

SPECIAL REPORT: Best Practices in Email Marketing

Proven Techniques to help you grow your sales and build competitor-proof relationships

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FOREWORD:

So you're serious about email marketing, right? You're ready to set new record sales days with better-than-ever-thought-possible email marketing campaign results; make toast of the other less effective marketing vehicles currently in use by your company. Or, maybe you're aspirations aren't that high and you just want to incorporate some proven techniques to "kick it up a notch."



Which ever your goal, this Special Report is perhaps the only how-to guide you'll ever need to read to get sure-fire results and breathe fresh life into your email marketing. Yep, by the time you've finished reading this document, you'll be armed with the know-how to battle wits with even the savviest of email marketers. Many Fortune 50 companies aren't even aware or using these principles - opening the doors for you to gain quick market share, convert prospects into customers, and tighten the focus of your marketing efforts.

Best of all, these principles are easy to execute. They don't require gobs of money, time or super-human understanding of technology. These techniques, when applied, can take your marketing message out of the clutter and into the hearts and minds of your customers and prospects; they can lift your sales to new heights; and they can be used by mom-and-pop sized businesses as easily as goliath sized companies.

We should warn you now, however...this is going to take some time to read. You may have to put this aside until there are no distractions (unlikely, we know...you're busy). But if you're serious about making road-kill of the competition and getting off-the-chart results from your marketing efforts, you owe it to yourself to read this Special Report in its entirety and without distractions. So...are you ready for the goods? Here we go:

Email Best Practice #1: Ensure Your Emails are Requested.

Ask first!

What's the essential first step when it comes to building relationships via email? Getting permission! Unless your email communication with prospects and customers is requested, it runs the risk of generating significantly lower response rates -- and even annoying your target audience. Ensuring your emails are requested is becoming more and more important as the number of emails cramming in-boxes continues to rise. Jupiter Communications estimates that each email recipient in the U.S. will receive an average of 1,600 commercial emails in 2005, not including the 4,000 other emails they'll receive from different sources.

The one sure way to cut through the clutter of an over-stuffed inbox is to ensure that your prospects and customers can control what, and how often they receive an email from you.

How To Do It

1. Request Opt-In

Getting permission, or "opt-in," from your prospects and customers can be accomplished in many ways. Even if you are not currently communicating with them via email, it's important to begin getting opt-in now - because odds are, you'll be touching them with email very soon. You can ensure your emails are requested by asking for email addresses at practically every touch point you have with them. A few instances where you can provide incentives for submitting email addresses include invoices and statements, within your call center, at your retail locations and, of course, on your website. No matter where you ask for opt-in, your opt-in rate will improve whenever you provide an incentive, clearly state the benefits of opting in, and whenever possible, explain clearly and concisely what your privacy policy is. For a list of seven slam-dunk list-building techniques check out another resource we have produced for you in our learning center.

2. Avoid Over Communicating

Once you have permission, regard it as sacred. Keeping that permission over time will depend on how well you execute on the other four email marketing best practices you'll learn about. Once you have opt-in and take advantage of the efficiencies and effectiveness of customer communication via email, you'll look for as many ways as possible to use email. As you begin to send more and multiple types of messages to your customers, it becomes increasingly important to enable the customer to manage his or her relationship with you and to implement rules that will mitigate sending too many emails within a short timeframe. Care must be taken to temper the number of emails your recipients receive and the application you use to send requested emails should be capable of moderating the frequency of communication.

To illustrate, take into consideration a fictitious click-and-mortar tea retailer - we'll call Paradise Tea - with a well traveled website and many store locations in a number of countries. Paradise Tea routinely emails a unique newsletter every Monday to customers who have expressed an interest in a particular tea blend. It also sends out a sale notification for each tea blend once per month, customers with orders over \$150 receive a special email with a 10% discount on their next purchase. A blend-specific satisfaction survey is emailed every six months.

