



Australia Engagement Index Report

How signals, micro moments, and AI
transform enterprise engagement





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Introduction

“ **Customer expectations are moving at a new speed.** With AI at their fingertips, people compare, decide, and switch in an instant, and those micro moments now define whether a brand wins or loses a relationship.

Most organisations are investing in AI, but the real challenge lies beneath the surface. Disconnected teams, scattered systems, and data that can't be activated in real time make it hard to show up with the clarity and consistency customers expect.

This is the **Engagement Divide**: the distance between what customers need in the moments that matter and what brands can deliver today. This year's Engagement Index breaks down how to close that divide and what it takes to create personal, connected, intelligent experiences at every touchpoint. ”

Sara Richter
CMO,
SAP Engagement Cloud





Key Findings



80%

of consumers are put off by disorganised brands that pass them between multiple individuals or teams just to solve a single problem



61%

of enterprises can't access and use real-time data (and **64%** suffer from dark data—collected but unused data)



80%

of brands see AI as essential for retaining customers in 2026



79%

of brands say their engagement strategies generate seamless experiences with positive outcomes, including increased CLV, customer retention and advocacy



What Is the Engagement Divide?

The Engagement Divide represents this widening gap between what consumers now expect and what most organisations can realistically deliver.

- **Consumers move at the speed of AI. They anticipate, compare, and switch with little friction.**
- **Yet, many businesses remain slowed by siloed teams, disconnected systems, and data they can't fully activate.**

This divide erodes loyalty, stalls innovation, and increases the cost of every interaction. And for most organisations, it's growing.



83% of consumers admit that a brand disappointed them



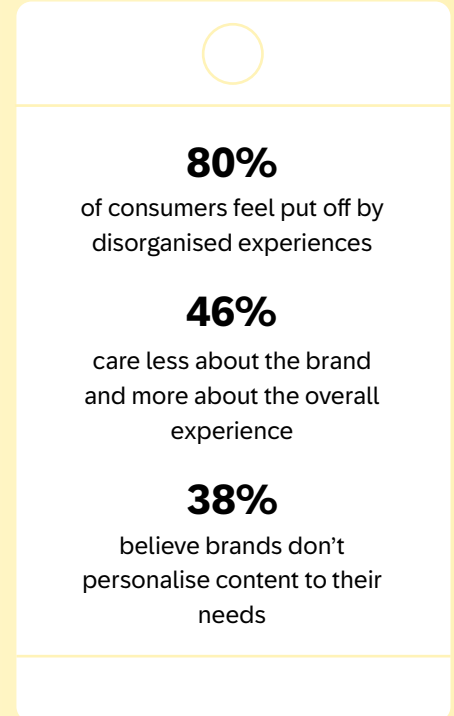
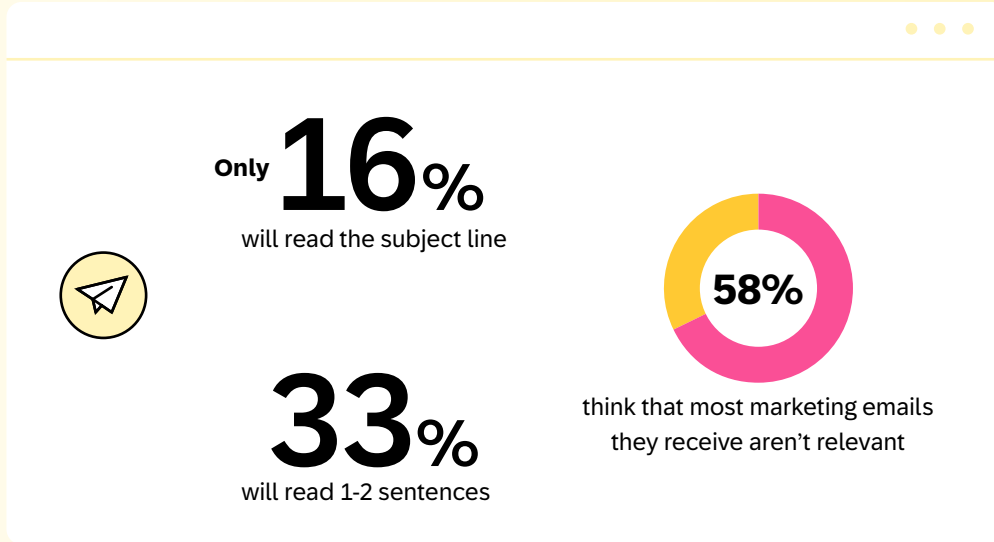
57% don't pay attention to brands, even if the product meets their needs





Engagement Is Breaking: What the Data Reveals

Consumers judge brands based on how effectively they meet their needs in the moment. And if experiences aren't timely, contextual, or personalised, they simply get ignored.



