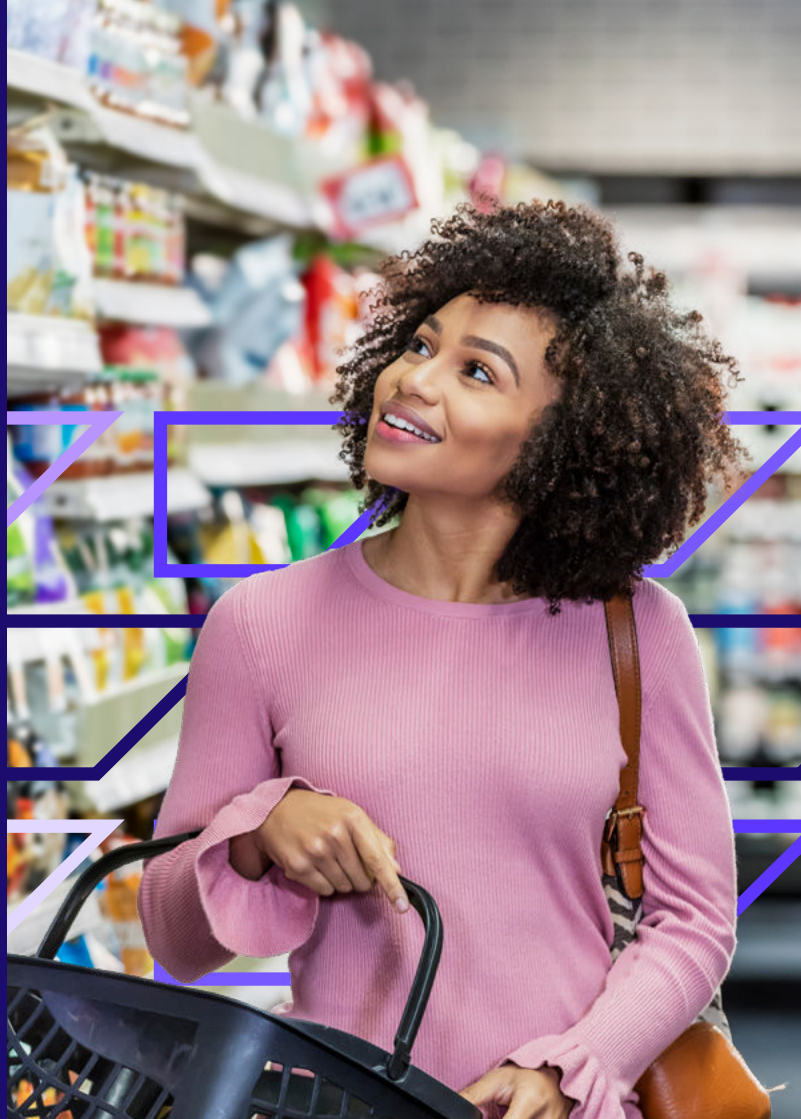
The Global Consumer Products Engagement Report

US Edition

Mapping Customer Engagement Maturity



SAP Emarsys in association with Deloitte.

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Executive Summary: The Engagement Era

Consumer products (CP) brands are under immense pressure: inflation driving costs up, supply chain disruptions, market saturation, and more. And perhaps the most intense pressure comes from consumer brand loyalty — or rather, the lack of it.

Based on our decades-long experience partnering with 1,500+ brands to provide personalized consumer experiences, we've found that consumers today expect more in exchange for their loyalty. For this reason, we sought to explore how digital transformation is impacting the status quo of marketing, both for consumers and brands. What we found is that transformation is already underway: **Marketing has entered the *Engagement Era.***

In this era, brands differentiate themselves by creating a dialogue with consumers, taking an omnichannel approach across the entire customer lifecycle. For this type of engagement, a foundation of connected data across every touchpoint of a business — as well as the ability to understand and leverage that data — is essential to success.

How are CP brands navigating this new era? What are their priorities around enabling their data strategy, and what role does AI play? Which channels are brands relying on to connect with consumers? Are they going beyond traditional marketing (like TV ads) to engage on emerging platforms?

On the consumer side, how do consumers feel about brands? How are Gen Z shoppers impacting consumption?

These questions and more were the drivers behind this Global Consumer Products Engagement Report, which was conducted in association with Deloitte. We hope the findings here will prove insightful for you as you work towards your engagement transformation.

Sara Richter
CMO, SAP Emarsys

Key Findings

US Marketer Highlights

88% of all CP marketers believe they need to "significantly transform" their organization's customer engagement approach in 2025.

85% of all CP marketers believe they must adapt to change "faster than ever before".

89% of all CP marketers believe AI will be essential for engaging new customers.

× Only **35%** of all CP marketers share customer engagement data with their financial and operational processes and systems (e.g. Enterprise Resource Planning or ERPs), and **53%** plan to improve this in future.

US Consumer Highlights

56% of Gen Z say they don't care about "brands" as long as a CP meets their needs — more than any previous generation.

85% of consumers say they've made spending cutbacks, but with notable generational differences in where they make those cuts.

57% of consumers have switched to own-label alternatives because they are more affordable.

71% of consumers are put off by brands asking for data but not explaining how it will be used.

