

eMarketing Best Practices

Email marketing is used by nearly every major brand across most industry verticals. Why is it so popular? Email is one of the least expensive, most effective ways to reach customers and prospects. Here are some of the keys to email's success:

Greater Control

Today's savvy consumers seek more control over how and when they're marketed to, turning to devices like Digital Video Recorders (TiVO, etc.) and satellite radio to avoid traditional advertising channels. However, these new technologies take an "all or nothing" approach. They lack the ability to let consumers receive information about the products and services they *do* want to know about. –And that's where email marketing offers a powerful advantage.

Permission Counts

A good email marketing initiative starts by getting permission from recipients. This concept of permission marketing is critical to success, and it works for many reasons:

- The foundation of permission allows you to forge stronger relationships with customers.
- As you build trust, you also build a valuable database of information to better serve your customers' unique needs.
- You'll use this information and leverage your relationship to improve ROI and cut Customer Relationship Management (CRM) costs dramatically while providing higher levels of very targeted and personalized communications.

Direct Response

Another advantage email marketing offers is the ability to get instant feedback on the success of your campaign through statistics. Because you have access to real-time information about how recipients are responding to your messages, you can easily optimize marketing campaigns as you go along.

Planning Your Course

Every email marketing success story starts with a good strategy. Here are some things you need to consider when developing yours:

- **Objectives:** Are you hoping to increase sales at your website? Want to qualify sales leads? Looking to build your brand? Your objective will determine your strategy, so the more specific, the better.
- **Database Building:** Who would you like to have in your database? What's the best way to encourage that audience to give you permission to send them emails? What information will you need to know about your audience once they've given you the green light?
- **Database Segmentation:** You'll get better results when you send relevant, targeted messages. First make sure you're collecting the right information, and then leverage that data to reach your target audience.
- **Creative Assets:** Who will write your emails? Who will design them? If you don't have a professional creative team in-house, or if you have a team but they don't specialize in eMarketing, consider outsourcing to Infinity Direct. Our specialists can save you money and valuable time, while developing creative that has been proven to achieve good results.

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- **Messaging Frequency:** How often will you send emails? Welcome letters and double opt-in confirmations should be sent when subscribers join your list. But when it comes to your email campaigns, frequency is hard to perfect. Just because you had a great return on one message, it doesn't necessarily mean you should send another one the next day or the next week. Send too often and you risk becoming a nuisance, which may result in more opt-out requests. But if you wait too long between messages, subscribers may forget about you. Finding the "sweet spot" when it comes to frequency takes time. Don't rush it.
- **Integration with offline marketing efforts:** You'll achieve the best results when your online marketing initiatives are working hand-in-hand with your offline efforts.

Building a Better Database

Many eMarketers share a common misconception that when it comes to your database, bigger is always better. But in the words of George and Ira Gershwin, *it ain't necessarily so*. Let's take a look at issues surrounding the size of your database.

“Wide Net” Database Growth

A “wide net” database growth strategy is one that focuses on adding as many email addresses as possible to your subscriber list. Using this approach, you'll build a big list and you'll build it fast. Sounds exciting, right? But while exponential database growth may look impressive on a quarterly marketing report, those numbers can be incredibly deceptive. How many subscribers are converting? How many of them are even opening your emails? Dollar for dollar, what's your return on investment?

Anyone who becomes preoccupied with large month-over-month database growth usually considers renting or purchasing a list, conducting list append procedures, or engaging in other potentially risky behavior when it comes to collecting email addresses. But go down this path and you could find yourself in serious trouble with your customers, your email service provider, and with the federal government. And even if you're complying to the absolute letter of the law in your adherence to CAN-SPAM legislation, yet fail to comply with the *spirit* of the law when it comes to protecting consumers from unsolicited email, you—and your brand—will pay a hefty price in the long run.

Qualified Database Growth

With an approach that focuses on targeting select subscribers, on the other hand, your database may start smaller. It should show steady upward growth, rather than huge highs (as a list is imported) and lows (as most of those imports opt-out and/or report your email as spam to their ISP). A targeted database growth strategy emphasizes the *quality* of your database, and it usually centers on building your house list, a.k.a. your existing customer database

House List vs. Third-Party List

According to Marketing Sherpa's Email Marketing Metrics Guide 2005, email open rates to house lists are around 28% for B-to-C marketers, 43% for B-to-B marketers, and 45% for mixed audience marketers. Open rates to third-party lists mostly fall below 20%, with many ending up under 10%.

These numbers illustrate the value of a house list. Why the big difference in open rates? Again, the issue is database *quality*. A qualified database is made up of people who are interested in your products and services. These are the subscribers who are most likely to convert.

