Escaping the Multichannel Marketing Maze



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Escaping the multichannel marketing maze

Multichannel marketing is now a mature concept, universally regarded as a common sense approach to marketing. Rather than treating all marketing communication channels in silos with no integration between them, the greater benefit for marketers is for their prospects and customers not only to be able to reach out to brands across a variety of different channels, but for a consumer to have a 'joined-up', seamless experience across different channels. Brands can also start to own the experience, to orchestrate the customer experience across channels; for example, if a consumer interacts with a brand on social media, brands can plan their next communication, such as following on the conversation in their next email or their next visit to the website.

In our survey of 120 marketers working in some of the leading organisations across the UK, around 85-90% of marketers are either facing challenges with multichannel marketing or are working hard to make breakthroughs with multichannel. Problems include integrating communication channels to numerous separate business systems such as CRM, integrating offline channels and how to identify individual consumers across channels. As digital grows, organisations need to pursue strategies that make it easier to integrate communication channels, get the insight marketers need, and own the experience to then plan and execute marketing initiatives to take advantage of the huge benefits multichannel brings to both brands and consumers.

Summary of findings

- Around 89% of marketers are currently struggling with their multichannel marketing
- Visibility of individual consumer responses and channel integration are the main current multichannel marketing challenges
- 100% of organisations surveyed use websites – the only channel used by all survey respondents; websites are rated as the most important communications channel
- Only 47% of those surveyed use mobile as a marketing channel, with 28% planning to start using mobile in the next 12 months
- Websites together with SEO/search advertising are the primary channels for customer acquisition
- Over 80% of respondents can track individual consumer web visits and emails using systems such as analytics tools and CRM/database systems
- More traditional off-line channels rely on manual or spreadsheet based systems for recording responses, rather than being integrated
- The majority of marketers are now planning to have the ability to see an individual consumer activity across two or more channels and then plan their next consumer communication based on this insight

About our survey

Sitecore is passionate about giving marketers the power and control they need to deliver the best experience for their customers and prospects. A key part of this is to help marketers to gain full 'mastery' across the different communication channels used, and to ensure that systems make it easier and more effective to achieve this.

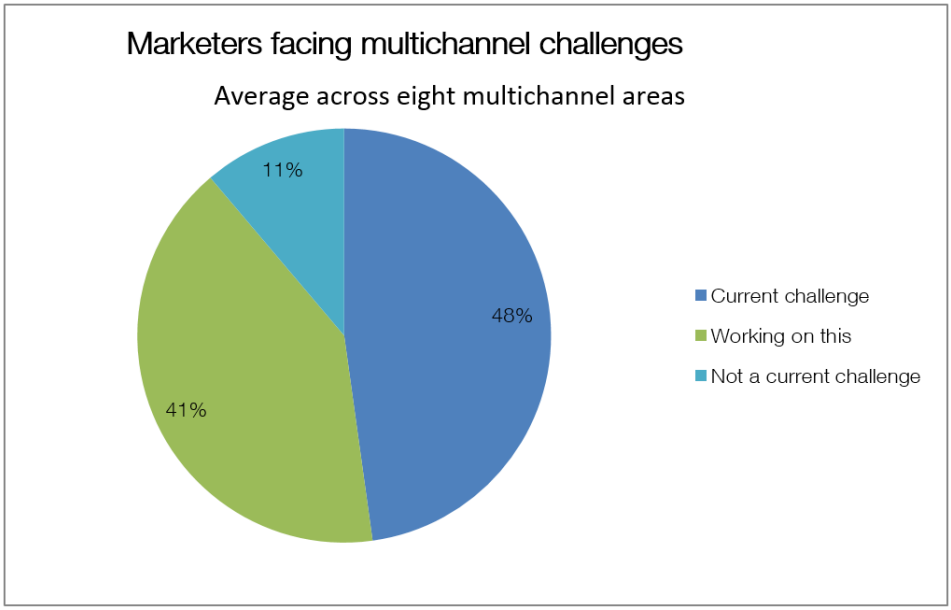
Sitecore initiated this survey to find out about marketers' usage of communication channels, the importance they place upon them and whether these channels were integrated into systems to provide actionable insight on individual consumers' activities across multiple channels. The survey was conducted as part of Sitecore's 'We've Got Answers' campaign, looking at challenges that marketers currently face with regards to digital marketing.

Sitecore conducted an online survey in August 2013 targeting mid to senior-level marketers from a cross-section of UK business and not-for-profit organisations. Sitecore received 120 responses.

