THE EMAIL MARKETING KIT

BY JEANNE S. JENNINGS

THE ULTIMATE EMAIL MARKETER'S BIBLE

Summary of Contents

sitepoint

THE EMAIL MARKETING KIT

BY **JEANNE S. JENNINGS**
FIRST EDITION

The Email Marketing Kit

by Jeanne S. Jennings

Copyright © 2007 SitePoint Pty. Ltd.

Expert Reviewer: Mark Brownlow

Managing Editor: Simon Mackie

Technical Editor: Craig Anderson

Technical Director: Kevin Yank

Printing History:

    First Edition: January 2007

Editor: Hilary Reynolds

Index Editor: Max McMaster

Cover Design: Jess Mason

Cover Layout: Alex Walker

About the Author

Jeanne S. Jennings is a leading authority and freelance consultant on email marketing.[1] Jeanne has developed more than 200 unique email newsletters titles, along with many, many individual email marketing campaigns and email re-newal series. Jeanne's approach stresses revenue generation and return-on-investment (ROI) over impressions, opens, and clicks.

Jeanne consults for medium to enterprise-sized organizations; her expertise has helped Congressional Quarterly, Hasbro, Network Solutions, Reed Business Information US (formerly Cahners Business Information), Siemens AG, Verizon, and others become more effective and more profitable online. She also occasionally does strategic work for start-up dot coms.

In addition to consulting, Jeanne is a regular columnist on email marketing for ClickZ.[2] She also publishes The Jennings Report, a free email newsletter containing market research, articles, and other resources for email marketing professionals.[3] After earning her MBA with a concentration in marketing from Georgetown University (Washington, DC), Jeanne began her career in the late 1980s with CompuServe, helping organizations create online places to serve their employees, customers, and members. This was before the dawn of the World Wide Web and prior to "Internet" becoming a household word.

Jeanne is based in Washington, DC, USA. She travels frequently to meet with clients, speak at conferences, and lead workshops on email marketing.

About the Expert Reviewer

Mark Brownlow is publisher and editor of the Email Marketing Reports web site, probably the world's most compre-hensive knowledge resource for email marketers.[4] He has written nearly 1500 reviews, articles, case studies and com-mentaries on email marketing.

About the Technical Editor

Craig Anderson has been working in web development for over six years. When he's not coding, he's screaming and playing bass guitar in Look Who's Toxic.[5]

About the Technical Director

As Technical Director for SitePoint, Kevin Yank oversees all of its technical publications—books, articles, newsletters, and blogs. He has written over 50 articles for SitePoint, but is best known for his book, *Build Your Own Database Driven Website Using PHP & MySQL*. Kevin lives in Melbourne, Australia, and enjoys performing improvised comedy theatre and flying light aircraft.

About SitePoint

SitePoint specializes in publishing fun, practical, and easy-to-understand content for web professionals. Visit http://www.sitepoint.com/ to access SitePoint's books, newsletters, articles, and community forums.

---

[1] http://www.JeanneJennings.com

[2] http://www.clickz.com/experts/author/index.php/26953

[3] http://www.jenningsreport.com/

[4] http://www.email-marketing-reports.com/

[5] http://lookwhostoxic.com/

Table of Contents

Chapter 8　Customer Retention

Preface

According to the Direct Marketing Association, email delivers the highest return-on-investment of any other marketing vehicle, averaging $57.25 for every dollar spent. That's why the vast majority (80% in a recent survey done by JupiterResearch) of companies increase their email marketing budgets with each passing year. It's also why, no matter what business you're involved in, you should leverage the email channel to its fullest. That's what this kit will help you do.

To many observers, email marketing looks easy. It's not. However, it's not difficult to learn how to deploy an effective email marketing campaign—like anything else, it begins with knowledge. The knowledge you'll need to get your email marketing started is right here in this kit, in the form of standards, best practices, and key learnings gleaned from my 17-plus years of experience with email marketing success—as well as a few failures! If you read this kit you'll be able to avoid the most common mistakes that inexperienced email marketers make. You'll also learn to develop a new email campaign, or tweak your existing email program, so that it has an excellent chance of success.

Many companies have avoided using email as a marketing tool because they feared being labeled as spammers. This is a legitimate concern. Email marketing is about developing a relationship with your recipients; if they feel you're misusing or abusing that relationship, they won't hesitate to report you as a spammer. Even organizations with the best intentions can be caught in this trap. By reading this kit you'll gain an understanding of what email behavior drives readers to activate their spam button, and learn how to minimize your own risk of being branded with this scarlet letter.

The first step to effective email marketing is to grow your own house list. This approach is much less expensive than renting third-party lists and usually garners a better response. This is one of the most difficult parts of email marketing; too many organizations focus on developing the email itself and then find that they don't have any recipients for it. In this kit you'll learn the best ways to get prospects and customers to opt in to receive your emails.

Deliverability is another challenge you'll face throughout your email marketing endeavors; research indicates that a large percentage of legitimate opt-in emails are incorrectly filtered as spam. To prevent your emails from meeting with this fate, you'll need to take a multi-pronged approach. This kit will demonstrate how you should incorporate proactive measures to see your email safely into the inboxes of your recipients, and instruct you in how you can monitor the most popular blacklists and develop a plan in the event of your emails being blacklisted.

Email marketing levels the playing field; a small company with a shoestring marketing budget can experience great results from email just as easily as a large company with a huge budget. Whether you intend to expand your traditional marketing efforts into the realm of email or wish to improve the effectiveness of your existing email marketing program, this kit will be of invaluable assistance.

Who Should Read this Kit?

This kit is an excellent resource for any individual or company who is looking to:

- begin marketing via email

- make a current email marketing program more effective and profitable

- help clients to initiate or improve their email marketing efforts

Both people in traditional marketing roles—marketing managers, directors, and vice presidents—and professionals who don't necessarily consider themselves as marketers—owners, principals, business developers—will benefit from studying this kit. Also included in this kit are tips for consultants who hope to expand their practices and learn how to improve their clients' email marketing efforts.

It makes no difference whether you're currently marketing via email or considering a dive into the unknown, think of yourself as a marketer or have no experience at all with marketing, or are looking to improve your own or your clients' email initiatives, you will find practical advice from which you can benefit immediately in this email marketing kit.

What's In this Kit?

This kit includes everything you need to know to begin using email as a marketing tool. In its 12 chapters you'll find guidance on issues that range from creative execution to analytic to legal. You'll also benefit from real-life examples of good email marketing creative executions, spreadsheets, and information on additional resources, many free, to help you achieve email marketing success.

Chapter 1: Why Use Email Marketing?

Chapter 1 focuses on the benefits of email marketing, including my own top ten reasons to love email. You'll gain an understanding of how email marketing has become one of the fastest growing segments of the marketing pie for a wide variety of organizations. Email marketing offers as many advantages to small companies as it does to large ones. The chapter concludes with a case study about a small company that generates $13 in revenue from each $1 spent on email marketing—and tips to help you do the same.

Chapter 2: Types of Email Communications

Email is a channel, a way to deliver content. Read Chapter 2 and you'll learn about eight very different types of emails that you can choose to develop, based on your business goals and your resources. While many people think of messages that are purely promotional when they think of email marketing, some of the best email marketing out there is a mix of promotional and non-promotional content. Also covered here are auto-responders and other types of triggered email campaigns.

Chapter 3: Developing an Effective Email Strategy

This chapter is all about strategy, which is the key to using email effectively. You'll walk through the process of developing an email strategy, from competitive analysis to email content to qualitative and quantitative goals. Learning the ropes of developing an email strategy is a lot like learning to ride a bike—it's easier to be shown than to understand an explanation! To help you get up to speed quickly, this chapter is written as a case study: specific examples for each of the concepts that are presented culminate in a complete strategic plan for a fictional organization.

Chapter 4: Acquisition: Growing your Email List

One of the biggest challenges you'll face is growing your own in-house email list, the process known as acquisition. Chapter 4 presents the benefits of building your own list, as well as outlining the business case for utilizing an opt-in approach to do so. You'll learn about the best ways, online and offline, to grow your list without spending a fortune; you'll also be introduced to those acquisition methods that

aren't permission-based, which you should avoid at all costs. Also included are tips for creating and optimizing an email opt-in from your company web site, which is one of the most cost-effective ways to build your email list.

Chapter 5: Email Design Guidelines

This chapter gives you creative guidelines for email, including writing copy, designing HTML, and using From and subject lines effectively. The focus is on the prime real estate in every email—those portions that appear in the preview pane and above the fold. Using good creative execution in these areas can dramatically improve response to your emails; you'll find the troubleshooting guide, with typical weaknesses and their creative fixes, one of the most useful parts of this kit. There's also a case study highlighting a small, inexpensive change that resulted in a 50% lift in clickthrough rates on one email newsletter—you, too, can implement such changes today with just a little bit of time and no additional cost.

Chapter 6: Optimizing Deliverability

Deliverability, or getting your email delivered to your recipients' inboxes, is another challenge you'll face, but it's not insurmountable. A recent study found that, on average, 22% of legitimate email messages were being mistaken for spam; that's one in five emails sent! Read this chapter to gain an understanding of the issues surrounding deliverability as well as tools you can use to ensure that your email arrives in the inbox. There is also advice on what steps you should take if you find that your email is being filtered as spam.

Chapter 7: Tracking and Reporting

Chapter 7 covers tracking and reporting, one of the truest, yet most underutilized, benefits of marketing with email. You'll get a quick overview of 15 key metrics and how to calculate them, including bottom-line conversion metrics like return-on-investment and click-to-purchase ratio. You'll also learn about performance-based metrics, including bounces, opens, and clickthrough rate. After you've completed this chapter, you'll know all there is to know about each metric—as well as how they work together to provide you with valuable feedback on your email campaigns.

Chapter 8: Customer Retention

Email is great for getting new customers, but it's even better at building relationships with existing customers to keep them as clients; you'll get a detailed understanding of this in Chapter 8. Customer Relationship Management (CRM) is a buzzword in today's marketing world; you can spend a large chunk of your marketing budget on a fancy software package to assist with your CRM. Read this chapter to learn how your email efforts can deliver similar results with a much smaller investment. Whether you're looking to shepherd a prospect through a long sales cycle, upsell customers on additional products, or increase the renewal rates on your product or service, email is an important weapon in your arsenal.

Chapter 9: Viral Marketing

Chapter 9 teaches you how to leverage email as a viral marketing tool—your customers and prospects can become advocates for your product or service by forwarding your email messages to their friends or colleagues. You'll learn the ropes by reading about successful viral initiatives by Hotmail, Burger King, and others. Also included in this chapter are examples of viral marketing creative and quantitative activity, to assist you to develop your own viral campaigns.

Chapter 10: Using Third-party Email Lists

While it's best to use your own email list, there are times when you may want or need to rent a third-party email list. In this chapter, you'll learn where to look for third-party lists, what information to request, and how to evaluate what you receive. You'll find the going rates for business and consumer email lists, pick up tips for testing samples of third party lists, and learn what to do if the list fails to perform as you expected.

Chapter 11: Laws and Regulations

Chapter 11 covers the legal side of email. As this book goes to press, there are 26 countries with dedicated email/anti-spam legislation in place and nine others considering it; another 18 countries have incorporated email/anti-spam protection into existing regulations. Many require affirmative consent or an opt-in; in Italy , for example, you face up to three years in jail for sending email that doesn't comply with their strict guidelines. Read this chapter and its related appendix to gain an overview of the laws and regulations in most countries around the world, along with links to additional resources you can use to keep up with this fast-changing area of the law. Also included are some best practices you can follow to keep you on the right side of any current or future laws regarding email.

Chapter 12: Getting Started

The end of this book is really the beginning—the start of an era of improved email marketing for you or your clients. In Chapter 12 you'll review the basic principles of this book and gain a framework for developing or expanding your email initiatives. It's great to read about email marketing, but the only way you're going to become a proficient email marketer is by taking the plunge and acting on what you've learned throughout the kit. You'll also find links to seven of my favorite industry resources, most of them free, that you can use to keep up on the latest in the ever-evolving world of email marketing.

Appendix A: Anti-spam Laws by Country

The first section of Appendix A tabulates a 2005 survey carried out by the International Telecommunication Union (ITU) to examine which countries are incorporating anti-spam regulations into existing laws, currently considering taking this step, or enforcing anti-spam regulations as specific laws. This section is followed by a country-by-country overview that specifies the current legal situation as regards anti-spam laws in 34 countries and unions.

This Kit's Web Site

Located at http://www.sitepoint.com/books/email1/, the web site supporting this kit will give you access to the following facilities.

Updates and Errata

The Corrections and Typos page on the kit's web site, at http://www.sitepoint.com/books/email1/errata.php, will always have the latest information about known typographical and code errors, and necessary updates for changes to technologies.

The SitePoint Forums

While I've made every attempt to anticipate any questions you may have, and answer them in this kit, there is no way that any publication could cover everything there is to know about email marketing. If you have

a question about anything in this kit, the best place to go for a quick answer is SitePoint's Forums[1]—SitePoint's vibrant and knowledgeable community.

The SitePoint Newsletters

In addition to kits like this one, SitePoint offers free email newsletters. The *SitePoint Tech Times* covers the latest news, product releases, trends, tips, and techniques for all technical aspects of web development. The long-running *SitePoint Tribune* is a biweekly digest of the business and moneymaking aspects of the Web. Whether you're a freelance developer looking for tips to score that dream contract, or a marketing major striving to keep abreast of changes to the major search engines, this is the newsletter for you. The *SitePoint Design View* is a monthly compilation of the best in web design. From new CSS layout methods to subtle Photoshop techniques, SitePoint's chief designer shares his years of experience in its pages. Browse the archives or sign up to any of SitePoint's free newsletters at http://www.sitepoint.com/newsletter/.

Your Feedback

If you can't find your answer through the forums, or you wish to contact me for any other reason, the best place to write is kits@sitepoint.com. SitePoint has a well-manned email support system set up to track your inquiries, and if the support staff are unable to answer your question, they send it straight to me. Suggestions for improvement as well as notices of any mistakes you may find are especially welcome.

Acknowledgements

First and foremost, I wish to thank everyone I've worked with and met during my 17 years in the online world. I've been blessed in having mentors who have shared their knowledge with me. I'm grateful for the things I've learned from addressing challenges set forth by colleagues. I'm also thankful for the many great clients I've worked with in the five years since I went out on my own. They allowed me to further expand my expertise while I improved their email marketing.

Now on to the folks intimately involved with this kit. Thanks to Simon Mackie, my primary contact and editor at SitePoint, whose good advice and patience was so helpful to me. My appreciation also goes out to Paul Broni of Inbox Interactive, Mark Brownlow of Email Marketing Reports, and Matt Mickiewicz of SitePoint, all of whom provided feedback on the kit during the writing process. Also thanks to Georgina Laidlaw and Hilary Reynolds from SitePoint, who helped with the final edits.

Finally, I'd like to acknowledge all the clients, colleagues, friends, and others who gave me permission to include examples of their great email marketing efforts in this kit. Being able to "show," not just "tell," made this kit much more fun to write and I'm confident it will make it more enjoyable—and more valuable—for readers.

---

[1] http://www.sitepoint.com/forums/

Why Use Email Marketing?

I've a confession to make: I love email!

That's right—I've loved it ever since the day I first used it, back in the 1980s. I love the effortless way in which it allows me to communicate with my family, friends, and clients, even when they're on the other side of the world. I love the convenience with which it keeps me informed of the latest news and events at my favorite organizations. I love the ease with which it lets me browse through the new arrivals at my local bookstore.

I also love to show my clients how they can use email as a marketing tool, and through this kit, I'm going to show you how you can do it. Organizations of all shapes and sizes now rely on email to reach their customers and prospects because it's simple, cost-effective, and it works. It's working for large, multinational companies who sell their products online; it's working for small local bookstores who want customers to walk through their doors; it can work for you.

In this chapter, we'll look at how email marketing has grown over the last few years, and we'll explore the benefits that it offers over other marketing methods. We'll talk about permissions-based (or opt-in) marketing, and why it's so vital to the success of your email marketing campaign. Finally, I'll share the story of how a small rural business uses email marketing to get big results.

Get ready to fall in love!

The Effects of Email Marketing

Email marketing is a form of direct marketing that uses electronic mail as a means of communicating commercial or fundraising messages to an audience. In its broadest sense, every email sent to a potential or current customer could be considered email marketing. However, the term is usually used to refer to:

- sending emails with the purpose of enhancing the relationship of a merchant with its current or old customers and to encourage customer loyalty and repeat business

- sending emails with the purpose of acquiring new customers or convincing existing customers to buy something immediately

- adding advertisements to emails sent by other companies to their customers

—Wikipedia[1] (May 2006)

In a 2004 survey, 80% of the participating companies reported an increase in their email marketing activities over the previous year, with 78% of these companies indicating that they expected this trend to continue.[2] It follows, then, that companies are spending more money on email marketing, with one report projecting a 200% increase in the total amount spent on email marketing by 2008.[3]

And what of consumers? Of the consumers who took part in a 2005 survey, 45% considered email to be a "great way" of maintaining ongoing communications with the companies they used.[4]

Furthermore, 73% of these consumers had purchased items through emails, and 12% of those consumers made their purchases offline, which indicates that the appeal of email extends beyond those who browse the Web and shop online. The findings of this survey are presented in Figure 1.1.[5]

---

[1] http://en.wikipedia.org/wiki/Email_marketing

[2] "The DMA 2005 Postal & Email Marketing Report: New Trends and Results," The Direct Marketing Association, Inc., February 2005 [http://www.the-dma.org/bookstore/cgi/displaybook?product_id=009352].

[3] Juliana Deeks, "Marketing & Branding Forecast: Online Advertising and Email Marketing Through 2008," JupiterResearch, February 12, 2004 [http://www.jupiterresearch.com/bin/item.pl/research:vision/1215/id=94975].

[4] David Hallerman, "E-Mail Marketing: How to Improve ROI," eMarketer, Inc., May 5, 2005 [http://www.emarketer.com/Report.aspx?email_may05].

[5] "DoubleClick 2004 Consumer Email Study," DoubleClick, Inc., October 2004 [http://www.doubleclick.com/us/knowledge_central/documents/research/dc_consumer_email_0410.pdf].
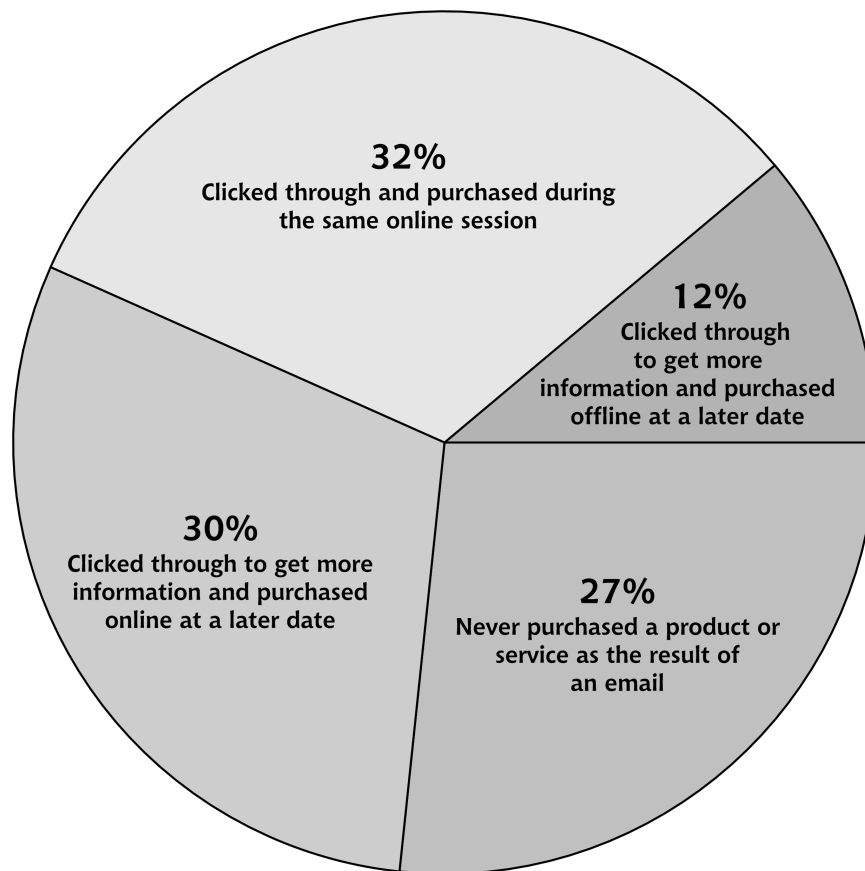
Figure 1.1. Purchases made as a result of email marketing, 2004

The Key to Success: Permission

It's important to recognize that the consumers in the DoubleClick survey mentioned above *wanted* to receive the emails they were sent. Good email marketing is based on communicating with people who want to hear from you. "Well, that's reasonable," you might be thinking. "But how do I know if they want to hear from me?" The answer is simple: you ask your prospective readers, and you wait for their answers. Once they've provided their opt-ins, you're ready to go.

> **Opt in**   The action of agreeing to receive emails from a particular company, group of companies, or associated companies, by subscribing to an email list.
>
> —Wikipedia[6] (May 2006)

While most countries don't legally require us to obtain opt-ins, this doesn't mean that bypassing the process is good business practice: it's not. Opt-ins will help you to generate a responsive email list—one whose members actually read your emails, click on links, and make purchases. Opt-ins also provide you with insurance against spam complaints, and save you from situations in which all your emails are filtered as spam, your web site is shut down by your web host, or you are prosecuted as a spammer.

---

[6] http://en.wikipedia.org/wiki/Email_advertising#E-mail_marketing_terms

Permission is a necessary starting point for all good email marketing campaigns. Even if the rest of your campaign is perfect, using a list whose members have not personally consented to receiving your emails could end your email marketing career before it's even started.

Phew. Things got a bit serious there—let's carry on with the love!

The Top Ten Reasons to Love Email

Here's why email's such a boon to the marketer:

- Email is cost-effective.

- Email builds relationships.

- Email is "push technology."

- Email provides timely results.

- Email is quick to produce.

- Email accommodates hyperlinks.

- Email provides detailed feedback.

- Email enables affordable segmentation and targeting.

- Email plays well with others.

- Email can be a viral marketing tool.

Let's take a closer look at each of these points.

1. Email is Cost-effective

Email can be extremely cost-effective, especially when compared to other marketing methods. In fact, in one study, companies who had increased their email marketing efforts cited the cost-effectiveness of email as their primary reason for doing so.[7]

While the creative costs for email (including email design, copy, and so forth) are similar to the costs of direct mail marketing and telemarketing campaigns, savings are realized on scalable costs such as production and delivery. Rather than printing hundreds of letters, flyers, or brochures, as you would with a direct mail marketing campaign, or making hundreds of phone calls, you'll code one email. That email can then be sent to your entire email list.

Email also involves very little—if anything—in the way of delivery costs, which compares well against the time and long-distance call costs incurred with telemarketing, and the postage costs associated with direct mail. Direct mail postage rates in the US have been steadily increasing. In April 2005, the US Postal Service

---

[7] "2005 Postal & Email Marketing Report: New Trends and Results," The Direct Marketing Association, February 2005 [http://www.the-dma.org/bookstore/cgi/displaybook?product_id=009352].

proposed raising rates by an average of 5.4%. The postage on standard commercial mail (weighing 3.3 ounces or less) would be priced from $0.209 to $0.363 per piece, up from a range of $0.198 to $0.344.

Meanwhile, the cost to send email (a figure that's comparable to direct mail postage rates) is on the decline. A year ago, the leading email service providers were quoting prices of around $0.0065 to $0.020 per email, which they were willing to drop to gain new customers. Today, one of those firms is serving a client of mine at a cost of just $0.0035 per email.

This is a simplistic analysis—there are other costs, like email set-up fees, that need to be taken into account. But even if the actual cost of each email you send is ten times what we're stating here ($0.035 to $0.200), it's still less than the least expensive US postal rate proposed for direct mail. And if you don't like the idea of a set-up fee, you can bypass the full-service vendor and send the emails yourself using software on your desktop computer or server, or call on the capabilities of a web-based email service. This way, your cost per email will be much smaller, and may even be zero!

2. Email Builds Relationships

Email is uniquely suited to the task of building relationships with your prospects and customers. While it's not as personal—or annoying!—as a phone call, email provides you with the ability to form a personal relationship with your customers and prospects—something that isn't so easy to achieve with more traditional direct marketing approaches.

To build a successful relationship, you'll need to look at your communication as an ongoing affair rather than a one-night stand. Build each new email on the last, and piece them together to achieve your goal. Make them personal: start your emails with a salutation, and end them with your name. Better still, include a photo. There's that old phrase: "people buy from people." It's true—anything that you can do to build a relationship between your prospect and a real person at your company will improve your sales.

3. Email is "Push Technology"

If you've got a new product or an upcoming event that you want your customers to know about, you don't have to wait for them to drop by your store or visit your web site. Email lets you "push" your message out to them whenever you want, and if all goes well, they'll be coming right back to you to make a purchase.

4. Email Provides Timely Results

Email delivery is practically instantaneous, so you won't have to wait long before you see results—you could receive orders within a matter of hours! Gone are the days of direct mail marketing, when you waited nervously by the mailbox for responses, wondering whether your campaign would sink or swim. Responses to email campaigns are often so quick that email marketers are able to send different test emails to different subsets of a market, then send the most successful creative to all the unmailed recipients on the list in time for them to take up a special sale or limited-time offer.

What's this "Creative"?

When you see the word **creative** used as a noun in direct marketing terminology, it is referring to the design and content of your email.

5. Email is Quick to Produce

In addition to its cost-effectiveness, email marketing campaigns are also quick to produce. I like to give myself at least a month to implement campaigns for large projects, but on occasion, I've turned simple and effective campaigns around in a day.

You'll likely enjoy time savings in the same areas that you'll see cost savings: production and delivery. While it can take over a week for customers to receive direct mail marketing pieces, you won't need to wait any longer than four days with email, and this is only because some large email service providers require this time for set-up and quality assurance. Smaller companies can often turn email campaigns around faster, and if you're handling the send yourself, delivery will be immediate, provided that you have the right processes in place.

What's a "Send"?

In direct marketing terminology, the word **send** is often used to describe the task of mailing out the communication to recipients. A mailout is the same thing as a send.

6. Email Accommodates Hyperlinks

Hyperlinks make it easy for you to tell your prospects what you want them to do, and enable you to add functionality to your email. Want your readers to buy your new product? *Click here to order online*. Want them to register for an upcoming conference? *Click here to register*. It's a marketer's dream: the one-step call to action.

Calling *you* to Action

A **call to action** is a prompt that marketers use to identify what it is they want prospects to do, and encourage them to do it. "Call us" is a call to action—it tells prospects what you want them to do—but it could be stronger. "Call us in the next ten minutes, and we'll throw in a set of six steak knives" is a much stronger call to action: not only does it tell prospects what to do, it motivates them, giving them a reason to act *immediately*.

7. Email Provides Detailed Feedback

Most marketing campaigns provide results for your efforts. Usually, marketers will be interested in the number of sales that eventuated from a campaign, but other than this, it can be difficult to find out exactly how a campaign progressed. Unless your customers place an order, you won't know whether or not your direct mail marketing pieces were received or opened. If no orders are placed, you can assume that your campaign flopped, but you won't know why, or what you can do to improve your techniques for the future.

Email provides you with much more detailed feedback than many other marketing tools. Email reporting can give you an idea of how many messages were delivered and how many weren't (this is called your **deliverability ratio**). You can get a feel for how many people opened your email message to read it (the **open rate**). You can also find out how many links they clicked within your email (your **clickthrough rate**) and even *which* links they clicked. All of this information is available regardless of whether or not a customer places an order. Using these metrics, you can determine a great deal about the effectiveness of your campaign.

We'll talk more about each of these metrics later, in Chapter 6. For now, the important thing to remember is that deliverability, open rates, and clickthroughs can help you identify the glitches in your email path that may prevent prospects from responding to your call to action. Using this information, you'll be able to focus on the problematic areas and improve your campaign to generate optimal results.

8. Email Enables Affordable Segmentation and Targeting

Using email makes it easy and affordable to target different groups of people in your email list with customized messages.

For example, let's say that you run a web site that sells toys. When I subscribe to your online catalog, you ask me for the genders and ages of the children for whom I buy toys. I tell you that I'm buying for a boy who's eight years old. The next catalog you send me is one that showcases toys for boys aged from eight to ten.

You also track which toys I click on in this catalog, and notice that I have a particular interest in GI Joe action figures. Your next catalog includes a feature section on GI Joe toys, and tells me which figures are new in store, and which toys are on special. Impressed, I click through to your web site to buy the latest action figure.

9. Email Plays Well with Others

If you're using other marketing methods, you'll often see positive results when you combine them with email marketing. Below are a few suggestions as to how you might do this, but this is by no means an exhaustive list—it's just the beginning!

- Alert recipients, via email, to be on the lookout for a direct mail piece that you've sent through the post.

- Send out an "in case you missed it" email after a physical direct mail piece. In the email, include a link to a web site that has the same look, feel, and content as the direct mail piece.

- Buy radio or television time and schedule your email to land in people's inboxes on the same day.

- Geographically coordinate your email efforts with ads that you've placed in local newspapers.

10. Email can be a Viral Marketing Tool

Imagine a being so powerful that it unleashes a chain reaction with a whisper. The email sitting in your inbox may not seem like this being, but when you hit the **Forward** button, the chain reaction begins. No, we're not in a scriptwriters' brainstorming session in Hollywood—we're talking about the nature of viral marketing. It's an organic phenomenon—one that you, as a marketer, can influence, but not directly cause.

At the crux of viral marketing lie word-of-mouth recommendations. All it takes is one of your friends to recommend your product to someone else, and you're away. Email is a great way to pass on recommendations—it doesn't require much effort on your friend's behalf, you don't have to pay anything for the forwarded emails, and more people learn about your product. It really is a beautiful thing!

Case Study: Dakin Farm

Dakin Farm is a family-owned specialty foods company in Ferrisburg, Vermont, in the US.[8] The company's best-selling products include holiday hams, bacon, and maple syrup. These items, along with the rest of the company's product lines, are marketed using four different methods:

- a print catalog

- a web site[9]

- email

- two retail outlets

Email marketing has allowed this company to expand its customer base without breaking the bank.

Using email, Dakin Farm has been able to reach more customers more often. Like most small businesses, this company doesn't have a particularly big email list or a hefty marketing budget. However, the returns on its investment in email marketing have been anything but modest. Let's take a look at its figures for 2004:

- The total email budget was just under $14,000.

- The total revenue directly attributed to email marketing was $185,000.

- Every dollar spent on email marketing generated over $13 in revenue.

- A total of 36 different email creatives were sent (an average of three each month).

- The average cost for each send to the email list was $400.

Factoring in other costs, Dakin Farm determined that it would need to earn $800 per send to break even. No problem! Each send pulled in an impressive $2,500 in revenue, which was three times the company's break-even figure. The worst email campaign Dakin Farms ran last year generated over $1,200 in sales. The best, shown in Figure 1.2, generated an impressive $28,000.

---

[8] This case study is based on a discussion with Sam Cutting IV, president of Dakin Farms, in May 2005.
[9] http://www.dakinfarm.com

Figure 1.2. Dakin Farm's $28,000 email

The success of the email shown in Figure 1.2 lay in its timing and testing. Do holiday hams, bacon, and maple syrup remind you of anything? A certain festive season, perhaps? Since Dakin Farm's products have seasonal appeal, it sent more emails in December than in the other months of the year. Also, the emails were tested, which enabled the business to determine which were the most effective executions. On discov-

ering that strong offers such as "Your last chance to save 10% on holiday shopping" generated good results, the email creators made a point to include similar offers in subsequent emails.

Dakin Farm's email list grows steadily from month to month. Around 60 new email addresses are gained between sends, while 30 email addresses are lost through unsubscribes—this suggests that most of Dakin Farm's sales are made to repeat customers.

Sam Cutting IV, president of Dakin Farm, says that certain tactics help him to ensure the success of his email marketing efforts:

- If you're running a direct response web site, build an email list and send email offers, even if the list is small.

- Measure the responses you receive for each email offer.

- Determine your break-even points.

- Increase the frequency with which you send the emails to an appropriate level that's above break-even.

- Include a strong offer with every email you send.

- Use short deadlines (such as "Sale ends Friday 13th August—Be Quick!") as a call to action.

Summary

In this chapter, we fell in love with email. We learned why organizations of all shapes and sizes are turning to email for their marketing needs. We talked about creating successful email marketing campaigns using opt-ins, and investigated the top ten reasons why email is worthwhile. Finally, we read the inspirational story of Dakin Farm, a small business that used email to create big results.

Types of Email Communications

Grandma lives on the other side of the world and it's her birthday in a couple of days. You've posted her a card, but you're worried that it won't arrive in time. You'd like to phone her, but calling at a suitable time means that you'll be up until 4.00 a.m.

Luckily for you, Grandma's email-savvy. The last time you visited her, you showed her how she could use email to keep in touch with her friends and family. Remembering this, you sit down in front of your webcam and record a video of yourself singing "Happy Birthday." You send it with a birthday email the next night, and your email and video are the first messages that Grandma receives on the morning of her birthday because … well, you know she's an email addict!

Email is a whole new world of communication, one that surpasses the limits that are inherent in the other communication channels we currently use. All types of communications—personal, promotional, and more—can be delivered through email. They can have all sorts of different formats, too. By the time you finish reading this chapter, I'll have used email to send some photos to my family, invoices to my clients, and an amusing video clip to my friends.

Also in this chapter, we'll look at the different types of emails that can be used for marketing purposes, and the methods by which they're sent. We'll discuss which emails and send methods are best suited to your business goals, and discuss how often you should send these emails to your mailing list.

Using Email to Promote your Business

The words "email marketing" are commonly linked to promotional emails. Email marketing is a very versatile medium in which promotional emails play a big part. The goal of a promotional message is to motivate recipients to respond to a call to action—that includes any action that's been designated by the email's sender, such as purchasing a product or entering a sweepstakes. Let's look at the different types of promotional emails that email marketers commonly use.

Postcard Emails

Postcard emails are short, sweet, and to-the-point. A standard postcard email is visible, in its entirety, within the preview pane of an email client so that the recipient can view the complete message without needing to scroll. Like their print counterparts, postcard emails rely heavily on graphics, and incorporate only as much text as is needed to convey the message effectively. A typical postcard email is shown in Figure 2.1.

Figure 2.1. Promotional postcard email from Clyde's

Readers appreciate postcard emails because they don't take long to read, and marketers favor them because they can be produced quickly. If you're looking to feature a single product or service, then a postcard email is your best bet. As they're so short, you'll usually get away with sending one postcard email a week without running the risk of bombarding your audience.

Restrain yourself!

