



EMAIL MARKETING: MORE BANG FOR YOUR BUCK

Have you ever received an email for a product or service that left you baffled and wondering “why am I getting this?” (e.g., a catalog of dolls when you have two college-age sons or tasty vegan recipes when a big, juicy steak is your favorite meal)? If so, you were probably a victim of ill-conceived “batch and blast” emails, a form of mass marketing that can be very annoying. As you try to unsubscribe to this mailing, you might be questioning whether email marketing still works. It’s a valid query: our in-boxes, both at home and the office, are typically overloaded. In fact, the average corporate email user spends more than two hours a day reading and responding to an average of 144 emails!¹ This has led some naysayers to declare that email marketing is passé. **However, despite the rumors, research shows that email marketing is not extinct, but simply evolving—and is still a highly effective marketing tool, when done right.**

According to a study by ExactTarget, 77% of consumers prefer to receive permission-based marketing communications through email.



The Benefits of Email Marketing

In fact, email provides the most direct route to your prospects, putting the conversation in a personal environment. With minimal time and effort, you can reach thousands of people with personalized content. Automation tools also allow you to segment user and customer database information, so you can send highly targeted, relevant messages to customers who are most likely to respond. For instance, if certain customers always

place orders in January, you can send these folks a reminder notice, coupon, or purchase history message after the first of the year, keeping your product or service top-of-mind—at the right time in the buying cycle.

Short lead times also give you the ability to send “day of” messages to help reduce stock or promote specials. You may send real-time messages to customers that arrive on special days, such as birthdays or anniversaries, or coincide with purchase patterns, as noted. In addition, because email takes less time to create and send than other marketing and advertising channels, you can send more frequent communication. (Caution: Best practices warn that sending emails more than once a week, however, is more bothersome than effective!) This also allows for easy test marketing—sending one version of an email to some customers and a second version to others, while tracking results in a relatively quick time frame.



MORE EMAIL MARKETING: BANG FOR YOUR BUCK



Another benefit of email marketing campaigns is metrics—they are easy to measure via open, click-through and conversion rates. In fact, well-developed email marketing platforms can provide tracking information on how many people opened an email, how many clicked a link in an email, which specific link was opened, how many people considered an email was spam or unsubscribed, and, most importantly, whether your email made it into the recipients in-box.²

And let's not forget that email is easy to share. Chances are you've forwarded a friend, family member, or colleague useful information or a cost-saving offer you thought they might be interested in. It only takes seconds—and lots of people do it.

Finally, email is extremely cost effective, with an ROI of approximately 4,300%.³ (No, that is not a typo!)

According to Marketo:

- 94% of Americans 12 years or older who are active online say they use email regularly.
- 58% of adult Americans check email first thing in the morning.
- 64% of companies indicate their organizations' investments in email marketing are expected to increase.
- Email generates nearly 2x return, compared to other channels.



Getting It Right

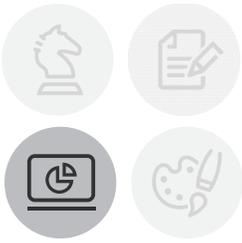
While email marketing has many benefits, like most tools it's not effective without proper use. After all, you wouldn't use a power drill to hammer in a nail, would you? As email evolves, the campaign strategies must also change. **Effective email campaigns begin with a focus on content and targeted delivery, and end with tracking and measuring engagement with that information.**

Research shows that people will read email messages if they think the vendor is paying attention to their interests and purchasing patterns, which means personalized, relevant content is a must. Think of it as a value exchange—while some emails waste our time and clutter our in-boxes, others are worth our valued time—those that provide good information, solve a problem, or offer cost savings. Good email communications are conversational, not “pitchy,” and develop trust with customers. When done right, they can actually reinforce relationships.

