



LEWIS

Report



Multichannel Marketing

A Study Highlighting Current Approaches and
Investment, Opportunities and Key Challenges



Contents

Introduction	3
Key Findings	5
Conclusion	19



Introduction

There's no doubt that customers today have much more control over the buying process than marketers do. Thanks to the proliferation of available channels, customers have more choices than ever when it comes to how they want to get information. And as the number of channels continues to rise, the need to embrace multichannel marketing will become not only a good idea, but a critical one.

So, what does successful multichannel marketing look like?

Targeted messaging

Thanks to the plethora of channels and choices facing customers, delivering the right message to the right audience isn't enough. Not only must your customers receive your message, but they must also be attentive, receptive and willing to act – regardless of the channel.

Highly orchestrated campaigns

Expecting customers to change channel or device preferences is unrealistic. As a result, marketers must constantly develop and coordinate highly orchestrated touch points and micro-campaigns that span multiple channels fluidly, in a way that the customer finds meaningful and trustworthy.



Marketing response attribution

Knowing which channels, campaigns or sequence of touch points contributed to qualified conversions and sales is difficult. However, understanding what triggered each response enables marketers to assess whether or not their marketing efforts are getting the best results.

LEWIS recently conducted a study with over 370 senior marketing professionals – marketing managers, directors and CMOs – across EMEA, APAC and the US. The majority of respondents were from large organizations (250 plus employees) and mid-sized companies (50 – 249 employees).

From the study we have built a picture of:

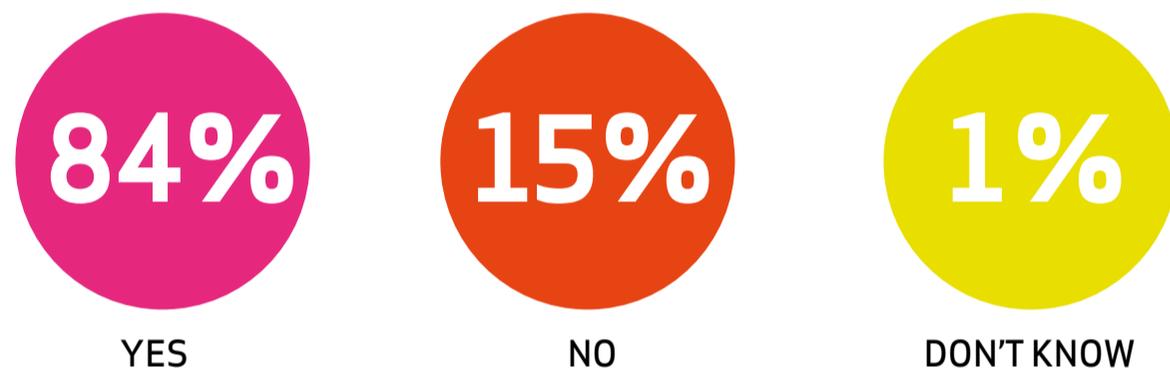
- Current approaches
- Key channels
- Levels of adoption and investment
- Biggest challenges
- Approaches to measurement



Key findings

ADOPTION AND INVESTMENT IN MULTICHANNEL MARKETING

Is multichannel marketing a key focus of your current marketing strategy?