Best Practices for Building a Better House List

The best, most effective way to obtain a good list is to build it yourself while staying focused on quality. Sure, size matters, but not if your huge database produces paltry conversion rates. Here are some best practices you should be doing right now:

Confirm Opt-In: If your house list isn't 100% “opt in,” or if you haven't communicated with your opt-in house list for a while (one year is definitely too long), start by sending out an email that gives subscribers an opportunity to confirm their

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interest in receiving communications from your company. This confirmed opt-in process may reduce the size of your house list some at the beginning, but it improves the quality. To start small and grow your database is a much more effective use of your marketing dollars than to start large and reduce down as people opt-out.

Promote Your Email Program: Email marketing campaigns are best implemented when integrated with and supported by your other marketing efforts. That means your email marketing strategy should be part of your printed collateral, in store and on-location promotions, advertising and trade show booth promotions. Every communication, whether it's print, TV, radio or otherwise, should include a link to your website and email subscription information. Educate your retail and service teams to gather email addresses from customers at every opportunity. Make gathering email addresses part of your transaction system (like taking money) and make it simple, using a clipboard form or a laptop that's logged in to an opt-in form on your website.

Provide Relevant Content: Make sure your email marketing content is relevant to your subscribers. To do this, shift your focus away from *features* of your products and services, thinking instead about the *benefits* those features will give your subscribers.

Add Viral Components: What's the most time-honored marketing method around? Word of mouth. In fact, a 2003 study conducted by *Harvard Business Review*, called "The One Number You Need to Grow," saw a direct correlation between the percentage of customers willing to recommend a company to a friend or colleague and that company's growth rates.

So making it easy for your current database to tell their friends about you is one of the best ways you can add high-value, qualified subscribers to your list. Use forward-to-a-friend and refer-a-friend tools alone or coupled with creative promotions such as special offers or drawings for those who refer friends, and watch your house list grow while it becomes more profitable and subscribers engage more personally with your brand.

Monitor Engagement: Speaking of engagement, you should always be monitoring the ways subscribers are interacting with your email messages. Track the links they're clicking, and begin to notice pattern behavior, like how many emails are forwarded, and which newsletter topics get the most clicks. Use this information to refine your marketing efforts and target subscribers based on their unique interests and preferences.

Reward Loyal Subscribers: Permission marketing is a two-way relationship, so it's important to reward your customers who engage with your brand. Of course you can (and should) reward email program subscribers with coupons, savings, and members-only benefits. But keep in mind that you can also build loyalty and reward subscribers by better serving their needs. Do so by using their behavioral information to provide personalized email content and targeted offers.

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Establish Trust: Trust is the foundation of all long-term relationships. Foster the trust of your subscribers by respecting their wishes and actively protecting their personal information. A good privacy policy makes subscribers more comfortable giving you their email address. Let them know that their email addresses are under your protection and that you will not sell or rent them to anyone. Then stand by your good word!

Great lists, like great buildings, are not built overnight. It takes time, often a few years, to grow a qualified database that delivers big returns. Consider list building a continual process that is constantly integrated into your marketing efforts. With that commitment, your return on investment is much higher than the quick fix a purchased or borrowed list can offer.

Targeting Your Email Campaigns

The ability to target your marketing efforts to the needs and interests of current or potential customers is the best way to increase sales. Fortunately, it's also one of the biggest advantages email offers over traditional methods.

A targeted approach produces better conversion rates, greater purchasing frequency, and higher per-transaction sales at a lower cost to you. What's more, targeted emails increase customer loyalty and build your brand recognition. How does email targeting achieve so much? By giving your customers exactly what they want, exactly when they want it.

Getting Started

Effective targeting starts with understanding what your customers or subscribers want. There are two primary ways to learn about your customers' wants and needs: you can simply ask them, or you can observe their behaviors. We recommend a targeting strategy that includes both of these tactics:

Surveys and Polling

Surveys and polling are a great way to learn about customers' wants and needs by asking. There's an art to conducting good surveys, though. Don't ask too many questions, and don't collect information that strictly serves your purposes without helping your customers. Dynamic or "smart" polling tools ask different questions based on a user's previous responses, allowing you to really "drill down" to learn more about the diverse interests of subscribers and customers.

Integrated Web Analytics

Web analytics is probably the most effective way to determine customer needs and wants through observation. By tracking a user's path from an email and throughout your website, you can learn exactly what they're searching for, when they're most likely to search, what makes them leave your website, and more. Use this valuable information to deliver the most relevant and most highly targeted email messages. You can even use email to tempt e-commerce customers back to your site, to purchase items removed from shopping carts.

