centric to an insights-led, customer-centric approach to engagement.

**Narasimha Rao,**  
General Manager.  
India, Middle East



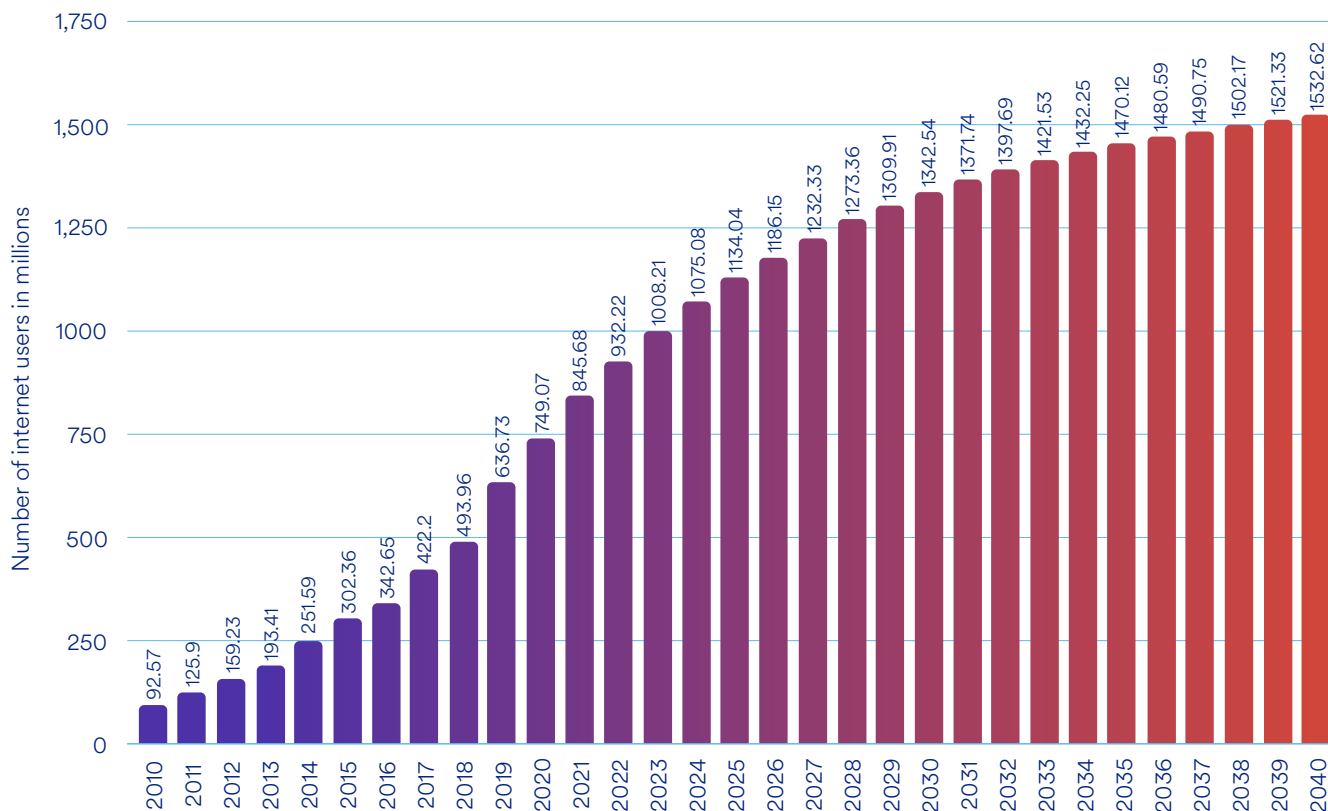
# The Metamorphosis of Traditional Customer Engagement

2021 was certainly a year of uncertainty – reminiscent of the year before that.

So it comes as no surprise that acquiring competitive advantage in today's digital age and a post-COVID world is relatively different and slightly more complex than what it used to be before. Brands truly have their work cut out for them in the fiercely combative ecosystem of the 21st century.

With a rising digital population, India has become one of the fastest-growing digital economies globally.

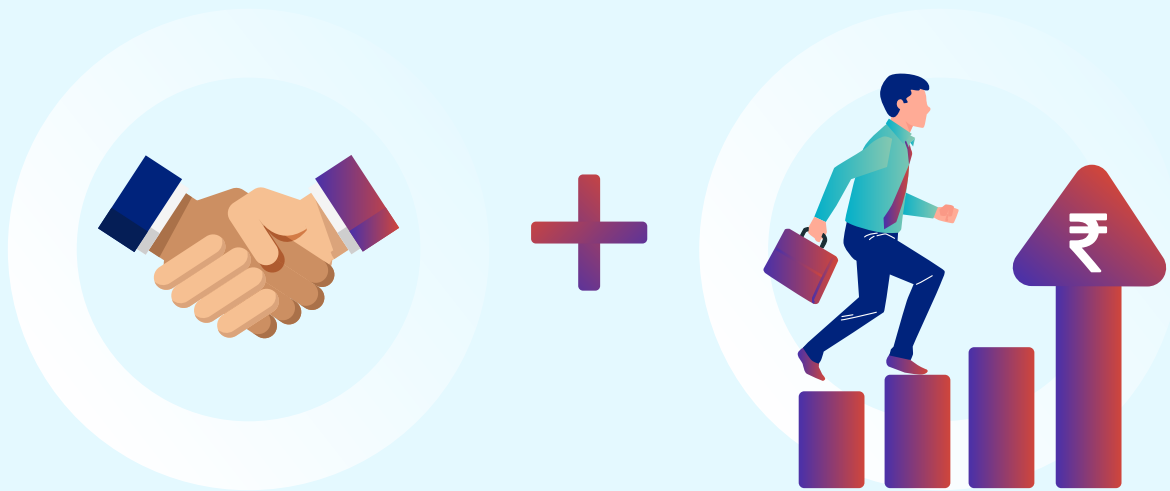
### Internet users in India – 2010-2040 Estimation



According to a report by Statista, India had over **749 million** internet users in 2020. Additionally, this figure is projected to grow to over **1.5 billion users** by **2040**, suggesting a significant market potential for internet services. Even the IMAI-Kantar ICUBE 2020 report indicates that active Internet users in India are expected to touch **900 million** by 2025!

Due to this digital upsurge, it has become imperative for marketers in India to amp up their game regarding their customer engagement strategies. The need to survive and thrive in their respective markets has become the norm. A vital aspect of this is customer retention. As per [research](#) conducted by Frederick Reichheld of Bain and Company, increasing customer retention rates by 5% increases corporate profits by 25% – 95%.

## Loyal customer relationships, therefore, translate to a rise in profits!



But to build a loyal customer base, marketers need to create bespoke and **personalized customer engagement strategies**. And that is where most drop the ball.

India's demographic is wide in variety of cultures and languages. The demand for more personalized products and services based on customer preferences has become more crucial. Therefore, as customers' expectations for smoother and personalized brand experiences increase, brands need to start thinking about how they can utilize insights to break down customer engagement barriers. This is where **insights-led engagement** steps in.

## Analyse & Segment



With the increased usage of smartphones, the internet, and social media in India, marketers have many opportunities to extract, analyze, and segment customer data. And eventually, use the same to help predict customer behavior and craft bespoke customer engagement strategies that deliver **results**.



# Inside the Insights

You've seen that Insights-led engagement is the path to more profound, personalized customer experiences. For brands like yours to adopt an Insights-led approach, you'll need to take stock of where you currently stand.

For 'The State of Insights-led Engagement Report', MoEngage commissioned a survey from December 2021 to February 2022. To understand the impact of insights-led engagement and why it is a pressing priority for marketers today. The survey respondents included:



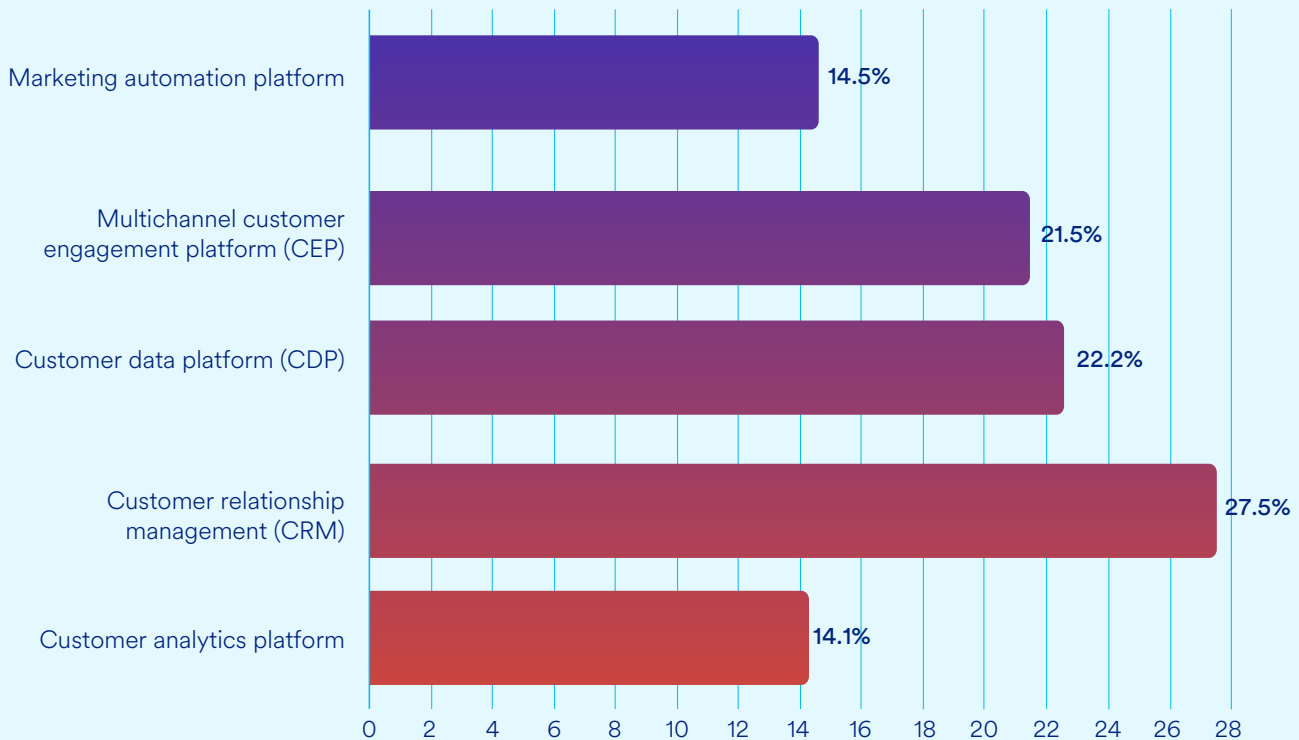
# Today's Customer Engagement Landscape

Before we jump into the data insights that marketers are currently scrutinizing, we wanted to understand their **current customer engagement tech stack**.