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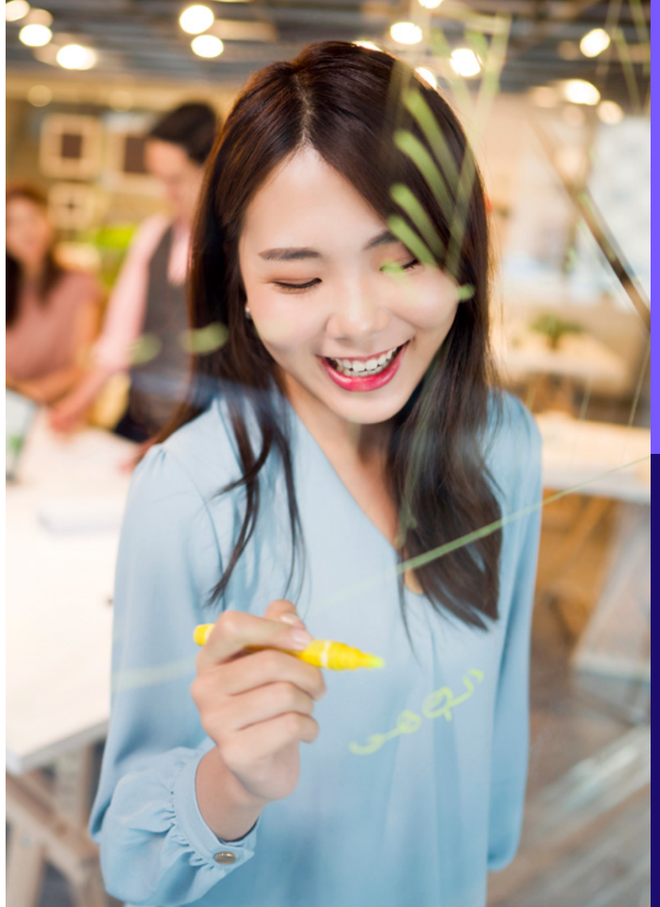
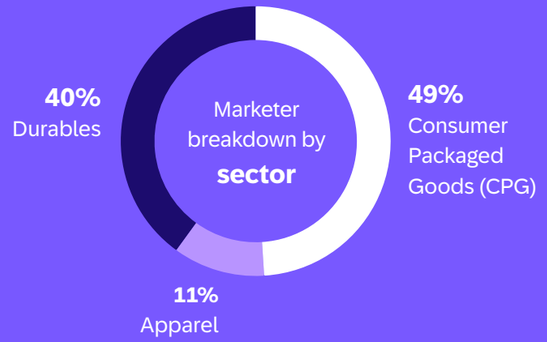
Methodology

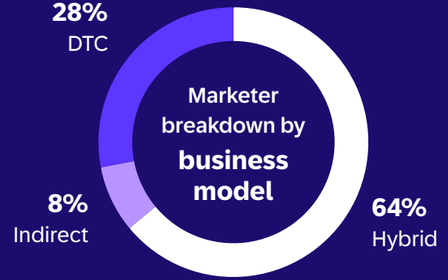
This research was conducted by Opinium as part of global research among a sample of 14,000 general respondents and 750 senior marketers across the UK, US, Germany, Australia, UAE, Taiwan, and Brazil. Opinium abides by and employs members of the Market Research Society and follows the MRS code of conduct which is based on the ESOMAR principles. Opinium is also a member of the British Polling Council.

The consumer research was conducted among a sample of 2,000 general respondents across the US. The data was collected between 20 – 28 February 2025.

The marketer research was conducted among a sample of 100 senior decision makers in the marketing teams of enterprise-level businesses with 500+ employees and with $250m+ annual turnover across the US. The data was collected between 3 – 24 February 2025.







The Rise of AI

AI is seen as essential for engaging new and retaining existing customers, but consumers are selective about how they want brands to use AI. "89% of Consumer Product marketers believe AI will be essential for engaging new customers, while 86% think it will be essential for retaining existing customers." and "41% of consumers want more personal deals and offers, but just 9% want brands to create more personal interactions using AI."

Commentary from Deloitte

Consumer products brands face a paradox: customers expect more personalized experiences but are increasingly selective about how they engage. The Global Consumer Products Report decodes this complexity, offering vital insights for companies navigating the new rules of customer connection.

Among the various engagement trends, the dichotomy between marketer enthusiasm and consumer selectivity regarding AI stands out — representing both a challenge and opportunity for forward-thinking brands.

Our experience confirms this nuanced reality, we've seen substantial enthusiasm for AI-generated content, particularly in three key areas:

1. **Strategic personalization where customers want it**
   AI excels at creating tailored content across locales, segments, and product catalogs—precisely where consumers actually want personalization rather than simulated interactions.

2. **Rapid content updates for market responsiveness**
   The technology can enable swift adaptation to changing market dynamics, such as seasonal shifts and emerging trends.

3. **Faster delivery with human quality control**
   While AI reduces time-to-market, thoughtful human guardrails remain critical for brand consistency and quality control.

This capability gap between AI's production capacity and traditional content creation represents a significant advantage for early adopters who balance automation with authentic brand voice. Forward-thinking organizations can establish frameworks that maximize AI's efficiency while maintaining the human-centered experiences consumers prefer.

By deploying AI where it adds value while respecting consumer preferences, brands can transform their engagement capabilities in an increasingly competitive marketplace.

Russell McLean
Principal, Deloitte Consulting LLP

The Maturity Index Score

CEM: The Maturity Index Score

Leveraging our 25 years of experience in orchestrating consumer engagement, we've developed a scoring system to analyze how advanced each respondent's engagement practices are. We scored each brand against our **Customer Engagement Maturity (CEM)*** matrix, which is based on the brand's ongoing investment in:

- Connected data strategy
- Omnichannel engagement
- Use of email marketing
- Real-time personalization
- AI and automation adoption
- Customer loyalty

* **Customer Engagement Maturity (CEM) Levels:** Given the sample sizes, the figures for CEM in this report are indicative. High vs low CEM can be analyzed robustly at a global level.

