EBOOK

THE MARKETER'S GUIDE TO *Omnichannel* Marketing

Lob

Today's connected consumers expect and desire memorable customer experiences. Forbes found that, 90% of customers expect and respond much better to consistent interactions across multiple channels. When done right, omnichannel marketing enables companies to align across all digital and physical touchpoints in the customer journey and guide consumers along a path to conversion and scale.

- Customer retention rates are **90% higher for omnichannel compared to a single channel** (Omnisend, 2020)
- Customers who engage with multiple channels spend up to **30% more than single channel customers** (Source)
- Today, consumers engage with an average of six touch-points, with nearly **50% regularly using more than four** (Marketing Week)
- 64% of consumers say direct mail has inspired them to take action such as visiting a website or physical location (2023 State of Direct Mail Consumer Insights)

In this comprehensive guide to omnichannel marketing, you'll learn to reach your acquisition, retention, and ROI goals by creating a consistent customer journey across all touchpoints.

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Offline + online marketing = *increased* conversions + higher LTV

Fewer and fewer customers use a single channel for research and purchasing. One Harvard Business Review study found that 73% of customers — almost three-quarters — researched and conducted purchases using multiple channels (Harvard Business Review, 2017).

Omnichannel customers are also more valuable. Marketing teams using at least three channels scored a 287% higher purchase rate than single-channel marketers. Omnichannel customers also purchased 2.5x more frequently, spent 13% more, and provided a 30% higher lifetime value.

The 2024 State of Direct Mail report shows that direct mail is fully integrated with digital channels as only 2% of marketers use it as a stand-alone tactic, down from 7% in 2023.

You can no longer treat omnichannel marketing as an option. You need to create an experience that's cohesive across every platform and each step of the customer journey, both online and offline.

What is an *omnichannel* marketing strategy?

Omnichannel marketing creates a seamless and personalized customer experience across multiple channels.

1 **CONSISTENT CUSTOMER EXPERIENCE** using unified language, UX, and branding

2 **COORDINATES ALL CHANNELS** from the overall campaign, down to the timing of individual social media posts, email, and direct mailpieces

3 **ACCOUNTS FOR EVERY STAGE OF THE CUSTOMER JOURNEY** and makes sure that every team member is set up for success

4 **CUSTOMER-CENTRIC CAMPAIGNS** recognizing that a seamless experience for customers drives the bottom line