Engagement is any interaction that actively influences how a consumer perceives your brand—across marketing, commerce, sales, product, service, operations, partners, or community.



How Fragmentation Impacts the Consumer Experience

Most brands believe consumer experiences are consistent and emotionally resonant. While brands' confidence is high, consumers say that emotional connection is actually low.

Brands



80% say they can't actually practice AI optimisation in their day-to-day campaigns



79% say they deliver a seamless experience across channels



77% say they have a strong emotional bond with their customers



67% admit they can't use AI to optimise campaign performance

Consumers



45% say customer service is too impersonal



44% believe brands don't understand them as a person



37% believe that brands know who they are and what they need when contacted



31% agree that AI will help brands understand them as a person



The SAP Engagement Maturity Index



The SAP Engagement Maturity Index

In our **2025 Engagement Maturity Index**, we measured how effectively marketing teams used data, channels, and intelligence to engage customers. As consumer expectations have evolved, **engagement is no longer a marketing-only responsibility**. The 2026 Index reflects this shift, evaluating maturity across the entire business.

With 25 years of expertise in customer engagement orchestration, we've expanded our **Customer Engagement Maturity (CEM)** scoring model to assess how well brands align people, processes, and technology to deliver cohesive, intelligent experiences.



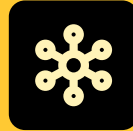
AI and automation adoption



Connected data strategy



Customer loyalty



Omnichannel engagement



Real-time personalisation



Use of email marketing



Expert Insights

“ The brands winning in the Engagement Era aren’t running more marketing campaigns—they’re building engagement as a comprehensive enterprise-wide capability. When AI is grounded in ERP, Supply Chain, CX, and real-time customer data, organisations stop reacting and start delivering on customer expectations that drive measurable growth. ”






Balaji Balasubramanian
President, Chief Product Officer,
SAP Customer Experience





The Stages of the SAP Engagement Maturity Index

The UK skews more heavily toward the Low CEM category than any other market, creating an immense opportunity for businesses to stand out if they advance to High CEM maturity.

	Engagement Adoption	Engagement Capabilities	2026 levels
Low CEM Score	Minimal adoption of enterprise-wide customer engagement technologies and strategies.	Data remains siloed across business functions, making it difficult for teams—across marketing, sales, service, and operations—to access shared insights or respond in real time. Limited integration and low AI readiness hinder consistent experiences and long-term loyalty.	15% 
Moderate CEM Score	Moderate adoption of customer engagement technologies and cross-functional strategies.	Teams can access portions of shared data and deliver basic personalisation, but coordination across marketing, sales, service, commerce, and product teams remains uneven. Experiences often feel disconnected, forcing brands to rely on short-term tactics rather than building deeper relationships.	61% 
High CEM Score	Advanced adoption of integrated engagement technologies and enterprise-wide strategies.	High-maturity brands connect data and intelligence across all functions—marketing, service, sales, commerce, and operations—to adapt quickly and anticipate customer needs. They use AI and automation to deliver personalised, omnichannel engagements in real-time, at scale.	23% 

