



THE STATE OF MULTICHANNEL MARKETING 2020

IN PARTNERSHIP WITH



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Introduction

For the second consecutive year, **Demand Metric** and **PFL** partnered to understand how nearly 600 marketers use multichannel marketing and the power of intentional, coordinated marketing efforts.

The objectives of this study are to:



Analyze the indicators that signal higher multichannel marketing performance;



Share best practices about how to reach specific audiences;



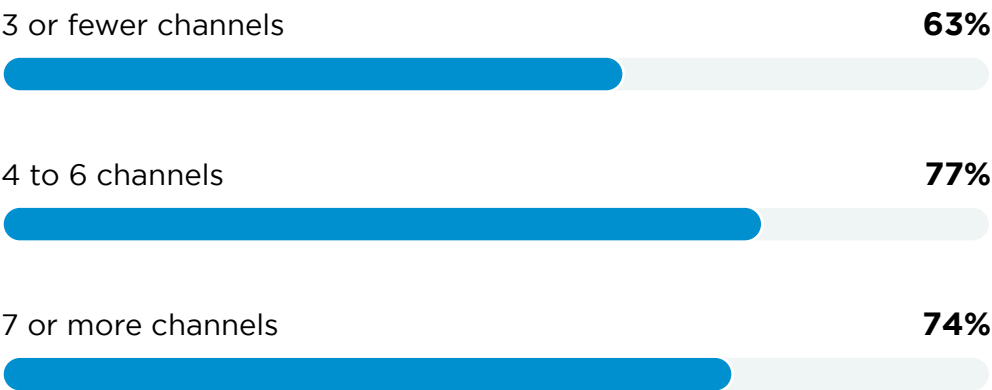
Help marketers understand when to use particular tactics within their campaigns.

This report shares the research results and insights from this study.



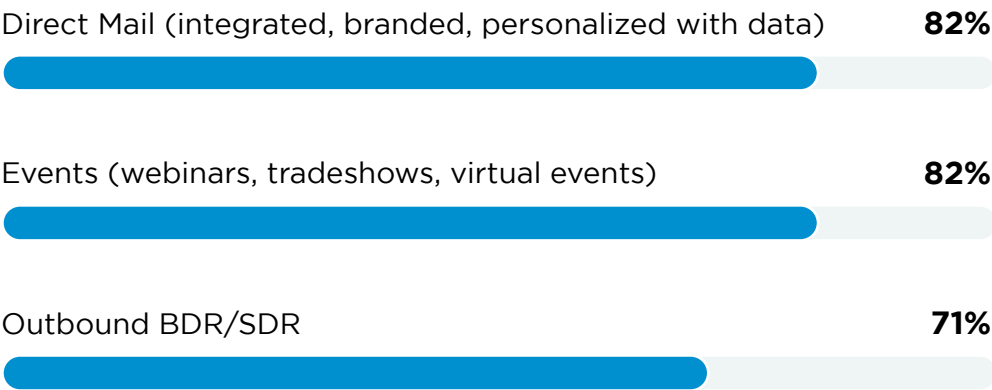
Marketers who use **4 to 6 channels** in their multichannel campaigns report the best response rates.

Percentage of study participants who report good response rates and the number of channels in use.



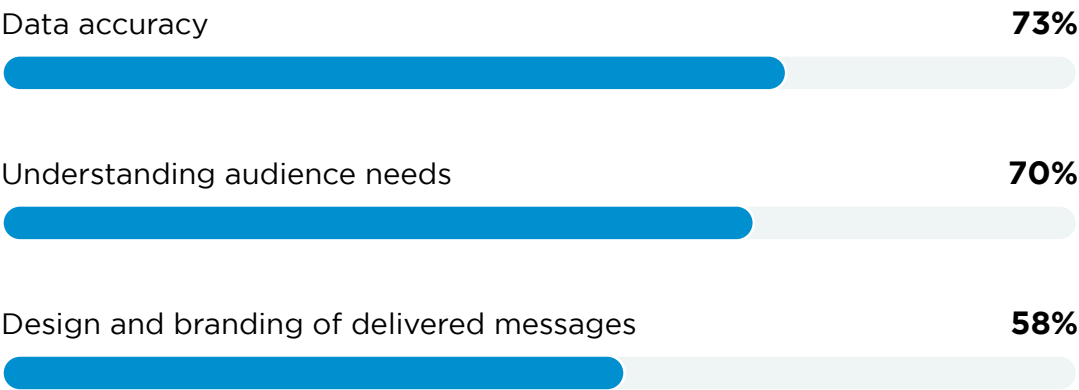
Events and integrated, branded, and personalized direct mail are **the most effective channels for reaching target audiences.**

Percentage of study participants who report channel is effective at reaching their target audience.

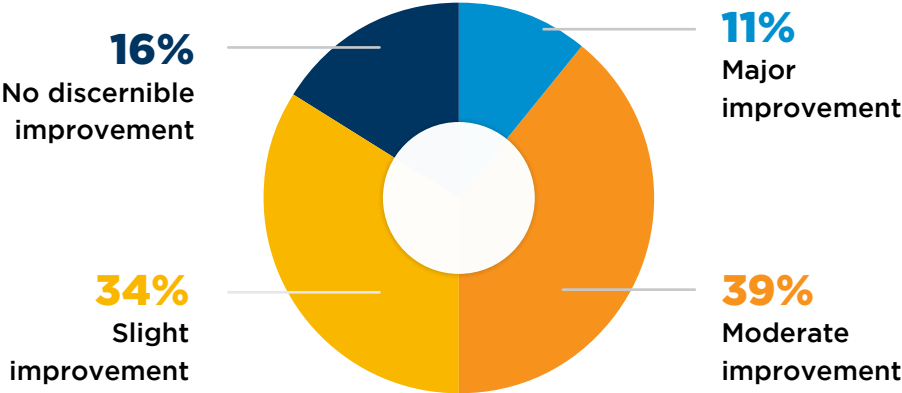


Data accuracy, understanding audience needs, and branding top the list of **multichannel marketing campaign success factors**.

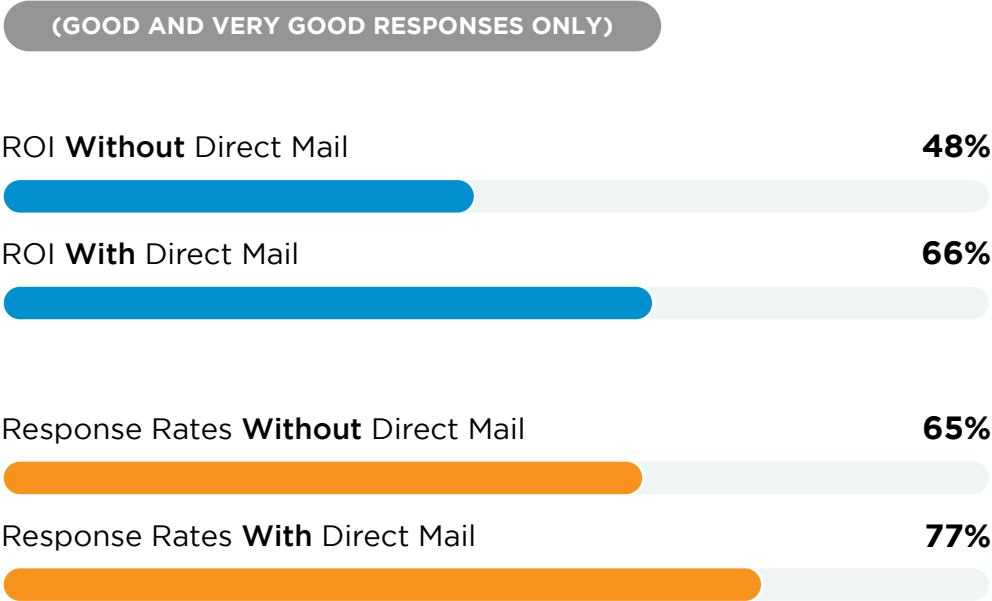
Please rate the importance of these multichannel campaign success factors:



The vast majority of study participants, 84%, report that **direct mail improves multichannel campaign performance.**



Marketers report better response rates and ROI **when direct mail is included** in the multichannel mix.

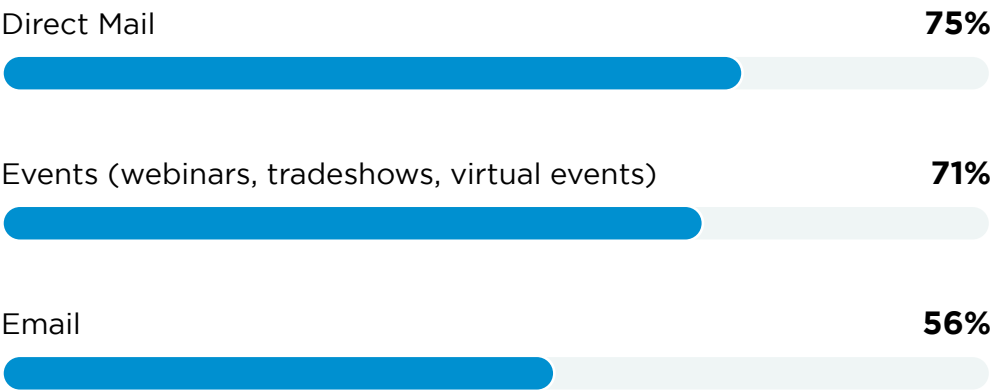


FOR MORE DETAIL ON THE SURVEY AND THE PARTICIPANTS, REFER TO **FIGURE 19**.



The executive, or C-Suite, audience is the most sought after by study participants. **Direct mail is the best channel to reach them.**

Percentage of study participants who report channel is effective at reaching the C-Suite.



PART 1

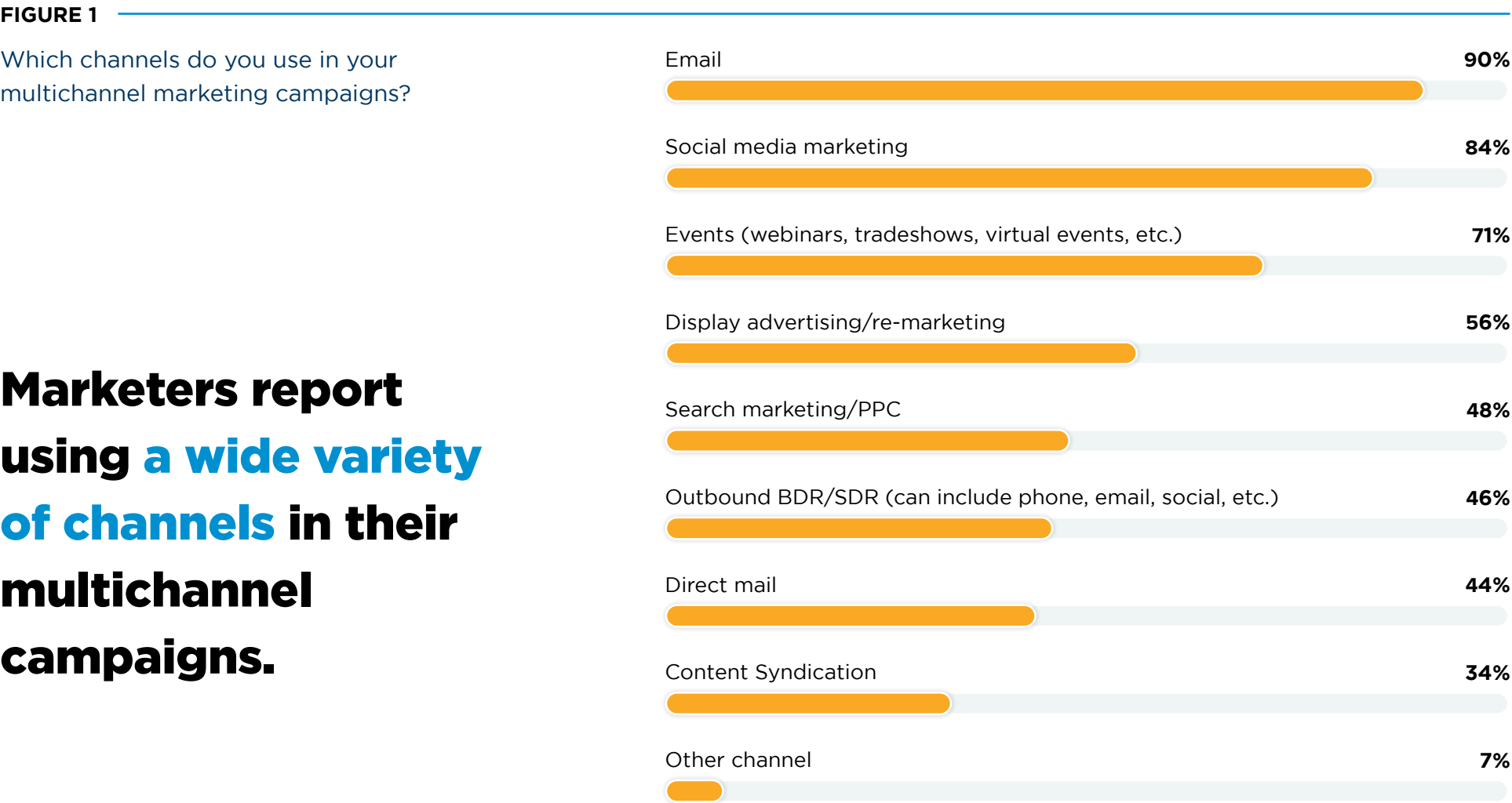
Multichannel Campaign Mix



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Channels in Use

An excellent place to start sharing the results of this study is with an inventory of channels used in multichannel campaigns. **FIGURE 1** shows various channels and their frequency of use.



