

A 3-DIMENSIONAL REPORT ON B2C CONSUMER ENGAGEMENT IN THE GCC REGION

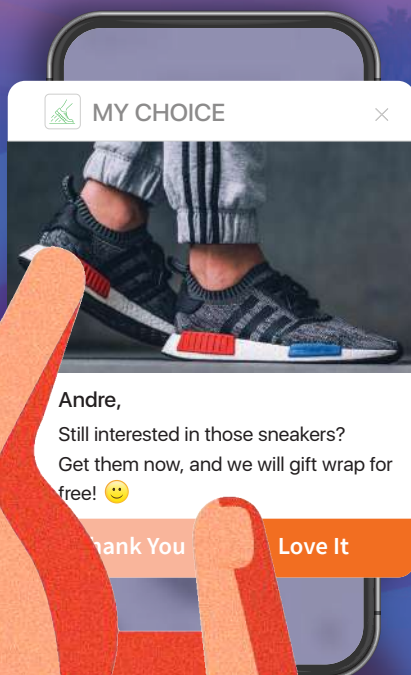


Table of Content

1 Foreword by WebEngage

2 Executive summary

3 Key insights on consumer engagement

4 Expert's View: Insights from top marketers in the GCC region

5 The current state of user engagement in the GCC region

5.1 Channel adoption trends

5.1.1 Most preferred channel: Marketers, Consumers, WebEngage Insights

5.1.2 Most preferred channel(s): An industry-wise breakdown

5.2 Device adoption trends

5.3 Communication trends

5.3.1 Most preferred types of communication

5.3.2 Most preferred time to communicate with GCC consumers

5.4 Brand engagement trends: Drivers and challenges

5.4.1 Brand engagement drivers: Marketers' perspective

5.4.2 Brand engagement challenges: Marketers' perspective

5.4.2 Brand engagement drivers: Consumers' perspective

5.4.2 Brand engagement challenges: Consumers' perspective

5.5 Brand engagement metrics

5.5.1 Brand engagement metrics: Marketers' perspective

5.5.2 Consumer engagement budget and efforts

6 Making a mark in the GCC region: Recommendations

7 Acknowledgments

Foreword by **WebEngage**

New-age consumers are evolving from being informed and aware buyers to being designers and creators of their user journeys. This massive shift is underway owing to consumers' access to sophisticated digital technologies and on-demand data on products, services, brands, markets, and trends for both present and the predicted future. Brands, until now that have controlled engagements and experiences based on consumer behaviors, must acknowledge the changing buying landscape and incorporate innovative marketing technologies to deliver on the evolving customer expectations. The GCC market and the buyer community is no different. Digital transformation in the region is at an accelerated pace as mobile and internet penetration here is among the highest in the world. Consumer enablement and engagement needs are challenged every passing day,



Avlesh Singh

Co-founder & CEO, WebEngage

forcing brand marketers to rethink their strategies. This study commissioned by WebEngage delves deep into the actual engagement metrics to understand and explore the present state of consumer engagement in the GCC market and create a benchmark and framework for future-ready B2C marketers to serve the buyers with hyper-personalized and contextual experiences that consumers wouldn't be able to ignore.

**Enabling brand marketers
to take user engagement
to an all new level!**

Executive Summary

WebEngage commissioned this report in pursuit of understanding the state of consumer engagement and retention patterns for B2C marketers in the GCC region. For this report, Research NXT was designated to study the macro and micro market environments of the target geography with a focus on uncovering the practices, drivers and, challenges from both the marketer and the end consumer perspective. The research aims to probe the defining elements primarily from three categories of data.

- Business user data collected across the breadth of the market by the WebEngage platform that includes but not limited to channel engagement, conversions, effectiveness, and performance metrics. This data was further analyzed to extract the industry-specific insights.
- Viewpoints from B2C marketers practicing in the GCC region which were secured through targeted web surveys.
- Firsthand end-user (consumer) viewpoints from the GCC region were collected through primary surveys to understand their preferences with brand engagement and retention.

The entire research was also supplemented by expert views from top marketing leaders of consumer businesses in the GCC market where they shared their views on the state and future of consumer engagement specific to the culture of the region and sectors; they operate within.

Key insights on consumer engagement

83%

of the **consumers** in the GCC region choose **email** as their preferred channel for brand engagement

79%

of the **consumers** in the GCC region use their **mobile phones** to consume content

53%

of the **consumers** in the GCC region love to receive **informational content**

43%

of the **consumers** **engage most** with brand communication on their mobile phones during **late evening**

69%

of the **marketers** in the GCC region say that they primarily engage with consumers to **promote their products and services**

55%

of the **marketers** in the GCC region say that **scattered user engagement strategies and the lack of technology** are the top **challenges** for driving effective consumer engagement

51%

of the **marketers** also say that **inconsistent omni-channel experiences** lead to **poor consumer engagement**

Expert's View

Insights from top marketers in the **GCC region**



Being distinctive is imperative to success which happens only through contextual messaging on the right medium and channel.

Adil Memon,
VP - Content & Marketing Head, MENA
Zee Entertainment Middle East FZ LLC

Multichannel customer engagement that is frictionless is the way forward for GCC marketers.

Devam Saxena,
Group CRM Lead (eCommerce)
M. H. Alshaya Co.



Marketers should focus on a mobile-first approach where experiences and messages are purely crafted to educate, inform, and delight the consumers.

