



PROSPECT ENGAGEMENT ACROSS A LENGTHENING RENTER'S JOURNEY

A Multifamily Marketing Quarterly Report

Q2 2022

A publication from

PERQ

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ABOUT THE MQ

The PERQ Multifamily Quarterly (MQ) is a publication intended to help multifamily marketers hone their strategy and tactics. A quarterly publication, beginning with the Q1 2022 edition, it takes a topic that concerns multifamily marketing practitioners, analyzes a considerable amount of data including roughly a million multifamily prospect interactions per quarter, and offers our insights about the renters' journey and expert advice on how to improve key metrics like website conversion rates.

Each edition of the MQ also includes your copy of the quarterly PERQ Benchmark Report. Within, you'll find averages for the metrics that affect your multifamily business, broken down in great detail.

INTRODUCTION

Any time we hear a conversation about personalization, our ears **PERQ** up (see what we did there?). It is, after all, a big part of what we're all about.

While nearly everyone in marketing now understands the importance of creating a rich, dynamic profile of their prospects, it seems that discussions around prospect data rarely get further than browsing behavior, device type, and conversions to tour.

To us, that's only the beginning of the conversation. It's the tip of the iceberg before you get to the good stuff.

When you can start stringing together all of a prospective renter's interactions with your property, no matter the channel they've used to interact with you, and reconcile all of their engagement into a picture of how to best market to them, that's when it gets **REALLY** interesting.

The data analyzed in Q2 2022 shows us that nearly 43% of multifamily rental prospects are visiting a property website multiple times in their rental journey. This is an important point to note to understand the mindset of today's rental shopper. They are browsers that take the time to be thoughtful and seek out information on their own that helps them proceed in their journey. In fact, when we looked at this same data of prospects with multiple website visits by property, we saw that these repeat visits varied, with some properties having as high as 52% repeat website visits and 30% at the lowest. And, on average, engaged website visitors were converting to known contacts at a rate of about 20%.

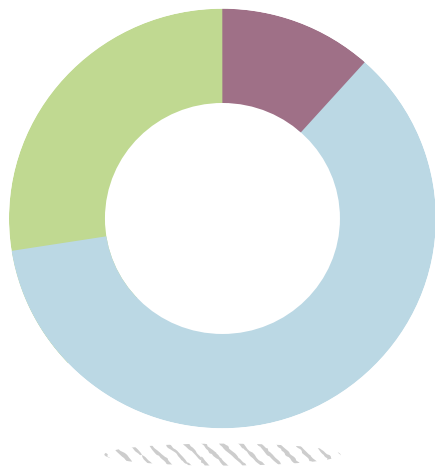
In short, then, this issue is a story about maintaining engagement with rental shoppers across touchpoints. Let's get on with it.

THE JOURNEY OF A SIGNED LEASE

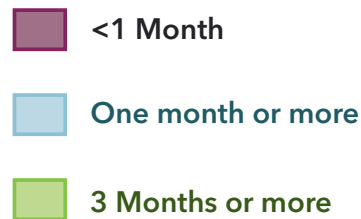
Before we even get to the question of how they're engaging, let's spend some time on how long it takes renters to decide to lease. After all, over 73% of Q2 rental prospects tracked in our study self-reported that their planned move window is a month or more in the future. Astoundingly, 33% of the rental prospects claimed their move was 3 or more months away!

Sure, about a quarter of rental prospects may be looking to move now or in coming weeks, but the vast majority of them are not. And what this means as a multifamily marketer is that your community website and all of your marketing touches need to be built to keep them engaged - over an extended period of time - and on different devices. A tall order, and one we hope to shed more light on in this report.

What we used to call "Lookie Lous" have now become the norm as today's prospective renters.