Good email practices also establish trust with Internet service providers (ISPs) as they work to minimize spam. For instance, by authenticating your sending ID, keeping the balance of HTML and text similar, and having a simple subject line, you can get past spam filters and stay

out of the trash. According to *How to Use Email Marketing to Engage and Convert Customers*, by Nicolette Beard, along with other experts, the following tactics will not only ensure that your messages reach your recipients, but also increase engagement:

- Identify yourself—Tell the sender who you are and why you are contacting them. If a customer doesn't recognize you, chances are your message will not be opened (e.g., You are receiving this because...).
- Get to the point—A concise, well-written subject line works best. Mailer Mailer found that short subject lines (4–15 characters) had the highest average open rates.
- Create a simple, visually appealing layout—This is especially important now that email is increasingly opened on smartphones. According to the Pew Internet and American Life Project, more than 50% of mobile users read email on their phones. This means that layout is important (one clean, vertical column with large action buttons), which makes it easy for users to open messages and take action. You can also create different designs for different devices and platforms. Larger font sizes and more white space are also advisable. Keep images small



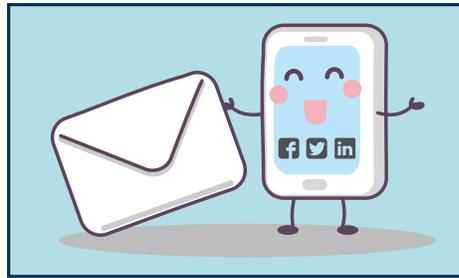
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or include “alt text,” which stands for alternative text that appears when images are loaded in an email, as images are sometimes blocked on certain platforms.

- Develop trust—Start the relationship off on the right foot by telling subscribers exactly what to expect—how frequently they will receive your emails and what type of communication it will be (i.e., newsletters, special offers, etc.) Then, stick to it.
- Keep it relevant—As discussed earlier, one of the key benefits of email is personalized, targeted communication. By managing your contact list correctly, you can avoid sending unwanted emails and reach customers at the correct stage of the buying cycle.
- Deliver a sense of urgency—Calls to action should be easy to locate, whether you are asking them to order, link to another site, watch a video, or share on social media. This is especially true for users who are reading on mobile devices and may be distracted.
- Make it easy to unsubscribe—This goes back to the issue of trust. You don't want people who are not interested in your message anyway, so why make it difficult to opt out?

“Marketers should think about the things they can do to make sure their email subscribers continue to look for and read their emails. Gmail tabs make it even more important that email marketers send relevant, valuable content to the people who have opted into their list—content that people will look for.” —Gail Goodman, CEO, Constant Contact, MarketingLand



Email and Social Media Are Friends

Social media and mobile marketing are like the popular kids in school—they get all the attention these days. But, we all know it's the quiet, studious students who are often responsible for the big accomplishments. Unlike the sometimes cruel social hierarchy of high school, in the marketing world the popular kids (social and mobile media) and the hard-working kid (email marketing) do get along! In fact, they work very well together.

While social media is good at engaging people with brands (think Nike and Starbucks), email is a more targeted marketing tool that typically works better for smaller companies. However, no matter the size of the company, the two strategies should complement each other—your messages should be coordinated across all channels. As we said earlier, email is easy to share—either through email itself, or via social media networks. Likewise, customers should be able to join an email marketing list through social media. By prominently displaying social share icons so customers can Like, Tweet, or Pin your email offers or information, you are spreading the word through sources that people trust. (Also, if someone receives an unwanted doll catalog from a friend, they can blame them and not you!)

Think of it this way: when you combine a popular kid who might be good at, say, football or fashion trends, with a studious kid who excels at math, you end up with a well-dressed football star who is also a math genius! Now, his prospects look good.

Reality Check

As you go through your undoubtedly stuffed in-box today, pay attention to what entices you to open or save and what ends up in the trash without a second glance. This exercise can provide valuable clues as to what works and what doesn't in the real world. Most importantly, don't think of email marketing in a vacuum: while email marketing offers many measurable benefits, we recommend that it be a strategic part of your overall marketing plan. Consulting with a good agency can help you design and implement effective email marketing campaigns and ensure that they reinforce other elements. With its low cost and high ROI, along with its ability to reach customers with highly personalized messages and play nicely with social media, email can and should be an important part of your marketing mix. Now, if there are no more questions, we need to check our in-boxes.

Sources

¹ “The End of Email as a Mass Marketing Tool,” by Bill Carmody, Bloomberg Business, February 24, 2014.

² “The Top 10 Benefits of Email Marketing,” Email Marketing eBook, by Kevin Gao, CEO and Founder of Comm100, 2015.

³ Direct Marketing Association

Other Sources

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