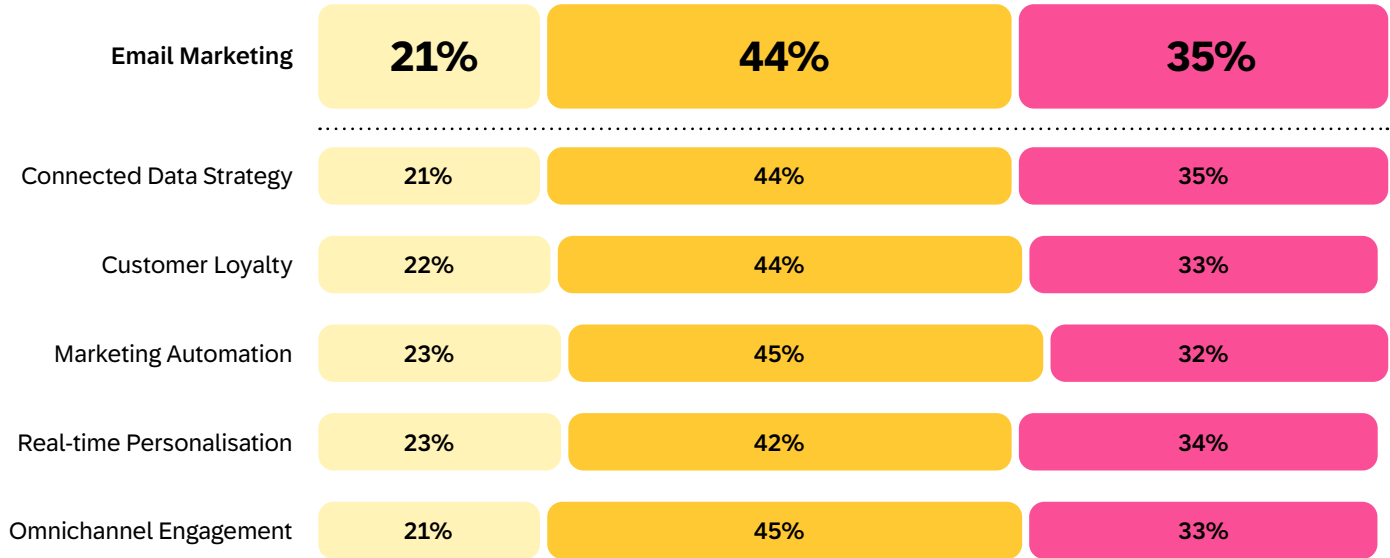


Foundational Capabilities Lead Engagement Maturity

Australian organisations are strongest in email and connected data strategy. More complex capabilities, such as marketing automation and real-time personalisation, remain emerging. This highlights a maturity gap as engagement becomes more integrated and real-time.

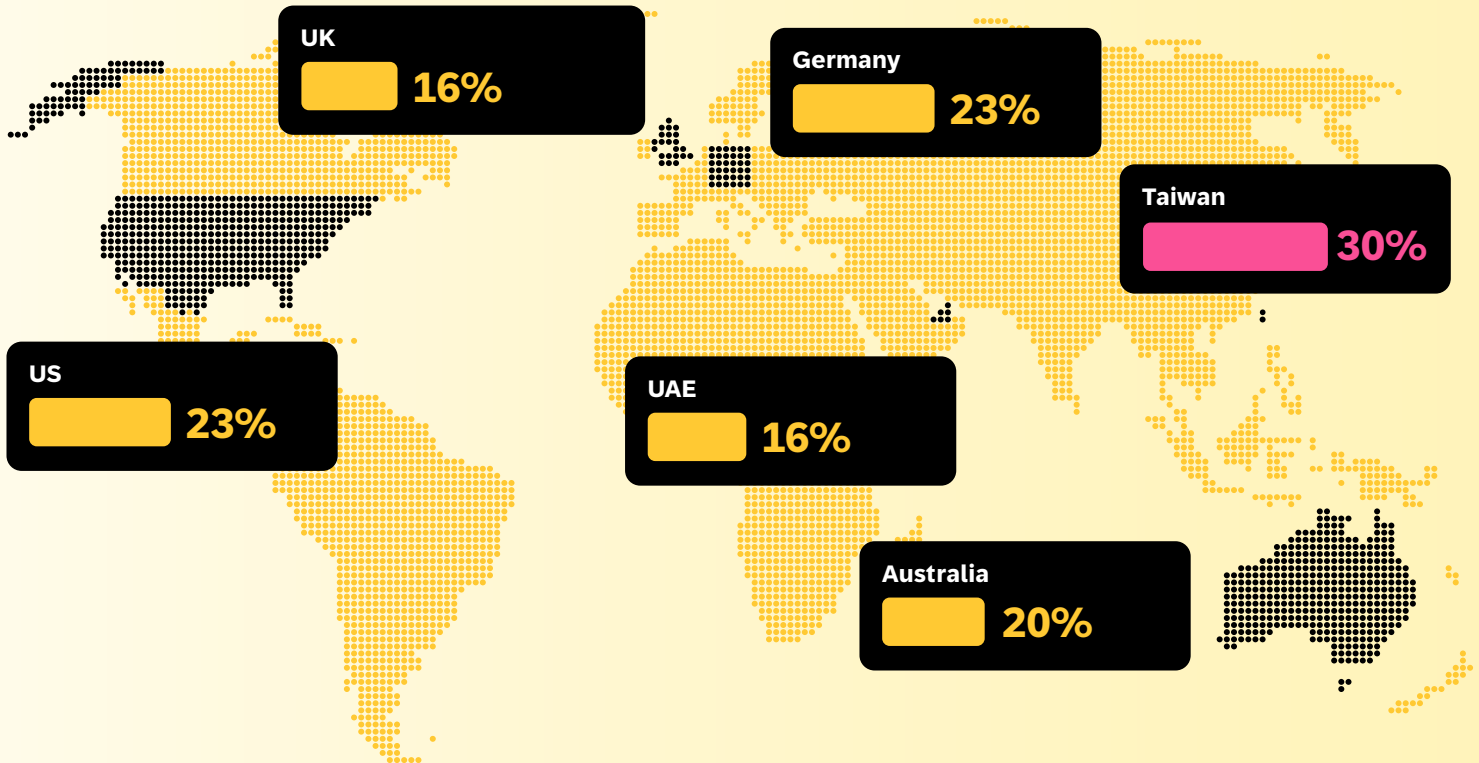
Stage of Different Engagement Approaches

