



# How an Innovative Email Marketing Strategy Can Pave the Way to New Customers

*AN EMAIL MARKETING STRATEGY WHITE PAPER*

## EMAIL MARKETING PROGRAMS

According to the Direct Marketing Association, email marketing when done right, can deliver an ROI of \$43.62 for every dollar invested. That's an amazing return. Imagine if your bank gave you \$43.62 for every dollar you invested with them. How much would you invest? Everything you've got.

The big caveat here is that you need to execute email marketing well in order to get this kind of ROI. An effective email marketer is great at building an audience, ensuring email deliverability, getting high open rates, creating actions and optimizing campaign metrics. When you do all of this well, people respond and your email campaign works. If you don't do all of this well, it can be very quiet after you hit "Send", and it might seem like thousands of your emails went into a big void.

It's very important to focus on email campaign optimization techniques that will get more of your emails delivered, opened and acted upon. When developing an email campaign, the most critical elements you can use to achieve these goals are using a good **list**, featuring a strong **offer** and presenting powerful **creative campaigns**. After you have your email strategy in place, it's important to execute the campaign

well by using a high quality email tool and paying close attention to all of the details that make a program work, such as lowering your SPAM score to improve your deliverability. Before you send your email, you should test different elements of the campaign, such as the Subject Line, in order to improve your results.

To make your email program even more effective, you should also integrate it with other online marketing activities such as search and social media marketing.

A click-to-customer email program consists of all the essential email tools and best practices available to deliver to the most potential customers possible. By using the techniques here, you'll no longer be content with just getting higher open rates and lower opt-out rates. You'll be focused on generating more leads and sales, and with every email sent you'll be learning more and more about what drives winning results.

## EMAIL MARKETING GOALS

When you start an email marketing campaign it's critical to have clear goals in mind. Do you want to simply inform your audience? Do you want them to click to your website to read content? Do you want them to watch a video, download a trial or even buy something? Your goals for the campaign will directly influence the design, frequency and messaging of the email program. It will also determine the reporting metrics you put in place during the campaign setup process to help you see if you are accomplishing your goals.

## THE AUDIENCE AND DIFFERENT TYPES OF EMAIL CAMPAIGNS

It's critical to clearly understand your audience when you begin your email program. Several different groups you may consider creating email programs for are:

- Your top customers
- All existing customers (active and non-active)
- Partners
- Potential customers who have opted in to receive information from you
- Other potential customers in your target market

You should consider communicating with each of these groups using email in a different way. Your best customers may receive a personalized email from the CEO and be invited to special events, or perhaps invited to provide product or service feedback. All existing customers may receive a regular email newsletter with updates on the company, products and services, or other important announcements. They may also receive emails with special offers to encourage them to buy other products or services from you.

Partners are also a special class. They may be interested in some of the same content as your best customers, but need to be spoken to as part of your team, not as a potential buyer. A partner eNewsletter can be an effective tool for this audience.

Potential customers who've "raised their hand" and opted in to receive your content may receive a stream of content designed to move them through the buying process. If this is a B2B audience, this content may include offers for white papers, webinars, demos, case studies, product information or the opportunity to evaluate the product. A B2C audience may get special offers, discounts or advance notice on upcoming promotions.

While some companies only send emails to existing customers and people who have opted in, many organizations send email to other potential customers. These emails may be highly promotional with strong offers that encourage the user to opt-in to get deeper and more regular content from your company.

It's critical to design an email campaign strategy that takes the specific needs of these different audience types into account, and then communicates to them in a personalized way based on their relationship with your company.

## EMAIL LIST

A strong email list is critical to any email campaign. When I say a "strong" list, what I really mean is one that is large with complete data for people in your target market. I've been involved in several campaigns where the client invests a lot of time, energy and money into developing a beautiful email creative, but then only sends it to a few hundred people because they do not have a strong list.

When you do the math, you can see why that's a problem. If you spend \$5,000 developing an email campaign (offer, email creative, landing page, etc.) and then send it to only 500 people, you may get 5 to respond if you get a 1% response rate. Your cost in this case is a whopping \$1,000/lead. If you have a list of 100,000 people, and you get a 1% response rate, you can yield 1,000 leads and drop your cost to \$5 per lead. That's a very powerful change in the effectiveness of the campaign, simply by leveraging the email campaign across a larger audience.

In a perfect world your list should include everyone in your target audience. Yes, everyone! It should also have their email address, whether or not they've opted in to receive your content, and their relationship to your company (customer, partner, potential customer, etc.). This will allow you to do some basic targeting. Ideally it should also have other data that will allow you to segment emails to them more effectively. This may include their name, location, industry, past purchases, how frequently they'd like to hear from you, preferences, and any other variables that will allow you to further personalize and customize your email.