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CP sectors with the highest CEM scores

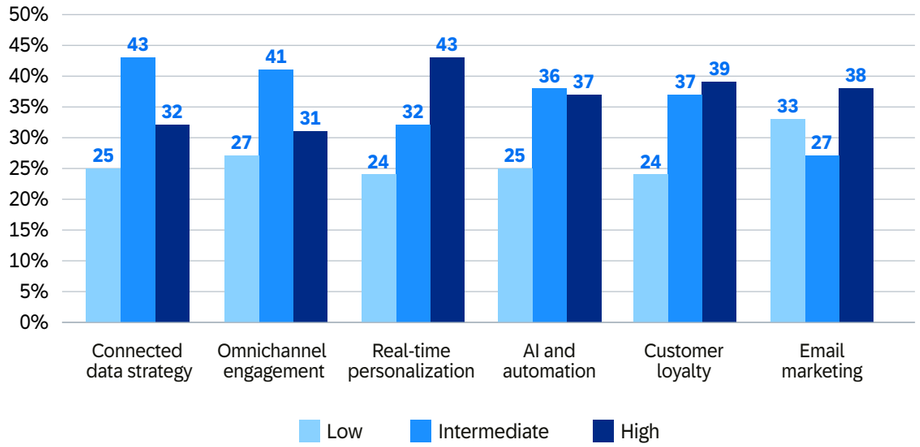
1. Consumer packaged goods (CPG)
2. Automotive
3. Wholesale

CP sectors with the lowest CEM scores

1. Manufacturing
2. Retail
3. Electronics

	Engagement Adoption	Engagement Capabilities
Low CEM Score	Minimal adoption of customer engagement technologies and strategies.	Customer data tends to be siloed, and marketers struggle to track and understand consumer behaviors. They lack real-time visibility and have limited access to advanced tools for AI and automation. Driving consumer loyalty is a major pain point.
Moderate CEM Score	Medium level of adoption of customer engagement technologies and strategies.	Brands have some insight into consumer data and offer basic personalization, but cross-channel interactions may be disjointed from the consumer's perspective. These brands often rely heavily on discounting to drive loyalty, struggling to develop deeper brand affinity.
High CEM Score	Advanced in their adoption of engagement technologies and strategies.	High maturity brands can rapidly adapt to changes in the market, and they use integrated data to understand their consumers and drive true brand loyalty. They leverage strategies and tools like AI to deliver personalized, omnichannel engagement in real time, at scale.

Customer Engagement — Features and Maturity in CP, US



Maturity and the Impact of Investment

Investing in engagement requires both financial support and time, so both marketers and the C-suite need full confidence that the effort will lead to measurable growth. Is investing in consumer engagement beneficial? Of brands who invested, what outcomes have they seen? This research revealed that high CEM brands saw increased benefits from their investment in their data foundation and consumer engagement technology.

Benefits of High CEM Maturity

Brands are better able to make **real-time decisions**.

Brands can more effectively **optimize campaigns**.

Brands are better at predicting **consumer behaviors**.

Brands experience fewer issues with **"dark data"**.

Consumers are **more loyal**.

Consumers show **greater affinity**.

Consumers are more likely to be **brand advocates**.

	Low CEM Brands	Moderate CEM Brands	High CEM Brands
Consumers actively advocate for the brand	67%	**89%**	76%
Marketers feel the brand has a strong emotional connection with consumers	78%	87%	**93%**
Marketers experience issues with "dark data"	**81%**	44%	45%
Marketers experience issues accessing and using data in real time	**74%**	46%	45%
Marketers are likely to be transparent with consumers about how their data is used	70%	77%	**86%**
Marketers optimize campaigns in real time	19%	29%	**31%**
Marketers are better at predicting future consumer behaviors	30%	34%	**41%**
The brand has a high customer retention rate	81%	88%	**90%**
Marketers currently learn from past campaigns and optimize them	15%	**25%**	15%

Trends for 2025

Consumer Products: Five Trends Defining 2025

The results of this research underscore the volatility of the CP market, not only in the US but around the world. These trends are pushing brands and marketers away from using their traditional strategies like price hikes and increased ad spending. Continual price increases in the face of fierce competition for consumer loyalty becomes unsustainable, and the cost of digital advertising has only gone up.

Savvy CP marketers know that survival in this Era of Engagement means more drastic change is not only essential but in fact urgent.

In the following sections, we'll break down the five top trends that have become the driving forces for innovation, opening new opportunities for marketers to leap forward and raise their engagement maturity:

1. **Consumers have become harder to engage... and retain**
2. **AI and the demand for personalization-driven innovation**
3. **Consumer channels become more varied and volatile**
4. **Consumers push back on "dark data"**
5. **Gen Z shakes up consumer spending and saving**

85%

of all CP marketers believe they must adapt to change faster than ever before.

More than half of Gen Z

56% of Gen Z say they don't care about "brands" as long as a consumer product meets their needs — more than any previous generation.

1

Trend 1

Consumers have become harder to engage... and retain

Before brands can engage consumers with meaningful experiences, marketers first need to understand those consumers. What messages interest them? What channels are they using? When are they likely to engage? What are their spending habits?

That's a lot to ask of CP brands, especially considering the point of purchase is indirect.

77%

of all CP marketers believe consumer behavior is becoming harder to predict.

72%

of all CP marketers say it's becoming harder to engage meaningfully with customers.