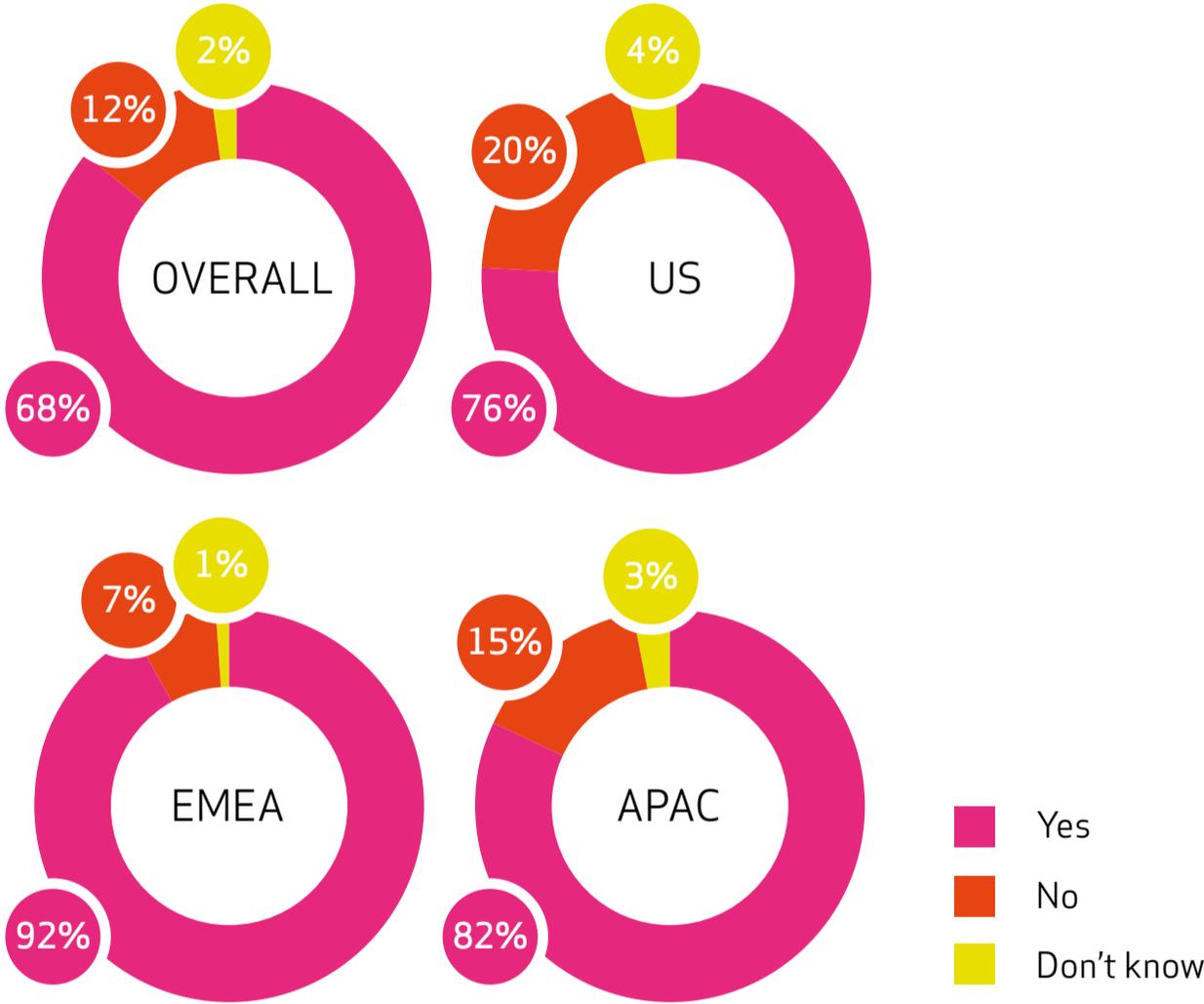
84% of marketers said multichannel marketing is a key focus of their current marketing strategy.

Why is it a key focus?



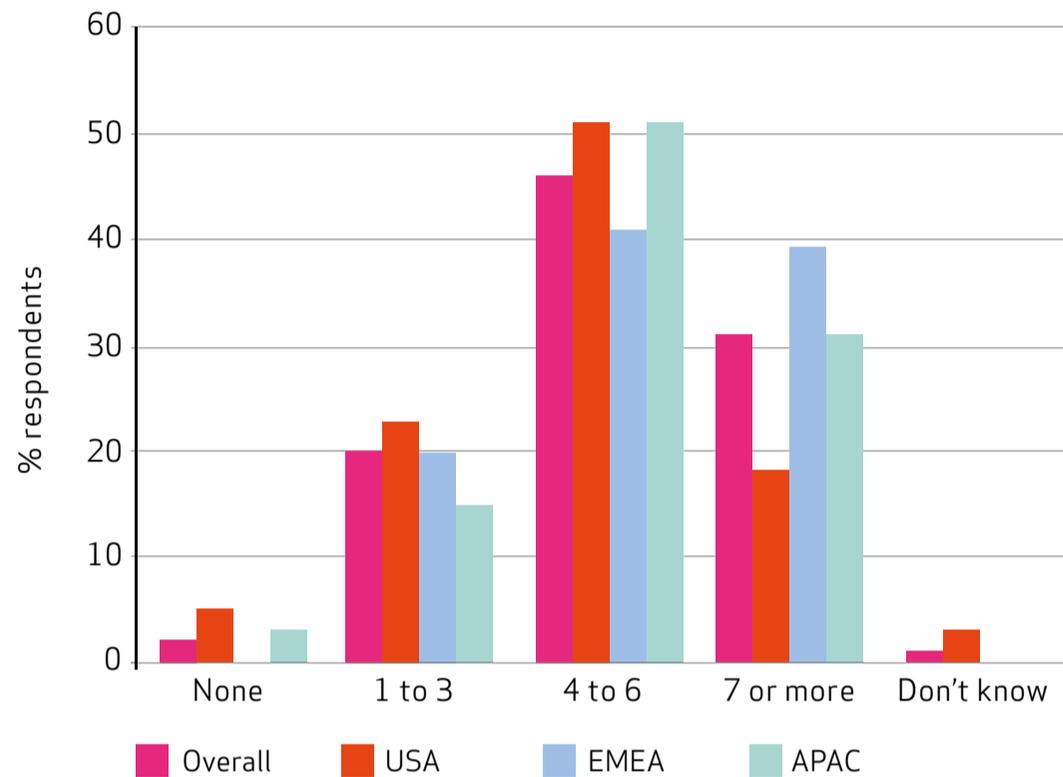


Do you feel that multichannel marketing is endorsed by senior leadership in your organization?





How many multichannel campaigns have you executed in the last 12 months?



Overall, nearly half (46%) of the marketers surveyed have executed four to six multichannel campaigns in the last twelve months and almost one third (31%) have executed seven or more campaigns. Although, it's interesting to note that US marketers have executed significantly fewer campaigns - only 18% of US marketers have executed 7 or more, compared with 31% overall.

