MMQ1

ENGAGEMENT ACROSS THE CONSUMER JOURNEY

A Multifamily Marketing Quarterly Report

Q1 2022

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INTRODUCTION

Lead generation. It's two simple words with a host of challenges that marketers across the multifamily industry try to solve on a daily basis. And for good reason.

The ability to generate leads for onsite sales teams ensures that you have a stable of prospects that can fill open leases. But doing so is more complex than just collecting names. Today's prospective renters are more online than ever before and they're doing more research than ever – earlier. What we used to call "Lookie Lous" has become the norm for today's prospective renters. Multifamily marketers have been forced to pivot their approaches over the last two years as a result.

And this is why the Multifamily Quarterly (MQ) was born: to give multifamily pros a place to turn for metrics and insights concerning the multifamily consumer journey that we like to call the renter's journey. Most importantly, it is the beginning of a reliable source for quarterly benchmark metrics that can be used to compare your own performance. No longer will multifamily marketers be left to wonder how they compare.

For our inaugural issue, we sampled tens of thousands of multifamily websites sessions conducted in the first quarter of 2022 to explore their variables and establish these benchmarks.

In analyzing our sample, we looked at a prospective renter's initial visit to a property's website and their subsequent interactions along their journey during the first quarter of 2022 and examined important information like referring channels, length of prospect journey, and conversions to tours and leases with that property.

And while we found that some campaigns and channels perform better than others, we found that the biggest indicator of whether a prospect will lease is their engagement along their renter's journey.

In short, this issue is a story about building engagement. Let's get on with it.

FINDING TOURS

If a prospective renter doesn't convert to a tour of your property, it's that much more difficult to get them to sign a lease. Our data shows that prospects that schedule tours come from a wide variety of sources, both paid and owned. On average across the PMCs studied, 48.10% of tours originated from paid sources and 51.90% came from owned sources.

**Paid media is content you pay to place in front of an audience as an ad or sponsorship, while owned and earned are free.** Owned media is content you create and control, like your Facebook page or your website. Earned media is content others create about you, like reviews or Instagram posts.
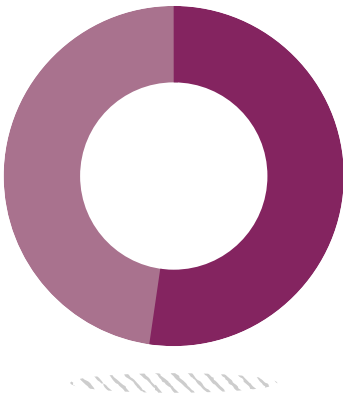
Originated Lead Sources
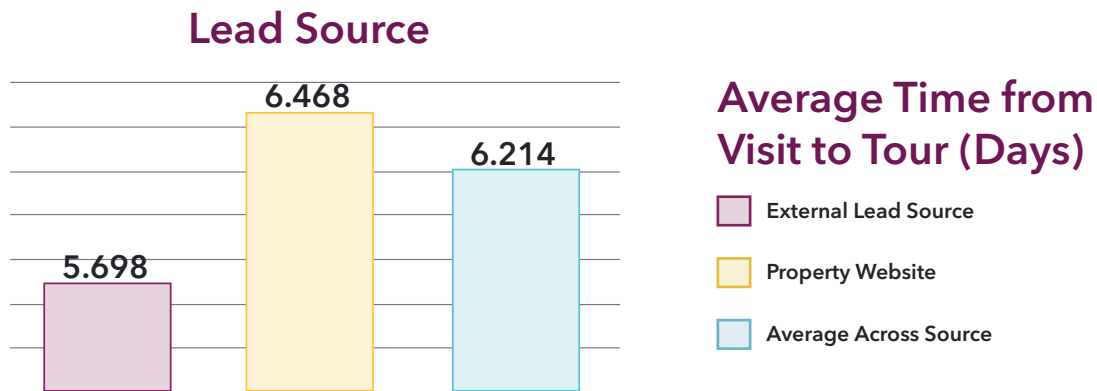**51.90%** Owned
48.20% Paid

And it makes sense for multifamily marketers to want to leverage their owned sources. Leads from owned sources don't come with the heavy costs associated with leads from external sources, helping to contain marketing costs. But to do this well, multifamily teams need to be proficient at websites, social, and SEO.

Additionally, the data shows that the website plays a key role in consideration before a prospective renter books a tour. In fact, the conversion to tour is about 3 times higher for leads that come from a property's website than those that come from external sources.