From the consumer's perspective, managing the cost of living takes priority over their loyalty to a CP brand. Many premium products can potentially be replaced with own-label (private/store label) alternatives. With 57% of consumers switching to these store brands, marketers must adapt to the shift in loyalty, developing engagement strategies that will deepen brand affinity.

57%

More than half of consumers have switched to own-label alternative products because they are more affordable.

3 out of 5 consumers

60% of consumers believe that if they buy directly from a product's website, it should cost less.

41%

Less than half of consumers actively advocate for their favorite brands in public.

16%

of consumers will only read the subject line of an email from a brand, while 32% won't make it further than the first 1-2 sentences.

Areas where consumers are cutting back on spending

Eating out or takeaway meals (49%)

Travel or holidays (44%)

Big purchases (e.g. electronics, furniture) (44%)

Luxury and premium products (43%)

Subscriptions (e.g. streaming services, meal kits) (37%)

Non-essential items (e.g. beauty products, accessories) **(35%)**

Branded groceries (switching to own-label alternatives) **(33%)**

Fitness or wellness products (e.g. supplements, equipment) (24%)

Eco-friendly or sustainable products (22%)

Ferrara

"Our marketing teams are really looking to engage directly with consumers to provide them with content and campaigns, because we want happy brand fans."

Dan Bartelsen, Director of Information Technology Business Partners for E-Commerce and Digital, Ferrara

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Case Study

How Ferrara Sweetened Their Direct Consumer Engagement

Ferrara is a leader in sweet snacking (including brands like NERDS, Jelly Belly, Trolli, SweeTARTS, and more), delighting customers with high-quality products and innovative creations.

Challenge

Operating in a competitive market with volatile consumer channels and increasingly savvy consumers, Ferrara sought to create a modern omnichannel experience but was limited by legacy technologies. They needed a way to modernize their consumer engagement platforms and data management systems to effectively address evolving market demands and consumer preferences.

Solution

By partnering with SAP and Deloitte and pivoting to a more data-informed and consumer-centric approach, Ferrara uncovered insights into their fan base, such as the fact that many enjoy Ferrara candies while gaming.
Using their findings, the brand enhanced its consumer engagement strategies, resulting in better consumer retention and satisfaction. This also sets Ferrara in a position to easily scale and adapt to evolving consumer preferences and market conditions in the future, making it a **high scoring CEM brand**.

Personalized Marketing

Utilizing SAP Emarsys together with the SAP suite to effectively reveal hidden connections and deliver hyper-personalized experiences that not only engage consumers but convert them into true fans.

Unified Customer Profile

Deployed SAP Customer Identity and Access Management (CIAM) for B2C, SAP Customer Data Platform, and SAP Emarsys to create a unified and centralized customer profile across its scattered data bases.

Real-time Data Integration

Integrated consumer, retail, and supply chain insights using SAP HANA database and SAP Analytics for seamless data processing in real-time.

The results

59%
increase in
contactable customers

20%
above industry average open rates
for email campaigns

300%
fan growth
of Trolli brand

2

Trend 2

AI and the demand for personalization-driven innovation

Artificial intelligence (AI) has been used in marketing for a long time now — SAP Emarsys introduced its first AI features more than a decade ago. However, in the past few years, AI has seen a meteoric rise in attention and widespread availability.

While marketers are enthusiastic about AI (89% believe AI will be essential for engaging new customers), consumers showed less keen interest, with only 9% indicating that they want brands to create more personal interactions with AI. This apparently low number could be a reflection of a lack of consumer awareness around the essential nature of AI for creating personalization at scale.

The consumer appetite for personalized content was much greater, with 41% of consumer respondents wanting more personal deals and offers. In order to accomplish advanced personalization at scale, marketers require the ability to predict and respond to consumer behavior in real time while maximizing their creative efficiency, which is why they're so keen on AI.

Marketers' views on AI

The increased awareness of AI, plus the proliferation of generative AI, means marketers have new tools on hand for developing campaigns and increasing their efficiency. Additionally, marketers are keenly aware that they may need to adapt rapidly as new data regulations come into effect around the world.

89% of all CP marketers believe AI will be essential for engaging new customers.

86% of all CP marketers think it will be essential for retaining existing customers.

85% of all CP marketers say they are prepared to react quickly to new data regulations.

Consumers' views on AI

While nearly half of consumers perceive AI marketing as a tool that can get them desirable deals and offers, they don't perceive it as something that creates more personal interactions.

41% of consumers want more personal deals and offers.

39% of consumers want/value products or content created by AI (e.g. customized designs or tools).

9% want brands to create more personal interactions using AI.

Trend 3

Consumer channels become more varied and volatile

Supply chains haven't cornered the market on disruption — popular engagement channels can also be disrupted, sometimes drastically (as we've seen with TikTok).

73%

of all CP marketers have been preparing for a possible ban of TikTok.

Historically, CP brands have focused on traditional marketing (TV ads, print, radio, event sponsorships, etc.), and those channels will continue to be of value going forward. However, this research has revealed that there are other channels that are impacting this industry.

Channels compete for limited audience attention, and consumers may change their preferences or adopt alternative social apps, as with Bluesky. The channel that a consumer chooses for interaction may be different from the channel they use to research product information and make a purchasing decision (or even a repeat subscription).

New kinds of brand experiences are also disrupting the status quo. Shoppers are discovering options like immersive shopping via virtual reality, and they can replace an empty bottle of shampoo just by speaking aloud to their in-home voice assistant.

Social media engagement has gone from being straightforward to trying to hit a moving target.

How are consumers using channels to increase savings?

48%

Nearly half of consumers have signed up to a loyalty card for consumer products to save on costs.

36%

1 in 3 customers are buying consumer products via repeat subscriptions to save on costs.

