

Omnichannel Marketing: A Complete Guide for 2023



Introduction

This content is co-authored by Twilio, SendGrid, and Segment teams

For most businesses, the last three years have been a blur. We struggled to go digital with the pandemic, then we scrambled to figure out what to do with all the tools and technology we quickly implemented to survive the pandemic.

Now, nearly three years later, companies are more aware than ever that their customers continue to expect a seamless, personalized, and consistent approach to communication on the channels (in-store, online, phone, SMS, live chat, [email](#)—or all of the above) that work best for them.

In addition to keeping up with rising customer expectations, companies must also juggle streamlining technology to meet budgeting demands while delivering on business goals.

Yet despite these new challenges, an omnichannel approach continues to be more relevant than ever before. And the struggles that presented themselves three years ago (departmental silos and legacy software), continue to remain.

Traditionally, teams have been structured to focus on specific channels. For instance, marketing may oversee ad campaigns for prospective customers, the product team oversee email campaigns for new customers, and customer support handle live chat with existing customers. But without a centralized data hub, teams often develop tunnel vision, working with only a snapshot of the customer journey. The result is a clunky, disjointed customer experience.





The solution here continues to be omnichannel customer engagement. This approach integrates every channel together, to give brands a complete view of a customer's history, behavior, and preferences (which can then be used to provide the hyper-personalization that users crave).

But omnichannel strategies haven't been so easy to put into practice: only [35% of companies](#) feel they are successfully achieving omnichannel personalization, up from 24% in 2021.

In this guide, we'll outline what omnichannel engagement is, how to successfully implement it, and how other companies have leveraged omnichannel engagement to delight their customers. Whether your company is just beginning to explore omnichannel engagement or looking to scale an existing strategy, we'll share everything you need to know to reap the rewards.

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What is omnichannel?

“Omnichannel” is often used interchangeably with the term “multichannel,” which is misleading. In fact, many companies say they offer omnichannel communications, when in actuality they’re using a multichannel approach.

The key distinction between these two strategies is whether or not customers can switch seamlessly between channels (which is the hallmark of omnichannel engagement).

A great example of this is customer support. Say an individual reaches out to your business first via [chat](#), before rolling into a [video](#) co-browse session or [voice call](#) with your agent. With an omnichannel strategy, that representative should be able to see the previous chat conversation to understand the issue at hand, rather than coming in cold and asking the customer to repeat themselves. (Or better yet: a business should [intelligently route](#) a customer to the right representative based on their skill and proficiencies.)

With a multichannel approach, a representative wouldn’t have access to information about that customer’s history on different channels, limiting the level of service they can provide. For quick reference, here are our definitions of omnichannel vs. multichannel:



An **omnichannel approach** is when every channel a business operates on is connected to provide continuity and a personalized customer experience.



A **multichannel approach** is when a business operates on multiple channels, but doesn’t have the consolidated data to understand customers’ complete, cross-channel journey.

Why are omnichannel customer journeys important?

Omnichannel has become the gold standard of customer experience across industries, but meeting customers on their preferred channels is only half the battle. Businesses must also build experiences that engage and convert its customers on each and every channel they interact with.

Unfortunately, that's easy to say, but hard to do – which is why we're experiencing a "customer expectation gap." This gap is the growing disconnect between the seamless, personalized experience customers crave and the actual experiences businesses create. In fact, Twilio's 2022 [State of Customer Engagement Report](#) found that while 75% of companies think they're providing good personalized experiences, 48% of consumers disagree. Clearly, there's room for opportunity and improvement.





If businesses can successfully build engaging and personalized omnichannel experiences for their users, they can:

- Drive loyalty,
- Boost sales and conversions,
- And increase customer LTV.

In fact, Twilio's 2022 [State of Customer Engagement Report](#) also found that 83% of consumers say a personalized experience increases brand loyalty, while nearly two-thirds of consumers say they'll stop doing business with a company if it doesn't personalize their experience. Plus, companies that use personalization report that it influences a 46% average increase in user spending. Clearly, there's a business case for effective omnichannel experiences.

Omnichannel in practice

With a centralized view of customer behavior, businesses can go beyond surface-level personalization tactics (like using a customer's [first name in an email](#)) to meaningfully engage customers.

