

MULTIFAMILY MARKETING GUIDE: LEAD SOURCE ATTRIBUTION



ABOUT THE MULTIFAMILY MARKETING GUIDE SERIES:

It's time to change the way we think of marketing strategy in the multifamily industry.

Rather than relegating it to a line item on your community budget, start to look at it as an integral part of your portfolio's overall success. In today's digital world, marketing affects -- and is affected by -- every other part of your operational plan. Good marketing strategy will not only help your communities attract the right leads, but also help streamline processes further down the renter journey.

Your marketing strategy should address lead acquisition, converting leads to leases, and retaining and renewing residents.

The Multifamily Marketing Guide series will give you the framework to build a next generation marketing strategy.

This guide is part two of the series and covers the complex world of lead attribution.

Following the outlined steps in this guide will help you better understand the search trends of today's renters and how to accurately determine which sources are performing for you.



MULTIFAMILY MARKETING GUIDE: LEAD SOURCE ATTRIBUTION

Lead attribution within the multifamily industry is no longer as simple as asking “Where did you hear about us?” Studies show that renters now reference upwards of three sources on average* before submitting a lead. This can make it extremely difficult to figure out which of your marketing sources are actually helping you attract the renters you’re trying to reach.

The multifamily industry has been through a dramatic technology shift in the past few years. Now, more than ever, it’s essential that communities have a robust digital marketing strategy. Understanding the various channels that influence your target renters’ decision making process will help you better allocate your marketing dollars. To build your attribution model, you have to start by understanding:

- Why current methods are flawed
- What digital channels are used in the renter journey
- What is needed to accurately track lead attribution



STEP 1:

WHY CURRENT METHODS ARE FLAWED

When you think about your current methods of lead attribution, what comes to mind? Most communities still rely on their physical or digital guest cards as the record of truth for which of their marketing sources get credit for the lead. Even if you're relying on more technological methods, like an automated Lead Management System (LMS), there are certain parts of the renter's initial journey that are hidden from view.

With manual and digital guest cards, you're either relying on your onsite teams to request this information or you're asking your renters to recall from memory which source they used. Even if your staff fully understands the importance of recording accurate source information, they may not always remember to gather this information during their initial conversations. With so many other things on their minds, it's easy for attribution to be overlooked. When it comes to renters, oftentimes they either didn't pay attention to the sources they used or they used a variety of sources and can't accurately recall which one prompted them to take action.

Even your more sophisticated LMS technologies are not faultless. Unless your system is set up with multi-source attribution reporting, only the last source will be recorded, leaving you clueless on any other sources your leads referenced during their search.



STEP 2: WHAT DIGITAL CHANNELS ARE USED IN THE RENTER JOURNEY?

The technological advances of the past decade have caused a ripple effect of changes to consumer, and therefore renter, search behaviors. Gone are the days of outdated pricing and availability in printed publications. Today's renters have a wealth of information at their fingertips and, in most cases, explore as many sources as they can before making a decision.