Adamantios Chatzistylis,
Head of Marketing Value Proposition
META region, AXA Partners

Expert's View

Insights from top marketers in the **GCC region**

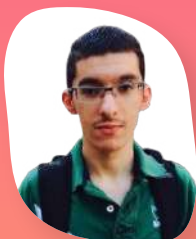


Analytics tracking is the key to understanding customer behavior and engagement.

Shahin Riaz,
Group Lead eCommerce Product Owner
eXtra (United Electronics Co.)

Improve your user engagement by planning strategically, defining your target audience and reaching them where they are available at the right time and with the right message

Maher Dosoqi,
Marketing, Communications
PR Specialist at Dubai Taxi Corporation (DTC)



Emails give you more freedom to customize the message and make it as dynamic as possible.

Khader Sashaa,
CRM & Product Operations Manager
Wego

The background is a gradient of blue and green, with stylized, layered shapes representing hills or waves. In the upper portion, there is a faint, dark blue silhouette of a city skyline. This skyline includes a palm tree on the left, a sail-shaped building (resembling the Burj Khalifa), a tall, thin skyscraper, a large dome (resembling the Jeddah King Abdul Aziz International Airport), and several other rectangular buildings of varying heights.

THE CURRENT STATE OF **CONSUMER ENGAGEMENT** IN THE GCC REGION

Channel Adoption Trends

This section delves into the various communication channels preferred for consumer engagement through the eyes of consumers, marketers and over 100 million data points from the WebEngage dashboard.

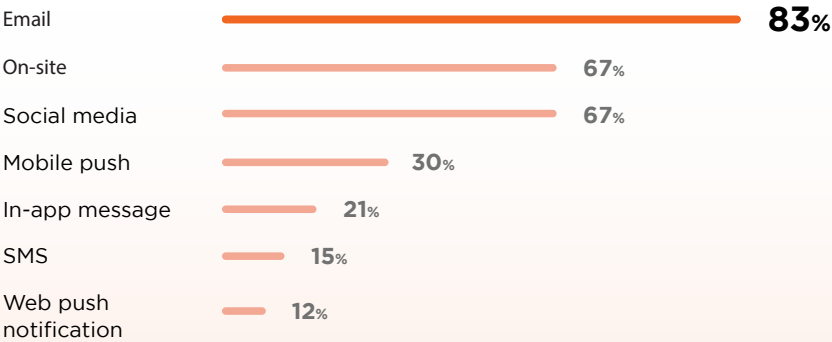


Most preferred **channel**

Marketers, Consumers, WebEngage Insights

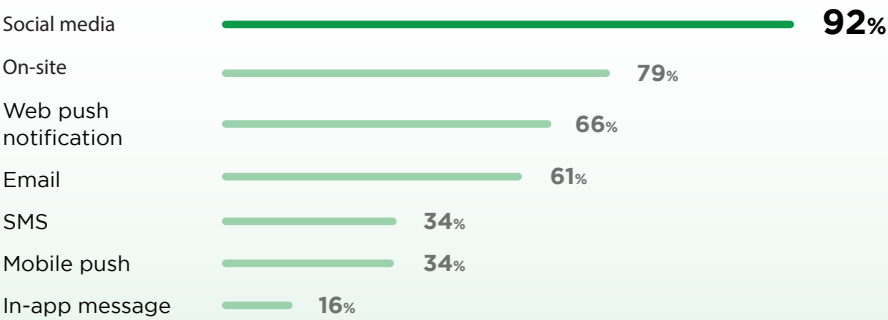


Consumers



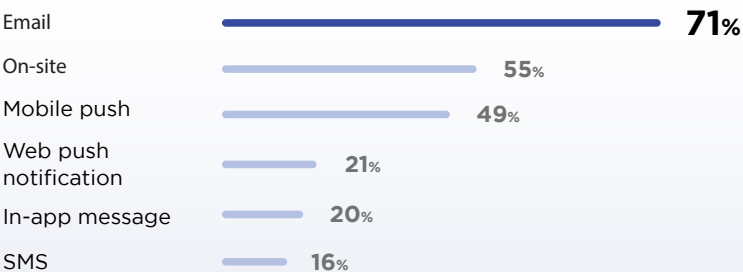


Marketers





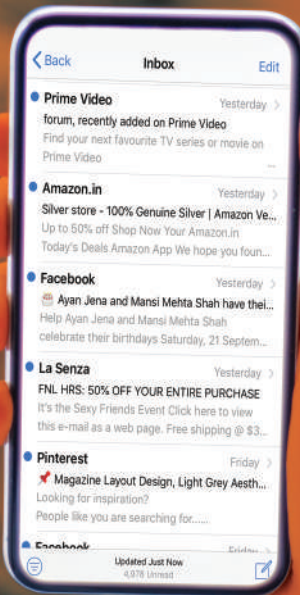
WebEngage



Key Insight

83%

of the consumers in the GCC region
choose email as their preferred channel
for brand engagement