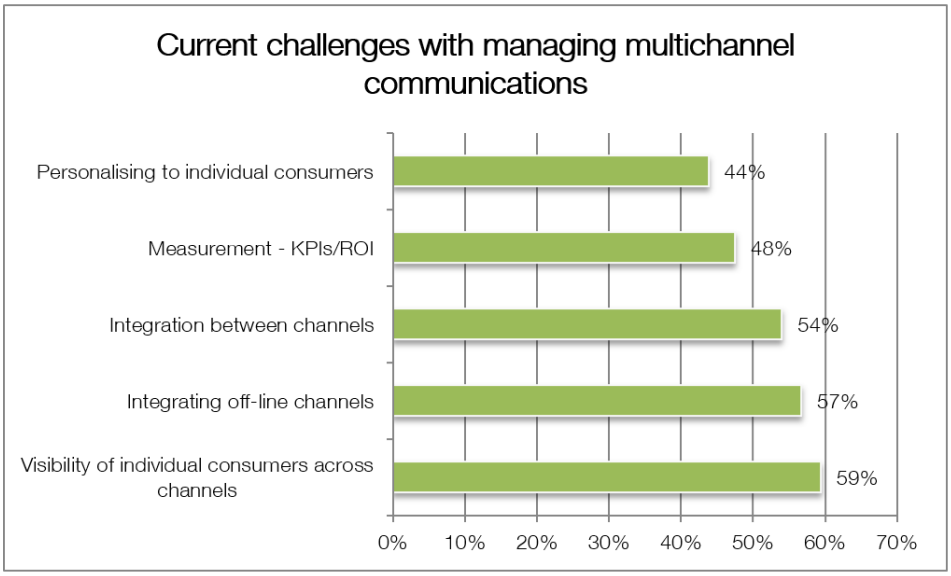
- 46% of the organisations surveyed had over 500 employees
- 38% of organisations had annual turnover of more than £100 million

Multichannel – it's a challenge

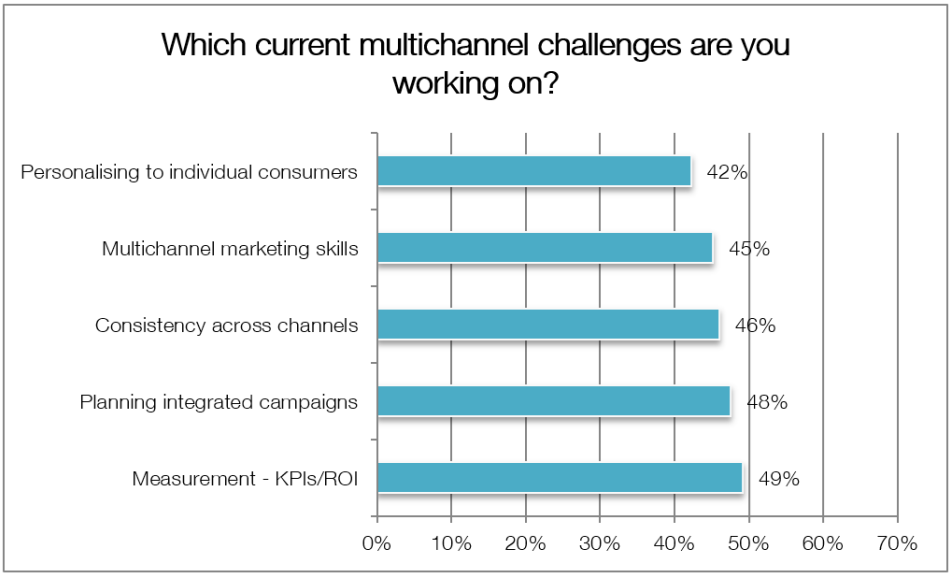
Our survey shows that around 89% of marketers are struggling with their multichannel marketing, and have either identified their challenges or are currently working on their multichannel challenges.



The main challenges amongst a long list relate to the ability to see individual consumers across channels (59%) and integration between channels (54%)



Respondents to our survey are actively tackling these multichannel marketing challenges, with nearly half (49%) working on delivering effective measurement around KPIs/ROI and how to plan integrated multichannel campaigns (48%).



We asked what specific multichannel challenges were our survey respondents facing and working on:

'We haven't got tracking capabilities on single channels yet, let alone multiple'
– Media company

'We need to keep up with the trends across our channels, to get integration working, and to track the parts of the campaigns that are working – to drive the response.'
– Charity

'We want to integrate all information about a customer onto a single database'
– Insurance company

'How to achieve channel integration working towards personalised marketing'
– Business Services company

'Rolling out multichannel integration across various countries'
– Medical research supplies

Channel choice

Our survey shows that around 89% of marketers are struggling with their multichannel marketing, and have either identified their challenges or are currently working on their multichannel challenges.

Digital communication channels lead over traditional channels

Not surprisingly, websites are the most widely used communications channel for UK businesses and non-profits; 100% of organisations surveyed have a website, with email used by 95% of organisations. Events are the most popular 'traditional' communication channel, used by 91% of respondents, followed by face-to-face communications by 88% of respondents.