Self-reported Move in Window

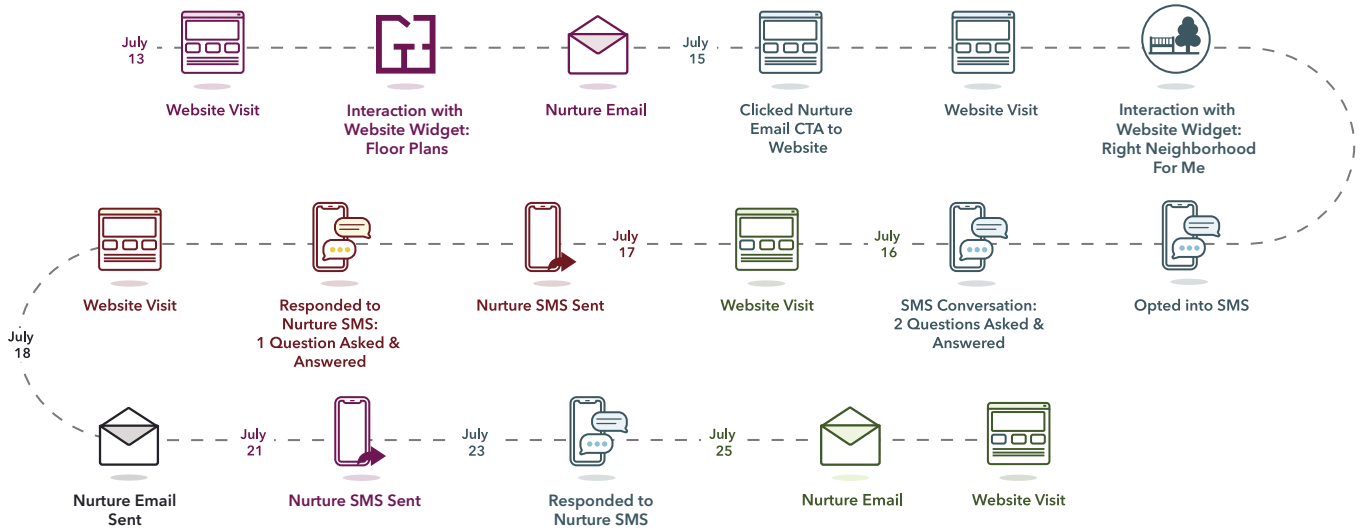


The average length of the rental journey in Q2 was **46 days**, with some as long as **194 days**!

As data nerds, we weren't satisfied with just a look at these self-reported numbers, so we went back to the dataset and explored actual leases signed and looked at the length of time it took for the lead to become a lease in Q2. As you would expect, the data has a very wide range, with the longest being 194 days between the time a rental prospect first became a known lead for a community and when they signed a lease and moved in; 6 months! Don't let this scare you, the average was 46 days to move in.

Clearly, it makes sense that driving prospects back to the website and/or engaging them with marketing outreach over time is an important part of keeping your property top of mind across their extended renter’s journey. So, how does a multifamily marketer best do that? And does it pay off?

Figure 1:Diagram of a Renter's Journey



Well, a look into the data gives us some answers. We will start by saying that it appears that a combination of when you do it and how you do it matters as much as what you do.

Overwhelmingly, a renter’s journey that ends in a lease had steps along the way that were prompted by marketing outreach, whether it was a revisit to the community website that was prompted by an email or a tour that was scheduled during a website chat session with an automated leasing assistant.

Key takeaway:

- Understanding that the renter’s journey is growing in length can help inform your marketing approaches, as well as enable any retargeting and re-engagement strategies you might want to put into place. It might also help serve as a guide when you’re deciding when and where to place your ads, send emails, or SMS nurture touches. And that can all help increase the likelihood of prospect’s engagement with your property and eventual conversion to tour and lease. What can you do to learn more about the renter’s journey with your community?

ROLE OF THE WEBSITE TO THE RENTER'S JOURNEY

All in all, this quarter's data proves that your community website is a cornerstone of your multifamily marketing strategy. After all, the data analyzed in Q2 2022 shows us that nearly 43% of multifamily rental prospects are visiting a property website multiple times across their rental journey. And, we know from the previous section that the rental journey can be as long, with almost $\frac{3}{4}$ of rental journeys being longer than 1 month in length.

So do these website visits matter? Well, they matter a lot because they are the place that renters frequently go to learn about your property. And, our data shows that the ways that you choose to teach them about your community makes a big difference.

In Q2 we saw the average time on site look very similar to the data we reported in our [Q1 MQ](#) and this reaffirms for us that more engaging websites get longer engagement from visitors. In fact, the elements you have on your website, and whether or not people engage with them, have a significant impact on average time on site.

When visitors engage with interactive experiences, such as interactive floor plan match widgets, virtual tours, community explorers, and chatbots, they become more engaged; spending more time on a website. The below table shows just how much more engaged with the website a visitor can be once they start playing around with interactive website tools versus when they don't.