Most preferred channels

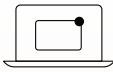
An industry-wise breakdown



E-commerce



Email



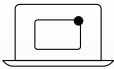
On-Site



Mobile Push



Travel/Hospitality



On-Site



Email



Web Push



BFSI



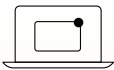
Email



SMS



Classifieds



On-Site



Mobile Push



In-App



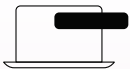
Healthcare



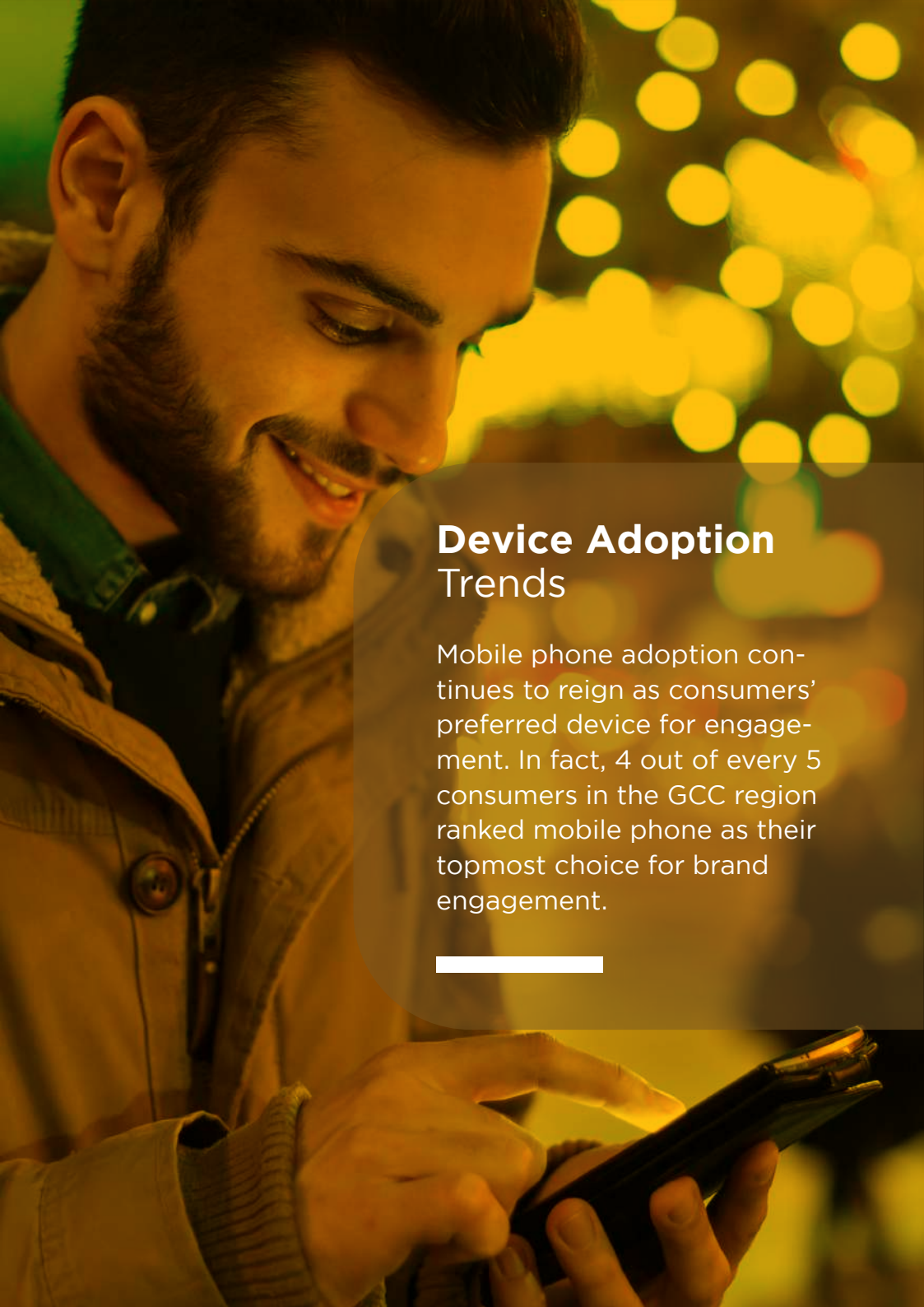
Email



Mobile Push



Web Push

A close-up, low-angle shot of a man with a beard and short dark hair, looking down at a smartphone in his hands. He is wearing a light-colored jacket over a dark shirt. The background is out of focus, showing warm, yellow bokeh lights, suggesting a night-time outdoor setting like a city street or festival. A semi-transparent dark grey box is overlaid on the right side of the image, containing the title and text.

Device Adoption Trends

Mobile phone adoption continues to reign as consumers' preferred device for engagement. In fact, 4 out of every 5 consumers in the GCC region ranked mobile phone as their topmost choice for brand engagement.

Expert's View



Crack the void between offline and online customers and identifying them as one.

Shahin Riaz, Lead eCommerce Product Owner
eXtra (United Electronics Co.)

What are the top consumer engagement channels used in the retail industry and how have they improved customer acquisition and retention for your organization?

App push most certainly has upped the game in retail world.

Which devices work best in the retail industry for enabling consumer engagement and why?

Mobile devices in general make up 80+% of users in the GCC region.

What's your master tip for creating seamless consumer engagement considering digital advantage in the GCC region?

Try to crack the void between offline and online customers – identify them as one customer to give them a seamless experience on your platform.

What is the north star metric you use to measure your customer engagement?

Analytics tracking is north star metric to understand customer behavior and engagement.

What is your advice for the other players in the industry when it comes to revamping their consumer engagement strategy for the future?

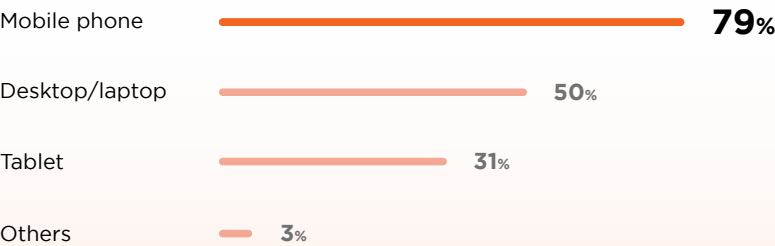
Loyalty is the keyword in GCC at this point in time where retail stores/websites open up every other day. A customer is ready to pay extra if you provide him good service.