You can already see that without careful consideration, and an email application capable of assembling dynamic newsletters, a segment of customers interested in two or more tea blends runs the risk of being inundated with far too many emails. The likelihood of an increased opt-out rate increases, and more importantly, many of those opt-outs could include the customers with purchases of over \$150 dollars.

3. Enable Easy Opt-Out

Just as with opt-ins, requests for opt-out must be handled with care. In addition to enabling prospects and customers to control the information they get from you, enabling them to easily opt-out is part of a sound permission marketing strategy. Make sure your email marketing application enables one-click unsubscribes, has proven capability to track and manage opt-ins and opt-outs, and can clearly demonstrate the ability to handle last minute opt-outs. People opt-out for various reasons, and it does not necessarily mean they want to terminate their relationship with you. But one thing's for sure: if you don't handle the opt-out requests flawlessly, you not only run the risk of losing the off-line customer relationships, but more importantly, of coping with bad word-of-mouth and even fines.

A Word About Double Opt-In.

Given the heightened concern about unrequested email, or "spam," and the potential damage it can cause a reputable business using email, some organizations have decided to adopt a permission marketing method called double opt-in. Double opt-in enables the business to verify that the person requesting information via email did actually initiate the request. It also conveys to the prospect or customer that you take privacy very seriously by ensuring the emails you send them are indeed requested. Although the jury is still out on whether double opt-in will eventually become the standard, your email solution should at least provide you with the option of doing this today.

Email Best Practice #2: Ensure Your Emails are Relevant and Personalized

Make it personal --- really personal

Jupiter Communications reports that 51.2 percent of email recipients open their messages for a quick look before deciding whether to read or delete them. That's half of a campaign's audience - gone in a flash unless you offer something relevant - right there in the subject line and "above the fold" (see 7 slam-dunk list-building techniques available from the Quantified Marketing Group Learning Center).

A simple comparison of email subject lines illustrates this best. Which email would you be more inclined to open if sent a day after you purchased a jacket on-line. And which would convey that the retailer really knows you?

Subject line:

From company A: Check out the fall fashion sale today at The Village Clothing Store.

From company B: YOUR NAME, gloves and scarves matching your new North Face jacket are now 20% off.

How To Do It

1. Aim For "Tight" Data Integration

It all starts with the profiles you build from the data you collect. Savvy one-to-one marketers have extensive databases containing all sorts of preference, demographic, psychographic, contact-history and transactional data on their customers. Financial institutions even supplement their customer profiles with credit profile data. So why aren't more customer emails more personalized?

In the subject line example above, the email from company B would not be possible without a tightly integrated profile database and an email application specifically built to foster one-to-one relationships. Make sure your email solutions provider has this functionality, and if they don't, find a provider that does.

All of that being said, don't get overly hung-up on the idea of segmentation or data integration if you have a smaller email database. You can still personalize your emails without the resources and data integration capabilities of large institutions. Segmentation and data integration is a powerful tactic, but can be accomplished with techniques as simple as mail merge of customer names, mention of a join date or other similar customized approaches. As your list begins to grow, you can consider more robust integration such as by geography, purchase history or buying habits.

2. Constantly Profile

Odds are, if you aren't communicating via email with prospects and customers now, you will be in the near future. If you have multiple touch points with prospects and customers, encourage profile-building at each one. According to the permission marketing model, you'll collect a little bit of information over time in exchange for offering your target audience something of value. As this process progresses, you'll build more robust profiles to communicate even more intelligently via email. Think about all the potential information you'd like to capture throughout the lifecycles of both your customers and prospects. Then consider at what point in the relationship you'd like to capture that information and what incentive you'll offer in return for it.

Continuously evaluate the type of information you capture and ensure it adjusts to your changing product and service offerings. Keep profiles current with occasional surveys

and ask questions that can identify a potential change of needs in the near future. When evaluating the response to your campaigns consider how current your profiles are.