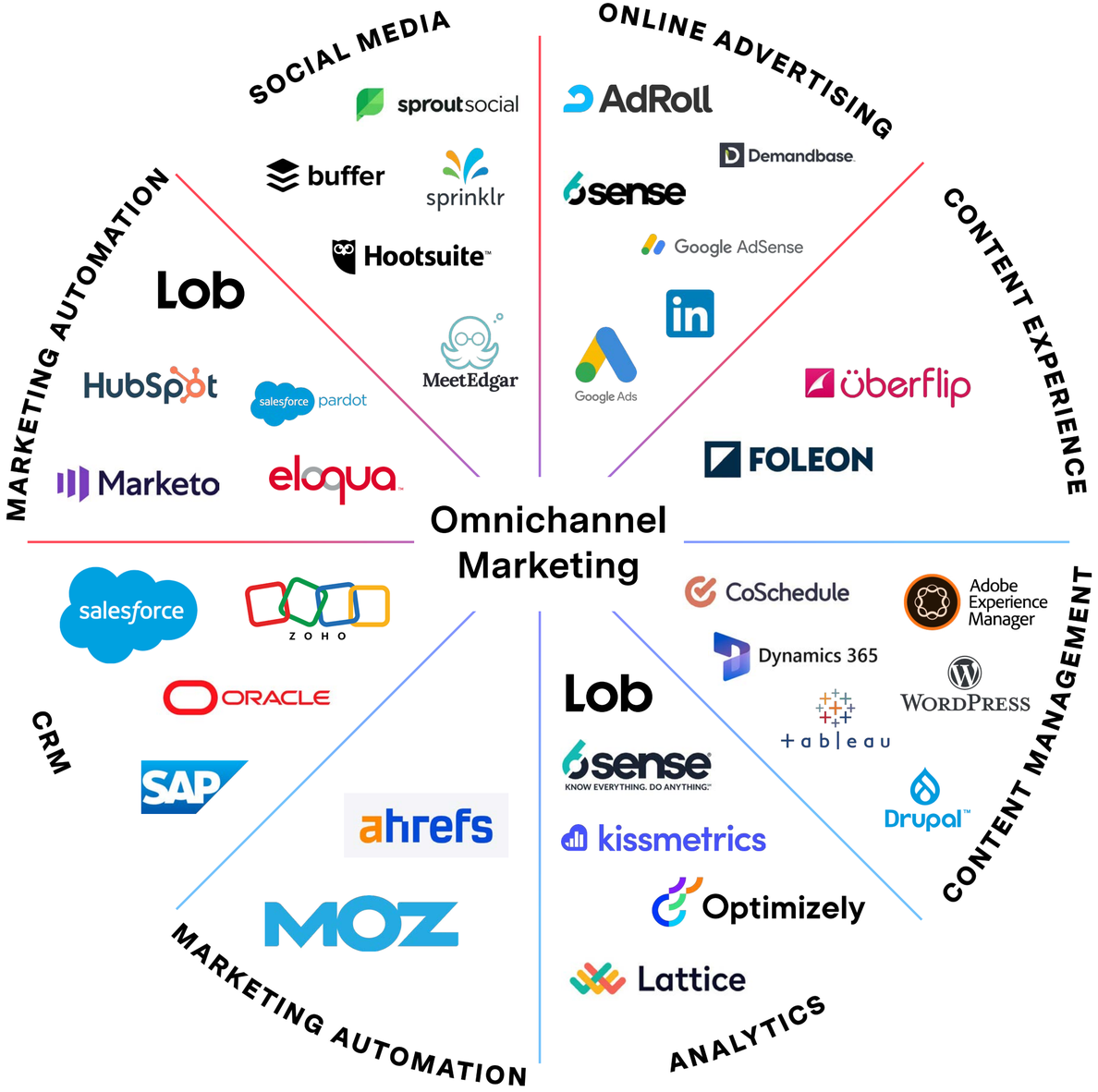
5 **MEASURABLE RESULTS** using data to understand what the customer wants and optimize for it

6 **ADAPTIVE TO A CONSTANTLY CHANGING MARKET** quickly reacting to competitors, instability, and changing consumer demands

The new *marketing tech stack* to support omnichannel campaigns

Did you know the average company uses 120 marketing tools? From major systems like CRMs to niche social media engagement tools, to marketing automation, companies have invested heavily in technology. The 2024 State of Direct Mail cites that 56% of respondents use a software/technology platform to execute campaigns.

Marketers are also doubling down on data. The global big data analytics market is growing rapidly, and expected to pass 68 billion by 2025.



Customers react differently to different channels

Sending the same message across different channels can yield very different results. A consumer who might delete an email without reading it will sit down and read a self-mailer with the exact same message.

For example, email is a low-cost marketing workhorse that enables you to time your message precisely, at the expense of low open and response rates. Consumers quickly read and respond to messages they're expecting, but are likely to delete most marketing content without even opening it.

Social media works as a niche channel, building engagement and growing your audience, at the expense of high per-post promotion cost if you boost posts or run advertising on the channels. Core customers will engage with the right posts at the right time, but a limited shelf life and hit-or-miss engagement can limit scale and ROI.

Direct mail provides a way to get your most important messages through to consumers. As a moderately priced channel with high read and response rates, it fills a role no other channel does. Consumers check their mail daily, and because mail is less saturated than digital channels, they tend to read messages they'd delete or scroll past on digital channels.

And, direct mail used in tandem with your other tactics results in even stronger response rates.

Direct mail works alone:

13x higher base response rate than email

Direct mail works even better with other channels and customer interactions:

Response rates:

6% Alone

18% With previous purchase

27% With email

An omnichannel marketing approach uses each channel where it's strongest. Rather than blasting the same content everywhere, you can use a high impact channel like direct mail to drive conversions, while using your digital channels to drive engagement, send routine and time-sensitive messaging, and keep brand enthusiasts in the loop.