Keep your postcard email short and snappy. Your aim is to capture the attention of your prospects, not bore them to death—which you will do if you send them a postcard email that's jam-packed with superfluous information not directly related to the offer at hand.

Catalog Emails

Catalog emails are usually longer than postcard emails, and feature multiple products. Essentially, a catalog email is an electronic version of a print catalog. The basic information for each product, including a small photograph, is provided alongside a link to a web site through which additional information can be obtained. A sample catalog email is shown in Figure 2.2.

Figure 2.2. Sample of a catalog email

> **Keep it Clean**
>
> The organizational structure of a catalog email can make or break your campaign. Be sure to use a clean design that gives each product or service its own space. You don't want to bombard and confuse your prospects with too much information, which is more likely to happen in a poorly structured catalog email.

As with postcard emails, in catalog emails it's important to limit the information you present to the bare necessities. What's that you said? "We're not making postcard emails anymore, Toto." Yes, it's true that the screen-size restriction that applies to postcard emails isn't an issue here, so you could pack in as much information as you want. However, you need to be wary of the **weight** of your email—the amount of data that needs to be transferred from your server to the recipient's computer so that the email can be displayed. Plain text emails are usually very light, while emails with images tend to be on the heavy side. The greater the weight of your email, the longer it will take to load, and the more likely users will be to give up on the email before it has fully loaded.

In addition to this, the speed at which your recipients access the Internet will also determine how quickly your email loads. Dial-up users will experience slower load times than high-speed users, since their connections receive less data per second. For dial-up connections, a good rule of thumb is to keep the weight of the email under 30 kilobytes (KB). Recipients on high-speed connections can usually receive twice as much data without noticing a delay in the email's loading. If you're unsure as to the average speed of your prospects' connections, design your email for the slowest connection.

If your recipients are interested in your products, they'll be happy to receive your catalog email once a week, so long as the products you include in each email are different. Seeing the same products over and over again will quickly bore your readers, who'll lose interest in your catalogs as well as your business.

Ads in Other Emails

As well as sending your own emails, you can place ads for your products in the email newsletters of other organizations—an example is shown in Figure 2.3. You'll benefit because your product will be introduced to a new target audience by a source that the audience already knows and trusts.

Take a look at the banner ad at the top of the email shown in Figure 2.3. Purchasing banner ad space like this is the standard method of advertising in an email newsletter. The banner space is priced according to the number of people who receive the email—a **CPM** or cost-per-thousand model (where M is used because it's the roman numeral for 1000)—or the number of readers who click on the banner—a **CPC** or cost-per-click model.

Banner space can be available in countless shapes and sizes—the spaces available will depend on the nature and layout of the publication in which you're advertising. The organization through which you place the ad will provide you with specifications for the banner's height, width, and file size. The smaller the banner, the more concise your copy, design, and images will need to be.

A banner ad is capable of achieving the same goals as a promotional email, be it a direct sale, a clickthrough, or a call to subscribe to your own email newsletter. Unlike catalog emails, where repeat appearances of your products are likely to frustrate readers, repeat appearances of a banner ad in a newsletter often generate better results than one-off placements.

Figure 2.3. Sample of an email newsletter with ads

Advertorials

An advertorial is a paid product placement: an advertisement masquerading as an editorial, which features in a well-known email publication. A well-written advertorial—one that sounds genuine and is presented professionally—can be extremely effective and profitable. It's vital that the writer of your advertorial—whether it's yourself, a PR professional, or the owner of the publication in which the advertorial will appear—understands your product, and is aware of the benefits that it can provide to the publication's readers; it's also critical that the publication in which you place the advertorial reaches your target audience.

Take a look at the Daily Candy email newsletter as an example of an excellent advertorial.[1] This newsletter, targeted at women, showcases funky personal and home products from various companies. The newsletter write-ups are engaging and fun, and give readers the impression that Daily Candy only promotes products that its editors genuinely believe in. The newsletter is sent to Daily Candy's long-standing list of subscribers, so advertisers gain the advantage of showcasing their products to prospects through an esteemed source.

---

[1] http://www.dailycandy.com/

Using Email to Build and Maintain Relationships

One of the fundamental advantages that email offers over other marketing tools is the ability to build relationships between organizations and their customers. In this section, we'll look at the types of emails that best achieve this.

Short-form Editorials

Short-form editorial emails are quick, ongoing communications, such as a "quote of the week" or the "tip of the day." These are similar to postcard emails in that they're quick to read and produce, but they differ from postcard creatives on one key point: short-form editorials are fundamentally editorial. Any promotional content is secondary to the main editorial message.

In addition to editorial content, short-form emails typically include the company's name, web address, contact information, and logo.

Readers prefer these emails as they're brief and don't require much reading time, and as such, a short-form editorial is the ideal way to keep your company at the top of your readers' minds. The format is also popular with email marketers because this email format doesn't require as much content as most other formats, and the messages are quick to produce. It's easy to create a whole bunch at once, then dole them out over a long time period.

As they're such low-involvement emails, it's acceptable to send one short-form editorial a day. Having said that, a daily schedule can be a lot of work and isn't always the most profitable option. If you're just launching an email campaign, I'd recommend sending short-form editorials twice a month. If that works out, you can gradually increase the frequency to a level that's comfortable for yourself and your readers.

Email Newsletters

The email newsletter is my personal favorite. It's the short-form editorial, nurtured and evolved to provide all sorts of useful information, as does the one in Figure 2.4.

Email newsletters provide readers with an insight into your thoughts and actions. They can build credibility and help establish your organization as an expert in its industry. The key with email newsletters is to include original content that reveals your knowledge without making you sound like you're blowing your own trumpet. It's all well and good to say that you're an expert in your industry, but nobody will believe you if you don't have the evidence to back up your claims. Your email newsletter is your evidence.

A newsletter that's built with informative articles, case studies, and tips will attest to you being the expert you profess to be, and help to build rapport with your prospects. As part of this relationship-building exercise, it's a good idea to collaborate with other industry experts (obviously not those who are in direct competition with you) to produce content that will show your readers you're in the loop, since your "friends" are all well-known industry gurus.

Using an email newsletter to communicate with customers on a regular basis—at least quarterly—is a good approach. The content should be geared toward providing ongoing value to the customer, including information on your products as well as related industry content. This approach to using email newsletters can be especially effective if your product is one to which customers subscribe or commit on a periodic basis—a product that they might not otherwise think about between renewal notices. A regular newsletter gives your

Figure 2.4. Sample of an email newsletter

company an ongoing positive presence among your customer base, which should lead to more enthusiastic renewals and stronger ties to your organization.

Similarly, email newsletters can also be very beneficial for products or services that have a long sales cycle. By contacting prospects on a regular basis, you can establish yourself as an industry leader and subtly touch on the issues that surround the customers' decisions to buy your product. You want to keep your offering firmly in the minds of prospects without flooding them with email. A monthly or twice-monthly contact schedule can work nicely.

Remember: your email newsletter needs to be good to reap the benefits I've described here. You'll know what I'm talking about, because you'll have seen poor email newsletters: the ones that brag about a company's new clients, or are no more than a monthly hard sell, or are crammed with bland information that you've no use for. So, focus on your recipients and provide quality information that matters to them.

Transactional Emails

Transactional emails simply provide product- or service-related information for customers who have undertaken a transaction (for instance, they made a purchase or took out a subscription) with your organization. An order confirmation is a transactional email, as is an email that notifies customers of new terms and conditions that will be applied to their accounts.

Transactional emails are an effective way to keep your customers up to date. As with press releases, the frequency with which you send transactional emails will vary based on the information you have to provide. Many transactional emails are triggered by auto-responders or alerts, which we'll look at shortly.

Later on, in Chapter 11, we'll talk more about the legal definitions of transactional and commercial emails—the US CAN-SPAM Act of 2003 has different regulations for each type.

Using Emails to Generate Media Interest

Using email to reach the media can be timely and cost-effective. Press releases have a different goal than do promotional emails: they're written specifically to attract news coverage. When you write a press release, you're looking to gain some press for your product or company in some kind of publication—be it print, online, television, or anything else. While press releases may include some of the elements you'd put in a promotional email, such as features and benefits, email press releases are not promotional emails.

Email is a natural way to send press releases. You can use services that, for a fee, will send your press release to the email addresses of reporters who cover your industry. Using these services can be effective, but it can also be expensive. If you collect the email addresses of journalists who specialize in your area, it's just as simple, but less expensive, to send your press releases yourself.

While I still recommend that you obtain permission from the reporters to whom you want to send press releases, this is a gray area in email marketing. A lot of companies feel that, since reporters deal with press releases every day, it's fine to send press releases via email without an opt-in. Whether or not you agree, the fact is that if the reporter knows who you are and is expecting to receive your email, there's a better chance that he or she will read it.

Historically, press releases have been rather drab, text-heavy affairs without any graphics, but that trend is changing, as you can see from the one in Figure 2.5. There's still an old guard that believes that text is best, but a new generation of public relations professionals and reporters are embracing HTML. Fonts, colors,

and images, when used in moderation, can help your message to engage readers. At the very least, incorporate your logo into your emails so that recipients know who you are.

As well as using images, PR professionals often make press releases personal. Figure 2.5 shows how Clarus Communications includes a brief introduction to its press release so that the reporter can mull over it with a cup of tea. Also, notice the personalised salutation, and the senders' signature—these elements help personalize the email. All of these elements display in the preview pane of reporters' email clients, so these recipients can see, at a glance, who the message is from, what it's about, and who they can contact for more information.

Press releases can help organizations in any industry to garner media attention, as long as the senders target publications that are read by the companies' prospects and customers. A mention in a publication that's small but widely read in your industry niche can be much more valuable than an article in a widely circulated daily newspaper whose readers generally are not interested in your offering.

There's no limitation to the frequency with which we should send press releases; instead, the rule of thumb here is to send the emails only when you have something worthwhile—and newsworthy—to share. Reporters are always looking for interesting things to write about, but if you bombard them with press releases that aren't newsworthy, they'll soon stop reading your emails.

Automating Email Delivery with Triggers

Now that we've looked at the different types of email communications, let's turn our attention to triggers. A **trigger** is an event that causes an email to be sent. Each campaign needs a trigger, and those triggers will vary depending on what you're trying to accomplish.

To view this email as a web page, go here.

ExactTarget
email solutions
Press Release

NEWS

2006 Top Email Trends Shows Growing Sophistication in Email Marketing

Jeanne,

One year ago, trends involved relevancy and frequency of emails. Those are now the industry basics and the future focus is on deliverability, analytics and multi-channel marketing.

ExactTarget's annual list of top email trends follows in this release. Please let us know if you'd like to speak with Chris Baggott, the author of the trends.

Linda Muskin
linda@teamclarus.com
847.432.7300

Mara Conklin
mara@teamclarus.com
847.816.9411

INDIANAPOLIS - (January 4, 2006) - ExactTarget, a developer of on-demand email marketing software solutions, announced its annual top email marketing trends for 2006, which show growing sophistication in email marketing. One year ago, trends involved relevancy and frequency of emails. Those are now the industry basics and the future focus is on deliverability, analytics and multi-channel marketing.

The top trends for 2006 are:

1. **Deliverability will drive email success**. Four main deliverability factors will be in play in the coming year:

    •Reputation. Email practices are the single most important factor in determining if your email will be delivered. Who do you email to? What do you email? When do you email? Why? The answers to these questions will help determine the kind of reputation you have as a marketer.

    •Technology. Domain keys and other authentication technologies are the table stakes; email marketers must implement them to be in the game. In addition, technology is required to help ensure you are not "mistaken" for a spammer, such as content screening before the send, and technology to review your data integrity for known bounces, spam traps and other things that can contaminate your list.

    •The human element. A big part of successful deliverability comes down to human monitoring of your results across domains, dealing proactively with ISPs and individual companies and addressing problem areas.

    •Design for deliverability. Design has to be flexible

Figure 2.5. Sample of an HTML press release

```
Hello,

Thank you for visiting sitepoint.com.  You entered your email
address in order to receive a free sample from SitePoint's book:

"The JavaScript Anthology: 101 Essential Tips, Tricks & Hacks"

Your free sample chapters in PDF format are available at:

http://sitepoint.com/books/jsant1/jsant1-sample.pdf

After browsing through the sample chapters you can order the
full-length printed book directly from us (the publisher) for
only $39.95 USD (plus shipping) at sitepoint.com.

When you order now you'll also receive a reference poster of
your choice FREE.  Choose from our range of 4 glossy posters,
normally valued at $9.95, for your wall.

Please note that we offer a 30 day no risk guarantee.  If you
find the book and poster unsuitable, simply arrange to have
them returned and we'll send a refund.

Purchase this book now from our online bookstore:

https://sitepoint.com/bookstore/go/49/6bf292

If you have any problems opening the sample chapters or ordering
from our online store, please let me know.

Best Regards,

Bree Allingham
sitepoint.com

P.S. Remember: to ensure you get the free poster of your
     choice AND the 30 day no risk guarantee, you must order
     direct from SitePoint.com.  Here is the order link:

     https://sitepoint.com/bookstore/go/49/6bf292


_____
Click here if you do not wish to hear from us about this product:
http://www.sitepoint.com/u?dne=1&t=8dc4f4df217a5833&s=107

Click here if you never wish to hear from SitePoint about any
product:
http://www.sitepoint.com/u?dne=1&t=8dc4f4df217a5833
```

Figure 2.6. Sample of an auto-respond email

Auto-responders as Triggers

You've probably been greeted with welcome email messages immediately after signing up to receive email from various organizations, or thank you messages after purchasing products online. These messages are a form of auto-responder. **Auto-responders** are messages that are triggered automatically, without any intervention from the sender, when the recipient undertakes a specific action.

Essentially, an auto-responder is "content on demand"—it's an email that's sent in response to an action. For instance, you might set an auto-responder to send a whitepaper as soon as people request it. Like Site-Point, you might take that auto-responder one step further, providing more information about the product the user requested, as Figure 2.6 illustrates.

You could also ask prospects a few questions, and use dynamic content to generate and send them an email containing product information that's relevant to their specific needs. While you can achieve this type of on-demand communication offline, the delivery isn't as timely, and it can be expensive. Online, the entire process can be automated, so your emails can be compiled, sent, and delivered to recipients' inboxes in less than a minute.

Alert Emails

Alert emails are like auto-responders, but instead of being triggered by the recipient's action, they're triggered by a specific event to which you want to draw attention. Alerts give you the opportunity to leverage an external event in order to gain awareness and sales for your organization. The Bible of the US entertainment industry, *Variety* magazine, sends subscribers alerts announcing Oscar nominations. An allergy medication company sends an email alert whenever the pollen count climbs above a certain level in recipients' areas. In each case, the email has news or tips that are timely and related to the situation that triggered the alert.

Alert emails provide you with plenty of room to get creative. Recently, I received an email alert reminding me that this time last year I sent flowers to my mom. The email offered me a $10 discount if I sent another bouquet this year. Ski resorts often send alerts offering special deals upon the first big snowfall of the season.

Alert emails can be created in advance, and sent when the trigger events occur. They're a quick way to reach out to customers in situations in which your product or service will be particularly helpful. Alert emails usually contain a mix of editorial and promotional content, but their primary focus is editorial. And, as you might expect, there's no regular schedule for alert emails—they await an outside event or trigger.

Wrapping Up: A Last Note on Email Type and Frequency

The best email strategies use different types of emails for different tasks. For example, if you sell printer cartridges, you might send a postcard email that offers past customers a discount on a toner cartridge, follow up the order with an auto-responder to tell customers when they can expect their deliveries, then set an alert to follow up with those customers two months later, when they need another toner refill. Or, you might send a catalog email containing ten products to subscribers once a month; you might also email those subscribers a weekly "special offer" postcard email for a single product, while running a banner ad in the emails of other companies to entice prospects to join your email list.

It's fine to start with just one type of email, but there's no reason to limit yourself!

We've briefly mentioned some rules of thumb for determining the frequency of your mailouts, but there's one that we haven't discussed: asking your readers how often they want to hear from you. This approach was considered best practice years ago, when many web sites would give users the option to receive daily short-form emails or weekly summaries. This practice isn't a bad idea, but it does add a level of complexity to producing and publishing email. If you're going to ask users what they want, be sure you have the resources to deliver on what they request!

Summary

In this chapter, we explored the different ways in which you can use email. We discussed the three broad types of business emails: purely promotional emails, relationship-building emails, and emails that generate

media interest. We also looked at the different kinds of delivery triggers that you might use to prompt the sending of your emails.

The one-size-fits-all approach doesn't apply in the world of email, but using a combination of email formats based on your goals will provide you with solid results. In the next chapter, we'll build upon this knowledge as we develop a cohesive email strategy.

Developing an Effective Email Strategy

Many email marketing programs grow organically. An idea is born, an email is sent, it works, another email is sent, and so on. While there's nothing wrong with this approach, you can often accomplish more in a shorter time frame by putting a strategic plan into place.

In this chapter, we'll look at what's involved in developing a plan for an effective email strategy, be it your first email marketing campaign or an existing campaign that you want to take to the next level. Writing such a plan takes considerable time and effort, and may seem a bit daunting at first, but don't let this deter you. Not only is a plan necessary for the long-term success of your campaign, it's also critical for keeping you on track in the short term. Consider it a creative endeavor, and you'll soon discover that writing a strategic plan is actually quite a lot of fun once you get the hang of it!

A strategic plan is an evolving document. As your knowledge of, and experience with, email marketing grows, you'll want to chop and change your plan to incorporate the new ideas that you've learned, and remove those that aren't meeting your expectations. Even the most comprehensive plans will need tweaking with time, so don't hesitate to do this—it's normal and it's smart.

In this chapter, we'll be developing an email strategy for a fictitious publishing company called Congressional Publications, whose main competitor, the equally fictitious Digest of Congress, already has an effective email marketing campaign in place.

The process we'll move through in order to create an email marketing strategy for Congressional Publications involves a generally appropriate set of steps that you can use in your own email marketing campaigns. This process involves the following tasks:

- Undertake a competitive analysis.

- Answer some key questions about your offerings, audiences, content, mailing schedule, goals, and budget.

- Set quantitative goals for the strategy.

■   Set and allocate the budget.

To begin, though, let's look at why we should develop a strategy in the first place.

Why Develop an Email Strategy?

Why do we use a road map when we're driving? So that we don't get lost. Good directions will save us time, gas, and money, and provide us with a stress-free journey.

Similarly, an email marketing strategy is your map to success. It will point you in the right direction, keep you from veering off course, and identify the quickest routes by which you can reach your business goals. Like good directions, a good strategic plan will save you time, help you to budget accordingly, ensure that your email efforts are synchronized with your company's goals, and allow you to plan ahead so that you don't miss opportunities.

As with all good things, the task of preparing a comprehensive strategic plan takes time. While it may seem like a lengthy process, having a plan in place will actually save you time in the future—it's a foolproof way to ensure that you produce the best results with the resources that you have available.

Now that we're committed to the idea of preparing a strategy, let's begin!

Conducting a Competitive Analysis

Before you dive into drafting up your own email strategy, don your detective hat and starting sleuthing to find out what your competitors are doing. Conducting a competitive analysis helps you to understand what you're up against, gives you the chance to gather ideas for your own campaigns from those of your competitors, and work out what will give you the edge to make your communications more effective.

Naturally, you'll want to focus on your competitors' marketing efforts—specifically, email marketing. Let's spend a little time talking about this now. If your competitors don't use email, feel free to skip ahead to the next section.

Getting on your Competitors' Lists

The first step in a comprehensive competitive analysis is to subscribe to the mailing lists and email newsletters of your competitors. I recommend that you use an email address that doesn't give away too much information about you or your business, as companies have been known to blacklist the email addresses of their competitors.

Keeping Tabs

In analyzing your competitors' mailouts, you should consider a number of points. Keep track of the types of emails your competitors send, when they send them, and who the emails are sent to. Like me, you might also like to keep a copy of each email on file for future reference. Are the emails transactional or relationship-building? Which products and services do they mention? How are different market segments approached? After a month or so, you'll develop a good feel for their basic programs, and you can use this knowledge to help shape your own campaign.

Table 3.1 summarizes a review I carried out on the email marketing campaign of the Digest of Congress, the major competitor of Congressional Publications. The review shows that during the month of June the Digest of Congress sent out weekly newsletters and weekly promotional emails in which the company's product line was rotated. Every fourth promotional send was a catalog that included all of the publisher's products. In June, two emails were sent each week (one was promotional; the other was a newsletter). The Digest of Congress may decide to introduce more newsletters during the weeks in which significant events take place, or to reduce its weekly emails when Congress is on break.

Table 3.1. Competitive overview of Digest of Congress's email marketing

Type of Email	Audience	Date	Content
Promotional—catalog	All	2 June	All products
Relationship—email newsletter	All	7 June	News blurbs
Promotional—postcard	All	9 June	Online service portfolio
Relationship—email newsletter	All	14 June	News blurbs
Promotional—postcard	All	16 June	Weekly magazine
Relationship—email newsletter	All	21 June	News blurbs
Promotional—postcard	All	23 June	Daily fax report
Relationship—email newsletter	All	28 June	News blurbs
Promotional—catalog	All	30 June	All products

Since we've established the frequency and timing of the Digest of Congress's emails, let's take a closer look at the content of each email. I spent some time assessing the different types of content (articles, interviews, surveys, etc.) the organization used in its emails, and where that content came from. I asked myself a number of questions. Did the content appear to have been professionally written? Did it seem likely to have been purchased? Was the content written specifically for the Digest of Congress, or was it generic?

Can you see any patterns in Example 3.1? Every email has the same feature area. News blurbs are used as a marketing tool—readers can't get the full story unless they sign up. The opinion pieces include bite-sized morsels of proprietary content designed to tempt users to subscribe. The Tip of the Week and Quote of the Week incorporate short-form editorial content, and reader-submitted content has been developed by allowing readers to participate in polls, the results of which are published. Last, but not least, an advertisement for the Digest of Congress's products is also included.

Example 3.1. Assessing the content of Digest of Congress's newsletter emails

7 June
- news blurbs from last week (link to full text for subscribers)
- opinion piece on what to expect this week
- tip of the week for following Congress
- quote of the week (representative)
- poll: will nominee be confirmed?

- results from last week's poll: will the energy bill become law?

- ad for weekly magazine

14 June
- news blurbs from last week (link to full text for subscribers)

- opinion piece on what to expect this week

- tip of the week for following Congress

- quote of the week (representative)

- poll: what will happen with Social Security?

- results from last week's poll: will nominee be confirmed?

- ad for weekly magazine

21 June
- news blurbs from last week (link to full text for subscribers)

- opinion piece on what to expect this week

- tip of the week for following Congress

- quote of the week (representative)

- poll: is the Social Security bill dead for this year?

- results from last week's poll: what will happen with social security?

- ad for weekly magazine

28 June
- news blurbs from last week (link to full text for subscribers)

- opinion piece on what to expect this week

- tip of the week for following Congress

- quote of the week (representative)

- poll: will Mark Felt, a.k.a. "Deep Throat" be remembered as a hero or a villain?

- results from last week's poll: is the Social Security bill dead for this year?

- ad for weekly magazine

All the content has a congressional or political bent to it, and there's nothing on this list that the Digest of Congress would find particularly difficult to develop in-house—after all, it's a publishing company. The business would easily be able to repurpose items from paid publications for the newsletters' opinion pieces and news blurbs—the same content that paying subscribers received a week ago!.

Since we've got all of this information at hand, let's carry out a quick **SWOT analysis** of the Digest of Congress's email content. SWOT stands for *strengths*, *weaknesses*, *opportunities*, and *threats*.

strengths   Strengths are the internal factors that make the email newsletter *good*. I know, "good" could mean anything, and indeed its definition in this context is broad. Look for elements of the newsletter that strike you in a positive way, such as topics that are especially relevant, writing styles that are easy to read, and so on.

weaknesses   These are the internal factors that make the email newsletter *bad*. Look out for weaknesses such as superficially covered topics, irrelevant articles, jargon-filled content full of unnecessary information, and self-promotional content.

opportunities   Opportunities identify the ways in which you can match or transcend your competitor. Has the company missed any relevant topics that you could cover? What other types of content would readers like? What else could you do to improve the experience you provide to your audience?

threats   Threats are the aspects of your competitors' performance with which you'll find it very difficult to compete: the flawlessly covered topics, or the brilliantly written articles to which yours just won't match up, no matter how hard you try. It's important to make a list of these threats so that you don't risk your dignity and credibility by challenging your competitors to a game that you can't play.

You can use your SWOT analysis to give your newsletter an edge over competitors. For example, if Congressional Publications compiled a calendar of upcoming votes and key committee meetings, this content could be used in the newsletter, filling the void left by the Digest of Congress. I also notice that, other than the quote of the week, the Digest of Congress's newsletter doesn't provide much content from outside sources. We could include interviews with key Congress members or top lobbyists in our newsletter, which would provide interesting reading for our audience, and differentiate our newsletter from that of the Digest of Congress. Finally, I like the idea of polls and the response that they receive, so I think we should include a "Question of the Day" segment in our newsletter.

The more email marketing campaigns you monitor, the more good ideas you'll gather. With a fresh twist, you may be able to use some of these ideas to suit your own email newsletter and readership.

Addressing Key Questions

Now that we've completed our competitive review, and conducted a SWOT analysis, it's time to think about what we want to achieve through the newsletter. Rather than considering this very broad question, let's break it down into a series of smaller questions that address specific issues.

What Products or Services will you Promote?

If you already have this information in your head, now's the time to put it all down on paper. Include as much detail as you can about your offerings: your products or services, the features available, the benefits you provide over your competition, the special deals you have on offer, and anything else that's relevant. I've prepared the following product description for Congressional Publications:

Example 3.2. Description of Congressional Publication's offerings

The journalists at Congressional Publications report on the daily happenings of Congress. As the first media outlet to focus solely on Congress, we have established the reputation of being a fair and non-partisan publication, and have won numerous awards for our coverage. Our publications are released in three formats: a weekly print publication, a daily print publication, and a purchased-subscription content web site.

A subscription to our weekly print publication, *Congress This Week*, costs $100 per year. The publication provides highlights of weekly congressional activities, such as updates on the status of key legislation—who's supporting it and why, who's not, and an expert opinion on the chance that the legislation will become law, and so on. In this instance, our advantage is editorial—our journalists have many years of experience in watching Congress, and numerous contacts who are able to provide valuable insight from within the chambers.

Subscriptions to our daily print publication, *Congress Today*, costs $250 per year. This product includes schedules for daily congressional activities such as committee meetings, bills to be presented, votes, and so forth. While it doesn't cover issues in as much depth as *Congress This Week*, *Congress Today* does provide a comprehensive review of each day's activities—a feature that no other organization currently delivers.

A subscription to *Congress Online*, our paid content web site, costs $500 per a year and includes information from both *Congress This Week* and *Congress Today*. In addition, *Congress Online* also provides the full text of all bills that are currently under consideration, and complete archives of publications and events dating back ten years—further than any other online service that currently covers Congress.

Who Do you Want to Reach?

Next, it's time to think about readership: who are we trying to target with our email strategy?

Existing Customers

If you target your existing customers, you have the advantage of knowing a little bit about them already. It's a good idea to create detailed customer profiles, so that you have a clear picture of the people to whom you're trying to talk. Try to include the following information:

demographic information

Include pertinent personal information about customers, such as their ages, locations, educational backgrounds, hobbies, and other necessary details. If your customers are mostly businesses, include the duration for which each business has been in operation, an approximation of its annual revenue, and its staff numbers.

features, benefits, and advantages

What features do your products and services provide? What benefits and advantages do customers receive when they choose your products over those of your competitors? Be sure to distinguish between features, benefits, and advantages—these are *not* the same!

For example, as the publisher of an industry magazine, I might advertise: "Our magazine provides the latest industry news." In this case, the benefit for my customers is: "As a reader of our magazine, you're always up to date with what's going on in your industry, and knowledgeable about issues that may affect your organization or career." The advantage over my competitors? "Since we publish daily, our readers are always a step ahead of those reading the contending magazine, which is published weekly."

elements of the buying decision

What steps are required to purchase the product or service that you're marketing? What logical and emotional elements are part of the decision-making process? Is purchasing your product an impulse buy, or one that requires research? As well as understanding the underlying needs, benefits, and advantages of a purchase decision, it's also important to grasp the process itself. By defining this, you'll gain insight into how you can influence, and even change, this process to your advantage.

Gather as much information as you can using your own experiences, as well as other sources. The Web is a great resource: look for census data, survey results, research, and articles relating to the needs and desires of your target audience.

Prospective Customers

Create customer profiles for prospective customers just as you did for your current customers. In this case, though, you'll be creating profiles for a certain type of customer rather than for specific customers, so your profiles will be more generic. It's natural for these profiles to look like ones that you've created for your existing client base—if a particular group of people have been great customers, you'll want to find more of them!

You may also be looking to expand your customer base by targeting a completely different market segment. That's fine, as long as you do your research so that you can write a detailed description of who the Chosen Ones are, why they need the services you're offering, and what benefits and advantages they'll gain from doing business with you.

Be as specific as you can. It's all too easy to leave out that bit of detail that's "not very important," but avoid the temptation to define your audience broadly. The more detailed your description, the more effectively you'll be able to develop your email marketing strategy to reach—and communicate successfully with—this audience.

The Press

Create press profiles that specify the members of the media (reporters, editors, and publishers) with whom you want to communicate. Can you guess what I'm going to say next? That's right: include as much detail as you can! Remember, detail in your strategy is the key to creating and running a successful email marketing campaign that gives you the best possible return-on-investment.

Think about what you're marketing, and who might be interested in it. If you sell technology services, look for publications, web sites, bloggers, reporters, and others who cover the subject, and hone your profiles for optimal results. If you're selling DSL services, targeting bloggers who write about DSL and high-speed Internet issues will be more advantageous than targeting general technology bloggers who focus on gadgets and aren't particularly interested in what you're offering.

As you can probably tell, you could segment a group of members of the press based on many aspects: the niche areas they cover, the industries they reach, or their geographic locations; again, the segments will depend on the products and services you're offering.

Let's look at the target audience profile we've developed for Congressional Publications:

Example 3.3. Definition of Congressional Publications' target audience

In the broadest sense, the customers and prospective customers of Congressional Publications are both members of the general public and members of Congress who are interested in congressional news. Currently, we serve the three different market segments:

media outlets

We focus on small- to medium-sized regional newspapers that don't have the budget to hire a full-time reporter for Congress coverage. Instead, they turn to us for up-to-date information on legislation of importance, which we provide at a very affordable price. They may use this content as background for stories, or reprint our stories and vote reports verbatim.

The budgets of these newspapers are very limited. While most are happy to spend $100 per year to purchase our weekly print publication, very few are willing to subscribe to our online service that costs $500 per year. Due to the tight budgets on which these newspapers operate, our renewals in this market are generally lower than those of our other constituencies—if a newspaper suffers a budget cut, our publications are often the first to get the flick.

Securing a new customer in this market can take between three and six months. We normally provide a free trial and then follow up with a phone call during which we answer any questions the prospect may have, offer helpful suggestions, and take orders.

congressional offices

Congressional offices are currently our strongest market segment—every office in the region subscribes to at least one of our products. With our publications, they're able to keep up with developments in various committees, and learn who's supporting a given piece of legislation and why. We provide them with vital information and save them valuable time that they would otherwise be using to gather the information themselves.

Most offices purchase both the weekly and daily print publications for $100 and $250 per year, respectively; many get more than one copy of each product. As with the newspapers, few offices have the budget to subscribe to our online service.

Fortunately, our publications are considered to be a necessity by this particular market segment. This sees our orders soar during significant events such as the election of a new congress member. Subscriptions are rarely discontinued, but for those that are, the main reason given is that the member of that office has left Congress.

The sales cycle is quick, and not much needs to be done on our part to gain or keep the business. However, as this audience is finite, there's little room for growth.

lobbyists

Lobbyists are our newest audience, and one that we've found to be very profitable. We target Fortune 500 companies that are devoted to government affairs—large associations looking to influence Congress on behalf of their members, and large lobbying firms.

Such organizations need to keep abreast of congressional happenings that may affect their businesses, or the businesses of their members and clients. We're a trusted source of this information. Our online service is very popular in this market, as the organizations require access to the archives to track past legislations.

Congressional Publications is also looking to expand its prospects by marketing to a new segment: universities that offer political science degrees. Students enrolled in such degrees are inclined to have an interest in current congressional activity. Our publications could serve as additional teaching aids and illustrate the legislative process. Marketing to universities also allows us to introduce our products to future customers *outside* of universities, as many of these students will go on to work in the market segments that we currently serve.

Our research has shown that these universities don't have extensive budgets, so our weekly print publication would likely suit them best. Ideally, our marketing campaign would be launched around September, as this is when most universities spend their annual publication budgets. Key contacts for sales will be those people who work within the universities' political science departments, as well as university librarians.

Targeted Groups

In some situations, it may make sense to divide your customer base into smaller segments so that you can market specific products to specific groups. If you're selling a variety of products or targeting more than one group, it makes sense to divide your customer base into smaller segments so that you can market specific products to specific groups, or word your emails differently to suit the characteristics of the different segments.

You can achieve this easily without busting your marketing budget. For example, let's say that you're the creator and distributor of financial software. Some of your customers use the software to manage their personal finances, while others use it to run their businesses. To tailor your marketing messages to meet the specific needs of both types of users, you'll need to separate your customer base into two groups: "home" and "business." This way, you won't bore the home users with tales about the benefits of your payroll component, while the business users won't think less of you for talking about balancing the household budget.

So, how do you divide the client base? Let your customers do it for you! Ask them what you need to know, and create the groups based on this information. When users register the financial software, ask them whether they needed it for home use or whether they needed it for business use. If we wanted to further target specific industries within the business group, we could ask those users to provide us with more details about the industries in which their businesses operate.

Once you have this information, add it to your audience profiles so that you have a clear idea of how the segments, and your communications with them, will differ.

What are your Goals for the Target Audience?

Right. You've defined your target audience, now let's set some goals for them. I'm going to stress this point again: make your plans detailed! Simply stating that you want your customers to buy from you is *not* enough. You need to look at the target groups you defined earlier, and set specific goals for each.

Let's start by stating some common marketing objectives for current customers. Then, we'll consider the other audience groups.

Objectives for Current Customers

renewals   We can use email marketing as a retention tool to encourage customers to re-subscribe. Rather than sending your customers an email that says "Hey, where's my money?" use the email to build customer loyalty so that when the renewal notice is delivered, customers are encouraged to make payments without a second thought.

upsells   Email marketing can be used to promote enhanced versions of a product to an existing client base. For example, a company providing online music streaming offers two services: a basic service for $9.95 per month, for which subscribers are able to listen to preprogrammed radio stations, and a premium service for $19.95 per month, which allows users to select specific artists, albums, and songs that they want to hear. After snaring a few customers with the initial marketing campaign for the basic service, the company might use the same campaign with a modified email message to encourage users to upgrade to the premium service.

cross-sells   You can use email marketing to promote related products to an existing client base—in fact, this is a strategy telecommunications companies often use. These companies offer customers who are already using their telephone services additional products, such as long distance services, Internet connections, and mobile phone packages.

referrals   We can also use email marketing to encourage advertising via word-of-mouth. We all know that a recommendation from a trusted friend or business acquaintance holds a lot of weight. In many ways, this is the best form of marketing because it's earned, not bought.