## Marketers put their trust in CRMs

### What does your customer engagement tech stack consist of?

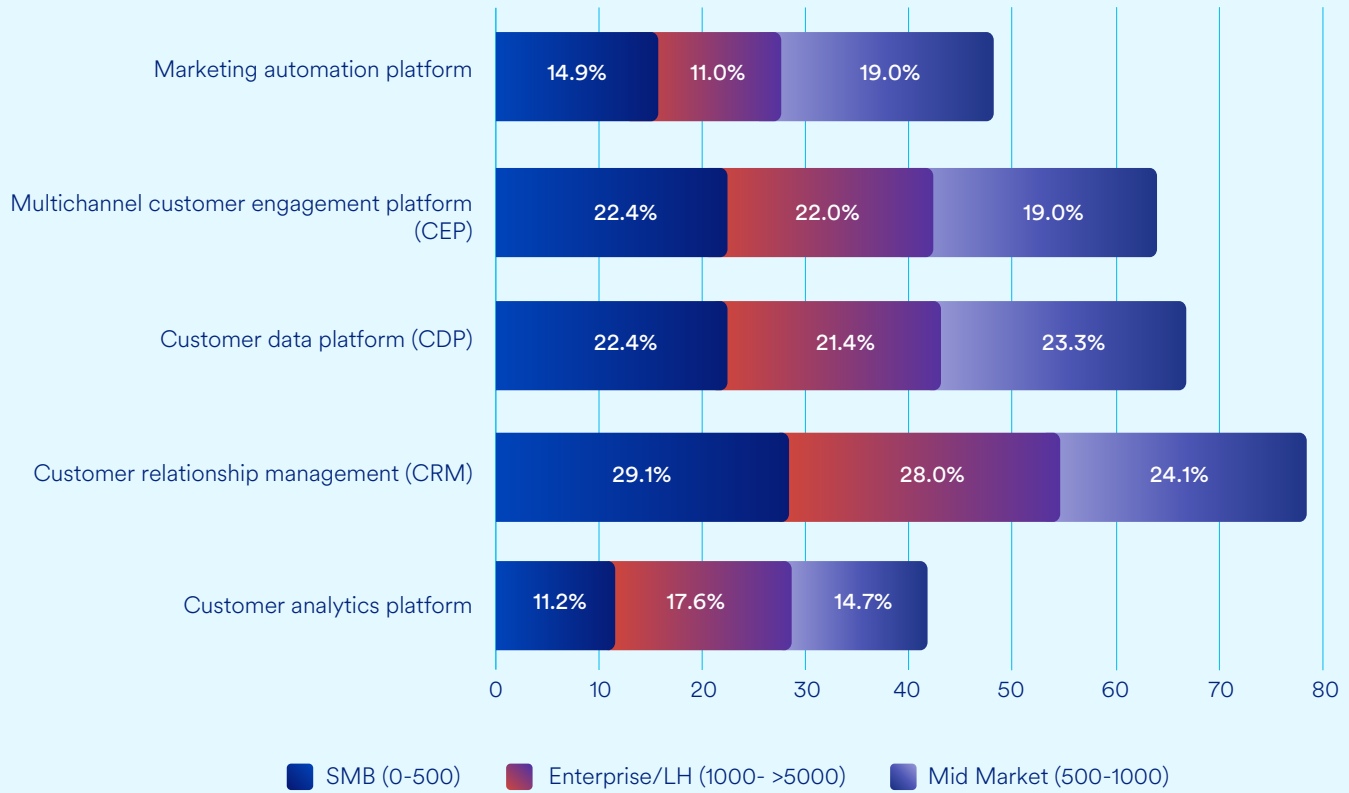


Our survey observed that **28%** of overall marketers utilize **Customer Relationship Management (CRM)** platforms to optimize their marketing initiatives. Customer Data Platforms (CDPs) and Multichannel Customer Engagement Platforms (CEPs) came out to over 22.2% and 21.5%, respectively. When we further drilled down our survey findings to understand what the C-level and Managerial-level folks were using, we found that both utilize **CRM** platforms.





## Organizational Overview



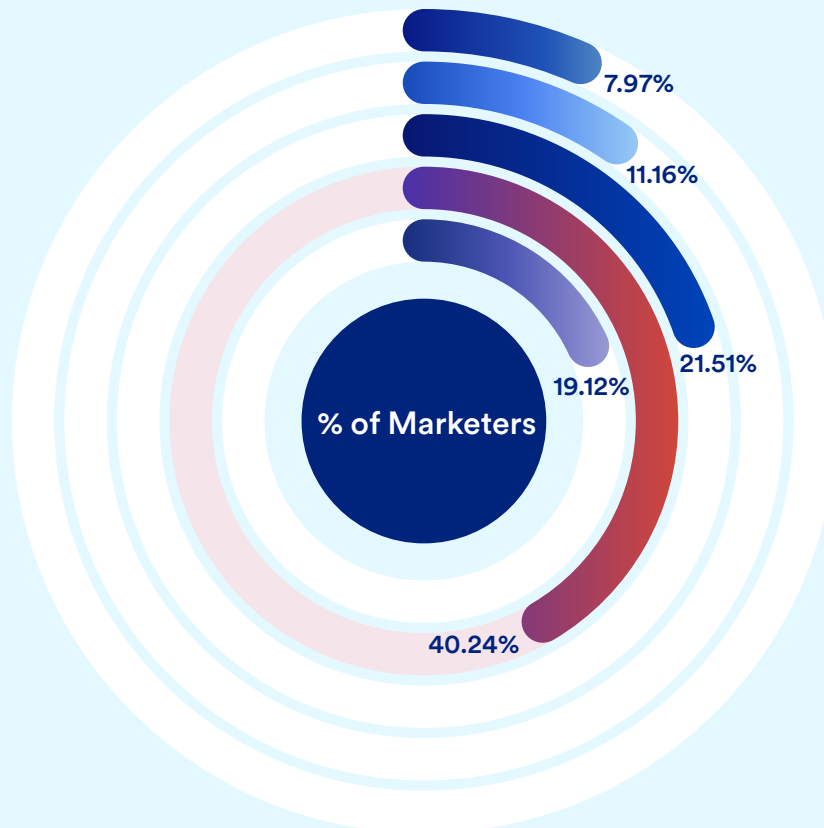
Even at an organizational level, CRM is the favored tool, with over 29% of Small Businesses and 28% of Enterprise brands using the same.





## Gathering real-time analytics is the top challenge

### What is your top customer engagement challenge?

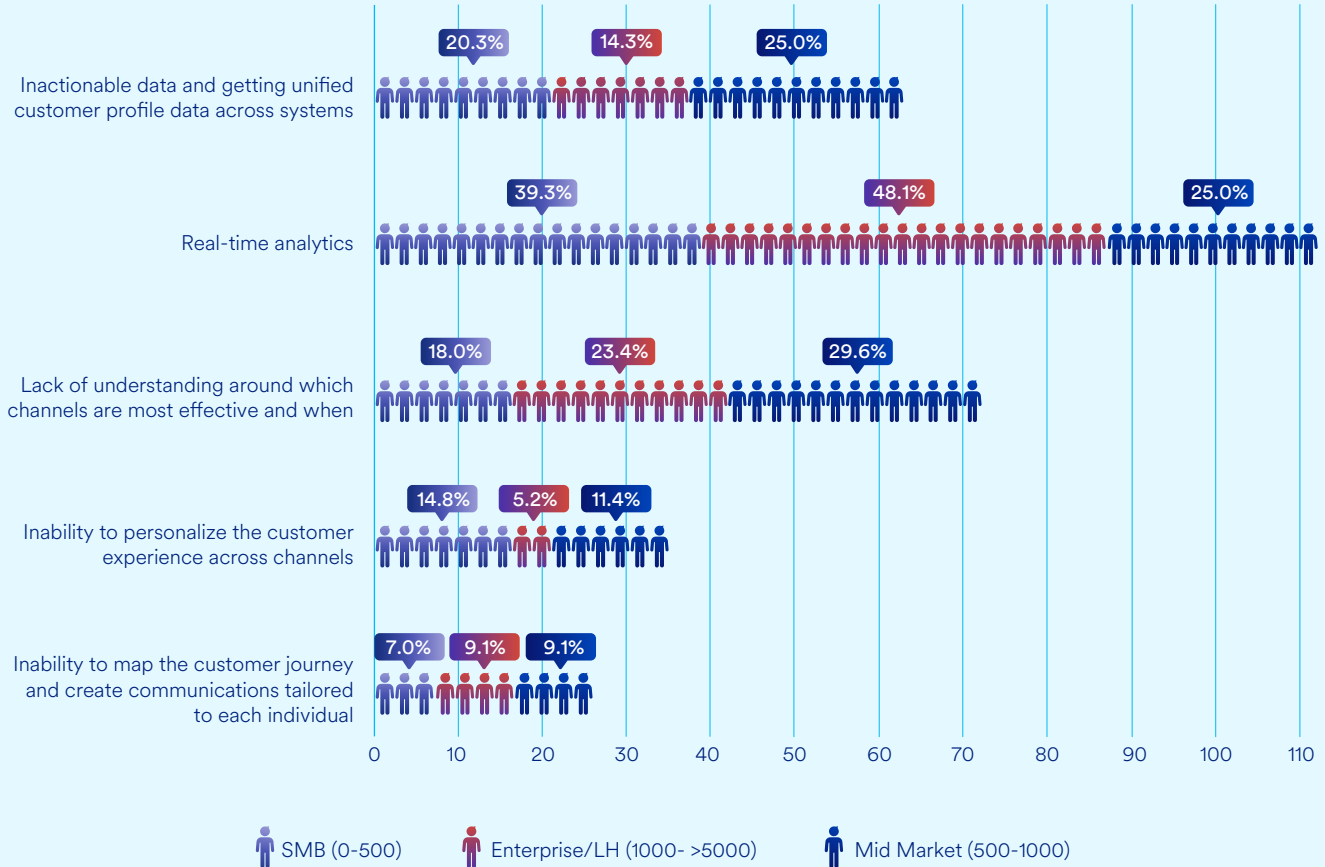


- Inactionable data and getting unified customer profile data across systems
- Real-time analytics
- Lack of understanding around which channels are most effective and when
- Inability to personalize the customer experience across channels
- Inability to map the customer journey and create communications tailored to each individual

Over **40.2%** of marketers identify “**real-time analytics**” as their ultimate challenge. “Lack of understanding which channels are most effective” and “inactionable data and unified customer profile data across systems” came in second and third as challenges for 21.5% and 19% of marketers, respectively.



## Organizational Size



**48% of enterprise brands and 40% of Small Businesses** identified “**real-time analytics**” as their top challenge. We observe similar job title level findings, with 42% of C-level and 37% of managerial-level folks identifying 'real-time analytics' as their top challenges. However, 30% of mid-market brands identified the lack of understanding which channels are most effective as their ultimate challenge.



# Industry Overview



Banking and Fintech



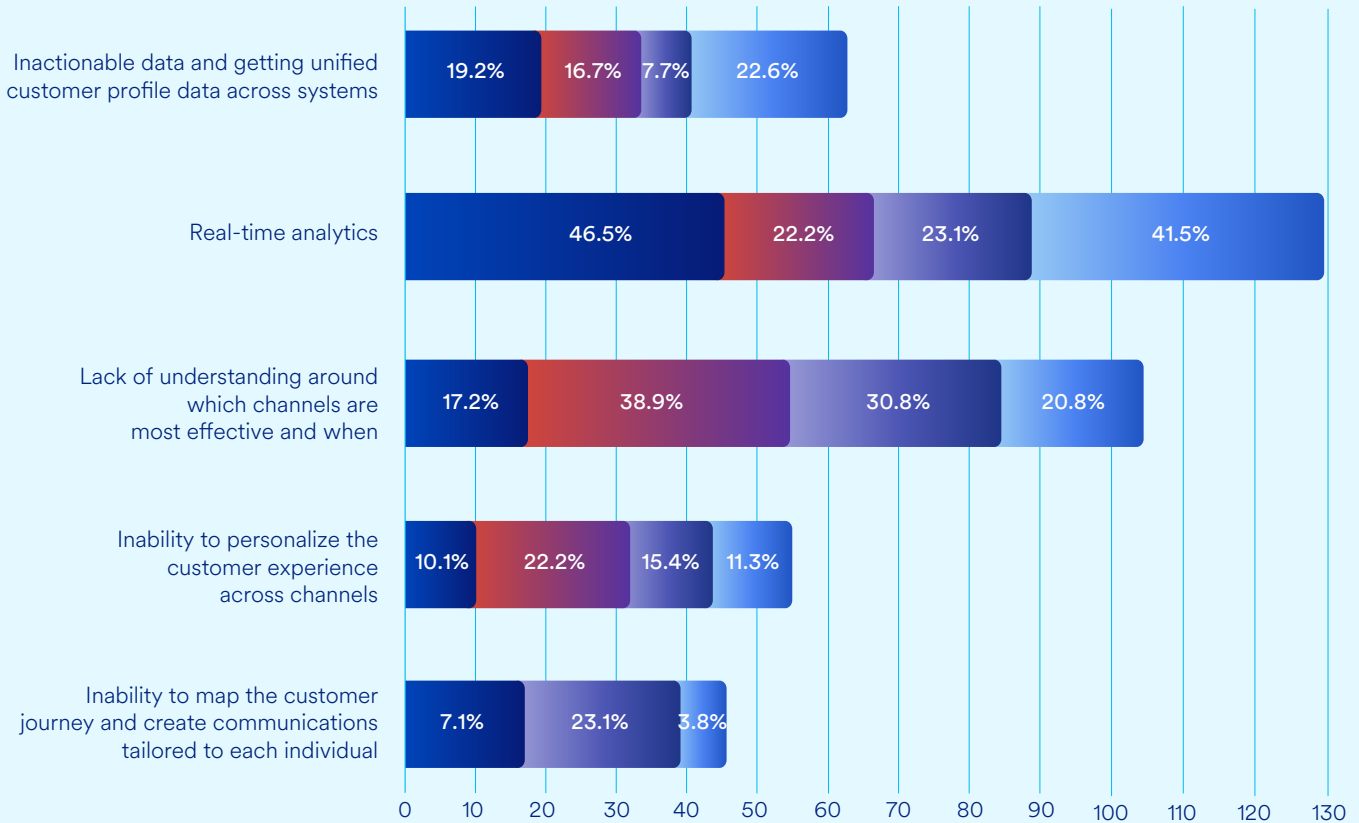
Consumer shopping



Media and Entertainment



Education/Ed-tech



For any business, no matter what the size of the organization or technology/apps they develop, keeping your ear to the ground remains one of the most important elements for success. Be it in the form of surveys or focus groups, understanding your customers' needs more comprehensively is a must. The insights gathered from such conversations help pave the path toward creating a more personalized engagement strategy.