Marketers report using a wide variety of channels in their multichannel campaigns.

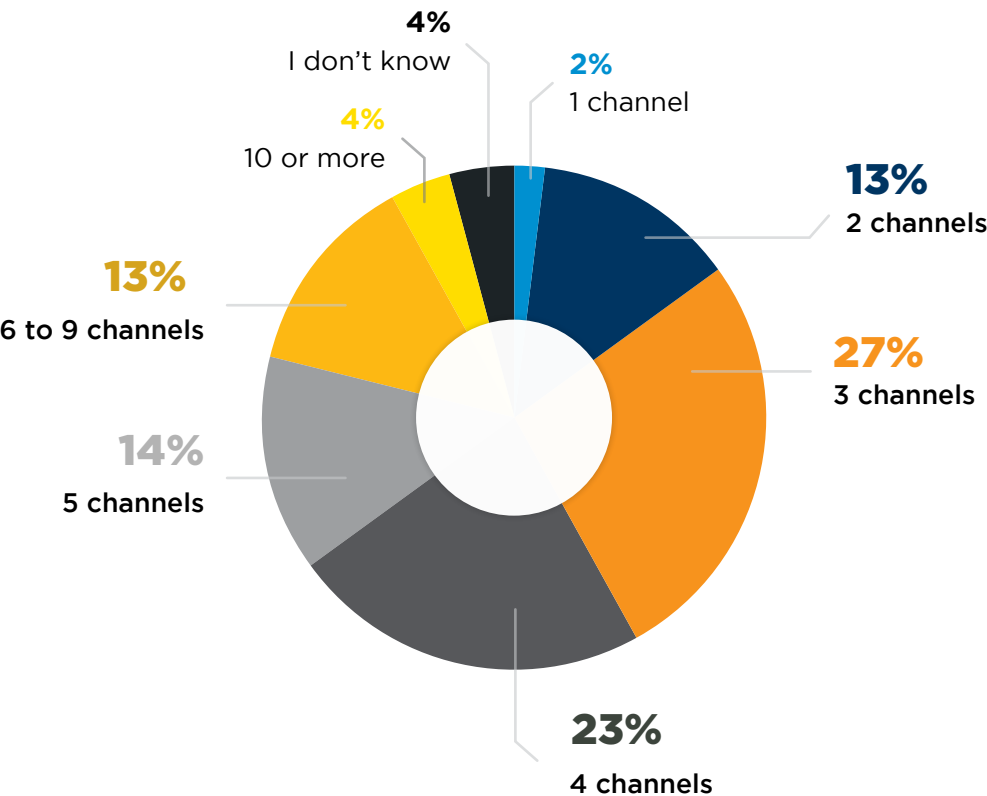
Number of Channels in a Typical Campaign

Most marketers use three or more channels in their multichannel campaigns, as **FIGURE 2** displays.

FIGURE 2

What is the average number of channels a typical multichannel marketing campaign at your organization leverages?

Half of this year’s study participants report using 3 or 4 channels in their multichannel campaigns.



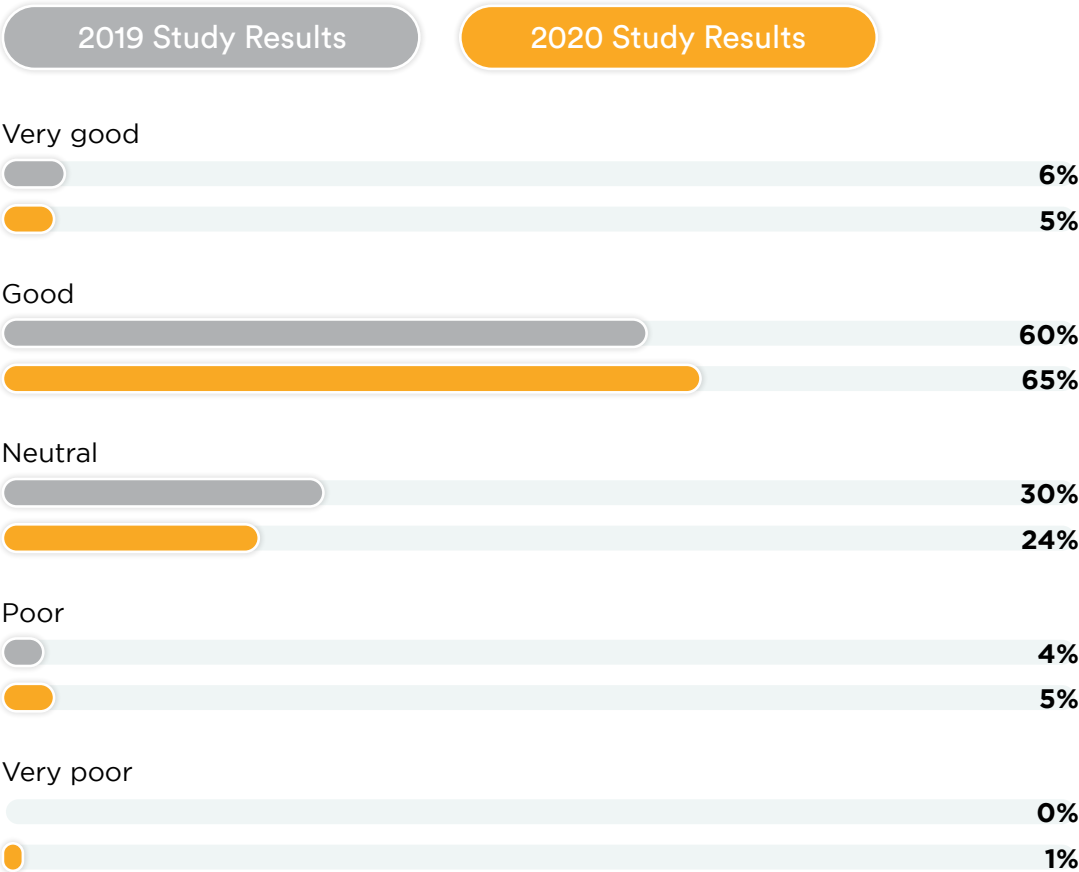
Multichannel Campaign Response Rates

The most recent edition of this research study continues to pursue answers to the critical question: What multichannel mix drives the best response rates? **FIGURE 3** shares how participants rated the response to the multichannel campaigns in this year’s study, compared to last year’s study results.

FIGURE 3

Overall, how do you rate the response (e.g. click, open, registration) to your multichannel campaigns?

The percentage of study participants who report good or very good response rates improved by 4% in 2020.



Number of Channels and Campaign Response Rates

The percentage of study participants who report good or very good response rates improved dramatically in 2020 when 4 to 6 channels are in use, as **FIGURE 4** shows.

FIGURE 4

While the data still reveals a relationship between the number of channels in use and the response rate for multichannel campaigns, marketers seem to be focusing their efforts on optimizing a core set of channels in 2020.

Number of channels in use	2019		2020
3 or fewer channels	61%	⬆️	63%
4 to 6 channels	69%	⬆️	77%
7 or more channels	77%	⬇️	74%

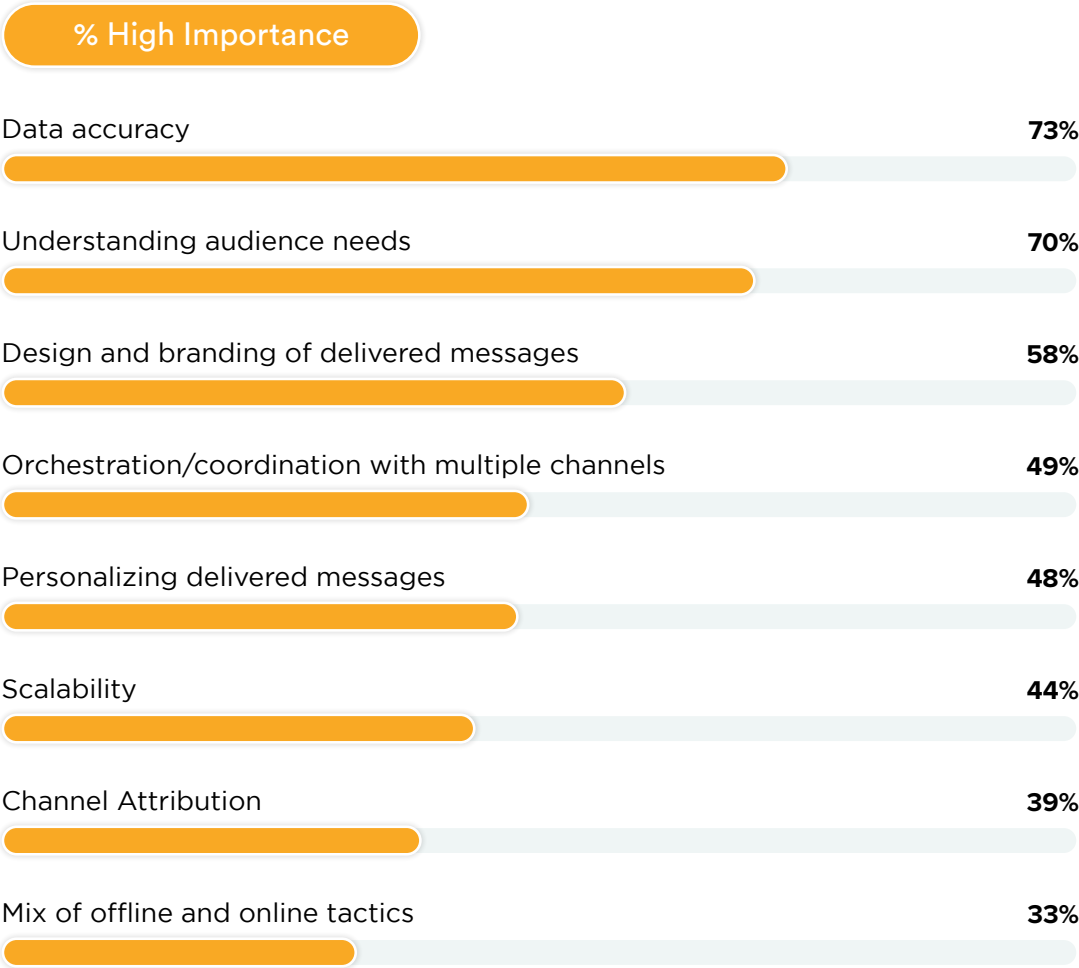
Multichannel Campaign ROI Success Factors

Many factors contribute to the success of multichannel marketing campaigns, but data, audience needs, and branding top the list, as **FIGURE 5** summarizes.

FIGURE 5

Please rate the importance of these multichannel campaign success factors:

Having accurate data, understanding what the target audience needs, and staying on brand with messaging are the top three multichannel campaign success factors.