And while time on site is exciting, this is even more so. This quarter, the data again indicates that website leads outperform leads from other sources in terms of conversion to tour. Similar to last quarter, website leads are proving to convert to a tour at more than twice the rate of leads produced by other external, or paid, sources. The implication of this can be significant for marketers that get their websites predictably performing this much better than other lead sources: over time, marketing spend on paid lead sources can be reduced. And thus, your website visitors and leads are very important to your success.

In fact, as evidence to support how important those leads are, the data showed that the communities in this report were driving more tours from their website than they were from their paid lead sources.

Q2 Multifamily Website Visits



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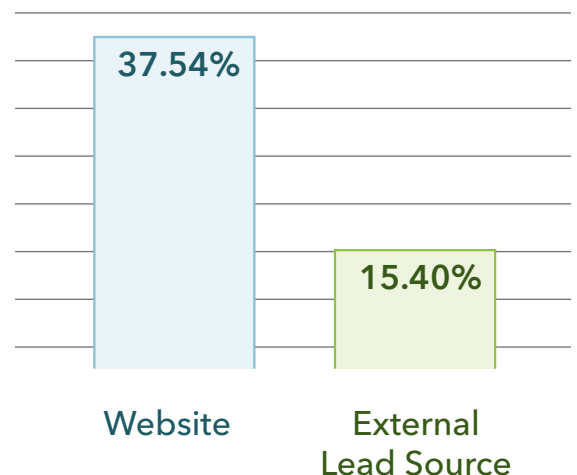
Average Time on Site with Interactive Experiences



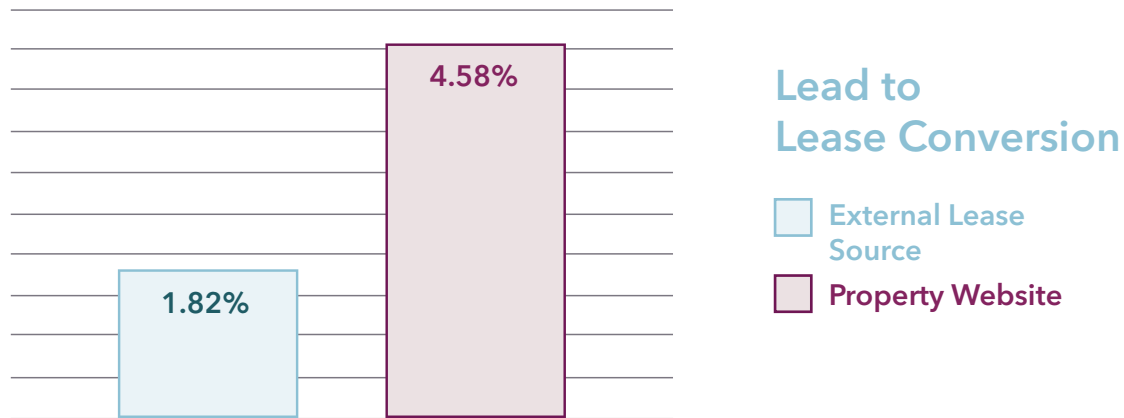
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General Time on Site

Lead to Tour Conversion



But they weren't just taking up the time of the onsite team on touring unqualified leads that don't become leases. The website leads were higher quality and were outpacing the conversion to lease of the external paid lead sources by more than double.



We also took a look at the devices they use to visit the website. We saw that 64% of first visits happened on a mobile phone while nearly all the rest happened on desktop. Just over 1% of first visits occurred on a tablet.

Interestingly, when we explored conversion to lead as it related to the device, we learned that while conversions happen from the mobile phone the majority of the time (which makes sense since visits do too), people using a desktop to view the website are more likely to convert to a lead. The same held true for scheduling a tour. While tours also happen most often on a mobile phone, a website visitor is more likely to schedule a tour if they are using a desktop.

But really most staggering is this: When a visitor has accessed the website multiple times using multiple devices, their lead to tour conversion rate skyrockets to over 74%! The takeaway here is that their behavior, website visits across devices, is predictive of their propensity to tour and lease.

Ok, so by now you can see that the website lead is important and are wondering once they visit and leave, how do you get them back?

Communities employing nurture approaches –that is outreach from the community to keep the prospects warm and engaged– are driving considerable return visits to their site. And while return visits don't sound all that exciting, it's what happens after return visits that may cause you to break into a happy dance.