Most organizations do not have anywhere close to this type of list, but if you do, it's a powerful competitive advantage since you can easily and inexpensively reach your target market.

So how do you build this type of list?

You can start to build your list by collecting email addresses wherever you can. Start by adding your existing customer and partners. Since these are your best contacts, it's worth the time to contact companies directly to make sure your information is

accurate and complete. If you have offers and landing pages on your website, inbound leads can be an effective source. If you have a sales team, they can also be a significant source of email addresses if they are using a CRM system to manage customer and prospect data. Your partners can also be a source of new emails if they are willing to share them.

**List Building.** It can take a long time to build your list using the techniques above, so you may be tempted to buy a list to get faster results. There are many places where you can buy a list, but please be careful. Even the best lists I've purchased have a significant number of bad email addresses. If you buy a list, make sure you only send to small batches of the list over a long period of time so that you can manage the opt-outs properly and don't get tagged as a spammer or black listed. This technique is known as throttling and many email providers highly recommend doing this when sending to a new list.

**List Hygiene.** Once you have a list, it's very important to keep this list clean and up-to-date. In some markets, 10% of people change jobs or email address every year and need to be removed from the list. Also, people will opt-out from receiving your emails and will need to be permanently removed from your list. People will also change their relationship with your company and their records will need to be updated when they move from prospect to customer, or from customer to "important customer" so you can segment specific content to them appropriately.

From time to time you may also want to remove people from the list who do not respond to your email programs at all. These non-responders lower your response rates and cost you money to mail to, even if they never respond. Continuing to send email to inactive records over time can also get you labeled as a spammer and lower the response rates of your entire campaign. Rather than deleting these records, you may want to break them out into a different segment for occasional strong promotions to see if you can re-engage them with your best offers down the road.

Once you have built this strong list, it's a powerful asset for your company and must be protected and managed regularly to keep it working effectively.

## THE OFFER

All email campaigns should be designed around a specific offer. The offer is something special that you are giving to your audience in order to get them to respond. The offer should be strong enough that it gets people to open the email, read it, clickthrough and ultimately take the action you want them to take. Stronger and more relevant offers will drive a better response rate for the campaign.

If you get an email that features an update on a company's executive team, you're less likely to respond than if you get one that features a free industry analyst paper, free software, a coupon or the chance to win a valuable prize. Always try to put yourself in the shoes of the recipient when you design your offers strategy, and feature the strongest offer you can in each email campaign.

## EMAIL CREATIVE DESIGN

Although the design of the email won't make as much difference to the success of the campaign as the list and the offer do, it's still very important to design an email that represents your brand well, clearly communicates your message and offer, and makes it easy for the recipient to respond.

The best emails feature a clean, compelling design and engaging copy. The email should be concise and easily scannable since people read emails very quickly to see whether or not there is something of value for them. The copy should be engaging and straight to the point as it should be very easy to discover the call to action or what to do next. As you write the copy for the email, make sure you include compelling headlines, strong copy and a clear call to action to motivate people to take the action you want.

As you design the email, pay special attention to the call to action. If you want the user to do something, design it so that the action stands out with a special color or other design treatment to make it easy for the user to see what to do right away. It's also critical to put the action "above the fold" (at the top of the email) so that the user does not need to scroll down in order to take the next step. You may also consider putting the call to action in multiple places such as buttons on the top right of the email and a text link within the body copy in case the user has images disabled or is on a mobile device.

A critical part of any email is the Subject Line. This is the headline that will determine if the email gets opened or not. Many people receive dozens or hundreds of emails each day, and if your email subject line is not compelling enough it won't even get opened. All of the work you put into the design and copy of that email and landing page could be wasted. Consider testing to a small subset of your entire list using different subject lines to find your strongest message and optimize open response rates.

After the email is designed and written, it must be turned into HTML in order to get ready to be sent. During this production phase, make sure you thoroughly test the email to see how it renders in various browsers.

Today a high percentage of emails are being read on mobile devices, so it's also very important to test the email on various mobile platforms such as the iPhone, iPad, Android and Blackberry to ensure that the email is readable. It's also important to think about how you want users to respond from their mobile device. Filling out a long form to get a white paper or downloading a free software offer is much more difficult on an iPhone than a PC or Mac. Consider reducing the amount of form fields to be filled out and making call-to-action buttons larger. Remember to keep mobile usability in mind when creating these email designs.

## PERSONALIZATION AND CUSTOMIZATION BY SEGMENT – TARGETING

People naturally respond to emails that are for them personally. If I receive an email that is addressed, "Dear David," I'm much more likely to pay attention than if it says, "Dear Sir." Worse still are emails that are addressed to "dreske," since it sounds like



they just scrapped that from the first part of my email address. If you have the name of your contacts in your list, definitely use it to personalize your emails to them.

