

Commercial Email Strategies: Making Your Mail Work for You

by [Bianca Wright](#)

Will it be the car, computer or pizza and movie? Play the 4-door to your door match and win game! Does your key unlock the prize? Click on the key to go to the Autobytel.com site and find out immediately.

With this text and a combination of attractive graphics, Autobytel.com (www.autobytel.com), an internationally branded online automotive commerce company, launched its opt-in email campaign aimed at buyers who wanted to purchase a new car in the next six months. With Portsmouth-based Targitmail.com (www.targitmail.com) as its email marketer, Autobytel.com was able to achieve a 15.6 percent click-through rate with its campaign.

Going to Market

When one compares Autobytel.com's click-through rate with the relatively abysmal click-through figures for banner ads - eMarketer (www.emarketer.com) reported that banner ads yielded a 0.39 percent rate in its June 2000 eAdvertising Report - one can see why email advertising is such a popular tool, especially among companies operating online. And given that each lead for the email campaign cost Autobytel.com \$1.28 in comparison to the \$10.26 per lead cost on banner ads, the attractiveness of an email campaign doubles.

But despite these encouraging figures and the financial advantages of utilizing email as a promotion method, few companies have a firm understanding of the techniques required to make optimum use of this opportunity. Email marketing is controversial. The bad reputation it has gained as a result of spam (unsolicited commercial email) means that email advertisers have to work twice as hard to gain the trust and interest of their target audiences. A successful email campaign has several key elements, according to Jamie Leaver, public relations manager at Targitmail.com, and the most important is permission.

In fact, a recent study commissioned by FloNetwork (www.flonetwork.com), a Toronto-based eMarketing application service provider with offices in New York, San Francisco, Chicago and Connecticut, reveals that 94 percent of all active internet users ask to receive permission-based email newsletters, and 81 percent think it is a good way for online merchants to keep in touch with them. Further, 58 percent of respondents used permission based-email to find out about new products and services, only slightly below the 76 percent who visited a Web site to do so.

So what's the secret to email success? How can you differentiate your email message from the millions of others, solicited and unsolicited, that are sent every day?

Hitting the Mark(et)

Research your audience and make sure that you are reaching your target market. Sixty-six percent of consumers who took part in FloNetwork's study felt that the worst permission-based emails they received were not targeted to their individual interests and contained information that they did not find relevant or valuable. Targeting had a more significant effect on the online customer than discount pricing, which only 16 percent of respondents felt was an element of a good email campaign.

"Utilize market and competitive research to define your market position and brand with a clear image," advises Dave Cash, director of e-commerce marketing at Recognition Systems (www.protagona.com), a UK customer relationship management firm with North American headquarters in Chicago.

Don't treat all your customers the same, either. "Segmentation of a list is also important, particularly given the value of creating a brief, arresting email," says Todd Kelley, e-marketing product manager at ROI Direct (www.roidirect.com). "If a company sells a range of products or has a diverse customer base, segmenting is invaluable for making the most out of your campaign."

Make your content relevant to the consumers you are targeting. "Don't send emails to men that announce the new collection of silk blouses," says Kelley.

One on One

Linked to email targeting is personalization. A personal message will have a much better response than a mass email aimed at no one in particular. "LifeMinders designs its message around the stated

demographics and interests of the individual, so a fifty-year-old woman receives information about gardening in her part of the country, or the development of her twelve-year-old granddaughter [and not] solicitation for extreme sports vacations," says Stephen Chapin, Jr., chairman and CEO of LifeMinders (www.lifeminders.com), a direct marketing firm which he founded with his brother in 1998.

"When a message and its marketing are matched to the profile of the individual and personalized to their name, they are much more receptive to the message and more likely to click on the ad," he says. Permission based email should have a clear motto, according to FloNetwork: It's your email, it's what you want and what you're interested in!

Creativity Breeds Content

Be creative in your presentation. Consider using an email newsletter filled with interesting content targeted to your audience's needs and interests to win-over potential customers. A newsletter is the most successful marketing vehicle available, according to Jeff Mesnik, VP of sales and marketing at ImakeNews (www.imakenews.com), an application service provider focused exclusively on the creation and distribution of email newsletters. "We find that a business that sends out a newsletter to a modest audience will have ten new signups to every one opt-out," he says. "I would call this a very successful result."

Offer your target audience something of value, and this does not just mean discounts or free items. If you sell sunscreen, develop an email newsletter that includes useful information on skin cancer, sun damage and tips for preventing sunburn. Ensure that your advertisement is subtle and that the main focus is on providing the reader with useful information. Consumers are more likely to click through to a Web site if they feel that the company is offering them something of value and not just trying to promote its product or service.

Less is More

"Minimize the frequency of broadcasts to once a week or [even] less frequently," says Kelley. Consumers do not want to be inundated with advertisements. Companies that send email ads too often will find their hard work in the recycle bin.

And, he says, keep it brief. No more than 450 words is Kelley's suggestion. Remember, your consumers don't always have time to read through lengthy email. Organize your email message so that it is easy to read and so that users can find what they are looking for quickly.