When we looked at the tours that were scheduled over Q2, 40% of those were people who had received and engaged with the nurture outreach from communities that we mentioned above. But this wasn't just any old nurture approach driving these results. The content they were receiving was custom fit to them individually, to ensure its relevance.

It was personalized.

Key takeaway:

Understanding what engages your prospects along their renter's journey can help keep them interested. Today's renters are spending significant time on websites and visiting repeatedly, so the ability to keep them on the website is an important part of maintaining their interest as they do their apartment shopping. Further, the ability to capture their contact information, understand their website behaviors, and use what you know about them to entice them with nurture outreach is an effective strategy to cement their interest in your community.

HOW PERSONALIZATION IMPACTS THE RENTER'S JOURNEY

What is Personalization

According to esteemed analyst group Gartner, personalization is "a process that creates a relevant, individualized interaction between two parties designed to enhance the experience of the recipient."

More simply put, personalization is tailoring an experience or communication based on the information a company has learned about an individual.

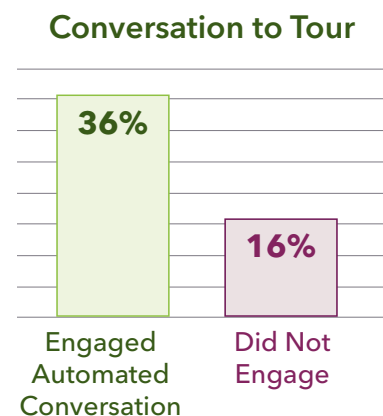
There are many reasons why a marketer may choose to personalize. It can increase engagement, drive conversions, foster loyalty, and improve a number of other KPIs. But, really, personalization is important because in today's world, people have come to expect personalization.

Intrigued about what we saw about the personalized nurture outreach driving so many return visits to the website, we dug into the data further and looked at other outcomes from this personalization. We specifically explored what happened to those leads who engaged (clicked through calls to action in a nurture touch) with these personalized nurture programs versus those that had not; and the data was pretty astounding.

To level-set on our findings, these "personalized touches" that we explored were marketing emails and SMS messages that offered calls to action prompting use of relevant widgets or content on the website. In addition to the calls to action, the messages themselves referred to information that had been captured from their previous engagement with the website. For example, in cases where a preferred floor plan was known, the data on the prospect's preference was captured and the preferred floorplan was referenced in the message. Or, if there was a widget on the website that hadn't been used by the prospect yet, it was recommended to the prospect.

The impact was profound. Rental prospects that had engaged with personalized nurture outreach were more than over 5 times more likely to book a tour!

In addition, the ability to converse with the rental prospects along the middle of their renter's journey appeared to have an impact as well. When we looked at rental prospects that had engaged in conversation or asked questions of a property via website chat, SMS bot, or email bot versus those who had not, the results were pretty definitive. **Rental prospects that engaged in automated conversation converted to a tour at over 36%, while those that didn't converted to a tour at a conversion rate just under 16%.**



We noticed that these prospects aren't necessarily engaging with a chatbot on their first website visit. They are often conversing in other channels, such as email or SMS, and they may be doing it well into their renter's journey when they were prompted by a marketing nurture touch. That made us curious: if personalization really helps with engagement, what does it do for generating leases? And, how many times does a community have to send outreach if the renter's journey really is several months long?

BUSTED

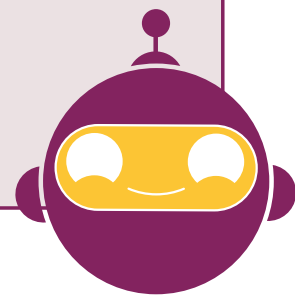
Multifamily Marketing Myth: If they don't book a tour after 3 touches, they're never going to.

It's been long understood in multifamily that you give up on leads that don't book a tour. In fact, many communities only follow up on known contacts a couple times before giving up and moving on to warmer leads.

While that seems like it makes intuitive sense for overworked onsite teams, our Q2 data showed that this practice is leaving behind a lot of viable leads. When we explored the personalized nurture approaches, we dug into the number of touches it took to get a known lead to tour.

"Personalization is becoming a present-day requirement. Our prospects have come to expect it. I think if you have anything less than a personalized experience, people become distrustful of your brand."