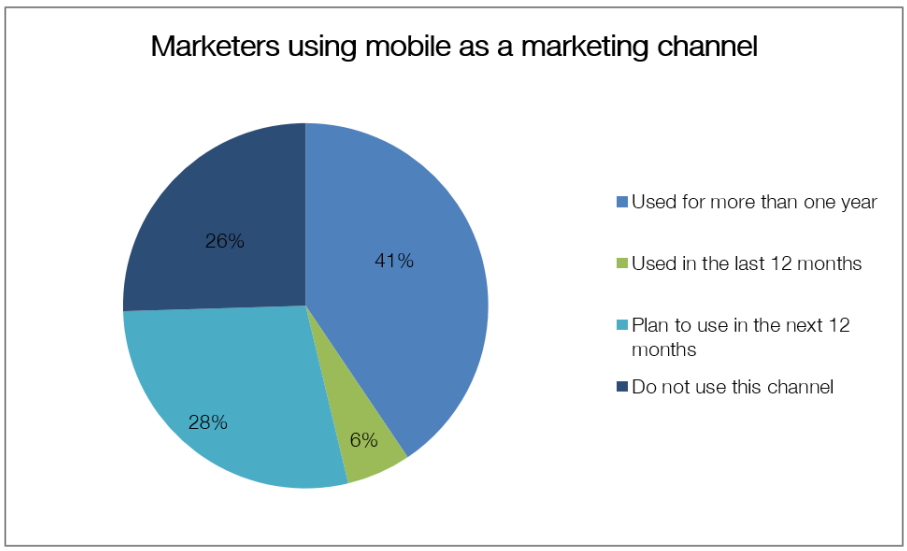
The popularity of telemarketing, direct mail and press advertising does not have the same complete ubiquity as the leading digital channels; press and magazine advertising is used by 86% of respondents with 84% using telemarketing and 82% using direct mail.

TV and radio advertising was not widely used by survey respondents, with 27% using TV advertising and 30% using radio advertising.

Fastest growing channels

Mobile

Organisations are waking up to the fact that they need to include mobile as an integral part of an organisation's digital marketing, with 47% already using mobile as a communications channel and 28% of respondents saying it is on their 'to do' list for the next 12 months. Worryingly, 26% state they do not use the mobile channel for the communications and have no immediate plans to do so.



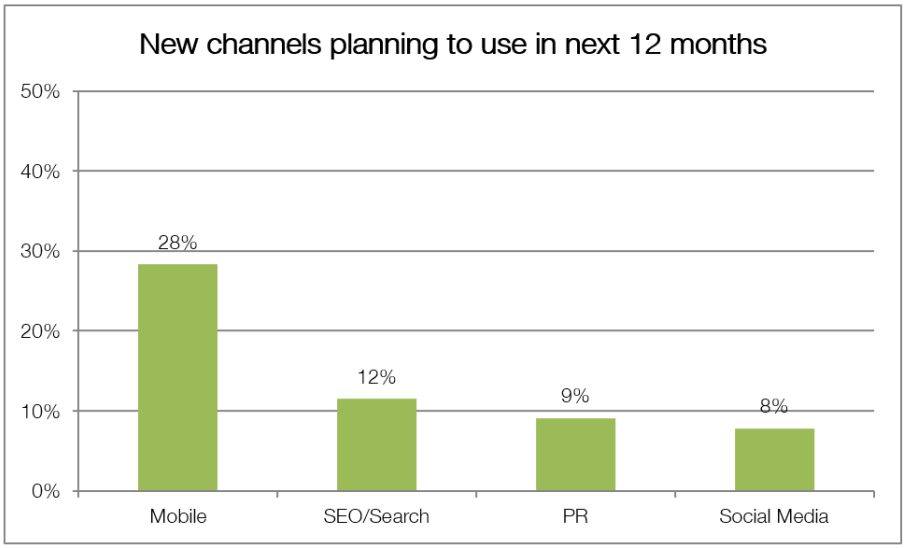
According to recent Google research, 62% of the UK population own smartphones, with 92% of smartphone users accessing mobile web every day.

Search Engine Optimisation (SEO)/Search engine advertising

If the website is now the primary communications channel, then it is obviously more important to ensure that an organisation's website is achieving its full potential with regards to optimising the opportunities for relevant traffic from search engines, mixed with search engine advertising. 79% of survey respondents are using SEO/Search advertising, with a further 12% planning to use SEO/Search in the next 12 months.

Social media

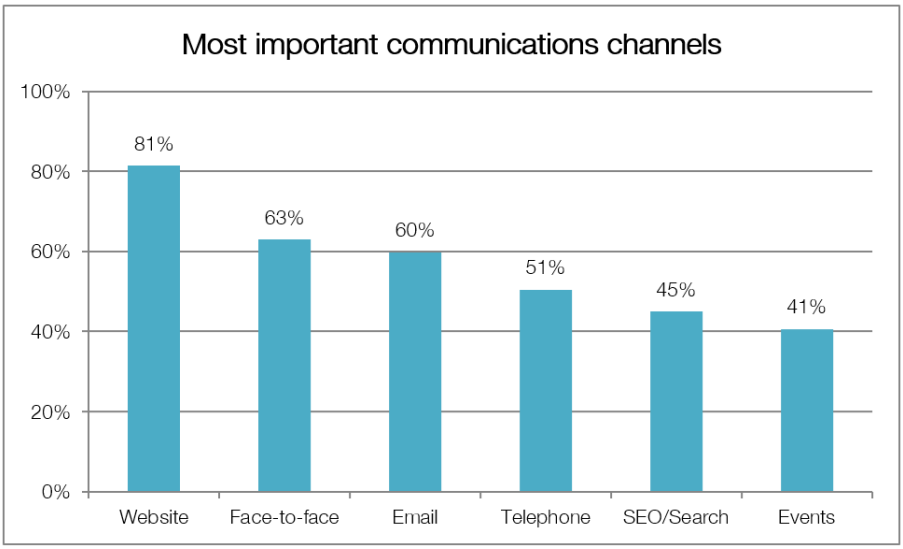
Social media is confirmed as a mainstream communication channel and continues to grow and further mature as a communications channel, with 88% of respondents already using social media and 8% planning to include social media in their channel mix.