**Ritesh Bhatnagar**  
CMO, WOO



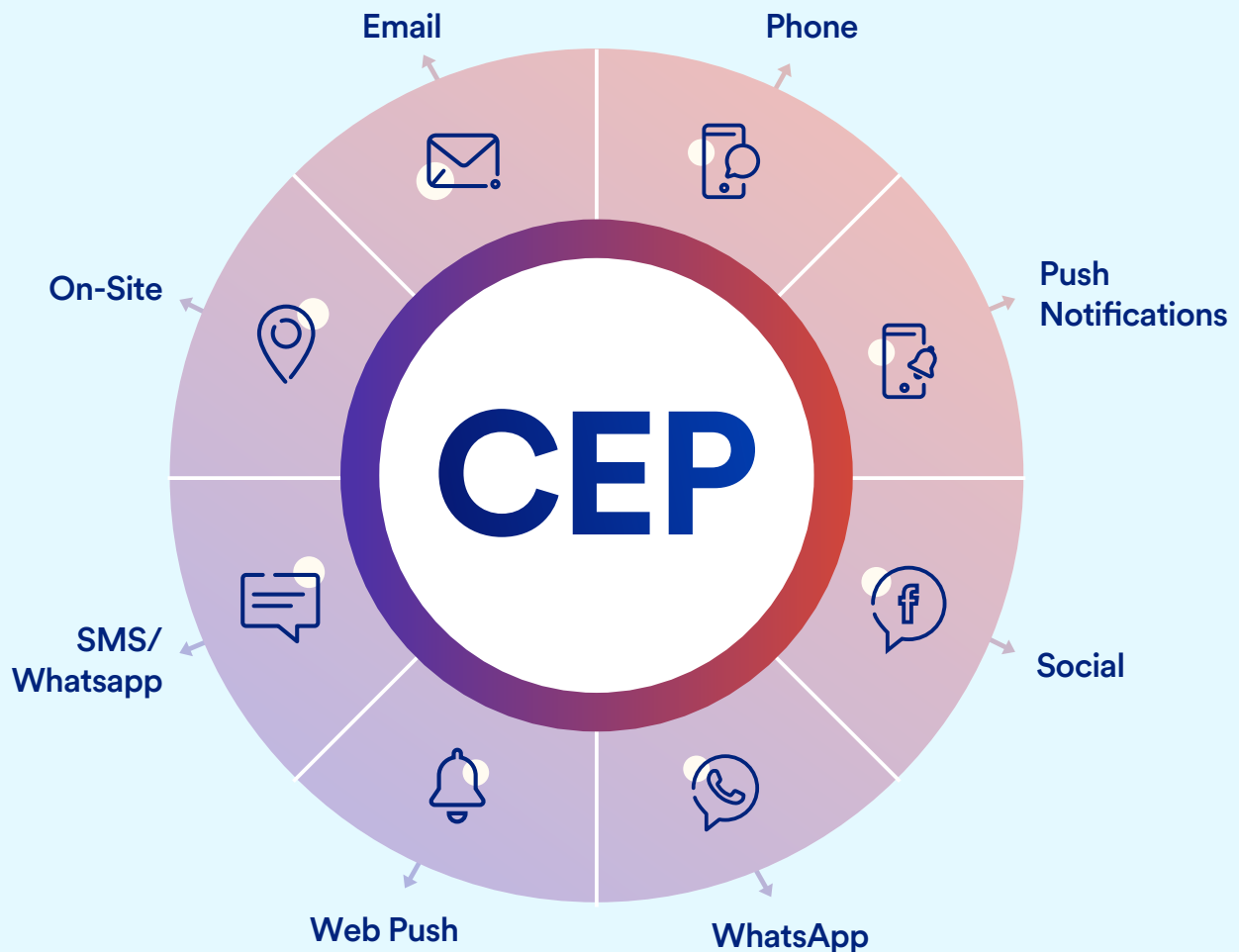


## Are CRMs and CDPs enough?

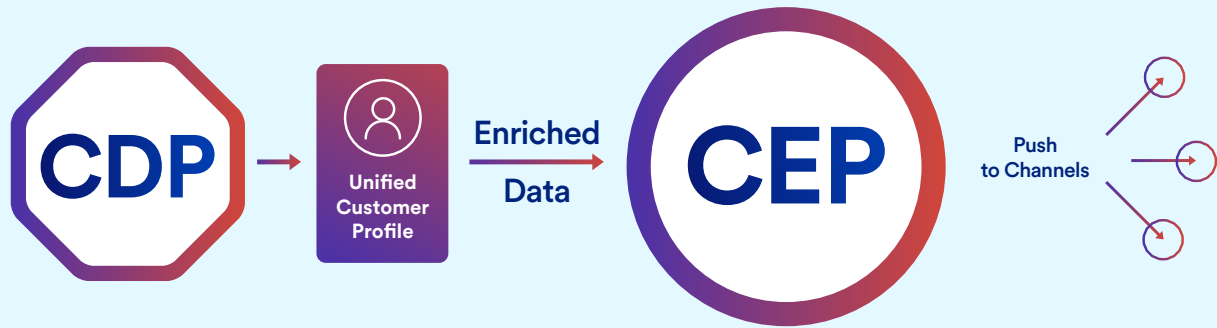
Now while CRMs and CDPs seem to be the Indian marketer's favorite customer engagement platforms, we still see significant dissonance in terms of the challenges faced by the marketers and the services provided by their chosen tech stacks.

This therefore signifies the **inadequacy** of the currently preferred customer engagement platforms. To keep up and bridge such gaps, marketers need to switch to a more holistic and multichannel alternative – much like a **CEP**.

### Why should you opt for a CEP?



CRMs are generally used to help sales teams accumulate, analyze and manage data concerning existing or prospective customers during a sales process. Their primary job isn't to support real-time marketing. The same is the case with CDPs. While their capabilities lie in delivering a complete view of the customer beyond the sales cycle using a unified customer database – how can marketers use that to craft efficient marketing campaigns?



Wait, it's a win-win! Here's how:



CEPs step in here and help marketers make sense of the customer insights provided by CDPs. They use this actionable data to create personalized journeys for your customers by providing intelligent analytics and powerful segmentation capabilities.

After your customized campaigns are distributed via different channels, CEPs analyze how consumers interact with each campaign. This data gets sent back to the CDP to update and enrich customer profiles for other products in your tech stack.

This constant cycle of data oscillation helps create an efficient engagement dynamic between brands and their customers.

**A happily engaged customer is a loyal customer!**

# Insights on Customers

Deriving customer insights is one way to ensure that you deliver apt and engaging communication to your customers. Whether you agree with them or not, it's crucial not to ignore the results of your customer research. This ensures you extract broader business insights required for successful engagement.

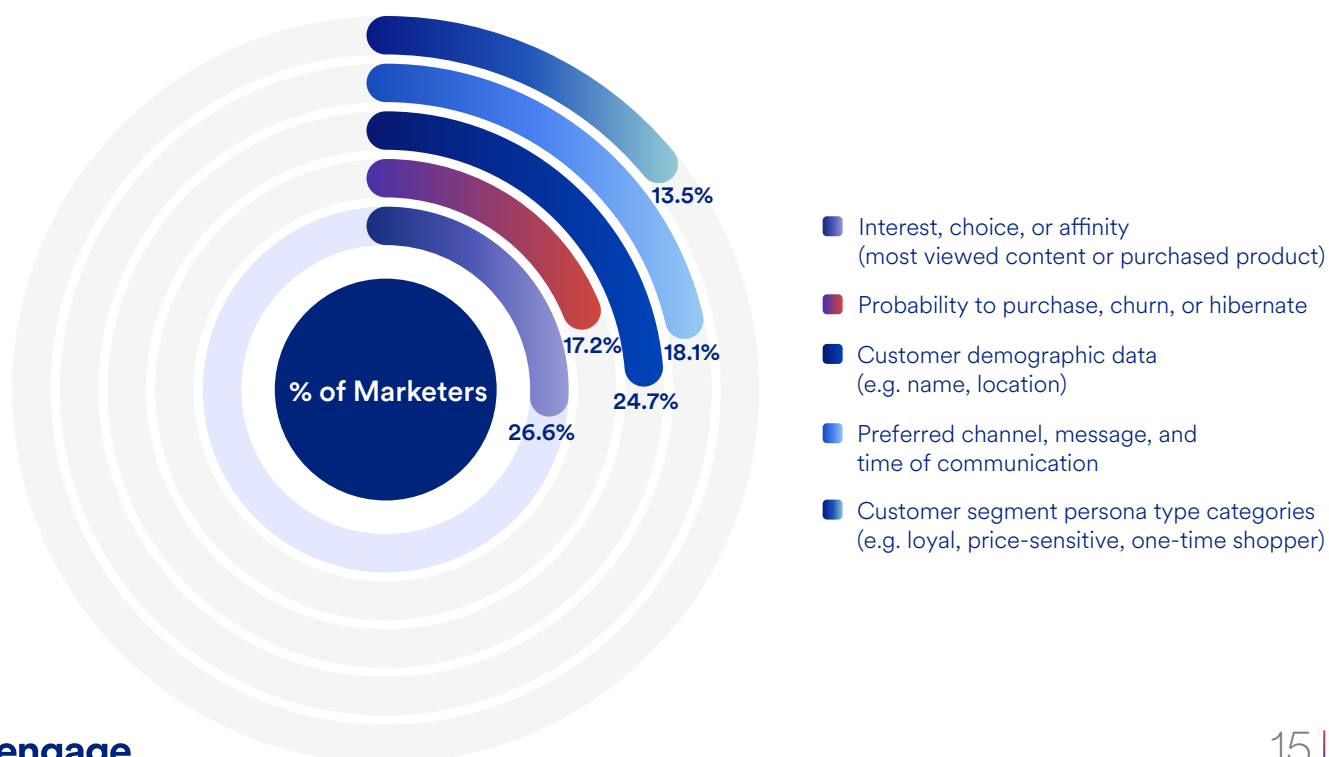
So we asked our respondents what kind of customer insights brands are measuring currently and how they are personalizing their communications.

Here's what we found!