Are new and innovative shopping experiences driving engagement?

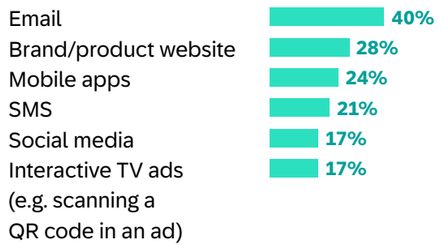
44%

of consumers value immersive shopping experiences (e.g. virtual reality or augmented reality).

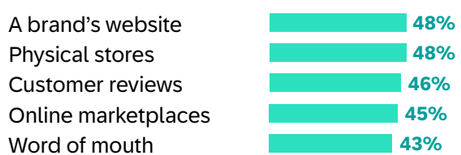
37%

of consumers value marketing through voice assistants (e.g. Alexa or Google Assistant).

Which channels do consumers prefer for interacting with brands?



Which channels are consumers using to research new products?



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Trend 4

Consumers push back on “dark data”

No consumer wants to share their personal data only for it to fall into a digital void, where it becomes what’s known as *dark* data. Dark data, in short, is data collected by marketers with no clear purpose or use, which is then also not used in a way that shows benefit to the consumer.

51%

Half of CP marketers say their organization suffers from “dark data” (data that is collected but not effectively used).

Not only is dark data an irritation for consumers, fostering doubt about their relationship with the brand, but it’s a waste of marketers’ resources. Marketers are essentially burning money on collecting and storing dark data — and this trend is especially given the growing privacy regulations.

When customers share their data, they have a reasonable expectation of receiving value in exchange, and it’s up to marketers to deliver.

Consumer expectations about data

80%
of consumers say it’s important that brands have a clear data privacy policy.

79%
of consumers are put off when brands ask for a lot of personal data.

71%
of consumers are put off by brands asking for data but not explaining how it will be used.

44%
Less than half of consumers feel they understand what they get in return for sharing their data with consumer brands.

43%
of consumers feel brands collect their data and don’t use it at all.

41%
of consumers think brands take too long to use their data in ways that benefit them.

5

Trend 5
Gen Z shakes up consumer spending and saving

It should come as no surprise that Gen Z, known as the first true digital natives, are accelerating digitization at a rapid pace. Gen Zers are more engaged through mobile apps and social commerce platforms than Boomers.

The Engagement Era belongs to the upcoming generations more than any other, but each generation will have its own way of using digital channels. The ability to segment and personalize for the different generations will be critical for marketers who want to future-proof their engagement strategy.

One area where the generations agree is that almost everyone is looking for ways to save: **88%** of Gen Zers and **85%** of Boomers have made spending cutbacks. Across all generations, only **9%** of consumers indicated that they haven't cut back on anything. The more consumers are looking to save, the greater the competition, and this is where personalized engagement will make a difference and help drive more purchasing decisions.

Browsing and Buying Habits	Gen Z Age 18-27	Millennials Age 28-43	Gen X Age 44-59	Boomers Age 60-78
Browse directly from a brand's app	**40%**	33%	34%	25%
Rely on influencer reviews or recommendations	**30%**	21%	20%	8%
Use social commerce platforms (e.g. Instagram Shop)	**29%**	22%	20%	7%
Prefer a brand's website	37%	45%	48%	**56%**
Prefer shopping in-store	40%	40%	49%	**57%**
Prefer traditional customer reviews	40%	41%	47%	**54%**

Likelihood to Cut Back On...	Gen Z Age 18-27	Millennials Age 28-43	Gen X Age 44-59	Boomers Age 60-78
Subscriptions (e.g. streaming services, meal kits)	**41%**	35%	35%	39%
Fitness products	**26%**	21%	**26%**	24%
Eco-friendly or sustainable products	**26%**	21%	22%	21%
Branded groceries (switching to own-label alternatives)	27%	29%	33%	**39%**
Non-essential items (e.g. beauty products, accessories)	34%	30%	32%	**41%**
Eating out or takeaway meals	34%	42%	53%	**60%**
Large purchases (e.g. electronics and furniture)	35%	37%	46%	**54%**
Luxury items	34%	37%	45%	**52%**

Engagement Priorities

Customer Engagement Priorities for 2025

In the face of the current trends and challenges, how are marketers preparing to respond? What are their plans for growing their business and addressing waning consumer loyalty? Are they seeking quick solutions for immediate wins or laying a foundation for long-term strategies and success? And how does this align with consumer expectations?

We found that 1 in 3 consumers (32%) want brands to help them discover products they didn't even know they'd love. For marketers to help consumers find the products they'll love, they need to lean into predictive product recommendations based on first-party data. Engaging consumers with the right product at the right time will help marketers increase brand affinity and drive long-lasting loyalty.

Similarly, the strategy for increasing customer engagement across existing channels (which 41% of marketers are prioritizing) is clear, considering 41% of consumers are saying they want personalized deals and offers.

Top customer engagement priorities for US CP marketers

4. Improving customer loyalty and retention (41%)
5. Engaging consumers in new markets, regions, or sectors (41%)
6. Increasing customer engagement across existing channels (41%)
7. Automating more activities and campaigns (41%)
8. Reducing complexity (e.g. streamlining tools, processes) (39%)

Our research revealed that marketers' priorities change across the spectrum of Customer Engagement Maturity (CEM) levels.