Most preferred **device**

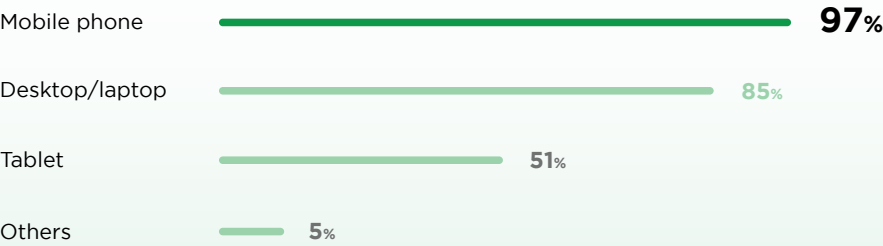
Marketers, Consumers, WebEngage Insights



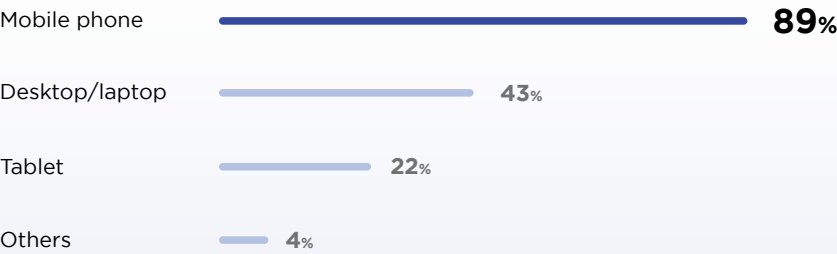
Consumers



Marketers



WebEngage



Key Insight

79%

of the consumers in the GCC region
access content on their mobile phones



HomeFurnish



Lets's make your wish come true!

Hi Nathan, Captain Sofa in your wishlist
is now available at a discount of 5%.
Check out our sale now!



Expert's View



Our audience is present on their mobile phones - hence, the brand needs to be there too. Communications should be served with seamlessness without being too pushy.

Adil Memon, VP - Content & Marketing Head, MENA
Zee Entertainment Middle East FZ LLC

What are the top consumer engagement channels used in the media industry and how have they improved customer acquisition and retention for your organization?

Personalized social media communication helps build brand loyalty and affinity.

Which devices work best in the media industry for enabling consumer engagement and why?

Adapting an on-the-go lifestyle in GCC has made the use of mobile phones vital. The communication needs to be seamless without being too pushy.

What's your master tip for creating seamless consumer engagement considering the digital advantage in the GCC region?

Being distinctive is imperative to success which happens only through contextual messaging on the right medium and channel.

What is the north star metric you use to measure your customer engagement?

Viewers' feedback is our north star metric.

What is your advice for the industry players when it comes to revamping their consumer engagement strategy for the future?

Advanced technologies like marketing automation help a marketer in maintaining a decent messaging pattern for their target audience.

A nighttime photograph of a city skyline, featuring the Petronas Towers and other illuminated skyscrapers. In the foreground, a multi-lane highway is shown with light trails from moving vehicles. Overlaid on the image is a network of white lines and dots, representing a communication or data network, with several nodes connected by arcs.

Communication Trends

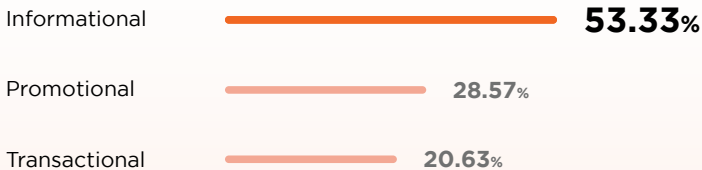
This section gives you an overview of the content consumption patterns of the consumers in the GCC region along with the marketer's perspective and the WebEngage insights.

Most preferred type of communication

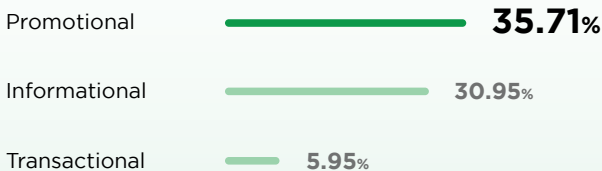
Marketers, Consumers, WebEngage Insights



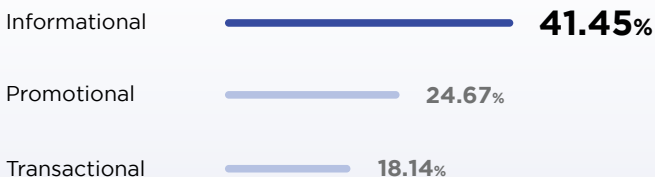
Consumers



Marketers



WebEngage



Key Insight

53.33%

of the consumers in the GCC region love to receive informational content



MY CHOICE

Hi Jade! Do you want to know
more about the new iPhone 11 Pro?