Most important communications channels

We asked our survey respondents to rate thirteen communications channels in terms of importance to their organisation with a scale from one to five, with one being the most important. 81% of survey respondents rated their website as 'one', as their most important communications channel, taking into account respondents who marked both one and two, this figure rises to 96%.

Focusing on respondents' ratings for the most important channels only, websites were well ahead of face-to-face communications (63%) and email (60%). Telemarketing was rated most important channel for just over half of the survey (51%). Out of the top six channels, three of the channels were digital-focused (website, email and SEO/search advertising).

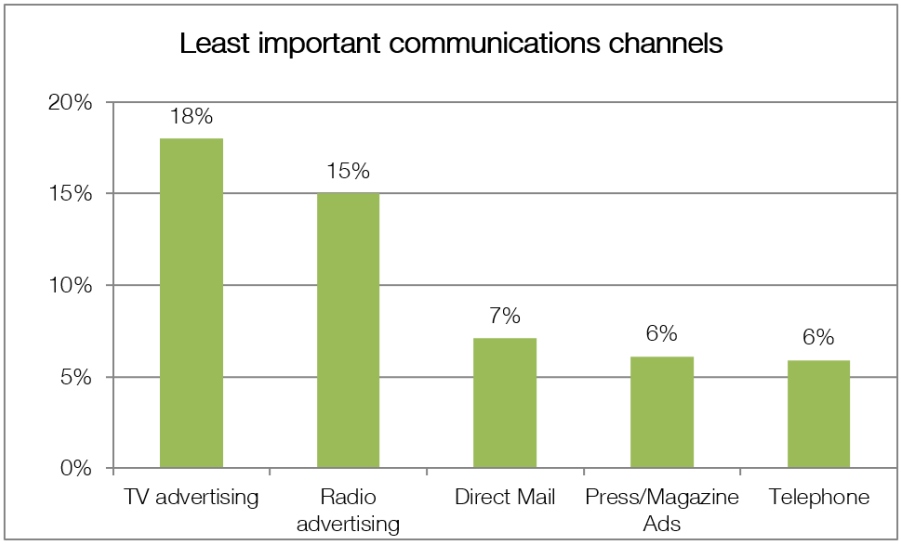


Mobile and social media overlooked

Mobile as a channel was rated high in importance by just 16% of respondents, with 19% rating mobile in the lowest two categories. Although social media is widely used as a channel, it is not rated in terms of importance, with only 30% of respondents rating it as one of their most important communications channels.

Broadcast advertising out of favour

Communication channels where responses are hard to track and monitor were less in favour by our survey respondents. TV and radio advertising were deemed as unimportant channels by 18% and 15% of our survey respectively, followed by direct mail (7%), press/magazine ads (6%) and telemarketing (6%).



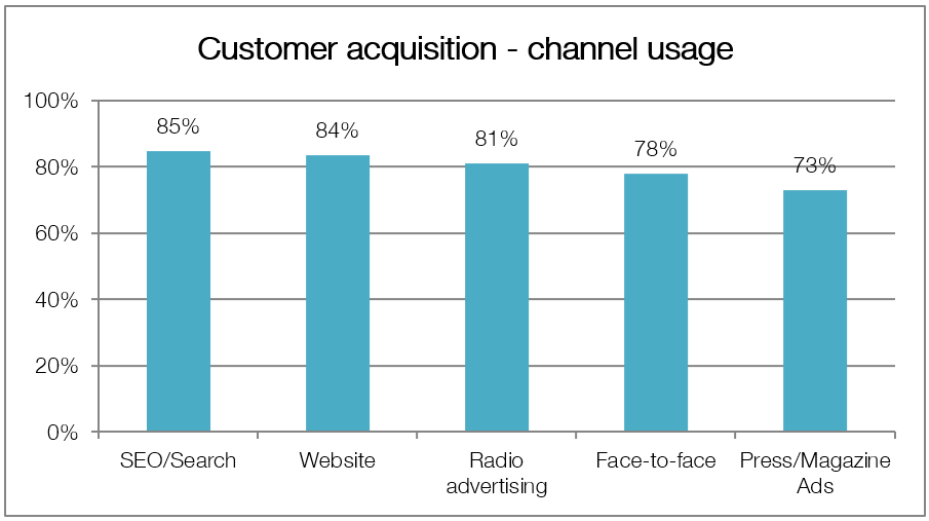
How different communications channels are used

Our survey respondents recognise the strength and appropriateness of different channels to help achieve different business and marketing goals.

Customer acquisition

Both SEO/search advertising and websites lead the charge as the most important channels for customer acquisition, used by 85% and 84% of respondents respectively. Radio advertising is also seen as a strong channel for customer acquisition, 81% of respondents who use radio advertising use it for customer acquisition – but only 30% of those surveyed use radio.