Top customer engagement priorities for consumers

1. Give me personalized deals and offers (41%)
2. Help me discover products I didn't know I'd love (32%)
3. Introduce new customer loyalty schemes and rewards (27%)
4. Provide more transparent communication about their products or values (21%)
5. Improve my experience on existing channels (e.g. website, mobile, social) (15%)

Low CEM Brands

Marketers for low CEM brands focus heavily on expanding their audience. Their top priority is increasing engagement across existing channels (52%) and engaging consumers in new markets (48%), as they work to establish a foothold.

- **Focus:** Expanding the audience
- **Engagement strategies:** For sustainable growth, set up a data strategy that is adaptable, scalable and extends across the entire business. Establish a foundation that will support a holistic view of consumer behavior and omnichannel engagement across the customer lifecycle.

Moderate CEM Brands

Marketers for moderate CEM brands are prioritizing strengthening customer relationships while streamlining efforts, with automating activities and campaigns (45%) and improving customer loyalty (45%) ranking highest.

- **Focus:** Strengthening loyalty
- **Engagement strategies:** Personalized messaging and frictionless interactions across channels are a must. Look into establishing brand affinity by building an ongoing, two-way conversation — create value exchanges through reviews, referral marketing, loyalty programs, post-purchase recommendations, and more.

High CEM Brands

Marketers for high CEM brands shift toward reducing complexity (48%) and delivering new customer experiences (45%). With strong customer bases in place, they focus on refining their approach and enhancing engagement through innovation.

- **Focus:** Reducing complexity and delivering new experiences
- **Engagement strategies:** Ensuring consumer data is integrated across the entire business, from finance to supply chain to marketing, helps reduce heavy IT reliance and complexity, while opening up new insights. Never stop innovating: experiment with new experiences, such as virtual reality, shopping assistants, AI-aided personalization, and more.

DTC Brands

Direct-to-consumer (DTC) marketers showed a focus on expanding their audience and driving loyalty, with engaging new markets (48%) and improving customer retention (48%) as top priorities.

- **Focus:** Expanding the audience and strengthening loyalty
- **Engagement strategies:** DTC brands can use the same strategies for expansion and retention as pure CP brands, but with the added option of point of sale engagement, such as in-store and digital loyalty rewards as well as Mobile Wallet offers, referral programs (using solutions such as Mention Me), and mobile app engagement.

Hybrid Selling Brands

Hybrid businesses (which use both direct and indirect selling strategies) align with the high CEM brands, with 49% prioritizing reduction of complexity and 42% prioritizing delivering new consumer experiences.

- **Focus:** Reducing complexity and delivering new experiences
- **Engagement strategies:** Ensuring consumer data is integrated across the entire business, from finance to supply chain to marketing, helps reduce heavy IT reliance and complexity. Use in-store and digital loyalty rewards, Mobile Wallet offers, referral programs (using solutions such as Mention Me), and personalized social media advertising.

The common factor: Data

Regardless of CEM maturity, consumer data is the common requirement in every marketer's priorities for engagement and retention. More mature brands — ones that use advanced engagement strategies and leverage integrated data to engage consumers — will be in a stronger position to address their priorities and meet consumers expectations.

Engagement Channels

Top Channels Used to Drive Engagement

Consumers are using a wider range of channels for interaction and research, requiring brands to adapt their strategies. We sought to uncover how marketers are prioritizing channel engagement... and also how that stacks up against consumer behavior.

Channels used by CP marketers to engage customers

1. Web (55%)
2. Email (52%)
3. Social media advertising (49%)
4. E-commerce (47%)
5. Social media posts/content (42%)
6. TV advertisements (35%)
7. Out of home (e.g. billboards) (23%)
8. SMS (Text messaging) (22%)
9. Conversational messaging (e.g. WhatsApp) (22%)
10. Mobile apps (19%)

Channels used by consumers to interact with brands

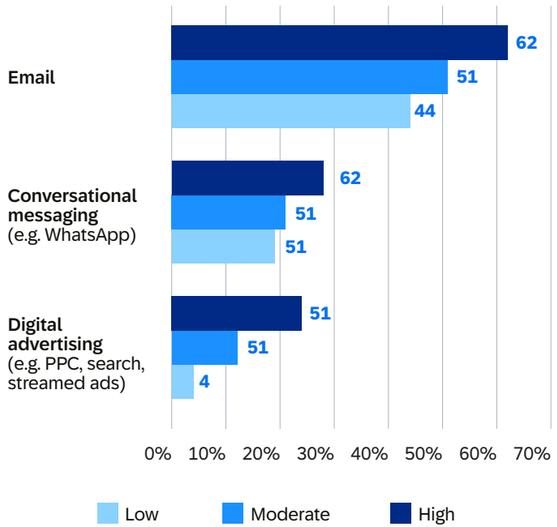
1. Email (38%)
2. Web (31%)
3. Mobile apps (28%)
4. Social media content (24%)
5. Social media advertising (23%)
6. SMS (text messaging) (21%)
7. TV advertisements (21%)
8. Digital advertising (e.g. Google ads) (19%)

Marketers and consumers both indicated that email and web were their top two engagement channels. This solidifies the need to ensure these channels are as personalized as possible for faster purchasing decisions. However, the number three channel shows a notable disconnect. For consumers, mobile apps are their third most used channel for interacting with brands (at 28%), whereas for CP marketers, mobile apps are in tenth place (dead last) in terms of usage (at 19%).

TV advertisements showed a similar though less drastic divergence, with the channel in second-to-last place for channels used by consumers to interact with brands (21%). For CP marketers, however, TV ads fell in the mid-range overall for channels they're using to engage customers (35%).

Channel adoption also changes as marketers become more mature in their customer engagement approach.