**Brands are most invested in their customers' interests, choices, and affinities.**

## What customer insights are you measuring currently?

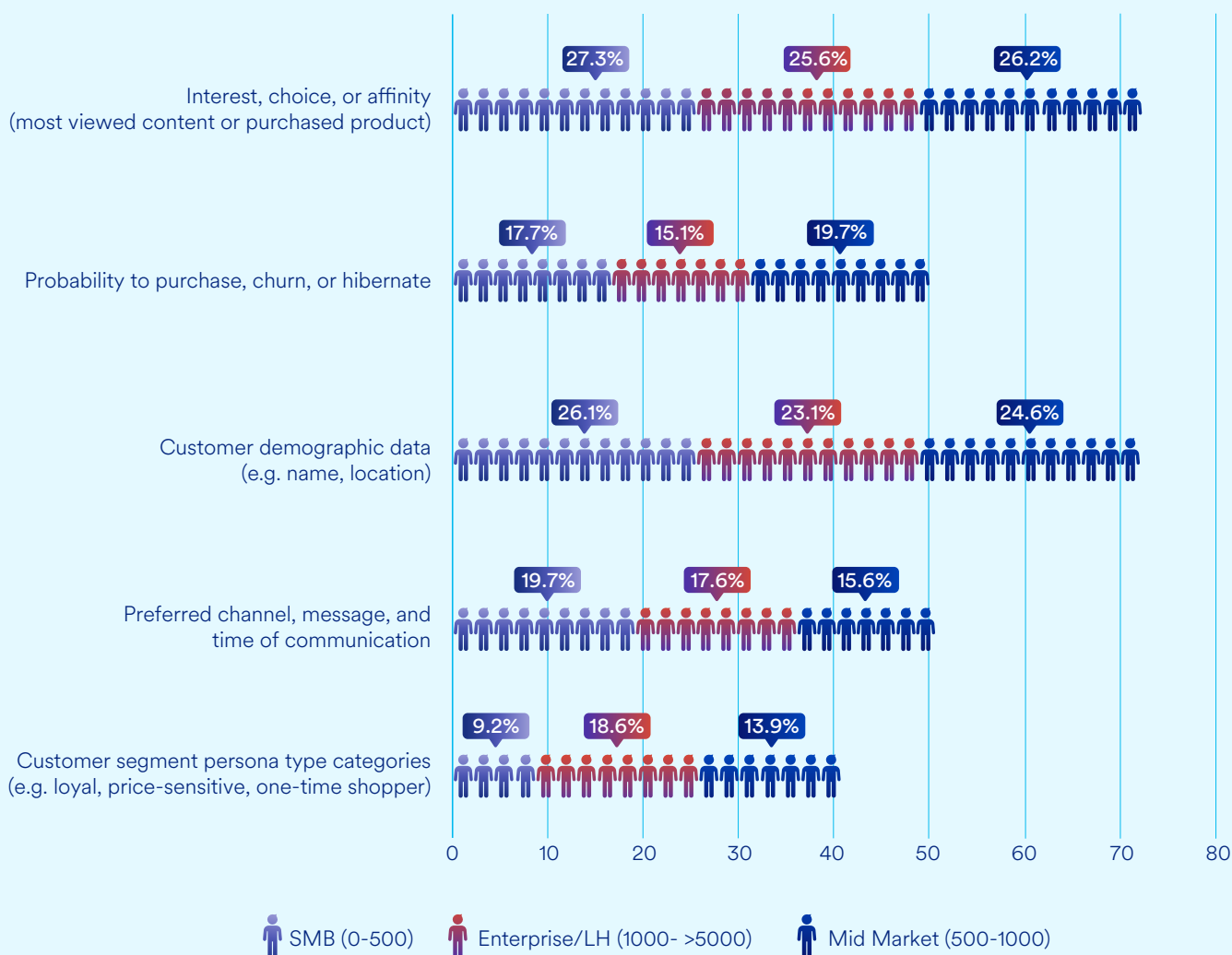


Based on our survey, over **26.6%** of marketers currently capture their customers' interest, choice, or affinity, including most viewed content or purchased product. Coming in a close second, over **24.7%** of marketers opt to capture basic customer demographic data like name, location, etc.

However, what comes as a surprise is that only **17%–18%** of marketers are willing to dive deeper into customer insights by capturing “preferred channel, message, and time of communication” and “the probability to purchase, churn or hibernate”.



## Organizational Size



We see a similar trend in organizational-level findings; **26% - 27%** of marketers from Small Businesses and mid-market brands are examining customers' interests, choices, or affinity, whereas 25% of Enterprise brands are capturing the same insight. However, the three organizational categories are focused on capturing basic customer demographic data with 23% to 26%.





# Industry Overview



Banking and Fintech



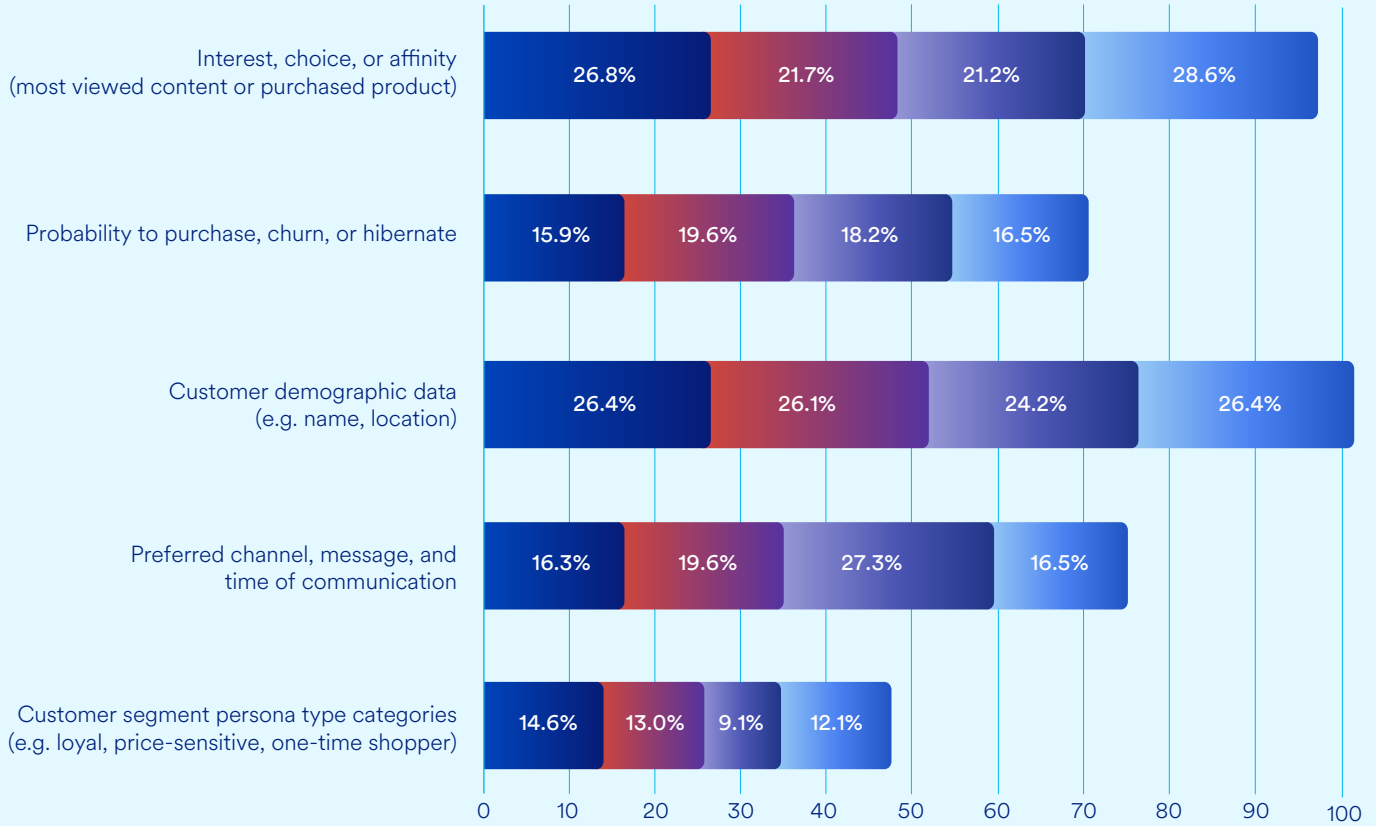
Consumer shopping



Media and Entertainment



Education/Ed-tech



We see the scales tip again in favor of interest, choice, or affinity and basic customer behavioral insights from an industry perspective.

But that just simply isn't enough! Today's consumers demand consistent and personalized interactions across all channels. Marketers, therefore, need to rummage deeper into the available data and ask themselves these questions frequently:

1

What **channels** will work the best for my customers: Email, Phone, Social Media, SMS, WhatsApp, etc.? Or a combination of these?



2

What kind of **message** is appropriate for my customers at what **time** in their journey: Promotions and upsells, feature announcements, milestones achieved, feedback prompts, etc? Or a combination of these?



3

What is the **likelihood** of a customer purchasing your product/service, stopping doing business with you altogether, or drawing back and pausing all interactions with your brand? This helps you establish the way forward for each such scenario.

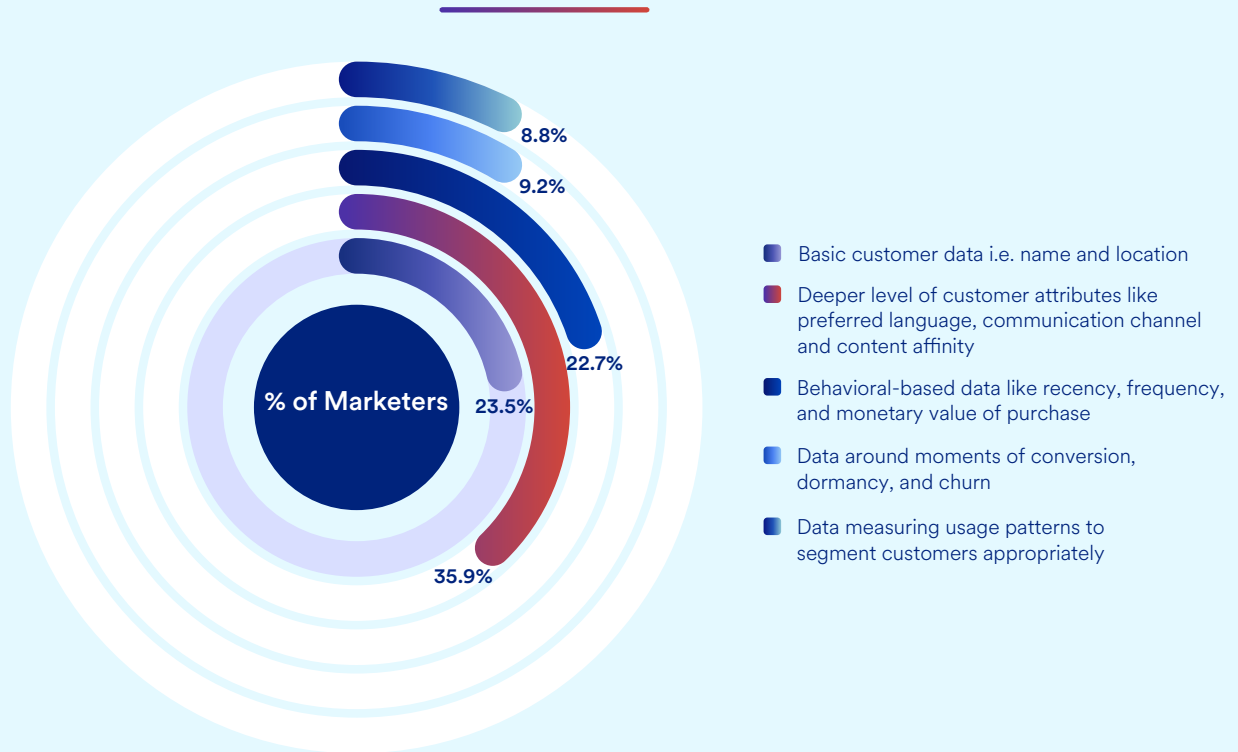


Insights like these allow brands to effectively reach, engage, and connect with their consumers and provide a superior customer experience.



## Basic demographic data is a favorite but is that enough?

### How do brands personalize communication?



Our survey findings show that only **36%** of Indian marketers personalize communication using customer attributes such as preferred language, communication channel, and content affinity. Over 23.5% are personalizing using basic customer data. This shows that 22.7% are personalizing communication based on behavioral-based data like recency, frequency, and monetary value of the purchase, and a mere 9% based on RFM moments.

With advances in technology, data, and analytics, marketers can now create a much more personal and human experience across channels and stages at the point of purchase. But the current consensus is evidence that this isn't being actualized in real time!

A data-driven engagement strategy is crucial. Marketers should focus on looking at the data to take corrective actions against what isn't working the way it should be.

**Priyang Agarwal**

Director - Marketing and Growth, TATA



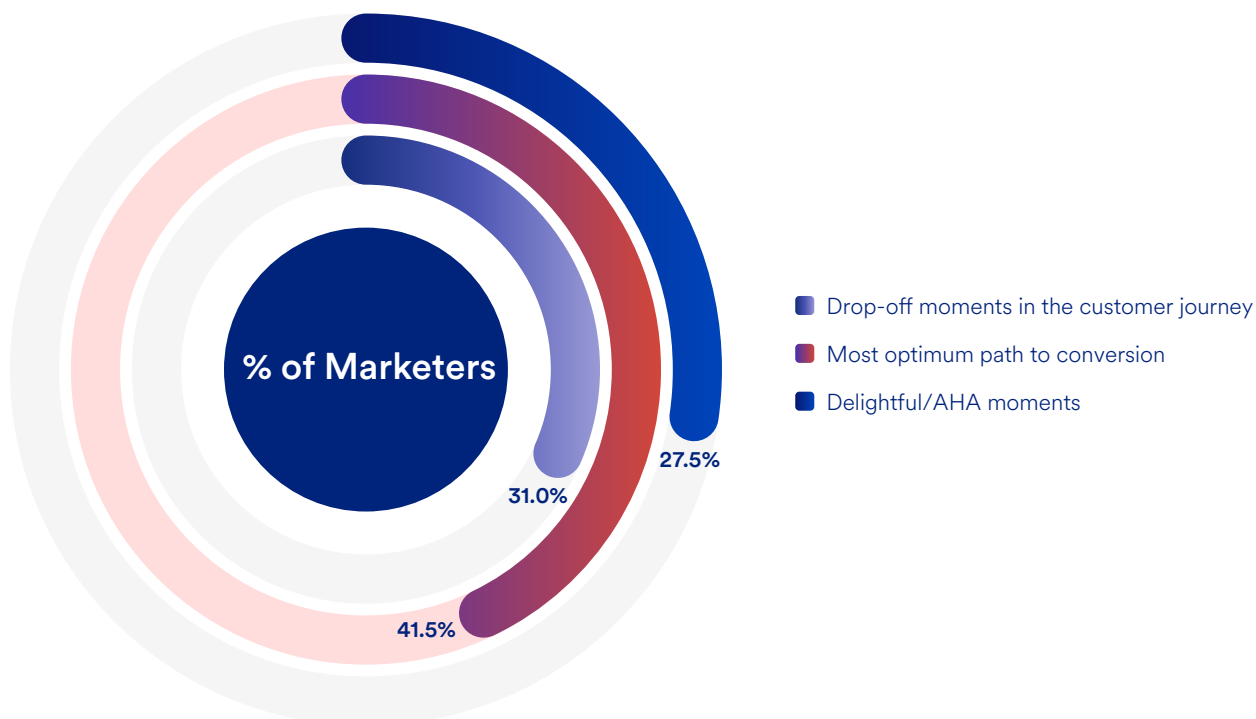
# Insights on Journey

Let's go one step further and understand the customer journey insights that are being captured currently by Indian marketers. We asked them questions like what kind of customer journey insights brands are currently measuring and what are their engagement campaigns based on?