Multi-Channel Integration

Aggregate the data you're collecting offline and online for a comprehensive picture of your customers that facilitates efficient targeting: If Jane buys a water filtration pitcher in your store, you know she'll need a new filter in a month or so. So why not send Jane an email offer on filters right when she'll be needing one? That's targeting, and email technology makes the process easy and completely automated.

Loyalty Programs

An integrated loyalty program is a great way to track, target and reward your high-value customers, whether they purchase online, in stores, or through direct mail catalogs.

Once you better understand your audience's needs, it becomes much easier to offer what they're looking for. In fact, you should act on every possible opportunity to pay back customers for the trust they've invested in your company by targeting their needs and

serving them better. But how do you create messages that are targeted to the needs and interests of your subscribers when each of those subscribers is unique?

Personalization: The Key to Targeting

Not so long ago, an email was thought to be “personalized” if it contained the subscriber’s first name in the salutation or subject line. Those days are behind us. Now personalization means sending emails to you customers that are relevant to their needs. Personalization also means sending that message at a time that makes sense for each member of your database. It sounds complicated, but today’s email functionality not only makes it easy to learn more about your customers’ behaviors, it also gives you the ability to leverage that knowledge like never before using two technology advances:

Dynamic Content

A dynamic content email is one that serves each member of your database unique, personalize content (copy, images, offers, etc.) based on their preferences (stated needs and interests) and/or their behaviors (observed actions and interests). But this level of personalization doesn’t require you to create x versions of every email you send. Instead, you create one email template and insert dynamic fields in various places throughout the message. The dynamic fields correspond to categories in your subscriber database, “pulling” the content you’ve created for each category and inserting it in the email to create a message that is personalized for each user based on information you know about them.

Event-Triggered Messaging

Event-triggered messaging is another great way to improve targeting by making sure an email is received at precisely the time it will be most relevant for each of your unique subscribers. This functionality allows you to schedule email launches based on predetermined actions or dates. Perhaps you’ve noticed that once a customer goes beyond 90 days without making a purchase, they’re more difficult and more costly to re-convert. Why not send them a special offer that automatically launches at their 90-day latency period? You won’t believe how easy it is to set up such a targeted program—one that runs automatically, as long as you want, with no ongoing maintenance on your part.

Results from Personalization

Targeted. Personalized. Dynamic. No matter what name you call it, relevant messaging works. A 2003 Jupiter Research study reported results from dynamically personalized email messages were four to eight times better than those from static campaigns.

Best of Show or Best Practice?

While dynamic content and event-triggered messaging are still considered leading edge functionality, this level of targeting is becoming a solid best practice requirement *as we speak*. Every time another spam email finds its way to your subscribers’ inbox, the pressure to offer the relevance that can only be achieved through targeted email messaging intensifies. Personalization is a fast moving train that gains more traction and picks up more speed every day. Jump on board before it’s too late.

List Hygiene

Keeping a clean list is more than an issue of good housekeeping. It's one of the best ways to keep returns and response rates high. And with new CAN-SPAM legislation, it's also the law. When someone unsubscribes from your email program, you must be sure their address is removed across your entire database. Keep a clean list by handling unsubscribes in real time, and make sure opt-outs won't be inadvertently re-imported at a later date.

Automatic List Suppression

Adherence to list hygiene best practices is easier with automatic list suppression functionality built into your email marketing tool. Unsubscribes should be handled automatically, in real time, and an ongoing list of email addresses that belong to people who have opted out should be maintained and always checked to prevent re-importation.

If you're building out your multi-channel marketing efforts (and we recommend you do so), list suppression functionality is more important than ever. You can run database information from any channel against your email address suppression list, as an important safeguard against inadvertent CAN-SPAM violations.

The Double Opt-In Email

If you have lingering questions about whether your database is completely opt-in, or if you think some subscribers may no longer wish to hear from you, by all means send out a double opt-in (DOI) email to your entire list, asking them to update their preferences and giving them a clear opportunity to reconfirm their interest in your email program. If subscribers don't click the confirmation link in your DOI email within 30 days, their information will be removed from your database.

Read on for more important information about the double opt-in email, and how it can become the eMarketer's best friend.

Opt-In: What Are the Differences?

Single Opt-in

Single opt-in email marketing initiatives invite customers or website visitors to join your list and give permission to receive information from your company. These requests to join the list are not confirmed.

Issues with single opt-in databases include:

- Single opt-in email addresses may be invalid. Since they aren't confirmed, you'll only learn about an error with the address after a message has bounced.
- Someone may subscribe someone else by giving their email address without consent.
- If asked about compliance with anti-spam regulations, your company will find it more difficult to show proof that a member gave consent to join the database.