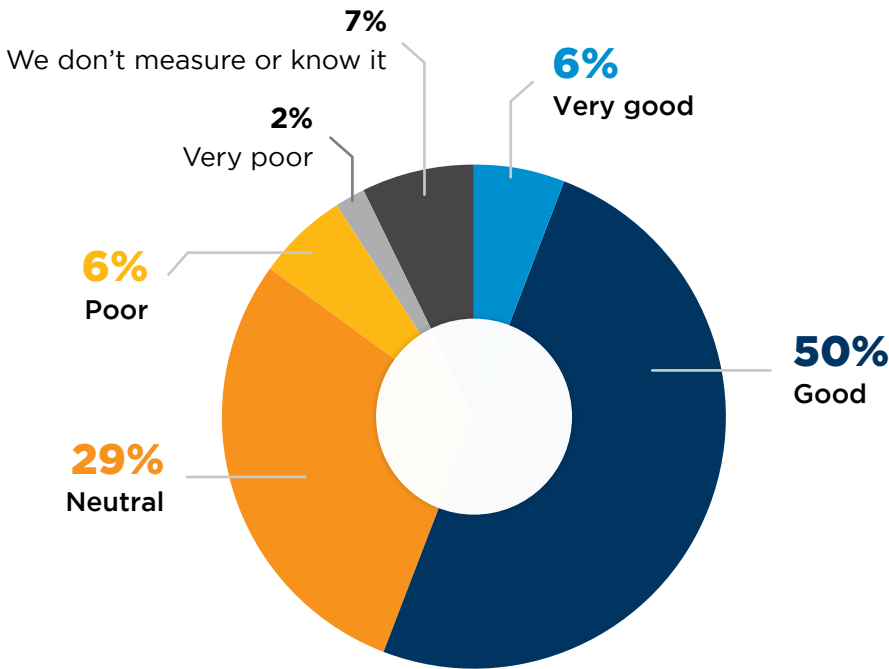
Multichannel Campaign ROI

Return on investment (ROI) is usually the critical metric for multichannel campaigns. **FIGURE 6** shows the average ROI that study participants reported for their campaigns.

FIGURE 6

How would you describe the ROI you get from an average multichannel campaign?

Over half of this study's participants get a **good or very good ROI from their multichannel campaigns.**



PART 2

Target Audiences and Channels



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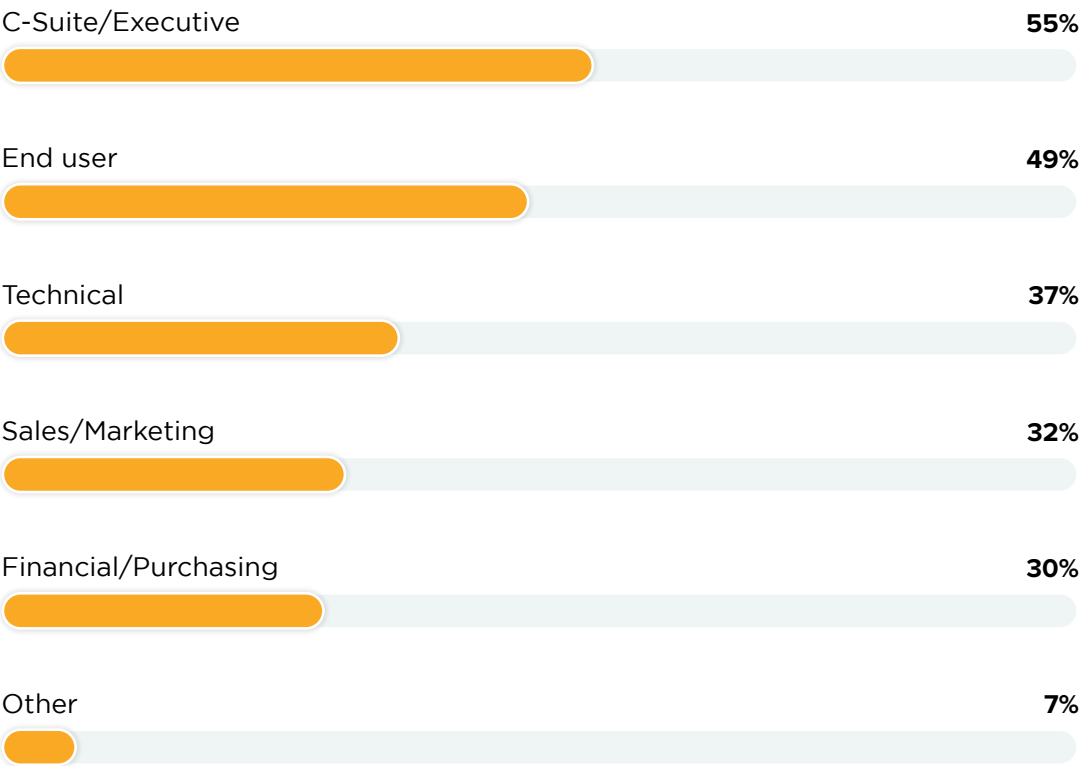
Target Audiences for Multichannel Campaigns

This study looks at the audiences marketers are trying to reach, and the channels that do the best job of reaching them. **FIGURE 7** displays the audiences that study participants are targeting in 2020.

FIGURE 7

What audiences are you trying to reach with your multichannel marketing campaigns?

The C-Suite or Executives are the most frequently targeted audience in multichannel campaigns.



The following sections provide direction and guidance on the channels and communication approaches that marketers should use for each of the target audiences.

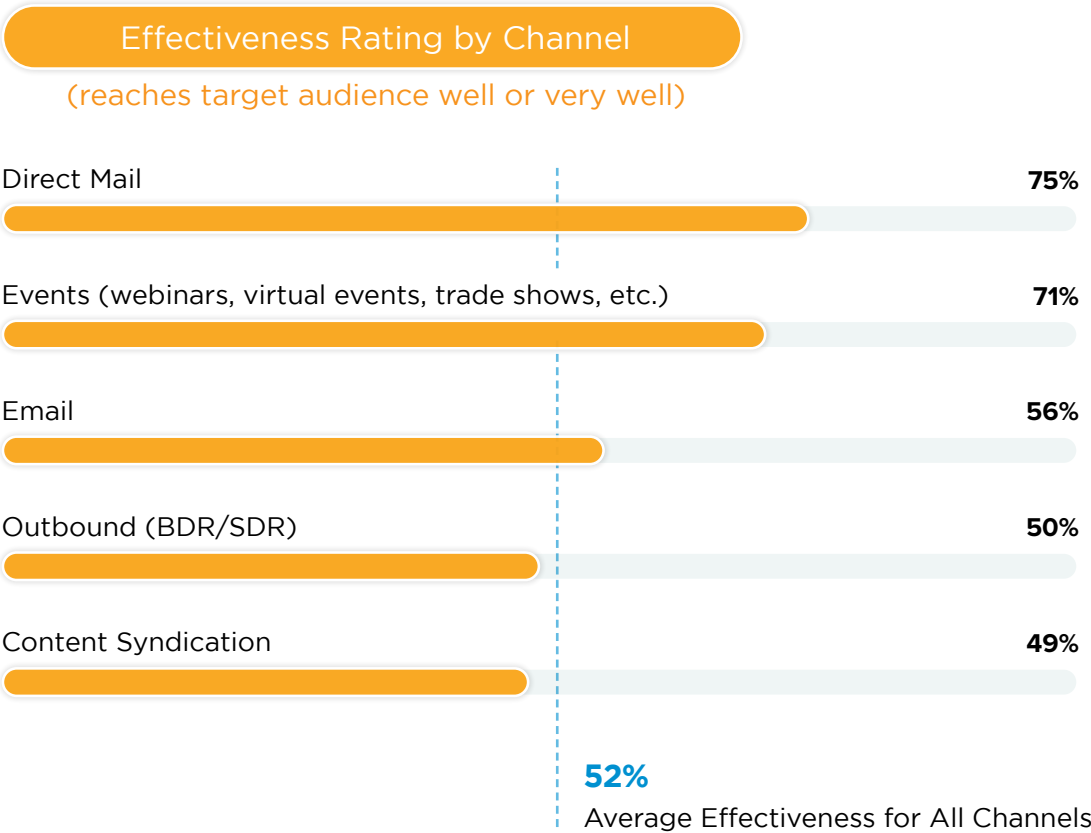
Reaching the C-Suite

Data from this study confirms what most marketers feel is true: **the C-Suite is the hardest audience to reach.** **FIGURE 8** identifies the top 5 most effective channels for reaching the C-Suite.

FIGURE 8

How well do the channels that you use let you reach the C-Suite?

Direct mail is the best channel for reaching the C-Suite.



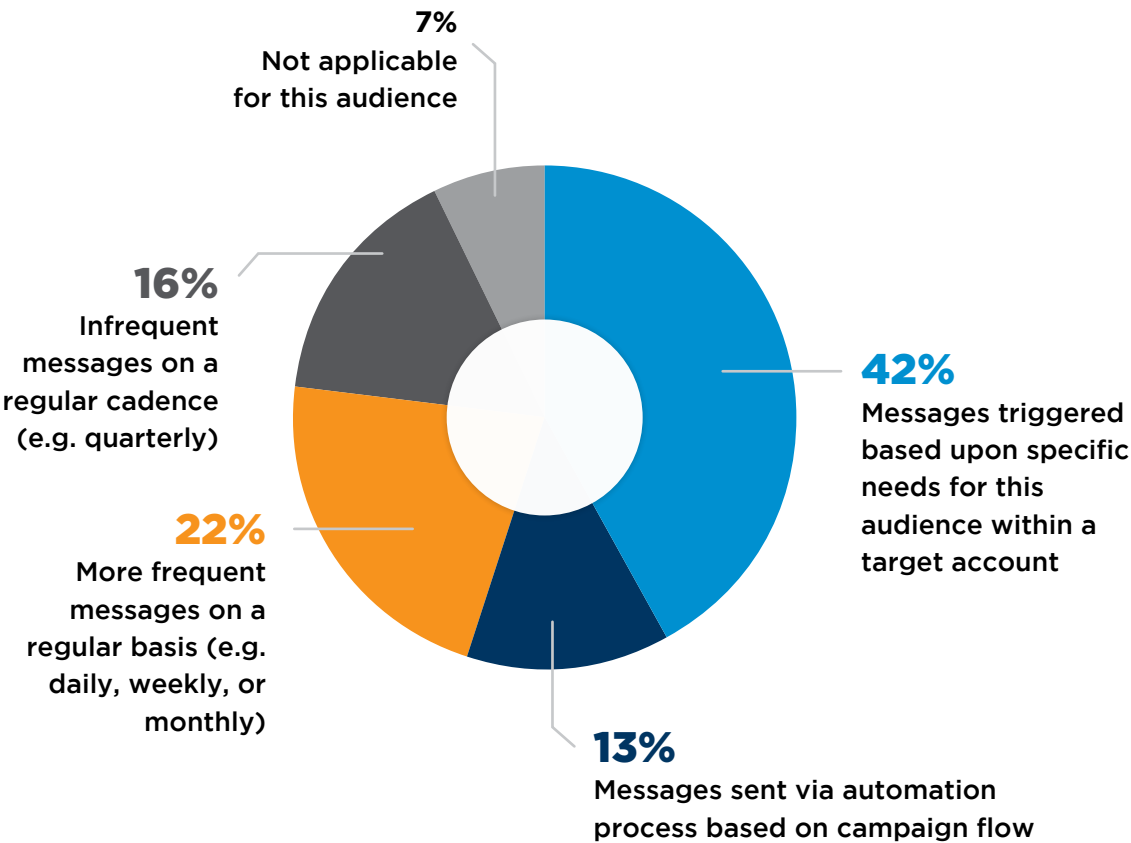
Reaching The C-Suite (continued)

The best approach for targeting members of the C-Suite involves using messages that are triggered based on specific needs, as shown in **FIGURE 9**.

FIGURE 9

For the channels that you use, which communication approach has proven best for reaching members of the C-Suite?

The underlying assumption for this approach is that the right marketing technology is in place to sense these needs and that all the channels in campaigns that target this audience are integrated with the technology.