It's encouraging to see that brands are making multichannel a key focus of their marketing strategy and are executing multichannel campaigns as standard.

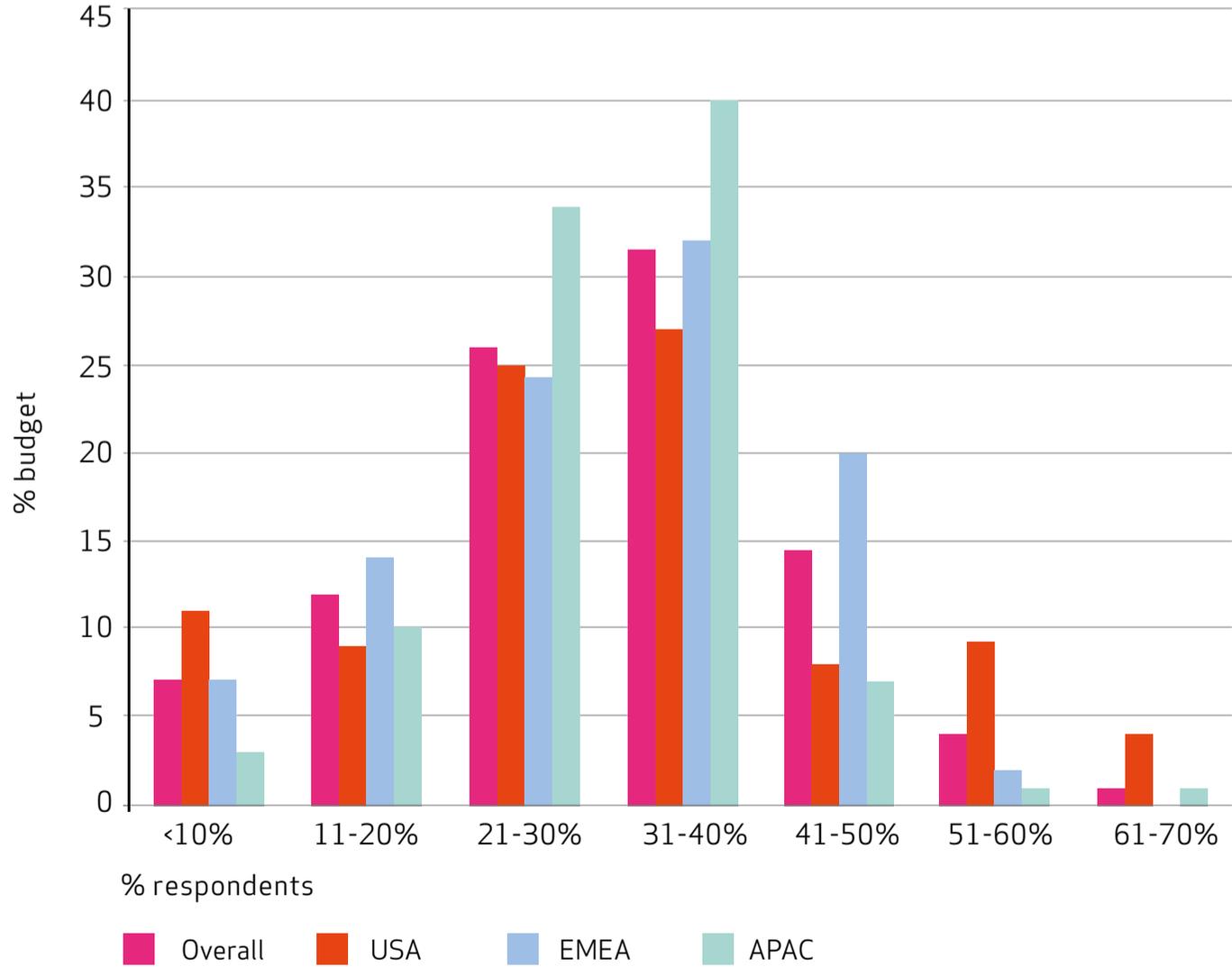
The primary reason for marketers to adopt multichannel marketing is to stay in line with current marketing trends, with the least cited reason being to get ahead of competitors with innovative campaigns. While it is encouraging that the majority of marketers are keeping up with current trends, it is somewhat concerning that more marketers are not striving to be more innovative to get ahead of competitors, and would rather 'play it safe'.

It's great to see that marketers are experiencing successful results and ROI from their multichannel marketing, with 30% citing this as a key reason for adopting multichannel.