Confirmed Opt-In

Confirmed opt-in is another way of referring to double opt-in, explained below.

Double-Opt In

Double opt-in email marketing initiatives require affirmative consent before a member is added to the database. So once the member signs up, an email is sent to that email address that requires the member to confirm subscription. The email address is added only after confirmation takes place. If the confirmation email is not responded to within a set period of time (our best practice recommendation is 30 days), the email address is never added to the database.

Here are some of the many benefits of double opt-in marketing:

- Confirmation lets you know the email address is valid.
- Confirmation helps qualify your leads, improving response and conversion rates.
- Unsubscribe rates are much lower with lists that are 100% double opt-in.
- When an email is confirmed, you have firm proof of consent, including time, date and IP address, which can usually be traced to a user's physical location.

To protect customers from spam, we strongly recommend verifiable double opt-in proof that the subscriber has given permission to receive emails from your company.

Reducing Spam Complaints

Industry experts agree that spam will continue to pose the biggest challenges to legitimate permission emailers over the next few years. Unlike direct mail marketing, which consumers typically choose to respond to or simply ignore, when it comes to email, consumers are exercising a third option with startling frequency. That option is the choice to complain.

Every spam complaint logged against your company has a negative affect. Each complaint has an immediate negative affect on your brand, while posing long-term negative affects on conversion rates and email deliverability.

Spam Complaints: How Do You Compare?

Keep close tabs on the spam complaints logged against your company's email program, and compare them to industry averages for permission email marketers.

- If you're receiving more than one spam complaint per 5000 emails and an opt-out rate that is greater than 2%, it's time to take a look at ways to reduce those numbers.
- Even if your numbers are within the average range, you may be able to improve them.

Our clients who fastidiously apply the double opt-in process see far fewer spam complaints than industry averages—about one complaint in 10,000 emails. Because this process has proven to be so effective, you should be familiar with our easy-to-implement double opt-in process. It's the #1 way to keep spam complaints low while optimizing your conversion rates at the same time.

Importing Lists

Most often, spam complaints spike when subscribers are imported from a data source other than your online survey form or bullseye tool. True, it's not uncommon for people to forget they gave permission to be contacted by email, and some of those spam complaints turn out to be unwarranted. On the other hand, it's also not uncommon for lists to be uploaded that may come from third-party or other questionable sources. And when that type of spam complaint arises, the situation gets tricky.

The Double Opt-In Email. An Email Marketer's Best Friend

In both of the above scenarios, a quick-and-easy remedy called the double opt-in (DOI) email can truly save the day. For subscribers who have forgotten that they opted in, the DOI email's affirmative consent tracking link reminds them of the time, date and IP address they used at sign up. For subscribers added from a third-party list or data source, the DOI gives recipients a chance to confirm their interest, which further qualifies their value as a lead.

CAN-SPAM: The Letter of the Law vs. the Spirit of the Law

What's at issue is the question of **verification**. Every day, many legitimate emailers make the mistake of renting or purchasing email addresses that claim to be "verified," "confirmed," or even "opt-in." Are these list brokers following the *letter* of the law? Some may be—others, maybe not.

But a more important question to ask is whether marketing to these email addresses follows the *spirit* of the law. In this case, that law is the CAN-SPAM Act of 2003, which says that if

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someone opts out from an email for a company they must be removed from all communications from that company. Can you verify that those third-party email addresses have been purged of all opt-out addresses? With penalties of up to \$11,000.00 per violation, there's real value in peace of mind. You can get that peace of mind by deploying the DOI process, which, when applied consistently, provides instant opt-in verification for every member of your database.

Spam Complaints Hurt Everyone

We all have a vested interest in following both the letter and the spirit of the law, so full accountability at every level is necessary.

Why is the issue so serious? To put it simply, we're able to get more emails into subscribers' inboxes by fighting unsolicited commercial email. Every single spam complaint damages our deliverability.

With DOI, We All Win

The good news is that there are plenty of reasons to adopt a double opt-in policy:

- First of all, DOI gives you the peace of mind of complete compliance; it tracks the subscriber's IP address at time of join, which is usually traceable to a physical location.
- You can look at DOI as a cost-effective record-keeping system, since there's no need to store hard copy opt-in data once the subscriber has confirmed their interest by email.
- Delivery rates are better when lists are 100% double opt-in.
- But most importantly, double opt-in lists produce far greater ROI than single opt-in ones. According to Glow Nair of Zanchu, Inc., and Anne Mitchell of Habeas, "Average ROI for a Confirmed [Double] Opt-In list may vary from 33% to 102% as compared to only -6% to 58% for an [Single] Opt-In list."