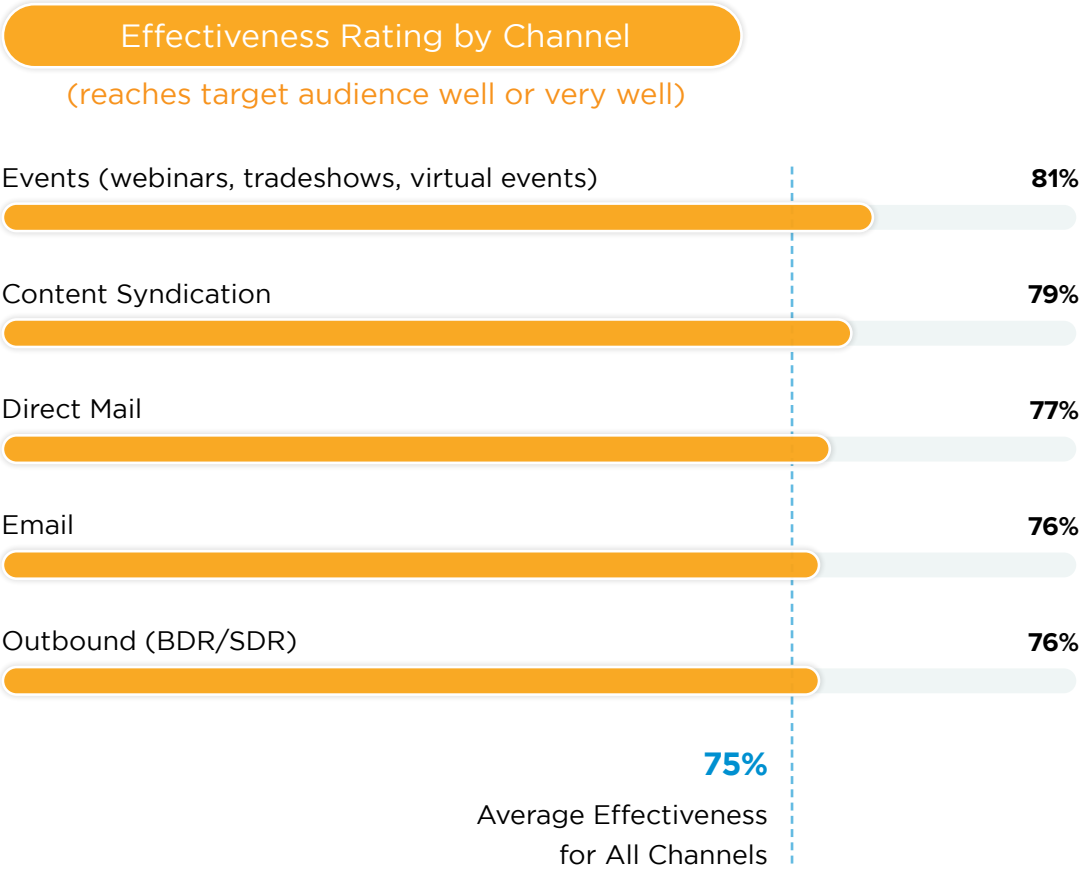
Reaching the End User

Events, content syndication, and direct mail are the most effective channels to reach the end user, as shown in **FIGURE 10**.

FIGURE 10

How well do the channels that you use let you reach the end user audience?

The end user is the second most commonly targeted audience.



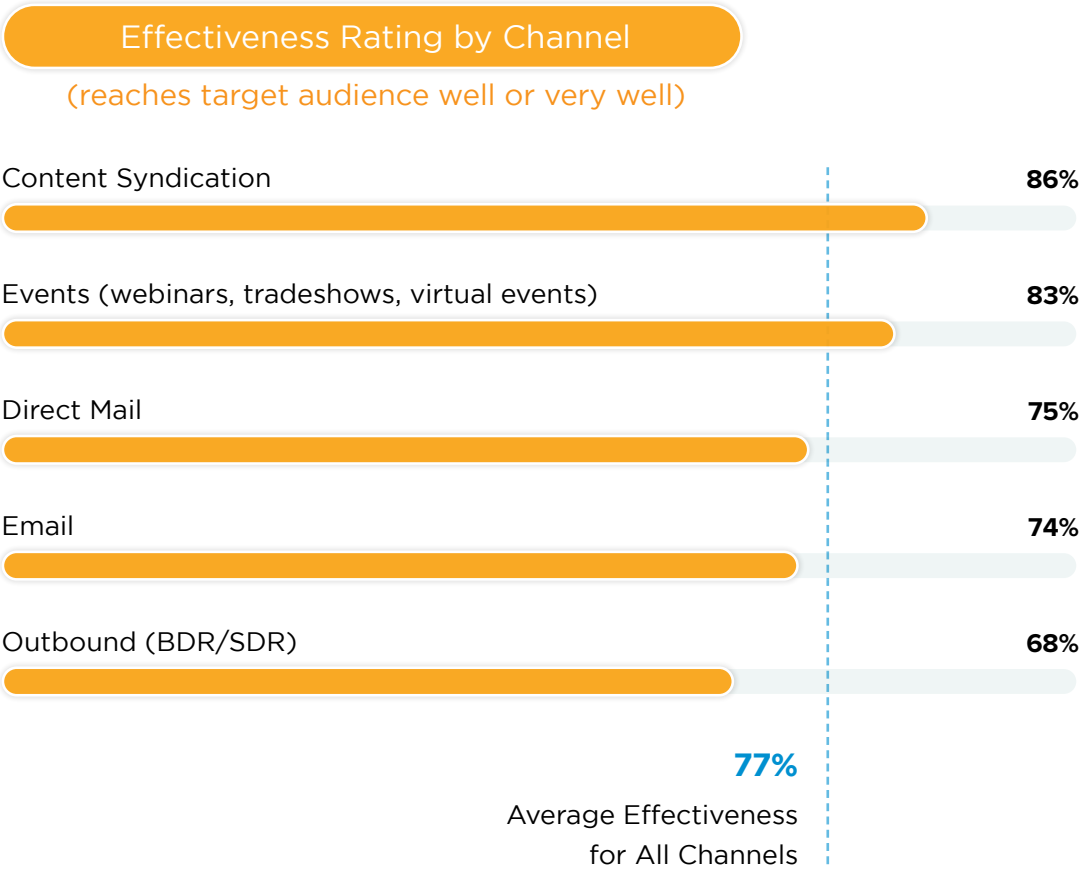
Reaching the Technical Audience

The top three channels for reaching the technical audience are content syndication, events, and direct mail, as **FIGURE 11** shows.

FIGURE 11

How well do the channels that you use let you reach the technical audience?

When it comes to targeting the technical audience, content syndication has the highest effectiveness rating.



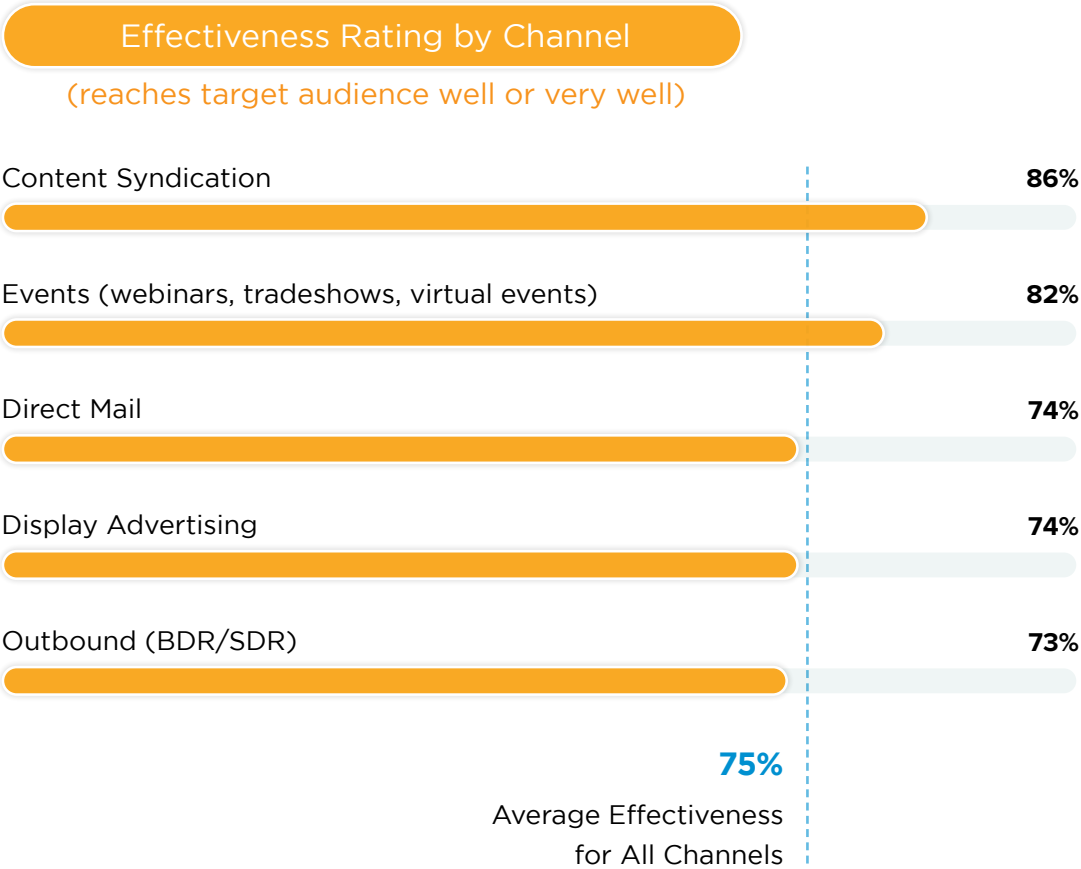
Reaching the Sales/Marketing Audience

The top three channels for reaching the sales/marketing audience are content syndication, events, and direct mail, as shown in **FIGURE 12**.

FIGURE 12

How well do the channels that you use let you reach the sales/marketing audience?

The effectiveness rating of email dropped considerably in 2020. It no longer appears in the top five best channels to use for the sales/marketing audience.

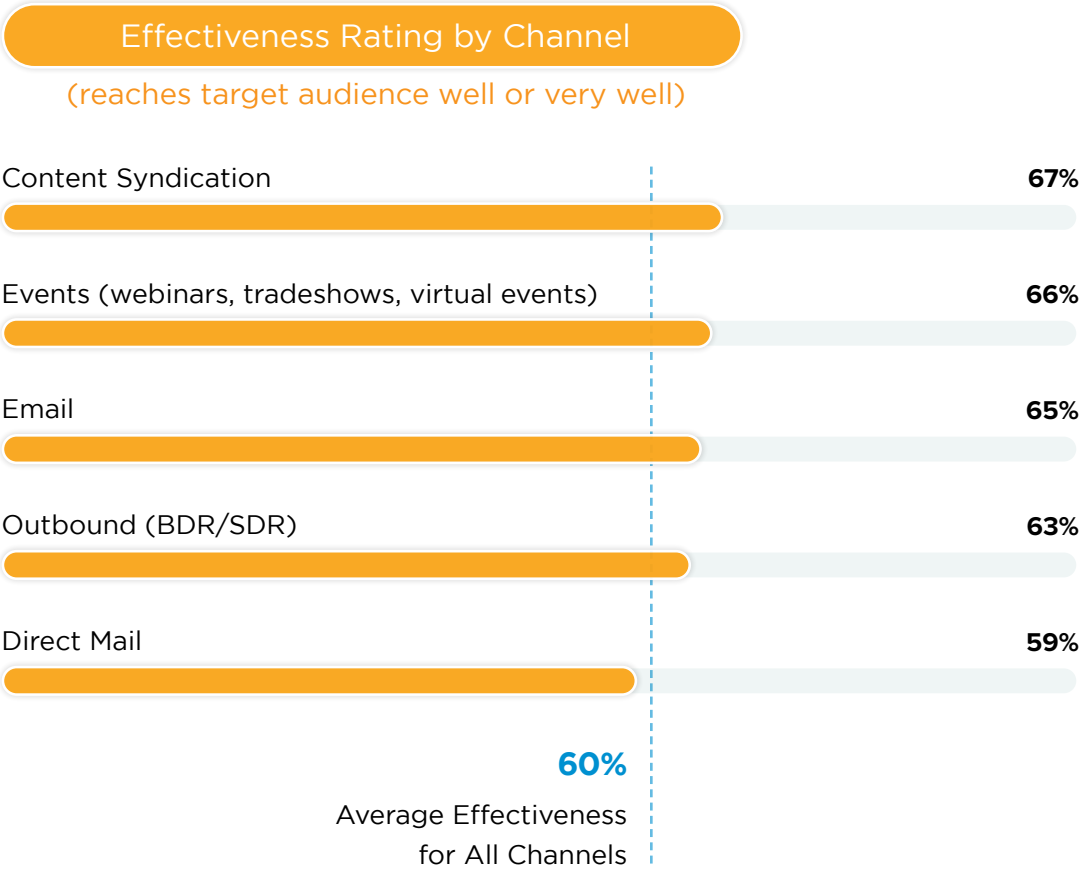


Reaching the Financial/Purchasing Audience

As **FIGURE 13** shows, content syndication is the most effective channel for reaching the financial/purchasing audience, followed closely by events.

FIGURE 13 How well do the channels that you use let you reach the financial/purchasing audience?

