BEST PRACTICES IN EMAIL MARKETING ANALYTICS

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If done right, Email Marketing is the most productive marketing channel.

Best Practices in Email Marketing

Practices to drive response through email marketing

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Executive Summary

There has never been a better time to use email marketing as a means of strengthening your brand through laser-targeted, personalized communications with your customers. Also, email can be one of the more cost-effective and efficient ways to connect with your audience, and if done appropriately, is one the most productive customer acquisition and retention channels in any Marketing department. Email Marketing is one part inspiration, one part perspiration, all parts best practice. This article discusses a few of the key performance indicators (KPIs) necessary to keep in mind when implementing and managing email marketing as a marketing channel for your business. The information in this document will enable you to not only deliver your message to the right people, but also to engage those readers and motivate them to take the action of your choosing. With the key takeaways of this piece, you will begin to deliver messaging with the maximum impact and secure the interest, trust, and support of your consumers.

Introduction:

The explosion of social media and mobile device use have permanently changed the B2C communication landscape - enabling consumers to access personalized network feedback on any topic, product, or service anywhere at anytime. However, email remains the one of the most impactful and necessary resources a marketer can tap for customer acquisition and retention. According to a recent study by the Radicati Group, the number of worldwide email accounts is projected to grow from "over 4.1 billion accounts in 2014 to over 5.2 billion accounts by the end of 2018."[1] That's nearly 27% growth over the next 2.5-3 years. Further, within that time the total number of worldwide email users, including both business and consumer users, "will increase from over 2.5 billion in 2014 to over 2.8 billion in 2018,"[2] equaling 12% growth in users. While the growth of the chat platforms such as twitter, whatsapp, messenger etc. is more dramatic, the demographic that makes use of email has more purchasing power since this demographic is today in the decision making position with lot more disposable income.

List Building:

The first place to start with any email marketing effort is the list(s). Much like the old chestnut, "Garbage in, garbage out" would indicate, the quality of your list is of the utmost

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[1] Cannon, Lisa. 10 Amazing Email Marketing Statistics For 2014 http://www.business2community.com/email-marketing/10-amazing-email-marketing-statistics-2014-0920030

[2] Cannon, Lisa. 10 Amazing Email Marketing Statistics For 2014 http://www.business2community.com/email-marketing/10-amazing-email-marketing-statistics-2014-0920030

importance. Jay Baer of Convince and Convert recently stated this scary statistic for Marketers: "21% of email recipients report email as Spam...even if they know it isn't."[3] If true, that means 1 in 5 emails are reported as Spam. This heightens the need to be selective in who you will include in your email marketing efforts from the start. Begin by assembling a list that you can go back to, time and again. Some great places to start:

- Advertising
- Conferences
- Affiliates
- Speaking Engagements
- Guest-blogging
- Past Customers

List Segmentation:

Once you have put together a database or CRM with your total universe of potential prospects, it's time to introduce segmentation - making sure that you categorize each prospect in the database into groupings around a shared characteristic. You can use whatever criteria is most relevant (net worth, geography, purchasing history, etc.). For instance, in B2B marketing, a database will often be segmented by department and industry - each prospect will have a designated department and a designated industry, which will allow the marketer overseeing that database to create lists and target along those lines (department, industry, or both).

In a recent examination of their users' use of list segmentation in email marketing, MailChimp recently found that "across all segmented campaigns, segmented campaigns performed markedly better than their non-segmented counterparts."[4] Opens were 14.91% higher in the segmented list campaigns versus non-segmented list campaigns. Unique opens were 11.27% higher in the segmented list campaign.[5] Further, in addition to boosting desired positive outcomes, list segmentation reduced the impact and frequency of undesired negative outcomes.Abuse reports were 6.44% lower in the segmented list campaigns, and dreaded unsubscriptions were 6.2% lower in those email marketing campaigns as well.[6] Grooming your email lists through effective list segmentation can have a substantial effect on your email campaigns' ROI.