Take Walgreens, which heavily focuses on creating seamless, cross-channel experiences for their customers. They've simplified their [prescription refill process](#) to make it as easy as possible, no matter the channel. Using the Walgreens mobile app, a customer can scan the barcode on their medicine bottle and automatically generate the refill for pickup at their local store. A customer could also order a refill by replying to a Walgreens reminder email, or simply calling up the pharmacy.

An omnichannel strategy ensures that a customer can take the next step in a customer journey without encountering friction (no matter the channel they use). It's an approach that benefits businesses as much as consumers: Walgreens found that omnichannel customers [spend 3.5-6x more](#) than those who shop in-store only.

So, how can your business get omnichannel right?

How to pull off omnichannel engagement

First and foremost, to pull off omnichannel customer engagement, businesses need to have the right infrastructure. Teams across the organization should have access to a [centralized data hub](#) that offers a single source of truth on customers' behavior and history across channels.

It might seem obvious to say, but: an integrated customer experience begins with an integrated tech stack.

There are a few key components to consider here. The first is being: accessibility. The goal is for this consolidated customer data to be actionable. Having an intuitive user interface that allows teams to view, share, and act on insights is essential. This includes the ability to create cohorts of users based on event behavior or specific traits (like pages viewed, purchase frequency, and so on).



Martech utilization is declining. Only 42% of companies say they use the full breadth of their martech stack's capabilities, compared to 58% in 2020.

Source: Gartner's "Disruptions Derail Progress in Martech Utilization"

The second point to keep in mind is scalability. Customer channels are constantly emerging and evolving, and businesses are continuing to add more tools and apps into their workflows to manage these interactions. Being able to seamlessly integrate new data streams is crucial to keep momentum, and maintaining a 360-degree view of the customer.

Another cornerstone of scalability? Automation. Using real-time data to trigger relevant messaging ensures that businesses never miss a window of opportunity to engage customers.

Here's a quick recap of what's needed for implementing omnichannel engagement:

1. A centralized data hub that consolidates customer data from any source in real time, and easily integrates with new applications and platforms.
2. The ability to [merge the complete history](#) of each customer into a single profile in real-time, no matter where they interact with your business.
3. The ability to [orchestrate various actions](#) across a set of customer engagement tools (like [Twilio Engage](#) which allows you to connect native email and SMS channels and 400+ out-of-the-box integrations) to deliver personalized communications [based on customer interactions](#) and preferences.

31% of businesses say the ability to “orchestrate new personalized journeys across multiple channels and touchpoints” is a top critical gap in aligning their marketing technology stack to organizational needs.

Source: Gartner's 2022 Marketing Technology Survey Insights

Not sure where to start with omnichannel?

Building an omnichannel communications strategy may seem intimidating, but it shouldn't be. Many businesses [start with email](#) – an easy, reliable way to reach and target customers. With Twilio SendGrid, you can seamlessly add new APIs as your company grows, allowing you to incrementally develop an omnichannel strategy, without sacrificing customer experience along the way.

[Get started with Twilio SendGrid](#) or [talk to a member of our team](#) to learn how email can scale with your business.

How top brands are building omnichannel experiences

Now that you're up to speed on all things omnichannel, you might be curious about what it looks like in practice.

To help, we've highlighted how five brands built omnichannel communication strategies to cater to their customers' unique needs.



How Veronica Beard built omnichannel experiences and decreased customer acquisition costs by 20%

Like many companies during the pandemic, luxury retailer [Veronica Beard](#) found themselves in need of a platform that could support both online and offline communication, as well as tie together data across its many customer touchpoints.

The company used Twilio Segment to integrate and unify its technology stack, and leveraged [Twilio Engage](#) to build sophisticated audience segments for its marketing campaigns that personalize the customer experience.

Using Twilio Segment, Veronica Beard delivers customer-first experiences based on real-time interactions across touchpoints, all while driving better marketing efficiency.

Here are just a few examples of how Veronica Beard is using first-party data to create better marketing campaigns and thus, better omnichannel experiences for its customers:



Emails

Using online form software, the company enriches customer profiles with respondents' preferences and likelihood to purchase. They then use this data to trigger personalized emails based on a user's response.