**The Financial/
Purchasing
audience is the
second most
difficult to reach.**



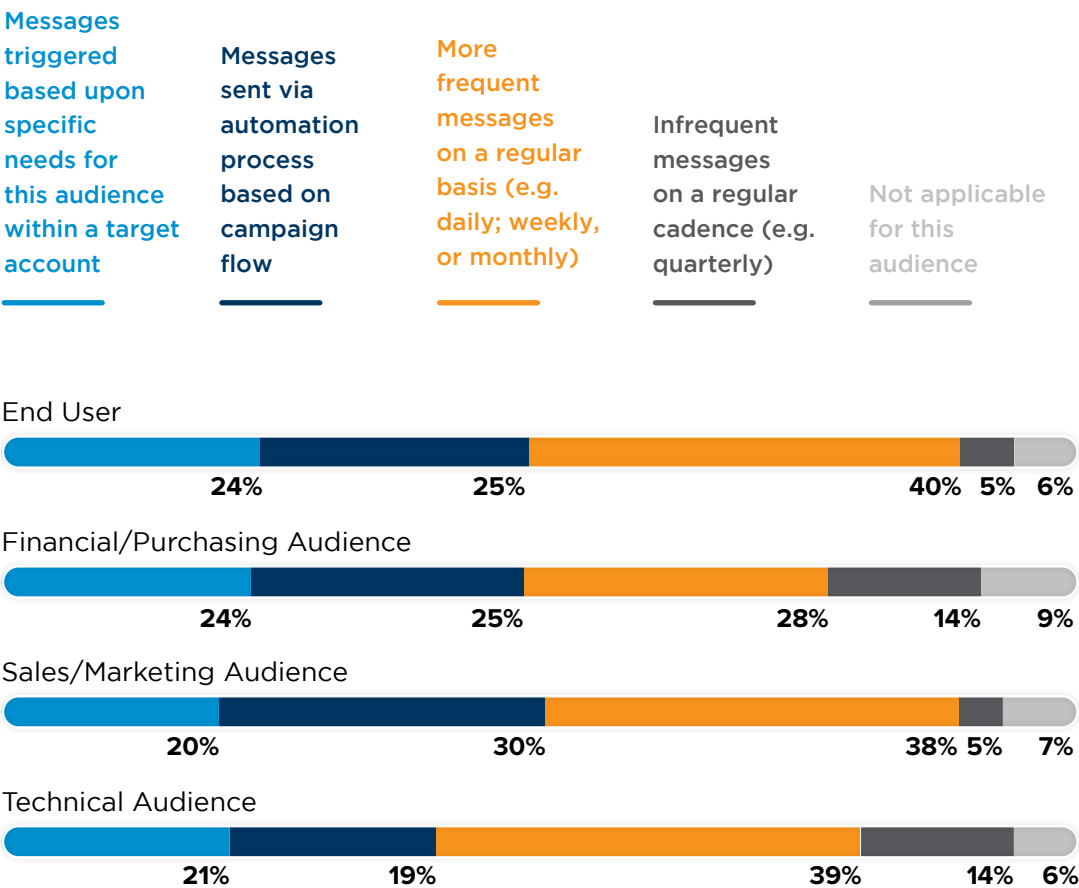
Audience Approaches

Study participants most frequently target the end user, financial/purchasing, sales/marketing, and technical audience by sending frequent messages on a regular cadence (e.g. daily, weekly, or monthly), as **FIGURE 14** shows.

FIGURE 14

For the channels that you use, which communication approach has proven best for reaching members of the following target audiences: End-User, Financial/Purchasing, Sales/Marketing, and Technical?

According to study participants, all audiences except the C-Suite are best reached through the approach that sends more frequent messages on a regular basis.



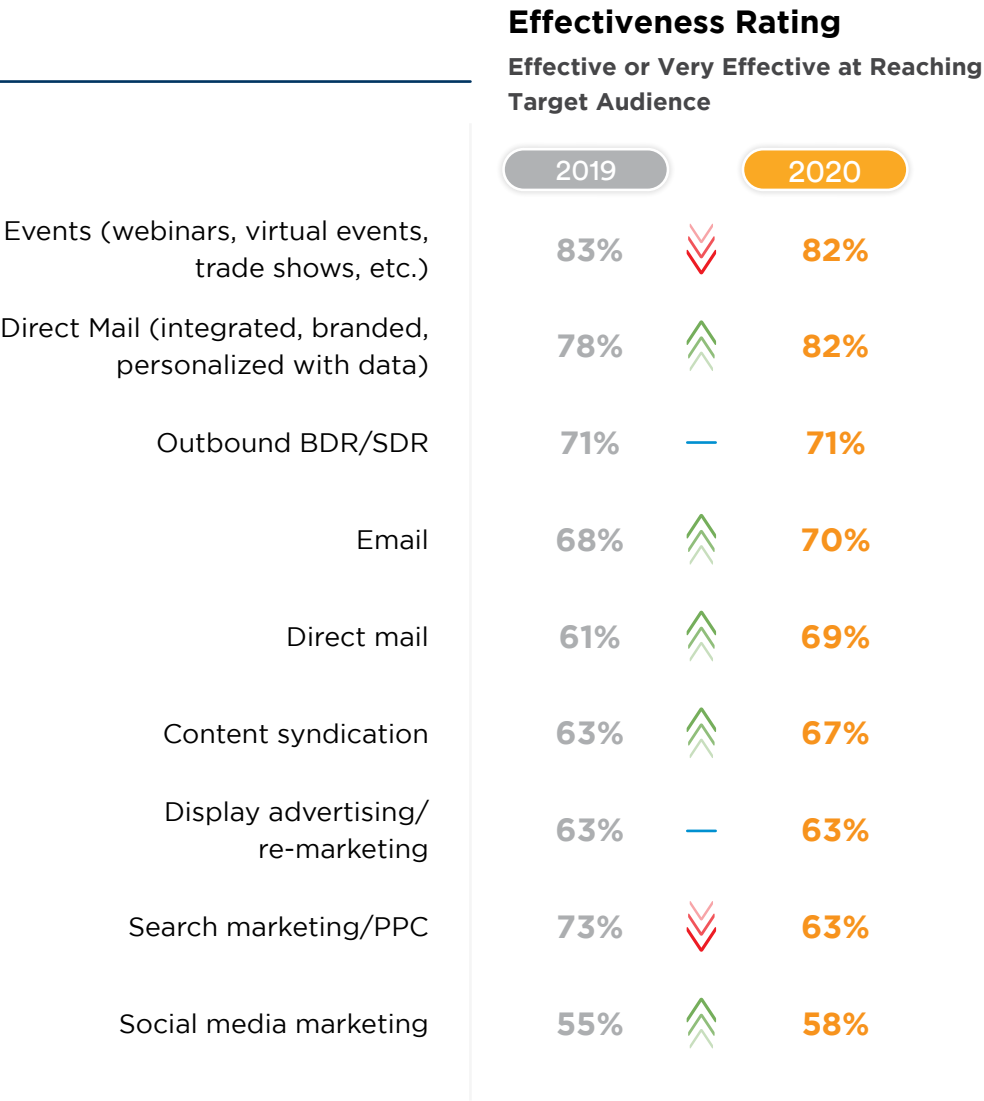
Overall Effectiveness for Reaching the Target Audience

Study participants who leverage events, or use data to send integrated, branded, and personalized direct mail report the highest levels of effectiveness, as shown in **FIGURE 15**.

FIGURE 15

How do you rate the overall effectiveness of the channels you use when it comes to letting you reach your target audience(s)?

Direct mail reported the most significant gains in overall effectiveness when it comes to reaching the target audience.



PART 3

An In-Depth Look at Direct Mail



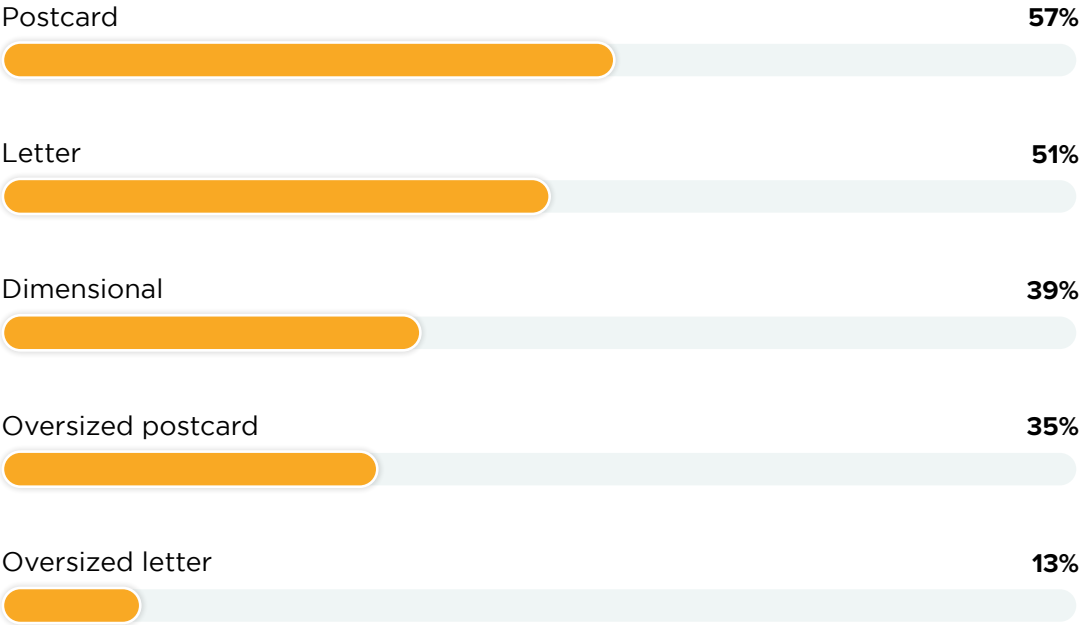
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Types of Direct Mail in Use

There are multiple types of direct mail, and **FIGURE 16** shows the usage frequency for the most common types.

FIGURE 16

Which of the following direct mail types do you use?



Postcards are the most frequently used type of direct mail.

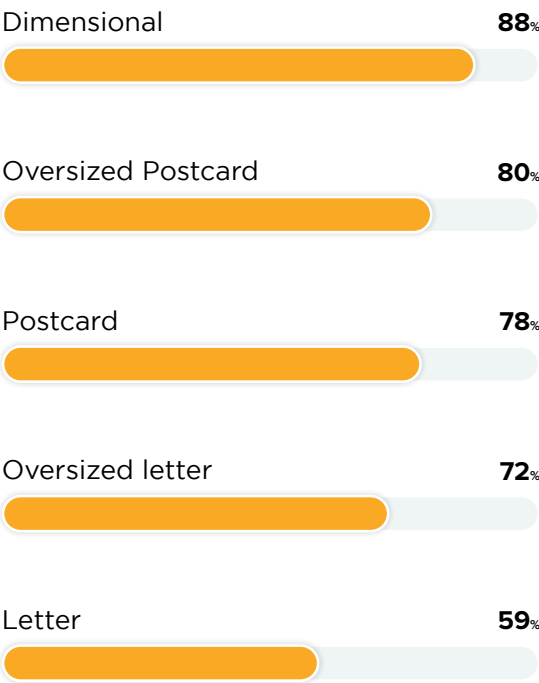
Direct Mail and Brand Representation

As a multichannel marketing campaign component, direct mail has the opportunity to represent a brand in a unique way, and **FIGURE 17** provides insight into how well direct mail formats do this.

FIGURE 17

How well do these types of direct mail represent your brand?

Dimensional mail does the best job of representing the brand.



The overall effectiveness of direct mail **improved since last year's study**, as did the efficacy of dimensional mail.

	2019		2020
Generic	61%	↑↑↑	69%
Dimensional	70%	↑↑↑	75%

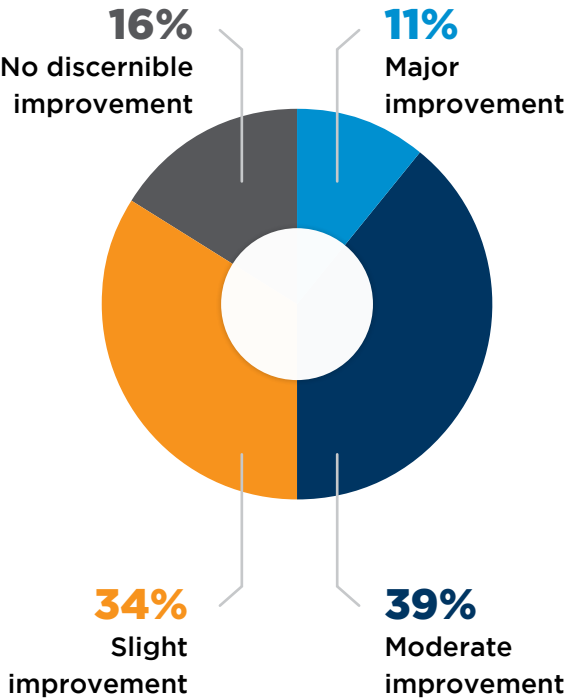
Direct Mail Multichannel Campaign Alignment

This study examines how additive direct mail is as a channel when it is part of multichannel campaigns. **FIGURE 18** shares how complementary direct mail is.