Face-to-face communications was also highly rated, used for customer acquisition by 78% of respondents. Telephone marketing is used by just over two-thirds of the respondents (67%). Email is not seen so much as a customer acquisition channel, used by 61% of the survey, but is seen as more important for customer retention. Mobile and PR rank the lowest in terms of communication channels for customer acquisition.



Customer retention

Email and social media lead the way as communication channels for customer retention, with email used by 79% of respondents and social media for 74% of respondents. Websites are used by 73% of respondents, same as face-to-face communications. Mobile is seen as a useful channel for customer retention initiatives, with 54% of respondents reporting its usage.

Customer satisfaction

Telemarketing is the leading communications channel for customer satisfaction initiatives, used by 68% of respondents, which is the most favoured usage for telemarketing, followed by email at 59%, and face-to-face communications at 57%. Again, use of the website and social media for customer satisfaction initiatives ranks highly at 53%.

Loyalty initiatives

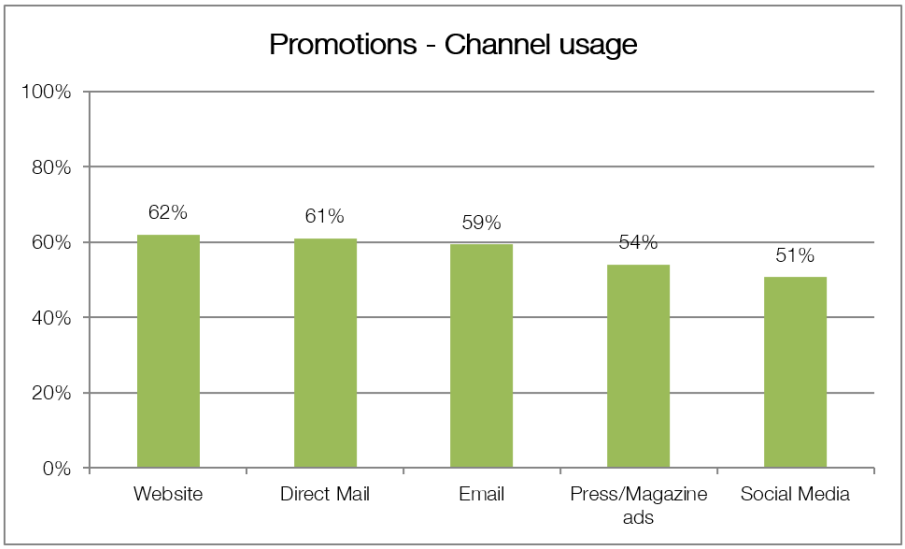
Email is seen as the strongest channel for customer loyalty initiatives, with 49% using email for loyalty programmes, with social media and websites used by 32% and 33% of respondents respectively. Mobile is also seen as being a useful communications channel for loyalty initiatives – used by 26% of respondents.

Market research

Websites are not being utilised extensively for market research as email is the leading channel for market research, used by 52% of respondents. Just under half of the survey (49%) use face-to-face communications for their market research, with telephone-led research used by 40% of respondents. Websites are used by over a third of respondents (37%) followed by social media at 31%.

Promotions

Websites are the leading channel for promotions, used by 61% of respondents, alongside direct mail also at 61%. Email is used by 59% of respondents, 54% use press/magazine ads and 51% use social media.



Product launches

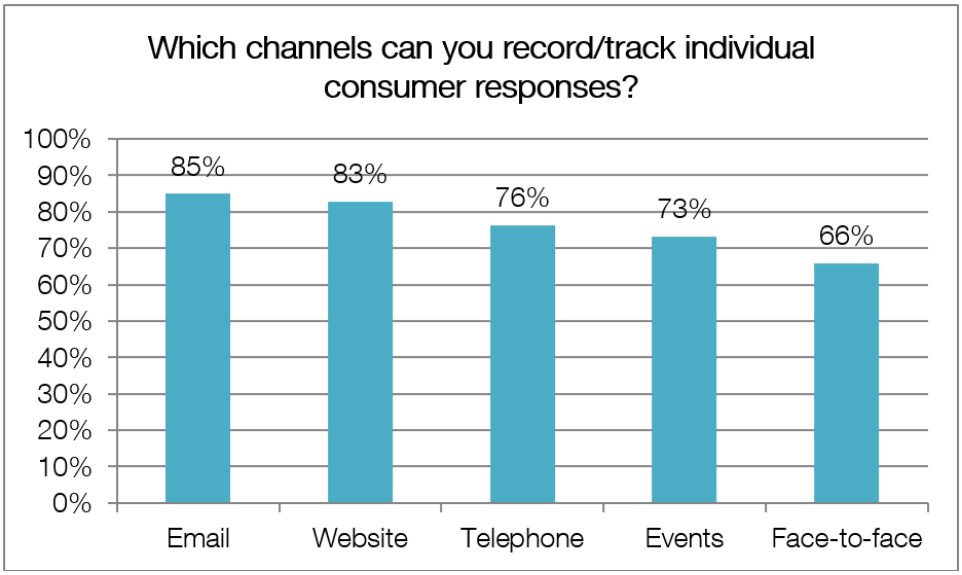
Websites are the leading communications channel for product launches, used by 68% of respondents, followed by email at 64% and press/magazine ads at 62%. Direct mail is used by 59%.