Content Generation:

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[3] 15 Email Statistics That Are Shaping The Future http://www.convinceandconvert.com/convince-convert/15-email-statistics-that-are-shaping-the-future/

[4] http://mailchimp.com/resources/research/effects-of-list-segmentation-on-email-marketing-stats/

[5] http://mailchimp.com/resources/research/effects-of-list-segmentation-on-email-marketing-stats/

[6] http://mailchimp.com/resources/research/effects-of-list-segmentation-on-email-marketing-stats/

Once the list has been prepared and segmented, it is time to deliver the message. Much like an inside sales rep that has only 10-12 seconds to secure interest in the opening call, Marketers are also faced with a literal window of opportunity to secure buy-in from the reader: the subject line. "33% of email recipients open email based on subject line alone."[7] Often the subject line is the classic "first impression," and Marketers have to be mindful that this is the first point of conversion for many readers. Subject line content should be direct and purposeful. According to a July 2012 email marketing survey by Adestra Group, "subject lines fewer than 10 characters long had an open rate of 58%."[8] Brevity is the soul of wit, and being able to communicate what the email is about while tapping directly into the interest of the reader as succinctly as possible is crucial to success here.

Letting the content of your email drive the subject line is also another important piece to keep in mind. Once you have developed the content for your email piece, you will have a strong foundation on which to deliver an incredible and insightful subject title. Another key statistic to remember here: "Personalized subject lines are 22.2% more likely to be opened."[9] Strategically speaking - writing great, personalized content leads to great, personalized subject titles, which in turn leads to higher open rates and engagement. Testing your subject lines and content against a smaller subset of the prospect email population via A/B testing will also allow you to get slightly better traction with your audience. At the start of every email campaign send a handful of randomly selected prospects an email with one subject line, while you send an email with another subject line to another small batch of prospects. Use this tactic to get your finger on the pulse of your readers' interest, while giving you the room to test what works and what doesn't work in your content.

Relevance:
Adults engage with messages and content that is relevant to their current quest. Using your website, social media content and communication to improve relevance is very important. Using the demographic, psychographic, behavioral, contextual predictors to segment the list and the content can dramatically improve the response to the email marketing campaigns. This needs constant collection of the digital signals and breadcrumbs left by prospects. Creating a fingerprint of the prospects to integrate their digital signals to create the mosaic of their personality is a next milestone in an effective email marketing campaign.

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[7] http://www.convinceandconvert.com/
[8] http://www.adestra.com/
[9] http://www.adestra.com/

Campaign Analysis:

Peter Drucker the father of modern management, once famously said, "What gets measured, gets managed." Successful email marketers would agree that keeping campaign statistics at the front of mind and adjusting messaging and delivery accordingly are necessary elements of email marketing campaign execution. However, statistics can be as helpful as they can be misleading, so make sure you understand the basics.

Common email statistics include:
• Views (or "opened"): These are the readers who opened your email.
• Clicks: These are the readers who clicked on a link in your email.
• Unsubscribes: These are the readers that have opted-out of your emails. Boo on them.
• Bounces: bounce rate refers to the percentage of email addresses in your subscriber list that didn't receive your message because it was returned by a recipient mail server. There are two categories of email bounces including hard bounce and soft bounce.

For starters, there are few general numbers to keep in mind. In terms of opens, depending on a number of factors (list, segmentation, content) you should expect between 10-25% open rates. From here, examine the click rate closely. Securing between 5-10% in terms of click rate means you're spot on in terms of industry standards, but make sure you've also got an eye on your unsubscription rates, as these can inevitably also signal issues with either your list selection, list segmentation, sender frequency, or another element of your email marketing strategy. If you're losing more than 1% to your unsubscriptions in any campaign, you need to think about what adjustments you can make. And of course, roll what you've learned back into your next campaign and see how you can improve from there!

Conclusion:

eMail Marketing is a powerful channel for delivering highly personalized and germane communications with your prospect base. By focusing on and developing your competence with eMail Marketing you can establish mutually rewarding relationships between you and your customers and create new opportunities for sales. Practice these fundamentals, and take your use of eMail Marketing to the next level!

Contact Us:

For more information about Express Analytics eMail Marketing and Response Modeling services, visit www.expressanalytics.com/ or **call (949) 862-8458** to speak with an Express Analytics representative.