You can set as many goals for your customers as you like, and those objectives can be as refined or specific as you want. You may have different goals for different segments of customers. Take our little online music business, for example. When it sends out renewal emails, it also offers customers using the basic service an upsell to the premium service. Customers that are already using the premium service only receive the (convincing!) renewal email.

Prospective Customers

At this point you're probably wondering why I'm asking about your goals for prospective customers. You want them to become less "prospective" and more "customer," of course! This goes without saying. However, in order to build a strategy that enables you to achieve this goal, you'll need to think about how *exactly* it's going to happen.

direct purchase   Email marketing can generate direct sales. If your products are reasonably priced and the purchasing process is simple, you can use email to give prospective customers

the ability to make a direct purchase. If the product is something they desire, most prospects will jump at the chance of an immediate, hassle-free purchase.

lead generation   Generating interest is another valid objective. If you're marketing a complex product for which the sales procedure is not quite so simple, such as applying for a credit card, you can use email initially to get prospects interested in the product. Once the product's caught their interest, a sales representative can work with them personally to seal the deal. This tactic is very different from direct marketing: rather than providing your prospects with details on how to purchase the product, you're presenting them with information that will encourage them to contact you.

brand awareness   You can use email marketing to generate awareness for a brand. Maybe your objective isn't to sell at all—perhaps you just want to use email to get your name out there, so that people recognize your brand and understand what your company does. While leads and sales may arise as a result of brand awareness, this is a much softer approach than those we discussed above. Many companies will begin their campaigns with an awareness strategy, introducing products or services that are new to the market. Only after the brand has been established will they switch to lead-generation or direct-response mode.

As with current customers, you can mix and match these prospective customer strategies to create one that works for you. You'll need to understand the sales cycle that customers move through as they consider the products or services that you market, so do your research thoroughly.

The Press

Your ultimate goal with the press is to gain free publicity. You want them to write an article that puts your company in a shining light, perhaps quoting your CEO as an expert in the industry, or stating your business to be the leader in its field. Ensure that you understand the nature of the coverage your press list can give, so that you can package your information to suit their publications.

That's it! Let's look at the goals for the Congressional Publications target audiences.

Example 3.4. Congressional Publications' target audience goals

media outlets and prospective media outlets
First and foremost, our goal here is retention: we want existing customers to renew their current subscriptions. As most of our media outlet customers purchase the weekly publication, our secondary goal is to cross-sell them the daily publication. For prospects in this market, our goal is to direct-sell them our weekly publication.

congressional offices and prospective congressional offices
Again, our goal here is retention—getting the offices to renew their existing subscriptions. As they're likely to have subscribed to both print publications, our secondary goal is to upsell them to our online service. Prospects in this market are virtually non-existent, as most offices in the region subscribe to one or more of our publications already. However, if one did arise, our goal would be to direct-sell them the weekly publication.

lobbyists and prospective lobbyists

As most of our existing customers in this group have subscribed to our high-end product—the online service—our goal at this stage is to ensure that they retain those subscriptions. While this is a relatively new market, we've established that it is a viable one. We want to direct-sell our weekly subscription to prospective lobbyists first to get them on board. If the response is positive, we'll launch a campaign that encourages them to upgrade to the online service a little later.

prospective universities

Currently, we don't have any customers within this market. Our initial goal is to make ourselves known within this community, but ultimately, we want the universities to purchase our weekly publication. To do this, we'll need first to create brand awareness, then follow this with a direct-sale campaign. Ideally, this campaign will kick off around September, as this is the time when most universities spend their annual publication budgets.

What Type of Email is Best?

Now that we've defined our audiences, and we know what we want to achieve with each, it's time to match an email type to each objective we've set.

Transactional Invoice Emails

These types of email are best used for:

- retention or customer renewals

We don't ask for much from a renewal email. As long as it reminds customers of their upcoming subscription expirations, and asks them to pay for new ones, we're happy. An email invoice providing payment instructions (a hyperlink to pay online, or a phone number to pay via phone) is sufficient for this purpose. Many organizations use a "renewal series" of email invoices, sending emails during specific points in the renewal process: two months prior to the due date, one month prior, two weeks prior, right up to—and beyond—the due date.

However, not many of your customers will be inspired to continue their subscriptions by the invoice alone. Remember that your competitors are always lurking, waiting for you to drop customers that they can catch. During the renewal process, it's vital that you consistently (at least once a month, but not more) make a positive impression on your customers by highlighting the benefits and advantages that your business provides.

For ultimate retention power, combine your transaction invoice email with the very versatile relationship email.

Relationship Emails

Relationship emails are ideal for:

- retention or customer renewals
- upsells and cross-sells

- lead generation

- brand awareness

- customer referrals

The extremely versatile relationship email can be used to fulfill a number of different goals, and work particularly well when they're combined with other email formats (such as postcard emails or transactional invoices). Relationship emails can contain anything, from short-form editorials to email newsletters, and are most effective when sent on a regular basis.

For example, consider the renewal process for an online magazine subscription. If you're using a series of renewal emails, every so often an invoice will land in the customers' inboxes, reminding them that they owe you money. Now, an invoice never makes for happy customers. But if, a day or two later, they get a relationship email containing an article on a topic they're particularly interested in, their focus will shift from the monetary aspect of the magazine to how much they enjoy it. When the time comes to renew their subscriptions, these customers won't think twice about making the payment.

Relationship emails also make convincing upsellers and cross-sellers when used in conjunction with postcard emails. You could use them gradually to communicate a number of reasons why customers should upgrade their products. Including case studies and top-ten lists (top ten reasons to upgrade, top ten signs that you need to upgrade, top ten awesome things about this kit … you get the idea) are useful not only for convincing individual customers, but also for providing them with a solid case, should they need to seek approval for the upgrade.

Relationship emails are vital for generating leads. They allow prospective customers to get to know you before they deal with a sales representative, and they require a lower level of commitment than some other formats. Relationship emails allow prospects to get an understanding of the products you offer, and learn why other companies have decided to work with you. They're a cost-effective way to position your organization as an expert in the field, and keep that idea at the forefront of your readers' minds.

Last, but not least, relationship emails are your key to customer referrals. Customers are more likely to forward emails containing interesting content to their family and friends than they are to forward promotional postcard emails. As well as making others aware of your business, these emails may also result in additional subscriptions to your email newsletter, providing you with more prospects.

Postcard Emails

Postcard emails are useful for:

- customer upsells and cross-sells

- direct purchase

- lead generation

- brand awareness

An effective postcard email will generally do the trick when it comes to the direct purchase or upsell of a particular product or service. If you've released a new product and want to do nothing more than say, "Hey,

I'm out now! Buy me—you know you want to!" a postcard email is all you need. A meticulously created postcard email can have a great impact, generating brand awareness, leads, and direct purchases.

As we saw earlier, postcard emails can also be used in conjunction with relationship emails to achieve various goals.

Communicative Emails

Use communicative emails for:

- emails to the press

To cut corners, many organizations send their promotional or relationship emails to the press. In the previous chapter, we saw that, while all these emails may contain the same information, their goals are very different. You'll have better luck getting your article published if you take the time and effort to send an actual press release via a communicative email.

Table 3.2 and Table 3.3 show sample email plans for Congressional Publishing's existing and prospective customers, respectively.

Table 3.2. Email plan for Congressional Publishing's existing customers

Segment	Goals (in order of priority)	Type of email
Media outlets	Retain subscriptions to *Congress This Week*	Transactional—invoices
		Relationship—short-form editorial
	Cross-sell *Congress Today*	Promotional—postcard
Congressional offices	Retain subscriptions to *Congress This Week* and *Congress Today*	Transactional—invoices
		Relationship—short-form editorial
	Upsell *Congress Online* web site	Relationship—email newsletter
Lobbyists	Retain subscriptions to *Congress Online* web site	Transactional—invoices
		Relationship—short-form editorial

Table 3.3. Email plan for Congressional Publishing's prospects

Segment	Goals (in order of priority)	Type of email
Media outlets	Sell *Congress This Week*	Relationship—email newsletter
Congressional offices	Sell *Congress This Week*	Promotional—postcard
Lobbyists	Sell *Congress This Week*	Promotional—postcard
Universities with political science programs	Sell *Congress This Week*	Relationship—email newsletter

Where will you Source your Content?

We know whom we want to mail, and what we want to convince those recipients to do. But just look at all those emails we want to send. Where will we find all that content?

With purely promotional emails, it's easy: it's all about the features, benefits, and advantages of the products and services that you offer, so you can repurpose existing marketing copy, or create new copy that suits the types of emails that you send, and the audiences you approach. Transactional and communicative emails aren't difficult, either. You know what it is that you want to say, you just need to write the copy that will get your message across.

Things get a little more complicated when it comes to relationship-building emails. The key here is to strike a balance between editorial and promotional material. I often use the 60/40 rule as a guideline—that is, I include 60% editorial or non-promotional content, and 40% promotional content, in the email. Why 60/40? This isn't a hard-and-fast rule, but in my experience, a higher ratio of editorial content often means more work, but little, if any, additional gain; on the other hand, including more than about 40% promotional content takes the relationship edge off the email, which can lead to the impression that you're interested only in promoting yourself, rather than serving your recipients' needs or providing value.

The biggest obstacle most companies face when they launch an email newsletter is to identify and nurture sustainable sources of editorial content. Let's get a head start on this issue, First, we'll talk about the topics that you might cover in your newsletter; then, we'll answer the question of how you'll source the content.

Choosing Content Topics

Here's where all that spying you did on your competitors comes in handy. You know what communications they're sending—use this knowledge to figure out how you can provide information that's even more valuable to your readers. If your competitors send a list of important events on a weekly basis, maybe you'll send a refined list daily. Where their articles are lacking in details, yours will be brimming with them. If there's an issue that they've missed, you'll snap it up and make it the focus of your newsletter.

There is one caveat to this advice, though: make sure that all your content is relevant to your readers. When deciding on the topics that you'd like to cover, keep your feet planted firmly in the shoes of your customers and prospects, and think about the kinds of articles that they'd like to read.

Once you've done all this, make a list of the topics you'd like to cover. Under each, develop a list of challenges, questions, and issues that relate to that topic. When you're happy with the list, source the relevant content from paid and free resources.

Sourcing Paid Content

It often makes sense to purchase content. However, becoming dependant on paid content can absorb a chunk of your budget and profits. Here are some tips on how to make the most of your paid content, along with some budget guidelines.

case studies

If you have a great customer success story, employing a professional writer to create a case study about it is definitely worthwhile. Creating the case study this way will allow you to mention or expand on the features, benefits, and advantages that you consider important. Unlike case studies written for magazines and other publications, this case study will be all yours: you'll own the copyright, so you can use it whenever you like without incurring any additional costs. If chosen carefully and written well, case studies can be timeless—unless you change your product or service dramatically, it's unlikely that your case study will "expire." Even if it was no longer applicable, the case study could still serve

as an historical success story—another reason that makes it more than worth your while to get the piece professionally written.

articles

Most copywriters charge by the word for this type of writing, and fees can range between $0.50 and $1.00 per word; you pay for the number of words you end up using. When you commission this type of writing, you typically give the writer a guideline, such as "a 750-word article" or "a 2,000-word case study." It's difficult to go into much detail in less than 750 words (I have trouble writing less than 1,000 words when I'm writing articles), so allow $500 to $1000—possibly more—per article. I don't recommend the use of paid articles unless you have a specific focus in mind that's particularly relevant to your product line, and a budget that allows you to commission articles of consistent quality.

reprints

Some publications and web sites will allow you to reprint their articles in your email newsletter for a fee that's usually based on the number of people who receive your newsletter, and your business goal. Educational or non-profit uses of the article will usually incur a more reasonable rate than reproductions made for commercial gain. Rates vary widely, depending on the publication or web site from which you source the content. For details, check the publication's permissions or reprint policy.

article harvesting

Certain companies will, for a fee, sift through the content of publications, web sites, and databases to pull out articles that suit your topics and readership. If you use the blurbs of these articles in your newsletters and allow your readers to click through to the original source for the full version, you can use these articles for free (you're still paying the finder's fee, though). It's a hit-and-miss approach that I've seen generate good and bad results. You'll likely have more luck if your topics are very specific, but the amount of experience the researchers have with your topic plays a big part, too. I've seen such organizations charge anywhere from $1,000 to $5,000 per issue to find content for an email newsletter, though this cost usually includes the copy, design, programming, and mailing of your email. We'll look at these points further in the section called "Setting your Budget" later in this chapter.

Sourcing Free Content

There *is* high-quality, free content out there—it just takes a little more time to find and manage than does paid content. Here's some of the best sources of free content:

your employees

Having your employees write articles about hot industry topics, an interesting aspect of your organization, or even their personal hobbies or interests can make for great reading that personalizes both your newsletter and your organization. Just make sure that the article isn't a sales pitch!

industry experts

A lot of industry experts, such as consultants and small business owners, will be happy to write articles for you—after all, inclusion of their articles in your newsletters will only help to boost their profiles. These types of relationships can be very synergistic as long as the experts you use aren't in direct competition with your business, and their articles are relevant and offer tips that your readers can implement themselves. Obviously, you don't want any 750-word pitches on why your clients need to hire these writers or their companies!

customers

The biggest obstacle in getting customers to write for you is working out what they'll actually write. Usually, the more defined the topic, the better the results will be. Here are some suggestions:

- Ask a customer who's planning to attend an upcoming industry conference to write an article on one of the sessions.

- Ask customers to write about how they addressed the biggest challenges they faced in the last year.

- Have your customers write success stories about their innovations, such as marketing campaigns that went particularly well, new management styles that increase the efficiency of their organizations, or cost-cutting strategies that have helped boost their bottom lines.

interviews

Interviews are always interesting to read, and if you interview an industry expert, you'll be killing two birds with one stone. Most experts will be happy to chat with you free of charge, especially if they can approve the article before its publication. You might even conduct the interview over email, giving the interviewee time to think about the questions and craft the answers. This approach also saves you from taking notes or transcribing recordings of your conversations.

royalty-free article farms

A growing number of web sites are devoted to providing articles that can be reprinted for free, as long as you reference the author and include that person's basic biography and contact information. While I've never had much luck with these kinds of services (too often I find that the articles are thinly veiled advertisements for the writers), with a bit of time and research you may find relevant articles that are well-suited to your purpose.

repurposing your own content

For publishing companies, this is an obvious way to generate content. For example, SitePoint often uses chapters from its newly released books as feature articles on the sitepoint.com site. The same approach can be used with email, especially if your mailout will reach prospects, rather than customers. Include as much information as you need to make your article interesting, but don't include so much that there's no need for recipients to subscribe. Of course, you can use this model even if your organization isn't a publishing company—if you've created content for customers (white papers, newsletters, and so on), consider reusing it in communications with your prospects.

aggregating the content of others

Sometimes the whole is worth more than the sum of its parts. By combining articles, market research, surveys, and other content on a single topic from a variety of sources, you can increase the overall value of your mailout. You'll also save your readers time by providing everything they need in a single package. Just be sure to respect any copyright laws or requirements of the authors. In most cases, you won't be able to reprint the full text of articles written by others, but you may be able to include the first few sentences or write a brief blurb, and provide a link to the full text of the original article.

polls and surveys

People are always interested in what others think, and in terms of content, polls and surveys are extremely versatile. A simple poll—one that poses an industry question with a few multiple choice answers, and shows readers how their responses compare with those of others—could make a great regular

content item. The results of a survey that includes both open-ended and multiple-choice questions could easily warrant analysis in a stand-alone article.

short tips and quotes

Tips and quotes can be the sole content items included in short-form editorial emails, or they may be slotted in as a piece of a complete email newsletter (similar to the regular poll item suggested above). If you make your tips actionable, include a source, and possibly offer a link to a third-party site for more information, your readers will love them! These tips can be prepared in advance and dropped into your email as necessary. Of course, you can prepare quotes in the same way, but make sure that the quotes you use are relevant to your topic of interest and to your readers.

barter

There's nothing wrong with doing things the old-fashioned way and, as the saying goes, "one good turn deserves another." Maybe you can offer that web hosting client of yours—the one who happens to be a freelance writer—free hosting in return for a certain number of articles each month.

Pulling it all Together

When you've decided on your likely content sources, grab the topic list that you created earlier, and add the specifics of these sources to it. Make the list as comprehensive as possible—have a look at Example 3.5. Having your list to refer to throughout the coming months as you create your newsletter will make it much easier to get your strategy off the ground.

Example 3.5. Content strategy for Congressional Publications's mailouts

promotional email topics

- weekly magazine: features, benefits, and cost

- daily magazine: features, benefits, and cost

- online service/paid web site: features, benefits, and cost

relationship-building emails—topics and sources

- upcoming congressional events and votes: repurpose from daily magazine

- opinion columns: repurpose from weekly magazine

- brief interviews with congressmen/lobbyists: completed via email by reporters

- pro/con article pairs on key legislation: guest columns written by lobbyists

---

How Often should I Send Mailouts?

One of the top five most frequently asked questions in email marketing today is: "How frequently should I send mailouts?" Often when you ask this, what you're really wondering is, "How often can I throw email

promotions at my customers before they get angry and stop reading?" I wish there were a standard answer for this, such as "Oh, that's easy: three times a month," but, unfortunately, no such answer exists.

Mailout frequency varies widely between organizations, as demonstrated by the results of a 2005 survey that asked how often companies sent emails to their lists:[1]

- 39% reported sending one email or less per quarter

- 32% said they sent mail monthly

- 18% contacted their readers two or three times a month

- 8% followed a weekly mailing schedule

- 4% of those surveyed sent more than one email a week

Frequency has the potential to make or break your email efforts. In a recent survey, 58% of consumer respondents said that they considered email that came too frequently to be spam, even if the sender was a business with which they had a working relationship.[2] So, where's the sweet spot? What sort of mailout frequency is effective without being too much? You'll need to consider a range of factors to get the timing of your mailouts just right.

Type of Content

Recipients tend to be more tolerant of good editorial content than they are of emails that contain only promotional material. As such, email newsletters that combine editorial and promotional content can usually be sent more frequently than can straight promotional emails.

Length of Content

Longer emails take more time to read, and require more commitment from the recipient, than shorter emails. So, unless you have a very loyal following, you might want to temper the frequency of long emails. You'd probably get away with sending shorter emails, such as a "Tip of the Day" or similar, more frequently.

Resources

Resources are a critical factor in determining the frequency of your mailouts. It's better to send an email with great content less frequently than it is to send a mediocre email twice a week. Make a realistic determination of how much exceptional content your organization can produce, and use this as the primary determinant of the mailout's frequency. If you can only provide one mind-blowing article a month, send monthly. If you feel you have the resources to produce ten to 14 masterpieces a month, send your newsletter every other day. When in doubt, scale back—you can always increase your frequency later.

Seasonality

You may need to vary the frequency of your mailout in accordance with seasons. We saw an example of this in the Dakin Farm case study in Chapter 1. While Dakin Farm sent an average of three emails a month,

---

[1] "Email Marketing Metrics Guide," MarketingSherpa, October 2005 [http://www.sherpastore.com/home.html?V2=t].

[2] "DoubleClick's Sixth Annual Consumer Email Study," DoubleClick, December 2005 [http://www.doubleclick.com/us/knowledge_central/documents/RESEARCH/dc_consumer_email_0512.pdf].

the organization sent five emails during December, as its products made great Christmas gifts, and less frequently in the spring, when demand for the farm's products was low.

If there's a seasonal element to your product offerings, consider it as you set your email schedule.

Length of Sales Cycle

The length of your product's sales cycle is another factor that should impact on the frequency with which you send. Is your product purchased on impulse, or will your customers need to conduct research before they decide to buy? Is it a low-cost product, or will your customers need to get a budget approved before they can commit to the purchase?

If your product has a long sales cycle, you might consider developing an email campaign that helps readers move through the cycle step by step, and sending those emails reasonably frequently. For instance, you might create an informative newsletter that educates readers, moving them toward a purchase, and mail it once a week. This email would likely perform—and be tolerated—better than a weekly "buy our product today" email that supported a low-cost service.

Competition

Let's not forget about the competition. If your competitors are sending email once a week, will you be able to match their efforts effectively with an email dispatch every three days? Probably not. While this shouldn't be the only factor in your decision, it is an important point to consider. Sending more frequently than your competitors won't necessarily give your email newsletter greater appeal—the factors that will achieve this are the distinguishing elements of your newsletter and the outstanding content that it provides. You may even be able to match or surpass a competitor's mediocre weekly email with an absolutely fabulous email that's sent every other week, or even monthly.

Here's an example: in the competitive analysis we conducted for the Digest of Congress, we identified an email frequency of twice a week: one mailing was editorial, the other promotional. These emails were sent on Tuesday and Thursday, respectively. If we wanted to match Digest of Congress's frequency, we'd shift our schedule so that our emails were sent one day ahead, scooping the news and opinion features in its email newsletter. We'd also add a short-form editorial segment to our Friday newsletter to help our readers schedule the coming week, and plan to send additional short-form editorials as needed—for example, we might report on close votes as quickly as possible.

I used parameters such as these to put together the sample mailout plan shown in Table 3.4.

Table 3.4. Sample frequency and timing for Congressional Publications' mailout plan

Type of Email	Audience	Frequency	Sent
Email newsletter	All	Weekly	Each Monday
Promotional postcard	All	Weekly	Each Wednesday
Short-form editorial	All	Weekly	Each Friday
Short-form editorial (alerts)	All	As needed	As needed

This is just the beginning! I could blow the competition away by publishing a value-packed short-form editorial piece every day, or take advantage of my daily publication schedule to send a brief overview of

upcoming key events (not too many, though). All of this would allow me to create an email newsletter program that's appealing to my audience and better than those of my competitors.

Audience

Who are you sending the email to, and how much time do readers have to devote to your emails? A recipient who spends all day in front of the computer is more likely to read your emails than a recipient who doesn't. You don't want your emails to pile up; sending a daily email to a readership that only checks their emails once or twice a week isn't a good strategy.

List Fatigue

If your open and clickthrough rates decrease over time, you may be mailing too frequently. To head this possibility off at the pass, perform an analysis to see what you can learn about the ways in which readers use your email. If the average reader only opens and reads your daily email once a week, you should think about mailing weekly. On the other hand, if you find that your open rates on monthly mailouts are high compared to the industry average, it could be because your audience want to hear more from you.

Timeliness

Our world has a 24-hour news cycle. Most of the stories that appear in the morning news summary email I receive were posted on the publisher's web site the evening before. By the time that summary arrives, the news is stale. This situation should be avoided at all costs, and two tactics, in particular, can help you handle it. The first option is to email more frequently the information that's likely to date quickly The second solution is to develop your content strategy to avoid the most time-sensitive material. This approach will give you a more relaxed publishing schedule, but be careful to ensure that taking this path doesn't lower the value of the content that you do include so that your email becomes irrelevant to your readers.

Relevance

In general, the more relevant readers find your information, the more often they'll want to receive it. However, be wary of the fact that relevance is in the eye of the beholder—just because you feel the information is relevant and warrants a daily or twice-daily send doesn't mean that your readers will feel the same way.

Letting Readers Choose

Back in the early days of email marketing, it was seen as good practice to allow your readers to select the frequency with which they wanted to receive your mailouts, but this is no longer the case. While that approach did give readers more control, it added complexity to the mail schedule and created more work for the organizations who sent the emails. Personally, rather than giving my readers a choice, I prefer to inform prospects of the frequency with which I mail, and let them use this information to make their opt-in decision.

How often should you send email, then? You should send as often as you need to, and no more than you have to. Don't expect to find the ideal mailing frequency without trial and error. It will constantly ebb and flow in accordance with internal and external factors, but in time, you should be able to find a happy medium for your mailing schedule, and even anticipate changes in readers' needs.

The Best Day to Send

You've probably heard about studies that have shown—conclusively!—the best day and time to send your email. It used to be that Mondays and Fridays were forbidden: supposedly, no one read email on those

days. Then, a new study showed that Monday was actually the *best* day to send, and Friday wasn't so bad either. In this study, Wednesdays and Thursdays were the worst days of the week to send.[3]

So, am I recommending that you send your mailouts on Mondays, at least until the next study comes out? No. As with all third-party data, the results presented here may or may not apply to you and your audience. There's no perfect day to send.

If you're just starting out, I suggest you pick a day—any day. If you have relevant information about your audience, use it to help you decide which day might be best. For instance, many chefs have Monday off, so if you're trying to reach them at work (provided that they have a computer in the kitchen or some sort of access to email), you probably shouldn't send your message on a Monday. If you're trying to reach office workers during business hours, you'd probably choose not to mail on Saturdays and Sundays.

Once you've narrowed the week to specific days that might suit, test to find the best day for your mailout. Testing is a relatively simple procedure: send to half your list on your regular mailing day (say, Monday), then send to the other half of the list on a different day (say, Tuesday). Now, look at your metrics. Be sure to review all your metrics—opens, clickthroughs, orders generated, dollars generated, etc.—as you identify the winning day. You can keep performing tests, pitting the winning days against other days, until you have a definitive winner.

Once you have identified the best day to send, it's a good idea to re-test it once in a while. One thing that those "best day to send" studies do show is that things change. This year, Tuesdays might be great for you, but when you run a test next year, you may find that Thursdays are really where it's at. Be prepared to test, and be prepared to move with your audience's needs and preferences.

Although it's important to spend some time thinking about this issue, don't get too wrapped up in finding the best day to send. After all, one of the great things about the Internet is that it's global. If you're sending email to people around the world, when it's Monday for you, it could be Tuesday for at least some of your readers. Will that make or break your campaign's success? I don't think so! It's good to put some effort into identifying the days on which your readers may be more disposed to reading your mail, but don't obsess over it.

The Best Time to Send

As with the thorny proposition of finding a best day to send, there's no single answer to the question, "What's the best time to send?" Again, it's good to test. That said, you need to come up with a time for your very first send, and the best way to do that is to think the process through.

If I'm looking to reach business people, I try to land my email in their inbox during business hours. If I'm sending to multiple time zones, I work to find a window in which business is underway in all zones. For example, if you're mailing to people across the US, you'd want to send between 1:00 p.m. and 4:00 p.m. EST, which is 10:00 a.m. to 1:00 p.m. on the west coast. This is a window in which business people on both US coasts (and everyone in between) tend to be in their offices.

I avoid sending email outside business hours. I know what my email inbox looks like first thing in the morning—it's full of junk mail. I end up hitting **Delete** a lot, and sometimes I actually make the mistake of deleting emails that I want to read. I know I'm not the only one who makes this mistake, and as I don't want

---

[3] "eROI mail statistics for Q2 '04," eROI, July 2004 [http://www.eroi.com/roi_resources.htm].

to see the email I send mixed in with spam, nor see recipients delete it accidentally, I mail when I expect that recipients are likely to be at their computers.

Perhaps you want to send before business hours, so that your email's waiting for readers when they check their inboxes first thing in the morning. This time is fine, but be sure to keep an eye on your metrics. If they're just as good when you send at 2:00 a.m. as they are when you send at 2:00 p.m., it's fine; if they aren't, you might consider changing your schedule.

Let's do Lunch

I often try to think about when my recipients will have time to read my email newsletter. Ideally, I want them to have a spare moment to look at it as soon as it arrives. With some email newsletters (especially the ones that contain industry news), I've found that mailing just before lunch time works very well. My theory is that many people eat at their desks and want to read something as they do so; an industry newsletter is enough like work to be acceptable to your superiors if they catch you reading it, but not so much like work that you feel like you're sacrificing your lunch break to read it.

Defining your Quantitative Goals

By now, you should have some qualitative guidelines for your email marketing strategy: which products or services you're going to market, who you're going to market them to, what actions you're hoping to convince recipients to take, what types of email you're going to use to present your message, and so on. The next step is to put some quantitative goals behind these guidelines.

Quantitative goals need to be relevant, measurable, and realistically achievable. They should measure factors that directly affect the success or failure of your business. You'll likely have a number of different goals, so be prepared to prioritize them. When I think of quantitative goals, I separate them into two types: bottom-line goals and means-to-an-end goals.

Bottom-line Goals

Bottom-line goals should correlate directly with your overall measures of success. They're often expressed in terms of units sold or dollars generated. Total revenue generated, revenue generated per dollar spent, and profitability are all examples of bottom-line goals. These goals are your top priorities—the ones that you need to hit to get your bonus or keep the company afloat.

Some examples of common bottom-line goals include:

- achieving renewals from a certain percentage of your current customers

- upselling a set number of current customers

- cross-selling a certain quantity or dollar amount of your product or service

- having a certain percentage of your customers refer your business to their colleagues

- acquiring a certain number of new customers or new sales

- generating a set number of qualified leads

- creating awareness of your brand in a set percentage of your target audience

- achieving a given number of articles, quotes or other media mentions

- generating a certain amount of advertising revenue

Do these goals sound familiar? That's right: we're just taking the qualitative goals we defined earlier and putting some numbers, or quantitative goals, against them.

Means–to–an–end Goals

Means-to-an-end goals are objectives that you believe you need to hit to meet your bottom-line goals. Here are some examples of common means-to-an-end goals:

- achieving an average delivery rate of n%

- achieving an average unique open rate of n%

- achieving an average clickthrough rate of n%

- converting n% of clicks to sales

- growing your list by n%, or to a certain level

In general, if you miss all your bottom-line goals but meet all your means-to-an-end goals, you probably didn't have a successful year in the eyes of the company (although you may have positioned yourself to do very well the following year). But if you miss all your means-to-an-end goals and achieve all your bottom-line goals, you're probably doing fine (although you'll want to try to meet the means-to-an-ends goals the following year, when you'll need them in order to meet your much higher bottom-line goals, adjusted upwards because of your success).

Measuring your Performance

I've seen many email marketers face tough decisions when their performance plans are tied too closely to means-to-an-end goals.

For instance, one marketing director's bonus was based on list growth and the quantity of emails sent. As a result, even though a large segment of the list was non-responsive (that is, they hadn't responded in any way in a year or more), he was hesitant to stop mailing them. While it would have saved the company money and improved his metrics, it would have jeopardized his bonus. Instead, he spent a lot of the company's time and money trying, in vain, to get these customers to respond—money that, in the long run, would have been better spent in attracting new opt-ins to the list.

Benchmarks

The hardest thing about quantitative goals is coming up with the numbers. To some extent, if you've never done any email marketing before, you really are just guessing.

Benchmarks can help reduce that guesswork. A benchmark is a guideline that you can use to come up with an intelligent guess for your own quantitative goals. I collect benchmarks. I pull them from email marketing

campaigns I've executed myself, but I also get them from articles, case studies, and other third-party sources. Benchmark collecting is a useful hobby—let me explain how it's done.

If you've done email marketing in the past, your results from those exercises should be your first stop for benchmark data on bottom-line and means-to-an-end goals. I usually create a spreadsheet in which each past email marketing campaign has its own row, and each quantitative goal or metric has its own column. Then I go through the spreadsheet and fill in the data I've collected for each campaign. If you don't have any past experience with email marketing, don't worry—we're not done yet!

Benchmarks can also be garnered from the quantitative results of other marketing activities you've undertaken. Even if it's an estimate (e.g. "it seems like I close about one out of every three leads that come in"), write it down. I list other marketing initiatives—one per row—under the email marketing efforts I detailed in my spreadsheet, filling in any of the metric columns that I can.

Next, look for third-party goals or metrics. One of the most readily available sources of third-party benchmarks is the case studies that are published by so many industry magazines, newsletters, and web sites. Don't wait until you need metrics to begin looking for case studies, though—collect them in your daily rounds of the Web. I look for case studies on a regular basis, all year long. When I find one that's relevant and contains good metrics, I file it either on my computer or print it out. One of my favorite sources is MarketingSherpa—its case studies are usually heavy with quantitative metrics[4].

Another resource is special reports. A number of publishers—MarketingSherpa among them—publish annual metrics guides that aggregate figures from case studies, surveys, and other sources. They often cost a couple of hundred dollars, but you'll be glad you spent that money when you write a marketing plan or email strategy.

Many email service providers (ESPs) also publish benchmarks (mostly means-to-an-end benchmarks, but sometimes bottom-line figures) that can be useful. Some offer the data only to paying clients. Others offer a full report to clients and a summary to everyone else—DoubleClick is the most notable example.[5] DoubleClick's reports are quarterly; the free summary is about four pages but it's broken into analyses of six or eight industry segments, which are very useful.

Articles will often give you facts and figures that you can use to develop benchmarks for your product. Many industry publications have "success stories" with metrics that you can add to your spreadsheet.

Finally, your colleagues can be source of benchmark data. Maybe you have a sister company whose marketing director would be willing to swap metrics with you. Or maybe you've a personal friend in a non-competitive organization in your industry, and that person's willing to do a swap (be careful in this case: some companies have policies against sharing any data with outside sources). If you don't personally know anyone who's able to help you, you might post your benchmark query to a forum, discussion board, or distribution list. Many marketers are comfortable sharing figures in these types of venues. Be warned, though: there's nothing better than finding out that your email marketing programs outperform those of others, and nothing worse than finding out they're not as successful!

If you're able to gather a significant number of benchmarks, you'll likely start to see trends and patterns in the data. Maybe most of the open rate figures fall in the 35% to 50% range; perhaps renewals rarely top

[4] http://www.marketingsherpa.com/
[5] http://www.doubleclick.com/

80%, but don't usually fall lower than 60%. If you can get to this point, great! Look at these trends and set your own goals accordingly. If you don't get to this point, that's okay too. You still have some figures to use as a starting point.

A final note on benchmarks: they're fairly controversial. There's a school of thought that contends that figures produced from a totally different source cannot be relevant to your situation—your product, audience, and qualitative goals are unique, so why would any other numbers fit your plan?

I agree with this argument to some extent. If your email marketing is profitable for you, that's the main thing. But we all need something to shoot for—a place to start. Benchmarks provide that launchpad.

Benchmarks to Get you Started

Table 3.5 presents some aggregate figures from DoubleClick's "Q4 2004 Email Trend Report" to get your benchmarking and goal-setting under way.[6]

Table 3.5. Benchmarks from DoubleClick's Q4 2004 Email Trend Report

Average delivery rate	90.6%
Average unique open rate	32.6%
Average clickthrough rate	8.0%
Average click-to-purchase rate	4.8%
Average orders-per-email-delivered rate	0.35%
Revenue per email delivered	$0.26
Median order size	$89

Setting Quantitative Goals

The benchmarking process should provide you with some guidelines to use as you set quantitative goals. Now it's time to look at the benchmarks you've found, add your own personal knowledge—and a heavy dose of gut instinct—and choose some specific quantitative goals for your program.