The key to building a profile quickly is sending emails that are highly relevant, personalized and of course valuable to the reader. Each time this is successfully accomplished, trust will increase. The email marketing application you use to accelerate this process needs to give you a high degree of control over the data you collect and needs to be built for speed of campaign execution.

The bottom line: Accelerating the lifetime value of customers requires rich customer and prospect profiles. And the ability to quickly act on customer data as it presents opportunities for highly personalized cross-sells, up-sells, and other messages that build customer loyalty.

Case Study: Restaurant Chain gets Personal, Drives Frequency

A small regional restaurant chain based in Florida pushed visit frequency for their entire system by personalizing email messages to past guests. With a small corporate staff and decentralized franchise model, the corporate marketing director provided unit-level managers with freedom to send messages directly from the stores back of house personal computer. Headquarters uploaded images, graphics and standardized company copy onto an Application Service Provider (A.S.P.), or web-based email solutions application. Restaurant managers captured customer email addresses from the unit level and, offering special incentives, were able to quickly build store lists in the thousands. Capture cards (similar to comment cards) were sent to the service provider's data-entry facility and quickly made available to the store managers in segmented form for personalization. The corporate headquarters also had access to the entire list for any system-wide email campaigns that needed to be sent. The messages were further personalized by including anniversary dates, birthdays, and information that was relevant to the local trading area – such as charity events, promotions, employee of the month, customer of the month, and other special promotions. **Result:** The chain increased same store sales above expectations through the repeat business the email campaigns generated and substantially lowered advertising costs with the reduced dependence on less effective mediums to build frequency such as T.V., radio, billboards and newspaper.

Email Best Practice #3: Ensure Your Emails are Timely

Be Timely, or Don't Show Up at All

Imagine the power of receiving a personalized greeting on your birthday and a special message or offer from a retailer. Would that move you a little closer to a relationship with that company over their competitors that didn't think or care to send a thing? Or think about this: how long would you stay a loyal customer of a company that didn't promptly follow up on your request for information via email?

It's amazing how often consumers today still experience similar lapses in prospect

marketing and customer service. With the competition only a click away these days, each occurrence contributes to attrition and plays right into the hands of competitors that have adopted a robust one-to-one email marketing application.

How To Do It:

Enhance Timing With a Robust Rules Engine

To ensure your emails are timely, simply put yourself in the shoes of your recipient. When would you like to receive a certain type of communication? After you've developed a schedule, test and periodically validate a few different timing scenarios for each type of communication.

A leading provider of outsourced e-commerce solutions for software publishers and resellers precisely times its email campaigns to ensure optimal customer conversion and customer satisfaction. An example of this is when a prospect downloads a free trial version of software for 30 days. By testing different reminder emails, the company has found that it's best to send emails ten and twenty days after the trial download registration. Each email contains value-added information on the software and an encouragement to purchase it. If a purchase is made anytime within the 20 days after initial download of the trial software, scheduled emails are cancelled to ensure an optimal customer experience.

As the number of emails you send out proactively or in response to potential requests increases, it's important to identify the maximum number of emails a customer or prospect segment could receive in a given period of time. If there's potential for email bombardment, you'll want to mitigate opt-outs by setting rules that give priority to certain types of messages.

Case Study: Large Regional Conference & Tradeshow

One savvy conference marketer has established a calendar of important milestones for both conference attendees and exhibitors. With customized and segmented messages for each, the conference manager sends timely and relevant updates such as registration deadlines, hotel occupancy updates, lists of newest exhibitors, and even last-minute discounted registration prices for email subscribers. For exhibitors, emails are sent announcing remaining booth space, available sponsorships, VIP attendees that have recently registered, and other important deadlines exhibitors must meet to coordinate their booth. The result: The conference planner has slashed his marketing costs and expanded his reach over more traditional marketing such as direct mail, faxes, and telemarketing. Both exhibitors and attendees are thrilled by the marketing improvement as they now feel comfortable that they will be notified of important issues before it's too late, and their updates are delivered directly to their inbox, elevating the stress of lost or misguided messages.