Why is omnichannel marketing *critical?*

STRENGTHEN ROI BY CONNECTING ONLINE AND OFFLINE CX

Combining online and offline channels multiplies the effectiveness of each.

Digital channels have a 1-2% average response rate. Add direct mail, and you're at a 27%

DRIVE SUPERIOR CUSTOMER EXPERIENCE

A great example of this is Starbucks. They created a mobile payment app for customers to pay ahead, allowing them to get in and out more quickly.

The app now accounts for 29% of the company's purchases.

IMPROVE CUSTOMER RETENTION

Omnichannel integrates your marketing tactics into a coherent retention strategy.

For example, the Starbucks app that drives mobile purchases also drives retention, with a loyalty program, special offers, and discounts.

Surveys and personalization get customers even more invested in the brand, while also providing Starbucks with analytics to better understand their customers.

INCREASE CUSTOMER LIFETIME VALUE (LTV)

Whatever stage your business is at, omnichannel marketing can help.

Omnichannel customers are 30% more valuable than single-channel customers.

Omnichannel journey stages

Omnichannel marketing is as much a journey as a destination. Here's how to evaluate where you are, and take the next step on your path to omnichannel marketing.

	MULTI CHANNEL	CROSS-CHANNEL	EARLY OMNICHANNEL	FULL OMNICHANNEL
DOCUMENTED WORKFLOWS				
COORDINATION ACROSS CHANNELS				
COORDINATION ACROSS TEAMS				
AUTOMATION				
ANALYTICS AND ATTRIBUTION				
A/B TESTING				

Multichannel marketing

Multichannel marketing uses more than one channel, but has little coordination between them. This is where most companies begin. Teams typically have separate workflows, tools, data resources, and agendas.

Teams may share information informally or sporadically, but not in a scalable or comprehensive way. They're often at different stages of automation and development as well. For example, many companies have one or more digital channels with sophisticated automation and analytics, while their direct mail team uses legacy manual workflows that are resource and time-intensive. Attribution is typically weak and inconsistent.

Messaging tends to be company-focused, with little customization or segmentation. The company will generally have a few big buckets (e.g. segmenting consumers into different regions), but usually won't get much more granular. Segmentation may be inconsistent, complicated by a lack of data sharing. For example, B2B companies may have sales teams that customize their messaging extensively for individual clients, but use less targeted marketing materials.

Key Tasks

DOCUMENT WORKFLOWS

Most companies develop ad hoc marketing workflows early on. These can work well when there are just a few people in the marketing department, but they don't scale well as the company grows.

Before you try to fix it, take the time to document how your marketing team or teams develop, produce, and distribute content. Make sure to look at how teams work together across channels, and the role of partners, contractors, and other outside parties in the work