You can approach this in one of two ways: set some bottom-line goals for your email marketing strategy and work backward, or fill in some means-to-an-end goals and work forward. I prefer the second option, because I can usually set some means-to-an-end goals with which I feel comfortable as a result of the benchmarking process. Also, if the bottom-line goals aren't what I expected, I can always go back and adjust the means-to-an-end goals accordingly to make the numbers work.

In Table 3.6 and Table 3.7, I've pulled in the benchmarks presented in Table 3.5, and set some goals based on a scenario in which Congressional Publications sends monthly emails to 10,000 addresses.

---

[6] "DoubleClick Q4 2004 Email Trend Report," DoubleClick, Inc., March 2005
[http://www.doubleclick.com/us/knowledge_central/documents/research/dc_q404emailtrends_0503.pdf].

Table 3.6. Means-to-an-end goals for Congressional Publications

	Benchmark	Goal per Send	Annual Goal
Delivery rate	90.6%	9,060 delivered	108,720 delivered
Open rate	32.6%	2,954 opened	35,443 opened
Clickthrough rate	8.0%	236 unique clicks	2,835 unique clicks

Table 3.7. Bottom-line goals for Congressional Publications

	Benchmark	Goal per Send	Annual Goal
Click to purchase patio	4.8%	11 orders	136 orders
Orders per email delivered	0.35%	32 orders	381 orders
Revenue per email delivered	$0.26	$2356	$28,267
Revenue per send	11 orders, median order of $89	$1,009.41	$121,12.90
Revenue per send	32 orders, median order of $89	$2,822.19	$33,866.28

As you can see, we have two benchmarks that relate to the number of orders generated, and three that relate to revenue generated. Here's where your knowledge and gut instinct come into play. You need to sanity-check each of these numbers and choose the one that you think you're most likely to achieve. I usually lean toward a mid-range figure. Remember, this is just a starting point. You can adjust these figures up or down after you have a few sends and some actual results under your belt.

This part of the strategic process can feel a little like a jigsaw puzzle. You collect the pieces (benchmarks and data) from various sources, then try to fit them together in a logical way. It may take a few tries to come up with something that you're comfortable with. Don't get frustrated—just keep working with the pieces until they feel right.

Setting your Budget

Once you have what feels like a workable set of bottom-line and means-to-an-end goals, it's time to look at the budget that you'll need to achieve them. As with goal-setting, this process may take some time and effort, and you may end up adjusting your bottom-line goals in order to stay within your budget. Don't worry—this is normal. Just keep working on this process until you have a plan that you can implement.

Defining your Costs

Email marketing can be cost-effective, but it's not free. Here are some of the common expenses that are associated with it, along with some very rough estimates of costs.

Creative: Copywriting

Creative costs include copywriting and design. If you already have people on staff to handle these tasks, there may not be any incremental cost associated with the emails' production. But if you don't, you'll have to factor them in.

A number of different pricing models are used by copywriters. As I mentioned earlier, some want to be paid by the word, some charge an hourly rate, and some will give you a flat rate per email. There's no right or wrong way to pay for copy, and if you're working with copywriters outside of your company, you usually won't have a choice, as the writers will decide how they charge. Work to get the best copy that you can afford within your budget.

Here are some going rates for copywriters; you can use these as rough guidelines:

- $0.50 to $1.00 per word

- $75 to $125 per hour

- $350 to $700 per one-page email

I've heard of people who want to pay copywriters on a commission basis, the idea being that writers will receive nothing up front, but instead receive a percentage of the sales their copy generates. I don't know of any copywriters who are willing to do this. It's not that they don't have faith in their own work, but that so much of what makes or breaks an email campaign is beyond their control. Something as small as sending the email at a bad time can decrease the response rate, and a list that's not as targeted as you thought can totally bomb, even with the best copy in the world.

There are also copywriters who will demand a high up-front fee as well as either a small bounty for each email you send, a commission on the revenues their copy generates, or both. Unless you're a well-established company, it's probably best to steer clear of this model. If you think that the copywriter's expertise will generate sales that greatly exceed the price that they're asking for, it may work. But for most companies—particularly those new to email marketing—it's a losing proposition.

I prefer to pay copywriters a flat rate, based on the $350 to $700 quote above. Additional pages, if I have them, should be billed at a lower rate. This gives me a fixed number to put into my budget spreadsheet, and provides insurance against cost overruns in this area.

Can you write the copy for your emails yourself? Of course. And this isn't a bad way to get started. It's very cost-effective—you don't have to set aside any budget for copy. You may get to a point, though, where you want to take your email marketing to the next level, and purchasing professional copy skills may be the most cost-effective way to lift your emails' response rates.

Creative: Design

If you're sending text-only emails, you may be able to forgo design costs. However, I don't recommend this approach. Design doesn't have to be elaborate; something as small as a company logo, some bolded terms, color, and formatting (none of which you have with plain text) can add to readability and boost response rates. If you have a staff member who can design your email in-house, that's another bonus for your budgeting, and you can jump ahead to writing the HTML.

Good design doesn't have to be expensive. The costs are similar to those for good copy, and many times, the person who designs your email will also code the HTML for it at the same cost. I think it's worth having the email professionally designed even if you decide not to spring for professional copy.

Here are some cost guidelines for design:

- $75 to $150 per hour

- $100 to $500 per one-page email

You'll pay a little more if you want to review a few designs and choose one of them, but generally a single, simple design will serve your purposes. More elaborate designs will incur a higher cost, which is why the range of the per-email price given above is so large.

Some email service providers will create an HTML template for you, or provide you with a tool to create your own templates. Once you've created the template, you can reuse it for different emails simply by replacing the copy and images. The service provider may charge a one-time fee for this, or it may be included in your setup costs. This can be an extremely cost-effective approach, especially if you're just starting out. Not only does it eliminate the design cost for each send, but it also covers your programming cost, since the templates are already in HTML.

Writing the HTML

If you're sending HTML, you'll need someone who can convert your design into HTML. As with the copy and design tasks, if you have someone who can code the email in-house, you're off the hook cost-wise.

A word of caution: the programs in which your recipients will read their emails are much more sensitive than web browsers. So something that looks great in Internet Explorer or Firefox may lose its integrity in Outlook, Gmail, or Yahoo! Mail. This is one reason to use an email service provider who provides you with an HTML template, as most are familiar with the differences and know how to program email so that it displays well in most, if not all, email clients. If you're using a programmer to write your HTML, employ one who's familiar with coding HTML for email.

Programming tends to be a bit less expensive than copywriting or design. Here are some ballpark estimates of programming costs:

- $40 to $75 per hour

- $100 to $250 per one-page email

The Send

You can handle the send yourself using your own computer or server, or you can hire an email service provider (ESP) to help you. If you handle the send yourself, your costs will typically include a one-time fee for the software, and possibly ongoing fees for maintenance and software upgrades. It can be a cost-effective way to go, but don't ignore the fact that you may also need to pay someone to install the software and manage the sends.

Pricing for email marketing software can range from $100 to $500, and more. As far as support goes, some companies don't offer any support at all, while others will charge you anything from $300 to $1000 or more per year, depending on their levels of coverage. Upgrades work similarly—some are free, but others will cost you as much as the original software license.

ESPs offer a range of options, from self-service (you get access to their tools and handle the send yourself) to full-service (you tell them what you want and they do the rest) offerings, from designing the creative through to sending, tracking, and reporting on the mailout.

Most ESPs charge clients on the basis on the number of emails sent each month. This charge is usually defined as a cost-per-thousand or CPM figure. There's a wide range of CPMs out there, from a low $3, up to $30 or more. The more emails you send, the more bargaining power you have, and the lower the CPM you can negotiate. Other ESPs use flat rates rather than CPMs, though they still base these rates on a range of send quantities (e.g. if you send 1,000 to 4,999 emails a month, you're charged $29.95).

In addition to send costs, ESPs may also charge setup fees (between $1,000 and $15,000), and with full-service providers you'll be required to pay a fee in addition to the CPM for each send to cover these setup costs.

If you have chosen a provider for email marketing services, it should be easy to fill their costs into your budget. If not, you might assume you'll pay costs similar to those shown in Table 3.8 for a cost-effective self-service ESP.

Table 3.8. Average costs of a self-service ESP

Emails per Month	Cost per Month
0–2,500	$15–$25 or more
2,501–5,000	$20–$50 or more
5,001–10,000	$50–$100 or more
10,001–25,000	$100–$250 or more

Tracking and Reporting

Standard tracking and reporting of metrics such as deliverables, opens, and clickthroughs, should be included with your purchase of email marketing software or your agreement with your ESP. If this service isn't in-cluded, find another vendor.

For more advanced tracking, such as services that track the clickstream your user follows from your email through to your web site's order process, you'll need web analytics software. These packages are a dime a dozen—numerous free versions are available on the Internet, and other, more detailed solutions are available for purchase. Paid versions often offer much friendlier user interfaces, and comprehensive statistics; however, you *can* get the same information from less expensive packages that let you download the tracking data to Excel—it just takes more time to decipher your results.

Ask your ESP if it has a web analytics partner that it could recommend—some ESPs and web analytics software vendors have formed relationships that make it easy to view the full clickstream. The teaming of SubscriberMail[7] with ClickTracks[8] is one such partnership; others are out there.

The purchase of web analytics software generally requires a one-time fee, as well as possible maintenance and upgrade charges down the road. Prices vary, and although some packages are free, they can run to $500 or more, with maintenance costing between $250 to $1,000 a year. Upgrades may cost as much as you paid for the original software license.

---

[7] http://www.subscribermail.com/
[8] http://www.clicktracks.com/

Finally, some companies, known as ASPs (application services providers), will give you access to a tool that lets you view your web analytics. While these services cost more than software solutions, they're easier to install and use. The pricing of these solutions start at $100 a month, the cost depending on the level of features available, the service required, and the volumes of traffic your web site attracts.

Creating a Budget

With the assumptions you've made, and the benchmarks you set in the section on goals, you should now have enough data to put together a budget estimate. In Table 3.9, I've included a sample based on the costs we've discussed throughout this section.

Table 3.9. Budget estimate for the Congressional Publications campaign

Costs	Budget Estimates	Cost per Send	Annual Costs
Copywriting	$350	$350	$4200
Design	$200	$200	$2400
Programming	$100	$100	$1200
The send ($10 CPM)	$100	$100	$1200
Tracking and Reporting	$100	$100	$1200
Total	$850	$850	$10,200

In Chapter 1, we learned that Dakin Farm was able to send emails at a cost per send of $400 to their list of 15,000 subscribers. How did they keep their costs so low? By using an email service provider that provided templates for HTML emails, Dakin Farm was able to eliminate copywriting, design, and programming costs. This is a simple way to decrease your cost per send, and increase your profit per send!

Speaking of profit, the next step in our budgeting process—shown in Table 3.10—is to compare your budget and revenue figures to check that, as you execute your campaign, you won't end up in the red.

Table 3.10. Return–on–investment for the Congressional Publications campaign

	Per Send	Annually
Costs	$850	$10,200
Revenue	$2356	$28,267
Net profit	$1506	$18,067
Revenue per marketing dollar spent	$2.77	$2.77

With our current figures, our email marketing strategy would return almost $3 for each dollar we spend. That's not a bad return for a start—many organizations are happy just to break even when they start a new marketing program. If you were expecting a slightly larger return, that's okay, too. You can always go back and tweak the figures until you're happy.

Summary

This chapter focused on developing an effective email marketing strategy.

First, we looked at the key questions that we need to address during this process, considered which types of emails would have the best chance to achieve our goals, and explored possible solutions for sourcing email content. Then, we discussed the circumstances in which it would be suitable to use paid content, and investigated free content sources, too. We then explored, in detail, the processes by which we can determine the ideal frequency for our emails, and define our goals and benchmarks. Finally, I provided you with budget and revenue guidelines to help you anticipate the outlays and returns you might generate from your first campaign.

This chapter provided you with the tools you'll need to create an effective email marketing strategy, identify any problems it might have, and fix them ahead of time.

Remember that a strategic plan is an evolving document. You should constantly be changing it to incorporate what you've learned, and give yourself the best chance of success in the future.

Acquisition: Growing your Email List

Your email masterpiece is worthless unless you have someone to send it to. The process of acquiring email addresses is just as important as the creation of your email strategy. Don't use just any old list—send your emails to people who are interested in your offering, otherwise your campaign simply won't work.

In this chapter, we'll cover the ins and outs of building your own email list. This process isn't as difficult as you may think, and offers many benefits to the burgeoning email marketer. You can rent email lists (although the results from such lists are usually not as good as those that can be obtained from a list you've built yourself), but we'll talk more about this in Chapter 10.

Five Reasons to Build your Own List

"Ugh, this email marketing business is terrible! It's just not working out!" your friend, formerly a direct marketer, tells you in frustration. He shows you the collection of email lists he's using, all of them purchased from miscellaneous online companies. "These recipients just aren't responding, and the lists have cost me so much!"

Your friend bought the lists because that's how he always obtained prospect lists in his direct marketing work. However, if you want to develop a cost-effective, successful email program that will continue to deliver results *after* tomorrow, you should build your own email list. Here are five reasons why.

You'll get better results.
> In my experience, house lists (that is, lists that you've built yourself) can outperform rented lists by 100% or more. That's because the people on your house list know who you are, and they've told you that they want to receive your emails because they're interested in your offerings.

It's a sustainable asset.
> Apart from the fact that you can't eat email lists, the old Chinese proverb, "Give a man a fish and you feed him for a day. Teach a man to fish and you feed him for a lifetime," applies to self-built lists.

Renting a list for a single use will be effective for one send. Building a comprehensive house list will see you through many email campaigns to come.

It's more cost-effective in the long run.

While it may not seem so at the time, building a house list will leave you with spare cash in the future. Once you've set up mechanisms to grow your list, you can forget about them. They'll work on an ongoing basis without eating into your budget and resources any further. The classic example of this sort of set-and-forget mechanism is an online email sign-up form.

You know that it's credible.

The online world is full of shady characters selling bogus email lists. Be skeptical—if a deal sounds too good to be true, it probably is. Why risk renting a poor email list when you can build your own list, knowing for sure that you've obtained every email address on it legitimately?

You're in control.

When you build your own list, you have complete control over the information that's being used to create it. You can tailor your list to suit specific products or services, and to meet your segmentation and targeting requirements.

Spam

You knew it was coming: no discussion on email is complete unless you've talked about spam. **Spam** (a.k.a. **unsolicited commercial email** (UCE), **unsolicited bulk email** (UBE), and junk mail), is any email that a reader doesn't want to receive, regardless of whether or not they've opted to receive it.

"Hang on!" you might be thinking. "That's a bit unfair. If someone's opted to receive an email, how can they accuse it of being spam?" The categorization of an email as spam is very much in the eye of the beholder. While you may send your emails with the best of intentions, at the end of the day, all that matters is how recipients feel about them. Unrequested emails or emails that don't provide satisfactory content will be branded as spam.

While it's often the content of the email that causes it to be seen as spam, the method by which you create your house list underpins the likelihood that users will perceive your messages as junk.

Permission

Seth Godin laid out the case for permission marketing in his 1999 book, *Permission Marketing: Turning Strangers into Friends and Friends into Customers.* [1] He observed that traditional marketing was based on interrupting the people that the marketer was trying to reach (for example, airing advertisements during television or radio shows). Godin's search for an approach that would capture the attention of a willing audience led to the birth of permission marketing.

Permission is the crux of a good email marketing list, and the best insurance you can have against spam complaints. Before emails are sent to your customers, you must ask those people to read and acknowledge a set of terms and conditions and explicitly agree to receive your emails.

---

[1] Seth Godin, *Permission Marketing: Turning Strangers into Friends and Friends into Customers*, Simon & Schuster, 1999.

Godin compares a vendor–customer interaction to a relationship. It's unlikely that you'll find a loyal husband or wife if you ask every person that you see to marry you. Instead, there's a process by which you first get to know a person—usually, it's a series of dates. With each date, you gain permission from the other party for ongoing communication (and possibly more!). The same principle is at work in the relationships your organization has with its customers: the more they know about you, the more they'll appreciate your emails. However, in order to get to know you at all, they'll have to agree to a first date. Luckily for you, they're not expecting much more than an email!

The Business Case for Permission

Godin's theories are great, but there's also a strong business case to be made for permission-based email marketing (also called **opt-in email marketing**, or **affirmative consent** as per the US CAN-SPAM Act of 2003). This is called "opt-in" because the recipient has proactively chosen to receive email from you—they've opted in favor of the relationship.

No matter what type of email you send, your end goal requires the recipient to open the email, read the message, and take some kind of action (often, to make a purchase). Let's take a look at a few examples that show how a permission-based list can help you meet these goals.

Using Permission to Meet Marketing Goals

Surveys have shown that while around 60% of email recipients are curious about emails and eager to read them, roughly 70% of recipients delete unsolicited commercial emails either without opening them at all, or because they've read them and found them annoying.[2] Building your list via opt-ins is the best way to get your email messages opened and read. Why? I'm glad you asked.

Opt-in lists achieve higher subscriber retention rates.
> Email lists that are built using opt-in techniques exhibit higher subscriber retention rates than lists built without permission. In a two-year study of opt-in and non-opt-in lists, opt-in lists retained 49% of their subscribers; the lists that weren't built using opt-in methods retained only 28% of their subscribers.[3]

Opt-in lists engage more valuable prospects and customers.
> As Forrester Research findings state, "consumers that are willing to give permission for email marketing … have high expectations of the value they should receive if they allow marketers to contact them directly."[4]Another study found that 56% of opt-in subscribers were happy to provide demographic data, and 64% were happy to provide information on their preferences and interests for targeted email purposes, to the company to whose messages they subscribed.[5]So, statistics suggest that once a customer or prospect subscribes to your list, they'll be willing to provide you with valuable information about themselves—information that you might use to hone your offerings to their specific needs, for example.

---

[2] IMT Strategies, September 2001; "Permission E-mail Marketing: The View From the Inbox," Quris, September 2002 [http://merklequris.com/who/viewfromtheinbox.html].

[3] Lucas S. Paderni, "Email Marketing Needs Permission," Forrester Research, October 2001 [http://www.forrester.com/ER/Research/Report/Summary/0,1338,12353,00.html]].

[4] Lucas S. Paderni, "Email Marketing Needs Permission," Forrester Research, October 2001 [http://www.forrester.com/ER/Research/Report/Summary/0,1338,12353,00.html]].

[5] "ChoiceStream Personalization Survey," ChoiceStream, May 2004 [http://www.choicestream.com/pdf/ChoiceStream_PersonalizationSurveyResults2005.pdf].

Opt-in lists are more profitable and beneficial to the mailing organization.

Forrester Research also found that "campaigns built on explicit consumer permission win every time compared with the 'spamming' mentality of opt-out [unsolicited] email campaigns … [opt-in] has a positive effect on both acquisition and retention marketing … The response rates for opt-in … make this the only choice for customer savvy marketers."[6] The bottom line here is that it's more profitable to use an opt-in model for email marketing.

Opt-in lists don't make you look like a spammer.

You may not think that you're spamming, but if your email program doesn't follow a strict permission-based acquisition strategy, your email can look like spam. This can lead to your emails being blacklisted or blocked. You may find that legitimate hosting and email service providers are no longer willing to work with you. At worst, you'll face legal challenges that could involve court and—worst-case scenario—prison time. Save your email campaign, business, and life by using an opt-in strategy.

Opt-in lists are essential. Permission is key!

I think that the points above have sufficiently emphasized this, but it's well worth reiterating.

Permission-based Acquisition Models

Now that we've discussed why you should use a permission-based, opt-in acquisition strategy, let's talk about how to do it. First of all, here's a quick outline of the most common permission-based acquisition models:

opt-in acquisition

An opt-in occurs when people who have decided that they want to receive your emails take action that results in their being added to your list. Online, a checkbox is the most common opt-in mechanism included in registration forms, while offline, recorded verbal opt-ins may be obtained, or paper forms completed. In a 2002 survey, opt-in strategies were used by 52.7% of the marketers queried, making it the most popular method of acquisition for legitimate emailers.[7]

confirmed opt-in acquisition

This approach is similar to the opt-in model, except that a welcome message is sent to new registrants confirming that they have signed up to the list successfully. Often, a link to unsubscribe functionality is included just in case the registration was a mistake. No action is required in response to this email unless the recipient wants to be removed from the list. This point differentiates the confirmed opt-in model from that of double opt-in acquisitions.

double opt-in acquisition

A double opt-in is a two-step process that involves a stronger permission basis than the opt-in model. After the prospect initially opts in, an email is sent to the recipient's email address asking for confirmation of permission. This email requests a second action—usually, the user is asked to send a reply email, or a click on a link—before the email address is added to the list.

---

[6] Lucas S. Paderni, "Email Marketing Needs Permission," Forrester Research, October 2001 [http://www.forrester.com/ER/Research/Report/Summary/0,1338,12353,00.html]].

[7] "Email Marketing Metrics Survey Results," MarketingSherpa, August 21, 2002 [http://www.marketingsherpa.com/sample.cfm?contentID=2137].

The second confirmation ensures that the owner of the email address was the person who signed up to receive email from the company, and prevents situations in which a person signs up someone whose email address he or she happens to have.

Most research supports double opt-in acquisitions: subscribers obtained via the double opt-in method are significantly less likely to unsubscribe from your list, and are less likely to make spam complaints about your messages. In a head-to-head test, only 7.9% of double opt-in recipients unsubscribed—significantly less than the 22.2% unsubscribe rate of those obtained via a single opt-in model. In a similar vein, only 1.4% of double opt-in recipients submitted spam complaints, which again compares favorably with the unsubscribe rates of single opt-in list members (2.1%).[8]

Unfortunately, not everyone who chooses to sign up to your double opt-in list will confirm his or her subscription. Estimates of the number of potential subscribers who drop out of the process between subscription and confirmation vary from 2.3%[9] to 100%[10] —ClickZ.com reports levels of 40%.[11]

There are many reasons why people who try to subscribe fail to confirm their subscriptions. The copy and design that you use in your sign-up and confirmation emails are the deal-clinchers—if your emails aren't worded appropriately, they could end up in the spam filter. There will be the odd person who forgets to respond to the confirmation request, and others who don't receive the emails at all because they misspelled their email addresses when they tried to subscribe. Generally, it's not worth losing sleep over those people who don't confirm their subscriptions (despite what the surveys quoted here may have you thinking).

A double opt-in approach protects your list from malicious activity such as **spam trap poisoning**.[12] Spam traps are email addresses that are posted on the Internet by anti-spam groups. They're used to monitor and blacklist any organizations that send unwanted emails to those addresses. Spam trap poisoning occurs when spam trap addresses end up on your email list. A double opt-in approach to accepting subscriptions will help you avoid these traps—you won't send an email to someone unless they confirm their email address, providing you with strong protection against spam complaints.

The double opt-in method is well regarded in the email marketing industry—some consider it the gold standard in email address acquisition. Even so, only 23.9% of the marketers surveyed in a 2002 study were using double opt-in methods. This group reported higher open rates than organizations using less stringent forms of permission.[13]

opt-out acquisition

It sounds like an oxymoron, so it's no wonder that there's been a lot of debate about the meaning of the term "opt-out." Originally, it meant that registrants needed to take action that prevented them from

[8] AWeber, *AOL User Behavior Study*, April 2004.

[9] Dr. Ralph F. Wilson, "Why I'm Moving to Double Opt-in Subscriptions," Web Marketing Today, September 10, 2002 [http://www.wilsonweb.com/wmt7/double_optin.htm].

[10] Tom Kulzer, CEO of AWeber, as quoted in "Don't Get Killed by Spam Trap Poisoning," Brian Livingston, Datamation, June 22, 2004 [http://itmanagement.earthweb.com/columns/executive_tech/article.php/3371401].

[11] Pamela Parker, "Beginning of the End for Double Opt-In," Permission and Privacy, ClickZ.com, November 30, 2001 [http://www.clickz.com/showPage.html?page=931381].

[12] Brian Livingston, "Don't Get Killed by Spam Trap Poisoning," Datamation, June 22, 2004 [http://itmanagement.earthweb.com/columns/executive_tech/article.php/3371401].

[13] "Email Marketing Metrics Survey Results," MarketingSherpa, August 21, 2002 [http://www.marketingsherpa.com/sample.cfm?contentID=2137].

being added to an email list. Online, an opt-out strategy usually took the form of a pre-checked checkbox, which registrants had to uncheck if they didn't want to receive the email. Sometimes, it was presented as a empty box with a "don't send me email" message next to it. Registrants had to check this box to ensure that their addresses were not added to the email list.

The outcome of both approaches, of course, was that registrants who didn't uncheck or check the boxes as appropriate to identify themselves as people who *didn't* want to receive your email were added to your email list automatically.

Both these approaches are acceptable email address acquisition methods. In the next section, we'll talk about some other non-permission methods that, rather confusingly, have also come to be known as "opt-out" methods. If, in conversation, you're not sure about a colleague's interpretation of the term "opt-out," ask that person to describe the process; you'll soon find out whether your colleague's talking about a permission-based opt-out program, or one that lacks permission.

Acquisition Models that Lack Permission

Some companies build their lists using the following illegitimate methods. None of these methods are permission-based; some are illegal under certain spam laws. This is the taboo list: *don't even think about building a list using any of these models.*

negative option opt-out

Some refer to the negative option opt-out approach simply as "opt-out," but it's a completely different animal from the opt-out acquisition model we described above. In the world of negative option opt-outs, silence equals permission. A company sends an email to a "prospect," asking for recipient's permission to send future emails to that address. Unless the recipient replies, stating that he or she doesn't want to receive email from the company, that address is added to the email list.

This model is a bit underhand—it's a lot like leaving a message on a person's voicemail to ask him or her out on a date, and then, when the person doesn't respond, assuming that the date is on and showing up at the designated time! You'd never do this in real life, so don't do it with your email list. Silence does not equal permission. By definition, permission is proactive, not unresponsive.

If you think the negative option opt-out approach sounds bad, you're right—and you haven't even heard the worst of it! In some of these emails, the only mention of being able to opt out by sending the declining email is written in very small type, or buried in a privacy policy. Hiding the opt-out does not mean that your recipients are opting in—they just don't know how to say no!

double opt-out

Sounds a lot like double opt-in, doesn't it? It's not. With this acquisition approach, two emails are sent. The first email is a negative option opt-out email, just like the one described above. If a reply is received to indicate the prospect does not want to receive email, a second email is sent to confirm that the prospect really does want to unsubscribe. This gives spammers even more time to bamboozle you with hidden or hard-to-find instructions on just how you can unsubscribe.

an unsubscribe link

Some organizations also convince themselves that as long as each message they send includes an un-subscribe link, there's no need to ask recipients in advance for permission to send them email. The

whole point of email marketing is to send emails to people who want to receive them, and this approach isn't the way to achieve that goal. It's spam.

harvesting or scraping

This is the process of gathering email addresses from web sites, discussion lists, and other online venues. The process is usually automated, and of course, mailing permissions are not granted by the address owners. Address harvesting or scraping is bad practice, and is illegal in some countries (see the Appendix A for more information).

appending or thumb-printing

These are two approaches that are used to match email addresses to an existing list of customers or prospects. If you have names, telephone numbers, or postal addresses of existing customers, an email appending or thumb-printing company will take your list and add email addresses to it.

Although I've lumped the two approaches together here, they're actually quite different.

A company that offers an appending service will take your list of customer names and details and attempt to cross-reference the information with the email addresses in their own vast files. They add to your list of customers any email addresses that they can match, usually charging a small fee for each.

Thumb-printing, which is most often used for lists of business recipients, surmises email addresses on the basis of a list of a company's employees' names and the company's standard email address format. The procedure is illustrated in Figure 4.1.

The email addresses that result from this process may or may not be correct. In the above example, k.arnold@thewonderyears.com could be the email address of Kevin's older sister, Karen. So, although you think you're sending your emails to Kevin, they're really landing in Karen's inbox, and she couldn't care less about them. In fact, she's written a spam complaint about your messages and has submitted it to numerous anti-spam organizations.

Many companies that provide email appending or thumb-printing services tout match rates of 30% to 60%, but they invariably neglect to mention the response rates that their clients can expect to achieve with the matched mailing lists. Appended or thumb-printed addresses don't perform as well as permission-based addresses, and many don't perform at all. If I had a penny for every non-responsive appended email address that I've recommended my clients purge from their lists … well, you get the idea.

I might use an appended or thumb-printed address to offer an opt-in, but that's it. Wait! Can't an email like that be construed as spam? Yes, it can. It's a risk, but if you're sending the email to someone with whom you already have a relationship, it's not such a big risk. Just make sure that you don't abuse email addresses by mailing to them once their owners have told you that they don't want to hear from you.

compiling

Compiling is similar to appending and thumb-printing. First, you provide your parameters. For instance, you might say you want to reach "Chief Marketing Executives in Fortune 500 Companies with Offices in China." Certain companies will find those email addresses and compile a list for you. This is *not* a permission-based model, and it should be avoided. If you use compiled addresses, you're just asking for spam complaints, let alone irritating your customers and damaging your brand. And, as if that isn't reason enough not to use these services, fraud runs rampant among compiled email lists.
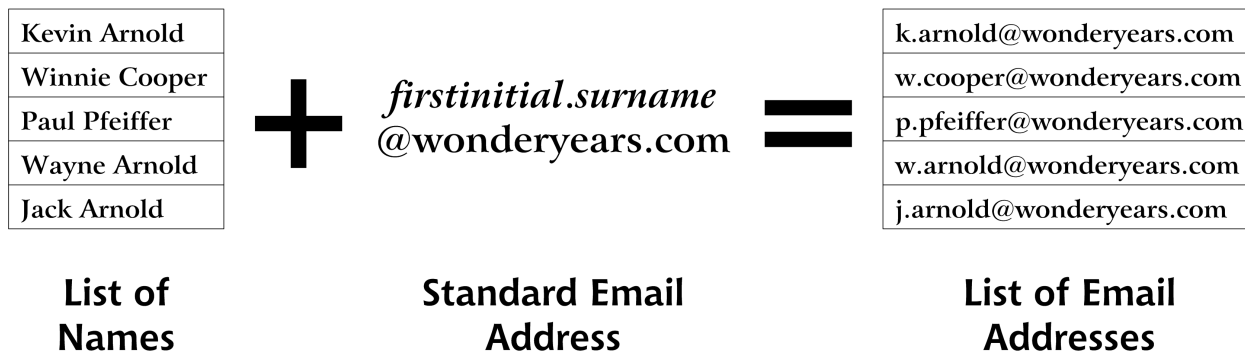
List of Names	Standard Email Address	List of Email Addresses
Kevin Arnold		k.arnold@wonderyears.com
Winnie Cooper	*firstinitial*.surname	w.cooper@wonderyears.com
Paul Pfeiffer	@wonderyears.com	p.pfeiffer@wonderyears.com
Wayne Arnold		w.arnold@wonderyears.com
Jack Arnold		j.arnold@wonderyears.com

Figure 4.1. Using thumb-printing to surmise email addresses without permission

A guerrilla tactic that some people use to compile a list is to add the email addresses on every business card they collect to an email list. Not surprisingly, this is another gray area. Just because people give you business cards does not mean that they give you permission to add their addresses to your list. It's okay to send prospects regular emails, but it's definitely not okay to add them to your mailing list.

pre-existing relationships

Some countries allow us to send certain types of emails to existing customers. For instance, in the US, the law differentiates between transactional and commercial messages. There, it's fine to send a transactional message, such as an order confirmation or a shipping notification, to current customers (you don't even need to include an unsubscribe link in the message), though stricter guidelines surround commercial emails. As always, the best practice is to ask and obtain recipients' permission first.

transferring or assigning permission

Sharing opt-in email lists is a big no-no. Some companies share email addresses with their sister and/or partner organizations, often burying the details of these relationships in fine print, so the customers may not even be aware of the agreements. Your lawyers might say that it's okay, but it's not a permission-based practice and it will open you and your partners up to spam complaints. Permission cannot be transferred or assigned. The opt-in is explicit, and unless there's an opportunity at registration for customers to opt in or out of having their email addresses shared, you shouldn't share the list. With anyone. Period.

third-party permission

Third-party "permissions" are deemed to occur when someone other than the owner of an email address provides you with that email address and permission to send to it. It's a method that's often used in the offline world to grow contact lists. You're probably familiar with questions like, "Is there anyone else in your company we should contact? Could you give us their name and contact information, so we can get in touch with them?" Permission must come from the person who owns the email address—nobody else.

reusing "Forward to a Friend" email addresses

There's nothing wrong with giving your readers a way to forward your email messages or web site content to their friends and colleagues. But it's not right to capture the email addresses of those friends and add them to your list. As we've said before, permission is not transferable.

Creating an Online Registration Process

Building a list is all about permission. We understand that. But how do we go about getting this permission from prospects and customers? The key to your email list is your web site, which is an invaluable tool for obtaining permission.

Imagine for a moment that you're at a trade show, promoting your products and services. At trade shows, the aim is to entice people over to your booth, educate them about your products and services, determine whether or not they're worthwhile prospects, and collect their business cards. Great! The problem is that you also want those prospects to remember you later, when they require your services. It won't be enough for you to simply stand in your booth and wait for people to come to you—you'll need to make an impression to entice people over. Then you'll need to form some sort of relationship so that you can remind them about your products and services once the trade show ends.

The online equivalent of a booth at a trade show is your web site. You'll probably spend money on promotion of the site to prospects, but they may not make a purchase on their first visit. You can't take people's business cards online, but you can take their email addresses. Thus, opt-in online registration functionality is essential to your ability to form relationships with these prospects.

Your web site is the most cost-effective way to grow your email list, since the people who visit it already have some interest in your company, products, or services. They've sought you out, so they're more likely to want to form a relationship with you, and having them joining your mailing list is the best option for you. It allows you to stay in touch with your prospects on a regular basis—even if they never visit your web site again.

Obviously, your registration process needs to ask subscribers for their email addresses and opt-in permission to mail them. But, if you'd like more information, feel free to ask for it. Just try to ensure that the information you request is actually useful to you—the registration page shown in Figure 4.2 provides good examples of relevant information that you might seek.

The Numbers Game

What proportion of your site's visitors can you expect to join your mailing list? The percentages vary between web sites, and your subscription rate will depend on who visits the site and how well you market your newsletter. Getting 15% of your web site visitors to opt in is considered a good conversion rate; 5% is about average. If you're doing better than 15%, by all means try to boost it to 20%. And if you're converting 3% of web site visitors, don't despair! Try to improve the figure, perhaps by reviewing the way you promote the mailing list.