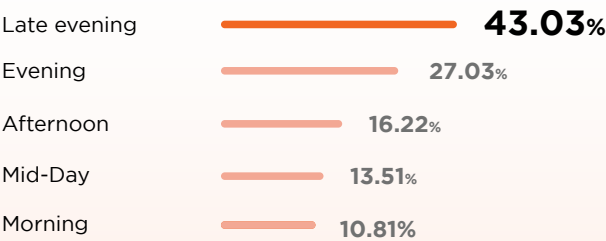
www.mychoice.com



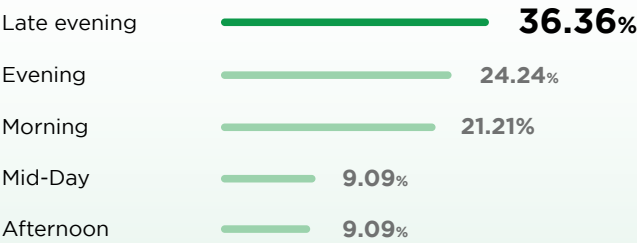
Best time to engage with GCC consumers

Marketers, Consumers, WebEngage Insights

Consumers



Marketers



WebEngage



Key Insight

43%

of the consumers engage most with
brand communication on their mobile
phones during late evening



Expert's View



Paid channels should seamlessly merge into Retention channels (New Customers – Paid | Active Customers – Retention | Dormant Customers – Paid and Retention)

Devam Saxena, Group CRM Lead (eCommerce)

M. H. Alshaya Co.

What are the top consumer engagement channels used in the retail industry and how have they improved customer acquisition and retention for your organization?

Social media is the most significant channel in the GCC region.

Which devices work best in the retail industry for enabling consumer engagement and why?

Mobile devices work best in retail with 85% making up the mobile web, and the remaining is for websites.

What's your master tip for creating seamless consumer engagement considering digital advantage in GCC?

I thoroughly believe in multichannel user engagement that creates frictionless experiences.

What is the north star metric you use to measure your customer engagement?

We have a number of metrics that we track closely. Cost per Opportunity (CPO), Cost per Acquisition (CPA), and Customer Lifetime Value (CLTV).

What is your advice for the other players in the industry when it comes to revamping their consumer engagement strategy for the future?

Gamification personalizes the brand messages and customizes the consumer experiences. Segmentation & personalization are significant to drive conversion.



Brand engagement trends: Drivers and Challenges

Why do marketers engage with consumers in the GCC region? What are their challenges in achieving their goals? Why are consumers engaging with brands? Which factors hold them back from engaging with particular brands? You'll find all the answers in this section.

Brand engagement **drivers**

Marketers' perspective



Key Insight

69%

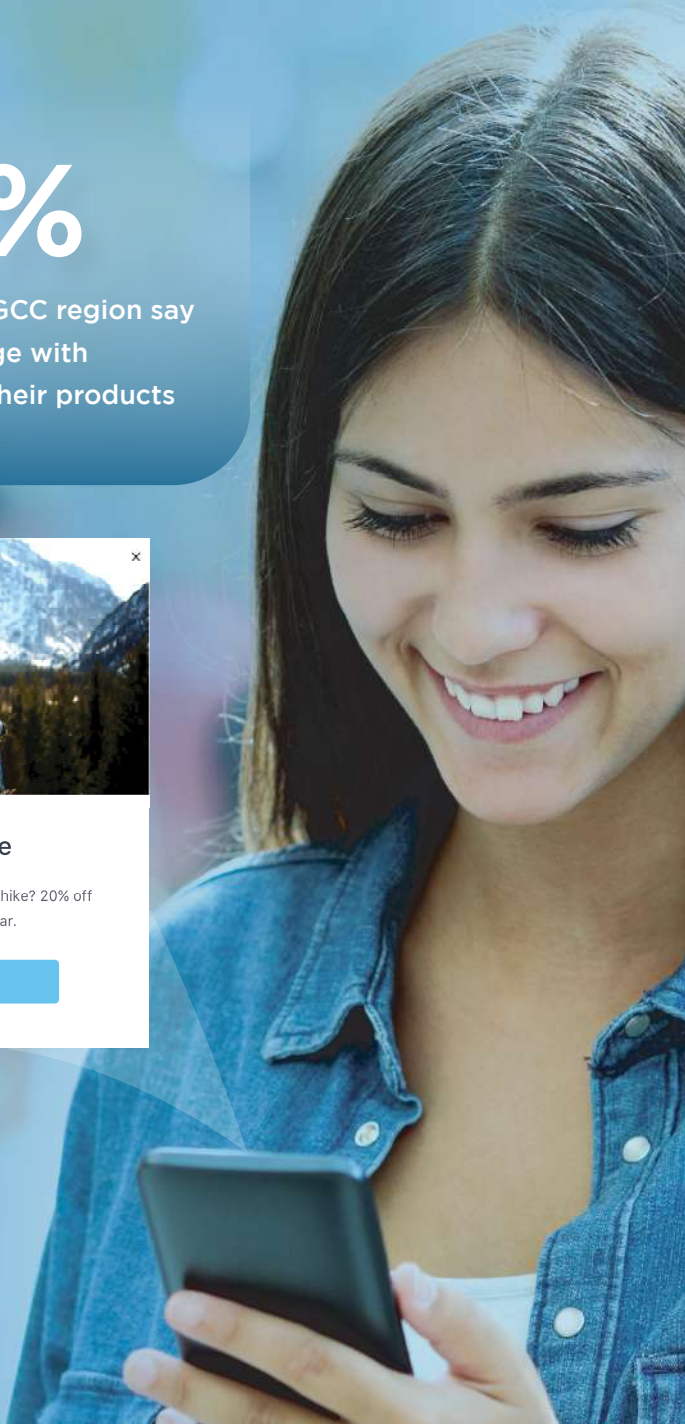
of the **marketers** in the GCC region say that they primarily engage with consumers to promote their products and services



Summer Sale

Hi Emma! Ready for your next hike? 20% off on all our hiking gear.

[Shop Now](#)



Expert's View



Email remains the strongest conversion tool with the highest ROI. DAU is the north star metric every marketer needs to watch out for!