**The prime focus is on the most optimum path to conversion**

**What customer journey and campaign insights are you measuring currently?**

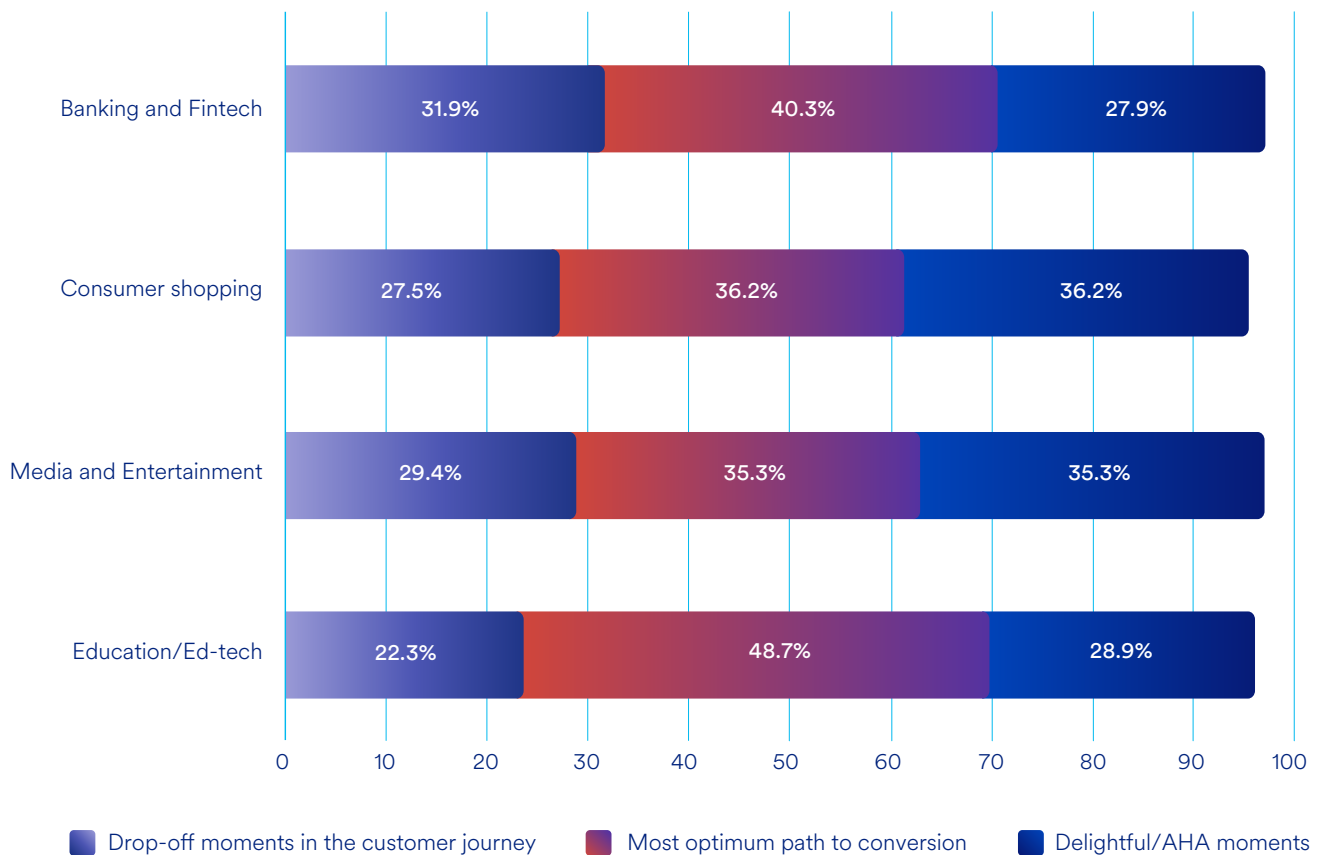


Around **41.5%** of marketers monitor ‘most optimum path to conversion’ as their to-go journey insight, with drop-off moments and delightful/AHA moments following close behind with 31% and 27.5%.

The most optimum conversion path seems to be the favored choice across roles. We see the same kind of sentiment in all industries. We do see a halfway split between the aforementioned insight and “delightful/AHA moments” insight for Consumer Shopping and Media and Entertainment brands, though.

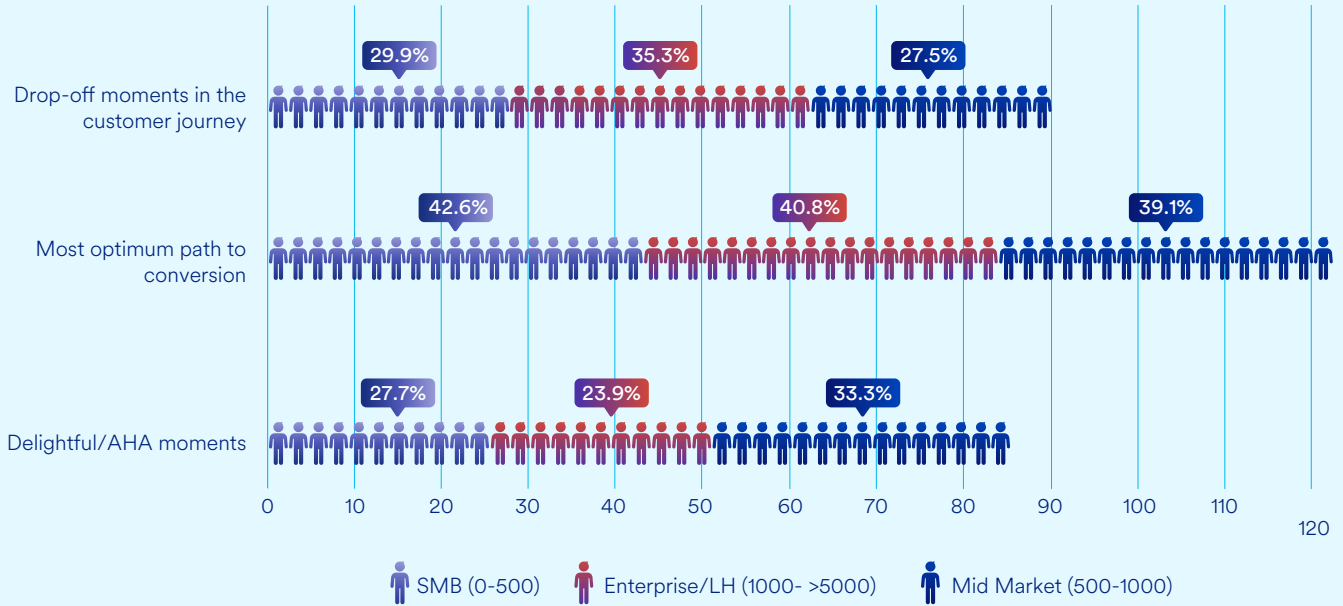


## Industry Overview





## Organizational Size



Even from the organizational perspective, Small Businesses, Mid-market, and Enterprise brands focus on analyzing the most optimum path to conversion insight.

It is fair to say that the marketers might monitor other journey insights. However, the main challenge that most marketers might be facing while trying to monitor these is the limitation of their current customer engagement tech stack.





## Marketers heavily rely on what has worked in the past to run today's campaigns

### How do you run your engagement campaigns today?



31.6%

Consider customer behavior data to create segments and send personalized communication



32.8%

Understand best performing channel and time by looking at previous campaigns



22.9%

Use machine learning to analyze customer data and set automated communication



12.8%

Leverage multiple channels as a part of one customer journey

Almost **33%** of Indian survey respondents look at previous campaigns to understand the best-performing channels and timings. While analyzing empirical data might help to a certain extent, marketers need to get with the times and look into incorporating machine learning to help predict future customer behavior with accuracy and optimize their campaigns accordingly. This step goes a long way towards building a definite cluster of recurring customers.

Across industries, the decision-making essentially happens at an individual level, and to come to a purchase decision, a personalized product experience is most crucial. So, exhaustively understand the journey of your customer, derive valuable insights, and make the experience as easy and personalized as possible for them.

**Rajesh Kamra**

Head of Innovation Labs, RUPIFI



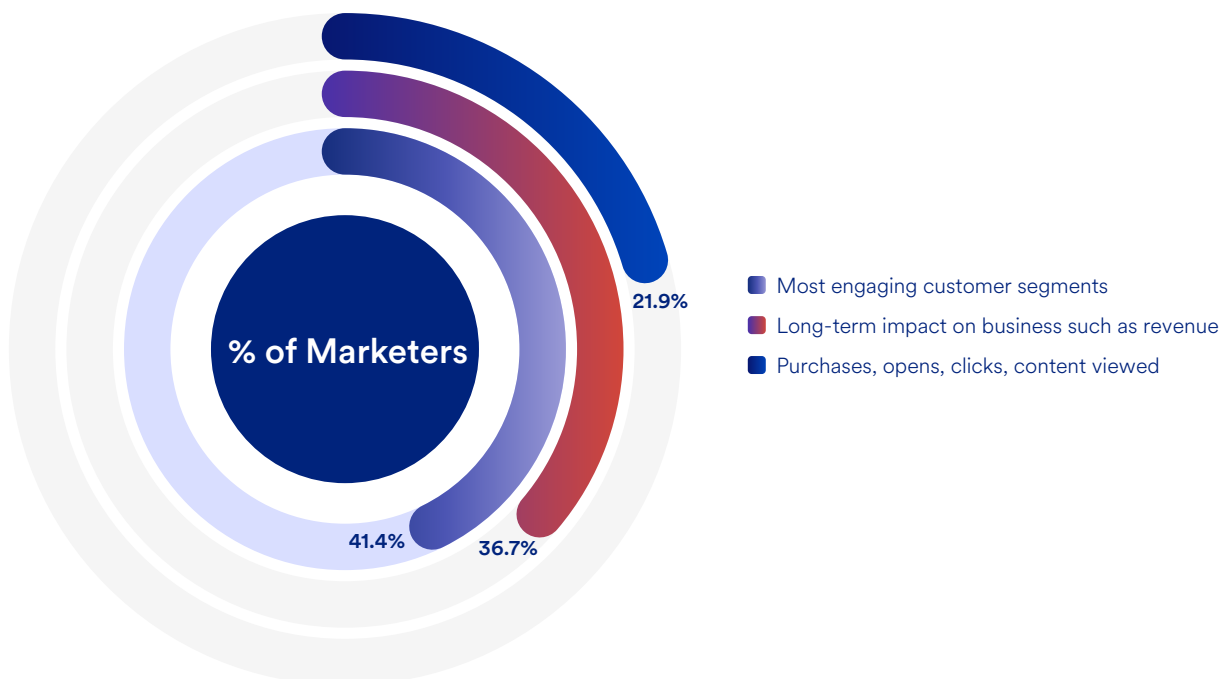
# Insights on Campaigns

After taking stock of the customer and journey insights, we also wanted to understand the ground reality of campaign insights: what kind of campaign insights are being measured by brands, preferred digital channels, and the reason behind prioritizing certain ones. Here's what our respondents had to say:



## Campaign Insights that brands measure

What customer journey and campaign insights are you measuring currently?