Email Best Practice #4: Ensure Your Emails are Valuable

Dump the Fluff and Build Value

So far we've touched on three best practices in email marketing: 1) Requested, 2) Relevant and Personalized, and 3) Timely. They're all important, but let's face facts: if your information or offer doesn't bring real value to your customers, it just doesn't matter. Over time, no matter how relevant, personalized and timely your email campaigns are, you'll experience an accelerated opt-out rate unless you continuously strive to provide something of value to your target audience. The high opt-out rates of newsletters that focus more on a sales pitch than on providing value-added information are a classic example of this.

Granted, not every email you send needs a strong call to action -- as is the case with confirmations or birthday greetings. The call to action doesn't always have to result in an immediate sale, but should encourage your audience to do whatever strengthens your relationship with them. For example, you can provide an incentive to fill out a survey linked from your newsletter or request they update their contact information. Each of these will help you better understand the needs of your audience so you can provide them with even more value in the future.

How To Do It

1. Flexible & Fast Solution

Bringing the needs of your audience into focus and responding with truly valuable messages requires a concerted effort and a proven email marketing solution. This again requires an email marketing application that is flexible enough to integrate with your current systems, easy to create and execute campaigns and allow for rapid-fire delivery of your campaigns when you are ready to send them. To accomplish this you need an application designed with speed-to-market and user customization as a key features. With a web-based application, you can launch campaigns directly from your desktop (or any computer in the world with Internet access) in a matter of minutes. You just point, click, and promote – with the ease of typing a Word document.

2. State the Value Right Up Front.

Value also implies respecting your audience's time - or lack thereof. Valuable promotional emails should generally be as short as possible. Ideally, they should state the value right in the subject line. The text of the email should be concise, and when the email is promotional in nature, the call to action should be very obvious. When the call to action is acted on, care should be taken to expedite the transaction, registration, survey, or any other action.

Case Studies: Save Your Time, Save Your Customers Time

One client became hooked on the idea of email marketing because of the time savings in getting products and information to market. Traditionally this marketer used direct mail to communicate with current and prospective customers. Historical production

cycles would put each campaign in a 21 – 60 day timeline from idea to market response, and cost between \$1 and \$10 per piece to deliver. Average response rates for their direct mail efforts ranged from fractions of a percentage point to two percent. Convinced there had to be a better way, they made the shift to email marketing to deliver their message and were able to shorten 60-day cycles to a mere 48 hours from concept to market response. Costs were also reduced from a high of \$10 per piece for direct mail (including production, postage, creative design, list purchase), to a remarkably low \$.03 per record (including production, creative, etc.) for email.

The time-savings afforded by the marketer was just the start, as their customers also benefited in time savings. Fulfillment orders (for product catalogues, company prospectus, sales literature, etc) that were previously executed by mail – which took several days or even weeks to reach the intended party – were now fulfilled via email and could be supplied instantly. Additionally, the marketer made a request feature available from the company website and could fulfill requests even after business hours. The next business morning, the sales department could review the requests from the previous night and make any follow-up calls.

We also worked with this client and the Application Service Provider to establish automated marketing messages post request. Once requests were made, the email marketing system automatically uploaded the customer contact information into the company database, and a series of timed emails went out automatically at pre-determined intervals. For instance, the request was made, and a standard product kit was emailed to the prospect immediately. Two days later a personalized email was sent to the prospect with additional information, and the series continued at expanding intervals for the next 45-days. This was all achieved without any additional staff, worked to dramatically improve sales conversion rates, and reduced payroll with the reduced load on the company call center.

Email Best Practice #5: Ensure Your Emails are Engaging

Rivet Your Audience

Before you begin designing your email campaign, ask yourself: "How can I make it nearly impossible to avoid reading and responding to this email?" This question applies to many elements of the email - the subject line, the written copy, the visual content, the offer, and the call to action. Optimizing each of these elements will result in a greater response rate. While sending out "rich" email is visually appealing, be careful not to place too much emphasis on the graphical content at the expense of your overall objective - to stimulate a response. Too often the call to action is obscured by animation or visual presentation not specifically in support of generating a response.