Social Media Advertising

With valuable first-party data, Veronica Beard elevated its paid social channel from being one of the most markdown-heavy channels to one of the most full price-heavy channels, all while scaling advertising budgets.



Customer Service

If customers need help, they can contact customer service via live chat, email, phone, SMS, and more. The rep can then quickly pull up and reference all of the user's previous interactions with the brand to better serve them.

Sanofi builds omnichannel engagement to improve patient outcomes

Global healthcare company [Sanofi](#) helps healthcare providers (HCPs) discover and learn about new medications so they can give the best possible care to their patients. Unfortunately, generic “Hello Doctor...” emails weren’t helping the company effectively achieve its mission and goals and leverage the wealth of data it had on its customers. That’s what pushed Sanofi to partner with Twilio Segment to put their data to work and start delivering more personalized, omnichannel experiences for HCPs.

Now, the Sanofi team can easily compile user data all in one place so they can easily utilize and activate personalized campaigns that drive conversions. – bringing the company one step closer to achieving its mission of helping individuals serve healthier, fuller lives.

Now, by building customer profiles using data points (like prescriptions written, webinars attended, and sales interactions), Sanofi can send customers more complex, targeted messages based on their previous interactions with the brand, as well as their interests and needs, including:



E-Commerce Website

Using real-time audiences and messaging, Sanofi delivers personalized on-site communications based on previous online and offline user interactions.



Emails

The company now sends targeted messages to HCPs based on previous interactions, interests, and needs.



In-Field Reps

In the future, in-field Sanofi sales reps will be able to use this customer knowledge to deliver timely treatment information to busy HCPs, resulting in more rewarding in-person interactions.

Cover Insurance invests in an omnichannel sales process

[Cover](#) is a U.S.-based insurance brokerage that uses technology to match individuals with the best home, auto, and renters insurance policies for their needs. From day one, this tech-company-on-top-of-an-insurance-brokerage has offered an omnichannel customer experience throughout its sales process.

Using Twilio, Cover's customer service team can instantly see every interaction an individual has had with the brand across any channel, allowing them to pick up exactly where a customer left off and more efficiently serve them.

Here's how Cover helps customers find the perfect insurance package using their preferred method of communication:



Phone

Customers can call Cover's team of qualified sales advisors directly to review their needs and get quick price quotes.



SMS/MMS

Customers can text and share images with Cover's "insurance concierge" to discover the best coverage for them and enroll instantly.



Mobile App

Phone-shy users can use Cover's mobile app to share their coverage needs, receive quotes, and enroll directly in coverage.

How Vacasa strengthened omnichannel engagement

Vacation rental management platform [Vacasa](#) started using Twilio Engage to visualize the entire customer journey and more effectively deliver personalized messages to guests across channels – removing friction from their vacation experience.

With Twilio Engage, Vacasa could consolidate customer data across channels to gain a holistic, real-time view of both guests and homeowners. From there, the team could tailor its messaging across its website, app, email, and SMS alerts based on user behavior.

Using these omnichannel tactics, Vacasa guests are seamlessly welcomed into their vacation stays (on the channel they prefer) with key check-in information right at their fingertips.

Here's how Vacasa created an intelligent multichannel welcome sequence to remove friction from the guest check-in process:



Emails

The morning guests arrive, they receive a check-in email with smart lock entry codes.



SMS

Just ahead of check-in time, Vacasa pulls from its customer data warehouse to trigger a corresponding text message with the entry code, saving guests from the hassle of scrolling through their inbox to retrieve it.



App

Vacasa uses Twilio's Programmable Messaging API to send timely promotional messages. Prior to the reservations, the vacation rental company prompts guests over SMS to download the app, granting easy access to features like one-tap wifi-access and issue reporting.

Delivering on the omnichannel promise with Deliveroo

[Deliveroo](#) is a London-based food delivery website and app, connecting users with delicious food from nearby restaurants in just 30 minutes or less. By partnering with Twilio, the Deliveroo team has created a true omnichannel experience for their customers, allowing them to choose exactly where they want to receive updates on their latest order.

Using Twilio, Deliveroo can create a flexible, convenient, and consistent experience across all customer touchpoints, ensuring its app is top of mind the next time users need to order food.