● Low CEM ● Moderate CEM ● High CEM





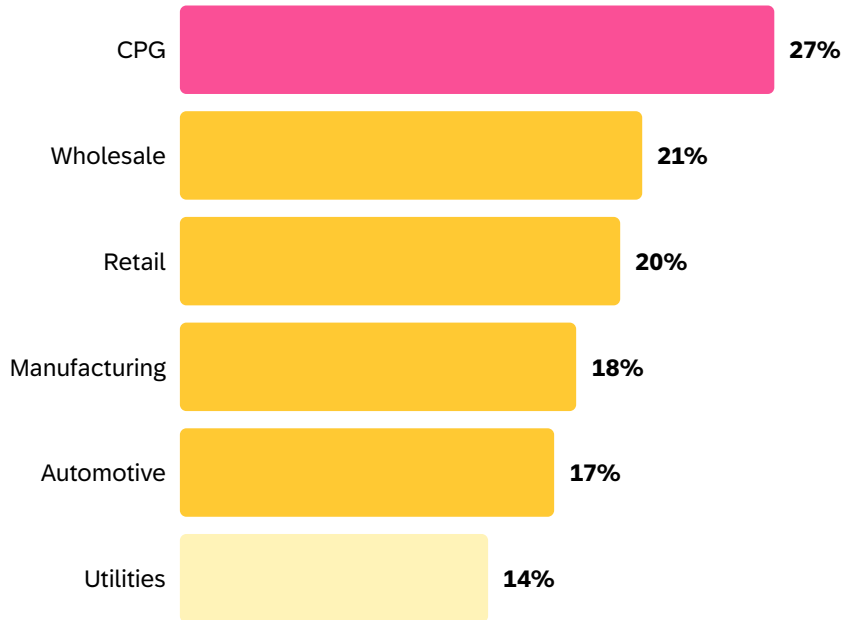
High Engagement Maturity Across Countries



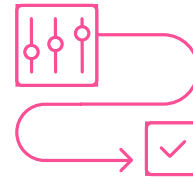


High Engagement Maturity Across Industries and Departments

Industries*



Departments



2 in **5**

decision-makers believe their departments are truly coordinated, revealing how far most organisations are from delivering connected customer journeys.



Expert Insights

“ Marketing is shifting from being the company’s megaphone to becoming its steering wheel. No matter where you sit in the organisation or what data you have access to, you have an opportunity to build a growth intelligence engine—one that helps you learn intent signals about your products, customers, competitors, and the broader market.

When marketers harness the data available to them and feed those insights into content, decisions, and strategic direction, they do more than support the business—they help steer its future. ”