FIGURE 18

How well does direct mail complement the other channels that you use by improving overall multichannel campaign performance?

The vast majority of this study’s participants report that direct mail complements the other channels they use by improving overall campaign performance.



Study participants **reported an improvement** in how well direct mail complements other channels by improving overall multichannel campaign performance in 2020.

2019

2020

80%

84%



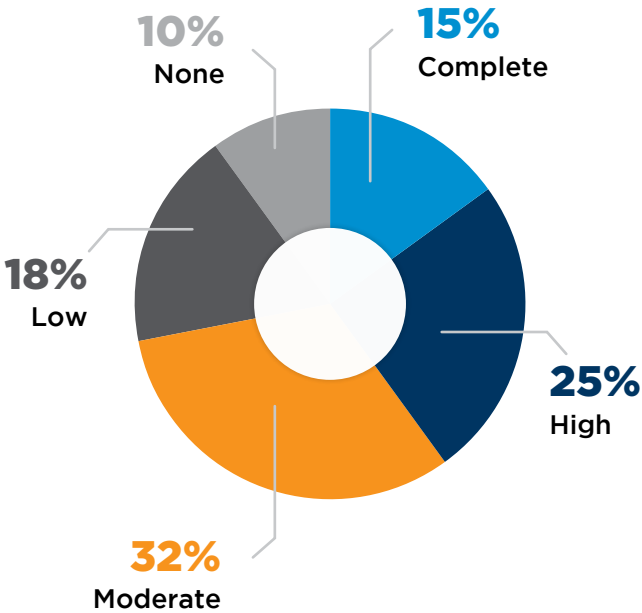
Direct Mail and Multichannel Campaign Integration

Today’s marketers rely heavily on technology to manage and track the performance of their multichannel campaigns. This study measured the degree of integration that study participants reported between their direct mail efforts and the technology used for multichannel campaigns, as shown in **FIGURE 19**.

FIGURE 19

How tightly integrated are your direct mail efforts with your marketing technology used for multichannel marketing campaigns?

Most study participants report some level of integration.



A **higher percentage of study participants** report some level of integration in 2020, than in 2019.

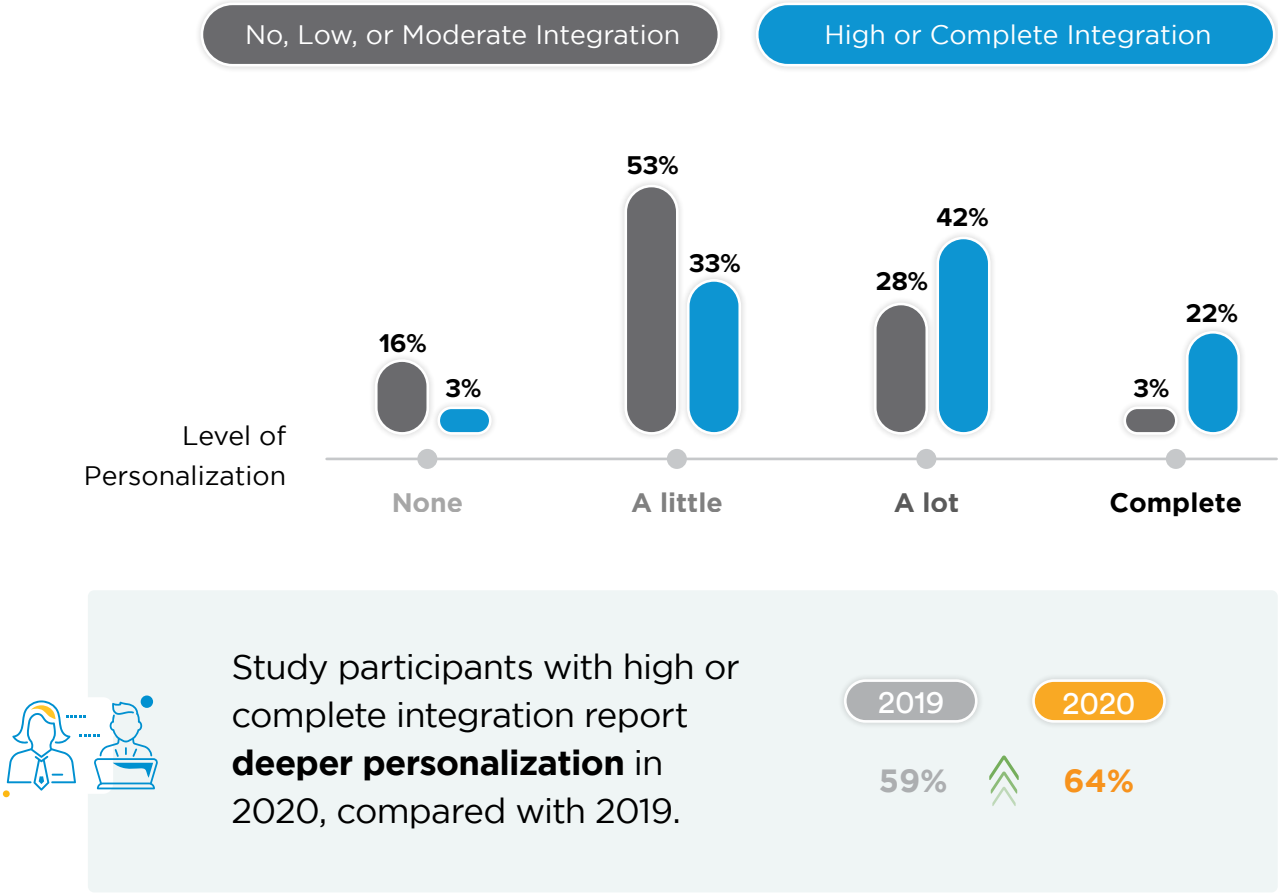


Integration and Level of Personalization

FIGURE 20 summarizes direct mail personalization by comparing two segments: those that have no, low, or moderate integration to those with high or complete integration.

FIGURE 20 Describe the integration of direct mail with marketing technology for multichannel campaigns and level of personalization.

Integration of direct mail efforts with marketing technology is a clear driver of the ability to personalize direct mail pieces.



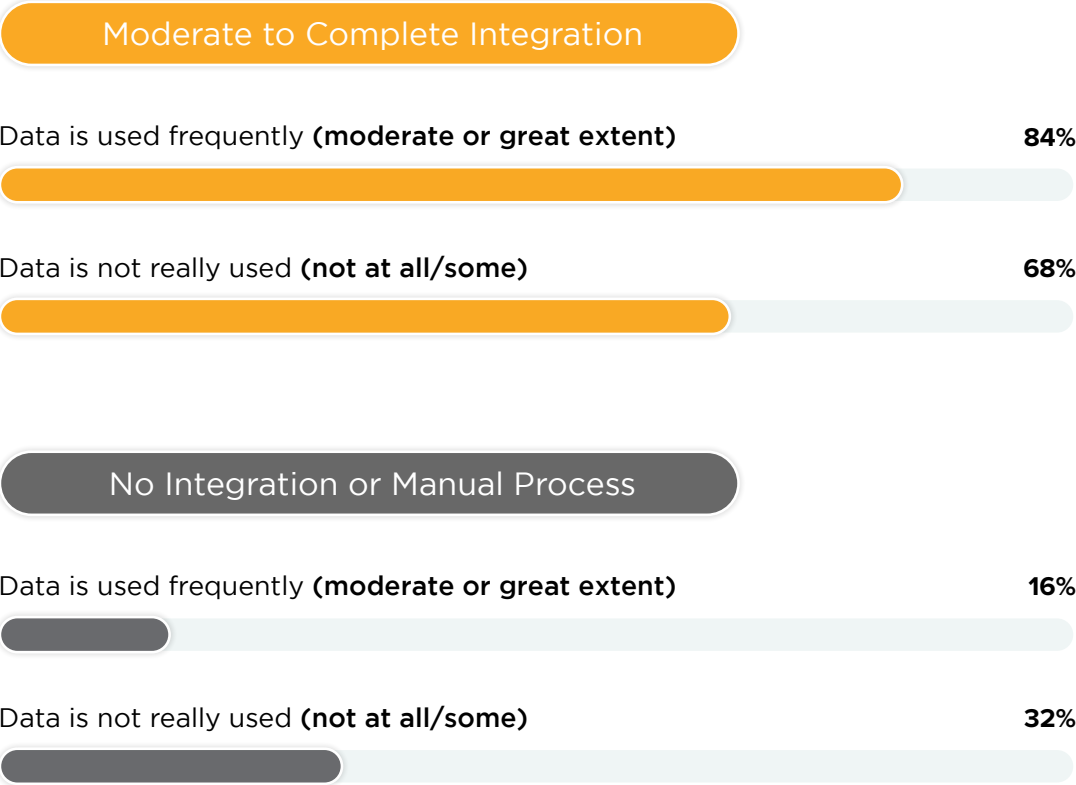
Data and Integration

In 2020, a new question was added to better understand the extent that study participants leverage insights from data to personalize direct mail. **FIGURE 21** shares the relationship between how tightly integrated direct mail efforts are with marketing technology and the extent to which data is leveraged to deliver a personalized experience.

FIGURE 21

To what extent do you leverage insights derived from data to deliver a highly personalized direct mail experience?

Integration with marketing technology improves the ability to leverage data to personalize direct mail pieces.



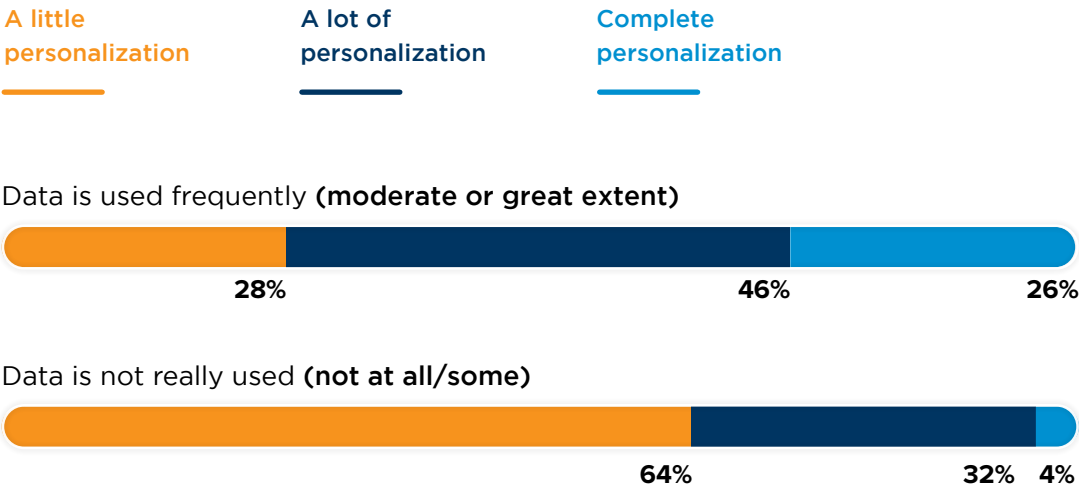
Use of Data and Level of Personalization

When data is only used to some extent or not at all, the likelihood of reporting little personalization (content like name and company) increases dramatically, as **FIGURE 22** shows.

FIGURE 22

To what extent do you leverage insights derived from data to deliver a highly personalized direct mail experience?

The use of data to a moderate or great extent improves the ability to personalize direct mail a lot or completely.