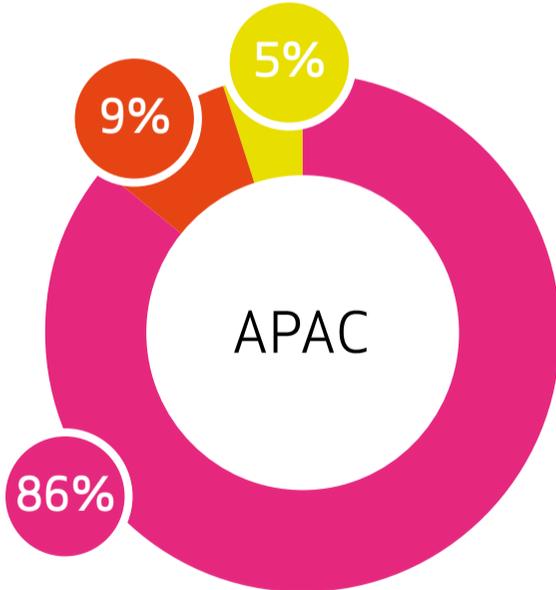
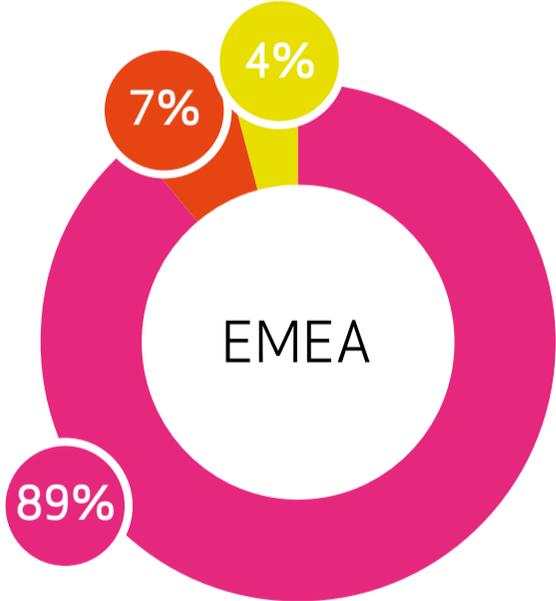
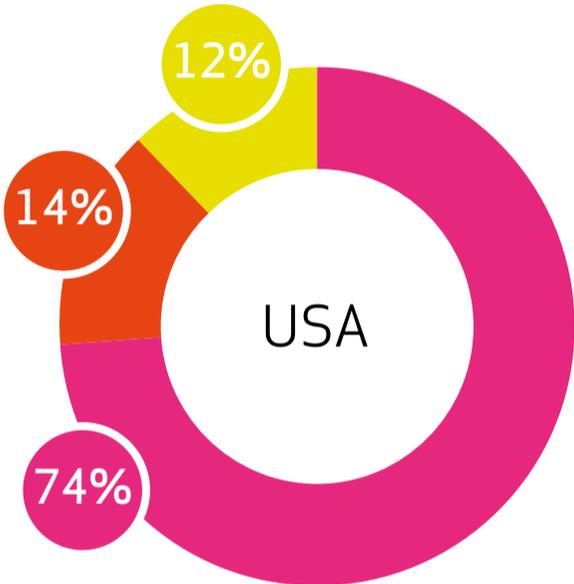
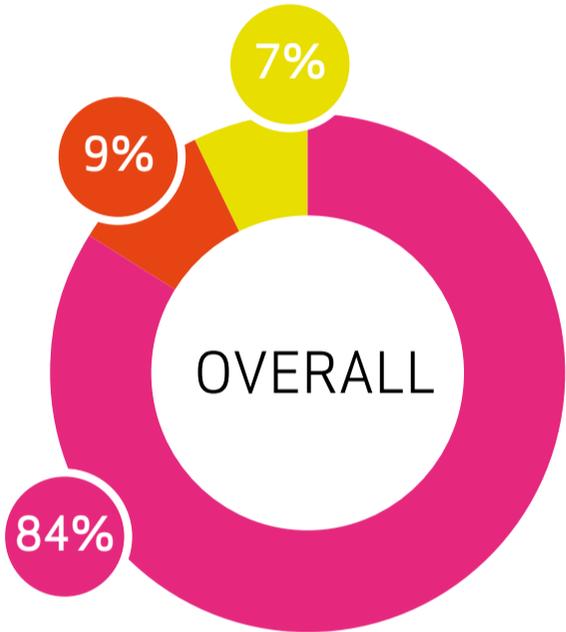
25% per cent of marketers cited ‘pressure from the board’ as being the main reason for multichannel adoption. The fact that multichannel marketing has buy in from the top and is being actively pushed as a key priority, hopefully in line with key business objectives, is positive. In line with this finding, 86% of marketers said they felt that multichannel marketing is endorsed by senior leadership in their organization. This increases to 92% for EMEA marketers. However, US marketers feel that it is endorsed less by senior management in their organizations. In fact, 20% of US marketers feel that there is a lack of buy in from the top. This could explain the slower adoption of a multichannel approach in the US.

Approximately, how much of your current marketing spend is allocated to multichannel marketing?





Does your organization plan to increase its marketing spend on multichannel campaigns in the next 12 months?



■ YES ■ NO ■ DON'T KNOW



From these results, it is obvious that marketers are investing in multichannel strategies, however, the vast majority (78%) of respondents are allocating less than half of their marketing budgets on multichannel marketing. Although, in terms of geographic variation, it's interesting to note that marketers in APAC are allocating more of their budgets into multichannel than any other region.