Khader Shashaa, CRM & Product Operations Manager
Wego

What are the top consumer engagement channels used in the travel industry and how have they improved customer acquisition and retention for your organization?

Emails followed by push notifications work best as consumer engagement channels. Emails remain the strongest conversion tool with the highest ROI.

Which devices work best in the travel industry for enabling consumer engagement and why?

Mobile phone is the best device for user engagement as you can reach your users via multiple ways which include push notifications, in-app notifications, SMS and email.

What's your master tip for creating seamless consumer engagement considering digitalization in GCC?

Understand or rather study your consumers' behavior really well. Dive deep into their preferences and maximize personalization in order to add value to their overall experience.

What is the north star metric you use to measure your customer engagement?

Our north star metric is Daily Active Users (DAU) for sustainable growth. Revenue from repeated consumers is also a metric we undoubtedly keep a tab on.

What is your advice for the other players in the industry when it comes to revamping their consumer engagement strategy for the future?

My mantra has always been simple - segment your users correctly. This will help you to engage with them relentlessly.

Brand engagement **challenges**

Marketers' perspective

55%

Unstructured consumer engagement programs and roadmap

55%

Lack of tools/ technology

51%

Inconsistent customer experience across multiple-channels

43%

Inability to measure ROI associated with consumer engagement tools

41%

Budget allocation and executive buy-in to invest in consumer engagement programs

41%

Inability to personalize consumer engagement in real-time

35%

Predicting consumer expectations for brand communication

29%

Maintaining brand value and consumer trust

29%

Incompatibility between multiple tools

21%

Tool complexity

Key Insight

55%

of the marketers in the GCC region say that scattered user engagement strategies and the lack of technology are the top challenges for driving effective consumer engagement



Brand engagement **drivers**

Consumers' perspective

79%

Learn about products and services

53%

Purchase any product

47%

Search and avail promotional offers

31%

Consume digital content about brands and trends

31%

Request for service or support

25%

Participate in promotional and CSR events organized by brands

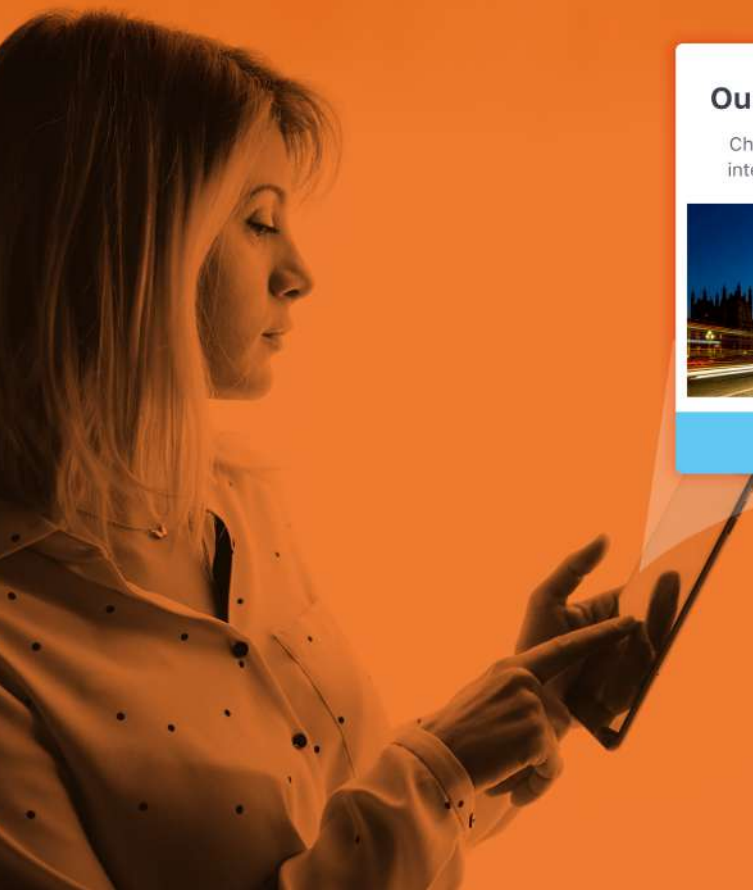
25%

Rate and review products and services

Key Insight

79%



of the consumers in GCC primarily engage with brands to learn about various products and services before making purchase decisions



×

Our Recommendations

Check out these popular places of interest based on your travel plans



Discover More

Expert's View



Improve your user engagement by planning strategically, defining your target audience and reaching them where they are available at the right time and with the right message

Maher Dosoqi, Marketing, Communications
PR Specialist at Dubai Taxi Corporation (DTC)

What are the top consumer engagement channels used in the media industry and how have they improved customer acquisition and retention for your organization?

Running campaigns on SMS & social media have helped us boost our acquisition and retention.

Which devices work best in the media industry for enabling consumer engagement and why?

Smartphones work best for us when it comes to connecting with our consumers via website, social media, SMS, app or email.

What's your master tip for creating seamless consumer engagement considering the digital advantage in the GCC region?

Plan strategically, define your target audience and reach them where they are available at the right time communicating the right message.

What is the north star metric you use to measure your customer engagement?

Bounce rate is our north star metric for customer engagement. However, we measure message delivery and open too with regards to website, email and SMS closely.

What is your advice for the industry players when it comes to revamping their consumer engagement strategy for the future?

Embracing marketing automation and utilizing professional automation tools such as WebEngage!