Customization is when you send dynamic emails to different users in your target audience. In order to do this you first need to define your segments and then personalize your content accordingly in order to address their specific preferences.

In B2B markets people commonly segment their audience based on the industry and job function their recipients are in. This means that if you know that someone works in the Financial Services industry and is in sales, you'll use this information to customize the email for them in order to get a better response rate. You can do this by either creating separate emails for each segment, or by creating dynamic emails that are assembled as the emails are sent based on variables you set up in each email.

If you do this well, you'll create an email that is personalized and customized to the individual so that it's more relevant and you get a higher return on your email investment.

## SOCIAL SHARING AND EMAIL

Social media is a very important tool to reach your audience and can be easily integrated into your email campaigns in order to make each tool more effective. Sites such as Twitter, Facebook, YouTube and LinkedIn are powerful ways to attract an audience, encourage the sharing of your content, and communicate regularly. I discuss each of these tools in other whitepapers, but here I'll share several ways that you can integrate your email and social media programs.

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**NEWSPEED**  
Click-to-Customer™ Marketing


**Free White Paper: How to Build a Winning SEO Strategy**

Dear Colleague,

Search Engine Optimization (SEO) is critically important for your organization. Are you wasting time and effort implementing SEO strategies that are dead on arrival, rather than killer strategies that work?

Find out, by downloading the white paper, **"How to Build a Winning SEO Strategy."** You'll learn expert strategies to make your website compellingly SEO-friendly. This expert paper includes practical keys to:

- Setting strategic SEO goals
- Identifying the right keywords for your killer strategy—and why it matters
- Content strategies to keep your site fresh and relevant
- Secrets behind effective link-building
- How SEO analytics can make a good optimization strategy even more potent



**FREE White Paper**  
*How to Build a Winning SEO Strategy*

Social sharing tags are links that you can put on the top of each of your emails that allow people to easily share your content with their followers on sites like Twitter, Facebook or Google Plus. With just one click, each of your readers can share your email with thousands of other people in their social network, so it's critical to make these links easy to see to encourage your readers to use them. Many email programs can track how many people share your email with their social media fans, so that you can see the impact that these links have.

You can also send an email explicitly asking your email readers to follow you on your social media properties. This is like sending an email asking people to join another list, so it is important to include some kind of incentive if you can. This can take the form of a contest or small gift if they are willing to follow you. If you make this sound easy and fun, you'll be more successful in getting people to respond. Let's face it, people love free things!

## INTEGRATING YOUR EMAIL CAMPAIGN WITH SEARCH MARKETING

Search marketing and web marketing can also help you build your email audience. The first step is to put a strong call to action on your website, similar to the types of offers you are using in your email campaigns. Then use search engine optimization (SEO) techniques to make your website more popular with the search engines to gain more organic traffic. You can also use paid search marketing (PPC) to drive traffic to your website and landing pages. This traffic will respond to your offers, convert on your landing pages and build the audience for your email campaigns.

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[NowSpeed.com/SEO](http://NowSpeed.com/SEO)

## EMAIL EXECUTION – SOFTWARE, DELIVERABILITY, QUALITY, TESTING

Once your email is designed and written, it's time to send it. At this point it's tempting to feel that your job is done and you just need to hit the "Send" button, but it's critical to work very carefully during this last phase of production.

Once you send an email, there is no guarantee that it will be received by the user. Most organizations have spam filters that are designed to keep out unwanted email, and for this reason your email may also be kept out. All of the major Internet service providers (ISPs) also filter email. In the United States, the CAN SPAM law tried to define what spam is, but in practice, spam is whatever the Internet service providers stop from being sent to their users for a number of different reasons

## Delivery Report

Delivery Information	Total
Total Sent	5,000
Soft Bounced	5
Hard Bounced	216
Total Bounced	221
Delivered	4,779

In order to ensure high email deliverability, you need to take several important steps. First, make sure your email is in compliance with the CAN SPAM law. This law has many provisions, but the most important provisions are that the subject line should not be deceptive, you need to identify yourself with your organization name and physical address in the email, and you need to prominently give the user the option to opt out of future emails from your company.

Another key to high deliverability is managing the quality of your list. If you have a very low open rate or response rate, the ISPs may consider your email to be spam. To keep this from happening, periodically remove people who never respond from your list. Why keep sending messages to people if they have not responded to any of your emails in the past year? This will also help boost your response rates in future sends.