The jury is still out on whether customers prefer straight text email or graphics-heavy HTML, streaming media or other fancy formats. One thing is sure, though, your customers will thank you for making your message as quick to download as possible. Limit your use of graphics and other extras that will tax your audience's net access. Keeping it simple will also ensure that a majority of users can read your mail and that those without HTML-enabled email readers will not be excluded.

Can You Say Customer Service?

One of the biggest complaints consumers have about any online transaction is shoddy or non-existent customer service. An email marketing campaign requires customer service to ensure that the inquiry becomes a sale or that your repeat customers stay loyal and don't migrate to the competition. Follow up on responses to email with personalized replies.

"Unbeknownst to consumers, sales, marketing, and customer service are separated in many organizations and don't communicate. However, with electronic media there's the possibility for these pieces to be more unified," says Kelley. "If a customer associates the regular email broadcasts with engagement and good customer service, he or she is more likely to read them and recommend that friends opt-in."

Good customer service can be the start of viral marketing in cyberspace. A happy customer that is impressed with the personal attention he or she receives will likely recommend your product or service to acquaintances, family and friends, thereby growing your customer base and target audience.

Use the Virus

For Careerpath.com (www.careerpath.com), a database of job listings from more than 90 affiliated newspapers across the US, email viral marketing seemed the answer to increasing its number of registered users and building national brand awareness. CareerPath.com launched an integrated online and offline marketing promotion, which included email and banner ads, called "The \$50,000 Pay Day," awarding a \$50,000 check to a current user and a \$50,000 check to a new CareerPath.com registered user.

The company also offered recipients the chance to send the email message along to five friends and receive up to five \$10 gift certificates from CDNow, eNutrition, BigStar, Proflowers and Shoplet.com.

The question was how to keep track of the success of the email campaign and its viral marketing offshoot. Using FloNetwork's viral marketing technology CareerPath.com was able to track this pass-along behavior and enable fulfillment activities for this promotion. "Registered users have been growing at a rate of 30 percent every four months. And 35 percent of all trackable new registrations resulted from the FloNetwork viral marketing campaign, which accounted for less than 1 percent of

the budget," says Reggie Brady, Flonetwork's VP of strategy and partnerships. "CareerPath.com has decided to shift some of its offline spending to email because of the high return on investment it realized with the campaign."

Be Still and...Listen

While you may have done the research before the campaign started, be sure to follow that up with a continual willingness to listen to your consumers. Tastes change, needs fluctuate. A successful email marketer knows that monitoring its consumers' interests is as important as researching them initially. "Send them what they want and refine [it] with each response so they eventually come to wait and rely on your message," says LifeMinders' Mesnik.

Reporting the ROI

And, of course, for email marketers determining the return on investment (ROI) is a big part of any campaign. Determining whether an email broadcast worked depends on your objectives from the outset. "If the intent is to increase loyalty, you can look at the rates of opt-outs and growth of opt-ins. If these rates are good - low on the opt-out, high on the opt-in - if people reply to the email or click through on any embedded URLs, the email worked," says Kelley. "If you want to get feedback from your customer base and you use an email broadcast to direct people to a survey Web-form, with a 50% reply rate, then the email worked."

Look for an email marketing company that can offer you an analysis of the success of your campaign. When Continental Airlines (www.continental.com) was looking for a more effective way to measure response rates to their email messages, a way to determine which sales for last-minute seats were directly attributed to their email program, they chose FloNetwork.

FloNetwork worked with Continental to develop a customer preference center on the Internet. In this center, travelers could sign up to receive last-minute getaway deals to domestic and international destinations. Through the program, Continental's marketing staff is able to better analyze and report click-through rates, purchasing behavior and pass-alongs. Enrolment in the *Continental CO.O.L. Travel Specials* program increased by 14 percent. Utilizing special FloNetwork formatting features for text and AOL, 30 percent more Continental members could clearly receive email messages.

Continental now deploys even more personalized email to their customers and click-through rates on specific promotions have been as high as 40 percent. As Ken Bott, manager of interactive marketing at Continental Airlines says, "We can have an email with three different messages in it and determine immediately which of the three messages is getting the highest response rate from customers."

Reap the Rewards

Permission based email marketing that is targeted, personalized and creative sent by a company willing to listen to its customers' needs, will prove successful. "For us [email marketing] serves the purpose of driving more traffic to our Web site along with increasing sales," says Barbara Backman, marketing manager of Atlantic British (www.roverparts.com), a client of ROI Direct. "We constantly see a spike in sales along with increase in traffic to our site when an email campaign is sent out."

So what are you waiting for? Get that email campaign rolling. As Dave Cash says, "Email provides a means to truly develop a one-to-one relationship with your customer base. It is exciting, fast-moving, highly interactive and a method to learn very quickly what your customers need and want from you." Provided you follow the tips above, of course.



Bianca Wright has had her business and marketing writing appear in a variety of magazines and online publications in South Africa and the U.S., including Office.com, Acadio, YBN, Pro2Net, Business Start-ups and Cosmopolitan. A former public relations professional, she also writes about health, nutrition and wedding planning, and has ghostwritten two books on the health community in South Africa. She also lectures in Media Studies part-time at her local university.