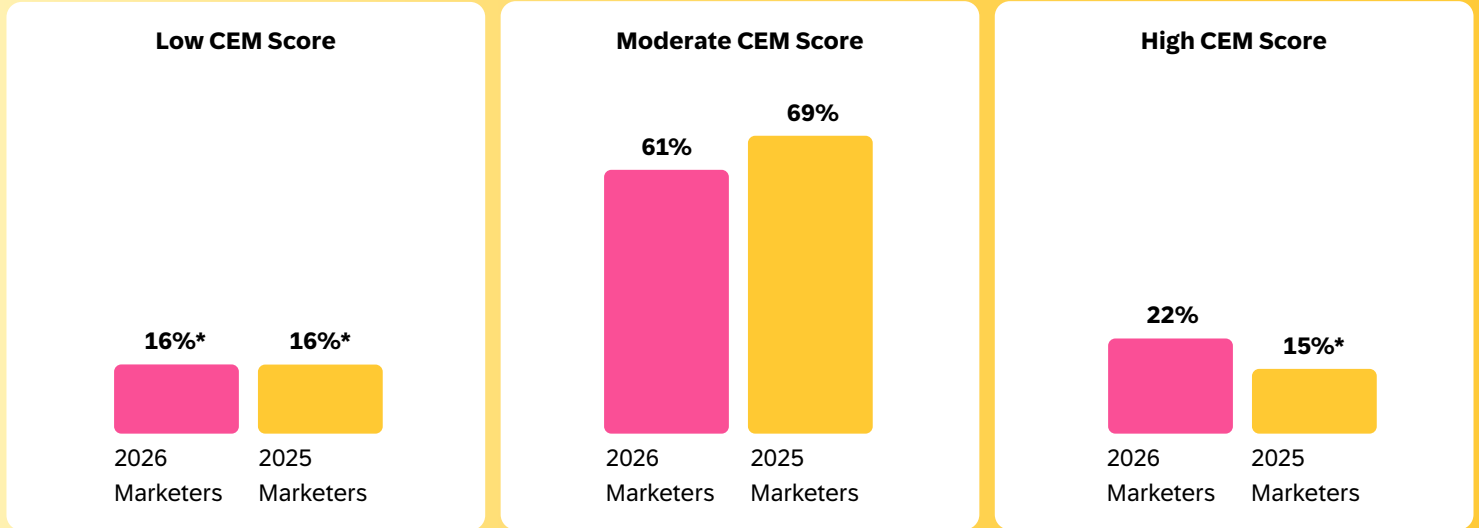


Liat Ben-Zur
a transformative executive board director and AI strategist who has driven billions in growth across Microsoft, Philips, and Qualcomm



Maturity Is Slowly Rising, but Top Performers Are Still Rare

Marketers have improved year-on-year, but the middle tier remains crowded—a sign that reaching true high-maturity engagement requires better-connected systems, real-time data, and AI-driven orchestration across the business.



Engagement Accelerator

Pick one high-impact journey and connect all relevant data sources around it. When marketers test real-time signals and AI-driven decisions on a specific use case—like cart abandonment or post-purchase—they build momentum that quickly scales across the business.



Mature Brands View Engagement as an Enterprise-Wide Priority

Marketing remains central to enterprise engagement, but its role expands from executing campaigns to orchestrating signals, data, and actions across the business. Then, engagement becomes a shared outcome rather than a function-specific metric.

Activity	Old World	New World
Engagement owned by	Marketing	The business
Engagement measured by	Opens, clicks, conversions	Retention, loyalty, lifetime value
Data lives	Siloed by function	Marketing, commerce, service, supply chain; all integrated and shared
Personalisation is	Campaign-based	Lifecycle and behaviour-driven
Failure shows up as	Marketing underperformance	Friction anywhere in the customer journey
Typical question	How did the campaign perform?	Where are we losing customers and why?



Why the Engagement Divide Persists



Challenge 1: AI Adoption

Consumers are increasingly eager for brands to use AI to create experiences that are faster, easier, and more relevant. But organisations are slowed by data challenges, integration issues, and uncertainty around responsible AI use.

Brands & AI Adoption

35%
say automated content generation is a key use case

33%
see predictive churn modeling, chatbots and virtual assistants, and real-time scoring as some of AI's key benefits

32%
believe customer journey analytics and social listening and trend analysis are some of AI's most important capabilities

Barriers Holding Enterprises Back

34%
say cybersecurity and privacy risks as well as data quality and availability issues limit their ability to scale AI

33%
struggle with a lack of skilled talent and expertise

The Strategic Reality

80%
agree AI will be essential for acquiring and retaining customers

77%
say they already have AI guardrails in place

79%
expect AI to be embedded in workflows, not siloed tools

Consumer Expectations

Only 38%
feel they understand the value they get from sharing personal data

while 41%
don't believe brands use their data at all

12%
already expect brands to use AI or automation to speed up and simplify their experience



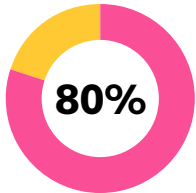
Brands Are Investing in AI, but Their Systems Aren't Ready

Without a unified data foundation, brands are building on quicksand—fragmented systems and unstructured data that widen the Engagement Divide and keep AI from performing.