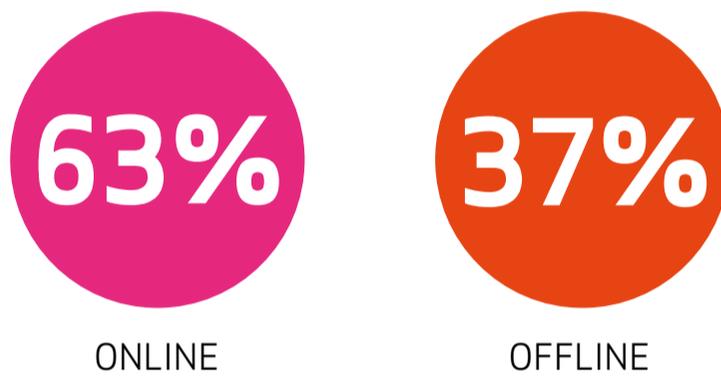
Overall, brands should be investing more to ensure marketing messaging and campaigns are delivered consistently and effectively across all marketing channels and touch points.

Future investment in multichannel marketing is clearly recognized by marketers as a priority to help maximize campaign and channel performance. The vast majority (84%) of marketers said they plan to increase marketing spend on multichannel campaigns in the next twelve months. Only 9% of marketers are not planning to increase spend. In the US, planned future investment is slightly lower at 74%. This is somewhat surprising given that US marketers have also executed fewer campaigns than their regional counterparts over the past year.



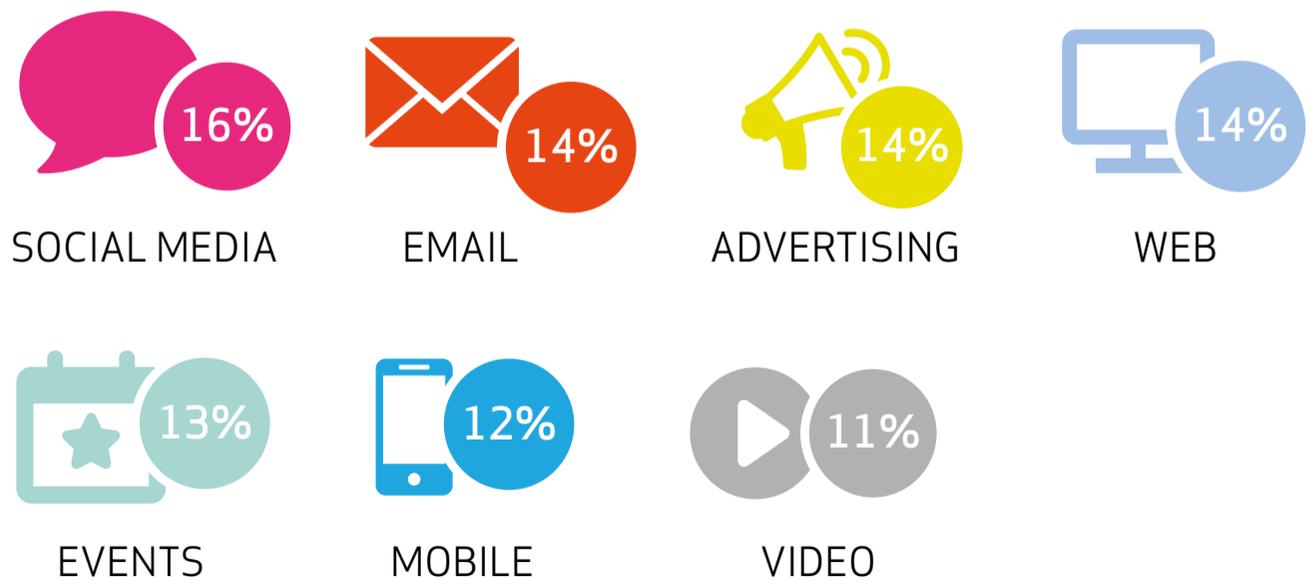
CHANNEL INVESTMENT

Approximately, how do you allocate investment in online and offline channels?



Unsurprisingly, the majority of respondents said they allocate more of their marketing spend on online channels. 63% of budgets are invested in online channels versus 37% in offline channels. This result is fairly uniform across all regions.