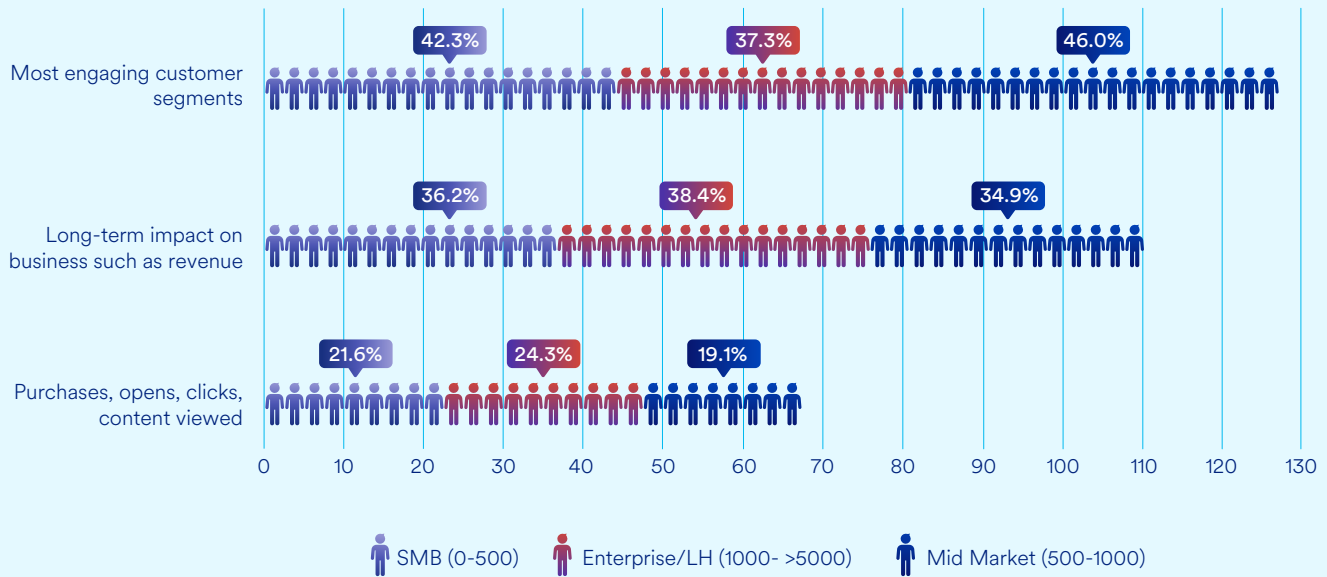


Our survey shows that over 41% of Indian marketers only focus on the 'most engaging customer segments' insight and over 37% on 'long-term impact on the business'. Whereas the 'purchases, opens, clicks, content viewed' insight is fairly behind with 22%.





## Organizational Size

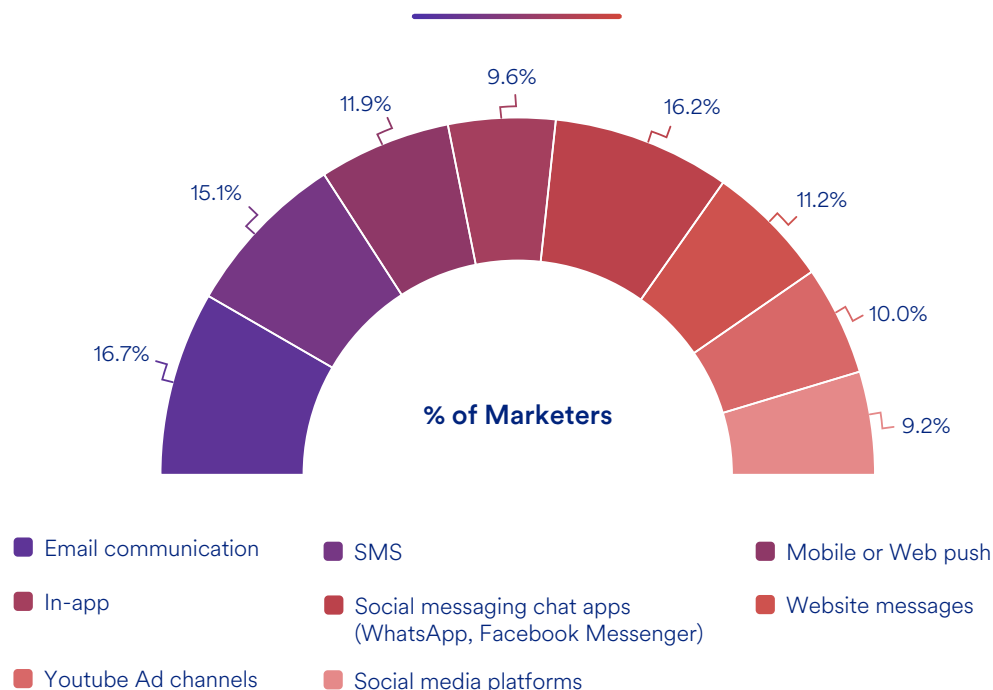


Even from an organizational perspective, the majority of both Small Businesses and Mid-Market brands also analyze ‘most engaging customer segments’. However, the insight that Enterprise-level brands monitor is ‘long-term impact on business such as revenue’.



## Emails, Social Messaging apps, and SMS are the favored channels

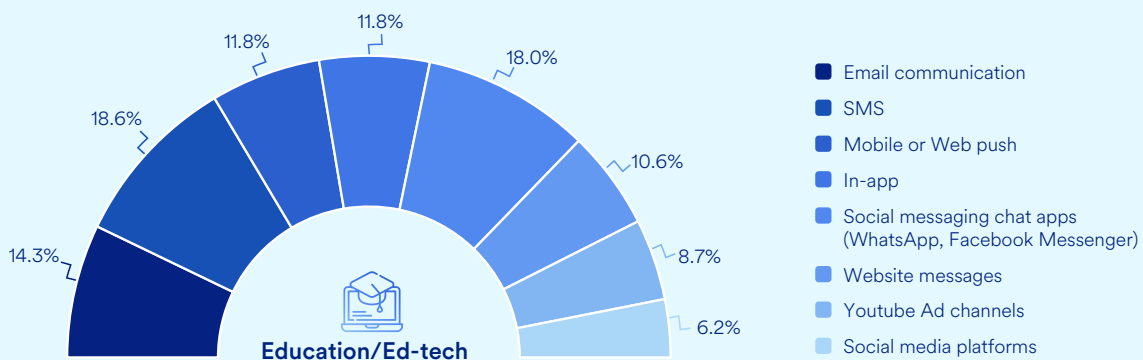
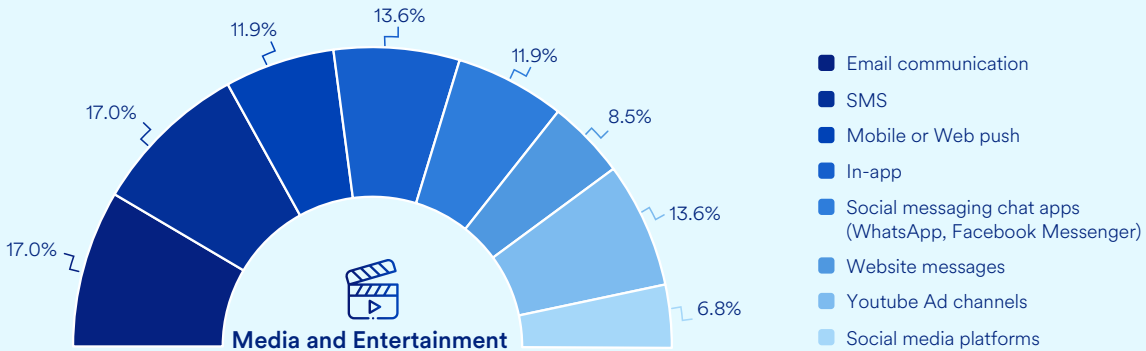
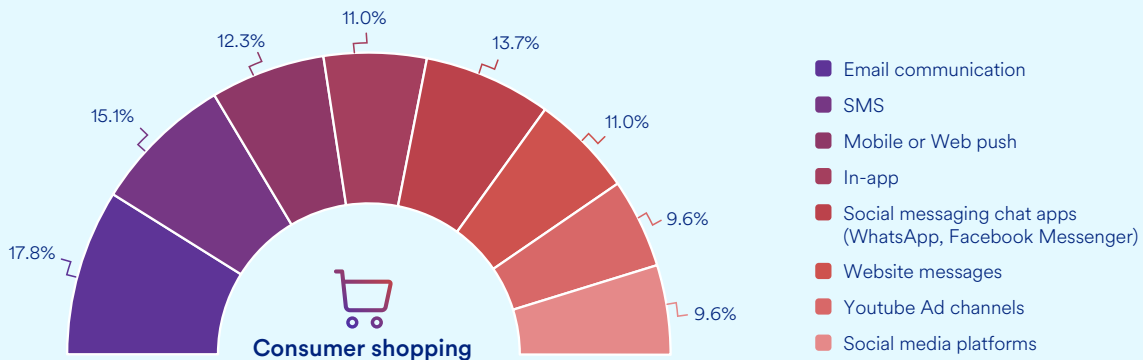
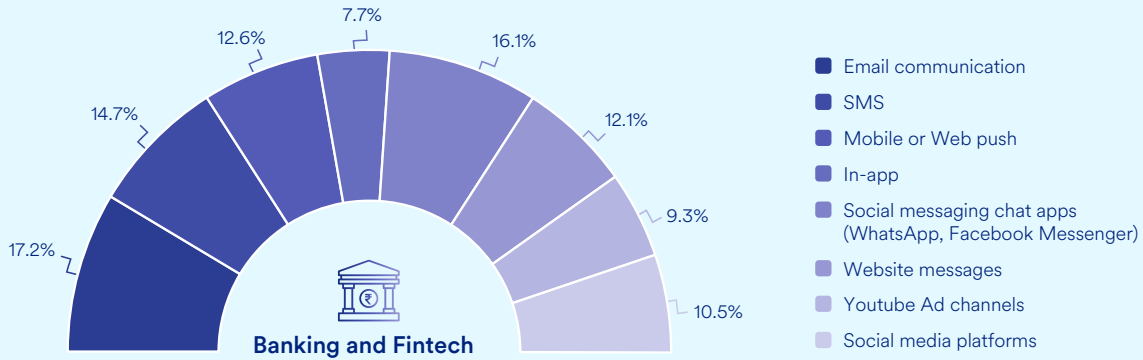
What are you using digital (web, social, email, mobile) channels for?



Across all industries and company sizes, the most frequently used touchpoints in a digital omnichannel strategy remain Email, Social Messaging Apps (WhatsApp, Facebook Messenger), and SMS. On the other hand, the usage of Social Media platforms and In-app messaging seem to be the lowest across the board.