In the registration processes I create, I strive to use a single form that displays the preview pane of an email client in its entirety. However, you can spread the process over a few pages, as long as you don't make it too tedious—bear in mind that your customers will quickly jump ship if they feel that the registration requires too much effort.

The process of creating an online registration process involves three steps:

1. defining your offer

2. creating registration pages

Figure 4.2. The Jennings Report online registration page

3. developing email follow-ups

Defining your Offer

As in all things, it's obvious that your site visitors won't subscribe to your list unless there's something in it for them. To encourage their registration, you need to offer them a sound, enticing offer. Let's see how it's done!

Selling your Email's Benefits: the Value Proposition

You must sell your email newsletter to your prospects. As there's no shortage of competing emails arriving in the inboxes of today, you'll have to convince your prospects that they need to receive *your* particular emails on a regular basis. This is why the statement of benefits that your prospects can expect from receiving your emails—also known as a **value proposition**—is of such importance and requires careful planning.

First of all, what's so great about your emails? Think about the benefits that the reader will gain from them; then you'll be able to describe these benefits in clear, concise language on your registration page. There's a few tricks to this.

Your statement of benefits should always use "you" instead of "us," "we," or "our." Consider the difference between a description of "a weekly email newsletter that includes interviews with successful business people," and "you'll get weekly insight into how the industry's most successful 'movers and shakers' think,

and how you can use what they've learned to move up the corporate ladder." The first example is factual, but not very persuasive: your description needs to be persuasive! The second, however, anticipates what readers are looking for—their personal gains—by personalizing what they'll receive.

Once you've defined the benefits your newsletter provides, enhance your description by adding advantages. Offers such as "in-depth interviews that you won't find in any other publication, free or paid" will let the reader know why your emails are special. It'll also lessen the potential for the reader to search for another source; it's likely they'd rather "sign up now!"

When you're starting out, it can be difficult to focus on the benefits and advantages of your newsletter, as features tend to be easier to describe. I find it invaluable to work through the following process:

1. On a piece of paper, list the features of your newsletter in a column down the left-hand side of the page. Use one line per feature and include things like weekly special, industry article, expert opinion, new product overview, and so forth.

2. Next to each feature, write down why it's important and what value it provides to your prospects. Anticipate any problems or concerns that your audience may have, and write down how this feature can help solve them—these are your newsletter's benefits. For instance, your newsletter might provide a single source for industry information, new ideas that the recipient can use in their business, and the latest scoop on a new product offering before it's released to the general public.

3. If your situation calls for it, create a third column in which you can identify how your email newsletter is different from those of your competitors—the advantages that your newsletter provides over others on the market. Perhaps you're the sole source of industry information; maybe you have contacts that others don't; perhaps you offer subscribers-only specials every week?

If you're stumped, ask for help: if you've got an existing opt-in mailing list to which you're sending your newsletters, ask them for testimonials. Why are they reading your newsletter? What features do they like about it? Why do they choose to read yours over your competitors' newsletters? You may also find it useful to discuss your strategy with your colleagues and selected industry contacts.

Once you've established these features, benefits, and advantages, you can create a brief, benefit-laden description of your email offerings for the registration page on your web site. Use bullet points for clarity, and don't forget to include information about how often subscribers can expect to receive your newsletter.

As an example, have a look at Figure 4.3. ClickZ.com does a great job of identifying the benefits of their various email newsletters. Each email newsletter has its own description, so not only is it clear how each newsletter is different from the others, but also what is to be gained by subscription to any of them. It's nice and easy for the recipient to go down the list, skim each description, and make a quick "yes/no" decision on whether or not to receive each newsletter. Also, the actual content can be viewed by the readers, via the hyperlinks to the articles. Even if only a small percentage of visitors actually checks out these articles, studies have shown that a straightforward approach, such as this tactic, increases subscription rates.

And of course, ClickZ.com tells you how often you'll receive the newsletter.[14]

---

[14] "Email Newsletter Usability: 127 design guidelines for subscription interfaces, newsletter content and account maintenance based on user research," Nielsen Norman Group, February 2004 [http://www.nngroup.com/reports/newsletters].

Newsletter Sign Up

Subscribe to ClickZ
News Daily
☐ HTML ☐ Text

Subscribe to ClickZ
Experts Daily
☐ HTML ☐ Text

Subscribe to ClickZ
Stats (Twice Weekly)
☐ HTML

Subscribe to ClickZ
Features Weekly
☐ HTML ☐ Text

Subscribe to ClickZ's
SearchDay Daily
☐ HTML

my@email

SIGN UP

Click for More
Newsletters

ClickZ Tracks (HTML)
ClickZ Tracks consist of weekly, biweekly, and monthly columns linked
thematically by marketing discipline. Each column within a track has its own
unique voice and is usually written by one author, although sometimes two
authors share responsibility for one column. Sign up, and make sure you never
miss the information most pertinent to your area of specialization or interest.

☐ **E-Mail Marketing Track**
E-mail is both an art and a science. ClickZ explains and illustrates best practices:
killer creative; publishing your newsletter; building and managing lists; the
technology that fuels it; and testing and evaluating campaigns.
:: B2B E-Mail Marketing
:: E-Mail Delivery
:: E-Mail Marketing
:: E-Mail Marketing Optimization

☐ **Advertising Technology Track**
Rich, streaming, ad servers, Flash, sound, full-motion video. There's more cool new
stuff out there every day. How good is it? Whose version is best? Will it help market
your product or service? Do you go for it now, or wait for the next generation of
soft- or hardware?
:: Mobile Marketing
:: Rich & Streaming Media
:: The Leading Edge
:: Using Ad Technology

☐ **Marketing Analytics Track**
The most important component of any business is customers. Being customer-centric
means you look at everything that affects your company's relationship with an
individual -- from personalizing every experience to deploying enterprise-wide CRM
technology. Companies that get it right enjoy a smoother sales cycle and have more
valuable, longer-term customers.
:: Actionable Analysis
:: Analyzing Customer Data
:: ROI Marketing

☐ **Smarter Marketing Track**
The big picture: strategy and vision. A look at where interactive marketing is, where
it's going, and what's right and wrong with it.
:: Brand Marketing
:: CMO
:: eMarketing Strategy
:: Intellectual Capital
:: Uncommon Sense
:: What's the Buzz?

☐ **Media Buying Track**
It's an alphabet soup out there for buyers, advertisers, and publishers, what with
CPCs, CPMs, and more. How do you efficiently evaluate a buy? Determine the media
mix? Negotiate the deal? We'll help make sense of the deals technology and media
available.

Figure 4.3. ClickZ email newsletter descriptions

Offering Premiums and Incentives

Another tactic that's been shown to increase opt-in rates for free email newsletters is the short-term incentive
or premium that motivates visitors to sign up on the spot. This supplementing of long-term benefits for
subscribers, such as those we just talked about, increases the chances of your strategy's success.[15]

You can use small incentives to provide instant gratification to all your registrants, or larger incentives that
are rewarded to a select few. For example, as a small incentive you might offer a free computer game that
all registrants can download; as a large incentive you might offer them the chance to win an Xbox 380. Both
approaches work; you'll just need to carry out some tests to determine which works better for you.

---

[15] "Email Newsletter Usability: 127 design guidelines for subscription interfaces, newsletter content and account maintenance based
on user research," Nielsen Norman Group, February 2004 [http://www.nngroup.com/reports/newsletters/]].

> ### 💡 Keeping Ties
>
> Tie your incentives as closely as possible to your product or service offering, otherwise you'll find people outside of your target market registering for your newsletter just for a chance at winning the prize. For example, instead of offering a $100 Amazon gift certificate, offer $100 worth of books related to your industry or market.

White papers, research studies, and special reports also make great incentives. These types of premiums are usually cost-effective to develop, and can be delivered immediately (ah, the joys of PDF) so that new subscribers receive instant gratification for registering. If you're already publishing an email newsletter, a "best-of past issues" edition is a great premium: it's cost-effective to create, as it reuses existing content. Also, newcomers to your email list will find it especially interesting as they won't have seen any of the content before.

Subscribe, Register, Sign up, Join?

Many new email marketers are surprised to discover how important it is which term is used to describe the action of opting in to your email list. Common choices are: sign up, register, subscribe, and join. Technically they all mean the same thing, but one can give your registration page a totally different feel from another using a different term, and that can have a large impact on the number of people that sign up. Figure 4.4 shows examples from the sites of a number of different companies.

Figure 4.4. Samples of email sign-up mechanisms

"Subscribe" It used to be that the term "subscribe" was only associated with inviting people to sign up for newsletters for which they would incur a subscription fee, but this is no longer the case. Still, if you're concerned that this perception will create an obstacle for getting people to subscribe, consider scattering the word "free" liberally through your subscription pages—this always has good connotations!

"Register" "Register" comes across as a bit more serious. It's not a term that I tend to use for the wording that appears in the opt-in process, although I have used it behind the scenes to describe the process. "Register" implies a higher level of commitment than that required by most email newsletters, and would make more sense when used in the context of a "registered members" area on your web site.

"Sign up"   "Sign up" is a term that I've found to be very user-friendly. There are no cost perceptions associated with it, nor does it sound as if it requires too much from subscribers.

"Join"   "Join" is my favorite, but the benefits that you offer should be consistent with the use of this term. "Joining" the list should be like joining a club: benefits that are available to its members shouldn't granted to non-members. If you're offering email-only product specials, for example, this term would be a good choice.

At the end of the day, it's up to you to choose a term that you're comfortable with, and that best describes the nature of your emails.

Your Registration Pages

There's several points to be considered when designing your registration pages, and the decisions you make will inform how extensive they are. At the end of the day, it may be helpful to consider the prospects' points-of-view by putting yourself in their shoes—what information would *you* be happy to provide, what sort of page design would impress you or not, and what follow-up pages would you like to see?

To Ask or Not to Ask?

At this point, you must decide what information to collect from your registrants. Generally, you'll find it most effective to ask only for necessary information, preferably with no more than seven questions. Remember when we talked about the value proposition? Well, this is a *quid pro quo* trade—the subscriber exchanges their personal information in order to enjoy the benefits promised by your value proposition. So, if you ask for too much, or your questions are too personal, your prospects may start to wonder whether the benefits of subscription warrant their providing such information.

Standard fields you'll most often see in email registration forms ask for email addresses, passwords (if necessary), first names, and zip codes (or international equivalent), followed by a question or two about the prospect's job, areas of interest, and hobbies—see Figure 4.5.

Figure 4.5. FDANews registration page (basic information)

Notice what's *not* requested by the page represented in Figure 4.5: postal address, telephone number, income level, buying interest, or authority. These are best avoided because they're questions that turn readers off. A registration process that asks for this much information risks coming across as overly personal and, in

the likely opinion of registrants, not relevant to what they're signing up for. Asking for a postal address when you're offering an email newsletter suggests that you may want to send them junk mail as well; the same goes for telephone numbers. If the readers really want your newsletter but aren't comfortable with providing these compulsory details, they may use false information instead, populating your database with rubbish.

If you really need postal addresses or similar information, first secure the registration and ask for the sensitive information later. One way of going about this is to gather the basic information, such as the opt-in permission and email address, from the first page of the process. Once this is submitted to your database, the second page can ask for other information, making it quite clear that providing these details is voluntary.

If you're not getting the results that you'd like, tie an incentive to the postal address or any other sensitive information that you request. A nice incentive is to ask for a postal address so you can mail a gift to the respondent—printed pocket guides of information, product samples, or a USB flash drive with your company's name on it. Even incentives such as these may not get all the postal addresses that you'd like—don't worry too much about it. Your main goal is the opt-in; once you've got that, you can begin building a relationship with the prospect. Who knows—further down the road, the respondent may even offer a postal address without your asking for it!

Design and Other Tips

An effective registration page involves a little art and a little science. Follow standards and best practices, but if your creativity calls for you to bend the rules a little, then don't be afraid to do so. I like to keep all the information visible above the fold on the web page so that visitors don't have to scroll to complete the process. It's best to make registration as quick and easy as possible; the more visitors have to think about what they're doing, the more likely they are to abandon the process.

If you have a lot of information to present, consider formatting the page in two columns. I often put the registration form on one side, and include information about the sign-up process and email newsletter on the other. If you're taking this path, be careful not to bury the statement of your email's benefits—it needs to be presented before or alongside the registration form.

Another important inclusion is your privacy policy. Display a link to your policy in a prominent position on the page to instill confidence and trust in your prospects. Include a brief privacy synopsis on the actual page, such as "We respect your privacy. We'll never sell, rent, or otherwise share your email address or personal information with third parties," to address the privacy concerns of your registrants head on.

Getting your Foot in the Door

Start to gather email addresses *before* you send your first email. To begin the registration process at the same time as the newsletter launch isn't the best use of your resources, and will gain a very small audience for your first few issues. Advanced registrations will allow you to start with a bang, and get the first issue of your newsletter to a relatively large audience.

Once you know what content you'll send, create a sample issue. You can use this on the registration page to show your prospect what you'll be sending.

When users sign up, include a message about your email program's launch date so that registrants know not to expect a newsletter from you right away. This message could provide some of the copy on the Thank You

page or in your Welcome message, both of which we'll discuss shortly. And think about the inclusion of a special premium or incentive as an extra bonus for visitors who sign up early.

The Thank You Page

Once registrants have provided all the information that you've asked for, it's an excellent idea to send them on to a page that thanks them for doing so. This Thank You page can be as simple and straightforward as you wish—just a little friendly copy. If you email them a Welcome message (which we'll look at shortly), this Thank You page can be where you tell people to expect it, and to contact you if it doesn't turn up in their inbox.

If you offered a downloadable premium as part of your sign-up, the Thank You page could include a link for your registrant to get that document. It's also a good place to ask people to add your return address to their address books, which will help your emails get through to them. You can also use this page for co-registration offers, which we'll talk about later in this chapter.

Your Thank You page shouldn't be a dead end. It should include at least one link to take your prospects to another page that's of some value, such as your home page, or to a page containing an archive of your email content.

Subscription Management Pages

Subscription management pages are very similar to registration pages, becoming accessible to registrants after their initial sign-up. They provide registrants with the ability to view and update their own sign-up information, which saves you both time and resources.

It's a simple concept: there's a page on which all the registrant's opt-in data is displayed. Registrants can use this page to alter their information. For obvious reasons, it's vital that this area is restricted and password-protected.

You@Username.com

Use subscribers' email address as their usernames. It's much easier to remember than a username, which may be different to other usernames the subscriber may use on other sites.

Allowing users to change and maintain their personal information and subscription details will ease some of the back-end management pressures for you. Additionally, subscription management pages can often turn a downside into an opportunity—people who visit their subscription management page to unsubscribe from one particular newsletter may sign up to another that catches their eye.

Email Follow-ups

You thought it was all over with the Thank You page, didn't you? No—the registration process lives on!

Double Opt-in Message

If you implement a double opt-in, you'll need to send another email to get the second tier of permission. This is best done with an auto-responder, so that it's delivered immediately upon completion of the registration process.

There's an art to double opt-in messages: they should be short and sweet enough for it to be quite clear what the recipient needs to do to get on the list. It's not unusual for these messages to be in plain text, although I like to include a company logo, and of course, an HTML email will allow you to track opens. It's advisable to instil some sense of imperative or urgency into the subject line so that readers feel compelled to open the email. A sample double opt-in message can be seen in Figure 4.6.

```
Dear Donald,

Thank you for subscribing to Web Marketing Today newsletter, with articles about how to
promote and market your online business.

You are signed up as don4747@hotmail.com

To complete your subscription, you'll need to confirm by clicking once on the link below or
copying and pasting it into your browser.

http://www.wilsonweb.info/cgi-bin/arp3/arp3-confirm.pl?p=1753425346.843245
AOL users <a href="http://www.wilsonweb.info/cgi-bin/arp3/arp3-confirm.pl?p=
1753425346.843245">click here</a>

If this link doesn't work, please forward the e-mail message to me at rfwilson@wilsonweb.com
and I'll confirm you manually.

We use this "double opt-in" procedure to insure that someone doesn't sign you up without
your explicit permission. If, for any reason, you don't want to receive Web Marketing Today,
just ignore this message.

God bless you,
Dr. Ralph F. Wilson, Editor
```

Figure 4.6. Web Marketing Today double opt-in message

Welcome Message

Always include a Welcome message, a task which can be efficiently handled by an auto-responder. Check out Figure 4.7 as an example. During a double opt-in, the Welcome email is sent when the second tier of permission is received. With a single opt-in, it's triggered by the completion of the online registration process.

Welcome messages are often an under-utilized resource. Consider them a user guide for your email program. If the recipient created a username and password to log into your site, it's useful to include this information in the Welcome email for future reference. It's also useful to include links to your homepage and article archives as a resource for recipients. Finally, Welcome emails should always include a link to the subscription management page, or a link to unsubscribe.

Those essentials aside, you can go on to include almost anything you like on your Welcome page, provided, of course, that it's relevant. You could use it as an additional marketing tool to offer specials on a product or service—Welcome messages tend to have a high open rate, so why not make the most of it? As with any email, you have the choice of using a plain text or HTML email for your Welcome message. However, an HTML email will provide you with the additional features and benefits we discussed in the double opt-in message.Figure 4.8 shows what NFL Shop's Welcome email looks like.

How Effective is your Registration Process?

Now that you've put all these processes in place, and people are responding, can't you just relax and watch the subscriptions pour in? Alas, no—you still have to keep your finger on the pulse. There are many ways to measure the success or failure of your registration process. **Abandon rate** is a metric that I love, and one
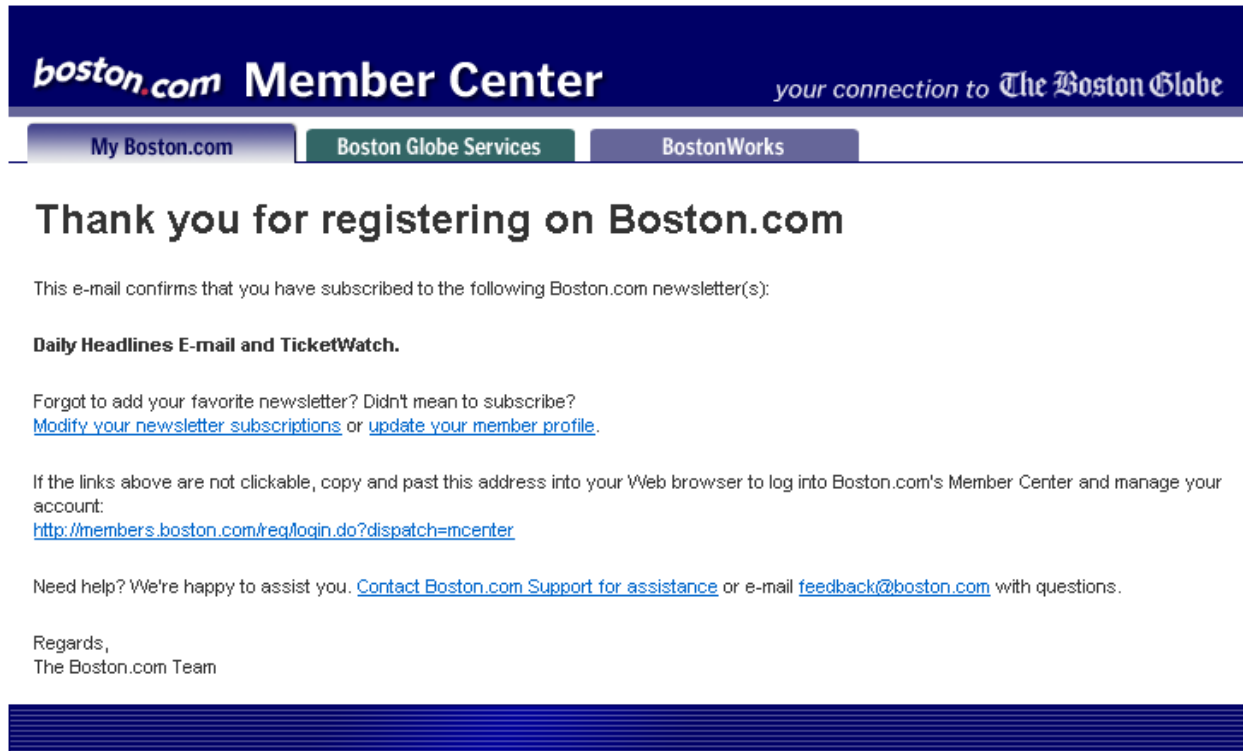
Figure 4.7. Boston.com Welcome message

Figure 4.8. nflshop.com HTML welcome message

that not many people track. This metric is used to measure the number of people who start a registration process, but don't complete it. To calculate it, take the number of people who land on the first page of your

registration process, and subtract this figure from the number that complete the process. Dividing the resultant figure by the number of people that started the process will give you your abandon rate percentage.

So, if 100 people land on your first registration page and only ten complete the process, you have a 90% abandon rate. Sounds high, but I've seen it happen. In the case study at the end of this chapter, we'll talk more about why people may abandon the registration process, and what we can do to fix this.

Driving Web Site Visitors to Subscribe

Now that you've set up your registration process, don't forget to tempt your web site visitors to opt in to it! In this section, we'll look at how to promote your newsletter to potential subscribers who visit your web site.

Registration Box

The link to your email registration page that quietly sits in your normal web site navigation isn't a bad idea, but it's not sufficient on its lonesome. There's a better place. Every web page has two **sweet spots**—the areas to which a visitor's eye is drawn naturally. They're on the top-right and top-left of the page. Use these areas, or the areas that are adjacent to them, to drive visitors to your registration.

Taking full sweet spot advantage is a must on your home page. Furthermore, I encourage you to make it part of the standard design of every page of your web site. You never can tell what's going to "click" with a visitor. Often, people need to explore your web site a bit before they're convinced about pursuing an email relationship with you, so that's why it's important to include a quick and easy way to opt in on every page. You can see a sample of this in Figure 4.9.

Figure 4.9. Fictionwise homepage with acquisition box (top-right)

Popups, Popunders, and Hovers

Personally, I dislike popups and popunders—I find them annoying and intrusive. Reports show that more and more Internet users are blocking popups, especially now that both Firefox and Internet Explorer (with Service Pack 2) have made it so easy. It's a wonder that popups aren't already dead, or at least on life support.

Yet the online marketer in me has to admit that there's no mechanism for obtaining opt-ins that performs better than the popup. Sometimes, you've got to put your personal feelings aside and go with what works—don't let your own opinions get in the way of business, and all that. No matter how strongly you feel about popups and their friends, test them for your acquisition process and you'll probably find that they work. Don't use them as the sole source of registration, but as an add-on that can drive additional traffic to your registration page. See Figure 4.10 for an example of what a subscription popup looks like.

Figure 4.10. Web Marketing Today subscription popup

Since we haven't done it for a while, let's define some terminology.

popup ads
> Popup ads are a form of online advertising intended to increase web traffic or capture email addresses. It happens when web sites open a new web browser window to display advertisements. By their very nature, popup ads are difficult to ignore or overlook, and are found to be more effective than static banner ads.[16]

---

[16] Wikipedia, May 3, 2005 [http://en.wikipedia.org/wiki/Pop-up_ad].

popunder ads

Popunder ads are popup ads that open in a new browser window behind, instead of in front of, the original window. This means that they lurk in wait for when the user closes the main window and unexpectedly encounters them. This added deviousness means that they are even more controversial and disliked than popups; I don't recommend them.

hover ads

Hovers can look like popups, except that they don't launch a new window; a hover uses DHTML to materialize over the web page. Hovers are useful because software that blocks popups and popunders doesn't block hovers; they'll still appear.

Popups can be set to be triggered by a specific action. Some popups trigger when you land on a specific page of a web site, others are made to trigger any time you land on any page of a web site, and still others are only triggered when you leave a specific page of a web site, or leave it entirely.

You could display a popup that offers an opt-in to your email newsletter to everyone who lands on your home page, or you might trigger a popup that reminds them to opt in when they leave the site. Hovers can be used in the same way as popups and popunders, but provide the additional benefit of bypassing the browser popup blocks. Also, I prefer hovers because they're more elegant than popups, and allow for presentation that's a little more unique. My creative team have created hovers that fly in from the left, stop in the center of the page for a few seconds, and then disappear into a navigation bar at the top of the screen!

Popups, popunders, and hovers increase your chance to attract someone into your email mailing list. But if you're convinced by now that they're just the ticket and want to go ahead with their implementation, there's no standard "popup usage procedure"—you need to test them to find out what's best for you. Test with and without a popup; see if a hover does it better; play with their copy, design, and size to optimize your results. Things change over time: what works well right now may not work so well three months from now. You need to constantly try new things and explore ways to pump up your acquisition efforts.

Visually Engaging Sign-up Mechanisms

Now comes the fun bit: design. Sure, you could use a text link to point to your registration process, but the visitor's attention will be drawn to it so much better if you incorporate a design. The inclusion of an email address field in the design of your registration mechanisms, such as your registration page, sign-up boxes, home page, or popups and hovers, has been shown to lift response rates.[17]

If you take this route, make sure that your email entry field doesn't look like a search box. Include some copy in the entry box that identifies it as a field for signing up to your email newsletter. Figure 4.10 uses "E-mail," but you could use any phrase that expresses that thought (such as "you@email.com," or "enter your email here").

Attracting New Subscribers Using Off-site Tactics

We've looked at all sorts of ways to optimize the chance of your web site visitors being attracted to subscribe to your newsletter. What about the avenues beyond your web site, though? There is life outside your homepage, and there are other ways to promote your newsletter.

---

[17] "Email Newsletter Usability: 127 design guidelines for subscription interfaces, newsletter content and account maintenance based on user research," Nielsen Norman Group, October 2002 [http://www.nngroup.com/reports/newsletters/].

Much of what you'll want to do to drive more traffic to your web site and your opt-in is general online marketing, such as:

- search engine optimization (natural search marketing)

- paid search engine marketing (covered in detail in SitePoint's *Search Engine Marketing Kit*[18])

- text ads

- banner ads

- email marketing (which is what you're reading about now)

We're not going to dive into great detail on these, familiar as they are to the marketer. What we will discuss is how to determine what a new email address is worth, and how to track and report your acquisition efforts. We'll also discuss email signatures, articles, and co-registration in detail, because they're more specific tools that can be used to drive people to your registration process.

What's a New Opt-in Worth?

Remember in the section called "Setting your Budget" in Chapter 3 when we talked about the importance of getting your head around your budget? If you are able to evaluate what the visitor who has just subscribed is potentially worth to your company, you are better able to work out your marketing budget and justify that expensive new design for your opt-in hover at the next meeting. The monetary value of a new opt-in subscriber will obviously vary from organization to organization. It's based on the amount of revenue you're able to generate, from product sales, ad sales, or list rental. Here's a real life example.

We first encountered the case study of Dakin Farm in Chapter 1. In 2004, their email marketing initiatives generated gross sales of $185,313. Their list had about 13,400 people on it at any given time during the year. If we apply the formula described earlier, and divide the sales by the list quantity, we find that Dakin Farm generates just under $14 per email address each year.

We started with Dakin Farm, but now let's make up some additional figures for the purposes of further analysis. Let's say Retailer X earns an average of $14 per year in revenue per email address. Now let's factor in their margin—the money that they spend on marketing, production, and other costs for each $14 they take in revenue. For the purposes of this exercise, let's assume that their costs are roughly 65% of revenue. This would mean that $5 of every $14 earned, or 35%, is profit.

Next, let's look at the lifetime value of a customer. If their average customer is an active buyer for five years, providing $5 profit per year, that's a lifetime value of $25.

Finally, Retailer X would need to decide how much of that $25 they're willing to spend on a new customer. There's no right or wrong answer here, and the answer may even fluctuate over time based on how your acquisition is going. One way to determine your threshold is to set a break-even point. In this example, if you wanted to break even in the first year your goal would be to pay no more than $5 for a new email address. That way your first year's sales would pay you back for the email address and any future year's profits would go right to your bottom line. Some industries look to break even much sooner; others are willing to

---

[18] http://www.sitepoint.com/books/sem1/

focus on a break-even point two or more years into the future. It all depends on your business goals and financial situation.

This is the kind of calculation that you need to carry out for your organization. If you're not selling a product or service directly via email, you can use revenue generated by ads in your emails, or by third parties who pay you to include their products in your email newsletters. Or your total revenue may be a combination of these and other factors. Whatever it is, do the math to figure out your break-even, and then use it as a guideline when you're using any type of paid marketing (paid search, banner or text ads, co-registration, etc.) to obtain new email addresses.

Email Signatures

Don't ignore the power of email signatures. Huh? What's so special about them; don't they just hold contact information? That's true, but they can also serve as a great way to get the word out about your new email initiatives. Have everyone in your company add a brief benefit statement about your email program, with a link to your online registration page. It's a cost-effective way to get the word out to customers and prospects.

Articles

If you publish an email newsletter with original content, one of the best ways to attract new readers is to get your articles published on other web sites. Many web sites have mini resource centers with information to help their visitors. These web sites don't just accept content, they welcome it; many will be so happy to get your content that they won't even charge you for the placement. The key is to hand-pick the sites that your target audience frequent.

Ensure that any articles you submit are clearly attributed to you, and that the attribution includes a brief description of your email newsletter and a link to your online registration page. If you can partner with an organization or individual that's considered to be an industry guru, it will help you to acquire new opt-ins as well as build your reputation as an expert in the field.

Co-registration

Hot in 2001, co-registration has since fallen somewhat out of favor but is set to make a come-back. Co-registration means that you "piggyback" on another site's registration process—have a look at MarketingSherpa's co-registration page in Figure 4.11. After people visit and opt in at your co-registrar's web site, they are given the opportunity to opt in for your email as well. If you both strive for similar goals and aren't in direct competition, everyone wins!

Many co-registration deals are based on a barter concept, where the currency is the quantity of opt-ins each site acquires. If it's an even split, you can keep a running total. If it gets out of sync, the co-registration for the site that's ahead is retired for a while, until activity evens up.

You can also strike co-registration deals based on a cost per opt-in acquired. This is a flat bounty or commission paid for each new opt-in. You should always run the numbers on deals like this to ensure that they work with the break-even model we discussed earlier.

With co-registration, watch closely not only the number of new email names that you get, but also how long they hang around for, and how they perform compared to other acquisition methods that you use. For instance, let's say that your goal is to break even in the first year. Using the "Retailer X" example above,

Figure 4.11. MarketingSherpa co-registration page

you'd want to pay no more than $5 per email address. You may strike a deal to pay ($5) for each email address your co-registration partner sends to you. However, if most of these people unsubscribe from your email list in less than a year, it's not a good deal. At best you'd break even, and at worst, you'd lose money.

It's the same with performance. If your average email address generates $5 per year in profit, but your co-registration addresses bring in only $3 in profit each year, you should be wary. Using the same break-even goal as described above, you'd want to pay no more than $3 per name.

You also need to watch co-registration deals very carefully. Don't be happy with ten new co-registration names a month. Watch them carefully over time to be sure that they don't unsubscribe, and that they generate adequate revenue for you. If they don't, shop around for better deals or new co-registration partners.

Tracking and Reporting

Any time you use outside means to drive new opt-ins, tag the source of the new registrant (co-registration from Web Site A, email marketing to List B). In addition to looking at the upfront costs of acquisition, check how these folks perform compared to others on your list. For example, you might find that your co-registration opt-ins from Web Site A cost just $2 each, but that they unsubscribe at a much higher rate than average. You need to figure that erosion into your costs to see if they really are the great deal they appear to be.

Or you might see that email marketing to List B costs 1.5 times your break-even, but that these customers are twice as likely to buy from you. That could work out to be a very profitable agreement, even though the upfront costs are higher.

The best way to start is to dive right in. Choose two or three different methods of driving more traffic, and observe the results to find out which work. Then, funnel more money into the top performers and test another method. Trends do appear, and you'll find that some methods work better than others. Constantly test, analyze, and optimize your results.

Offline Acquisition

Don't forget to use offline touch points as another way to net new email addresses. Educate those staff members who interact offline with your customers about the value of having clients opt in to receive email newsletters from your organization. Be sure that the subscription doesn't compete with your standard sales or account management services—if it does, you'll have trouble getting buy-in from your staff members (this might be of concern for bricks-and-mortar retail outlets, for example, whose walk-in customers might switch to buying online). Consider offering incentives to your staff members in return for email addresses they obtain, but be careful. If the incentive is too enticing, you may have employees committing "opt-in fraud," where they submit addresses, real or fake, without actually gaining opt-ins.

The Mechanics of an Offline Registration Form

Your offline registration form should mimic your online form, but make sure that it's sanity-checked for offline use. Any drop-down menus will need to be shifted to lists with checkboxes. If you want the person to choose only one, make that clear. Ensure that you've got someone available to enter the data from these forms into your database.

> ### 💡 Little Boxes
>
> If you include individual boxes for each letter of the email address, it cuts down on typos. So instead of a single, open field, it's a good idea to use something like Figure 4.12.

Email Address d o n 4 7 4 7 @ h o t m a i l . c o m

Figure 4.12. One box per letter

As insurance against future spam complaints and other problems, I recommend that you keep a print or electronic copy of the form. Double opt-ins don't work so well with offline sign-ups, so reserve them for the online procedure and limit your offline acquisition efforts to a single opt-in.

Additional Marketing Methods

Make a list of all your offline marketing tools, such as print brochures, bills, business cards, sales receipts, print advertising, and direct mail. Don't forget about trade shows, retail outlets, radio or television advertising, event sponsorships, and press releases. Find a way to include your email program benefit message with these tools. In some instances, such as on a business card, you may want to direct people to your online registration page. Make sure that the web address is easy to remember, as your customers won't be able to click on the URL on your business card to reach your web page!

These are usually quite cost-effective methods to grow your list quickly. Remember to track which methods work best, and how the email addresses that they bring in perform. If there's a cost associated with the

method, carry out a break-even analysis. Items such as stationary and business cards won't incur any additional cost if you work the new information in when you reprint them.

New Offline Touch Points

You may work out new ways to get your message out offline. That's fine, just start with a test and track your results. Focus on your existing touch points first, and get them working on all cylinders before trying anything really fancy. New offline touch points might include ads in new magazines, inserts in a third-party newsletter, or sponsorships of new offline events that have an online focus.

Case Study: Optimizing Online Email Registration

The client: a large consumer packaged-goods company with products that appeal to children as well as adults, looking for significant growth in their email list. The challenge: to improve an existing registration process in order to reduce the registration abandon rate, while still collecting enough data so the client can target its content appropriately.

The client's existing online sign-up process comprised multiple pages with many questions. When I first walked through it, I felt a bit confused. The questionnaire asked for many different pieces of information, some of which were relevant to me, while others weren't. Each time I got to the bottom of a page, I hit the **Next** button and hoped I was done—but there was the next page, asking for yet more information.