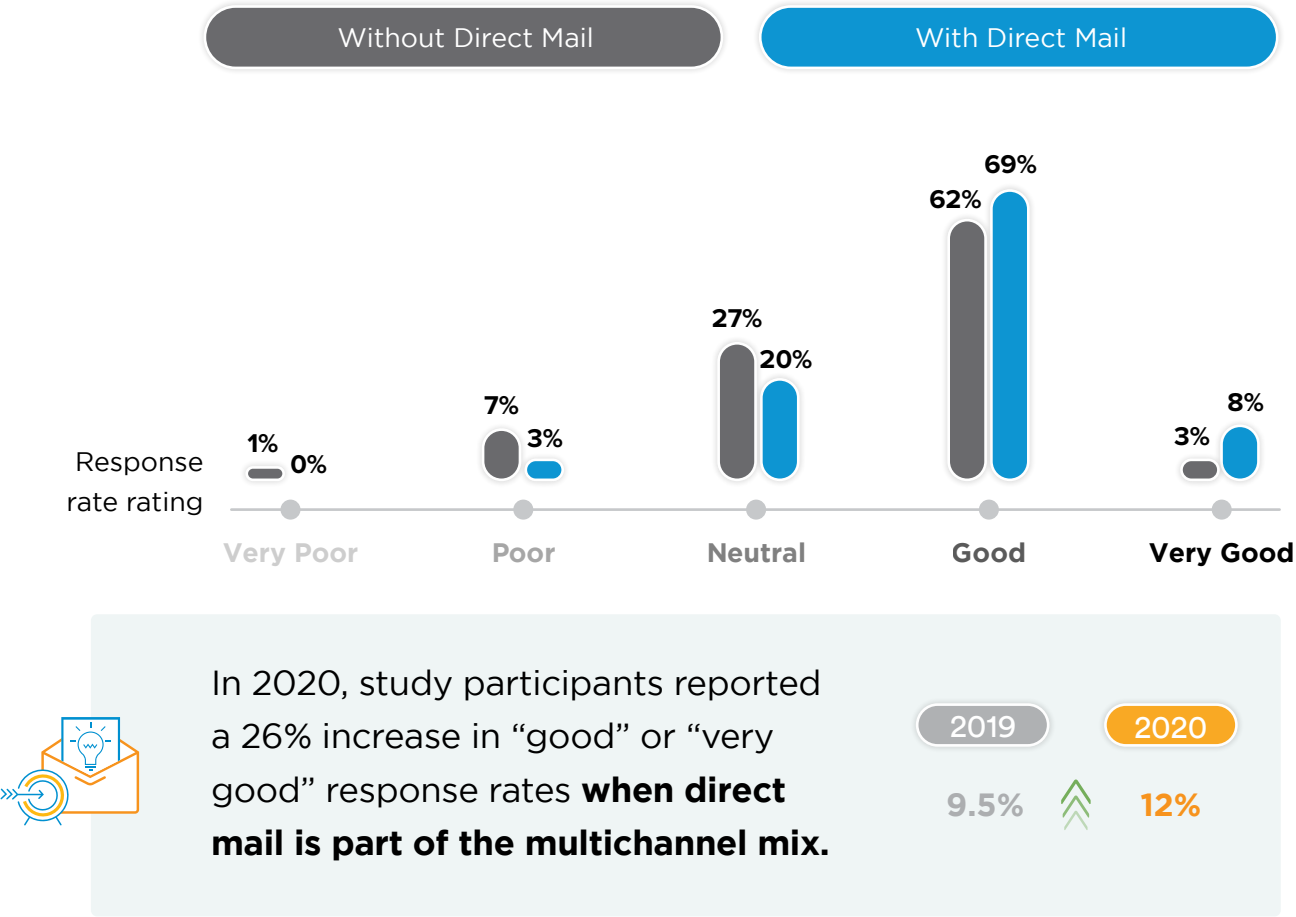


Response to Multichannel Campaigns: With and Without Direct Mail

FIGURE 23 shows a 12% lift in respondents indicating their response rate is “good” or “very good” when direct mail is part of their multichannel campaigns.

FIGURE 23

Overall, how do you rate the response rates to your multichannel campaigns?



Multichannel campaigns have better response rates when direct mail is part of the channel mix.

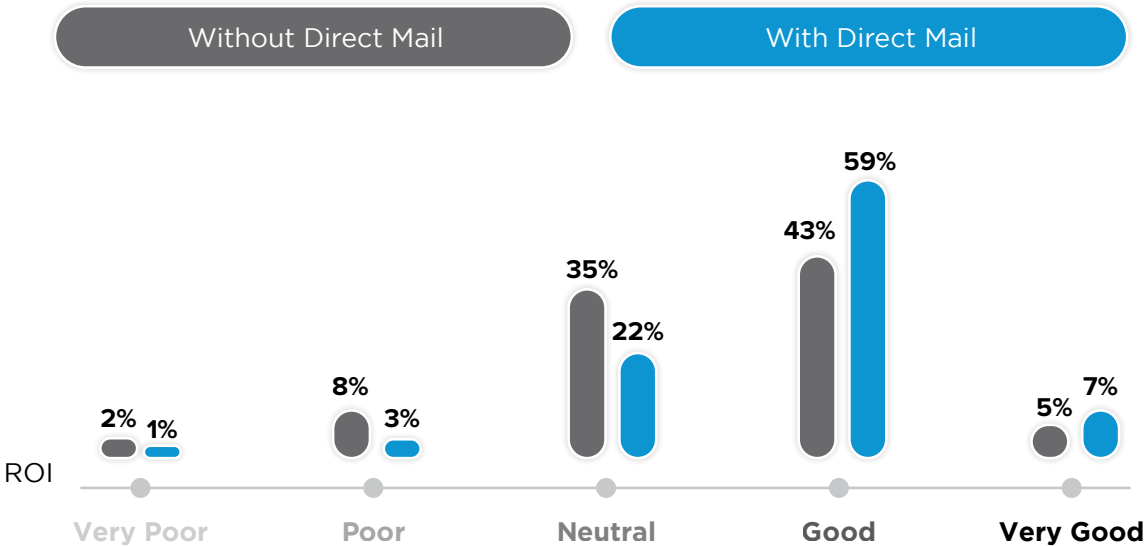
ROI for Multichannel Campaigns: With and Without Direct Mail

We found several correlations to producing higher levels of ROI for multichannel campaigns, and the simple inclusion of direct mail in the channel mix was one of them. Study participants reported an 18 percent lift in “good” or “very good” ROI when direct mail is part of the multichannel mix, as **FIGURE 24** shows.

FIGURE 24

How would you describe the ROI you get from an average multichannel campaign?

Study participants report a better ROI from their multichannel marketing campaigns when direct mail is part of the channel mix.



In 2020, study participants reported a 41% increase in “good” or “very good” ROI **when direct mail is part of the multichannel mix.**



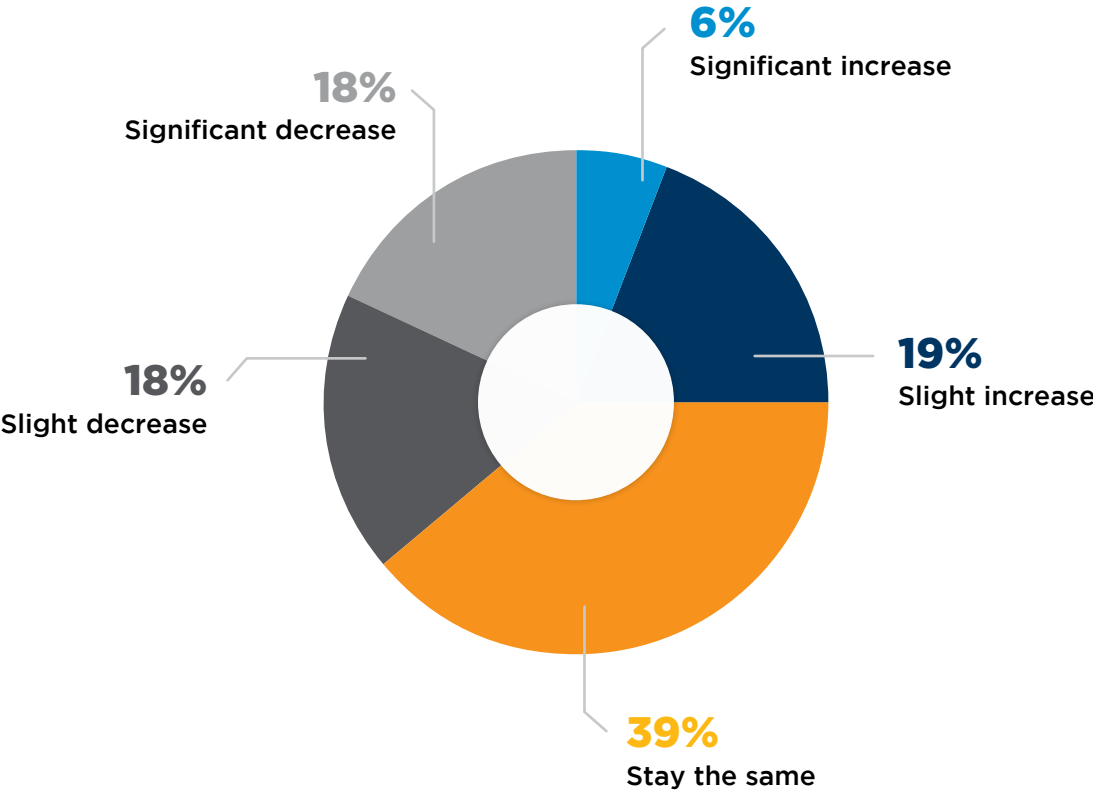
Budget for Direct Mail

A new question about changing direct mail budgets was added to the survey instrument in 2020, and participant responses are shown in **FIGURE 25**.

FIGURE 25

How will your budget for direct mail change in the upcoming 6 months?

One-quarter of this study's participants plan on increasing their budget for direct mail in the next 6 months.

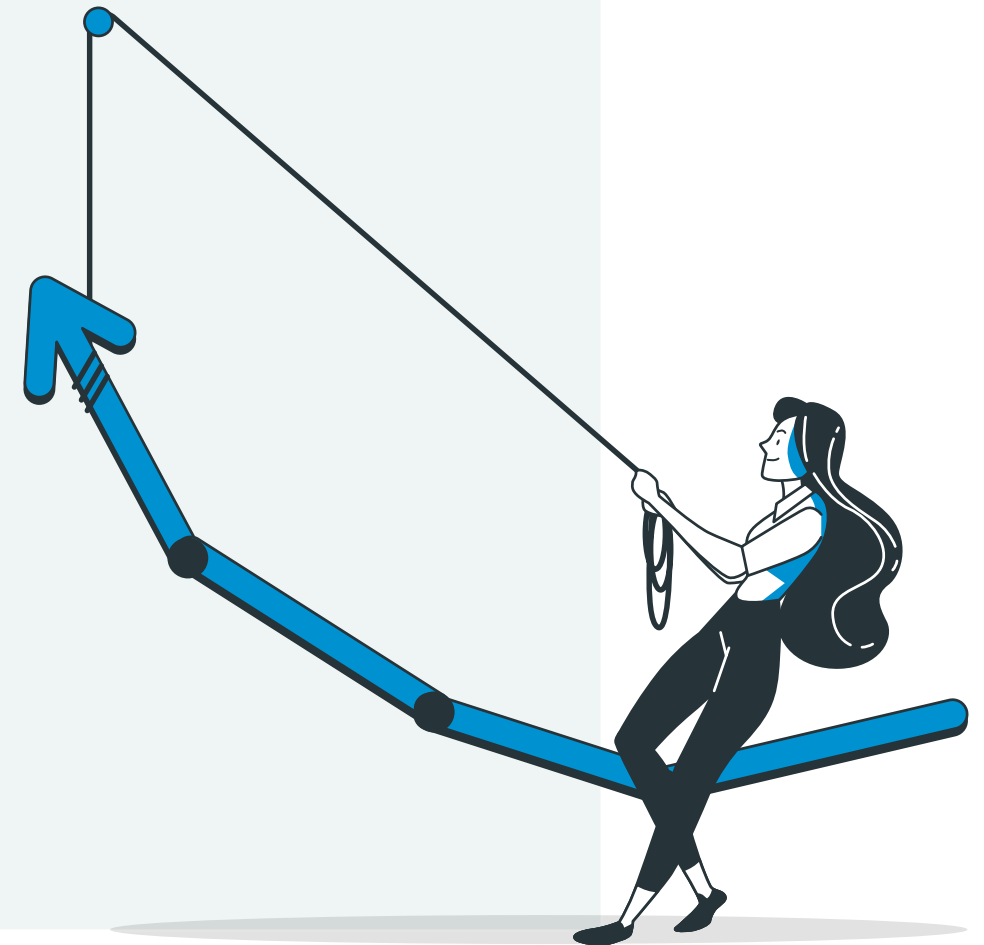


Increasing Budgets and Benefits

An analysis of the study participants who are increasing their budget for direct mail in the next 6 months revealed several relationships in the data.

Those who are increasing their budget for direct mail are more likely to report that:

- Direct mail complements the other channels they use by **improving overall multichannel campaign performance**;
- Direct mail efforts are **integrated with marketing technology** used for their multichannel campaigns;
- **Direct mail pieces are personalized** a lot or completely;
- Direct mail is significantly more effective when it comes to **reaching all of the target audiences**;
- Their average multichannel campaign is producing a **“good” or “very good” ROI**.