INVESTIGATE AUTOMATION

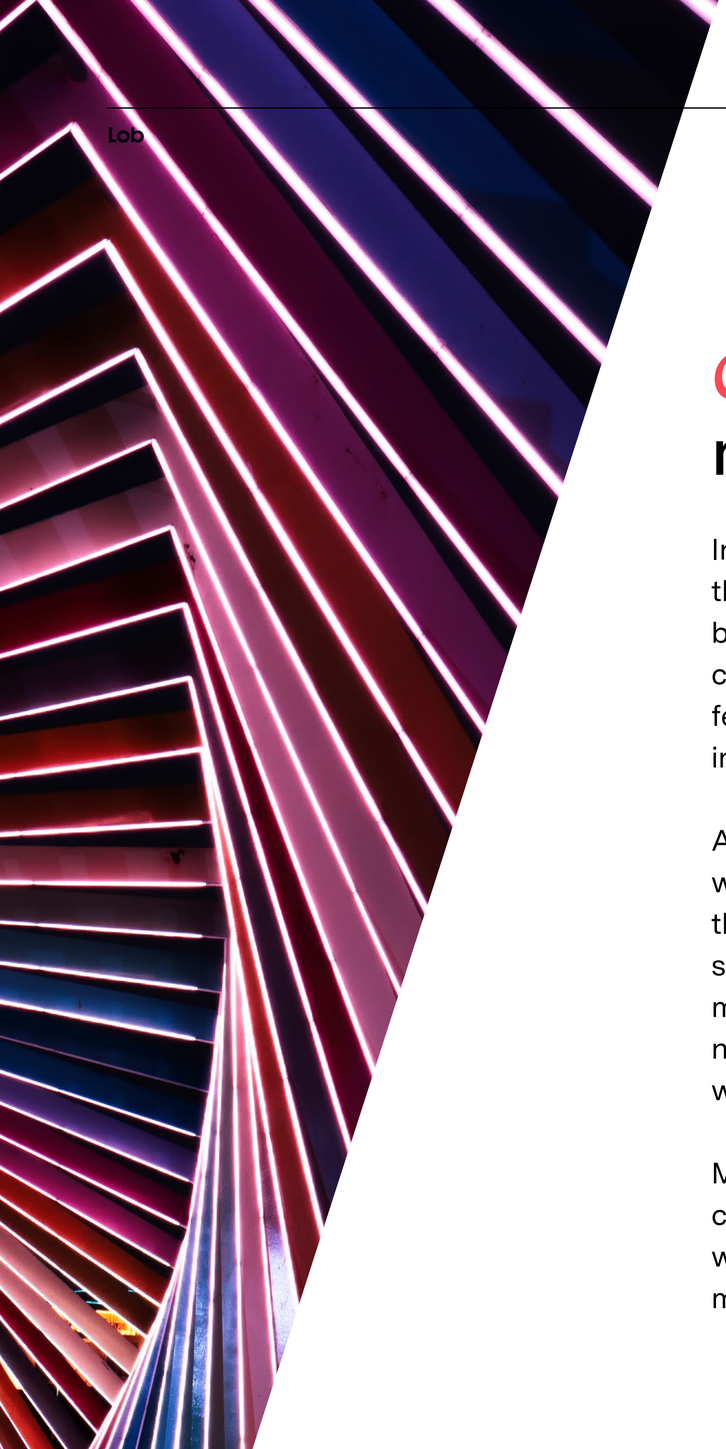
Scheduled posting or sending, automated segmentation and addressing, customizable templates, and other tools can make your team more effective and efficient. Team members may have adopted their own preferred tools to handle these tasks on digital channels. However, your direct mail team is probably still using inefficient, manual processes.

It's time to start thinking about what needs to be automated, and how to accomplish it.

TEST, ANALYZE AND ATTRIBUTE

Find out how your team tracks results, and what results they're getting. Teams at this stage toggle between direct and indirect attribution — pick one. Work with your teams to identify standard benchmarks to measure campaigns, and work with them on optimization strategies.

Coordinate multiple channels closely on a significant project, such as a product release or seasonal campaign. Plan out messaging and timing, using channels to reinforce each other. For example, in a product release, you could tease a new product with social media posts and emails, then mail full-color brochures to your most loyal customers to build anticipation. A/B test both projects; send emails to one group, and target the other group with both email and direct mail to show the lift from direct mail.



Cross-channel marketing

In cross-channel communication, there is some degree of coordination between channels. Often, different channels will cooperate closely on a few major campaigns, while operating independently the rest of the time.

At this stage, digital channels typically work more closely with each other than with non-digital channels, such as direct mail. Cross-channel marketers also struggle to coordinate new content on apps and websites with content on other digital channels.

Messaging is better in cross-channel marketing. Your company will have better segmentation, and more customer-focused messaging.

Cross-channel marketers make better use of customer profiles and data. However, there will be inconsistencies in messaging between channels and campaigns.

Attribution will be better as well, but different channels may not share the same goals or criteria, making it difficult to get a clear picture of customers across channels.

Segmentation and customization will be better. However, it may not be consistent between channels. Workflow can vary at this point, with some companies standardizing more than others.

Key Tasks

CREATE STANDARDIZED SEGMENTATION

Your goal is to create a standardized way to evaluate and segment prospects and customers, so you can respond to their needs at each stage of their journey. This will accelerate the sales cycle, make it easier to coordinate different stakeholders, and facilitate future improvements to your marketing strategy.