Christopher Bartlett
Director of Marketing, CA Ventures



While the personalized outreach was successful at driving a tour from the first nurture touch about 56% of the time an astounding 32% of tours booked came from prospects that had received 3 or more personalized nurture communications. And, if that’s not enough to convince you that rental prospects like to take their sweet time, more than 8% of tours booked had received 6 or more personalized touches during their renter’s journey. If these PMCs had stopped at 2 or even 3 nurture touches, they would have had 33% fewer tours. Imagine the impact that would have on leases signed!

PMCs that stop at 2 or even 3 nurture touches, risk having **33% fewer tours.**

Outbound Nurture Touchpoint	Conversion % of Total Tours
1 st Nurture Touch	56.70%
2 nd Nurture Touch	10.79%
3 rd Nurture Touch	13.35%
4 th Nurture Touch	7.54%
5 th Nurture Touch	4.55%
6 th Nurture Touch	8.06%

Key takeaway:

Personalized outreach drives substantially better leasing outcomes and needs to be sustained for a longer period of time for today’s apartment shoppers. Failure to properly nurture leads for the length of their renting journey could result in leaving proverbial money on the table and not converting a high percentage of paid leads that would have converted if you stuck with them.

MARKETING DATA IMPLICATIONS

In analyzing our data set, it became clear that rental prospects need to be nurtured to maximize the number of tours and leases from marketing activity. And, as our data shows, that involves a large number of touches for those longer rental journeys, especially for website leads that are lower costs and are higher converting. We saw that personalized nurture outreach via emails and SMS was highly effective in driving increased website engagement, increased conversion to tours, and increased conversion to lease.

For marketers to personalize communication, they need to become experts at collecting and using prospect data. The more you know about a prospect, the more you can personalize to them, but that data needs to be captured somewhere digitally and marketers need to be able to put it to good use.

When we looked at the data that had been collected on the rental prospects in this study, we found that the communities marketing to them had collected quite a bit of information to enable the personalized outreach they sent.

ON AVERAGE EACH PROSPECT RECORD HAD OVER 12 DATA POINTS USED TO PERSONALIZE THEIR RENTERS' JOURNEY.

In addition to the basic lead information like Name, Email, and Phone Number, these marketers also had detailed lead information that powered their personalization efforts. Among the information they had captured about these prospects were data points like the following: move in timeframe, preferred bedrooms and bathroom counts, whether they needed a pet-friendly property or not, their housing budget, the amenities they liked, important community places, preferred floor plans, and additional amenities the prospect preferred.

They also leveraged metadata that told them more about these prospects and their behaviors, things like website conversion sources, their number of website sessions, what devices they used, and more to tailor the kind of outreach that was sent and what it said in the outreach. On average, 12 data points were collected on each prospect with a maximum of 41 data points seen in the dataset.

To enable the kind of personalized nurturing described in this report, multifamily marketers need to consider how they will collect this data, where they will store this data, and how they will access this data. Specifically, this data will need to be easily queried to enable the right messages to be sent to the right people, at the right time.

Personalization: the right messages to the right people in the right channel at the right time.