33.05%

10.14%

Website   External Lead

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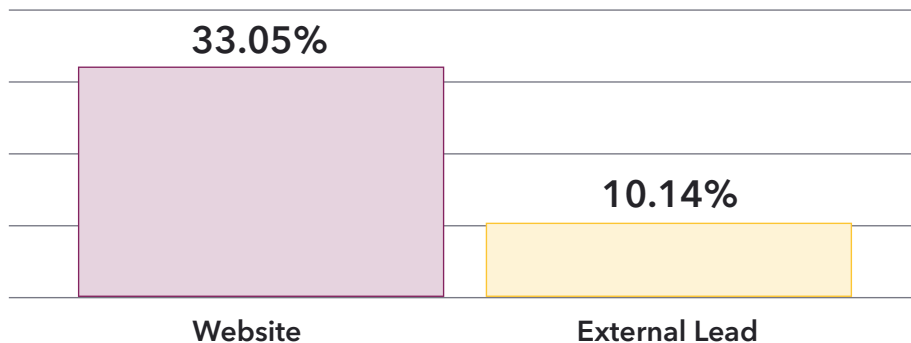
While we're on the topic of discussing tours, it appears that tours are originating from a variety of sources. For context, we've added a table of benchmarks from our data set for a variety of common lead sources in the benchmark section of this report.

On average, an interested party books a tour within 6.2 days of their first visit to a property website. This number does vary by lead source, but not in a statistically significant way. While that might have one surmise that the first week window of engagement between a prospective renter and your website is critical to whether they wind up booking a tour of your property, it's important to note that prospective renters are all over the board in terms of their urgency and rental window.

Lead Source

6.468

6.214

5.698

Average Time from Visit to Tour (Days)

■ External Lead Source

■ Property Website

■ Average Across Source

What this means it that outreach tactics, such as targeted emails, need to be able to flex to accommodate a variety of time windows for conversion from lead to tour. Additionally, the data indicates that engagement with the website has a corollary relationship with the outcome of the lead. While repeat visits on a site vary greatly by property, ranging in our dataset from just **under 25%** to a bit **over 50%**, on average nearly **40% of visitors return** to a property website to further engage. But the options for engagement matter, as we've outlined in the next section, aptly titled Engagement Matters.

Average Visitors by Property

63.17% Single Session
36.83% Multiple Sessions

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ENGAGEMENT MATTERS

The elements you have on your website, and whether or not people engage with them, have a significant impact on average time on site.

Websites that employ interactive experiences, such as interactive floor plan match widgets, virtual tours, community explorers, and chatbots are poised to better engage prospects and the data shows just how much. When a property website has these things in place, multifamily marketers see an average time on site of 6 minutes 30 seconds. More general use of a website, where people are not engaging with interactive experiences, see an average time on site of about $\frac{1}{3}$ of that; or 2 minutes and 9 seconds.

	(HH:MM:SS)
Average Time on Site with Interactive Experiences	**0:06:30**
General User Average Time on Site	**0:02:09**
Lift	202.18%

Our data also shows that, while website chatbots are helpful with prospect engagement, they are not the only game in town. In fact, website prospects in our data set asked a question of the website chatbot on the property site they were visiting about 8% of the time. **But, when you look at the engagement levels of the same group across all of the interactive channels –website chatbot, email chatbot, and SMS chatbot– that number skyrockets to over 43%!**

Clearly, the prospect's need for interaction is across channels. Further analysis supports this. In this dataset, regardless of the original source of the lead, prospects regularly engage with properties using a mix of channels to answer their questions. Of those prospects having interactive dialogue (chatting) with email chatbots, website chatbots, and SMS chatbots to answer their questions, about a quarter of them opt in to SMS chat, showing the popularity of that channel, despite the opt-in needed. Further, of those that do opt into SMS with the property, all of them engage in interactive dialog in some fashion using one or more of these channels.

Whether originally a prospect from the website or an external lead source, such as an ILS, engagement is high across these chat channels. More than 50% of prospects from external lead sources engage with properties in one or more of these channels. And about $\frac{1}{3}$ of website leads will engage with a property using one or more of these chat channels to get their questions answered. On average, these prospects ask 2 questions in per sessions.

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But engagement appears to be about more than website interaction and discussions with bots. Our data shows that the ability to send emails to prospects helps with overall engagement numbers. When we explored open rates and click through engagement across our nurture emails sent to our data sample of multifamily leads, we encountered some interesting findings.

The overall open rate within our sample was **57.14%**. This is a strong indicator that, while email click throughs are still at modest rates, the messages being sent are still likely being seen by the prospects.