Multichannel Integration

Tracking responses from individual consumers on single channels

We asked our survey respondents if they were able to record and track responses from individual customers within single channels – ensuring that you have the ability to do this across a number of channels is obviously essential to move towards effective multichannel marketing.

From our survey, respondents are managing to track responses from individual consumers through their email and website channels (85% and 83%), together with telemarketing (76%). Marketers have been playing catch-up in terms of systems to track consumers on social media, with 69% having this capability, a figure which has increased by 30% over the last 12 months. 41% can track responses from individual consumers using mobile.



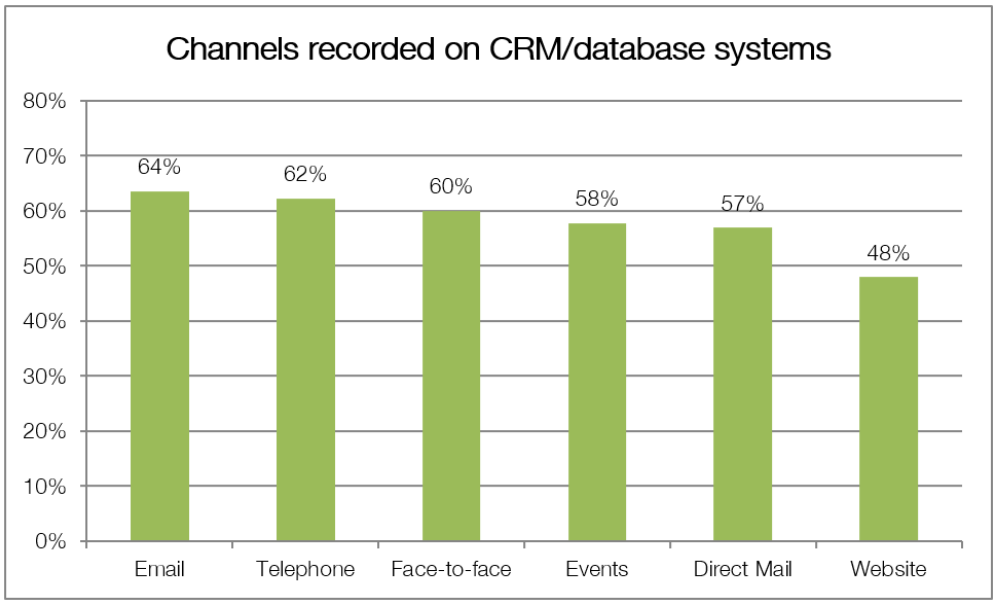
Across all communications channels, our survey respondents have plans to extend their ability to record and track individual responses. First on the list is mobile, where a fifth of those surveyed are planning to be able to track individual responses from consumers on mobile in the next 12 months. 18% are looking to implement this capability for their SEO/search activity and 17% for social media.

Challenge of tracking off-line channel responses

Tracking responses is still a challenge for our survey respondents engaged in press/magazine advertising and public relations, with 41% and 39% of respondents stating that they cannot do this and have no plans to achieve this.

Systems used to track responses from individual consumers

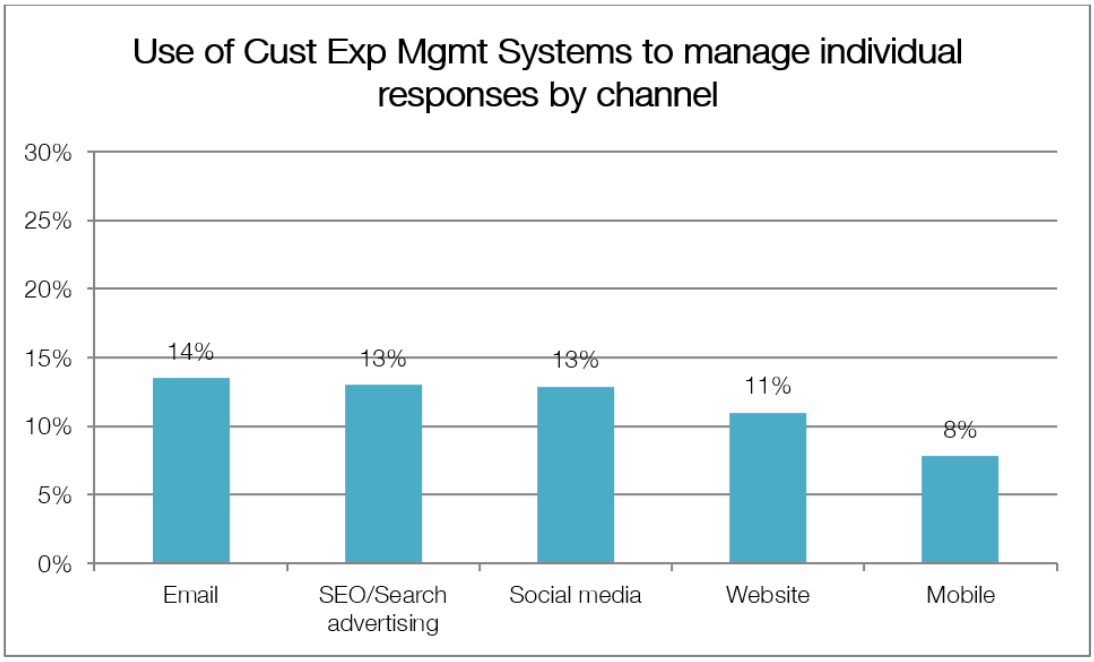
CRM and database systems are the systems of choice for recording and tracking responses from individual consumers, focused around channels typically associated with CRM systems such as email responses (64%), telemarketing (62%) and face-to-face meetings (60%), along with details of event attendees (58%) and direct mail responses (57%). 48% if respondents use CRM/database systems to integrate individual web site responses.



