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John Stichweh: the role of e-mail in the marketing mix

⇒ how to keep the e-mail channel strong?

- Consumers
 - Relevance is key: consumers hate irrelevant emails
 - What does relevance look like?
 - speaking to personal needs
 - deep consumer insights
 - trigger-based emails
- Measurement

⇒ INPUT > PROCESSES > OUTPUT

- do you know exactly how much your 30K program is going to deliver?

⇒ In-process vs outcome measures

- If your stakeholders care about it it's an outcome measure - if they don't care, it's an in-process measure
- In-process metrics:
 - quality vs delivery
 - creative
 - pre-testing
 - does it suck or not?
 - delivery
 - did your message reach the inbox?

⇒ Outcome measures:

- sales, profit, ROI...
- Most of our time is spent on in-process measures

⇒ Predictive models for outcome measures?

- MMM
- Marketing Evolution's ROMO

⇒ we need comparable metrics across mediums

- ROMO
- we need to change the conversation to one of comparable metrics

David Daniels: The State of E-mail

- ⇒ the state of e-mail is not perfect
 - e-mail can be evil (spam, phishing)
 - spam is down as a % of what users see in their inbox
 - share of permission e-mail is up
 - consumers are still sceptical about e-mail
 - 43% think signing up for permission emails leads to more unsolicited spam
- ⇒ reputation is driven by relevancy
- ⇒ who/what/when => segmentation
 - value/validation/veracity
 - refine campaigns => test!
- ⇒ "let's do more because it's so cost-efficient"
 - = common problem
 - => kills your list
- ⇒ balance tone & frequency
 - you need a purpose, a goal
 - frequency must match the purpose of your program
 - purpose must not be apparent in the tone
 - => relevancy helps you cut through the clutter
- ⇒ trend = e-mail is #1 top activity why people are going online
 - the amount of time that people spend on e-mail vs other things they do online is decreasing though
- ⇒ which customer data attributes do you use to segment?
 - only 30% of marketers use click-through data
 - > who is or isn't engaged?
 - dormant accounts are turned into honeypot addresses
- ⇒ how to reactivate users?
 - 37% of marketers don't do anything
 - send postal mail
 - mail less frequently
 - suppress and remove from list
- ⇒ image rendering
 - the issue is here to stay!
 - add "click to web view" and "add to address book" and put it on top where people expect it to be!
 - use action-oriented ALT tags
- ⇒ e-mail is not a channel by itself
 - only 30% of marketers say they have a centralized process to manage email
- ⇒ decentralization & lack of oversight are major threats to e-mail cost efficiencies
- ⇒ Tips to develop your e-mail strategy

- begin with the end in mind => incorporate testing! and frequency caps. Relevancy starts with registration
- place value on an e-mail address
- make reactivation part of your program => survey + sweepstakes
- ask additional data
- develop KPIs
- focus on behaviour
- tailor your landing pages => don't drive to homepage
- optimize content
- develop seed lists
- figure out multi-channel mktg in early stage of planning process
- map out continuity campaigns

⇒ Issues

- industry avgs
 - delivery rate: 88%
 - open rate: 30%
 - click-through rate: 12%
 - conversion rate: 1.1%
 - we shouldn't be satisfied with this!!!
- 60-70% of recipients are just ignoring you!

E-mail ROI in a multi-channel world: setting the stage for innovation

⇒ measuring ROI is a challenge for most companies

- return
 - driving loyalty/engagement > relevance
 - drive sales
 - compare vs control group
- investment
 - fully loaded cost (people, vendor...)
 - all-in

⇒ differentiation between acquisition vs retention re ROI

- acquisition
 - look at immediate conversion
 - engagement per datasource
- retention
 - look at behaviour after a longer period of time

⇒ e-mail delivers 9-10\$ per dollar spent according to Jupiter

- sources that perform best are own homegrown lists (kiosks, website...)

⇒ difference between US/EU/ROW

- Europe is very positive on ROI for HP (relevance)
- Asia is struggling with ROI for HP (big deliverability challenges in China)
- depends on the team
- Amex is seeing more success for e-mail in Europe
- challenge in Europe is that the media market is very difficult for acquisition

⇒ Reactivation tactics

- active vs passive opt-outs
- look beyond the e-mail channel => all channels work towards this
 - Amex tells them to tell them what their preferences are re content
 - Other channels reuse these preferences
- support => dynamic content to address their needs
- look for behavioural indicators that trigger lapsing
- take people that contacted CS off of your list for this week's campaign
- mail less frequently to inactive subscribers
- segment by CS contacts
- segment by open/click behaviour
- check how many people open our emails over a longer period of time
- 35-55% of every list have not opened or clicked on an e-mail in the last 12 months (study by Alchemy Worx)
- make new type of offers to people that don't open/click
- look at activity data over 2-3 years

⇒ public perception

- when you are relevant people really like your emails
- get better and more meaningful and not send so many emails
- the e-mail industry has a PR issue
- think first about the consumer & then measure

Using metrics to drive performance improvement

⇒ think about process metrics vs outcome metrics

- process metrics
 - open rate
 - bounces
 - delivered
 - CTR
- outcome metrics
 - orders
 - downloads
 - ...