Brand engagement **challenges**

Consumers' perspective



73%

When brand engagement is not seamless and smooth across multiple channels



66%

When brand engagement is not personalized



54%

When brand lacks value and popularity



53%

When products and services are non-innovative



41%

When brand stop offering discounts



41%

When brand stops sharing consumers' values



08%

When brand engagement requires sharing personal data

Key Insight

73%

of the consumers in GCC find it difficult to engage with brands that deliver inconsistent customer experiences



MY JOURNEY

Hey Jack! Still looking for a flight from Muscat to Dubai?

10 AM



MY JOURNEY



Hi Jack!
Thank you for booking a flight from Muscat to Dubai. Happy Journey! 😊

11 AM

Experts View



Delight the customers through offers, sense of wellbeing, and on-demand consultation from medical practitioners.

Adamantios Chatzistylis, Head of Marketing Value Proposition
META region, AXA Partners

What are the top consumer engagement channels used in the insurance industry and how have they improved customer acquisition and retention for your organization?

GCC is a smartphone-driven market. Mobile is an essential channel for the insurance consumers where marketers can drive brand awareness, traffic, leads, and ultimately conversions.

Which devices work best in the insurance industry for enabling consumer engagement and why?

Smartphones with apps that provide frictionless processes and usage navigation capabilities are the go-to devices in the insurance sector for consumer engagement and retention.

What's your master tip for creating seamless consumer engagement considering digital advantage in the GCC region?

Marketers should focus on mobile-first approach where experiences and messages are strategically crafted to educate, inform, and delight the customers.

What is the north star metric you use to measure your customer engagement?

Net Promoter Score (NPS) is our north star metric. Total conversions on policy renewal SMS, mobile app downloads, and website engagement are the other metrics of consideration.

What is your advice for the other players in the industry when it comes to revamping their consumer engagement strategy for the future?

Reduce the time for policy/claim approvals, personalize services, and create enhanced navigation within the app, mobile or the website.

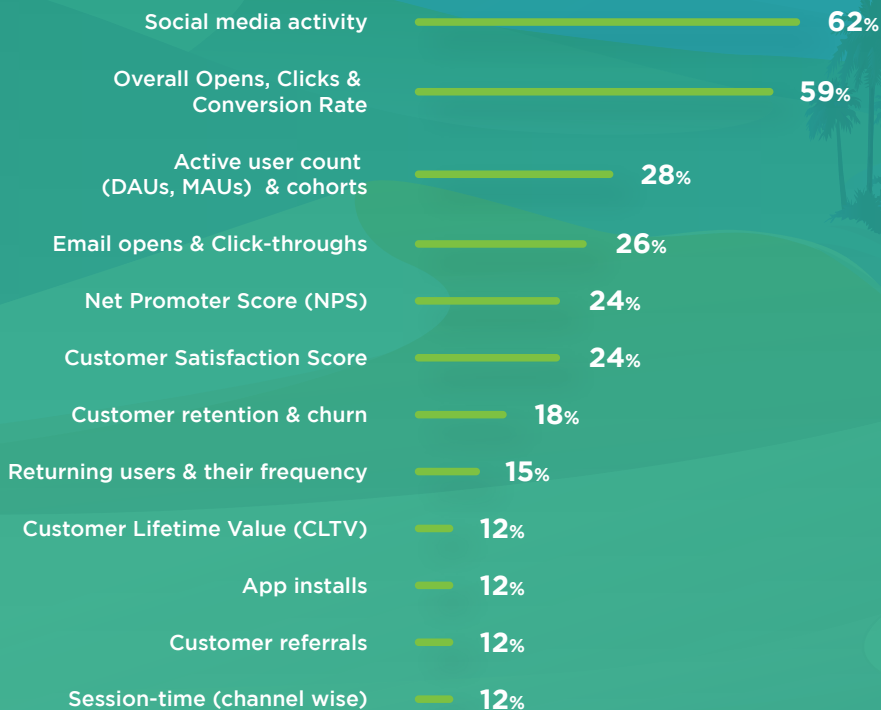
BRAND ENGAGEMENT **METRICS**



Brand Engagement Metrics

From the Marketer's Perspective

- Marketers in the GCC primarily look at social media activities such as impressions and reach, share of voice, referrals as the top consumer engagement metrics.
- Opens, clicks, conversions on marketing campaigns are the close second engagement metric marketers consider as worthy.
- NPS to measure the loyalty of customers to a brand is also a common metric regarded as very relevant by the GCC marketers.



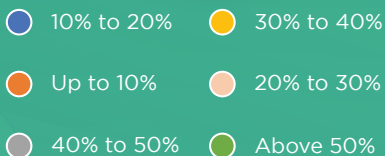
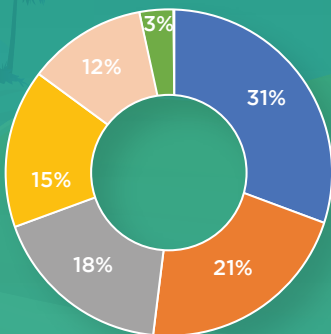
Consumer engagement budgets and efforts

More than half of the marketers (52%) allocate up to 20% of their marketing budget to consumer engagement and retention initiatives.

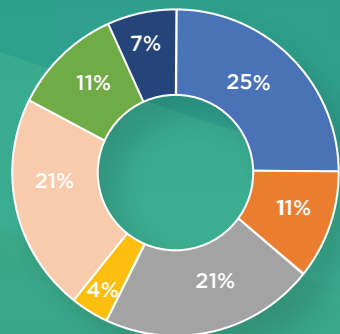
Most of these allocated budgets for consumer engagement and retention marketing are channeled towards primarily marketing performance analytics, customer service and for securing customer feedbacks.