BUILD CONSISTENCY ACROSS CHANNELS

Fix inconsistencies in how different channels interact with customers. Look for differences in response time, tone, language, and other factors across marketing, sales, and customer support channels, and bring them into alignment.

Every step you take to build consistency will bring you close to your goal of a truly omnichannel marketing approach.

INCREASE COORDINATION AND COOPERATION BETWEEN STAKEHOLDERS

Look for opportunities to bring your channels closer to an omnichannel strategy by bringing your stakeholders together. A few ideas:

- Use a major marketing campaign to test out an omnichannel approach. Debrief the whole team afterward to discuss what worked and what didn't.
- Get feedback from sales about the effectiveness of your marketing assets. Find out what works, what doesn't, and what new materials they need from you.
- Bring in additional stakeholders, such as web design and product people to your marketing campaign kickoff meetings, and send marketing stakeholders into their meetings to learn how to best support them.

AUTOMATE TO UPGRADE CAPABILITIES

An omnichannel approach works best when every channel has the same workflow and capabilities. Look for channels that are lagging behind in automation, customizability, and other factors, and start upgrading. Start to look at unifying your workflow to unite design, customization, scheduling, and sending in a single stack.

Early marketing

An early omnichannel company has rolled out its first omnichannel campaign, targeting customers with a unified message and timing. The messaging is customer-focused and segmented to address the needs of various groups. The company is tracking results, sharing data, and maintaining fairly consistent messaging.

Key Tasks

INCREASE PERSONALIZATION

Use the customer-level data you have to personalize and customize content. One good approach is to dynamically shape your customers' experience based on their purchase history. Send them emails and direct mailpieces with offers similar to previous purchases. Use search and purchase history to make relevant recommendations on your app and website.

Depending on their niche, B2B companies can go even deeper, touting new features a particular customer requested, using a customer's interests to recommend particular assets and webinars, and extensively personalizing, cross-selling, and upselling campaigns. This is also an option for many B2C companies — particularly those offering luxury goods.

UPGRADE CUSTOMIZATION

At this point, there may still be technical and economic factors that limit your customization. For example, your direct mail customization may be limited by your print vendor relationship.

Traditional direct mail printer relationships typically require you to purchase a level of customization ahead of time. However, different campaigns will require different amounts of customization. For example, your acquisition campaign might only require 10% of the page to be personalized, while your retention campaign requires upwards of 50%. This can make it hard to justify the extra cost of customizing content.

Switching to a provider with flat per-piece pricing gives you the flexibility to customize each mailpiece as much or as little as required.

MANAGE DELIVERY TIMELINES

Effective omnichannel marketing requires precise timing. By staggering delivery times across multiple channels, you can increase the likelihood of getting through when a customer is receptive, without oversaturating any channel. Speed helps too, enabling your team to adapt to news, events, and market changes ahead of your competitors.

Early omnichannel is the perfect stage to accelerate your cadence and hone your timing. At this stage, you should be able to deliver mailpieces to customers on the exact day you want to, and schedule digital channels to the minute.

Cadence varies a lot based on your workflow. But wherever you are, it's time to start pushing your limits. Lob can help, getting mailpieces printed and handed off to the USPS within 48 hours of when you send them. By tweaking your internal workflow and upgrading your technology, you should be able to execute a campaign inside of a week!

AUTOMATE

Automating ongoing campaigns increases productivity, and leaves your team free to focus on strategic initiatives that impact the bottom line.

For example, you could use customer actions to automatically trigger a nurture campaign, as ThirdLove did. When a customer unsubscribes from its email list, the company automatically adds the customer to its direct mail nurture campaign.

It turned out that most customers who unsubscribe from email are happy to hear from the company on a less saturated channel — in fact, ThirdLove received their best response rate from email unsubscribers. And aside from the need to occasionally update the content, the campaign runs itself.

Full *omnichannel* marketing

A team that is running full blown omnichannel marketing campaigns has implemented a coherent strategy and workflow across all channels. Marketing is segmented and personalized, and data is utilized effectively to optimize the strategy.

Customers see the company is responsive, and the business is able to quickly adapt to new events and changing market conditions.

Messaging is consistent, and the team works together to create a coherent brand experience across all channels.