Only 22% use their CRM to record and track individual responses from mobile channel activity, and just 13% use CRM to record social media activity.

Analytics systems dominate the tracking of individual consumer activity via the website, with 53% of respondents using analytics systems for their website and 41% for SEO/search advertising. Analytics systems are widely used for email and social media measurement, with 38% of respondents using analytics systems for email and 35% for social media.

Just 1 in 10 of respondents are now using digital marketing/customer experience management systems to record and track individual responses for SEO/search advertising, email, social media and website activity.

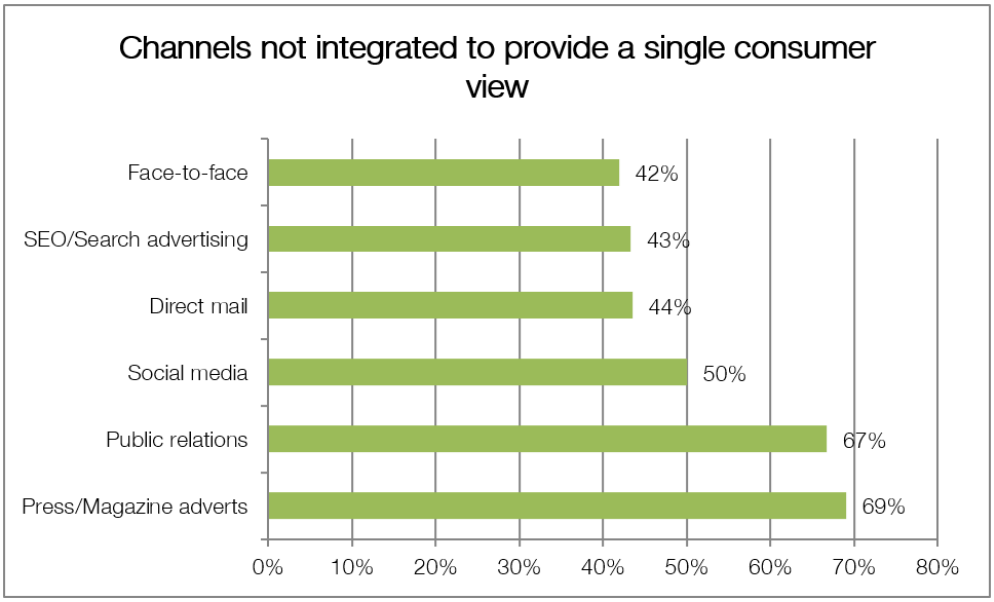


Troubles with tracking and recording channels

41% of respondents cannot track individual responses as a result of their PR activity, together with 36% who cannot track individuals via their press/magazine advertising activity. Manual or spreadsheet based systems are used to track individual responses from events (38%), face-to-face activity (28%) and Public Relations activity (26%). 22% use manual or spreadsheet systems for tracking telephone responses, with one in five (20%) using manual systems to track responses via social media.

Challenge for multichannel – lack of integration

We asked our survey respondents whether their communication channels were integrated into systems such as sales, customer service, CRM, analytics or customer experience management systems to help provide a single view of an individual consumer. More traditional off-line communication channels are not integrated into marketing/sales systems, such as 67% of respondents not integrating PR activity into their systems, 69% for press/magazine adverts.



The most integrated channels include 71% of respondents who state their email channel is integrated into marketing/sales systems, with 66% have telemarketing integrated and 65% of respondents have integrated their website to other systems to provide a single consumer view.

Planning an integrated consumer journey

Being able to use the information provided by a consumer on one communication channel, and then for a marketer to plan the next communication across the most appropriate channel is a powerful aspect of multichannel marketing.

36% of our survey respondents use the individual response information from consumers to plan their next communication to that individual customer, and this is a key area of change from our survey with 45% planning to do this in the next 12 months. Less than one in five (19%) did not have this capability and were not planning to work towards it.

Moving towards multichannel campaign planning

A core goal for multichannel marketers is to be able to see the interaction of an individual consumer across two or more communication channels, to be able to see the effect of a co-ordinated channel campaign. Just over a quarter of our survey respondents (27%) have this ability, with the majority (38%) planning to do this within the next 12 months. With the requirement to integrate channels with systems to achieve this and to be able to see the single consumer journey, 36% of respondents have decided that they cannot currently do this and are also not planning to integrate and manage consumer marketing over two or more channels.