Implement Double Opt-In Solutions Today

Fight spam and improve deliverability by doing your part to implement double opt-in solutions:

- Remember that you must be able to provide opt-in proof for every subscriber in your database, should a complaint be filed with the FCC. When subscribers go through the double opt-in process, you have that proof on file.
- Keep in mind that to abide by the spirit of opt-in email, subscribers should give consent to receive commercial email from *your* company, not from another company that then passed that address along.
- Consider the measurable benefits of sending a double opt-in email to every subscriber added to your list—even those who are imported.

Unsubscribe Best Practices

Why People Unsubscribe

People unsubscribe from email newsletters when the content ceases to be of value to them. What makes for valuable content? According to an Email Newsletter Usability report conducted by usability expert Dr. Jakob Nielsen, the following four reasons were all given by more than 40% of users studied as reasons why a certain newsletter was the most valuable one they had received:

- Informs of work-related news and/or my own company's or other companies' actions (mentioned by two-thirds of users)
- Reports prices/sales
- Informs about personal interests/hobbies
- Informs about events/deadlines/important dates

Armed with this knowledge, you can see how important it is to create content that makes newsletters more valuable to your subscriber. It's no surprise that the key to success is making your emails relevant.

Why People DON'T Unsubscribe

The reasons for understanding why people unsubscribe from your email program are obvious—you don't necessarily want to do things to encourage them to opt-out.

But it's also important for email marketers to understand that there are folks who intentionally *don't* click the unsubscribe link in your emails, and that can be a problem in and of itself.

How can failure to unsubscribe be considered a problem? You could end up with a "bloated" database. Sure you have lots of subscribers, but if they aren't even opening your emails, they're skewing your conversion rates and reducing your ROI.

Here are some other interesting patterns to note when it comes to your subscribers and how they feel about the unsubscribe process:

- Recipients may be using a "report spam" button instead of unsubscribing. If so, your email program risks getting blocked by ISPs.
 - Figures suggest that upwards of 70% of consumers use the "report spam" or "this is spam" button in email clients such as Yahoo! and AOL, mistakenly thinking that the action will unsubscribe them from future emails.
- Recipients may be afraid to unsubscribe. Many people have heard that by clicking the unsubscribe link, they are actually letting spammers know that they've reached a legitimate email address.
 - Research on this subject varies. A 2002 study conducted by the FTC in conjunction with eight state law enforcement agencies and Canada, found that most unsubscribe links in spam emails were broken or sent the opt-out requests to a "dead" or non-existing email account.
 - Additional FTC research showed that opting out of spam did not increase the amount of spam received in the future.
- There are new potential risks to unsubscribing to spam.

- According to Brian Czarny, spokesperson for security firm MessageLabs, clicking the unsubscribe link in spam emails can turn your computer into a “zombie” vehicle for sending out more unsolicited email. “By using an unsubscribe link in an e-mail, not only are you saying this is a live e-mail address, you also have the risk of downloading a Trojan that turns your computer into an open proxy for sending spam,” said Czarny.

Users’ fears about unsubscribing to spam emails don’t apply to your opt-in email campaign. Nonetheless, it is important for every permission-based email marketer to be aware of user trends and widespread perceptions so we can all respond appropriately.

Make it Easy to Unsubscribe

Your bottom-line objective is to keep the subscribers who want to hear from you engaged and active in your email program, while making the proper unsubscribe process easy for those who want to stop receiving your emails. You also want to ensure CAN-SPAM compliance, which mandates that all emails have a clear and functioning unsubscribe process in place.

We recommend including the unsubscribe, or “opt-out” link as part of your standard footer, so that it is consistent in every email you send. We concur with ClickZ columnist Derek Harding that your opt-out copy should also be:

- **Easy to find.** Don't bury it deep in a set of terms, conditions and disclaimers. Recent studies indicate commercial messages are viewed for as little as 15-20 seconds. If the real estate at the top of the message is too valuable [for your unsubscribe link], place it further down, but make certain it's easy to find when quickly scanning the message.
- **Easy to read.** Use text rather than an image for this copy. Use the standard font size and color. Don't rely on the style sheet to keep the text visible. Keep copy short and to the point. While some content analyzers do look for opt-out copy, many of those same analyzers also look for heavy use of images to avoid content filtering, while using small print and hard to read copy.
- **Easy to use.** Resist the temptation to ask for a password in order to opt-out. It's very uncommon for someone to opt someone else out due to message forwarding, and the frustration when you can't remember your password is exactly what you wish to avoid.

In addition to Harding’s points above, we stress the importance of making your unsubscribe process fast. A one-click, real-time unsubscribe process is now the industry best practice standard.