A third key to ensuring high deliverability is to stay away from words and techniques which the spam filters looks for when deciding if email is spam or not. This includes not using the word “free” in your email Subject Line, not using other phrases like “special offer” or “click here” or any words that are associated with sex or drugs. You may also want to avoid the use of all CAPS in your subject line. By staying away from this type of language you’ll be more likely to get your email delivered successfully and read.

## EMAIL IS A RELATIONSHIP

When you are building an email program it’s important to remember that you are not shouting at your audience, you are building a relationship with them. As part of this relationship you are giving them content and offers and asking them if they want to get more information or buy something that meets their needs. Think of it as “conversations before sales.”

This type of relationship building works best when you give the recipient control over how often they hear from you, and what type of messages they will receive. One way to build this relationship is to use a “preference center” to let the user opt out of certain types of emails or get more or less frequent emails from you. If you don’t let the user control the relationship, you risk losing them altogether when they get fed up and choose to opt out from your list.

## EMAIL TESTING AND OPTIMIZATION

It’s critical to test your email campaign in order to improve your results. Fortunately there are many great ways to test and optimize your program.



The first component to test is your subject line. Each email you send should be randomly split into at least two subsets of your full list so that you can A/B test them against each other. Since the Subject Line determines if your recipient will open and read the email, use the open rate to evaluate the effectiveness of your Subject Line and rollout to the larger list with the strongest message.

Specify the email to deliver...

SEO WP Friendly Killer
PREVIEW HTML PREVIEW TEXT

Creatives Last Updated: 4/23/2012 2:06 PM

Subject #1:	Is your website SEO friendly?		<input type="button" value="ANALYZE"/>	<input type="button" value="REMOVE"/>
Subject #2:	Build a Winning SEO Strategy		<input type="button" value="ANALYZE"/>	<input type="button" value="REMOVE"/>

Just because one Subject Line gets a higher open rate than another, this does not necessarily mean that it's a winner. It's important to test the result to see if it's statistically significant. Even if you don't have a master's degree in statistics you can use online tools to make sure you are getting valid results in order to make a decision. The variables you'll need to include are the number of impressions and the clicks or clickthrough rate of each of the tests. Once you have this information, you'll be able to use an online calculator like the one below, to get the degree of confidence that the "winner" is actually the winner. You should look for 90-95% confidence before you can declare a winner. If there is a winner, use it and create a new test to see if you can improve the results. If there is no clear winner, you may need to retest with a larger sample size in order to determine the winner.

<http://web-tracking-guide.com/statistical-significance-calculator.html>

## KEY PERFORMANCE INDICATORS (KPIs)

Once you have your campaign running, you'll want to track and report on the results in order to make informed decisions about how effective the campaign is. Key Performance Indicators (KPIs) are data about the campaign that you collect over time to determine if your campaign is on track. Some of the data you'll want to track for each campaign are:

- **Impressions** – Your list should be growing over time with new people opting in
- **Open Rate** – Tells you if your subject lines are effective and relevant
- **Opt-Out rate** – Tells you if you have the right people on your list
- **Clickthrough Rate** – Tells you if your email design and offer are effective
- **Conversion Rate** – The conversion rate will tell you if your landing page and offers are strong

It's critical to collect this data over time and make informed decisions to improve and optimize the results. You won't always be right, but at least you'll have very clear feedback on your decisions.

## EMAIL MARKETING SUMMARY

Email marketing campaigns can be optimized to build the size of the audience, improve deliverability, and maximize opens and conversions. It is critical to leverage search and social media as well in order to influence your email campaigns and ensure all of your online marketing programs are as effective as possible. By taking advantage of the techniques presented here, you'll ensure that you are creating the most effective email campaigns possible and able to pave the road to email marketing success.

## ABOUT THE AUTHOR



David Reske is the founder and president of Newspeed, Inc. He founded Newspeed in 2003 and is focused on delivering world-class Internet marketing services to clients across the US. David has over 15 years of Internet marketing experience in areas such as search (SEO and PPC), social media, email, and website marketing. He has personally worked with over 100 clients to optimize their marketing programs.

Before founding Newspeed, David was also founder and CEO of Onward Technologies, a web marketing and systems integration firm, where he led the company to significant growth. In 1998, Onward Technologies was purchased by CSC Consulting Group, a division of CSC Corporation that provides information technology services to commercial and government markets. David is a graduate of Ohio State University and completed graduate work at Boston University.

## ABOUT NEWSPEED

Newspeed's click-to-customer™ marketing solution drives, converts and nurtures leads—generating more high-value sales faster for our clients. We provide expert marketing strategy, search marketing, social media marketing, award-winning creative and flawless campaign execution across all our services. For more information, visit us at [www.newspeed.com](http://www.newspeed.com).