Channel by CEM Brand usage



JOHN FRIEDA®

"For lifecycle marketing, we wanted to provide personalized experiences for increased conversion rate, develop segmentation strategies for improved retention and conversion, implement automation triggers to nurture current and future customers, and educate our existing audience and identify customer needs for this new product line."

Lyla Holt, Global Digital Marketing Manager,
Consumer Care at John Frieda

Case Study

John Frieda Mastered the Art of Product Launches

The John Frieda brand was founded on the revolutionary idea of disrupting the haircare industry with salon-quality products tailored to specific hair concerns. John Frieda aims to empower its customers with transformational products to achieve their individual goals.

Challenge
With a presence in 24 countries and over 88 products, the hair expert faced difficulties in effectively connecting with its customers in ways that drive sales. The marketing team needed the ability to identify their audience and increase conversion rates for new products.

Solution
Partnering with personalization and omnichannel marketing experts, SAP Emarsys and BlueWheel, John Frieda was able to develop and execute a comprehensive omnichannel launch strategy for the ULTRAfiller+, across email, social media, paid social ads, web, and online and physical stores.

Segmentation and Targeting
Data analysis to identify key customer segments most likely to benefit from ULTRAfiller+.

Marketing Automations
Thorough audit of available assets to create personalized marketing automations that scaled across 24 countries.

Seamless Customer Journey
Optimized website and checkout process for a frictionless buyer experience.

Effective Email Strategy
Winning subject lines, engaging content, GIFs, surveys, and clear calls-to-action to drive open rates and increase awareness.

The results

#1
most popular product
in the John Frieda catalogue during the ramp-up campaign.

4x
conversion rate
compared with John Frieda's average CVR.

88%
of users purchased two or more products
during the ramp-up campaign.

Barriers to Engagement

The #1 Barrier to Engagement

CP marketers cited **lack of investment in engagement technologies** as their biggest barrier to customer engagement (31%).

51%

Half of all CP marketers say they can't access and use data in real time.

49%

Half of all CP marketers say their organization's data is too unstructured to use effectively.

Barriers to Customer Engagement

Marketers are highly motivated to drive measurable growth for CP brands. However, to increase their effectiveness and relevance in the Engagement Era, many will have to overcome common roadblocks that are holding them back.

Key barriers to customer engagement

1. Lack of investment in engagement technologies (31%)
2. Lack of brand affinity (29%)
3. Complexity within the marketing department (29%)
4. Growing complexity of the marketing landscape (29%)
5. Lack of resources (time, dedicated team, etc.) (23%)

Accessing data and engagement technology

The first step to data-driven, personalized engagement is access to consumer data and engagement technology.
A foundation of data that's integrated across the business, from back office to front office, gives marketers the insights they need to create compelling, relevant campaigns. But conversely, without that foundation, they face significant barriers.

Leveraging data and engagement technology

To some degree or another, all marketers have a level of access to consumer data and martech solutions. Regardless of the level of sophistication, how well do marketers feel they're able to leverage that data and technology? Although marketers may seem to be more effective at personalization in practice than they feel, there's still a lot of room improvement in the eyes of consumers. Room for improvement can mean opportunity in a highly competitive market.

Although marketers may seem to be more effective at personalization in practice than they feel, there's still a lot of room improvement in the eyes of consumers. Room for improvement can mean opportunity in a highly competitive market.

How effective are marketers at personalization?

Only **32%** of all CP marketers feel they can effectively personalize their marketing content and campaigns, while less than half of consumers (52%) say their experience with CP brands feels impersonal.

Only **35%**

of all CP marketers feel they can predict future consumer behaviors.

Only **34%**

of all CP marketers believe they can effectively segment and analyze audiences.

Barriers to Engagement: By Maturity Level

A barrier that may pose a significant obstacle to one brand may be effortlessly resolved by another. Additionally, as some challenges are resolved, new ones may take their place.
As brands invest in integrated data and advanced engagement technology, marketers may resolve their issues with resourcing and data accessibility ... and then they discover that the demand for IT support increases due to the complexity of the system.

What concerns do marketers face at brands of different levels of maturity?

	Greatest Barrier	Possible Root Issue
Low CEM Brands	Marketers for low CEM brands struggle most with resources **(44%)** and customer engagement not being a priority **(30%)**.	The brands lack the data insights and accessibility needed to prioritize engagement efforts.
Moderate CEM Brands	Marketers for moderate CEM brands face more complexity issues **(32%)** and growing marketing landscape challenges **(32%)**.	These brands are dealing with scaling pains.
High CEM Brands	Marketers for high CEM brands are more likely to cite heavy reliance on IT **(34%)**.	These brands have fully embraced personalization, automation, and omnichannel engagement but have yet to centralize these efforts within a single platform.

Investment Areas & Strategies

Top areas of investment in consumer engagement in 2025*

1. AI-powered customer engagement (44%)
2. Customer loyalty strategies (35%)
3. Omnichannel engagement (34%)

* Percentage that ranked "high investment"

85%

of all CP marketers believe personalization will be a key differentiator in the year ahead.

60%

of consumers value highly personalized content.

Key Investment Areas for Customer Engagement

CP marketers have identified priorities for engagement, and they're keenly aware of the challenges they're facing, but are they truly ready to take a bold leap into the Engagement Era? Our research indicates they are.

Marketers are well aware that any disjointed consumer engagement approaches and technologies require strategic improvements.

With marketers eager to make changes, the next most important question is, what investments are brands making to turn engagement goals into reality?