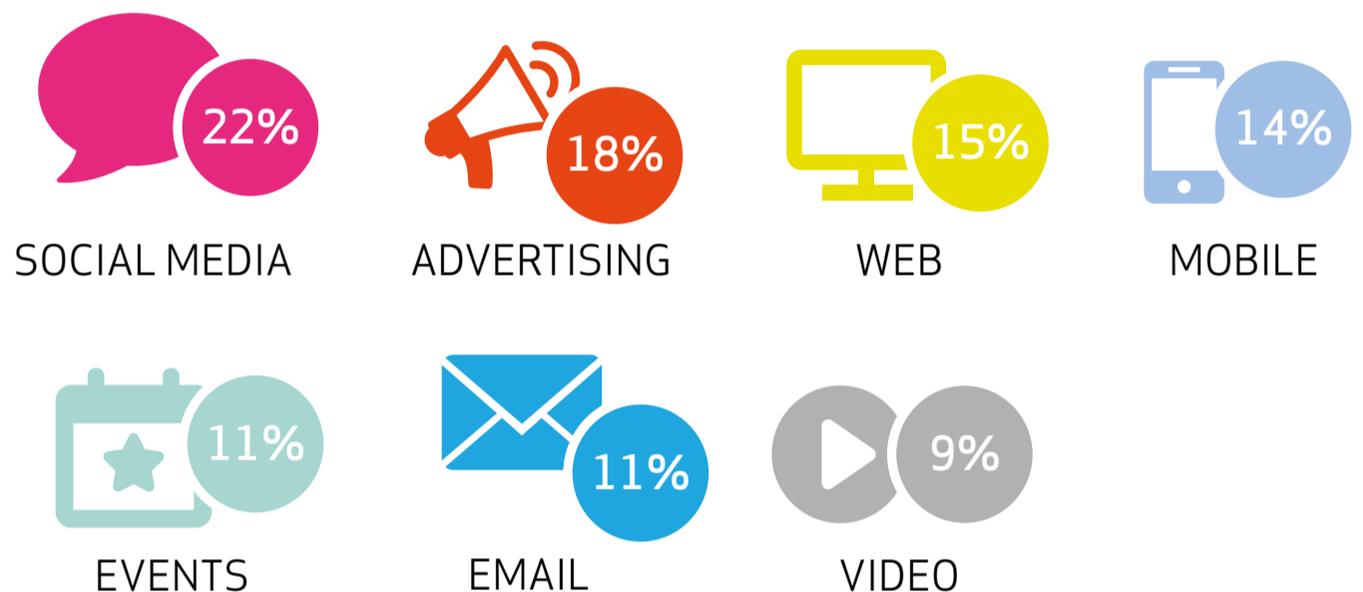
On average, how much of your multichannel marketing is allocated to each channel:



* Other (6%)



What is the most important channel for your organization's multichannel marketing campaigns?



* Other (1%)

Again, these results were fairly uniform for marketers across all regions.

The primary channel for investment - and the channel considered most important for multichannel campaigns - is social media. This is no surprise given the reach and engagement that can be achieved with social media, as well as the ability to communicate with audiences in real-time and integrate social with other channels. In addition, the increasing monetization of social media networks means that platforms are constantly evolving and becoming more sophisticated, particularly in-platform analytics and advertising capabilities, enabling brands to target audiences much more effectively.



Since multichannel marketing relies on delivering a consistent message to an audience as efficiently and effectively as possible, it makes sense that targeted advertising is central to multichannel marketing. Brands are investing more on advertising spend, particularly in programmatic targeting and ad efficiency as part of wider campaigns.

Technology – marketing automation in particular – has transformed email marketing in recent years, cementing email as a core channel for investment within multichannel marketing. It has enabled brands to develop more sophisticated email marketing campaigns that integrate with other channels and allow for greater personalization and targeting, as well as real-time tracking and optimization.

Web and user experience is another key channel for investment. It's essential for brands to leverage CMS data to serve up personalized content. By doing so, brands can begin to deliver truly integrated campaigns with consistent quality, across multiple channels and devices.

Despite brands focusing more heavily on online channels to effectively reach audiences in real-time, offline events evidently still hold significant weight in terms of multichannel campaign investment. Brands are getting more creative with how they merge online with offline to maximize event ROI. Live streaming apps, such as Periscope and Meerkat, and social media in general, help amplify reach and engagement even with limited budget.



Brands recognize that investing in mobile is now a necessity, rather than a luxury, in order to effectively reach audiences. US and UK adults now spend more time on mobile than on desktops. With digitalization merging the personal and the professional, this accounts for both business and consumer related research and activities. Audiences expect a consistent level of quality, whether they are consuming content via desktop, tablet or mobile. Plus, with Google's latest algorithm update, brands cannot afford to not have a mobile-friendly website.

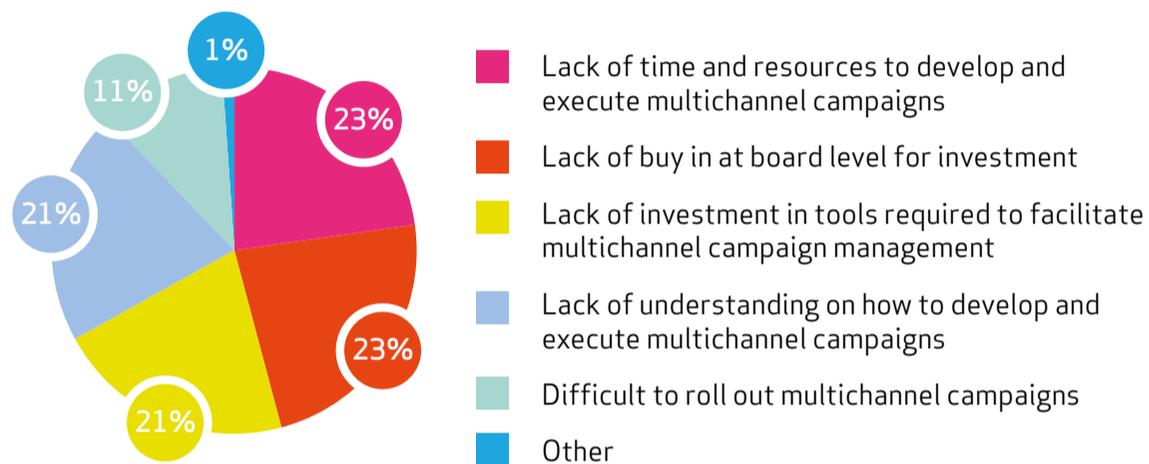
Video is considered one of the least important channels for investment, despite its significant influence in the path to purchase - for both B2B and B2C. More than 1 billion unique users

visit YouTube each month, spending more than 4 billion hours watching videos and, according to Google, 70 per cent of B2B buyers watch online video when conducting research for business purchases. Video is becoming much more integrated into users' experiences, rather than existing as a standalone medium. Brands should be maximizing the opportunities available to them to take campaigns to the next level.