PART 4

Research Insights from PFL Customers

PFL partnered with Demand Metric to conduct this study. PFL is a leading provider of tactile marketing automation solutions as well as printing, mailing, and fulfillment services. Its customers represent a segment of marketers that produce the highest results and are role models for the multichannel and direct mail best practices this report has identified.

As such, **segmenting PFL customer responses provides a rare and unique opportunity to see how well the PFL vision for tactile marketing delivers value.**



The PFL segment is **143% more likely to use the highest performing direct mail format**, dimensional (68% compared to 28%).



The PFL segment is **10% more likely to indicate that their dimensional mail format represents their brand well or very well** (92% compared to 84%). This is important because not all dimensional executions have the same impact. Part of the PFL value proposition is the design and delivery of remarkable brand experiences.



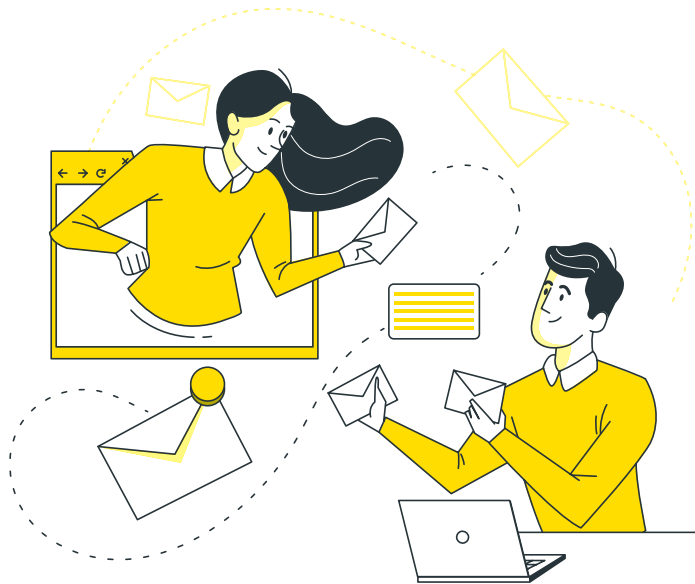
The PFL segment is **32% more likely to report that direct mail produces moderate to major improvement in overall multichannel campaign performance** (65% compared to 49%). This outcome provides evidence that the PFL approach to the inclusion of direct mail in the channel mix is more effective.



The PFL segment is **100% more likely to report high or complete integration of direct mail with the marketing technology** used for multichannel marketing campaigns (64% compared to 32%).



The PFL segment is **12% more likely to report a good or very good response rate** to multichannel campaigns (77% compared to 69%).



The PFL segment is **22% more likely to report good or very good ROI** from an average multichannel campaign (66% compared to 54%).



The PFL segment is **100% more likely to report a significant increase in revenue growth** over the past year (40% compared to 20%).



PFL customers are more effective at reaching their target audience.
The PFL segment is 12% more likely to report that direct mail is effective or very effective when it comes to reaching their target audience.

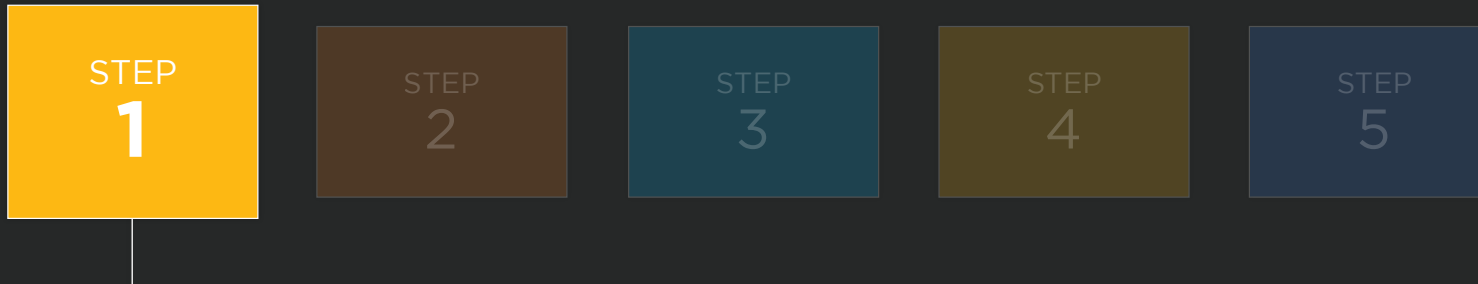


Action Plan

Getting Better Results with
Multichannel Marketing



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Audit your multichannel marketing campaigns

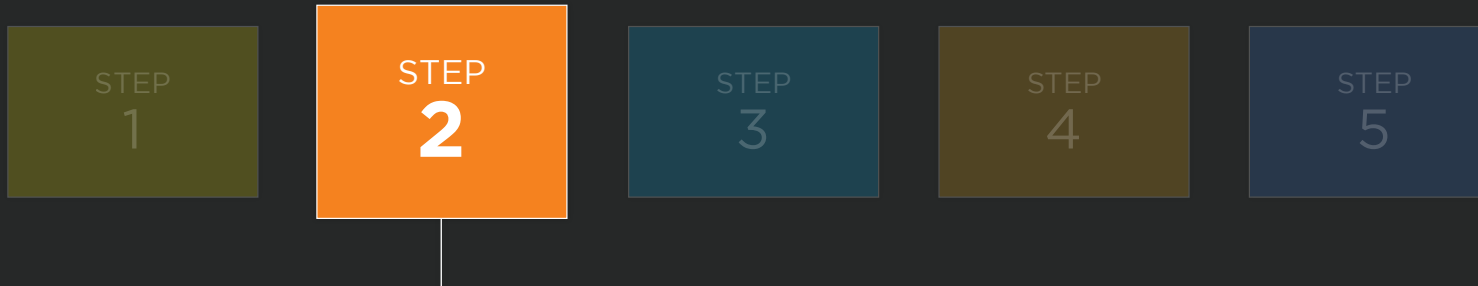
Audit the channels that you are using in your multichannel marketing campaigns by **reviewing key performance metrics and identify the top-performing channels.**

If you don't already have a multitouch attribution strategy in place, consider applying one.

Gain a deep understanding of how different channels influence the customer journey and leverage these insights to optimize your channel mix and improve future campaigns.



Action Plan



Select the right multichannel mix

Carefully consider the number of channels you are using in your campaigns and **ensure a high degree of alignment and orchestration.**

Be sure to understand your audience's communication preferences and develop a deep understanding of their needs before executing your next multichannel campaign.

This study shows that marketers who use four to six channels in their campaigns report the highest levels of effectiveness. Select the right multichannel mix for your target audience by eliminating underperforming channels and optimizing your core channels.



Action Plan



Add direct mail to your multichannel mix

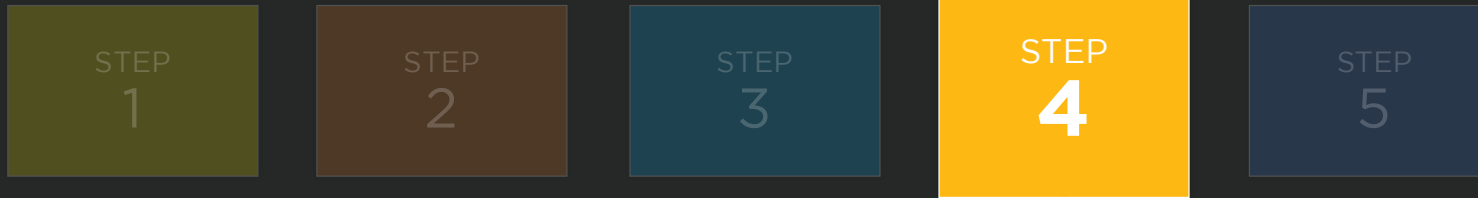
For the second consecutive year, **study participants report better response rates and ROI when direct mail is part of the multichannel mix.**

Direct mail acts as a force multiplier to multichannel marketing programs, and it's uniquely powerful to reach specific audiences, especially the C-Suite.

The most popular and most accessible direct mail format – the postcard – does the poorest job representing a brand. **The dimensional format represents the brand best because it can visually and interactively communicate brand messages.**



Action Plan



Ensure that your tech stack is working together

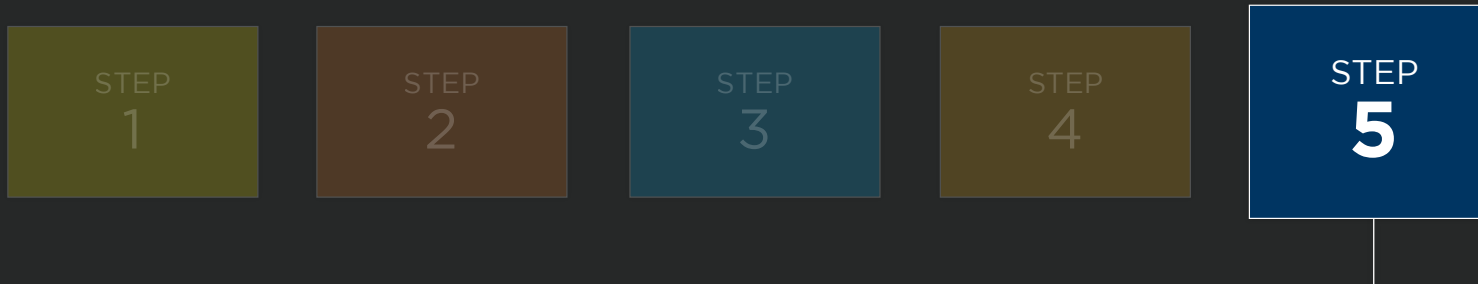
Multichannel campaign orchestration is hard to begin with, but the level of difficulty gets compounded when channels exist in a silo.

Evaluate the technology that you are using in your multichannel campaigns and ensure that your tech stack is working together. This study shows that a significant value and impact of direct mail comes from integrating it with the technology marketers use for multichannel campaigns.

Integrating direct mail with other marketing technology allows for data-driven, triggered sends at optimal times for recipients, which improves response rates.



Action Plan



Leverage data to personalize your messages

Countless research studies have shared the importance of personalization, and this study is no different.

The value of personalization applies as strongly to direct mail as it does to any digital format.

The assumption that direct mail is difficult or impossible to personalize is incorrect. When you integrate direct mail with your tech stack, digital intent signals can inform the content and timing of your tactile marketing.

Those that include direct mail in the channel mix, and follow the best practices for format choice, integration, and personalization, will stand out from their competition.



Methodology

This 2020 Multichannel Campaign Benchmark Study survey was administered online during the period of May 21 through June 9, 2020. During this period, 589 responses were collected and were qualified and complete enough for inclusion in the analysis, including 77 PFL customers. Only valid or correlated findings are shared in this report.

The representativeness of this study's results depends on the similarity of the sample to environments in which this survey data is used for comparison or guidance.

Summarized to the right is the basic categorization data collected about respondents to enable filtering and analysis of the data.

Type of organization

Cybersecurity	5%
Financial Services	8%
Health Insurance	1%
Health Care Providers	3%
Technology Software & Services	34%

Professional Services	14%
Manufacturing	11%
Non-Profit	4%
Other - B2B	11%
Other	9%

Primary role of respondent

CEO/President/Owner	11%
Marketing	61%
Sales	7%
Customer Support	4%

Finance	3%
IT	4%
Operations	6%
Other	4%

Approximate annual revenues:

Less than \$10 million	35%
\$10 to \$24 million	15%
\$25 to \$99 million	14%
\$100 to \$499 million	18%
\$500 to \$999 million	6%
\$1 billion or more	12%

Revenue growth environment in most recent fiscal year:

Significant decrease	23%
Slight decrease	50%
Flat	16%
Slight increase	18%
Significant increase	6%

Acknowledgements

Demand Metric is grateful to PFL for sponsoring this research, and for those who took the time to complete the study survey.



Demand Metric is a global research and advisory firm that supports marketing professionals with primary research and benchmark reports, technology research and advice, consulting services, training, and software.

Demand Metric's core focus is to help B2B marketing organizations grow revenue by operationalizing the best practices discovered in our research.

To learn more about Demand Metric, sign up for a free membership at www.demandmetric.com



PFL is a marketing technology company providing software solutions that help brands use digital intent signals to inform the content and timing of their tactile marketing to improve the ROI of their entire marketing spend. PFL connects sophisticated marketing professionals to the automation solutions that deliver remarkable brand experiences.

The company is co-headquartered in Livingston, Montana and Indianapolis, Indiana. For more information, please visit www.pfl.com.