Current Data Strategy for All CP Marketers		Goals
Only **35%** share their customer engagement data with a dedicated ERP.	>	**53%** plan to improve this in future.
Only **45%** share their customer engagement data with a dedicated CRM.	>	**45%** plan to improve this in future.
Only **38%** can currently tie their customer engagement data to their CX approach.	>	**51%** plan to improve this in future.
Only **37%** have fully integrated their CX, ERP, and marketing approach.	>	**50%** plan to improve this in future.
Only **41%** have fully integrated their CX, ERP, and marketing technologies.	>	**49%** plan to improve this in the future.

88%

of all CP marketers believe they need to "significantly transform" their organization's customer engagement approach in 2025.

MOLTON BROWN
LONDON

"At Molton Brown, our customers are our top priority, so the technology we use is critical to our success and operational efficiency. Our collaboration with SAP Emarsys has been exceptional from the start. It has empowered us to transform customer engagement by delivering seamless experiences across both digital and traditional channels, keeping our customers at the center of our business. For example, in 2023, we launched refillable solutions as part of our Environmental, Social, and Governance (ESG) strategy. With the support of SAP Emarsys, we implemented loyalty programs, promotions, subscription channels, and more to bolster this initiative. The result was a game-changing **68% increase in customer value** compared to non-ESG customers."

Naresh Krishnamurthy, Senior Manager of Business Transformation, Molton Brown

Key Differentiators and Strategies

The CP industry is transitioning into an exciting phase where customer engagement is the dominant factor for driving brand differentiation and ultimately customer loyalty. This report identifies key differentiators for businesses to effectively transform their digital engagement, embracing big data, advanced technologies, and new strategies to remain competitive, relevant, and meet the elevated expectations of current consumers.

Data Incorporation

The ability to access and leverage consumer's data effectively is pivotal for understanding customer needs and behaviors. This empowers marketers to create personalized experiences and predict future consumer behaviors, enhancing engagement strategies.

Strategic Action

Brands of **all maturity levels** should lay the foundation for integrated data across their organization, sharing customer engagement data with financial and operational processes and systems (e.g. Enterprise Resource Planning or ERPs).

Omnichannel Flexibility

Consumer interaction channels are rapidly changing and evolving. Take, for instance, the TikTok ban in the US or Virtual Reality becoming part of the customer journey.

Strategic Action

Brands must be present on all channels that are relevant to their consumers to meet them where they are. This demands flexibility and preparation in the various engagement approaches. **Low CEM brands** should use consumer data to identify the right channels to use, while **high CEM brands** should experiment with new channels and A/B testing for optimization.

Advanced Personalization

Personalization is moving beyond basic product recommendations to the entire consumer journey.

Strategic Action

Brands of **all maturity levels** need the ability to leverage data for deep personalization across all touchpoints to enhance consumer satisfaction and loyalty. Consumers are willing to exchange their data in return for value, so be sure to meet their expectations.

AI Integration

AI is positively revolutionizing how brands interact and engage with consumers, while tackling repetitive tasks for marketers, leaving them time to be more creative. AI facilitates automation, real-time personalization, and efficiency, enabling brands to deliver more relevant and engaging consumer experiences.

Strategic Action

Brands of **all maturity levels** should ensure they are fully integrating AI within marketing teams. This includes both investing in AI tools and driving adoption. Consider the use of GenAI to locate products faster as product portfolios grow, or generate high value segments with just a few prompts.

Scalable Growth

Preparing for the future means understanding current trends and predicting future ones, but also it means the ability to move up along the CEM score, increasing maturity stage by stage. As consumers (and particularly Gen Z) continue driving digital transformation, marketers must be ready for what comes next.

Strategic Action

Marketers need technical solutions that are agile and adaptable to rapid changes in the market. **Low and moderate CEM brands** in particular should focus on building a foundation that can scale with ease as they seek to enter new markets and drive loyalty, and **high CEM brands** should focus on streamlining solutions and reducing complexity.

Measurable Growth

The true goal of personalized engagement is to drive measurable growth for a brand, so marketers must be able to tie real value to their work.

Strategic Action

Brands of all **maturity levels** should ensure they have the means to tie campaigns and programs to marketing-generated sales. Having strategic dashboards built directly into a customer engagement platform grants visibility into key areas such as sales, channel growth and segment analytics. Additionally, insight into the complete customer lifecycle helps marketers prioritize their time and effort for maximum value. **Low CEM brands** in particular should prioritize gaining access to real-time insights so they can take action at critical moments and drive purchase decisions.

Conclusion

Conclusion

Brands must adeptly navigate this always-changing consumer terrain. As they seek out solutions to address current trends, shifting consumer behaviors, and other barriers to engagement, these challenges mean marketers have an opportunity to set their brand apart. This era is filled with opportunity and marketers are in a unique position to lead the way.

Embracing advanced technologies and strategies positions brands not only to meet but exceed the elevated expectations of modern consumers, ensuring continued relevance and success. By offering next-level interactive and personalized experiences, brands can secure their competitive edge and foster deeper emotional connections.

Are you ready to unleash the power of engagement?

Supercharge Your Consumer Products Omnichannel Customer Experience

Read more

Learn How John Frieda Elevated Consumer Engagement

Learn more

SAP Emarsys

SAP Emarsys is the customer engagement solution for SAP Customer Experience, empowering businesses to deliver personalized, AI-driven, omnichannel experiences. Built for scalability and extensibility, SAP Customer Experience provides a suite of products across commerce, sales, service, marketing, and customer data, enabling businesses to exceed customer expectations with real-time, relevant engagement. From digitally native disruptors to global enterprises, SAP Emarsys helps bring out the best CX in every business by meeting customers where they are with the products, information, and experiences they need, exactly when and where they need them. For more information, visit www.emarsys.com

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