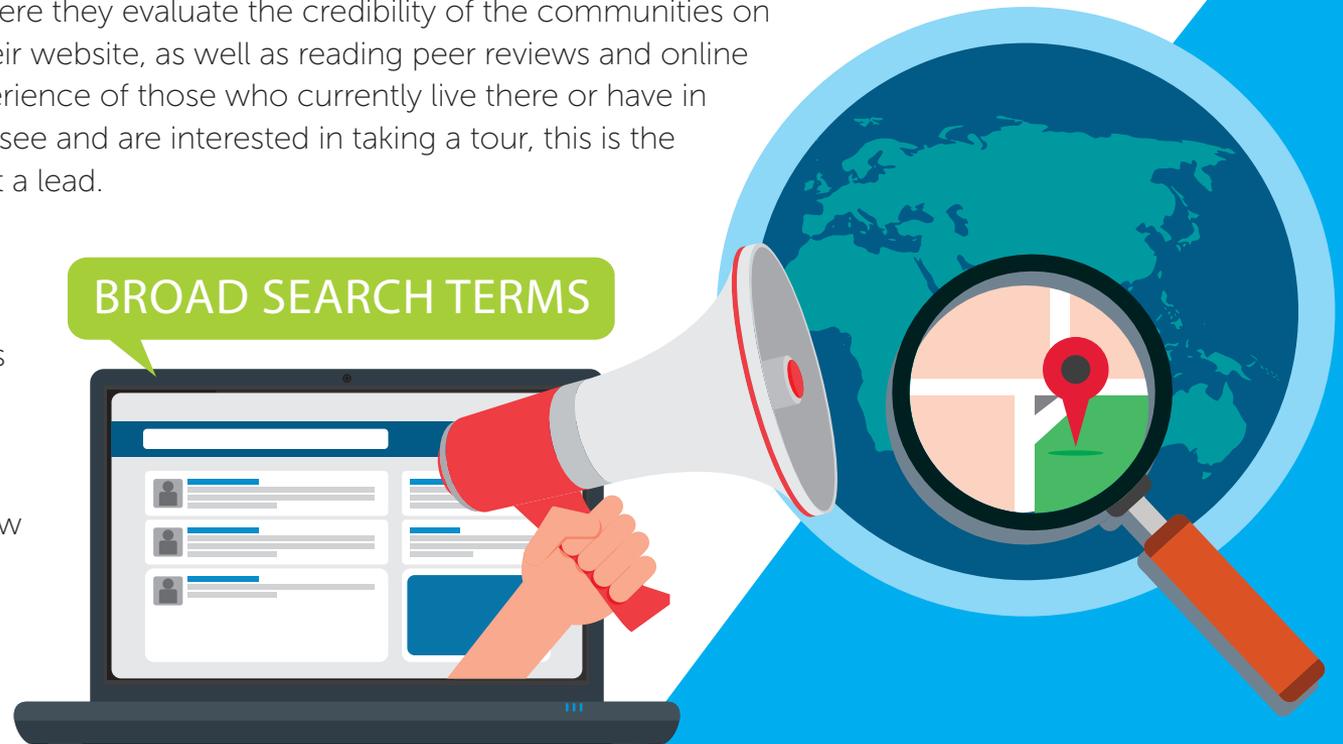
Before this digital revolution, it was easy to attribute a lead to a single source because renters visited a property or submitted a phone lead much earlier in their search process. Today's renters visit more than three sources, on average, before ever submitting a lead. While this may complicate the way you track leads, you're likely to end up with higher quality leads. Renters who take the time to make more informed decisions are more likely to convert.



To fully understand what sources renters reference when making their decisions, let's take a look at the specific steps in a typical renter's journey. When renters start their initial search, they often look for an aggregate view of all their options. Most renters begin by using broad search terms, landing them on an internet listing site. In fact, 73% of renters referenced at least one internet listing site (ILS) during their search*.

From there, they begin to narrow down their options to the communities that fit their specific needs, including price range, location, number of bedrooms and availability. Once they've found a few communities that have piqued their interests, they'll perform community-specific searches to gather more information. Here they evaluate the credibility of the communities on their short-list by reviewing their website, as well as reading peer reviews and online ratings to understand the experience of those who currently live there or have in the past. If they like what they see and are interested in taking a tour, this is the point at which they will submit a lead.

By only attributing the lead source to where the renter submitted that lead, it appears as though none of your other sources have had any impact whatsoever. Limiting your marketing spend to this narrow view of the renter journey will cause you to miss important opportunities.



* Source: NMHC/Kingsley 2015 Renter Preferences Study.

STEP 3:

WHAT IS NEEDED TO ACCURATELY TRACK AND ATTRIBUTE LEAD SOURCES?

The concept of multi-touch attribution isn't one that the average marketer can undertake alone; advanced technology is required to map out your attribution model. That said, there are ways that your communities can gain greater insight into what sources are contributing to your overall lead acquisition and conversion tactics.

Lead Tracking Systems

Automated lead tracking systems integrate with your property management systems to auto-populate the referring source of your leads based on unique tracking phone numbers and email addresses. More sophisticated systems will actually set up a contact cadence to help improve your onsite lead management processes. If your communities already use a 3rd-party lead tracking system, you're on the right track, but don't rely on this technology exclusively. One challenge with these systems is that they don't allow you to override the data in the lead source field. While this eliminates a certain amount of human error, that source is tied to the contact indefinitely. For example, what if a prospective resident contacts you through one source now, decides not to move, then contacts you