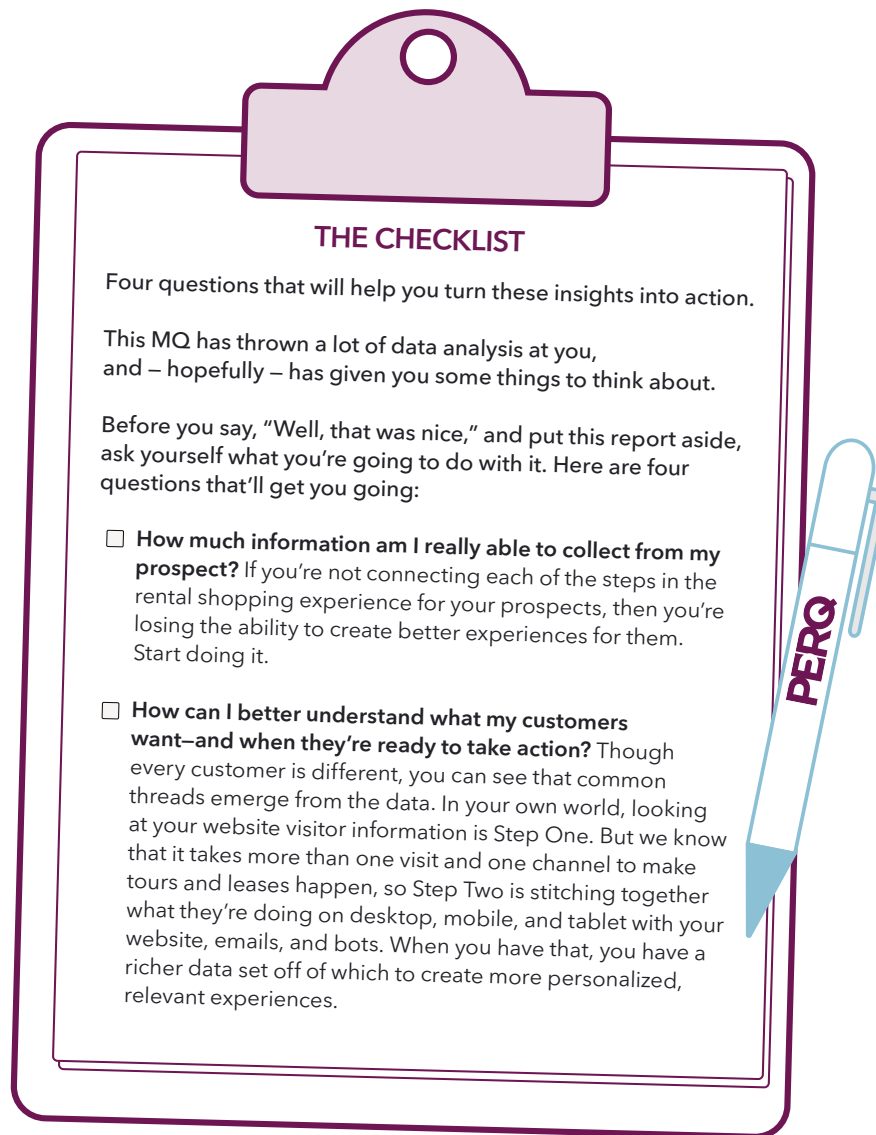
The following is a table of examples of simple personalization that can occur based on information you collect on prospects. Certainly much more is possible and these examples are offered to illustrate the connection between prospect data and personalization.

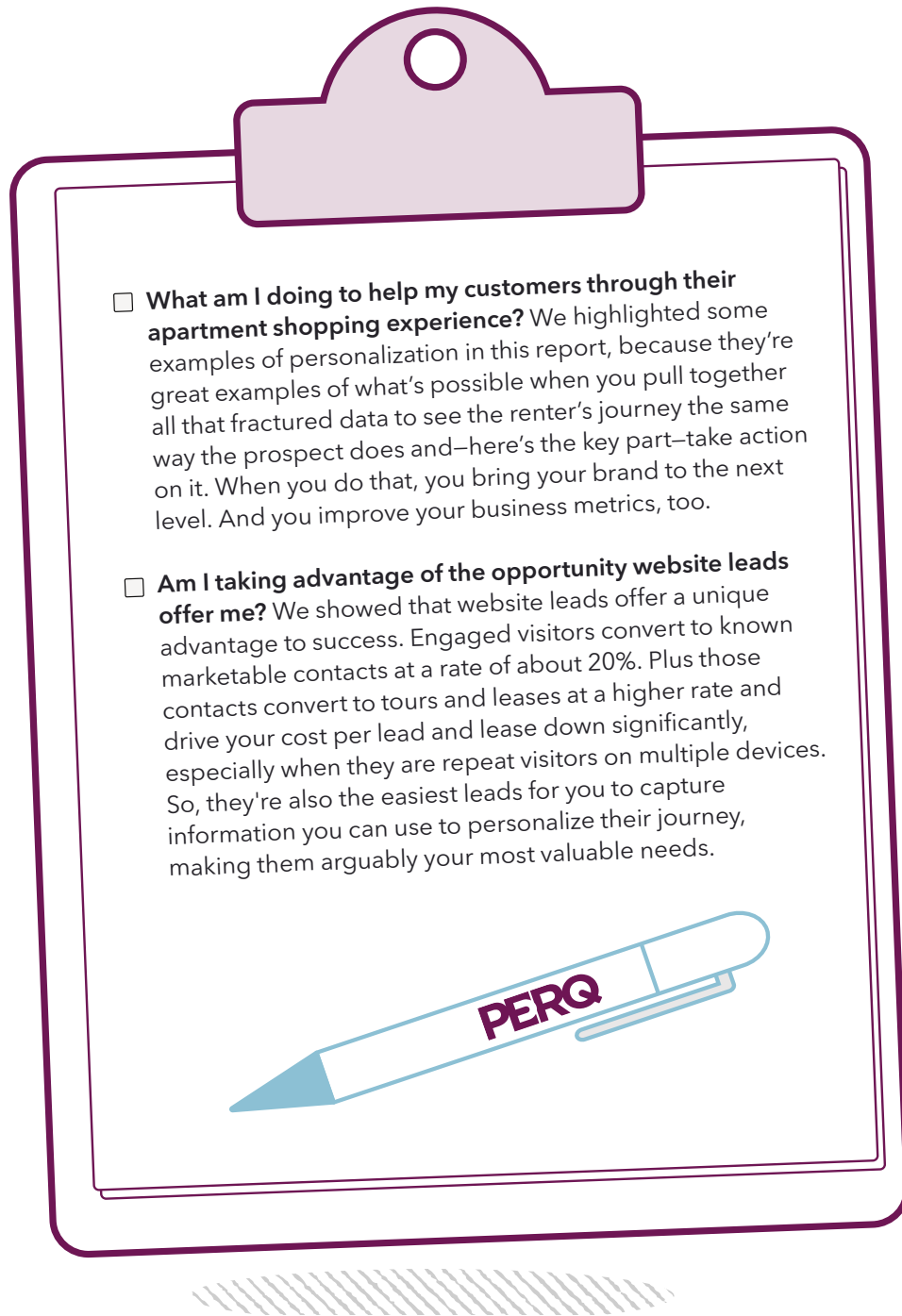
Data Point	Personalization Example
First Name	Use their name in nurture outreach
Move in window	Use to create urgency in copy of nurture outreach
Pet preferences	Use to send them info about how your community supports pets
Preferred floor plan	Use to send them a reminder about that floor plan they loved
Devices they use	Use to determine what device to communicate in. If they use cell a lot, maybe SMS will get better results than email