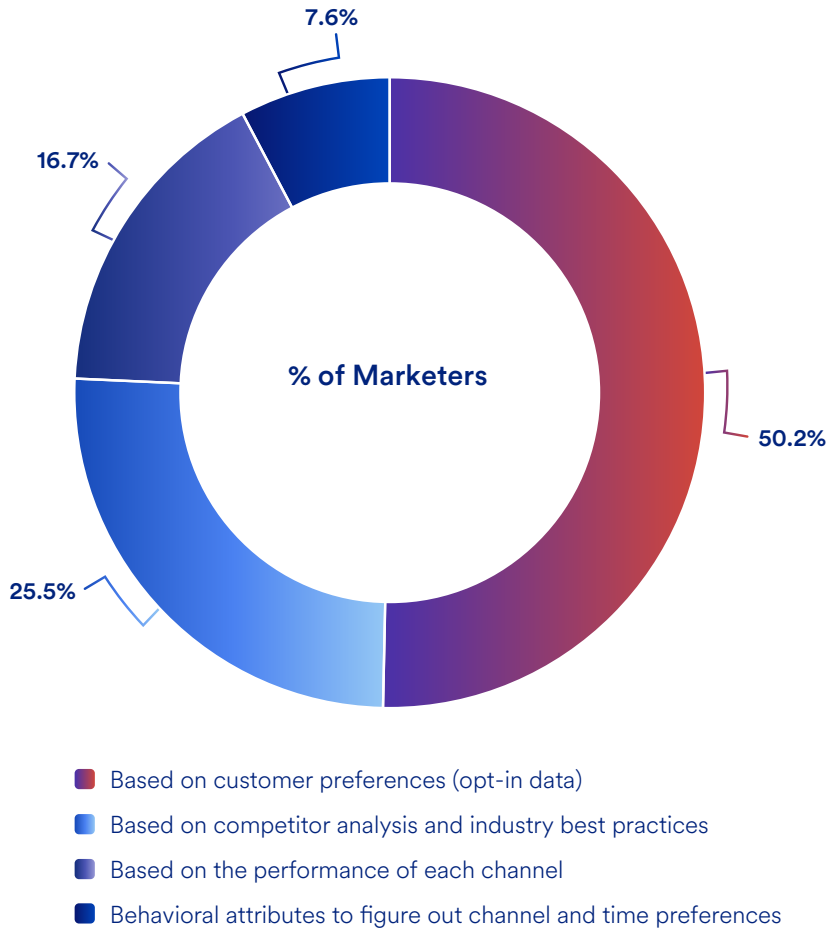
## Industry Overview





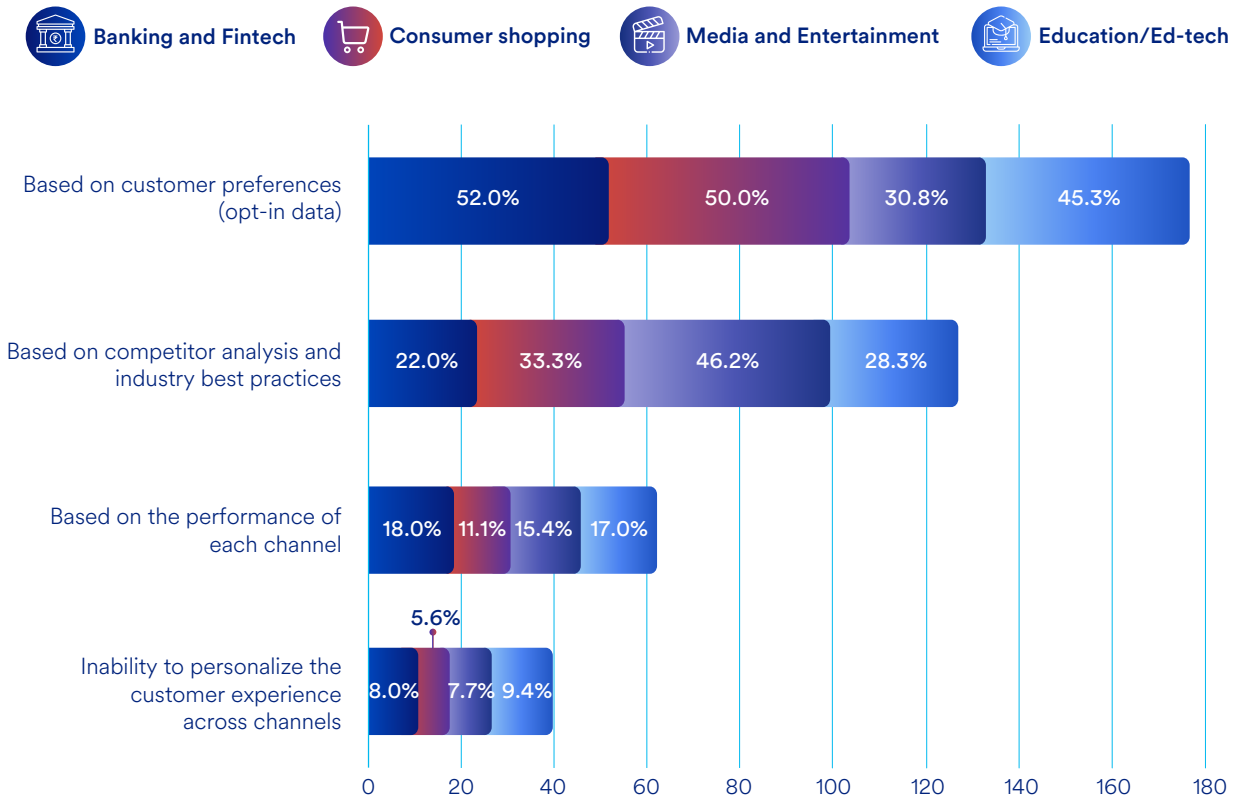
## Customer preferences dictate the channels that are being prioritized

How do you prioritize channels for communication?



More than **50%** of marketers currently prioritize channels based on customer preferences, i.e., opt-in data, when creating engagement campaigns. Only 17% prioritize channels based on channel performance and 7% on behavioral attributes that show preferred channel and time.

## How do brands prioritize channels for communication? Industry-level break-up



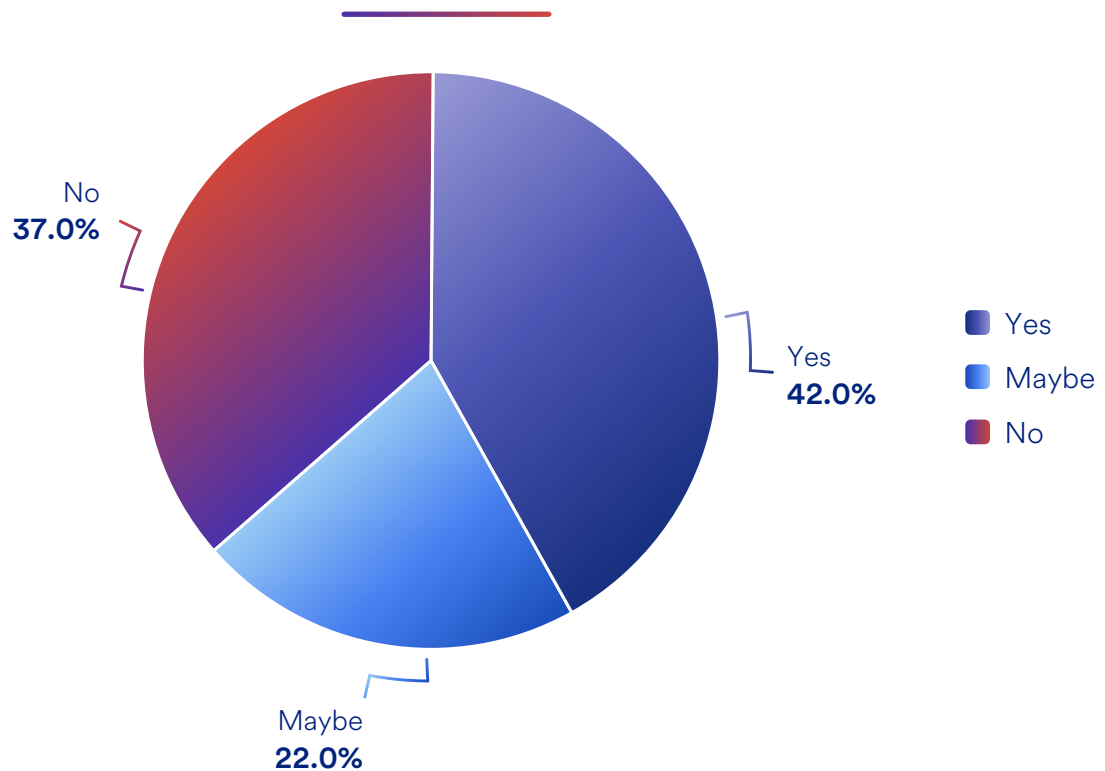
Except for Media and Entertainment (which prioritizes competitor analysis and industry best practices), we see that brands across BFSI, Consumer Shopping, and Education/Ed-Tech prioritize communication channels based on their customers' preferences!

While this does signify that marketers are thinking about their customers while planning their communication strategy, the critical characteristic of a customer-centric approach lies in taking stock of deeper insights like behavioral attributes to gauge how each channel has performed.



# Impact of Insights on Business Metrics

How impactful do you think customer and campaign insights are to your business metrics?



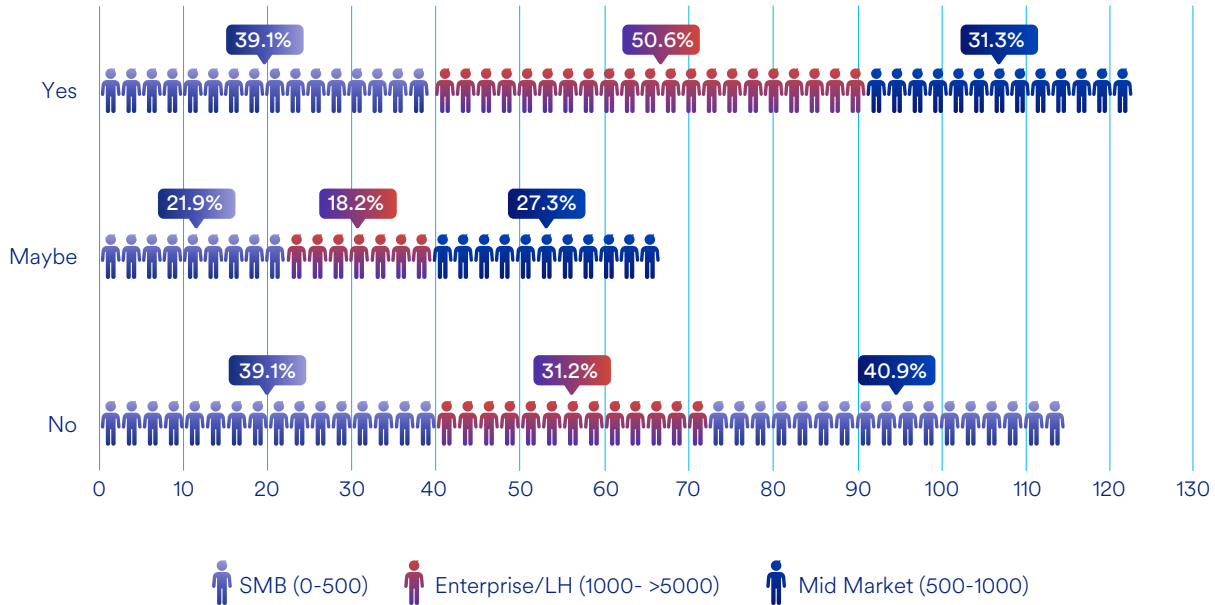
Now that we've discerned where marketers stand regarding the insights they gather, let's see if what they are doing is impactful enough.

So we asked our respondents to tell us if they think analyzing those mentioned above three types of insights impacts their business metrics or not. And guess what?

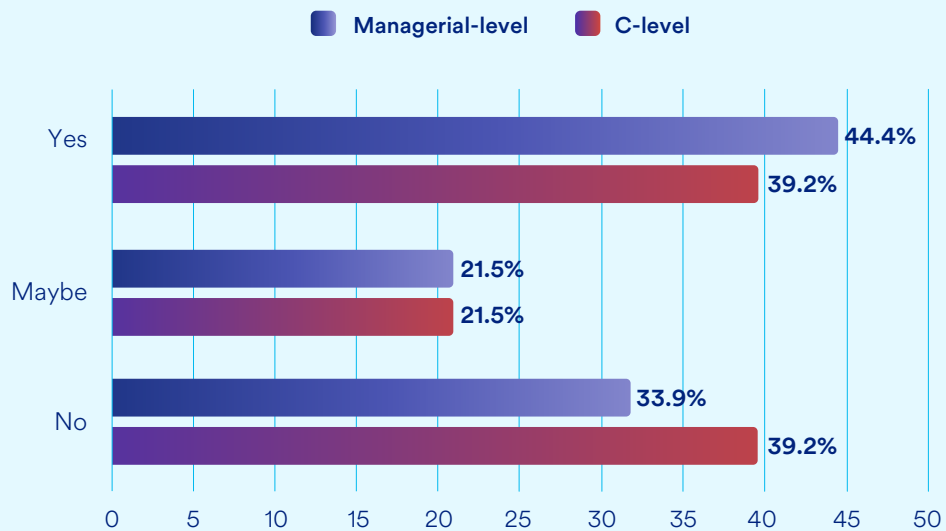
Over **42%** of marketers feel that capturing these insights greatly impacts the business metrics! On the other hand, 22% are still on the fence.



## Organizational Size



## Organizational Overview



The organization-level findings, though, are not as conclusive as the general overview. **41%** of mid-market brands and **39%** of Small Businesses think these insights have a low impact on business metrics. One of the reasons behind this could be that these organizations focus on customer acquisition as they aim to grow their customer base and not delve into retention/engagement primarily. On the other hand, over **50%** of enterprise brands feel utilizing these insights highly impacts their business metrics.