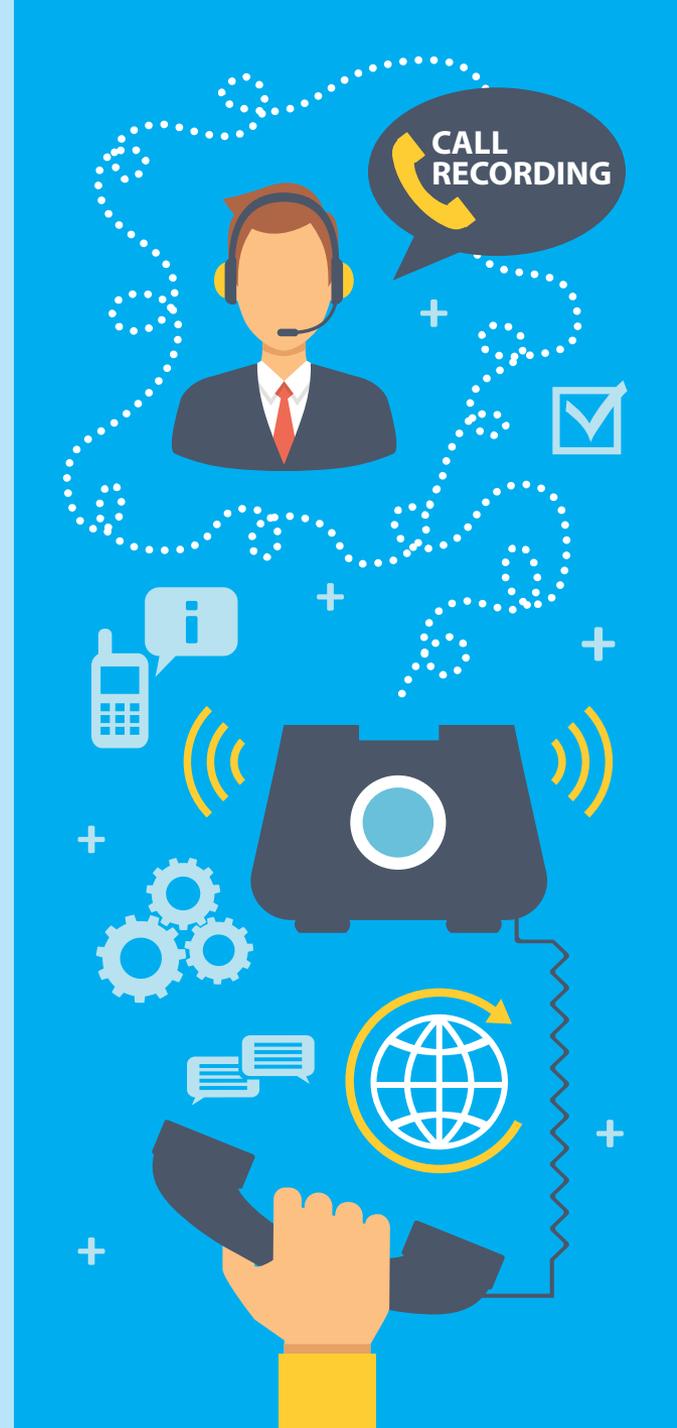
through another source two years later? Regardless of any marketing changes you may have made or what source influenced their most recent inquiry, their lead will remain attributed to the initial source. Lead tracking systems are best when used in conjunction with other technology to get a more accurate picture of your marketing ROI.

Call Recording

Call recording can help eliminate some of the human error that often plagues lead source attribution. Not only can your onsite staff refer back to the conversations they've had to verify this information, but you can actually perform an in-depth analysis of the phone calls your teams have received to compare what prospects said to what was recorded on the physical or digital guest cards. If your marketing partners or 3rd-party lead tracking systems offer call recording, take advantage of it and see if they offer any lead analysis services. This can also be useful for ongoing staff training purposes.

Website Tagging

Website tagging is another piece of the lead attribution puzzle that can help you gain clarity into which sources perform best. Simply put, when you allow your listing sources to tag your websites, you're able to compare the traffic of each site. Examine the audience overlap of the two sites to see how much traffic that source referred. Remember, though, that the number of leads received shouldn't be your benchmark for success. To measure the metric that matters, the source's lead-to-lease conversion ratio, go one step further and compare the audience overlap to your communities rent rolls.



CONCLUSION: WHY IS THIS IMPORTANT?

If your goal is to help your communities get the most leads and leases from their sources, you want to make sure you're investing in the ones that actually perform. This requires you to have an accurate view of lead source attribution. Current attribution methods leave much to be desired and can often result in misallocation of marketing dollars. By implementing a mixture of lead source attribution tactics, you'll have a better understanding of your true marketing ROI.





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