Subject Lines

Think of the subject line as your critical first (and sometimes only) impression. It's the line that determines whether your reader will open your email or delete it. And considering that most ISPs and corporate IT department content filters look closely at it when checking for spam, a subject line can determine whether your reader will even see your opt-in email in the first place. So the best way to craft a subject line is to craft one that is concise, inciting curiosity or offering something of value, without triggering a spam filter.

Get Your Email Opened

Make the line no longer than six or seven words. Leave your company name out of it and save it for the "from" field. Avoid using all caps or exclamation points (in email language that's "shouting" and may trigger spam filters). Some examples of good subject lines: 10 rules for marketing success; Experience our new brownie sundae; Register for October classes before they're full.

Getting to the Inbox

To get more emails past spam filters and blacklists, use subject lines that set you apart from spammers. There's no exact formula, but pay attention to spam subject line trends so you can avoid inadvertently using them yourself. Sure subject line triggers for spam filters include the word "free," exclamation points, dollar signs, words in all upper case letters, and use of colored fonts.

According to third-party email deliverability monitoring company Pivotal Veracity, other words and/or phrases to avoid in the subject line include: bill consolidation, cash, credit, hello, instant winner, investment report, interest rates, register to win, save \$, seen on tv, stock alert, and life insurance. Pivotal Veracity reports less likelihood of being filtered if questionable words, like mortgage, appear toward the end of the subject line rather than at the beginning.

Differentiating Subject lines by Email Client

There's a great deal of variation when it comes to how email clients display your subject line:

- In Outlook, Outlook Express, and Eudora, the user determines how many characters of the subject line are displayed.
- In Yahoo, MSN/Hotmail, and Juno email clients, the length of the subject line and the length of the from line depend on each other. A longer from line, for example, will mean fewer characters of your subject line will be displayed. As a general rule, Yahoo displays subject lines of about 80 characters, MSN/Hotmail about 45, and Juno about 55.
- A good rule of thumb that works well across most email clients is to keep your subject lines within 40 to 60 characters in length.

Best Days to Send Emails

Hands down, the question we're most often asked is "What's the best day to send emails?" We've always answered the question truthfully, based on our experience. But for us, the truth has remained inconclusive. And while we've continued to stand firmly behind our position that the best day to send depends completely on your audience, your product, and your overall marketing objectives, there have been others in the industry quick to choose one day over all the others.

--Imagine what happens when a respected industry publication formally announces that Wednesday is the best day of the week to hit "send." Within the month, everyone changes their campaign schedules, more emails go out on Wednesday than ever before, and Wednesday quickly moves from the best day to the worst one!

So imagine, then, how excited we were when Marketing Sherpa, one of the most highly esteemed eMarketing publications, recently made an announcement that affirmed our own experience: that opens and clickthroughs by day of the week are indeed "a moving target."

Since we couldn't have said it any better ourselves, we got permission from Marketing Sherpa to print their article in its entirety:

02/25/2005

New Research Data: How Seasonality Affects Best Day of Week to Send Email

Here are the results of open and click rate data from more than 60 million email messages sent by 7,000 marketers.

Most critical learning? Day of week for best responses is a moving target through the year, based on seasonality and also on what the masses of other marketers are doing at the time. Includes fascinating comparison charts so you can see the differences between 2nd, 3rd, and 4th quarter email results for 2004:

Last year, eROI and MarketingSherpa made waves by attacking conventional wisdom and suggesting that Monday might be a better day for some marketers to send email than the traditionally favored mid-week hump. This week eROI released its data for Oct-Dec 2004 and MarketingSherpa got an early peek.

The bottom line? Performance by day of week is a moving target that may be affected by seasonality as well as overall email send trends. See the link at the end of this article for fascinating charts comparing send volumes, open rates, and click rates by day of week across the three quarters -- from May 2004 to December.

The research is based on open/click and send data for more than 60 million emails sent by more than 7,000 different marketers using the eROI system. Clicks are defined as percent of emails sent minus hard bounces. (Some people call this "emails delivered" however we don't because it doesn't take filters into account.) Unless specified as Pacific Time, times of day were generalized to reflect whatever time zone the recipient is in. It's not a strictly scientific study, but more of an indicator showing trends you should consider when planning 2005. Here are our quick notes on the results:

Monday -- High Opens, Higher Volume and So-So Clicks

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When we last looked at the data, we saw that Mondays had strong open and click rates, but represented only 8% of weekly volume. By the fourth quarter, Monday's volume had grown to almost 15%. In part that's due to increased frequency overall, as well as the impact of the initial study, which opened the door for eROI's customers to Monday as a viable day for email.