## Industry Overview



Banking and Fintech



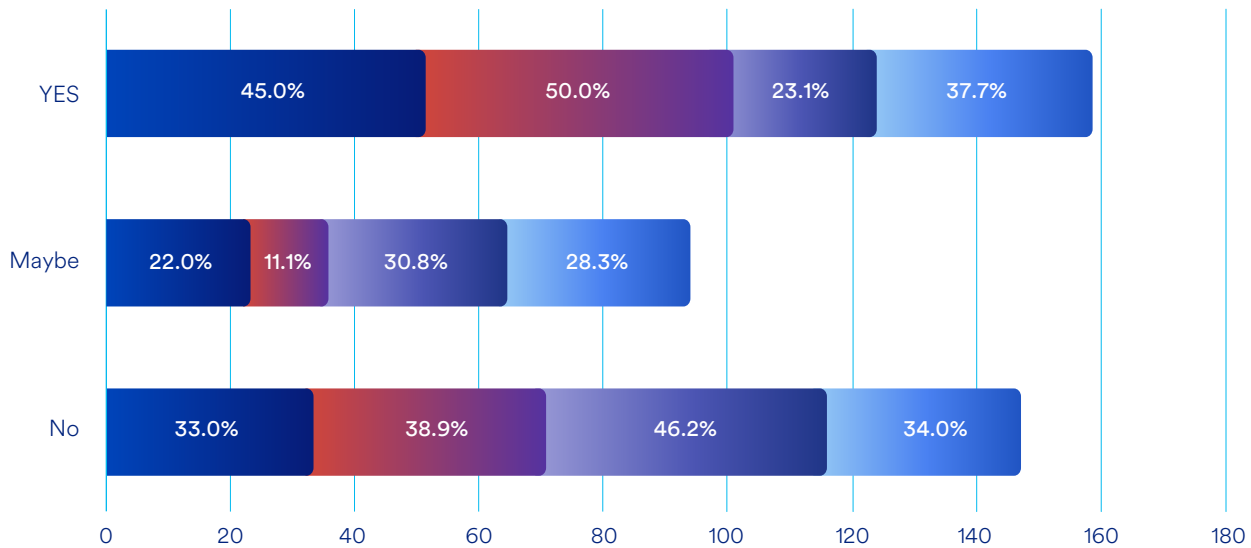
Consumer shopping



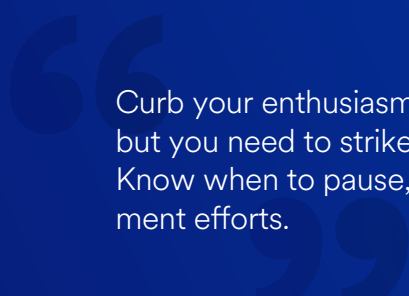
Media and Entertainment



Education/Ed-tech



The findings on the industry level show us that 45% of BFSI, 50% of Consumer Shopping, and 37% of Ed-Tech brands feel that the insights have a high impact on business metrics. Only 9% of Media and Entertainment respondents captured insights to segment customers based on personas. This explains why they see a lower impact of gathering insights on their business metrics.



Curb your enthusiasm. There's a plethora of rich data available out there, but you need to strike a balance when it comes to customer engagement. Know when to pause, and furthermore, know when to resume your engagement efforts.

**Ashish Mishra**  
EVP Marketing, ACKO



# Keeping a Foot on the Gas Pedal of Insights-led Engagement

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As modern digital customers evolve, their opinions and preferences change correspondingly. Sketching standard buyer personas is no longer enough. Generalized campaigns, limited capability tech stacks, and an incomplete view of the customer profile – all lead to a poor customer experience.

Here are some ways to help you move away from the archaic ways of customer engagement and transition to a more insights-led engagement approach:

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## A. Opt for personalized instead of generalized Customer Engagement

Personalized customer engagement is no longer a luxury; it's an expectation. According to an Epsilon report, 80% of customers are more likely to make a purchase when brands offer a personalized experience. You need to be able to provide your customers with an experience they can't get anywhere else.

To offer customized experiences across all channels, moments, and buying stages to your customers, make sure you dive into the following:





### Customer Insights:

Do not simply rely on basic demographic data. Invest more effort into analyzing nuances and details like preferred channels, messages, and times of communication and what is the likelihood that a customer will either go forth with the purchase or churn or opt to hibernate. This will help you aptly predict customer actions.



### Journey Insights:

Data points like “where are your customers dropping off”, “how are they navigating your app/website”, “which ones aren’t converting” and “which ones have bad retention” need to be looked into and capitalized on to create better journey paths for your customers/paths leading to conversions, drop-offs, and churns.



### Campaign Insights:

To optimize campaigns, measure which customer segments are making purchases, which ones are engaging with these campaigns actively and which aren’t, what content was most viewed and what campaigns led to the most conversions.



## Upgrade your tech stack - switch to CEPs

Tapping into more profound insights is the only way to meaningfully and consistently engage with your customers and significantly impact their lifetime value (LTV). This will only be possible if marketers opt for a customer engagement platform (CEP) that provides a unified customer view, access to rich insights, and uses these to create personalized campaigns for your customers.



## Be customer-centric instead of campaign-centric

The brands that are high on the customer-centricity scale understand their customers, accurately anticipate their needs, and communication preferences. Hence, they can create meaningful experiences and build lasting relationships with their customers. Any brand that does all this can retain its customers successfully.



## Proactive customer engagement sets you apart from your competitors

Retire the idea that your customers don't want to hear from you. One study shows that 85% of consumers are interested in receiving proactive notifications, and an astounding 90% are more likely to do business with a company that sends reminders. Proactive outreach ensures reduced operational risks, better business results, and an overall superior customer experience.



“After we switched to the insights-led strategy, players enjoyed engaging with our platform even more. Every message or notification that a player receives from our platform adds value, so they know we get them and trust the app even more. And the best part, using MoEngage, we can automate most of the manual tasks. Our team now has time to gain deeper player insights and build innovative strategies for engaging them.”

### Harivanam

Sr. Team Lead-CRM, Classic Rummy



# Accelerate Your Insights-led Engagement Journey with MoEngage

All the information we've gathered tells us this: insights transform data into delightful customer experiences. Insights help you connect the dots of customer behaviour and turn them into meaningful actions. Modern Customer Engagement platforms such as MoEngage go one step further and help you automate the process of insights-led engagement, helping you uncover insights such as:



## What your customers really want

To engage with your customers, you need to understand what they want—before they realise what they want themselves. This is where insights can lead the way. Insights reveal who each customer is at heart to help you create relevant conversations at every step. With MoEngage Predictive Segmentation and

Recommendations, you can use a customer's behaviour and personality to predict their future actions. You can send them dynamically personalised product recommendations they are most likely to engage with at a time and channel they're most likely to respond on.

### Conversion prediction overview

Users with high propensity

**30.03 M**

Propensity > 70%

+ Create campaign

Users with medium propensity

**40.04 M**

Propensity 30%-70%

+ Create campaign

Users with low propensity

**30.03 M**

Propensity < 30%

+ Create campaign

Prediction quality

**Good**

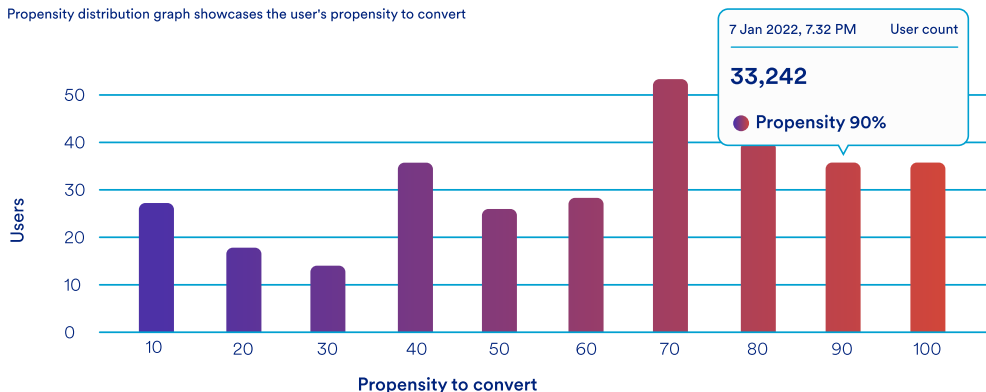
84.5



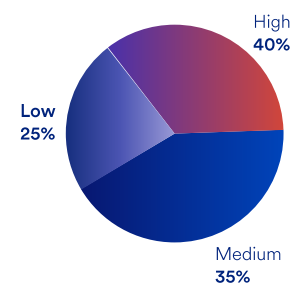
▶ Recommendation

### Propensity Distribution

Propensity distribution graph showcases the user's propensity to convert



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## Who loves you and who doesn't

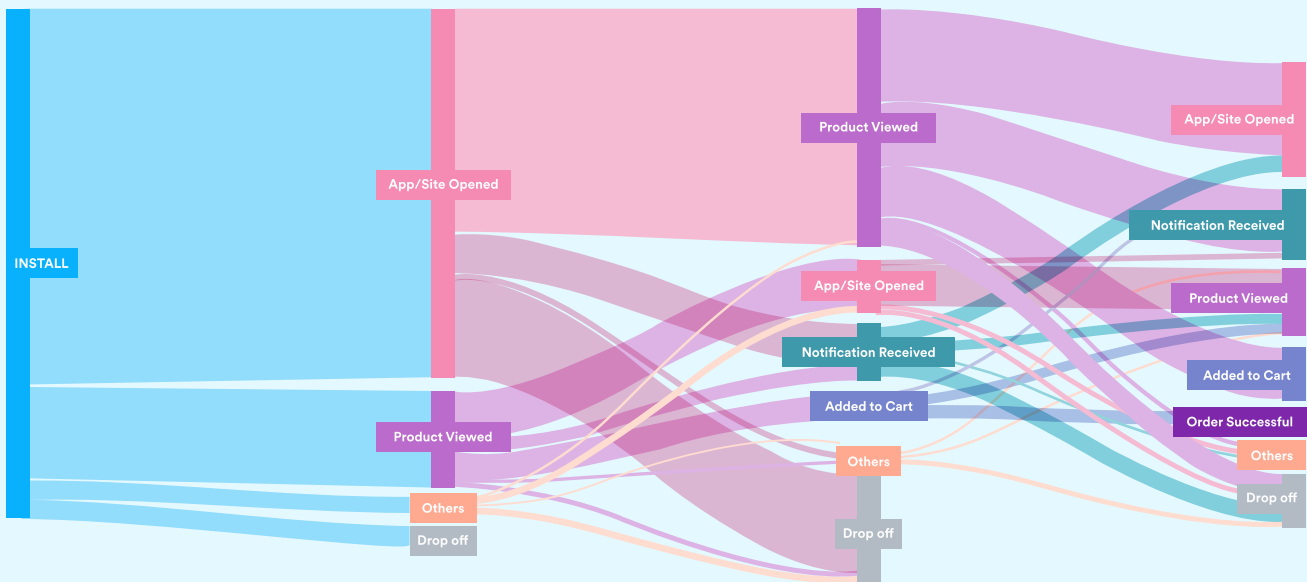
MoEngage RFM modelling allows you to automatically segment customers based on their purchase's recency, frequency, and monetary value. This way, you'll know which customers are price-sensitive, which need attention, which are hibernating or are loyalists, and communicate with them accordingly. These insights are more intelligent, more incisive, and more dynamic than raw data, and give a strategic advantage to your marketing strategy.





## The path to a delightful customer journey

Think of the complete customer journey for your product. In an ideal scenario, customers are delighted every step of the way and move smoothly forward on their path. But more often than not, customers get lost somewhere along the journey or get deterred by meaningless or negative experiences. Marketers need a way to truly understand the unique paths taken by each customer—and based on this—craft the perfect journey.



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 fill gaps in the customer journey. You can learn what intersects the path your customers are on, understand customer requirements at every touchpoint, find out what keeps them on or off the path, and help them navigate the journey.

# Meet the Insights-led Mentors



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## About moengage

MoEngage is an insights-led customer engagement platform built for the customer-obsessed marketer.

With AI-powered customer journey orchestration, personalisation capabilities, and in-built analytics, MoEngage enables hyper-personalisation at scale across mobile, email, web, SMS, and messaging channels.

Over 1,000+ brands across 39+ countries use MoEngage to send 80 billion messages to over 1 billion customers every month. We serve enterprises such as Deutsche Telekom, Samsung, Ally Financial, Vodafone, McAfee, and internet-first brands such as Flipkart, Ola, OYO, and Bigbasket use MoEngage to orchestrate efficient customer engagement.

MoEngage was recognised 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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## The State of Insights-led Engagement Report 2022

To learn how we can help you create an insightful and dynamic customer engagement:

[Request A Demo](#)

For more insights into how to build a promotion system that works for your customers and empowers creative campaigns, talk to one of our promotion experts.

We hope you found this report interesting and actionable. If you've learned something valuable, please share your insights. For any questions related to this report, please reach out to

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