Here are the ways they help turn hangry users into happy customers:



In-App Messaging

For orders placed via mobile app, Deliveroo can send mobile push notifications to easily update users when their order has been confirmed, picked up, and delivered.



Voice

Trouble with drop-off? Customers can call their driver via a masked number, allowing them to communicate in real time without compromising their privacy.



SMS

Deliveroo also texts its users to share order notifications, marketing messages, and customer service updates.



WhatsApp & Facebook Messenger

Users who place orders through the company's website can opt-in to receive order notifications via WhatsApp or Facebook Messenger.

“We want customers to be in channels that work for them and not to force them down certain channels. Some prefer Facebook Messenger, others ring us and some customers contact us on social channels. One of the advantages of Twilio is it makes it easier to scale and bring these channels into existing workflows.”

Aimee Ruddy, Product Manager, Deliveroo



Getting started with omnichannel engagement

Getting started with omnichannel engagement (or even scaling a strategy) requires the right combination of data, infrastructure, and communication APIs to reach customers across an array of channels.

Using [Twilio Engage](#), your business can deploy [email](#), [SMS](#), [video](#), [chat](#), [voice](#), and more from a single platform, to build and scale data-driven, personalized customer experiences that grow lifetime value. Put simply, Twilio Engage combines the power of a native customer data platform and native omnichannel together in one solution to help companies drive efficient growth.

[Schedule a demo](#) today to learn how to uplevel your omnichannel strategy with Twilio Engage.

Twilio Engage

Deepen customer relationships and efficiently grow your business by personalizing customer interactions on every channel from a unified, data-first offering. Twilio Engage uniquely puts the power of a native customer data platform (CDP) and native omnichannel together in one marketing solution.

“Segment has enabled us to optimize engagement and deliver true customer-first experiences. With an extensible platform and cross-channel journey orchestration, we’ve unified online and offline data, improved our ad performance, and designed omnichannel campaigns through Segment.”

Maxime Lagresle
eCommerce Analytics Manager, Veronica Beard



Engage in real time— anywhere, anytime

Activate highly personalized experiences with real-time customer data and go from idea to campaign in minutes.



Orchestrate journeys where your data is

Deliver personalized experiences where, when, and how your customers want with our native email and SMS channels, custom channels, and 400+ out-of-the-box integrations.



Build a complete view of your customer

Build profiles and audiences without SQL expertise, with real-time customer interactions collected in a privacy-first way across digital touchpoints. granting easy access to features like one-tap wifi-access and issue reporting.



About Twilio Segment

As consumer sentiment, industry trends, and regulatory enforcement all push companies away from depending on third-party data, the need for an alternative source of customer data cannot be understated. First-party data is the solution, bringing a competitive advantage as it fills the gaps where third-party data falls short: accuracy, relevance, and building customer trust.

To adopt a first-party data strategy, companies look to the CDP, a centralized tool that helps modern businesses collect, govern, synthesize, and activate customer data. Twilio Segment is the leading CDP with more than [400 pre-built integrations](#) to different data sources and destinations. Twilio Segment provides a complete solution that eliminates the need for manual data cleansing, complex data engineering processes, and analytics reporting functions. By automating all of the backend customer data operations, Twilio Segment puts companies in a position to get the most out of their first-party data.

You can see Twilio Segment in action yourself when you [schedule a demo](#).

Recommended reading



The Ultimate Guide to Customer Retention

Cost savings are top of mind during economic downturns. This guide takes a deep dive into customer retention strategies, key metrics to track, and real-life examples of businesses that use Segment's CDP to drive increased engagement.

[Download guide >](#)



The 2022 Growth Report

From a tumultuous global economy to businesses shifting how and where they work, the 'growth over all else' mindset is officially over. In our annual Growth Report, Twilio Segment surveyed leaders from across industries about what this shift means for the future of doing business.

[Download now >](#)



The Fundamentals of First-Party Data

First-party data is the future of marketing. Both because it's more accurate, and also because third-party cookies will go away by 2023. This ebook shares the difference between third- and first-party data and how to collect and activate first-party data.

[Download guide >](#)



Thanks for reading

This content is co-authored by Twilio, SendGrid, and Segment teams.
If you would like to learn more about what Twilio can do for your business,
please [contact the Twilio SendGrid sales team](#).