The type of email sent matters to the outcome. When comparing property branded emails to non-branded emails sent to our data set, the non-branded emails outperformed the branded emails on click through rate. The click rate for branded emails was 2.27% versus the non-branded emails' click through rate of 4.16%. This may be an indicator of a rental prospect's preference for email outreach that is personalized and doesn't feel like an email blast or CRM autoresponder.

4.16%

2.27%

Click Rate

Branded Email

Non- Branded Email
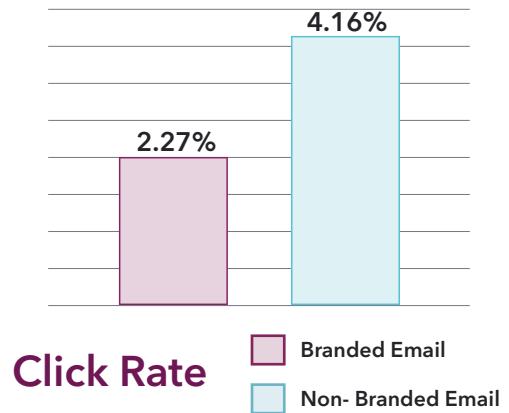
As it pertains to responses to email and SMS nurture outreach, our data shows a preference for SMS. When properties reach out proactively with personalized outreach via SMS, they receive a response 17.4% of the time. Email conversations begin just under 3% of the time when a rental prospect receives email outreach from the property.

17.4%

SMS Nurture

SMS Responsiveness

Email Responsiveness

3%
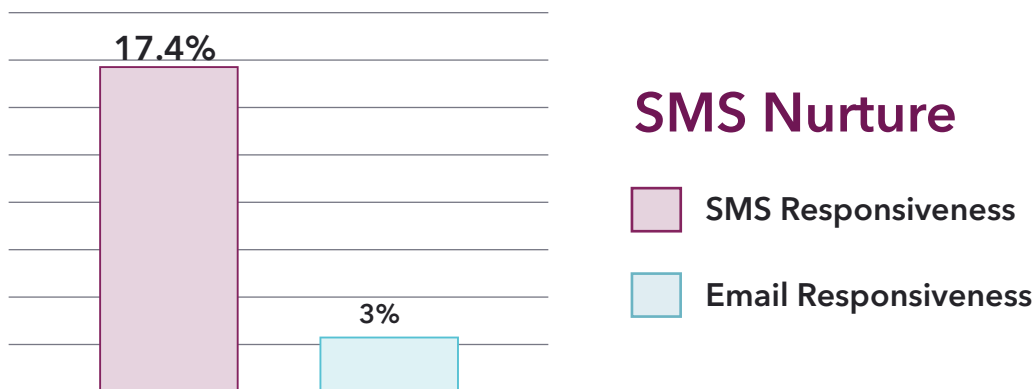
This is a topic we hope to explore in future versions of the MQ. And while click through rates may be a little depressing for multifamily marketers, they're not when you consider the impact across your leads. Overall, **15.7%** of leads who received at least one nurture email from a property clicked a link from any of those email outreaches.

TURNING LEADS INTO LEASES

Leads are great, but signed leases are better. In the world of multifamily, where you have a finite number of leases to get signed, having an understanding of predictable (and hopefully cost-effective) ways to get those leases is imperative for marketers'.

Attribution is frequently a challenge for multifamily marketers, but clean attribution data is worth the work, as it can demonstrate for you the lead sources that are best performing. When we looked into the lead to lease conversion rate across our data set, we were encouraged by what we saw. The conversion of property website leads to leases was nearly 4x that of leads from paid sources.