GCC consumers have a high affinity towards informational content while marketers strategy is not aligned to address this aspect.

Marketing Spend Break Down on Consumer Engagement Activities



Top Consumer Engagement Efforts in Practice



Go beyond marketing
**Create engaging
customer experiences
that matter!**

Reach your user, wherever they are



Push



In-app



Email



Web push

And more



Web**engage**

Trusted by over **50,000** consumer businesses across **52+** countries

Vezeeta.com

wego

SOUQ
an amazon company

musafir.com

go-mmt

مجاد الفطيم
MAJID AL FUTAIM

Snapp!

ساکم
SACO

اکسترا
extra

rehlat

Reach out to us

Recommendations

GCC region is predominantly a mobile-first market with one of the highest penetration of internet and smart mobile devices globally. Mobile phones are the undisputed device of choice for brand engagement. However, there is a seepage of efforts concerning engagement and retention, as not all marketers have created scenarios for executing omnichannel experiences. This is quite evident from the discussions around our research that consumers are far from content while expecting seamless navigation and experience across and within their choice of engagement platforms. Hence, the need for real-time

analytics on the customer journey is the need of the hour. That is the best way brand marketers could provide in-the-moment and contextual connections.

Based on our interactions with all the three elements of the GCC market i.e. the end consumers, the brand marketers and the marketing leaders, we have compiled a go-to list of consumer engagement and retention strategies that we recommend will work going ahead in 2020 and beyond.

1

Retaining customer loyalty in the age of infinite options is key. GCC buyers do not mind paying extra for the best of the quality and service. So, knowing your customer base inside out and engaging with them through the right and most relevant kind of channels and campaigns would create a competitive edge.

2

Deploying advanced analytics technologies for tracking customers at scale for mining insights from the multiple touchpoints across channels and devices is the key to understanding customer behavior and engagement. With the right kind of insight and pattern recognition, behavior could be predicted, and the risk of failing on retention can be scientifically avoided.

3

As GCC customers shift increasingly to digital and mobile channels, seamless user experience is key to customer engagement and retention. Starting from improving the site performance on mobile and app, to gamification and personalization and everything in between should be aimed at ensuring that the customer has a frictionless usage experience of the services which is the most critical aspect of retention marketing.

Acknowledgements

Partial list of survey participants

| | |
|---|---|
| Al Akaria | Hill+Knowlton Strategies |
| Al Rabie Saudi Foods Co Ltd. | HMD Global |
| Al-dawaa Medical Services Co. Ltd (dmsco) | IFFCO Group |
| Alghanim Industries | IKEA Kuwait –Al Homaizi Ltd. |
| Almarai Company | Innovative Maritime Emotional Intelligence Center |
| Americana Group, Inc. | InterContinental Hotels Group of Companies |
| Anantara Hotels, Resorts & Spas | Jumeirah Group |
| Arab National Bank | Kerzner International Ltd. |
| Arab Shipbuilding & Repair Yard | Knowledge Economic City |
| Aster DM Healthcare | Landmark Group |
| Atlantis Resorts | Mobily |
| Aujan Group Holding | Qatar Airways Company Q.C.S.C. |
| Binzagr Company | Qatar Charity |
| BRF | Qatar National Import and Export Co. |
| British University of Bahrain | Sharaf DG LLC |
| Casablanca Grand HOTEL | Sponsor.online |
| Dahra Global Technologies & Consultancy Services W.L.L. | SSH |
| Digitalizeco | Stanley Black & Decker, Inc. |
| Doha Bank Assurance Company LLC | Supreme Committee for Delivery & Legacy |
| Dominos IP Holder LLC | Tata Communications Ltd. |
| East Integrated Technologies | The Ritz-Carlton Hotel Company |
| Ebrahim K. Kanoo. B.S.C. (c) | TjDeeD Technology |
| Emirates NBD | United Motors Company |
| Equilibria Digital Solutions | Verint |
| Family Food Centre | Zad Holding Company (Q.P.S.C) |
| Febc | Zain |
| Finwizard Technology Pvt. Ltd. | Zee Entertainment Enterprises Ltd. |
| Gulf Air | |
| Gulf International Bank | |
| Gulf Marcom | |

All Rights Reserved

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior permission of the publisher, Research NXT and WebEngage. The facts of this report are believed to be correct at the time of publication but cannot be guaranteed. Please note that the findings, conclusions, and recommendations that Research NXT and WebEngage delivers will be based on information gathered in good faith from both primary and secondary sources, whose accuracy we are not always in a position to guarantee. As such Research NXT and WebEngage can accept no liability whatever for actions taken based on any information that may subsequently prove to be incorrect.

About



At WebEngage, the user experience is at the epicenter of our product designing and business growth strategy. Seven years ago, we started designing our marketing automation platform, and we've evolved with time. We now facilitate a full-stack marketing automation platform that helps B2C businesses around the world to scale their user engagement and retention marketing initiatives. Our mission is to empower marketers and product managers to deliver highly-curated and humanized experiences to the end users. WebEngage's marketing automation platform allows brands to craft and deliver cross-channel campaigns based on data-driven user insights, intelligent user

profiles, and smart segments. Marketers can orchestrate lifecycle marketing campaigns within seconds by using the DIY journey builder feature which simplifies the process of executing and managing complex cross-channel campaigns at scale.

Smart Analytics | User
Segmentation | Cross-Channel
Engagement |
Hyper-Personalization | Journey
Design



Research NXT is an innovative market research company covering in-depth research and insights on trending Enterprise Technology
www.researchnxt.com