KEY CHALLENGES

What are your biggest challenges with multichannel marketing?



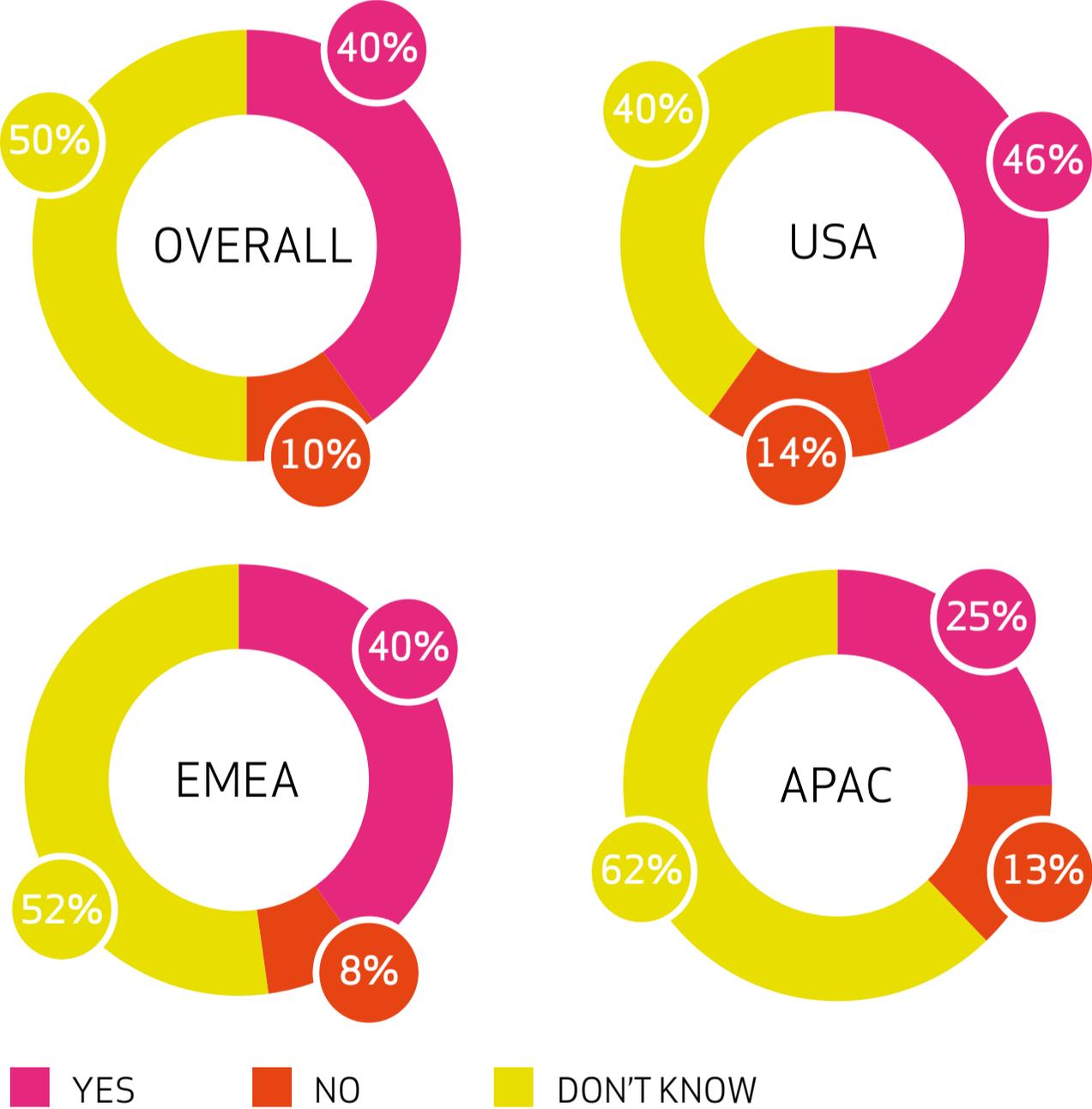
The biggest challenges for marketers are: lack of time and resources to develop and execute multichannel campaigns (23%) and lack of buy in at board level for investment (23%). These are closely followed by: a lack of investment in tools required for effective multichannel campaign management (21%) and a lack of understanding on how to develop and execute multichannel campaigns (21%).

This is interesting given that marketers cited pressure from the board as a key reason for adopting multichannel marketing. These results suggest that, while multichannel marketing is recognized as important by the board, this isn't translating into sufficient budgets. Clearly, the biggest barrier to marketers achieving success with multichannel marketing is a lack of investment. A lack of investment in resources, sufficient training and development and the technology required to facilitate campaign execution.