CONCLUSION

As the data in this report indicates, it's less likely for a rental prospect to visit your site, book a tour, and sign a lease quickly. The sales cycle on multifamily properties, and the renter's journey, is elongating. It's more likely that a prospective renter will visit your site, leave, come back on another device after reading an email or SMS from your community, and repeat the process for months before they sign a lease. That might sound a bit daunting, but it shouldn't.

In today's world of leveraging data to personalize prospect experiences with your brand, every bit of time is another opportunity to better understand your prospects and the motivations behind their shopping. And every bit of learning can help you deliver better experiences for them. How will you use this opportunity?





And with that, let's wrap up our Q2 Multifamily Quarterly. We hope you've enjoyed this issue of the MQ as much as we've enjoyed writing it. Stay tuned for our next issue of the Multifamily Quarterly.

BENCHMARKS

The following benchmarks are averages across our dataset. We report them quarterly to provide multifamily marketers with perspective on how they perform versus others as well as evolving market trends. Any statistically significant differences that are not typical due to seasonality will be discussed in the report text. Otherwise, these benchmarks are helpful guides for you to compare the metrics from your multifamily property marketing efforts to those of your peers.

TIME ON WEBSITE BY ENGAGEMENT

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
With Interactive Experiences & Chat	6 min 30 sec	6 min 37 sec			
Without Interactive Experiences & Chat	2 min 9 sec	2 min 26 sec			

CONVERSION TO TOUR

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Website Leads	33.05%	37.54%			
Other Lead Sources	10.14%	15.40%			

CONVERSION LEAD TO LEASE

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Website Leads	4.87%	4.58%			
Other Lead Sources	1.29%	1.82%			

EMAIL OPEN RATES

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Branded Emails	44.90%	41.87%			
Plain Text Emails	63.25%	60.35%			

EMAIL CLICK RATES

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Branded Emails	2.27%	2.17%			
Plain Text Emails	4.16%	4.59%			

Every year, **PERQ** orchestrates more than 4 million remarkable prospect experiences for hundreds of multifamily PMCs. Capturing insightful data, **PERQ** has a unique vantage point from which to analyze prospect behaviors. From contact channel preferences and engagement rates to conversion benchmarks around leads and tours, **PERQ's** Multifamily Quarterly offers up to date renter trends and benchmarks that multifamily marketers need.

Take a look inside to learn more.

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