



We Share Our Knowledge

Article no. 27

What is Important to Know about Email Marketing

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1. Background

Imagine for a moment it would be like to live without emails? Weird, right?

Most of us use the internet at least a few hours a day. This constant accessibility, transferring messages at the click of a button easily and instantly, has become such an integral part of our daily lives, that we can no longer imagine functioning without it.

Consequently, for organizations interested in direct marketing, emailing can become a wonderful means of communication with the customer. It's immediate, it's available (in almost every home and business), it's inexpensive (both to create and to distribute), it's versatile (text, video clips, images, sound), it's customer targeted, and on top of all that, it's a call for action (links).

In light of all of these advantages, marketing managers interested in One-to-One marketing will probably consider using the email channel. However, to effectively use this channel, the marketing manager will have to deal with several distinctive challenges, such as: establishing a reliable email address database, overcoming mail transfer problems, motivating recipients to open the email, and encouraging them to complete the required action (purchase, contacting the company, etc.).

This article details the obstacles any marketing manager should bear in mind when considering the use of the email channel, and offers ways of resolving those problems.

2. Gathering and Maintaining Email Addresses

The basis of any successful email marketing activity is a reliable database of customers' email addresses. An outdated database or one including many incorrect details will increase the ratio of email returns and jeopardize the success of the marketing campaign.

Below are several recommended ways of creating a reliable email address database:

- The marketing manager should examine every process in the organization that interfaces with the customer, and identify the relevant opportunities of gathering email addresses.
- Email address gathering in stores or service centers should not be done using raffles, as they provoke customers to provide fictitious addresses.
- When addresses are gathered over the phone, the representative should verify the correct spelling by repeating the address and receiving the customer's approval.
- The marketing manager should consider requesting the email address first, and only later gathering other details via email. This way, there will be less protest towards the process, both from the customers' side and from the organization's side.
- Email addresses can be purchased from third parties. The advantage of such an action is the time saved on gathering the email addresses individually. The drawback is the inability to distinguish between existing customers and potential ones, and the inability to link between the email address and other details already registered in the organization's database.
- The email address database should undergo regular maintenance (in the US, for instance, people tend to change their email address once a year on average).

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3. Receiving Customer Consent

Customers respond better to marketing emails if they previously consented to receiving such emails (Opt-in). Their permission should be consciously given while providing their email address to the website.

Below are a few recommended ways of receiving customer permission:

- If the email address was purchased from a third party, a request for consent from the customer for future email marketing solicitation should be included in the first referral.
- Each email marketing campaign should include the option of being removed from the mailing list (Opt-out).
- When compiling a mailing list, addresses of all customers who requested to be removed should be effectively removed from the list.
- Customers, who were, upon their request, removed from the mailing list, should be contacted after an appropriate period, with an offer to rejoin the mailing list.

4. Mail Transfer Problems

About 10% of marketing emails sent within the US do not reach their recipients, some due to incorrect email addresses, and some due to Spam guards. Of the 90% that do reach the recipients, many can't be opened.

Below are a few recommendations for ways of avoiding such problems:

- Wording – avoid using words that may pop up in spam guards, such as capital letters, "free", "last chance", multiple exclamation points, etc.
- Mail Format – not all computers support HTML mail format. Therefore, the customer should be asked, during registration, in which format he would prefer receiving the emails (HTML or plain text).
- Email Upload Speed –
 - When an image is attached to the email, it should be compressed.
 - Make sure that the image upload doesn't take too long for computers without broadband.
 - When attaching a video clip to the email, it should be via link.
- Browser – make sure the email can be viewed with all browser types.

5. Motivating Customers to Open the Email

Customers must be motivated to open the marketing email in order for the marketing campaign to succeed.

For instance, in the US, the average rate of opening marketing emails is 30% and dropping.

Undoubtedly, the amount of Spam received by email users discourages them from opening marketing emails, and complicates things even more for the marketing manager.

Below are a few recommended ways of overcoming customers' apprehension and appealing to their curiosity enough to induce them to open the marketing email:

- Subject Line – the subject line is the main reason for the customer to open/disregard the email. Therefore, it should:

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- Create immediate interest / attract attention.
- Be targeted towards the relevant market.
- Convey the marketing message clearly and completely.
- Sender – the sender's identity also influences the decision of whether to open the email. An unidentified sender will increase the concern of viruses or spam. In order to resolve this issue, the sender's address should:
 - Reflect the brand / be clear (e.g. if your customer club is not yet well known and/or branded, the sender address should include the company/brand name to prevent confusion).
 - Be as brief as possible.
- Preview Panel – many subscribers use the preview panel, which enables a sneak peek at the e-mail's content, before full opening it. This panel can become a trigger to opening the email, and attract attention and curiosity.

Based on these observations, below are issues to be considered when designing the body of the email:

- Some customers use a bottom preview panel, and some use a right hand side preview panel.
- We recommend designing the email so that an image or another intriguing part of the email body will appear in both a right hand preview panel and a bottom preview panel.

6. Urging Customers to Act

After getting the customers to open the email, the next challenge is to motivate them to complete the required action, be it a purchase, contacting the company, participating in a survey, or any other marketing activity.

Below are a few recommendations:

- The first section of the email is the most important one. Not all users would bother scrolling down, so the first section must include all the significant details of the offer.
- The link to the required action should be visibly located in the first section.
- The marketing offer should include:
 - A description of the product/service
 - A description of the product/service's advantages
 - A price
 - A link to the required action
 - A one-time offer (free shipment, special payment terms, exclusive discounts, time limitation etc.).
- The target market should be segmented and the marketing message and offers should be adapted according to the target market's specific characteristics.
- The customers should be able to choose the language in which the email will be sent to them, if different than Hebrew (English, Arabic, Russian, etc.).
- The email should address the specific customer by name.

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7. Conclusion

A marketing manager who chooses to use the email channel to promote his marketing activities will have to face a few challenges, such as constructing and maintaining a reliable bank of email addresses, email transfer issues, customers' apprehension of spam mail, and motivating customers to open the email and perform the necessary actions.

That said, the benefits of using emails as a marketing communications channel – its immediacy, low cost, availability, segmentation abilities and design and message flexibilities – make emailing an important marketing channel that should be incorporated in marketing campaigns.

In Israel, many companies ignore this channel for various reasons, and companies who do use it do not maximize its potential to promote their business goals.

This article provides the former and the latter with basic tools for reassessing the marketing usability of the email channel.

About Synergy

Synergy is an international consulting company, specializing in Analytical CRM solutions.

Synergy offers marketing oriented business ventures, formed by a team of leading local and international industry experts.

Synergy aims to provide its customers with the ability of acquiring commercial advantages by informative analysis of their customers' shopping data.

Synergy has vast experience in working with leading commercial organizations, both locally and internationally, and its clientele includes foremost industry leaders in the communications, financial and retail fields.

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