Lead to Lease

4.87%

1.29%

Lead Source

▢ **Property Website**

▢ **External Lead Source**
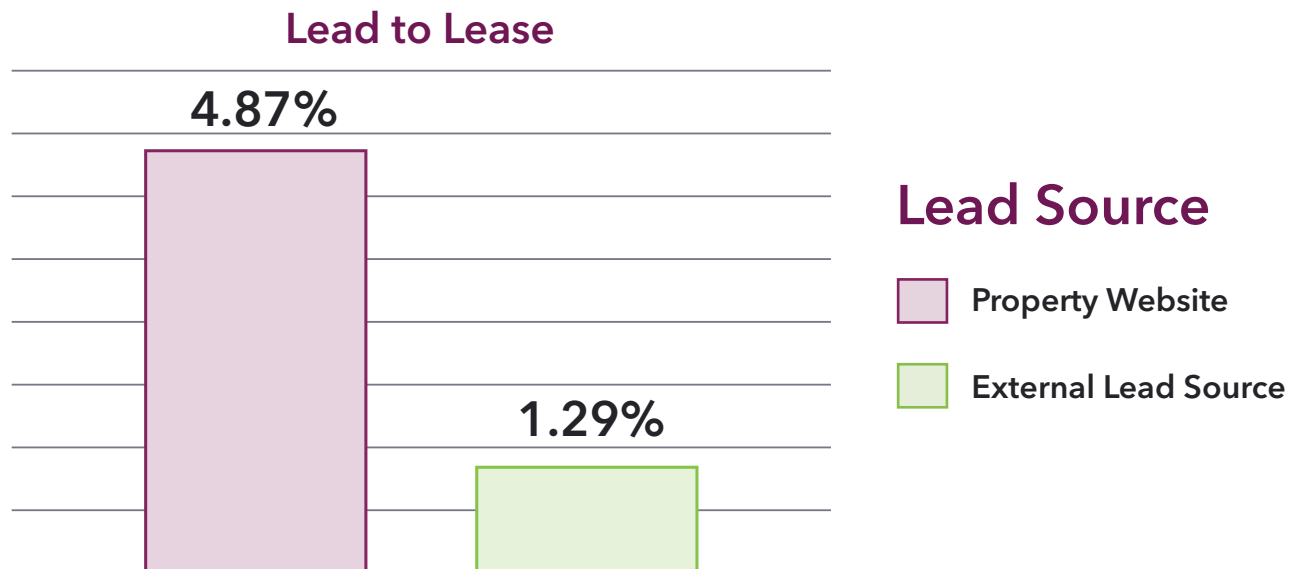
What this says for multifamily marketers is that there is an opportunity to leverage your owned sources to drive leads into leases. And, according to the data covered in the sections above, what's critical to doing that is the inclusion of interactive experiences that increase the renter's engagement and their time on site as well as the leveraging of emails sent outbound to re-engage the prospects in a timely fashion once they've left the site and not booked a tour.

THE AUTOMATION ADVANTAGE

In analyzing our data set, it became clear that rental prospects expect significant cross-channel interaction from the properties they explore. They are coming to properties with questions and they have come to expect getting them answered. Further, it appears that level of engagement correlates with their likelihood to tour and lease.

Marketers that understand they need to enable their techstacks with technology to automate a wide variety of cross-channel interactions are better poised to meet their prospects' needs and, ultimately, more likely to succeed in capturing the attention of apartment seekers whether they are moving quickly or slowly in their renting journey.

It's this realization that has created hype around machine learning technology, a type of artificial intelligence, for use by multifamily marketers in the form of chatbots for websites, SMS and email. This enables the marketer to be able to respond in the moment at a great scale to all of their rental prospects and give them what they need, when they need it. But our data shows that marketers need to be able to apply the same ability to scale around email in order to bring back visitors and convert them. To effectively offer this kind of nurturing, multifamily marketers may want to consider a technology to automate the nurture emails they need.

Automation of this kind is not just about better conversion metrics and higher numbers of signed leases. Properties that are using personalization are building the experiences they need to achieve renter loyalty and fuel their long-term business goals, thus closing the loop on this dataset and the story that the engaged shopper trumps all.

CONCLUSION

It's clear from this analysis that multifamily marketers need to focus on making the most of their websites. When properties can connect with their prospective renters in such a way that it encourages engagement, they perform better. The use of interactive experiences on your website can impact time on site and provide prospective renters the information they need easier, without having to search. Ultimately, this can help to increase conversions.

The journey of today's rental prospects is evolving. Prospective renters are expanding their engagement with properties across more than one channel, so the ability to send timely emails as well as converse via email and SMS gives properties an advantage over those that don't do these things. Experience matters, and the ability to deliver a consistent one across all the touches of the renter's journey is an important aspect of success with today's rental prospects.

If they haven't already, multifamily marketers should explore how to make their websites more engaging, how to offer responses to FAQs across channels at scale, and how to employ timely and personalized email outreach to every prospective renter.

The possibility exists for every multifamily marketer to make their website their highest performing lead source, which has the added benefit of providing prospects the online (and cross-channel) experiences they've come to expect while also reducing the costs associated with generating leads and leases.

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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.

TIME ON WEBSITE BY ENGAGEMENT

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

CONVERSION TO TOUR

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

CONVERSION LEAD TO LEASE

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

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EMAIL OPEN RATES

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

EMAIL CLICK RATES

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

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.

Higher conversions.
Better NOI.
Less work.
More smiles.

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