Brands

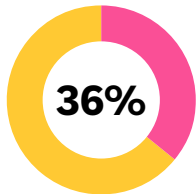


Consumers



see AI as essential for retaining customers in 2026

Yet only



share their customer engagement data with a CX platform and only 40% with a CRM platform.



25%

have used AI agents that make decisions and act on their behalf when buying from brands

Engagement Accelerator

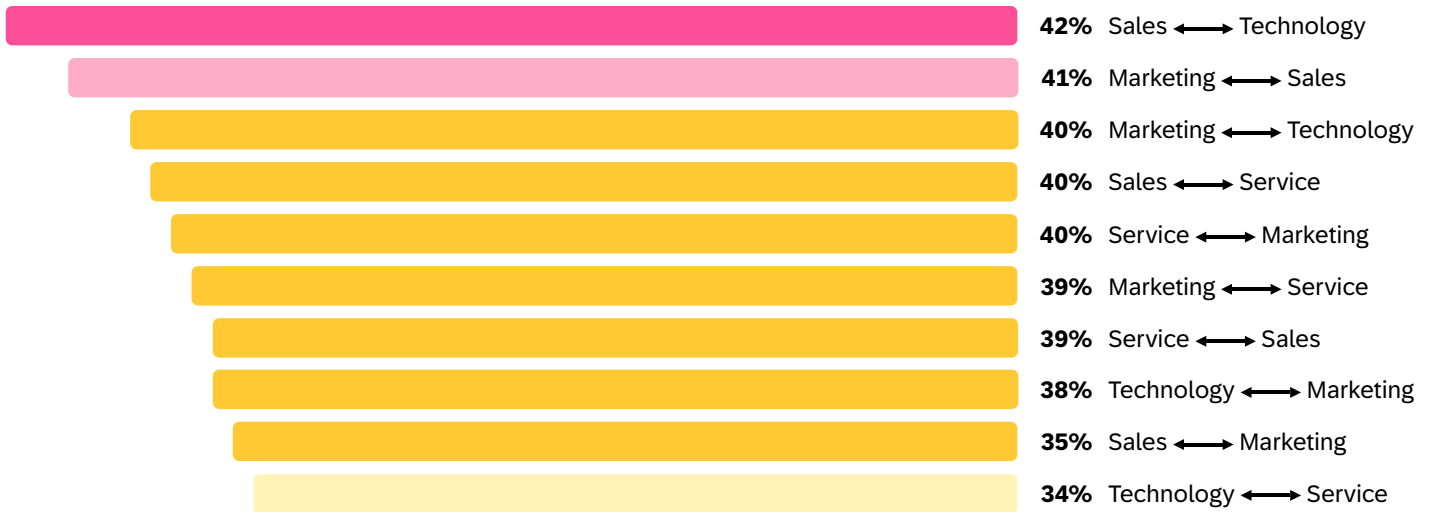
Boost efficiency and loyalty using embedded AI and agentic commerce to deliver the right product at the right price at the right time for every customer.



Challenge 2: Team Coordination

Our data reveals deep operational silos across sales, service, marketing, and technology—and **nearly half (45%)** of consumers say customer service feels impersonal as a result. These internal gaps directly translate into inconsistent, frustrating experiences across the business.

This chart shows how many respondents believe different departments in the organisation are 'fully coordinated' with each other:

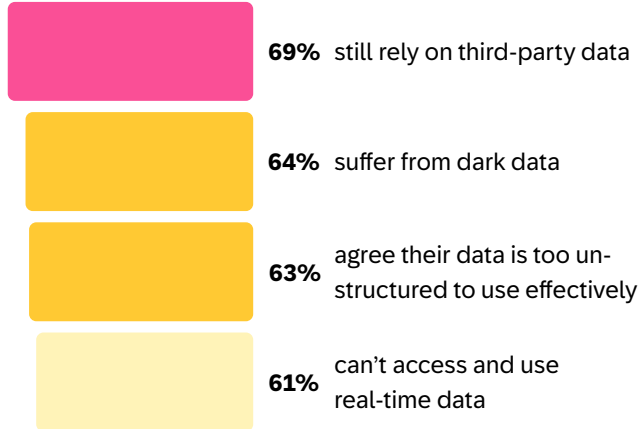




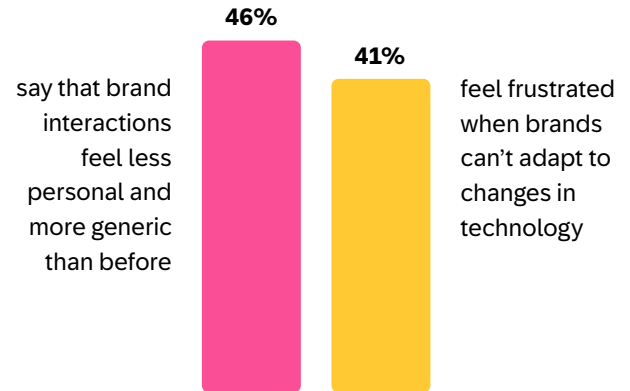
Challenge 3: Unstructured Data

Compared with global findings, UK businesses face these obstacles at a notably higher rate, underscoring the need for data transformation. Fragmented systems and unstructured formats block real-time insight, personalisation, governance, and the ability to power AI agents. As dark data grows and experiences stagnate, consumers question why their information is collected at all.

Brands



Consumers





How to Close the Divide



Expert Insights

“ Engagement isn’t something one department can fix. Every team shapes the brand, and the real progress comes when they work from the same understanding of the customer. With that shared view, AI can take on the hard work and help deliver the personalised experiences people expect. ”



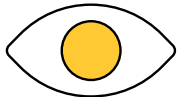
Mark Ritson
Professor and Founder,
MiniMBA





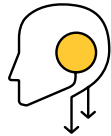
5 Principles of Modern Engagement

Without these, brands are already falling behind, and most don't realise it until it's too late.



1 A Unified Customer Profile

A single, accurate, real-time view of each customer that every department can tap into.



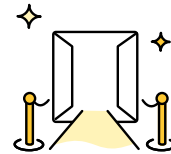
2 AI Agents that Reduce Manual Effort & Increase Productivity

Intelligent agents automate repetitive tasks, recommend next best actions, and free teams to spend more time on creativity and strategy.



3 Real-Time Personalisation

The ability to adapt instantly to shopper behaviour, context, and intent.



4 Cross-Functional Orchestration & Event-Driven Journeys

Event-driven workflows and orchestration connect sales, service, product, and operations to ensure every interaction is coordinated, consistent, and purposeful.



5 Embedded Consent & Governance

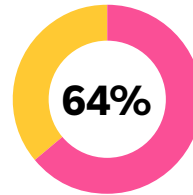
Built-in consent, governance, and responsible data-use guardrails ensure personalisation is ethical, compliant, and customer-first.



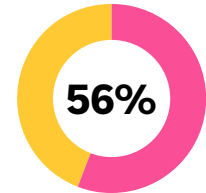
Engagement that Drives Trust, Loyalty, and Growth

When engagement is treated as a shared business discipline, organisations see benefits across both customer-facing and operational dimensions. But businesses aren't the only ones who feel the impact.

Consumers are signalling, unequivocally, what great engagement looks like to them:



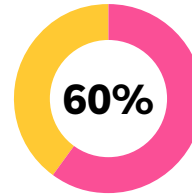
say their favourite brand delivers seamless, connected experiences across mobile, web, and in-store



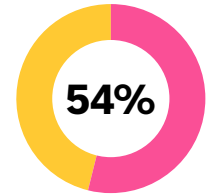
value personalised product recommendations



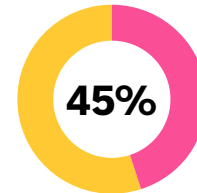
Consumers are signaling, unequivocally, what great engagement looks like to them:



respond positively to localised content



appreciate highly personalised content



believe their favourite brand uses their data to make interactions better



Brands Must View Engagement as an Enterprise Discipline

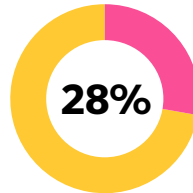
There's a widening gap between AI and omnichannel investments and the connected data systems required to support them. Closing that gap is essential for enterprise-wide engagement success.

77%

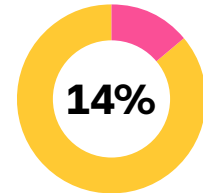
of businesses plan to invest in AI-powered customer engagement in 2026

78%

of businesses are investing in omnichannel engagement technologies to meet customer channel preferences



say their number one priority is connecting customer and stakeholder data across marketing, sales, service, commerce, and ERP systems



believe seamless integration of engagement systems will be the **biggest** drivers of success in 2026 and beyond

Engagement Accelerator

Create a comprehensive view of your product data to drive consistent omnichannel experiences. Use commerce AI agents to organise and enhance product catalogues so customers can easily discover, research, and buy while commerce teams are freed from routine tasks.