The abandon rate said it all: 90% of the people who started the process didn't finish it. Only one in ten people who were interested in signing up actually completed the registration. And there was nothing in place to catch the registrant's personal details until the last page, so the company didn't even gain partial data on those who left early.

This is where **clickstream data** comes in really handy. Clickstream data shows how visitors navigate through a web site. In this case, the available clickstream data made it possible to see where people were exiting the registration process: which pages drove them to leave, rather than continue. We could see exactly where the company was losing people.

Here are a few of the tasks that we undertook to optimize registration, a process that tripled the organization's monthly opt-in list growth while ensuring the company obtained the data it needed to target content.

Reworking the Data Collection

Remember how I said that the information for which the company asked in the registration questionnaire was unfocused—in some places, to the point of irrelevance? That problem arose because the company was trying to serve several very different audiences with a single registration form. One target group comprised of men buying collectibles for themselves, another was adults buying gifts for children; there were a few more groups, but you get the idea. The questions you'd ask of a collector didn't make much sense to someone buying a gift for a baby.

We started by paring the data collection requirements down to the bare minimum. Any data that we weren't using and didn't expect to use in the near future was cut. Then we segmented the remaining questions on the basis of the different audiences, so we ended up with a different set of form fields (or different questionnaires) for each group.

In order to know which set of questions to ask, we had registrants self-select the category that best described them. This way, collectors got only collector questions and those buying gifts got questions tailored specifically to their needs.

Explaining Away Obstacles

Since this web site catered to both children and adults, we needed to obtain each registrant's age right at the beginning of the process, in order to comply with the Children's Online Privacy and Protection Act (COPPA). This was the page that exhibited the highest drop-off rates. I theorized that this was due to the fact that the site looked like it was intended for kids; as an adult, I felt funny having to tell them which year I was born.

We couldn't remove this element, so we explained it: we added a brief sentence just below the birth–date fields explaining that we were required to ask this to protect the privacy of children online. This, along with the new self-segmentation options, which clearly indicated that some categories were for adults, got us over that hump and helped us to lower the abandon rate on this page.

The Bottom Line

Considering the company's monthly list growth tripled overnight, the cost of these optimizations wasn't very high. Although we basically redesigned and rebuilt the process, it took minimal creative and programming time, because it was all fairly straightforward. The trick was to step into the visitors' shoes and identify all the potential obstacles that stood in the way of their completing the process. Some issues were usability-based, others psychological; some we removed and others we were able to explain away.

Summary

In this chapter, we talked about how you can acquire email addresses for your list of prospects, and discussed the importance of using a permission-based model to do this. We covered the ins and outs of building your own email list, from the business cases for gaining permission, to creating an online registration process, right down to the design of your registration form. Finally, we looked at a case study that outlined how a company optimized the registration process for its email newsletter.

Email Design Guidelines

Right. So you've got your email strategy and you've built a list. Now comes the fun part: it's time to create your email.

The design and content of your email—also known as its **creative**—is the heart of your campaign. The creative is what motivates your readers to take the action you want them to take. If this doesn't attract and motivate people to your call of action, then nothing will!

Back in Chapter 2, we discussed the different email formats you can use to present your message. This chapter goes deeper than that discussion, to consider the fine-grain details of a successful email communication. We'll talk about standards, best practices, and testing strategies to optimize your response. You'll be able to use these guidelines to develop creative yourself or to edit creative provided to you by copywriters and designers. Let's get right into it!

Laying the Foundations

There are several elements that go into a well-designed email:

- From address

- subject line

- preview pane

- content "above the fold"

Remember this list, because it's no random enumeration of features. These are the features that will engage your readers from the moment they set eyes on your email, so they merit particular thought and attention.

Let's stop for a minute and think about what typically happens when you open your inbox. Let's imagine that, today, you have nine new emails, all of which have arrived during your coffee break. Where do your eyes dart first?

You check out the From addresses, singling out those that are familiar, and naturally anticipating that they'll be of greatest interest and relevance to you; the remainder of the emails are unknown quantity for the moment. Next, you try to identify the emails whose From addresses you don't recognize—you look at the subject line for a clue.

Let's imagine there's a couple of subject lines screaming "YOUR DREAMS HAVE COME TRUE!" and "YOU'VE WON A BMW!" Chances are you weren't born yesterday, you're no longer very gullible when it comes to subject lines, and you've encountered spam before. So it's off with their heads and into the recycle bin with 'em, without even looking at their content. Perhaps you have a spam filter hard at work diverting nuisance spam to your junk folder, and you avoid these type of emails altogether, but you see my point. The subject lines have betrayed the emails' content as definitely not being worth your time. To continue our hypothetical situation, three unidentified emails remain in your inbox.

You don't recognize the sender names attached to these emails. The first one is obviously an email from a company trying to sell you something, the next is from what appears to be a rather odd personal name, and the last consists of three meaningless initials: PSC.

The subject line is your next step of inquiry. The first sender hasn't troubled to include a subject line at all, and the field is blank—a bad look, which doesn't fill you with confidence that this email will be of interest to you. You just delete it, because life's too short and you've better things to do. The second email's subject line is something nonsensical—does Kemp Vest mean anything to you? It doesn't, so you recognize it as more spam and it goes the way of the others. Now to the last. The subject line is, well, a bit unusual: "Don't miss out! Short courses beginni… " Apparently some letters are missing from your display. However, the email still doesn't look very interesting.

But as you scroll over this last email, the content appears in your preview pane: there's an eye-catching and recognizable logo, and a link calling you to "Apply Now." You realize it's all about the weekend course in Photomanipulation for Beginners you were checking out last month on that Photographic Studies College web site. The email looks like it has something for you—you'll open this one! It's lucky they put that content in the preview pane, though—it was touch-and-go whether you would've bothered with the email on the strength of its From address or subject line alone.

I hope this little scenario shows how detrimental a poorly-designed email can be to an otherwise carefully-planned email marketing campaign. Like you, the people on your list are probably already deluged with email, so much so that compelling them to open, read, and act on your email represents quite a challenge. An identifiable From address or an eye-catching subject line can improve your open rate. Conversely, if an email fails to make an impression—or worse, if it makes a bad impression—the success of the associated campaign will surely plummet. That's not good!

Let's look at how we can bring out the best in our emails.

Considering your From Address

We're all familiar with the **From address**—it tells you who sent the email. But did you know that it's also one of the most influential factors in the reader's decision to open an email? A recent study showed that the From address drives 65% of all opens.[1]

What do your eyes land on the second you open your Outlook page? As we discovered in the scenario above, it's the From addresses of all the emails in your inbox, which might look like those in Figure 5.1. You'll skim over them quickly, and know immediately if you've received any emails from your mom, your partner, or your old friend. They're probably the first ones that you read. Then, you might move on to those emails that are merely relevant, such as Wednesday's rescheduled business meeting, then perhaps an answer to a question you've mailed to that bookseller web site, then anything else that looks marginally interesting. Emails that hold no interest for you are most likely to be deleted without being opened.

---

[1] Karen Gedney, "Sender Line More Important Than Subject Line," B2B Email Marketing, ClickZ.com, January 14, 2004 [http://www.clickz.com/showPage.html?page=3298541].

From	Subject	Received ▽	Size
Lowe's Home Improvement	Lowe's - Your Weekly Ad	Sat 4/1/2006 10:41 AM	7 KB
QuickTime News	QuickTime News: March 31--Music, D...	Sat 4/1/2006 10:20 AM	35 KB
The Washington Times Insider	The INSIDER Headlines	Sat 4/1/2006 9:54 AM	13 KB
The Learning Company	24 hours only: Save up to 50% on Le...	Sat 4/1/2006 8:33 AM	7 KB
mailman-owner@plushie.suespam...	spamcon.org mailing list membershi...	Sat 4/1/2006 8:10 AM	4 KB
Boston.com Newsletters	Globe Headlines: Mashpees near fe...	Sat 4/1/2006 8:01 AM	21 KB
E-Commerce Times	E-Commerce Minute	Sat 4/1/2006 7:43 AM	16 KB
WebMD Health	Fitness for Couch Potatoes	Sat 4/1/2006 7:06 AM	11 KB
Fast Company Now	FC NOW - March 31, 2006	Sat 4/1/2006 7:04 AM	10 KB
FatWallet.com	Saturday Update - FatWallet Daily U...	Sat 4/1/2006 7:04 AM	95 KB
Early To Rise	Early To Rise: Inferring With Caution	Sat 4/1/2006 6:47 AM	49 KB
Bluefly	Spring Sale - Extra 20% off	Sat 4/1/2006 6:09 AM	12 KB
washingtonpost.com	washingtonpost.com: Art That Seek...	Sat 4/1/2006 5:15 AM	14 KB
South Beach Diet Daily Dish	Registered Dietitian vs. Nutritionist	Sat 4/1/2006 5:07 AM	13 KB
OneHanesPlace	Sleepwear sale plus 15% store coup...	Sat 4/1/2006 4:21 AM	5 KB
FDAnews	FDAnews Device Daily Bulletin	Sat 4/1/2006 3:42 AM	34 KB
NYTimes.com	Today's Headlines: Car Parts Maker ...	Sat 4/1/2006 3:09 AM	41 KB
FDAnews	FDAnews Drug Daily Bulletin	Sat 4/1/2006 3:08 AM	38 KB
FDAnews	FDAnews Drug Daily Bulletin	Sat 4/1/2006 2:31 AM	38 KB
FDAnews	FDAnews Drug Daily Bulletin	Sat 4/1/2006 2:26 AM	38 KB
sandyspringbanksupport@custome...	You have a new bill from American E...	Sat 4/1/2006 2:02 AM	7 KB
Daily Horoscope	Your Daily Horoscope -- Saturday, A...	Sat 4/1/2006 1:57 AM	17 KB
FDAnews	FDAnews Drug Pipeline Alert	Sat 4/1/2006 1:17 AM	31 KB
Yoga Journal Daily	Reflection: Speak Honestly	Sat 4/1/2006 12:21 AM	13 KB
surveyspot@surveyspot.com	New Survey	Sat 4/1/2006 12:13 AM	4 KB
Nature Made Wellness Advisor	How to Read a Vitamin Label	Fri 3/31/2006 10:15 PM	15 KB
E. Onyeukwu	News from Institute of Management...	Fri 3/31/2006 9:59 PM	44 KB
WD-40	WD-40 Fan Forum - March 2006	Fri 3/31/2006 8:44 PM	10 KB
surveyspot@surveyspot.com	Fun DVD Survey for Males	Fri 3/31/2006 8:32 PM	5 KB
Dr. Lark's Daily Balance Team	Keep Your Sinuses Healthy with Sinu...	Fri 3/31/2006 7:50 PM	13 KB
Mallory Starr CMC, President IMC N...	Institute of Management Consultan...	Fri 3/31/2006 7:02 PM	16 KB
Joseph Wozniak	[marketing] RE: Los Angeles as Con...	Fri 3/31/2006 6:12 PM	8 KB
Adweek Nightly News	Dworin Files $56 Mil. Libel Suit Against De...	Fri 3/31/2006 6:11 PM	18 KB
Joseph Wozniak	[marketing] RE: Los Angeles as Con...	Fri 3/31/2006 6:04 PM	12 KB
WSJ.com Editors	The Evening Wrap: Delphi Turns up H...	Fri 3/31/2006 6:02 PM	42 KB
Nick Jr. News	Dora & Friends Printable	Fri 3/31/2006 5:58 PM	12 KB
Marcia Call	HELP MCKINLEY EXPAND OUR PRESEN...	Fri 3/31/2006 5:57 PM	18 KB
Rewards Network	New Rewards Network restaurants i...	Fri 3/31/2006 5:56 PM	9 KB
Barron's Online	Barron's Online Daily Features -- Ma...	Fri 3/31/2006 5:55 PM	10 KB
Chase Credit Cards	Pay your Chase credit card bill online	Fri 3/31/2006 5:55 PM	9 KB
surveyspot@surveyspot.com	Earn Ten Dollars for Your Opinion	Fri 3/31/2006 5:33 PM	5 KB
e-Business Daily	Line56 e-Business Daily: 3/31/2006	Fri 3/31/2006 5:29 PM	10 KB
Goriel, Natale S.	SBA Region II Spring Newsletter	Fri 3/31/2006 5:16 PM	6 KB
Press Office	SBA 06-23 New Inspector General C...	Fri 3/31/2006 5:11 PM	8 KB
MarketWatch e-Newsletter	After The Bell Report: U.S. stocks clo...	Fri 3/31/2006 5:08 PM	19 KB
Poynter Institute	E-Media Tidbits - Jill Carroll Release:...	Fri 3/31/2006 5:06 PM	82 KB
REI Gearmail	Jeanne, Up to 60% off Travel Gear a...	Fri 3/31/2006 5:03 PM	11 KB

Figure 5.1. Outlook inbox

An effective From address is one that's recognizable and relevant. Recipients will want to know who you are and have some idea why you're emailing them as soon as they look at the From address of your email. If your From address doesn't make this information clear from the moment the recipient spies it in his or her inbox, there's less chance your message will be read! Let's look at the anatomy of a From address.

Dissecting the From Address

An email's From address is usually made up of two parts:

- The **sender email address** is obviously the compulsory part of the From address. This is a normal email address: a name at the beginning, such as a personal name or a department (i.e. sales, support) that,

ideally, identifies the sender; an @ sign in the middle; and a domain name at the end, such as rudolf@rednosed.com or jj@jeannejennings.com. We'll talk more about the desirability of using an identifiable name as part of the sender email address shortly.

- The **display name** is an additional, and advisable, option. Also known as the "friendly" From address, we'll refer to it as the "display name" from here on in this chapter, for the sake of consistency and clarity. The sender email addresses we just saw above translate to the display names "Rudolf the Red-nosed Reindeer" and "Jeanne Jennings." Display names make it clearer who the sender is, especially in cases where the first part of the sender email address isn't so identifiable, as in the case of "jj."

Most email clients show the display name in the inbox. Programs such as Outlook, pictured in Figure 5.1 and Lotus Notes, and online services such as Hotmail and Yahoo!, usually show display names by default. America Online (AOL), which only shows the sender email address, is the exception to this rule of thumb; you can see how this format displays the inbox in Figure 5.2.

Figure 5.2. America Online (AOL) mailbox's default inbox display

Avoiding Truncation of Sender Name and Address

You may have noticed in Figure 5.1 and Figure 5.2 that some of the From addresses are cut short, in both sender email address and display name formats. This truncation occurs because email clients, like Excel spreadsheets, allow users to adjust the width of the columns in their displays. This may seem like a trivial piece of information, but it's an important point to remember when you're creating your From addresses. As a general rule, you can assume that the first 15 letters of your address will be displayed no matter what, so always be sure to include the most recognizable and relevant portion of your From address within this limit.

Accurately Representing your Company

Both parts of your From addresses should accurately represent your organization. Don't mislead your recipients in any way. For example, say you're sending a newsletter from an online store; even if you're selling products or services that are made by a well-known brand (you might be selling software from Microsoft, for example), you shouldn't use that brand in your From address. This is a bad business practice anywhere in the world; additionally, it happens to be illegal in the US.[2] Make sure your From address includes your organization's name, or brand, and no one else's!

Indeed, accuracy in From addresses really is of great importance where you're trying to build brand recognition, and using your company, brand, or domain name in your From address is the best way to support this goal. The recipients who have opted in to receive your emails will recognize your address immediately, and they'll read your emails. Let's look at the examples in Table 5.1. Which of these From addresses do you think work well? Which ones aren't so effective?

Table 5.1. From addresses featuring a company, brand, or domain name

Display Name	Sender Address	Organization	Email Communication
930 Club	930_Club@mail.vresp.com	The 9:30 Club	Upcoming concerts
Ann Taylor LOFT	anntaylorloft@anntaylorloft.com	Ann Taylor LOFT	Clothing catalog email
Assoc. for Interactive Marketing	research@mail.interactivemarketing.org	Association for Interactive Marketing (AIM)	AIM's research update
CNET News.com Afternoon Dispatch	CNET_Networks_Member_Services@newsletter.online.com	CNET	Afternoon dispatch newsletter
CNN Breaking News	breakingnews@mail.cnn.com	CNN	Breaking news
The Register	update-17285-937504-7d062f49@list.theregister.co.uk	The Register	The register email newsletter
The Smithsonian Associates	enflyer@tsa.si.edu	Smithsonian Associates	Upcoming events

These From addresses do a pretty good job of including the company, brand, or domain name. The sender address belonging to Association for Interactive Marketing (interactivemarketing.org) may become truncated, leaving only "research@mail.in" visible, which doesn't really reveal much about the company. An acronym, such as AIM, may work better.

Of this group, I give the highest marks to the 9:30 Club, Ann Taylor LOFT, and CNET for using their company names most effectively in their From addresses. The Register may have to take the course again, as it hasn't quite got the knack of using a clear and recognizable sender address; the domain name of The Register is fine, but its first section needs more than a little tightening. I award the booby prize to The Smithsonian Associates for its sender address, strung together as it is with acronyms that are probably unrecognizable to most recipients.

Using Personal From Addresses

Sending sales and promotional materials via a personal From address can also be effective. Years ago, Microsoft's research showed that a sender email address that included a person's name generated higher open

---

[2] This law was made effective when the CAN-SPAM Act of 2003 took effect.

rates than a company or department name. Despite spammers going crazy with this information, leading them to cook up all sorts of convincing names like "Gertrude F. Werkzimmel" to send from their myriad Hotmail accounts, more recent reports have shown that personally named sender email addresses are most effective when the name is one that the reader actually recognizes.[3] Table 5.2 shows some examples of personal name use. As in Table 5.1 above, you'll see that some of these examples work better than others.

Table 5.2. From addresses that feature real people's names

Display Name	Sender Email Address	Organization	Email Communication
Dr. Ralph F. Wilson	wmt@wilsonweb.com	WilsonWeb.com	Web Marketing Today email newsletter
Amanda Lenhart	alenhart@pewinternet.org	Pew Internet	Latest research report
Jeanne's Toy Chest	hasbro@hasbro.ed10.net	Hasbro	Toy catalog email

Dr. Ralph F. Wilson wins hands down. As a web marketing guru, he's a leader in his field; his name is likely to be instantly recognizable to those in email marketing circles, and it's also associated with his sender email address. Amanda Lenhart's address doesn't work so well because hers isn't a recognizable name that people associate with her organization; a better choice for her display name would be to include the Pew Internet name, widely known to its target audience.

Another critical factor, besides the use of a name at least as recognizable as your brand, is longevity of your email campaign. What if Amanda leaves Pew and goes to a competitor? Then people will open her new employer's emails in the mistaken belief that they come from Pew. This is another problem that can be avoided if Amanda uses a display name such as Pew Research Reports instead of her personal name. Or what if Dr. Ralph Wilson retires? The emails from his organization will suddenly come from another person, presumably using another display name; will his loyal readers recognize them? Again, a more generic display name, reflecting Wilson Web instead of Dr. Ralph, would deflect this potential problem.

Finally, the From address associated with Jeanne's Toy Chest is running way behind. This email was sent to me from Hasbro. It's used my own name (Jeanne) as the display name. This approach is highly unusual, and not one that I'd recommend. It's a bit disconcerting, and makes the email appear suspicious and spam-like, as I have no idea who it's from or what it's about. A "toy chest" could mean all sorts of things! Including the well-known Hasbro brand name in this display address would have been a much better idea.

One last note: some companies use the From address to create or increase the awareness of new brands—this isn't the best idea. A better approach would be to use a company or a personal email address as the From address, and include the brand name in the subject line, a point we'll talk more about soon.

Related Names and Spam Filters

Spam filters will award your emails a slew of spam points if you include a From address with which the sender's name isn't associated, or your From address appears in uppercase. Be wary of this; avoid both scenarios wherever you can for the sake of your email's deliverability.

---

[3] Karen Gedney, "Sender Line More Important Than Subject Line," *B2B Email Marketing*, ClickZ.com, January 14, 2004 [http://www.clickz.com/showPage.html?page=3298541].

Ensuring Consistency in Email Addresses

If you ensure that all your email communications, regardless of their content, come from a consistent email address, you'll boost your emails' deliverability. At the very least, your emails should all be sent from the same domain, if not the same email address.

Using a number of different From addresses, or sending emails from different domains, makes them infinitely harder for recipients to whitelist. We'll talk more about whitelisting and spam filters later in the chapter, and in more detail in Chapter 6, but briefly, whitelisting is the recipient's instruction to his or her mail client to always deliver emails from a specific address or domain into the inbox instead of being spam-filtered into the junk email folder. Table 5.3 demonstrates how emails from different areas within the same organizations avoid being spam-filtered through employing consistent sender email addresses.

Table 5.3. Consistent actual From addresses from different but related institutions

Display Name	Sender Email Address	Organization	Email Communication
Barron's Online	access@interactive.wsj.com	Barron's Online (owned by Dow Jones, who also own *The Wall Street Journal*)	Daily Features email newsletter
WSJ.com Editors	access@interactive.wsj.com	*The Wall Street Journal*	Heard on the Street email newsletter
CNET News.com Afternoon Dispatch	CNET_Networks_Member_Services@newsletter.online.com	CNET	Afternoon Dispatch Newsletter
CNET News.com Morning Dispatch	CNET_Networks_Member_Services@newsletter.online.com	CNET	Morning Dispatch Newsletter

As you can see, Barron's Online and *The Wall Street Journal* are separate entities, but they are both owned by Dow Jones and use the same sender email address. CNET Morning and CNET Afternoon News Dispatch are different publications, but use the same sender email address under varied display names to send their newsletters. Although these institutions send all their emails from the same addresses in order to facilitate whitelisting, it's the sender names that help inform the readers which publication they're receiving.

Dedicating, Monitoring, and Responding

Create a From address that's dedicated to your email marketing efforts rather than use existing email addresses that belong to employees or departments in your organization. Although it mightn't specifically belong to an individual in your company, this From address shouldn't just be forgotten about once it's done its job and sent the email. As it will receive return emails, assign a lucky employee in a marketing role to monitor it closely and respond to any valid and potentially valuable prospect inquiries.

💡 Easing the Load

Bear in mind that in addition to being especially prone to collecting bounces, your email marketing address may also start to collect spam; you won't want to sift through countless spams and bounce email notifications sent to "sales@mycompany.com" in case there are any valid leads amongst the junk. Many email service providers offer a filtering service that'll remove most of the emails that don't require a response, such as bounces, unsubscribes, and out-of-office messages, before they reach your inbox. This way, you'll only receive the emails that need to be acted on, which makes monitoring much easier.

Designing the Subject Line

After recipients have noted the From address of your email, they'll glance over its subject line to see what it's about. In terms of enticing the recipient to open your email, the subject line is almost as important as the From address.

What's in it for Them?

An effective subject line compels the recipient to open and read the email. A good promotional email will advertise the offer in the subject line. Lead with the most important, unique, urgent, or engaging information, and save the less exciting details for a spot further down the page. Example 5.1 shows some examples:

Example 5.1. Offer–based subject lines

"Just $19.95/mo for High-Speed Internet Access"

"Free Gift with $25 Order – Tropical Plants Now Available"

"Only 5 Days Left to Save on Valentine's Day Gifts"

The subject lines for transactional emails should be direct in their nature. Those in Example 5.2 are straightforward and accurate, and clearly show that these are transactional, not marketing, emails.

Example 5.2. Transactional subject lines

"Your Talbots Order 3214582"

"Your June Bill"

There's no messing about or ambiguity there!

When it comes to writing subject lines for relationship emails, there are two schools of thought. Some email marketers like to adopt a totally direct manner, using no-nonsense subject lines like those in Example 5.3 consistently throughout their email program. This way, readers grow accustomed to the sender's subject line style as well as the From address.

Example 5.3. Consistent subject lines for relationship emails

"BtoB's Email Marketer Insight for June 13, 2005"

"Personal Finance Daily—April 12, 2005"

"Line 56 e-Business Weekly: 6.23.2005."

I prefer to use the second option for relationship emails: I showcase the content of the specific issue of each email in its subject line. This gives me new features to advertise each time I send, and creates enough interest

for the readers to feel compelled to read the email now, rather than later. I use a subject line that readers will understand and recognize instantly, and promote an issue that I believe will be of interest to them. When they read the email, they're not disappointed, because I ensure that its content accurately reflects the subject line I've written. Example 5.4 shows some varied relationship email subject lines.

Example 5.4. Issue–specific subject lines for relationship emails

"RSS Effects on Search" (for a newsletter focused on online marketing)

"Stem Cells, National Parks, New Wallpaper, and More" (for a newsletter about science and nature)

"U2, Springsteen, Beastie Boys, and Maroon 5" (for an email dealing with music)

Some organizations use a combination of both these techniques to create subject lines, as Example 5.5 indicates.

Example 5.5. Hybrid subject lines for relationship emails

"[Sherpa B-to-C] American Idol's 7 Text Message Campaign Tips" from MarketingSherpa

"CNET NEWS.COM: Worm spells double trouble for PCs" from CNET News.com Afternoon Dispatch

"E-Media Tidbits—Multiple Homepages: Is the Time Right?" from the Poynter Institute

---

Example 5.5 shows a particularly interesting subject line that was used by the Poynter Institute. The From address reflects the well-known Poynter brand. The first clause of the subject line tells me which email newsletter I've received (Poynter offers a bunch), while the second clause identifies the topic of the day.

Optimizing the Title in 23 Characters

As with the From address, you need to be wary of the truncation of your subject line: a limited number of characters will be visible to the recipient. As a rule of thumb, it's advisable that your subject lines contain no more than 60 characters.[4]

Having said that, I like to fit as much of the key content as I can within the first 20 characters of my subject line. This ensures that even the most truncated subject line will still convey the message to recipients.

Including the "Free" Word

A lot of email marketers are under the impression that including the word "free" in their subject lines will destine their emails to be filtered as spam.

This belief is erroneous; SpamAssassin, currently one of the most popular Bayesian filters, doesn't penalize me at all for using the word "free" in my subject lines (to gain a working understanding of how filters work, have a look at the brief note below; we'll look at them in more depth later on in the section called "Content

---

[4] Jakob Nielsen, "Microcontent: How to Write Headlines, Page Titles and Subject Lines," Jakob Nielsen's Alertbox for September 6, 1998 [http://www.useit.com/alertbox/980906.html].

Filters" in Chapter 6). Even if using the word "free" in your subject line did involve risk, it'd be one worth taking: as any copywriter will tell you, "free" is one of the most powerful and engaging words that you can use to market a product or service. "Free" signifies "value," and connotes a benefit for the reader that's above and beyond the standard—just don't overuse it. I've never known anyone to turn down free goodies!

All About Bayesian Filters

Bayesian filters determine an email's spam rating via reviewing its content and attributing points to any aspects that could be considered spam-like. The default setting on filters such as Spam Assassin is 5.0, but often the threshold at which your email is flagged as spam is set as low as 3.0 points by the user. If your email attracts any more points than this, the filter will assume that your email is spam. Any score under 3.0—even sneaking in at 2.9—will see your email safely delivered to the recipient's inbox, so it's not necessary to become too hot and bothered about dropping your email rating to a perfect 0.

Planning the Preview Pane

If you use Microsoft Outlook or a similar email client to read your email, you're probably familiar with the preview pane. This is the area of your inbox in which a portion of the body of the email is displayed in "preview;" it's where News.com's newsletter appears in Figure 5.3. While not all recipients use it, the preview pane is the third factor that'll entice those readers who do use it into opening and reading your email.

Figure 5.3. Email inbox with preview pane as viewed in Outlook

Any emails that the recipient clicks on once, or scrolls to, in their inbox list, will appear in the preview pane. Readers can adjust the sizes of their preview panes, so you can never be sure how much of your email will be visible. A 2004 survey showed the average height of preview panes to be 300 pixels.[5]

I always assume that the top two inches of any email I create will be visible in the preview pane. I prefer to use this estimate because I figure that it's a safe one, but if you think I'm being too conservative, feel free to set your own guideline.

As with our emails' From addresses and subject lines, we want to ensure that the content that appears in the preview pane grabs the recipient's attention. Successful content balances recognition with relevance. Logos are generally the key to recognition—readers will recognize familiar logos right away. Having said that, logos shouldn't be too big; for obvious reasons, they shouldn't be any higher than the preview pane itself. Nor should the logo take up too much valuable preview-pane real estate that could be better used to include relevant content—after all, apart from branding your message, your logo doesn't impart much information.

When you send an email newsletter, you'll need some kind of header or masthead that includes the newsletter's title. This, like the logo, needs to be large enough to be seen, but not so large that it's the only visible element.

Be sure to include some of your content in the preview pane—perhaps a table of the email's contents to give readers a better sense of what's in the issue. Even if the first item isn't of great interest to a recipient, the next three might be. The preview pane display lets readers assess the newsletter's value without even opening the email itself.

The preview pane is also the right place to unleash all those personalized phrases that you've been storing. Personalizing the From address or subject lines only ends up making your emails look like spam, but tasteful personalization in your body content may be just what your email needs to lead recipients to open it. A simple "Dear Jeanne" can work wonders with email newsletters; a "Hey Jeanne! Don't miss out!" suits promotional emails. Keep personalization natural and friendly—when I see an email that starts "Dear Jeanne Jennings," my first thought is "Oh no! What trouble am I in now?"

Don't Underestimate the Value of Personalization!

Good personalization can engage readers instantly, to remind them of their relationships with you, and add a human factor to the email. Generally, email service providers will provide their customers with a list of codes they can include in emails that will be replaced with details of the recipient when sent. For example, your email service provider may replace the text <FName> with the recipient's first name; the phrase "Dear <FName>" would be replaced with "Dear Jeanne" if it were being sent to me, or "Dear Donald" if it were being sent to someone named Donald.

Just a word of warning—if you use it, be sure to double-check that the personalization feature functions properly. "Dear <FName>" may be a suitable salutation on Mars, but on Earth it just means that the personalization feature of your email program isn't working correctly.

---

[5] Luis Garcia, "Not Your Ordinary HTML Email Tips," YourTotalSite.com, September 9, 2004 [http://www.yourtotalsite.com/archives/online_marketing/not_your_ordinary_html_em/Default.aspx].

What if you have names for some of the members on your list, but not others? You'll need a **slug**. A slug is a generic default name that will be used if you have no record of the recipient's own name. "Reader" and "Customer" are examples of slugs. Any slug that's relevant to your entire audience will work, but the more specific the slug is, the better. "Dear Friend of XYZ Motor Parts" is a great improvement on "Dear Industry Professional," isn't it?

If you create a promotional email, make as much of your offer visible within the preview pane as possible. A graphic image can also be useful. A picture of the product, a picture of you if you are your company's face to the world, or simply a photo related to the topics in your email newsletter can work.

Creating the perfect preview-pane display needs no secret formula—you just need to give it some thought. A lot of email newsletters and promotions tend to occupy their preview panes with graphics that, although pretty, aren't directly related to the purpose of the mailout. A lot of valuable space is wasted, which could easily be employed to impart information. Alternatively, the graphics themselves could be more than just a pretty face—for instance, use the graphics to incorporate the offer and associated call to action. Take a look at the newsletter in Figure 5.4. All that empty space on the right-hand side could be put to much better use, such as displaying a list of the latest wine specials.

Looking Above the Fold

Above the fold is an old newspaper term that refers to stories that appear on the top half of a newspaper's front page. On the Internet, above the fold applies to the section of a web page or email that's visible to your readers when they open it on a full screen (Figure 5.5). Any content that readers need to scroll to see is below the fold.

Figure 5.5. Above the fold of an email

As with the preview pane, the area of your email that actually appears above the fold will vary based on the reader's screen size and resolution. The space above the fold is generally said to be around 600 pixels
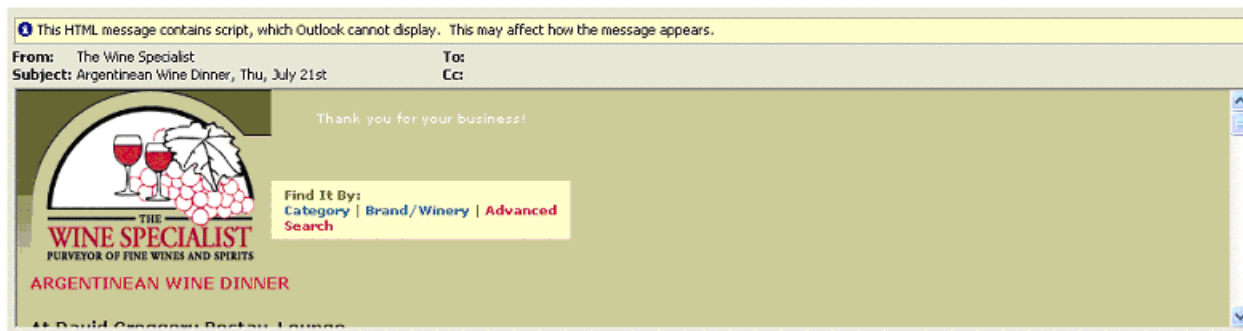
Figure 5.4. Wine Specialist email as viewed in a preview pane

high, which I estimate, quite conservatively, to be about four inches. Use this space to further entice your readers with relevant content. If you send an email newsletter, a good place to include your table of contents is above the fold.

Let 'em Cherry-pick!

Some email marketers are a bit iffy about the inclusion of tables of contents with their email newsletters, as the contents list allows recipients to cherry-pick what they read. Guess what? They'll do this regardless of whether or not you include a table of contents. Far better to include a contents list to let them know what's in the newsletter than lose their interest altogether. If you don't include a table of contents, and readers aren't immediately hooked by the first article they read, they're unlikely to keep searching around for content that interests them; instead, they'll probably abandon the email entirely.

In promotional emails, include at least one prominent call to action above the fold. People are strange creatures—you never know when they'll be ready to make a purchase. Even if they think about it when they view your email's opening, the thought may fade away if the call to action is lost beneath the fold.

In all cases, present your email in such a way that, by the time readers reaches the fold (that is, the bottom of the first screen), they're interested enough in the content to scroll down without even thinking about it.

Writing for Email

You don't have to be a professional copywriter to develop successful marketing emails. You can write your own professional-standard emails by embracing some basic guidelines on how to create copy especially for reading on a computer screen.

The single most important point to remember is that to read from a computer screen is more taxing than reading from a printed document. Keep this in mind when you develop your email, and do all you can to make the experience comfortable for the reader. Less is often more with email!

Keeping your Paragraphs Short

Keep your paragraphs short (six lines or less) so that users can skim them easily. This rule applies to all sorts of emails: promotional, transactional, relationship-building, and others. Before you launch into a tirade on your subject matter, ask yourself how many of your readers will toil all the way through your email, given that it's so much more taxing to read on the computer screen.

You're probably wondering how you'll be able to keep your paragraphs short *and* maintain perfect English and grammar. Remember, you're not writing a book; it's email copy that'll probably have a marketing or promotional slant. In this situation, you can bend those rules that were drummed into you at a school, just a little bit. You need copy that's snappy and impressive. If achieving the perfect amount of snappiness requires you to start a sentence with an "and" or a "because," then go for it. If it means using sentence fragments, you can do that, too—just as long as the copy still makes sense!