This trend demonstrates the importance of effective measurement and analytics for campaigns. It is unlikely that a board would refuse to invest in additional campaigns if the reported results clearly demonstrated the effectiveness and return on investment of said campaigns.



Do you feel that the structure of your marketing and communications teams allows you to effectively execute integrated multichannel campaigns?





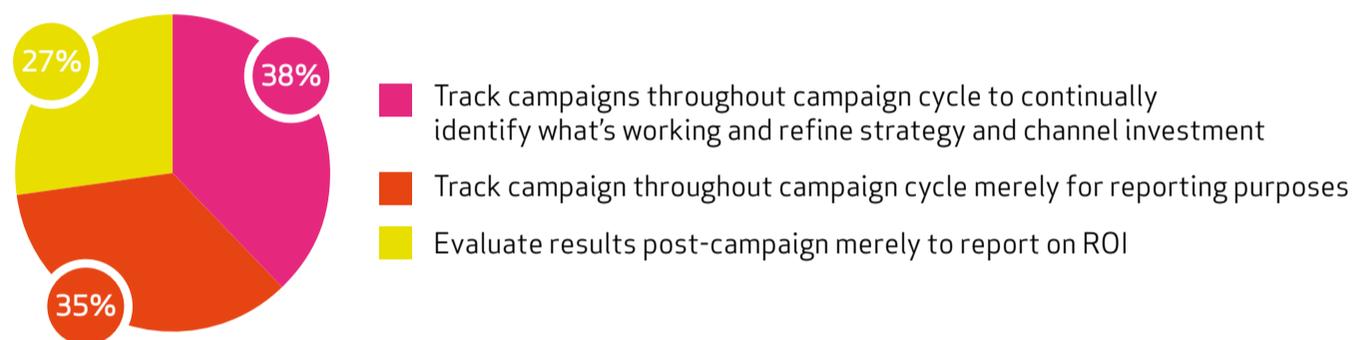
Less than half of marketers (40%) – and only one quarter (25%) of APAC marketers – said they feel the structure of their marketing and communications teams allows them to effectively execute integrated multichannel campaigns. Even more concerning is that half (50%) of marketers – increasing to 62% for marketers in Asia Pacific – are not sure whether or not the structure of their team is effective or not to this end.

Successful multichannel marketing requires a completely integrated approach to ensure each channel is aligned and campaign messaging is delivered consistently across every channel. If marketing and communications teams are working in siloes this will inevitably impede the success of multichannel campaigns.



MEASUREMENT

How do you measure multichannel campaigns?



It's great to see that the majority (38%) of marketers use measurement to track campaigns and refine channel activity and spend throughout the campaign cycle. However, it is concerning that more than one third (35%) of marketers use measurement to track campaign results merely for reporting purposes and that 27% simply evaluate results post-campaign to report on ROI.

It's imperative that measurement is used as a means of driving insight to optimize campaigns throughout the campaign cycle in order to maximize ROI. When asked if measurement insight is used to inform campaign strategy for future campaigns, 25% of marketers said they do this only 'sometimes'.

Marketers need to move away from using measurement as a rear-view mirror and instead use data and insight to inform decision-making before and during campaign execution.

For more in-depth advice on how to use measurement more strategically, to add value and improve ROI, read our From Measurement to Management eBook series.



Conclusion

It's encouraging to see the high levels of adoption and investment in multichannel marketing. The fact that almost one third of marketers have executed seven or more multichannel campaigns in the last year shows that it is being widely practiced. With a third of marketers also experiencing successful results and ROI from their multichannel marketing this demonstrates that it is making an impact for brands.

Now that marketers are beginning to see the value and impact of multichannel marketing, brands are increasing spend over the next twelve months to further maximize multichannel ROI.

Current adoption rates and planned investment are lower in the US, suggesting that US marketers are somewhat behind their regional counterparts when it comes to multichannel campaign investment and execution.

It's evident that marketers, for the most part, are securing endorsement at board level to make multichannel a key focus. However, this has yet to translate into the necessary investment in the tools, resources and training to enable marketers to truly maximize multichannel campaigns.

Marketers need to invest sufficient time and resources into effectively measuring multichannel campaigns to demonstrate ROI, in order to build a strong case for greater investment moving forward. Defining success metrics and key outcomes at the outset of campaigns should be a crucial element of a solid measurement strategy. As is tracking results in real-time to create actionable insight and optimize activity throughout the campaign cycle for greater ROI.



It's clear from the survey results that effective measurement isn't being practiced widely enough – across all regions.

For more strategic insight on defining, designing and delivering multichannel campaigns with impact, read our Multichannel Marketing eBook series.

Another significant barrier for marketers to execute successful multichannel campaigns is the structure of their organizations' marketing and communications teams. Less than half of marketers are confident that their team structure effectively facilitates integrated campaign management.

Breaking down siloes within marketing and communications teams is absolutely vital if brands are to execute truly integrated campaigns. There must be cohesion and collaboration amongst teams to ensure the campaign message is delivered consistently across all channels.



teamlewis.com