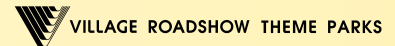


Customer Insights

“Automation is key for the customer journey, and for efficiency and engagement. If you don't have any automations, start small. Have one or two set up, whether it's basic abandoned cart or welcome email. And then as you grow and as you scale, you can go multichannel across all the different workflows, SMS, mobile, push. Currently, we have nearly 120 automations live at the moment. But a year-and-a-half ago when we started with SAP Engagement Cloud, we started with 1 or 2. We built it from there. So you can scale up as much or as little as you like. Automation is key.”



Sophie Lawson
Head of Marketing,
Village Roadshow Theme Parks





Conclusion



Final Thoughts

Brands want to deliver personal, connected experiences, but customer and operational data often sit in silos, and systems don't always work together—making it hard for brands to deliver. Organisations need an engagement system that unifies data, intelligence, and action.

SAP Engagement Cloud is built to:

- Power AI-enhanced segments, triggers, and journeys with trusted SAP and enterprise data
- Accelerate campaign execution with role-based assistants and embedded AI
- Connect operational data (inventory, order status, fulfillment, etc.) with customer insights to drive engagement
- Scale securely with API-first architecture and enterprise-grade compliance

“ SAP Engagement Cloud embeds customer interaction directly into the business context. ”

Jennifer Maier
Senior Manager Consulting –
Technology Transformation,
KPMG AG





The Road Ahead for Enterprise Engagement

The Engagement Index gives leaders insights and a road-map for transforming engagement across the organisation.

And SAP Engagement Cloud empowers them to execute that vision with confidence. We bring enterprise teams the power of orchestrated, real-time engagement—connected to data, processes, AI, and decisions across the business.

This is the **new gold standard**: Real-time intelligence, connected systems, and engagement that builds trust, loyalty, and long-term growth—consistently and responsibly.

The future belongs to brands that treat engagement as a core, enterprise-wide function. SAP provides the foundation to make that future possible.

With SAP customers generating 84% of total global commerce, SAP has unmatched visibility into the operational data and customer signals that drive deeply personalised moments.

Good morning, Alex!

Engagement Cloud Apps

- Channels: Email Campaigns, Channels: Mobile Engage, Channels: Web Channel, Analytics: Strategic

AI-Assisted Report Builder

Recently Edited Email Campaigns

- New Brand Showcase - Threshold (English) - Last edited by Michael - 08.20.2023 12:42
- Seasonal Promotion Savings - Email Campaign - Last edited by Michael - 08.20.2023 12:42
- New Brand Showcase - Email Campaign - Last edited by Michael - 08.20.2023 12:42
- Back to School Promotions - Email Campaign - Last edited by Michael - 08.20.2023 12:42

Recently Edited Automation

- Online Exclusive - Last edited by Michael - 08.20.2023 12:42
- New Brand Showcase - Last edited by Michael - 08.20.2023 12:42
- Exclusive Sale - Last edited by Michael - 08.20.2023 12:42
- Product Showcase - Last edited by Michael - 08.20.2023 12:42

Route

Create a segment from our salon owners in US who are not engaging

Creating segment

Message Route...

AI Product Finder

Top 2 hair dryers

Search

From: BestRun Beauty
Discover our new HairDryers

Raise the Bar for Your Salon

Exceptional results your Clients can feel.

- Vintage Design HD
- Wireless HD

BUY NOW BUY NOW

\$115k [↑]

Revenue from email recommendations

Show me weekly sales by revenue



Methodology

This research was conducted in Australia by Opinium as part of global research among a sample of 1,000 general respondents and 600 senior decision makers in IT / Technology / Marketing / Revenue / Service departments who work in the Retail, Consumer Products & FMCG, Automotive, Manufacturing, Utilities, or Wholesale industries.

Only enterprise-level businesses with 500+ employees and with \$250m+ annual turnover were surveyed across Australia. The data was collected from both audiences between 31st December 2025 and 16th January 2026.

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.

[To view global or country-specific reports, please click here.](#)

** base size is below 50 respondents, hence figures to be interpreted as indicative only.*





SAP Engagement Cloud helps organisations power unique engagement by connecting real-time customer insights with the operational signals that run the business. As part of the SAP Customer Experience (CX) portfolio, Engagement Cloud enables personalised, AI-driven interactions across every channel—turning moments like orders, service events, and loyalty milestones into timely, relevant experiences that build trust, strengthen relationships, and drive growth. For more information, visit emarsys.com or www.sap.com

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