Snazz it Up with Some Inspiration

If you haven't had much experience with writing marketing copy, inspire yourself. Collect or make notes of the writing styles used in print ads that you find particularly effective. In fact, you can grow your knowledge from a number of sources: magazine advertisements, newspaper advertisements, billboards, TV, and, of course, other marketing emails!

Using Bullet Points

Bullet points are a great way to convey a lot of information where you have limited space, and they're easy for the reader to skim. Make sure that your key points are benefit-oriented, and draw the reader's attention to these bullets in any way you can, such as using bold to highlight important terms and feature names. I've seen clients boost campaign response rates significantly simply by turning long, dense paragraphs into streamlined bullet points.

For instance, imagine opening a SitePoint promotional email for Shirley Kaiser's new book, *Deliver First Class Web Sites: 101 Essential Checklists.*[6] If you can forgive the trace of irony in my exemplifying a book that specifically deals with lists, bear with me for a minute to see a nice bit of before-and-after treatment.

Let's say you find this copy when you open your email:

"*Deliver First Class Web Sites: 101 Essential Checklists* contains must-have checklists that cover every single aspect of web development: project planning, usability, design, information architecture, navigation, accessibility, search engine optimization, quality assurance, testing, project handover, and a whole lot more!"

Hmmm. How might this chunk of content appear after a judicious use of bullet points has been applied?

Deliver First Class Web Sites: 101 Essential Checklists contains must-have checklists that cover every single aspect of web development:

- project planning

- usability

- design

- information architecture

- navigation

---

[6] Shirley Kaiser, *Deliver First Class Web Sites: 101 Essential Checklists*, SitePoint Publishing, 2006.

- accessibility

- search engine optimization

- quality assurance

- testing

- project handover

… and a whole lot more!

Enough said? I should point out that this *is*, of course, how Shirley's copy appears!

Basing Emails on the Inverted Pyramid Style

Promotional emails should be based on the **inverted pyramid** format shown in Figure 5.6—that is, listing the most important elements first, with lower priority content following in order of importance.
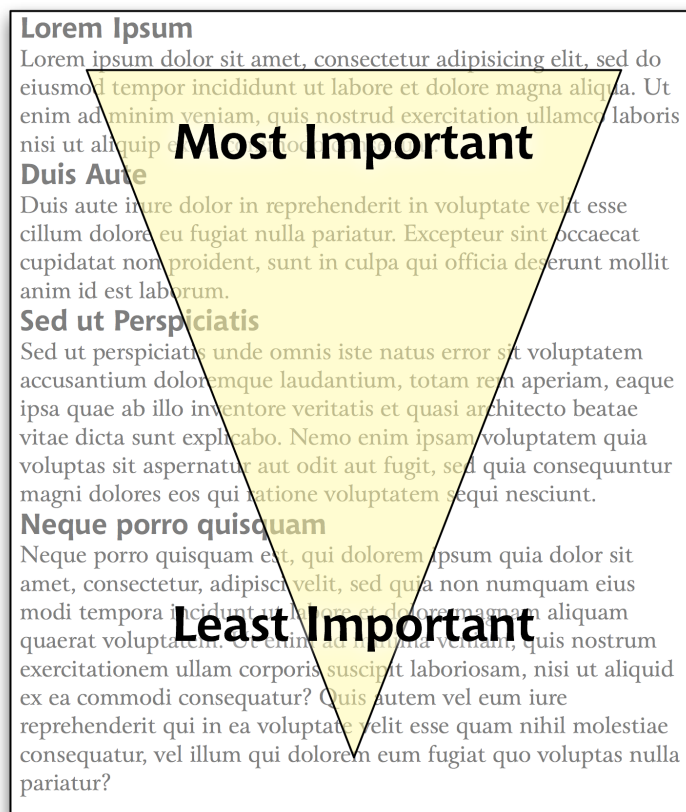
Figure 5.6. The inverted pyramid approach

It can be a tall order to develop emails that have to successfully convey so many different messages, and keep them concise as well. But if you must, prioritizing and using the inverted pyramid style is the most effective way to do it. Put your primary message and key selling points up front, then state your offer and present a call to action—usually via a link. Next, include your secondary message and second-tier benefits, state the offer and provide a second link to give the reader another chance to take advantage of it. You might even include a third tier, where you restate your primary message and provide answers to some commonly

asked questions about your product or service. Then you reiterate your primary message and include a final link for the reader to take advantage of that offer.

If your goal is to make a direct sale, then make sure your email leads to this sale. Provide ways for the readers to jump ahead to complete the sale before they reach the end of the email. Some readers may be ready to purchase right away, while others may need the convincing that comes with reading through what you have to offer.

If your goal is to generate leads, the process is similar to that for a direct sale. Effectively, you're selling yourself, so you want to compel your readers to click through to your web site, or contact you via phone. Don't sell too hard, though, as you'll lose the lead—its vital to keep your readers on track toward the action you want them to take. Keep extraneous information out of it.

Email newsletters warrant a different strategy. I generally use the most interesting article as a lead to entice the readers, and then list the rest of the topics in order of the most relevant. This encourages readers to explore the newsletter a bit more; once they're in and reading, they're more likely to go on to read content that may not have hooked them from the outset. We'll talk more about writing these newsletters in Chapter 8.

Calling Recipients to Action

A **call to action** tells the reader exactly what you want them to do. The original email call to action was "click here," but today there are many others. If you're selling directly, your call to action may be "Order Now" or "Buy Now." If you're looking to generate leads or drive traffic to a web site, it might say "Learn More." For email newsletters, "Read the full article" or "Read More" are common calls to action. In an HTML email, your call-to-action language will double as the text on the link or button you want your reader to click.

I talked about having at least one call to action above the fold in the section called "Looking Above the Fold" in your promotional emails. Most emails have two or three; some have more. The number of calls to action you include in your email depends on what you're marketing and when you think you've made the case well enough to convince the reader to take action. The calls to action should be placed strategically at logical breaking points in your copy, wherever you think people might be in a frame of mind to buy. You may also separate your call-to-action links from the copy by including one in your left- or right-hand column of other links—but if you do this, be sure to include at least one link in the copy as well, so the readers can take advantage of it as they are reading. By testing how you phrase your calls to action, where you place them, and how many you include, you can optimize your campaign's response rates.

Be sure to include a variety of ways for your readers to respond to your call to action. While most emails seek to drive recipients to a web site, asking them to click through may not generate the greatest response for some campaigns. Calls to action that include telephone and fax numbers, and postal addresses, are also legitimate candidates for inclusion in certain emails, especially those that are high-involvement purchases or service purchases. Some customers are just more comfortable purchasing via phone.

Using Links Strategically

Don't overdo the links. Use the links in your email as a direct path to the action you want the reader to take. Don't link to any offer that won't take the reader directly to the sale. There's nothing worse than

reading an email about a great offer or product—and then being taken to a generic home page from which you have to begin searching for that product.

Finally, don't send your readers off on tangents. Just because you mention an offer or piece of information that could be supported with a link to your web site doesn't mean you have to include one. Use restraint and keep the readers on track.

Keeping your Email Under Three Pages

We talked about how taxing it can be to read on a computer screen. Many people will simply close and delete your message if your email goes on for too long. As a rule of thumb, keep it to no more than three pages, which you can measure by printing it out. More than this and you're likely to tempt your audience to print the email, or just delete it—both of which are a kiss of death if your call to action is to click on a link.

Remember, three pages is a *maximum*—the ideal length for any email is the amount of space necessary to make your point concisely, clearly, and powerfully. We talked earlier in the section called "Using Email to Promote your Business" in Chapter 2 about the different types of emails that you can use—if your message fits in a single screen and you make it work in a postcard email, great. If it's an email newsletter that's two and a half pages, that's okay too. It's about whatever suits your particular needs without exceeding three pages.

Email Formats

Format refers to the technology you use to build your email. The most common formats are HTML and text. We'll go into detail on these formats in this section, as well as some less popular formats. Finally, we'll look at multipart MIME, which is a very popular hybrid way to send email.

HTML

HTML is the acronym for Hypertext Markup Language. When most people think of HTML, they think of elements like pictures and other graphics. It's true that only HTML allows you to include these aspects in the body of an email. But that's not the only benefit HTML provides.

HTML also allows you to use a wider variety of fonts in your email, bold terms to highlight them, add color to your text, and to have more control over the layout of your email—great for features such as columns and absolute placement of text and images. All of these features are utilized in the email example shown in Figure 5.7.

Figure 5.7. Harvard Health Publications' HEALTHbeat newsletter in HTML format

Coding HTML

Coding HTML for email is not the same as coding a web site. Email clients tend to be much more sensitive in the way that they render HTML than do web browsers such as Internet Explorer or Firefox. Here are a few tips:

Code by hand or use an HTML template provided by your ESP.
   WYSIWYG programs, such as FrontPage or Dreamweaver, are a big no-no for coding HTML emails. Too often, they add dynamic elements like JavaScript that won't render correctly or consistently in all email clients.

Make sure your email code is self-contained.
   Any code external to your email, such as cascading style sheet (CSS) files, may be stripped out by email clients. Fortunately, CSS can be embedded directly into your email. Don't rely on the email client to reference any resources not included in your email.

Make your email a variable width.
   Fixed-width emails (those that don't expand to fill the entire width of the screen) are outdated. When you code your email, use percentage, instead of fixed, column widths to give it a variable width. This step will allow your emails to render in the proportions that you want, regardless of whether the reader is viewing it in the preview pane, in full screen, or on a PDA.

Don't make your email too fancy.
Simple layouts work best with email. Complex designs are all very nice, but if they're not necessary, keep your email simple. This will make your email easier to code and you're less likely to run into problems with the way your code renders across email clients.

Use HTML tables, rather than CSS, for layout whenever possible.
Old-fashioned? Yes. But many email clients out there *still* can't read many of the CSS rules used for page layout properly. HTML tables are the foolproof way to achieve complex layouts in email. Most email clients can read tables without a problem, so use them. Better safe than sorry.

***Always* perform quality assurance (QA) testing on your HTML before you send it.**
Even if you're 99.9% sure that your email will display correctly for all readers, a quality assurance test is designed to find errors before the send, and provides insurance against finding errors after the send. Usually, the easiest way to carry out a quality assurance test is to send your email to a few different addresses that you can check on various email clients. It's worth signing up with free services such as Hotmail and Gmail for testing purposes, and if many of your prospects use AOL, consider subscribing to that email client, too. Services such as Gmail and Hotmail will also let you download your emails to an email client, such as Outlook or Eudora, in addition to using their own web-based interfaces. If you select the email account setting to leave your messages on the server after you download them, you'll be able to download and view the same message on multiple email clients.

If you believe that your prospects may also be reading your emails using PDAs such as Blackberries, Handsprings, and Palm Pilots, check the email's integrity on these devices as well. A good tool for this is Browsercam, a service that allows you to upload your HTML code to a web site and view the resulting email on different email clients. While this service isn't free (at the time of writing, the rate for using Browsercam was $10 per hour), it will save you time, and this is a significantly less expensive method of testing than purchasing three different PDAs.

While HTML coding is beyond the scope of this kit, help is available if you plan to code the HTML for your emails yourself. Tim Slavin of ReachCustomersOnline.com has written a fantastic article for SitePoint entitled *How to Code HTML Email Newsletters,* which covers the subject in detail.[7]

Text-only Emails

Text-only emails, while providing the advantage of accessibility across all email clients, aren't without their disadvantages. There's not much that you can do to spruce up the look and feel of a text-only email, but we'll do the best we can in the section called "Email Design" a little later in the chapter.

Multipart MIME

Multipart MIME is more of a delivery mechanism than an email format. You send both the text-only and HTML version of your email to your recipient, and his or her email client displays the one of which it's capable. Consequently, multipart MIME is a popular technique widely used by email marketers like yours truly. I love multipart MIME because it works for me at both ends of the spectrum. When I'm a recipient, it allows me to read an email in HTML on my desktop, or I can view it in text format on my Blackberry if

---

[7] http://www.sitepoint.com/article/code-html-email-newsletters

I'm on the run. When I'm a marketer, this one-format-or-the-other capability frees me from worrying about whether or not my recipient will be able to read my email.

Other Formats

There are a few other formats that you may hear about, primarily rich text format and AOL format. Both of these formats were very useful in their day, but are seldom used now. I don't recommend either of these formats for your email, but let's have a quick look at them.

Rich Text Format

Rich text format (RTF) is basically a text email that has basic formatting options available to it, such as font customization and hyperlinks. RTF allows for simple HTML coding, but doesn't support images or tabled layouts. RTF was used a lot back in the days when most email clients weren't capable of rendering HTML emails.

AOL Format

AOL format was a proprietary flavor of RTF. Surprisingly, AOL was one of the last companies to provide subscribers with the ability to read HTML emails. In the interim, many marketers created a rich text version in AOL format and sent this to all the prospects who were subscribed to this email service. A few years ago, AOL incorporated HTML capability into their interface and so most marketers dispensed with the AOL format shortly after.

Email Design

There are several key points to bear in mind when you're designing your email. Some points may seem obvious; others you may never have thought of. It's okay not to have thought of whitespace before, or to have been unaware of the subtleties of the landing page relative to your email, because we discuss the key concepts of email design in this section.

An Email is Not a Web Page

That's right, an email and a web page are both HTML. Yes, they both have a similar goal. But too many people assume that an email can be laid out and designed just like a web page, and that's not necessarily the case.

For starters, email clients are more sensitive than web browsers when we come to rendering HTML.

Secondly, the way in which an email is perceived by a reader is a lot different to viewing a web page. A recipient's email client may be arranged in a number of different ways (preview pane visible, preview pane not visible, full screen emails displayed), while web browsers will always open and display web pages in the same manner.

Further, web pages have breadth and depth (you'll be able to visit any number of pages from one web page, and you'll usually be able to return to the page on which you started), while, in and of themselves, emails are flat (you'll send one email that has one or two outgoing links). For this reason, the design of an email needs to be a lot more focused on the action that you want the reader to take, so that readers don't take tangents and become lost.

In the larger scheme of things, think of your web site as the body of your marketing campaign and your email as its arms and legs. There will be differences between the two (there *needs* to be differences, for the campaign to function), but there also needs to be consistency between your web site and email that ties them together. That is, your email should share the look and feel of your organization's web site so that recipients can grasp that the two are related.

Branding with your Design

We saw earlier in the section called "Planning the Preview Pane" that including your company logo or any other recognizable image in the preview pane of your emails can work well. This inclusion is especially effective with HTML, but even plain text can be used in creative ways—just have a look at Figure 5.8. Another sound notion is to design some other common elements to brand all your emails with. These elements might include specific typefaces and colors in HTML emails—they can help link your emails very effectively with a consistent look and feel.

```
|ᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧᴧ||_____
| BeerGuyDave's Brews & News ||'| " \,___
|__...__..._____  ====|=||_|__|....,]
  "(@) '(@)              "(@)(@)******"(@)*|      meep meep!


Howdy Rowdies

Just a realquik note about the Russian River leftovers and next Monday.
```

Figure 5.8. BeerGuyDave's Brews & News text logo

Streamlining your Design

Keep it simple! If there are any elements within your design that don't serve a specific purpose, remove them. For each element, ask yourself the following questions:

- Why is it here?

- What does it accomplish?

- How does it help motivate the reader to respond to my call to action?

If you can't justify the existence of the element ("It looks cool" doesn't count), then remove it from the design.

Use graphics sparingly, and review the sizes of the images that you do include. Smaller images will be quicker to download, and can be just as powerful as large images. Smaller images also leave you with more room for copy.

Bear in mind that, by default, some email clients won't display images—instead, a small red *X* will be displayed in the image's designated spot. Cover your email for this eventuality by including descriptive `alt` attributes with your images, and perhaps a short note describing each image. Use text instead of graphics for all headlines to ensure that they'll always appear. The same rule goes for your calls to action: if you're using a graphical call to action, ensure that you include a text version as well.

Considering Line Lengths

Reading through long lines of text can be tedious. You'll very rarely find a book with 10- or 12-point print across pages 50cm wide, because it's difficult to read through long lines of text in print; it's doubly taxing to do it on the computer screen. You can help solve this difficulty by limiting the length of the lines of text in your email.

For text-only emails, limit your line length to 60 characters, and then put in a hard return. The primary reason for taking this step is to avoid funny line breaks, but it also helps readability. With HTML emails, columns provide the solution to your line length problem. Most of the HTML email examples featured in this chapter utilize columns to help organize the way in which the information is presented, and to aid in the email's readability. Unlike newspaper columns, which flow from one to the other, columns are used in email and web site design to segregate areas on the page. So you might use one column to hold navigation and calls to action, and another to hold your key message.

Including Whitespace

Whitespace is another key to readability. Copy and text that are too tightly displayed will be difficult to read. Include whitespace between paragraphs and between copy and graphics, but don't forget to look at your leading as well—the space between single-spaced lines and letters. Be sure that the font you choose can be easily read on the screen.

Choosing Fonts

Don't use fonts that are too small. It's tempting to shrink your font so that you can include more copy—particularly in areas of the email where space is limited, such as above the fold. However, trading off on the readability of your email to do this is to win the battle and lose the war. Use a standard font size (usually 10 or 12 points), and when in doubt, bigger is better.

Looking at Landing Pages

The **landing page** is the web page to which the call to action link on your email leads the recipient—think of it as your email's companion. Landing pages are a fascinating subject on which entire reports have been written, but we'll just cover the basics in this section.

You may have an existing landing page for which you've created an email. In this case, design your email to have a similar look and feel to that of your landing page. While the email shouldn't replicate everything that's on this page, design in a manner that links the two. Avoid any disconnect for the reader—the move from the email to the landing page should be seamless and barely noticeable.

Not only does the design of your landing page and email need to be in sync; obviously the content does too. If you've mentioned a particular product offer in your email, make sure that this offer is also reflected on your landing page. Don't make readers search to find it, either, or you'll run the risk of losing many of them. A common mistake often made by email marketing newbies is to send readers to their web site's homepage. In some cases this tactic may work, but it's usually better to lead your readers deeper into your web site, to a page that's directly related to the topic of your email.

Also, be sure the information on the landing page is more advanced than what it was in the email. Some aspects (the price, for instance) will need to be reiterated, but use the landing page to flesh out the details,

add additional benefits, and provide any legal disclaimers necessary. Have a clear call to action to move readers forward—keep them on the path you want them to take.

If you don't already have a landing page for your email (or, if after reading the paragraph above, you've determined that you need a dedicated landing page for your email) then create one. It's advisable to build the email first and then build the landing page that best serves as the next step in the purchase, lead generation, or other goal-oriented process. The landing page should have a similar look and feel to the email, and move the relationship along. Restate the offer but provide more detail than the email.

Be sure your landing page has a clear call to action and a path for readers to follow, in order to take the action you want them to. If it's a lead generation email, the landing page may just ask for the information you want readers to provide. If it's a simple purchase, your landing page may be the first step in the order process. For a more complicated sale, the landing page should provide additional benefits and detail. In all cases, the design should be a natural continuation from the email.

Before Sending

It's a good idea to have a list of checks to go through before you hit "send," checks that make sure your email is really ready for prime time. Here's how mine looks:

- Perform a test send to yourself.

- Proofread for typos and grammar.

- Click on all links and check for accuracy.

- Confirm HTML integrity across email programs.

- Run your email through a spam filter.

Test Sending

The best way to check your email before you send it to your recipient list is to send the email to yourself. Most email service providers give you an easy way to perform this check. This way, you can see exactly what your recipients will see. Be sure you do a test send of *all* formats—HTML and text, as well as rich text and AOL if you're using them. Also, send yourself all the different versions of your email. If you're using true dynamic content, send yourself a few different iterations so that you can confirm everything is working correctly.

Isn't it a drag to review multiple versions of the same email? Yes. But taking this step is the only way to be confident that your readers will receive a quality product. A typo can reflect poorly on your company; a broken link can send interested buyers to an error message; HTML that loses its integrity (by this, I mean HTML that doesn't appear properly), can drive readers to the delete key faster than a speeding bullet. If you take a few minutes to check everything now, you can save yourself a world of headaches (and probable lost sales) later.

Proofreading

Typos are usually the easiest problem to check for. It's tempting to proofread the document on screen (after all, it is an email), but don't; it's much better to print it out. Even if you've spell-checked the document,

you still need to eyeball it—check for common misspellings and grammatical errors that an automated program might miss, like "their" versus "there." And don't forget to check all versions and formats of your email—typos can turn up in unexpected places.

A second set of eyes always helps—someone (your mom, perhaps) who isn't as intimate with the content as you are may pick up on content that is confusing or needs to be better explained. Additionally, it's often helpful to read the copy out loud to someone (still there, Mom?)—an unbeatable way of picking up sentences or phrases that don't sound as you intend them to.

Link Checking

Click on all the links in your email to be sure that they are working and that they go to the right place. This step is especially important when you're working with HTML email, where you can't see the actual web site addresses or URLs.

In the case of text emails, watch out for broken links—especially URL strings where the end has been cut off thanks to a hard return. Otherwise, these will often return error messages. One way around this risk is to use a **jump page**. A jump page is a web page with a shorter URL than the page you're sending people to, and will automatically redirect the reader to the desired page. There are free services on the Internet that will provide this service (just search for "Short URL" or similar terms in any search engine). Sometimes a tracking URL (which also counts clicks) will be short enough to serve this purpose.

Always Perform a Final Check!

Be sure to check or double-check all your links immediately before the send. Just because a link worked perfectly yesterday, or last week, doesn't guarantee it will work today.

Checking HTML Integrity

The most important part of proofing involves ensuring your HTML maintains its integrity, which means that it renders properly across all email clients. A study run recently found that over 40% of HTML emails don't display properly in all of the programs that people typically use to read email.[8] Writing HTML for email is different from writing HTML for a web site; email programs are more sensitive than web browsers and, unlike the Internet, where the majority of surfers are using Internet Explorer or Firefox, there's no majority standard in email programs. You have to be as compatible with MSN Hotmail as you are with Microsoft Outlook, AOL as much as Gmail.

The most cost-effective way to check your HTML is just to send a sample of your email to a variety of email accounts and then see how your email looks when you open it up. If possible, sort your list by domain name. This action will alert you to which of your web-based clients you need to be concerned about. Use this list to set up your test account. If you aren't able to sort and identify the top domains to which you're sending, you should check your HTML emails in AOL, Hotmail or MSN, Gmail, Microsoft Outlook, and Yahoo!. If possible, check in Lotus Notes, too—a surprising number of big businesses still use Lotus Notes.

---

[8] "2005 Broken Link Survey," Silverpop, May 8 2006 [http://www.silverpop.com/practices/studies/renderability/index.html].

Spam Filter Checking

The very last check you should perform before you send is to run your email through a program to check your email's spam score. The spam score will tell you how likely your email is to be blocked by content filters. Most of these programs are based on SpamAssassin, a filter that awards points for elements of your email that are often associated with spam. We talked about these types of filters earlier in the section called "Including the "Free" Word" with respect to writing for email, and we'll meet them again in Chapter 7 when we talk about deliverability. It's not just copy that these filters look at when determining whether or not your email is spam, but HTML code and all sorts of other factors as well.

Most email service providers will offer an easy way to run a spam filter check. If your ESP doesn't, or if you're sending the email yourself, there are free services for this available online. No endorsement intended, but a few services I'm aware of include SpamCheck,[9] Ezinecheck.com,[10] and Lyris.[11] In addition, if you type "spam check" in any search engine, you should be able to find other sites that offer this service.

Spam filter checking is easy: all you need to do is send your email content through one of these programs. Most will shoot back a list of which elements of your email attracted points and how many it received overall. In most cases, if you're below five points you won't be mistaken for spam and you're good to go. If your score is higher than five, or just higher than you're comfortable with (I like to keep below three), then this list lets you know which elements to change to lower it. This check is very simple once you do it, and it's a good idea to run it before every send; taking this step is a lot like insurance.

Testing

You should test to identify ways to gain more return from your email marketing efforts. Why settle for 100 sales from an email campaign when a better-considered subject line or a more tempting offer could net you 150? Most testing is done on promotional emails, but it's not unusual to do some more limited testing on email newsletters. Companies rarely spend the money to test transactional messages, but if you're hoping for the client to take an action based on them, testing's probably a good idea. Examples of how you might go about this could include double opt-in emails where the recipient needs to respond to be added to your list, or even confirmation emails that include a coupon for a discount on your next purchase.

One of the biggest benefits of email is the way it allows you to conduct tests in a timely and cost-effective manner. The cost of extra creative work is usually minimal; production is a fairly quick process and you'll often have your results in a day or two (seven to ten days at the most). First, we'll go over which aspects of your email you could productively test and how to evaluate the results; then we'll cover some basics of testing with email.

There are any number of items you're able to test; the key is to identify the issues that'll provide the most return for your efforts. The most common subjects to test are:

- subject line

- price

---

[9] http://spamcheck.sitesell.com/

[10] http://www.ezinecheck.com/

[11] http://www.lyris.com/contentchecker/

- offer

- call to action

- key benefits

- copy

- length of copy (number of pages)

- design/graphics

- lists

- format (text versus HTML)

- color(s)

To determine what to test, you need to analyze where you think the weak spots are in your current campaign. Delete any copy that is unnecessary or doesn't strongly support your business goals. Be ruthless! Concise, clear messages are critical to email success.

In Chapter 3, we introduced the idea of benchmarks to help you develop your quantitative goals. Benchmarks can also help you when you're wondering what to test. Let's use the same benchmarks we used in Chapter 3, from DoubleClick's "Q4 2004 Email Trend Report," and the same assumptions (i.e. we're sending emails to 10,000 recipients, and the median order size is $89). And let's make up some figures to represent our current performance in a few different scenarios. I give you: Table 5.4.

Table 5.4. Troubleshooting scenarios

Measures of Success	Goals per Send	Scenario A	Scenario B	Scenario C
Emails delivered	9060 (90.6%)	9060 (90.6%)	9060 (90.6%)	9060 (90.6%)
Opened	2954 (29.5%)	1477 (14.8%)	2954 (29.5%)	2954 (29.5%)
Clickthrough	236 (2.4%)	118 (1.2%)	118 (1.2%)	236 (2.4%)
Purchases as a result of clicks	11 (0.11%)	6 (0.06%)	6 (0.06%)	6 (0.06%)
Purchases as a result of the email	32 (0.32%)	16 (0.16%)	16 (0.16%)	16 (0.16%)
Revenue	$2848.00	$1424.00	$1424.00	$1424.00

If you look at the revenue per send, we're behind in all three scenarios; we're bringing in (for simplicity's sake) only half the revenue we'd anticipated. But if you start from the top and work down, you'll see these scenarios have some very different causes.

In scenario A, the problem begins with the open rate, which is only half the open rate it should be (14.8% vs. a goal or benchmark of 29.5%). In scenario B, the open rate is fine but the clickthrough rate is low (1.2% vs. a goal of 2.4%). In scenario C, both opens and clicks are fine; the problems start with the click-to-purchase ratio (0.06% versus a goal of 0.11%). In each case, start testing with the earliest metric in the stream that's a problem. So even though scenario A falls short on opens, clicks and click-to-purchase, your first line of

attack should be open rate. If you can improve your opens, the metrics later in the stream may improve as well.

You don't have to identify a problem this large—or any problem at all—in order to test. But by doing a little analysis and trying to pinpoint where you have the most room for improvement, you can spend your testing dollars more wisely. If everything is on track, if you're meeting or surpassing your goals, then just test where your gut tells you an opportunity lies. Testing is time- and cost-effective, so there's little downside and high upside potential.

The "Big Three" to test, places where you tend to be rewarded with the best lift in results for your efforts, are opens, clicks, and conversions. We'll touch on each of these concepts in the sections that follow.

Improving your Open Rate

If your open rate is lower than you'd like, as in scenario A, you have a few options of what to test:

- subject line
- preview pane (elements here may include price, offer, call to action, copy, design/graphics, colors)
- list

You'll notice I left the From address off the list. Even though the From address influences the open, it's not advisable to change it at this point. The key goal of the From address is to be recognized: if you change it, you jeopardize that goal, so testing your From address isn't recommended.

Subject Line

For the subject line, try testing one benefit against a different benefit, or including versus not including a price. You have a lot of flexibility here. The key is to focus on messages that will engage the readers and entice them to open your email—it's less important to sell them on your product at this juncture.

Preview Pane

Preview panes offer numerous opportunities for testing. Try it with and without personalization, see if having a smaller logo and header and more content unique to this email helps, tweak the colors, rework the copy. All features of the preview pane should combine to pull the readers into the email with a strong reason as to why they should take a minute to read it.

List

The list is a biggie. More than any other factor, a list can make or break a campaign. If you're using a house list, the way to test it would be to split it into logical segments (see the discussion about segmenting in Chapter 4) and see if there are differences in how the groups respond. If so, you may decide to only send emails like this to the group that's opening them. This decision will decrease your overall send quantity and your costs, which will increase your metrics and your profitability; while you may not sell more product, your costs for the product you do sell will be less. Also, taking this path gives you an opportunity to send the people—who aren't responding to a different promotion or email newsletter—one to which they might respond. If you're working with outside lists, test a variety of lists using the same creative to see if one performs better than the other(s).

Improving your Clickthrough Rate

In scenario B, people are doing a good job of opening the email; the problem comes when they reach the body of the message and they don't take action. This is the meat of your email, so just about every feature included in our list of possible tests appears in this area:

- price

- offer

- call to action

- key benefits

- copy

- length of copy (number of pages)

- design/graphics

- lists

- format

- colors

Price

The price element is pretty straightforward. If you have the flexibility to do so, test different pricing levels (i.e. $29.95 versus $24.95). If a direct sale isn't part of your email, you might also test the inclusion of a price versus no inclusion of a price—it may be that the price is presented too early in the sales cycle and turns off qualified prospects.

Offer

Offer refers to the information that surrounds the price. You could test offering the first month free, or maybe offer a reduced price for the first three months. Or you might include some additional value, say a free special report or gift. Offers can be money-back guarantees, which can provide additional reassurance to customers and influence them to buy. Limited time offers, where there's a fixed deadline not too far in the future, can also lift clicks and overall response. Offers are great to test; they can be cost-effective ways to lift your overall sales.

Call to Action

A call to action refers to how you ask for the sale. I've found that lower-commitment phrases like "Learn More" give better results than straightforward phrases like "Buy Now." You can also test the positioning of your calls to action. Put the first one higher up in your copy or include an additional call to action in a column at the left or right. You might also test calls to action by the addition of more places that ask for the sale.

Key Benefits

Key benefits are the foundations on which you position the product. Perhaps you can better match the product to your audience, or you can rewrite the key benefits to relate more to the reader. Even how you present your key benefits—for instance, in bullet points rather than a dense paragraph of text—can make a difference.

Copy Content

Copy refers to how you speak to the reader. Here, you can try changing the entire approach, the whole message, to be different. Reviewing copy is a good exercise to undertake; many marketers become so attached to their basic copy that they can't imagine another version. You can commission the same copywriter to write a second version, but it's often a better idea to go to a different person and obtain a fresh take on your copy.

Length of Copy

Length of copy refers to how long your email is. You might compare a short one-page email with one that's two pages and has the space to go into more detail.

Design and Graphics

Design and graphics can also make or break an email. If you have a lot of images, try reducing them to just a few. If your email is text-heavy, relieve it with the addition of a relevant image here and there to spark more interest.

List Testing

Lists can be important here, just as they were with opens. See the note in the section called "Improving your Open Rate" about testing.

Email Format

Format (text versus HTML) is also worth testing, although not as high on my list as the factors above. There was a time when some audiences (for example, engineers and more technical folks) preferred text email, and you never can tell for whom this preference will endure today. If you haven't given people on your list a choice of formats when they sign up, it makes sense to test this aspect and see whether one format outperforms the others.

Colors

Your email colors are another secondary factor to test. You might gain some response from changing your header or other design element from green to red, but it probably won't yield the significant results you'll see from testing a price, offer, or list.

Improving your Click-to-Purchase Ratio

When it's your click-to-purchase that's a problem, as in scenario C, your testing needs to include not only your email but also, possibly, your landing page and other elements of the web site to which you send people. Sometimes the problem is a disconnect between your email and your landing page—it could be as simple as the fact that you're making a very specific offer and then sending the reader to a generic landing page where that offer isn't front and center. Or, it may be that the promise of your email isn't fulfilled once

the reader arrives at the web site and starts the buying process. Either way, be sure you offer a straight path, without bumps, from the email through to the action you're asking people to take on the web site.

Basics of Testing

Now that you know what you want to test, you need to create a test plan. Here are some helpful basic principles.

A/B Splitting

For performing all and any tests, use random samples. The most common way to obtain a random sample is to do what's called an **A/B split**. The simplest way to explain this testing approach is that you number your list sequentially and put all the even numbers in one test segment ("test segment A") and all the odds in another ("test segment B"). If you want more than two test segments, you can apply a similar random method to create more test segments.

Keeping All Other Aspects Equal

To obtain a true reading from your test, keep all other elements the same as they were before. For instance, if you're testing subject lines, all the other elements of your email (price, offer, design, etc.) should remain exactly as they are. If you're testing copy, retain the offer, price, and other elements of the email. This method will ensure accurate results on how the subject line affected your audience.

Tracking

It's important to confirm that you have tracking in place to compare one test segment to another. Be sure each segment will produce its own unique metrics so you can compare elements like opens, clicks, click-to-purchase ratios, and dollars generated side by side.

Limiting Testing Time Frame

One of the benefits of testing via email is the quick turnaround. If you have a large list, you can divide only part of it into random sample test segments. Then you can mail these test segments and see which one performs best. You should have a good read on this in 24 to 48 hours. At that point, it's easy to take the winning version and send it out to the rest of your email list. By taking this path, you gain the benefit of the best version of your email going to the majority of recipients on your list.

Analyzing your Results

Just as you set some goals when you worked out your strategy, you need to set goals for your testing. Are you looking to generate as much revenue as you can from each send? Or are you willing to forgo a little revenue to attract more customers or make more sales? It's important to have a clear goal in mind for your testing and to evaluate the results based on that goal.

Case Study: 50% Increase in Clickthroughs

Sometimes the simplest things can return impressive results. This proved to be the case for one business-to-business publisher who sent a free daily email full of news clips to professionals in the wireless industry.

The email was a companion to a controlled-circulation print magazine. Controlled circulation means that the magazine was delivered free to people who met criteria set by the publisher; revenue was generated from advertisers, who paid a premium to reach these highly targeted readers. In the case of this publication, the email served two primary purposes:

- it was of value to magazine readers, keeping them up to date on industry happenings between print publication dates

- it was a way to keep the publisher's brand in front of people who didn't qualify to receive their magazine today, but who might someday (the magazine was limited to high-level industry professionals)

The email newsletter was really more of an awareness tool; its goal wasn't the generation of direct sales. The newsletter did generate additional advertising revenue for the publisher, and potential advertisers were always curious about the clickthrough rate on the news items. It was, at this time, a text-only email newsletter, so there were no metrics on open rates. But clicks were tracked; they were neither high nor low, just average.