Monday had the highest open rate of the week at over 32%, but a 4% click rate that was third, behind Tuesday and Thursday. The high open rate may reflect that many people get ready for their week by clearing their inboxes, and look through the weekend's email. The low ratio of opens to clicks -- 12.5% -- seems to be related to two things. First, lots of weekend spam. Second, it may be that people are reading emails, but don't have the time to act on them on Monday, leaving that for later in the week (especially when it comes to shopping at work, which seems to happen on Thursdays).

Tuesday -- The Heavy Lifting

In the first half of last year, Tuesday was the most popular day to send email, with almost 29% of total volume. In the fourth quarter, Tuesday had dropped to the second most popular day with 19% of total volume. Its 23% open rate is third behind Monday and Thursday.

The CTR on Tuesday is 4.3%, second only to Thursdays. Interestingly, the click to open ratio on Tuesday is the highest of the week, with a higher percentage of people who opened the email going from open to click.

Wednesday -- High Volume and Lackluster Results

More than 21% of weekly email volume went out on Wednesday in the fourth quarter, the highest for the week, but down from 25% earlier in the year. The click rate was only 3.3%, fourth for the work week, and just ahead of Fridays. The expression 'email fatigue' has often been attached to Wednesday, with an assumption that by Wednesday the sheer volume of emails has taken its toll on interest.

But the results may be more about Wednesday itself than its place in the trend of the week, since Thursday shows an increase in clicks.

Thursday -- It Clicks

It's often assumed that greater volume decreases interaction, since recipients must choose among more messages. But the data for Thursdays suggests that may not be the case. It's the third highest day by volume, with almost 16% of the total, but has the highest click rate of the week at 4.7%, representing nearly 20% of all clicks. Mills believes that there is a natural tendency for emailers to want to put their messages in front of users as the weekend approaches, and most people do their 'real world' shopping.

Friday -- It Doesn't Click

Even though the volume numbers are only slightly lower than Thursdays, the open and click response is poor. Opens come in at 21%, and clicks at only 3.2%, both lows for the work week. Fridays also tie Wednesdays for the lowest click to open ratio at 15%. In this last fourth quarter, there were three Friday holidays (or Fridays next to holidays, at least) so that may have something to do with it. The data is in aggregate, so we can't be sure.

Weekends -- Gaining Ground

In previous quarters, weekend email volume made the data difficult to analyze, with wide variations in click and open rates. But with the large increase in volume, the numbers seem to have normalized. Both days have low open rates around 16%, but the click rates are substantially different, with Saturdays getting the week's lowest at 2% and Sunday getting about 3%. In terms of click to open ratio, Sundays are second only to Tuesdays at 18%. So while fewer people are opening their emails, a high percentage of them act on the messages.

How seasonality affects email response rates

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We know from research and common sense that the volume of etail emails skyrockets in the fourth quarter. Occasional emailers save their campaigns for the holiday season, and those who have regular email communications ramp up their frequency. Fortunately, consumer interest seems to rise as well. Fourth quarter open and click rates were lower than the rest of the year, but not by much, even though volume was approximately 29% higher than previous quarters.

Perhaps the most remarkable finding was the degree of change. Most email metrics move slowly into new trends, but in Q4 mailers and recipients behaved very differently than they had in previous quarters.

You can tell a lot about data from the shape of the curve formed by the numbers. In previous quarters, the graph of email volume looked like a witch's hat -- flat volume for ends of the week and a spike in the middle. However, in the fourth quarter that trend changed sharply as marketers seemed to explore the whole week.

"During the holiday season marketers are looking for every opportunity to connect with customers," said Jeff Mills, Senior Analyst for eROI. "Their frequency of mailing increases and they experiment with mailing on weekends, Mondays and Fridays to differentiate themselves from the barrage of email marketing."

In fact, in the previous quarter the volume of email sent on Saturday and Sunday represented around 5% of the total weekly volume, in Q4 the two combined for over 15%. However, overall performance on weekends lags behind the work week with lower click and open rates. Interestingly, Sundays did have the highest click to open ratio, a metric that can describe how relevant the messaging is to the consumer. Mills suspects that during the holiday season, Saturdays are 'action days' when people are out of the house, shopping in the real world. Sunday may show better results because people are at home, and more likely to have the time to consider online shopping.

Fascinating side note: one fourth quarter characteristic is less attention to deliverability. eROI's VP of Marketing, Dylan Boyd, notes that in that heavily trafficked period, a huge number of etailer messages ignored some deliverability basics, and had red-flagged words like "Free" and "Act Now" screaming from the subject lines. Seems that when the competition is especially heated, and consumers are ready to open their pocketbooks, some retailers throw deliverability concerns to the wind so they can be aggressive in their messaging.