Key Tasks

UPGRADE YOUR DATA

At this point, you're tracking ROI across channels and using it to form a detailed picture of consumers. But there's always room for improvement. Here are a few ideas:

- Incorporate ongoing customer feedback into your workflow. Use "like/dislike" buttons or simple surveys to collect input on new features, changes in workflow, language, and other factors.
- Update valuable older content based on your data findings. For example, if you find your customers respond better to an informal tone, rewrite ebooks and other assets in a more casual style.
- Test new form factors and other design aspects you haven't evaluated recently. If you regularly send out 4" x 6" postcards, try using 6" x 10" postcards or folded self-mailers to see if customers respond better.

CODIFY BEST PRACTICES

It's time to dust off that style guide you wrote way back in the early days. The better you specify best practices, the easier it will be to keep your branding consistent — particularly as workers and contractors come and go.

EXPAND YOUR OMNICHANNEL APPROACH

Marketing is often the place where companies try out new approaches to communications. But many of the same tools and workflows can provide fantastic gains for other departments.

For example, your accounts payable department may still be printing direct mail in-house, or using an inflexible and time-consuming printer relationship. An automated direct mail solution such as Lob can cut costs and delivery times, and even help you satisfy compliance requirements by logging direct mail sends and deliveries.

Omnichannel inspiration and campaign examples

This section of the guide highlights several "everyday" omnichannel approaches — both prescriptively, and through examples — to help inspire you as you work through campaign planning. Examples are aligned with different customer lifecycle phases, but the approaches highlighted can be effective across stages.

RECOMMENDED READING

Get inspiration for your next direct mail campaign by looking at the examples featured in our Best Direct Mail Campaigns collection.

1

Finding new information for better acquisition

As discussed earlier in this guide, the acquisition phase of the customer lifecycle is all about information. Effective marketing approaches in this phase convince prospective customers to identify themselves. One way that marketers can increase effectiveness at this phase is to work with data providers to turn the "crumbs" left by digital browsers into full-fledged contact information.

Data providers can use IP address and device ID to match additional information such as email address, or even physical mailing addresses.

With this information you can move beyond just retargeting website visitors with display ads, and begin adding them into email, and even direct mail campaigns to move them further along the customer journey.

"When I started direct mail at NEXT, I had colleagues who were like, why are we sending direct mail? Why are we using this old-school channel? We made the case that people are responding to direct mail."

TIM O'BRIEN
Head of Direct Communications, NEXT

See how direct mail drove a 4x increase in campaign performance for NEXT

2

Using multiple conversion options to accelerate sales

For some businesses, product cost and complexity (or simply a long sales cycle) can make conversion a particularly sticky point in the customer journey. Using multiple conversion avenues improves conversion by making it as easy as possible for prospects to become customers.

For one company offering at-home dental treatment, this multi-channel approach proved invaluable. The company provides customers with dental impression kits that they can use at home. Once the customers send back the dental impressions, the company provides them with a series of invisible teeth aligners — all without entering a dentist's office.

This innovative service necessitates a complex customer journey. Many consumers are unaware that you can even have your teeth straightened at home. And once consumers become aware, the cost of the service can be an obstacle for some. Additionally, the service requires the customers to use the impression kit at home and send it back — a process not all new customers complete.

To reach customers who have requested an impression kit but not yet returned it, the company uses a multi-channel approach across email and direct mail. The customer receives customized notices in both channels, offering a discount for completing the sales process.

This outreach is personalized with the location of the company's nearest retail store, where customers can also go to complete the process. The combination of both offline and online channels has increased conversion by 30%.

3

Making the customer feel a part of something special

Engagement is one of the trickier phases of the customer journey, because it's about instilling a sense of value and belonging, even when a customer isn't actually transacting with you. Much of this is achieved through the product experience itself, but there are interesting ways that marketers can help to foster these feelings. The team at Naked Wines is a good example.

Naked Wines isn't a traditional wine club. Instead their members, called "Angels", invest in independent winemakers through monthly deposits. Members can then use their deposits to purchase wines that these winemakers produce. This is a somewhat complex value proposition, and the team at Naked Wines wants their customers to feel like they are doing more than just buying wine.