Making the call-to-action as compelling as possible is, in large part, a function of how well you've implemented the four practices leading up to this final one. The common thread to optimizing all the email marketing best practices is integration with your customer databases. When your web-based email marketing application is intelligently integrated and able to act on the latest customer information, the ultimate result is an

engaging email.

How To Do It

1. Encourage Pass-Along - To the Right Target Audience.

Embodied in engaging is the "Tell-a-Friend" concept or what is commonly referred to as "viral" marketing. After all, you wouldn't tell a friend unless something in the message engaged or compelled you to pass it along. Often times the incentive to pass the email along is a token reward or the perception of winning a reward. However, we've found many Clients experiencing greater pass-along rates on tell-a-friend campaigns that combined a pass-along incentive with a very strong value offer for the friend. Valuable information is very effective and well received. Typically, the more valuable and niche-oriented the information, the more qualified the prospect receiving the pass-along email. For instance, if you were to forward this email to someone else in your company, we would assume he or she is not only in marketing but also most likely interested in email marketing. If we offered a digital camera sweepstakes, we'd likely see more pass-alongs, but to less qualified people.

A respected and renowned association utilized a recommended email marketing system to send very engaging emails to its members announcing a golf tournament fundraiser. The association's brilliant marketing approach encouraged members to pass along emails announcing the event and sponsorship opportunities to other members and industry suppliers. Remarkably, the campaign achieved 125% response rates and helped the association raise over \$43,500 for a single day event. Beyond sales, the campaign also had other resounding impact, as it expanded the reach of the association's circle of influence and brought new faces into the fold. Needless to say the campaign has been a huge success.

2. Consider "Rich" Media in Support of the Call-to-Action.

There is currently conclusive evidence and research to support higher average response rates when using multi-media emails versus standard text. Using new technologies, email marketers are now able to create dynamic multi-media emails using graphics, logos, sounds, photo's, and even animation without any understanding of computer programming code. Such applications make building eye-popping email as easy as typing a standard text document, but with far higher responses. Typical responses using multi-media emails are frequently 35% - 50% higher than when sending straight copy only. This also helps build greater brand awareness and, as everybody knows, a picture is worth a thousand words.

3. Loose the Attachments

Some email marketing applications on the market, such as those offered by EnFlyer (www.enflyer.com), make it possible to send multi-media emails that open automatically and without the need of sending attachments. This feature can dramatically increase view rates and eliminates the scare of computer viruses that are transmitted through attachments. In fact, the proliferation of computer viruses has prompted many

companies to block any unknown emails that contain attachments. Make sure your email solutions provider has an auto-preview feature as well.

Thank You For Learning About These Latest Best Practices in Email Marketing.

We hope you've found this report helpful. If you are interested in learning more about successful email marketing, please visit our Learning Center at www.quantifiedmarketing.com for all of the latest advice and strategies to make your marketing a hit!

Now that you've learned these best practices, we can only promise you success if you live them. **Quantified Marketing Group** strongly feels that spam will become less of an issue over time, opt-out rates will decrease, and customer relationships will strengthen for email marketers who ask themselves five simple questions before launching every campaign: Is my email?

1. Requested
2. Relevant and Personalized
3. Timely
4. Valuable
5. Engaging

Email marketing is the undisputed champion of high-response, cost-effective marketing vehicles. If you're ready to take your company's sales to the next level, start by building a thought-out database of customers and prospects email addresses. Then, communicate with them regularly and watch the conversion rates and sales launch off the charts!

For more information on results-oriented marketing strategies that work, call Quantified Marketing Group today toll free at 877-431-4780 and ask to speak to an email marketing expert. Also feel free to email us at experts@quantifiedmarketing.com.