⇒ balanced e-mail marketing scorecard

- deliverability
- message level
- campaigns/time
- conversion activity
- engagement/relationship
- ROI

⇒ increased frequency

- impact on spam complaints and unsubs
- short term increase in revenue results in negative impact on long term revenue

⇒ Sierra Post

- KPI's
 - total revenue
 - \$/e-mail (value of promo & segment)
 - e-mail margins (profitability of promotions)
 - top clicked links (top 3)
 - make prediction upfront!
 - 0-6 mth list growth
 - 0-6 mth unsub rate (new subscriber engagement => 7 mth+ = reactivation)
 - value of e-mail address
- The "golden egg" balancing act
 - revenue
 - how much money from each blast?
 - branding vs incentive
 - cadence
 - what frequency can our customers handle?
 - What frequency can your team handle?
 - unsub rate
 - relation between frequency & unsub rate
 - "law of diminishing returns"

⇒ Puresend

- ESP
- more money should be spent on mining data
- analyze the performance of your campaigns across domains to find out if there are behavioral differences

⇒ Dela Quist

- how to prove the value of what you do
 - interactivity or click quotient
 - clicks per clickers
 - what is the value of your content?
 - aim is 1,5 clicks per clicker - range is 1.3 to 1.7
 - reach
 - cumulative unique open rate
 - what % of your database did you touch over a give time frame
 - customer based metrics
 - how to activate inactives
 - engage people - do not sell to them
 - frequency
 - recency
 - what % of your database saw your last e-mail?
 - who wants to sign up to receive randomly selected e-mail offers by the company you signed up with?

Fidelity: launching a new e-mail program

- ⇒ end state
 - e-mail is the glue that effectively binds a highly engaging multi-channel service experience
- ⇒ e-mail report card
 - grade each component
 - strategy
 - KPI
 - list management
 - content mgmt & optimization
 - deliverability monitoring
 - multi-channel coordination
 - cadence management

Deliverability War Stories

- ⇒ Craig - Microsoft
 - content is not the issue anymore - reputation is king!
 - #1 priority is to protect the user
 - Sender ID adoption is 43%
 - over 50% of emails are authenticated
 - internet fraud is down by 10% (FBI number)
 - no authentication -> e-mail is throttled to a couple of 1000 per day until you establish reputation
 - think ahead!!
 - Microsoft Sender ID whitepaper (download from EEC website)
- ⇒ Miles - Yahoo
 - reputation of the sender matters
- ⇒ is there a way for senders to see what their reputation is with the ISPs?
 - Yahoo
 - set up a complaint feedback loop
 - msg has to be DomainKeys signed
 - how to implement this?
 - go to Yahoo Mail help section > postmaster section
 - Microsoft
 - microsoft.com/postmaster
 - junkmail reporting system
 - unsubscribe button
 - smart network data services (SNDS)
 - feedback loop = survey program
 - users rate/judge emails
 - senderbase.org has good data
 - trustedsource website
 - senderscore.org
 - habeas tool
- ⇒ reputation is also about the IP addresses that you use

- ⇒ be careful to get your authentication right => no typos!!!
- ⇒ do both: Sender ID + DomainKeys
- ⇒ new IP address
 - don't start blasting emails
 - send minimum volume for a while until reputation is established
- ⇒ future: reputation should be transferable from 1 IP address to another
- ⇒ deliverability is still in the "Pony Express" stage
- ⇒ keep reputation separate between marketing, transactional and 3rd party lists
- ⇒ how to reach the B2B inbox?
 - volume that is sent over time
 - content
 - your connection pattern

Legislative update

- ⇒ "FTC is pro marketing - they want to be fair"
- ⇒ FTC is thinking of having companies to honor a 3-day opt-out instead of the current 10-day
- ⇒ 3rd party sending requires 2 opt-outs: 1 for the sender and 1 for the advertiser
- ⇒ transactional emails: transactional info has to be in the subject line and it has to be the first item in the e-mail
- ⇒ North Dakota just passed an opt-in law
- ⇒ mobile mktg: an e-mail that is delivered on a mobile phone is still regulated by Can-Spam
 - you need to scrub your list from all wireless domainis
- ⇒ B2B: wireless: where is the person reading your e-mail: screen or BlackBerry?
- ⇒ mobile regulations: you need an expressed opt-in (e-mail, no pre-checked box) + phrase that you will contact them at this address
- ⇒ discussion about a "postmark" for e-mail => it's not about endorsing one company's product though (Goodmail)
- ⇒ fines: 11.000 \$ per violation (= per e-mail)

Silverpop's landing page study

- ⇒ goals
 - e-commerce landing pages
 - branding landing pages
 - educational landing pages
 - lead-gen landing pages
 - 50% of B2B attempt to gather prospect data
 - 70% of B2C attempt to sell something
- ⇒ brand your urls => no gibberish
- ⇒ 17% of companies drive people only to the homepage => not a good idea
- ⇒ call-to-action => put one above and one below the fold
- ⇒ 45% don't repeat the promotional copy that's in the e-mail
 - it reinforces the call-to-action
 - Subtopic
- ⇒ landing page must match the look & feel of the e-mail & website => it confuses readers if you don't
 - logos: 90% put them on the landing page
- ⇒ include the navigation bar?
 - no: keep the focus on the offer
 - yes: if they're not looking for that particular offer, they have the opportunity to navigate further
- ⇒ images are important for B2C
 - grab attention during that critical 8 second window
- ⇒ Include opt-in request?
 - no: if you are only driving traffic through e-mail
 - yes: if other channels use this landing page too