Direct mail was a natural channel for the Naked Wines team to explore. A well-designed piece of mail can create that special connection with customers that's harder to achieve through digital channels. Naked Wines created a series of direct mail pieces from welcome letters for new customers to "account statements" for existing customers that have accrued enough balance to purchase wine. Each communication is signed by their head winemaker, and features vineyard imagery. The addition of these pieces forged a deeper connection with their customers and drove a 7% increase in repeat purchases.

4

Removing unexpected renewal hurdles

For subscription businesses renewal is perhaps the most critical phase of the customer lifecycle. Sometimes, however, renewal isn't predicated on how much value a customer perceives from the service. There are technical, transactional roadblocks that can prevent renewal as well.

For example, Dollar Shave Club renews their customers automatically every month, but what happens when a customer's credit card expires?

This simple issue can lead to the dissolution of a profitable long-term relationship, so Dollar Shave Club reaches out across several different channels to quickly try and correct a credit card they can't charge anymore.

In addition to email outreach, the team at Dollar Shave Club also sends a personalized postcard reminding customers of the next shipment that's on hold until they update their credit card info. The approach removes renewal hurdles, and allows the team at Dollar Shave Club to focus on the value they deliver to their subscription customers.

5

Compelling communication and offers to bring customers back

Winback is always tricky, and the reasons for customer defection can vary. Sometimes it's the result of dissatisfaction, but it can also be a simple lapse of attention. Consumers are bombarded with marketing messages and shopping options, so it's hard for companies to remain top of mind.

This is where targeted personalization, and timing can make a big difference. ThredUP, an online marketplace for second-hand clothes, uses highly-personalized outreach across multiple channels to re-engage with lapsed customers.

If a previous customer has not made a purchase in 30 days, ThredUP's campaign kicks into action. They send out personalized messages that feature clothing imagery similar or complementary to things the customer has purchased in the past, and a compelling offer to come back and shop.

The campaign touches break through with customers because the message is repeated in multiple channels including direct mail. To coincide with digital outreach, ThredUP sends lapsed customers a mailed postcard with the same customized imagery and offer. The campaign efforts have helped to create more repeat customers, and increased ThredUP's overall order rate by 20-25%.

6

Driving advocacy through shared experiences

There are simple, direct ways to encourage advocacy — think of AirBnB's "refer a friend" offer that's delivered after every stay, but there are also more subtle approaches that can have a significant impact as well. Advocates want to share, and they want to increase their personal eminence. A face-to-face event can often be the perfect avenue to uncover and activate potential advocates. HubSpot, the popular marketing automation system, has perfected this approach with their regional users groups.

Hubspot user groups (HUGs) are free meet-ups that are run around the world. They feature customers, agency partners, and Hubspot employees sharing examples and best practices. However, Hubspot themselves don't host or manage the events. Rather they turn to their network of advocates. Their advocates volunteer to host and run events all around the world.

The events give advocates the opportunity to stand out amongst their peers, and they give Hubspot an amazing marketing channel that they don't have to directly manage.

Hubspot's approach doesn't work for all businesses, but events and other in-person experiences are incredibly valuable for creating advocates, and giving them an opportunity to evangelize. You should look for opportunities to augment your customer marketing with face-to-face time whenever possible.

PARTNER WITH A PRO

Wherever you are in your omnichannel journey, Lob can help you level up. Whether you're a heavy direct mail user looking for a more efficient system, a company experimenting with direct mail for the first time, or somewhere in between, sign up for a demo to learn what direct mail from Lob can do for your omnichannel campaigns.

ABOUT LOB

Lob is the only direct mail automation platform that enables businesses to transform campaign ROI and employee productivity. The Lob platform simplifies workflows by automating the entire direct mail process - from creation, printing, postage, delivery, and sustainability with end-to-end analytics and campaign attribution. Over 12,000 businesses rely on Lob to send more than 700 million pieces of mail through the platform.

Founded in 2013 and based in San Francisco, Lob is venture-backed by Y Combinator, Polaris Partners, Floodgate, and First Round Capital.

Find out more about Lob on our website: Lob.com

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