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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