The Sitecore view

Sitecore recognises that managing multichannel marketing is a challenge for many brands, and much of the challenge is in trying to integrate different channels and their accompanying management and analytics systems together. This integration of different systems, often siloed or 'bolt on' solutions means marketers are focusing more on the operational complexity to make multichannel work, rather than the end goal, the prize – to reach customers, nurture leads and deploy more engaging experiences.

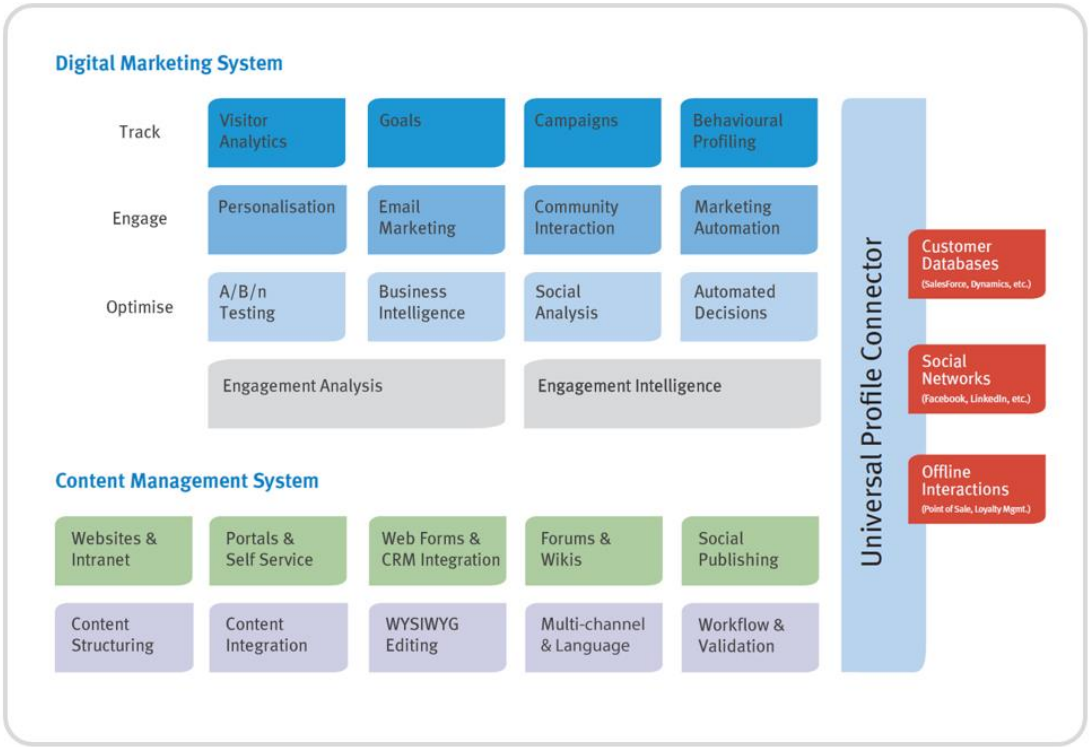
Tracking and recording individual responses, getting a single view of a consumer's interactions with you, being able to get useful insight to plan the next step of a consumer's journey are a current challenge for nearly 90% of our survey respondents. Our survey shows that many marketers don't record individual responses across all channels, or use manual/spreadsheet based systems to achieve this. Some channels such as email, telephone or face-to-face communications favour integration with CRM systems, more web based channels favour analytics systems – adding to the separation and making integration more of a challenge.

Introducing a new channel in the marketing communications mix shows the issues many marketers have. The rapid rise of mobile is taking marketers by surprise, with the next 12 months being critical to first adopting mobile as a channel and integrating it into multichannel activities. Which marketing systems do you use to deploy your mobile marketing – through an email system, website content management system? How do you analyse responses or identify consumers – is this through using analytics systems? Marketers are playing catch-up on new channels, wondering how to integrate mobile into existing systems. With social media, although it is widely adopted and becoming a mature channel, there is still a question about its importance to organisations and the role it should play in marketing – and how it can be integrated into a single consumer view.

Digital experience platforms are now making multichannel marketing simpler for marketers, taking the science out of multichannel marketing so marketers can be marketers again. Sitecore offers the only complete digital marketing system built on a single platform - Sitecore's Customer Experience Platform offers a solid foundation for marketers to start realising their multichannel marketing ambitions. Sitecore brings together these multiple components – content management, marketing automation, e-mail marketing, social media, e-commerce, optimisation and analytics into a single unified software platform, which marketers use to deliver outstanding results. Single platform digital marketing systems will ensure that many of the key challenges highlighted in these results – such as a single consumer view across channels, integration between channels and personalising responses to individuals becomes a simple, routine task.

Sitecore Customer Experience Platform





About Sitecore

Sitecore is the global leader in customer experience management software. Sitecore delivers highly relevant content and personalized digital experiences that delight audiences, build loyalty and drive revenue. With Sitecore's Customer Experience Platform, marketers can own the experience of every customer that engages with their brand, across every channel. More than 3,000 of the world's leading brands – including American Express, Carnival Cruise Lines, easyJet, Heineken and Microsoft – trust Sitecore to help them deliver the meaningful interactions that win customers for life.



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