MarketingSherpa's 5 Lessons

Because of the nature of this research, there's no way to separate out what kinds of marketers and campaigns saw success trying new days for their emails. But we do know that the numbers varied substantially from quarter to quarter.

Lesson #1. Experiment. Take random segments of your list and try different days of the week, and different hours of delivery. Make sure you are sending them the same email for comparison's sake, and that the segment is random.

Lesson #2. Factors change over time, so your opportunities are changing as well. For example, people may be in 'shopping mode' during more days of the week during the holiday season, but get back to business in January. Set up a monthly or quarterly schedule to test which day of the week performs best for your list segments, and make sure to regularly create new groups for testing.

Lesson #3. It's worth considering whether the flattening of the curve of email response across the week indicates that people at work are becoming more willing to engage in personal shopping and business. It's a trend we've seen in other research, and we suspect that it's especially true in the weeks leading up to the holidays, as the office environment is typically slower and more relaxed than at other times of the year.

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Lesson #4. Consider altering day of week for sends based on seasonality. This may not be smart for beloved content newsletters that readers have come to expect on a certain day, but it's certainly doable for sales alerts.

Lesson #5. Forget the fiscal quarter and focus on the season. In future reports on this topic, we'll not lump months into quarters that don't make sense together – such as August & September. If time of year really has such an impact on emailer and recipients' activities, we should examine the data that way.

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Building Customer Loyalty Online

You can build loyalty with your customers and subscribers simply by establishing a respectful relationship that protects privacy and provides relevant information on a regular basis.

However, Web-based customer rewards programs and email marketing initiatives are also very effective ways to build loyalty among today's consumers. Here's why:

- Tracking and reporting technologies gather the information you need to **provide better personal service**.
- The ability to integrate with CRM solutions helps you **effectively manage the customer lifecycle**.
- Most importantly, effective eMarketing campaigns build relationships while **giving prospects and customers more control**.

Best Practices for Your Customer Rewards Program

If you're ready to take online customer loyalty to the next level by implementing a customer rewards or points-based promotion, you'll give your company a way to identify, target and reward your highest value customers. Here are some best practices to follow as you begin:

Make the commitment.

Consistency is at the foundation of all customer loyalty. So for your rewards program to be most successful, be willing to commit to it over the long term. Test general receptivity, interest in prizes, redemption, etc., with a shorter-term beta launch among a representative selection of your database.

Get permission.

Even if potential participants are already members of your opt-in database, ask them to opt-in to your rewards program. In addition to providing iron-clad protection against any spam complaints, the opt-in process helps you easily track participation and build respect with your customers.

Remember the 80/20 rule.

A common rule says that 80% of your revenue comes from the top 20% of your customers. With that in mind, it's important to:

1. Segment your customers by value, and;
2. Gear your best rewards to existing customers—the ones most likely to increase your bottom line.

Don't forget lost customers.

In addition to the 80/20 rule, other research suggests that you're twice as likely to re-convert a lost customer than you are to convert a new one. So if you have permission to send emails to lost customers, be sure to give them the opportunity to participate in your new rewards program. Better yet, offer bonus points to encourage their participation and, ultimately, new sales.

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Information, please.

Your customer rewards program provides wonderful opportunities to gather more information about your high-value customers. Reward points for answering survey questions, but only ask questions that you need to know and are ready to use to help improve customers' overall purchasing experience.

Leverage email.

In addition to your existing email initiatives, develop a campaign around your customer rewards program. Here are some items to include:

- A kickoff email telling about the program that lets interested customers opt in.
- Regular reminder emails that encourage participants to earn more points.
- Emails about new points-earning opportunities, online auctions, or instant-win games.
- Referral promotions and survey emails.
- Confirmation emails when points are redeemed.

Provide customer service or contact information.

Our customer rewards program is intuitive and very user friendly. But always provide a link to customer service or give phone contact information if any questions or concerns should arise.

Landing Pages

When subscribers click-through from your emails, where are you taking them? An October 2004 Marketing Sherpa email metrics survey reported that optimizing your landing pages can have a greater impact on sales conversion than many factors within your email message, including first name personalization or subject and from lines.

A good rule of thumb is to minimize the number of clicks it takes for users to arrive at their destination. So if someone clicks on a product link in your email, don't send them to your homepage where they'll have to search for the product again. Instead, take them straight to a page with more information about the product and a "buy now" link.

Conduct thorough testing of landing pages to determine which optimization techniques produce the best response with your subscribers.

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For more information, call your Infinity Direct account representative.

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