The format of the email was very businesslike. Just a list of news headlines, the first sentence or two from the story and a link to read the full text. Taking this approach made the newsletter look like it could have been automatically generated each day without any human intervention; consequently, the newsletter was very sterile.

In fact, there was an editor behind the email newsletter, who took time each day to ferret out the stories she thought would be most of interest to her audience. But she never took the opportunity to explain why she had chosen a certain story or how she felt it might be relevant to the readers.

As a test, we decided to add a personal note from the editor to the top of each day's email newsletter. We started with a personalized salutation ("Dear Jeanne") and the editor used a friendly but businesslike tone. Each day, she'd write about what was in that day's issue of the email newsletter, and included why she had chosen it and why she felt the readers would benefit from reading it.

Here's a sample of the types of introductions she'd write:

Example 5.6. Sample of an introduction

Dear Leo,

Are you up on the new federal regulations for our industry? If not, take a minute and get an overview along with tips for compliance. Also in this issue: 3Q revenue results by company (where did your organization fall?) and Pamela Anderson's new wireless offering, coming soon to a Palm Pilot near you.

No, I'm not making that up—there really was an article about a new wireless content offering from Pamela Anderson! This was the kind of content the editor would throw into the email newsletter just for fun.

What impact did adding just this one paragraph have on the email newsletter? It increased clickthrough rates by 50%. Not just the first time the editor used this tactic; the clickthrough rates maintained this level over future days, weeks, and months.

Best of all, this small amendment didn't just increase clicks on the items the editor mentioned. All the items in the email, whether they were specifically announced in the opening paragraph or not, saw a lift. The items the editor mentioned were usually the most popular articles, but it's hard to know if that was because she mentioned them or if she mentioned them because she thought they would be the most popular—a chicken or egg scenario to keep us guessing.

Here are some thoughts on why this case was successful, which you might find a useful guide when you create your own opening paragraphs:

Match the tone to your audience.
> The tone should be friendly and personal, but let your audience and your relationship with them be your guide as to how it's written. With a less business-oriented audience, you might get away with a more casual tone and even some more jokes. This wasn't the case in the email we've just looked at—even the mention of Pamela Anderson had to be positioned carefully so it didn't seem inappropriate.

List benefits and advantages.
> Don't just say "here's what's in this issue." Add in reasons for the recipients to take a minute now to read it. Notes like picking up tips for compliance or finding out where their organization falls in the rankings are solid "what's in it for them" statements that need to be present to make the newsletter successful.

Put the newsletter in context.
> Predict what your audience is likely to be doing when they receive your email newsletter and put the information in context. If it's March and you're writing to consumers, there's a good chance they're thinking about taxes. If yours is a business audience and the big industry conference was last week, chances are they were there and are trying to catch up this week. Noting those events and tweaking your content as a way to help your readers ("last minute tax tips that can save you thousands" or "quick update on last week's industry news that you may have missed") has much more potential to engage them.

Keep it fresh.
> Resist the temptation to create a "perfect paragraph" that lists the features and benefits of your email newsletter, like the one you use on your registration page, and to put it here issue after issue. People don't want to read the same content over and over again—they'll start to skip over it. And it won't, over time, keep readers engaged with your content.

Make it short.
> This point is critical. Two or three sentences is all you really need. You don't have to mention every item that's in the email newsletter; just pick out a few engaging snippets. The briefer the better; then let the readers get onto the meat of your email.

Summary

As we've seen in this chapter, there's both an art and a science to developing good email creative. By following standards and best practices, and constantly testing your creative executions, you can keep improving your results. You don't need expensive copywriters, drop-dead design, or a silver bullet of a subject line. You do, however, need to start with a good understanding of your audience members, their needs, and how your product will provide solutions for them.

Once you've developed, tested, and created a great email, you'll need to start thinking about its deliverability. What's deliverability? Well, I'm glad you asked. Chapter 6 explains all—let's get into it!

Optimizing Deliverability

Everything's going swimmingly: you've developed an effective email strategy, built an email list, and created your emails. Now, you face one of your biggest challenges: **deliverability**. 68% of the marketers participating in a recent survey cited deliverability to be their top concern.[1]

Actually having your emails arrive in the inboxes of your prospects is the focus of this chapter.

Spam is to blame for our deliverability issues, of course. The proliferation of unsolicited emails has, predictably, resulted in a backlash of efforts determined to stop spam. In their search for effective ways to prevent spam from reaching their inboxes, many users also end up obstructing legitimate emails (for which they've opted in).

Every email marketer dreams of the day when deliverability issues will diminish as new and more precise technologies emerge, but alas, no simple solution rides the horizon at present. Each and every one of your emails is in danger of being marked and rejected as spam during any given send.

The only way you can save them is to take steps to understand, monitor, and improve your deliverability. I don't want you to lose sleep over the fate of your emails, but it's necessary for you to understand and be aware of the issues concerning your send.

For starters, let's look at some statistics.

Understanding Deliverability Statistics

A **false positive** is the term used to describe the erroneous identification of a legitimate email as spam. The issue of opt-in email messages being filtered as spam is an escalating problem, with a recent study showing that false positive occurrence has increased from 18.7% in 2004 to 22.0% in 2005. This statistic illustrates that more than one of every five opt-in emails never reaches its intended destination. In addition to this

---

[1] "Socketware Survey Says: Deliverability Still Tops Concerns for Marketers," Socketware, August 2005 [http://socketware.com/pages/news/news.html].

average, some ISPs blocked far more—NetZero wrongly blocked 37.7% of opt-in email messages, and SBC Global/Yahoo! blocked 26.7%.[2]

Another 2005 study tracked emails sent by 100 household-name organizations in various industries, including retail, travel, media, and government. This study found that 54% of these organizations had problems delivering one or more of their emails to recipients' inboxes during the six-week study period. Nor were only emails promoting products and services blocked. In many cases, the emails that were filtered were of a transactional, not a promotional nature—they were emails confirming an opt-in, welcoming a new subscriber, or providing general information.[3] The list of companies that experience some level of deliverability issue includes some of the world's most recognized names:

■ pharmaceutical giant Johnson & Johnson

■ non-profit leaders the American Red Cross and AARP (American Association of Retired Persons)

■ media organizations *The Wall Street Journal* and HBO

■ technology companies AOL, IBM, and Verizon

■ travel organizations Expedia and Travelocity

■ retailers 1800Flowers, LL Bean, Neiman Marcus, and Target

These organizations spend significant amounts of time, money, and resources to optimize their email marketing strategies. Clearly, if they're experiencing deliverability issues, no one is immune.

Now that you have an idea of the challenge you face, let's talk about reasonable expectations. Since it's unlikely that you'll be able to avoid deliverability issues altogether, the most you can do is ensure that as many of your emails as possible reach recipients' inboxes.

Having one in five of your emails filtered as spam depresses your response rates (since it's unlikely those people will take action on your email if it's in their junk folder). That's one clue towards the possibility that your emails are being treated as spam. But wouldn't it be nice to have a clearer picture of how many of your emails are making it to the inboxes of your recipients?

In the next section, we'll talk about how deliverability is measured, and how to be sure that you obtain an accurate deliverability metric.

Measuring Deliverability

As promised back in the section called "Email Provides Detailed Feedback" in Chapter 1, the time has come to talk about email reporting. Deliverability is a metric, much like open rates or clickthroughs, that most ESPs or email software programs track and report. Be sure that you understand how deliverability is calculated, and be aware that it doesn't always equate to the number of emails that made it to the inbox. I'll tell you why.

---

[2] "ISPs Block 22 Percent of Permission-Based Email, Believing it to be Spam," Return Path, March 2005 [http://www.returnpath.biz/resources/archives/2005/03/isps_block_22_p.php].

[3] "False Positives: A first-hand view of what happens when 100 top-tier enterprises, non-profits and governmental agencies try to communicate via email with their opt-in customers," Pivotal Veracity, June 2005.

Generally, an ESP or email software program calculates the deliverability rate by tracking the number of emails that are rejected (or the number of bounces) and subtracting this figure from the total number of emails that were sent. Say your bounce rate was 8.3%; the ESP would report your deliverability rate as 91.7%. That looks like a good result at first glance, but don't get too excited. What this result actually means is that 91.7% of your emails *did not trigger a bounce*; unfortunately, what it *doesn't* mean is that you can be confident that 91.7% of your emails actually made it to the inboxes of your recipients. Most spam filters won't let you know when they block or redirect your messages. As such, this simplistic method of calculation is likely to overstate deliverability, and is insufficient in today's email environment.

Seeding your Lists

Seeding your list is a reasonably effective, but time-consuming, method to track your deliverability. Here's how it's done.

1. Sort the addresses in your email list by their domain names—that is, the part of the email address that appears after the @ sign. aol.com, sitepoint.com, and amazon.co.uk are all domain names.

2. Identify the domain names that appear most frequently on your list to establish which domains you'll be "seeding." You may choose to seed them all, or deem some unworthy of the effort. Generally, I tend not to include domains that make up less than 3% of the list, but this requirement varies depending on the size of the list.

3. Plant your "seeds" with the domains that you've decided to track. Basically, this involves setting up email addresses with each domain. This is a straightforward process with free email service providers such as Gmail and Hotmail: simply sign up for one or more new email addresses. It's a bit trickier with paid services and organizational domain names (such as sitepoint.com), where you may have to pay to register an email address, or enlist the services of an inside contact. You may be able to approach some of your subscribers who have email addresses at these domains and see if they'd be willing to help you track deliverability, but be sure that those contacts see your email as being valuable, and your intentions as being legitimate. If they don't, those subscribers may perceive you as a spammer who's trying to cheat the system, which could do immeasurable damage to your reputation.

4. After your seed addresses have been created, add them to your email list.

5. Now you'll be able to determine how these seed email addresses react to your emails: whether they filter them into the junk mail folder, or whether they allow them into the inbox. By monitoring the seed addresses on a regular basis, you'll gain an idea of which ISPs are delivering your mail. If you notice that all your emails are being diverted to the junk mail folder, you've probably got a deliverability problem on your hands. We'll look at how to address this situation later, in the section called "What to Do if your Email is Being Blocked".

Many companies will handle deliverability tracking for you for a fee (perform a web search on "email delivery" or "email delivery monitor" to find them). Most of these companies will provide you with multiple seed addresses on all of the major ISPs, then report back to you on your email's deliverability. In some cases, this service is offered as part of an ESP agreement; in other cases, it's provided as a stand-alone service or part of a larger deliverability package. Either way, taking advantage of such a service is much more convenient than trying to keep track of all the information yourself.

Bear in mind, though, that while the seeding method is effective, it isn't foolproof, for three reasons:

- It's a lot easier to set up seed lists on free email services than it is to set them up on paid and private or business email accounts. There may be cases in which you're unable to set up a seed list at all.

- The delivery of an email to a seed address at a particular domain doesn't guarantee that all the email you send to that domain will be delivered.

- Seeding doesn't solve the problem, it merely identifies it. Even if you find that your emails aren't being delivered, there's no mechanism to resolve the issue straight away.

Using ISP and Corporate Relationships

A more reliable way to measure deliverability is to obtain your email send statistics and details directly from the organizations that have the power to block your emails, such as ISPs and corporate IT departments. Some will provide feedback on emails either delivered or blocked (along with the reason(s) why) to organizations they know and trust. For most companies sending email, getting your ESP to handle this is a necessity; ISPs and large corporations are too busy to deal directly with everyone who's sending email to their constituents, and your ESP has the means to establish and maintain relationships with such organizations.

Developing Deliverability Benchmarks

Once you have a measure of your emails' deliverability, you'll want to know how it compares to others—it's only natural! Here are some benchmarks for you. The following figures are based on the number of emails that actually are delivered, rather than the basic calculation of emails sent minus emails bounced, which we discussed earlier inthe section called "Measuring Deliverability".

- An average deliverability rate is between 80% and 85%.

- A deliverability rate of 95% or more is highly regarded.

Remember that unless you're tracking every single email that you send, you'll only obtain a relative, rather than an absolute, idea of your delivery rate.

Three Levels of Spam Filtration

Spam is on the rise—there's no secret about that fact. A study conducted in early 2005 found that 87% of all email sent was spam, and predicted that by the end of the same year this figure would reach 92%.[4]

There are no prizes for guessing what the consequence of this reality is—more filters! To date, most deliverability studies have focused on filters that have been implemented by ISPs. However, these aren't the only filters that we need to think about. Corporate IT departments and IT staff within smaller organizations may operate their own filters in addition to relying on those of an ISP, and your prospects may also have desktop filters installed on their home and work computers as an extra precautionary measure.

To reach those well-guarded inboxes, your email will need to weave its way through a veritable maze of filters. However, instead of merely seeing these tools as yet another hurdle to your campaign's success, you'd be wise to try to understand why these levels of filtering exist, and what the motives are for implementing them at each of three levels: ISP level, corporate level, and desktop level. Understanding the ob-

---

[4] "Postini Stat Track," Postini, March 2005 [http://postini.com/stats].

jectives of spam filtering at each of these levels will help you understand deliverability metrics and, perhaps, improve your own statistics. Let's have a look at what we're up against.

ISP Filters: Driven by the Bottom Line

ISPs have an economic interest in keeping spam out of their systems. The delivery of every email message that enters an ISP's system requires resources, and the tiny amounts of bandwidth, CPU time, and storage that each email delivery occupies can become a major drain. Given that nearly 90% of all email sent is spam, ISPs spend nearly 90% of their resources handling email that their customers didn't want to receive in the first place, which, inevitably, drives up the cost of the service.

Finding ways to filter spam before it enters their systems, and using resources wisely, are the keys requirements for ISPs working to maintain reasonable prices and profitability.

Corporate Filters: All about Productivity

Corporate spam filters are often much tougher on emails than ISP filters for a number of reasons:

- Like ISPs, corporations want to preserve their system resources.

- Corporations are also concerned about the productivity of their employees. Any time employees spend identifying and deleting spam is valuable time that's not spent on their primary tasks.

- The availability of corporate email addresses makes these organizations ideal targets for spam. In addition to being published in directories and on company web sites, corporate addresses are usually easy to divine, as they tend to follow standard formatting procedures. Once a spammer knows that a company uses the format "first initial-.-last name-@-company-.-com," it becomes very easy to use thumbprinting techniques to create email addresses from a list of company names.

Desktop Filters: Gaining Optimum Control

When ISP- and corporate-level filters aren't effective enough, people turn to the desktop filter as a final preventative measure. Some people actually prefer this method to the high-level filters, as desktop filters provide them with more control over the filtering process. They have the power to flag emails as spam, as well as check their junk folders for emails that they can whitelist if they do want to receive them in future—this way, people using desktop filters can see less spam in their inboxes as time goes on.

In a recent survey, 32% of consumer households reported using some kind of spam filter on their home computers, while another 15% said that they were thinking about it.[5]

Desktop filters are a different kind of challenge from ISP or corporate filters because of their granularity. In the ISP and corporate IT world, if your email passes through the filter, that single action could see your email delivered to all the inboxes on their systems. But in the desktop world, chances are that each person who wants to receive your email will have to take action to direct your email into their inboxes.

---

[5] Ted Schadler, "Benchmark 2004 Data Overview: Consumer Technographics North America," Forrester, June 2004 [http://www.forrester.com/Research/Document/Excerpt/0,7211,34278,00.html].

Different Types of Filters

That's right, more filter fun! At each of the ISP, corporate, and desktop levels, different types of filters may be used. Each type uses its own methodology to determine which emails are spam. Here's a quick overview of the different types of filters, how they work, and what you (or your ESP) can do to avoid having your legitimate, opt-in emails blocked by them.

Blacklists

Blacklists were one of the original methods used to identify and block spam. The basis on which a blacklist operates is simple: a list is compiled from domain names and IP addresses that have been identified as sources of spam, and any email that comes in from a source within this list is blocked. Spam monitoring organizations such as SpamCop,[6] SpamHaus,[7] and the Spam Prevention Early Warning System (SPEWS)[8] compiled some of the earliest blacklists, which they then shared with ISPs and corporate organizations so that they could be used for filtering.

Blacklists can be used at all levels of filtering, from ISPs to desktops. Since its early days, blacklist technology has advanced to allow the inclusion of those IP addresses that have been used by spammers identified by third parties such as SpamCop or SpamHaus. There's also functionality that lets ISPs, corporates, and individual users add domain names and IP addresses to the list. As a result of this decentralization, many blacklists are unique. You may find that you're blacklisted by some organizations and not others, and, as we'll see a little later, the process of removing yourself from these blacklists can be quite complex.

Blacklists aren't perfect and can easily cause deliverability issues for legitimate emails. Since blacklists use domain names and IP addresses to identify spam, the filter is very broad. Any email sent from a marked IP address or domain name will be blocked. This means that if you share an IP address or domain name with a person or group who's been blacklisted, all of your emails may be blocked as well. Let's look more closely at cases in which this might occur.

ESPs are a common cause of this type of false positive. If they don't maintain a strict opt-in policy for all their clients, your email's at risk. Even if they do, any false positive that's registered could cause all the emails from the ESP's server to be blocked. Another place in which the same problem occurs is within larger organizations in which a few different groups send emails from the same server. If one group is identified as a spammer, all other groups will likely be blacklisted, too.

Dedicated to You

One way to decrease the odds of your email being blacklisted is to ask your ESP or corporate IT team to send your emails from a dedicated, rather than shared, IP address. In this way, you'll be the only one who sends emails from that particular IP address. This approach can increase your costs significantly, but it provides insurance against your being blacklisted for someone else's email misdeeds.

A number of omissions or oversights could condemn you to a blacklist. For instance, if you don't obtain the all-important explicit opt-in from recipients before you send them an email, they could report you as

---

[6] http://spamcop.net/
[7] http://www.spamhaus.org/
[8] http://www.spews.org/

a spammer, and you may find yourself on a blacklist. Fair enough—that's a justifiable reason for being blacklisted. But you could also be blacklisted when you've committed no such crime! Spammers who use your domain name as the return address on their spam emails could set you up as a blacklist candidate. Open relay email servers that provide outsiders with access to send emails could also put you in the firing line. Both these techniques are commonly used by spammers to hide their identities and to protect themselves against the consequences of their actions. Even an absent-minded customer who's opted in and then forgotten about it could have you blacklisted!

The good news is that if you *are* blacklisted, you probably won't remain on the list forever (unless you are, or are sharing an IP address with, a serial spammer). First offenses usually only put you on the blacklist for a day or two, but any more complaints that are made against you will extend the blacklist period. Enough complaints will turn you into a permanent fixture on the list—a scenario that you probably want to avoid.

Don't want to be blacklisted? A point worth restating is: *don't spam.* Ever. At times, the line between spam and email marketing can seem extremely thin, I know, but if you follow the standards and best practices outlined in this kit, you need never cross it.

Finding Out if you're Blacklisted

Check (or direct your ESP to check) the most common blacklists, including those I mentioned above, on a regular basis to ensure that you're not on them. This process is very straightforward—simply visit a web site such as SpamCop,[9] type in your IP address (or domain name, if available), hit **Enter**; the resulting report will reveal whether you're on a blacklist.

Certain web sites allow you to monitor a number of different blacklists. SenderBase[10] and Black List Monitor[11] are two such web sites.

> ### Keeping Tabs
>
> You can also use these blacklist resources to check the status of ESPs and other potential partners that you may be evaluating. If you're concerned by any information you find, ask the accused party about it—there's often a reasonable explanation.

One of the most valuable services a reputable ESP will provide is protection from blacklists. These ESPs are often buddy-buddy with the folks running the major blacklists, so much so that if you're with the right ESP, you'll probably have a chance to prove your innocence before you're blacklisted. We'll talk more about what to do if you do become blacklisted later in this chapter.

Whitelists

As the name suggests, **whitelists** are the opposite of blacklists. The domain names and IP addresses included on a whitelist are never blocked, so your From address should be added to as many of these lists as possible. Whitelists can be created and used at all levels of filtering (ISP, corporate, and desktop levels). At desktop level, filters often use the recipient's address book as a default whitelist.

---

[9] http://www.Spamcop.net
[10] http://www.senderbase.org/
[11] http://www.blacklistmonitor.com/

In order to be added to high-level whitelists (at ISP and corporate level), you must first prove that you aren't a spammer; then you must maintain your "clean" record over time to remain listed. Sometimes, you'll have to follow a formal application procedure that will include providing documentation, making assurances, and signing legal documents. Non-compliance with whitelist rules—including actions such as emailing those who haven't opted-in—will result in the loss of your whitelist status, possibly gain you blacklist status, and could even incur monetary fines.

How to Become Whitelisted

To have your details added to a whitelist is as simple as asking individual recipients to add your email address to their address books or spam filter whitelists. Figure 6.1 shows one such request from RealNetworks. Additionally, you could contact corporations and ISPs to find out their requirements and procedures for adding addresses to their whitelists.

Figure 6.1. Asking recipients to whitelist RealNetworks

Sender Reputation Whitelists

Sender reputation is like a Better Business Bureau for email. You apply for membership with sender reputation organizations by providing details on all aspects of your email marketing campaign, from the opt-in to the unsubscribe. If your policies meet the standards and best practices required by the organization, you'll be admitted. If not, your membership will be rejected. Two of the best-known sender reputation organizations are Bonded Sender[12] and Habeas.[13]

Once a sender reputation organization admits you to its ranks, it'll vouch for you with its partners—often large ISPs and corporate IT departments. Working with sender reputation organizations will effectively land you on all the major whitelists, and your emails will sail through filters untouched.

Sender reputation organizations enforce their standards and best practices by imposing fines or taking other punitive actions against members who are accused of spamming. Some organizations require members

---

[12] http://www.strongmail.com/
[13] http://www.habeas.com/

to post a bond from which they deduct fines for complaints or other infractions. Other organizations simply revoke a member's status if he or she doesn't abide by the rules.

Hotmail, MSN, and Roadrunner, as well as over 34,000 ISPs, corporations, and universities, use Bonded Sender. Bonded Sender claims that its members can be welcomed into over 240 million inboxes controlled by these partners. NetZero, Juno, Go Daddy, MSN (again!), Roadrunner, and SpamAssassin are all partnered with Habeas, and agree to whitelist members who meet Habeas's rigorous standards.

Many ESPs offer some kind of sender reputation program. If you send under your own steam, you can contact sender reputation organizations, such as Bonded Sender and Habeus, directly for requirements and pricing. If you send emails in large volumes, using these services is good insurance. But the services are also helpful for small organizations, and those who are new to email, as the guidelines that are provided to prospective applicants will keep them clear of the gray area of quasi-spam. Using sender reputation programs can be costly, though, so while it's a good idea, only consider this service if you think your budget can accommodate it.

Velocity Filters

Velocity filters are used by organizations such as corporates and ISPs to police the number of emails that a single sender mails within a certain period. If you're caught sending the same message from the same email address to multiple recipients at a single organization within a certain period of time, all emails you send may be blocked for a limited period (from a few hours to a few days).

The equations that trigger the filter vary, but your ESP may have recommendations for dealing with such filters. In many cases, the ISPs or corporations that use velocity filters have whitelists that exempt members from being filtered—often your best bet is to be listed, as with any whitelist.

Content Filters

So what dark and mysterious powers do **content filters** possess? They're the standard spam filters—probably the ones with which you're most familiar. Content filters look at the content of an email and compare it with predefined parameters to determine whether or not the email is spam. Content filters work at all levels of filtering, and are widely used.

One of the most popular filters of this type is SpamAssassin.[14] This tool assigns your emails points for exhibiting various features that it associates with spam. These features include the format of your From address, the font colors and sizes that you use, the language in your email (even using words like "opt-in" can slug your email with points), and the format and use of your HTML. A sample of a report generated in response to an email by a content filter is shown in Figure 6.2.

As well as giving your email points for items that it considers spammy, SpamAssassin may deduct points for features that aren't typically found in spam emails. For example, including a date in an email's subject line (such as "August 17, 2005") used to decrease the spam points allocated to an email by the service, because this practice was commonly used in legitimate email newsletters and rarely seen in spam.

The default setting on SpamAssassin will filter any email that attracts 5.0 points or more as spam. End users of the program can adjust this threshold—3.0's common. They can also change or add to the features

---

[14] http://spamassassin.apache.org/

that identify spam, and the points an email earns for each feature. To give your email the best chance of reaching an inbox protected by SpamAssassin, it's best to keep your score to 2.9 points or less.

Spam Content Report

Spam Checker Help

Close Window

RESULT: Spam Message - 7.6 Points

Based on test criteria, your message scores 7.6 points. This means the content of your message resembles spam and could be blocked or filtered. To better conform to prevailing anti-spam standards, your message should score fewer than 5 points.

We strongly recommend that you revise your message before distributing it.

Your score is comprised of these points:

Test Name	Score	Test Description
NO REAL NAME	0.8 points	From: does not include a real name
CLICK BELOW CAPS	0.5 points	BODY: Asks you to click below (in capital letters)
OPT IN CAPS	0.2 points	BODY: Talks about opting in (capitalized version)
EXCUSE 15	1.4 points	BODY: Claims to be legitimate email
EXCUSE 1	0.7 points	BODY: Gives a lame excuse about why you were sent this spam
THIS AINT SPAM	1.9 points	BODY: Claims "This is not spam"
HTML 40 50	1.1 points	BODY: Message is 40% to 50% HTML
HTML FONT COLOR RED	0.1 points	BODY: HTML font color is red
HTML MESSAGE	0.1 points	BODY: HTML included in message
HTML FONT BIG	0.3 points	BODY: FONT Size +2 and up or 3 and up
HTML FONT COLOR UNSAFE	0.1 points	BODY: HTML font color not within safe 6x6x6 palette
HTML FONT COLOR BLUE	0.1 points	BODY: HTML font color is blue
HTTP WITH EMAIL IN URL	0.3 points	URI: 'remove' URL contains an email address

Figure 6.2. A spam content report

Keep features such as those listed in Figure 6.2 in mind when you create your emails. You can earn unwanted points if you don't take special care with your copy, your design, or your HTML code. You should also run your email through a content filter reporting tool before each and every send—this way, you can adjust the elements of your email to lower your spam score if necessary.

Most ESPs provide an email review service—generally free of charge—and will provide you with a list of the criteria that resulted in your score, so that you have the opportunity to reduce it. Other free online services allow you to check your scores before the send—SpamCheck by SiteSell is one such service.[15] Remember, a score of 2.9 or less should be sufficient, so don't lose sleep if you can't reduce your score to a perfect zero!

---

[15] http://spamcheck.sitesell.com/

Challenge–response Systems

Challenge-response is a basic authentication system that confirms whether or not the From address on an email address is legitimate. If the address is confirmed, the email address is whitelisted. If no confirmation is received, emails with that From address are not delivered.

Here's how it works. Challenge-response systems send an email like the one shown in Figure 6.3 to the From address associated with the emails suspected to be spam, asking the owners of those addresses to confirm that they are the sender. Usually, this confirmation involves a task that requires some human inter-action, such as typing into a form a code word that's displayed as an image. This approach weeds out automated spamming programs—a computer wouldn't be able to complete this task, as it wouldn't be able to read the word.

This one-time confirmation will put you on the recipient's whitelist, allowing you to send them emails without any further obstruction. However, if you don't respond, your email won't be delivered.

Figure 6.3. A confirmation email from the Spam Arrest challenge–response system

If you send a large volume of email, you'll need to watch for challenge-response emails after each send, and respond to each one individually—or delegate this task to the work-experience kid. At the current time, there's no other way to deal with this deliverability issue, though full-service ESPs may handle challenge-response emails for you.

Most challenge-response filters are used at the desktop level; the SpamArrest example in Figure 6.3 is a popular tool. However, ISPs and corporations also use these types of filters—Earthlink is one of the most prominent users of this kind of anti-spam technology.

For better or worse, this technology isn't very widely used. I've yet to meet an email marketer who's been bombarded with challenge-response emails—a scenario that many of us feared when this technology was first introduced.

Suppressing Images and Deactivating Links

Finally, your email's made it to the inbox! But what's this? Your images aren't displaying! They're looking a bit like Figure 6.4, and you're not happy about that.

Many email software programs suppress images, preventing them from appearing, and deactivate hyperlinks. There's no rule behind this behavior, though—it may occur if the program suspects the email to be spam, it may be applied to all emails by default, or it may impact emails from unknown senders. These filters were initially developed to address pornographic spam and phishing schemes, but as you've probably guessed, they're not very discriminating. An image of an Audi S4 convertible has as much likelihood of being blocked as that of a scantily clad college girl.
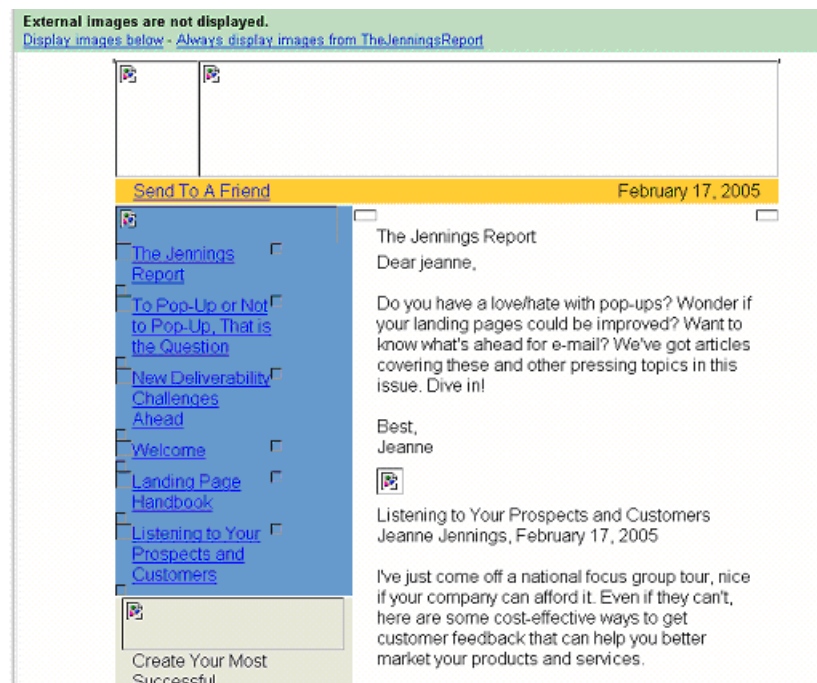
Figure 6.4. Gmail suppressing images in an email

Some programs, such as AOL, may display a message to warn readers that the email contains images, and ask them whether they want to "enable," or show, them. With Gmail, all images are blocked by default and can only be seen if the reader clicks on a link at the top of the email.

Lotus Notes is another program that's notoriously picky about showing images—although as the Lotus Notes software predates the technology being used as a spam deterrent, the failure of an image to display is more likely to be due to a programming issue than the result of spam-avoidance efforts. You'll probably find that Lotus Notes slices, trims, and otherwise has its way with any HTML email that it receives, often destroying the integrity of the email in the process. Plus, users of Lotus Notes often have "don't show HTML images" as their default setting, as finding the setting to enable image-showing is near impossible. There's still more bad news—there's no easy way to ensure the comprehensive Lotus Notes integrity of the emails that you create. Even the newest versions of Outlook Express now disable images by default. Image suppressing is becoming more and more prevalent.

> ### 💡 Using Images Wisely
>
> When you design your email, keep the possibility of image and link suppression in mind. Here are some tips to help you do that:
>
> - Construct your headlines from text, not images, so that they will appear even if this type of filter is in use.
>
> - Include at least one link with a URL that is spelled out (http://www.sitepoint.com) instead of being embedded in a button or linked behind a copy phrase. That way, even if the link isn't clickable, recipients will be able to cut and paste, or just type, it into their browsers to reach your web site.
>
> - Sanity-check your email to confirm that the message is clear, even if the images don't appear.
>
> - Embed copy behind your images, using `alt` text, so that if the images fail, descriptive text will appear. This copy might restate a call to action or other message that's on the image, or it might describe the image for recipients who can't see it.
>
> - When in doubt, include a link (spell out the URL as we discussed above) that will take readers to a web version of your email. Place this spelled-out link at the very top of your email along with a note explaining that if the images don't show up or the links aren't clickable, the user will be able to view the email by clicking the URL.

The best defense against this type of filter is to be whitelisted. Gmail and many other services automatically whitelist all email addresses in the recipient's address book, so that the images in emails sent from these addresses automatically appear. At the beginning of your email, ask recipients to add your From address to their address books. Be sure to reiterate what your From address is so that they don't have to hunt for it—and so they get it right!

Email Authentication Systems

Email authentication is one of the newer and more complicated technologies that's been put to work in the war against spam. We could spend an entire day talking about authentication. Come to think of it, I have! I spoke about it at a 2005 conference in New York City with a few hundred other interested parties, and even then, the conference only scratched the surface of authentication solutions, politics, and issues. Here, I'll give you an overview of the important areas.

Authentication is a method of verifying that an email really is coming from where it claims to be. Authentication is most useful in blocking **phishing** emails, which, for instance, claim to be from your bank, but are actually from a spammer attempting to gather personal data such as account numbers and PINs. But, while authentication does stop some spammers who try to disguise their identities, it can also stop legitimate emails.

The most common types of email authentication technologies are Sender Policy Framework (SPF), Sender ID, DomainKeys, and DomainKeys Identified Mail (DKIM), each of which will be discussed in detail in the coming pages. In each case, all you need to do to accommodate the authentication process is to publish as part of your DNS entry an SPF record that identifies, via their IP addresses, the computers from which you send email. Once that step's been taken, any person who uses any of these authentication technologies can check that emails with your From address have come from a server that's authorized to send email for you.

Step-by-step instructions for updating your DNS entry to include your SPF record are available on a number of web sites; a Google search for "update SPF record" should find them. This update takes 15 minutes or less, and you can either do it yourself or ask your ESP for help. No matter how you accomplish the update, be sure you publish your SPF record as soon as you can. Although none of these technologies are in widespread use yet, they're becoming increasingly popular, and it's only a matter of time before failing to publish an SPF record sees your emails filtered out.

Sender Policy Framework (SPF) Systems

SPF is the first and most basic version of email authentication. SPF looks at the domain portion of the From address that it finds in the email's header (the return-path From address that's on the email's "envelope"), pulls the IP addresses that are allowed to send email from that domain, and checks to see whether the email has indeed been sent from one of those IP addresses. If not, the email is filtered as spam; if the email has been sent from an appropriate address (assuming there are no other filters in use), it's allowed to continue to the inbox.

All the major ISPs and ESPs have updated their DNS entries to include their SPF records; so have hundreds of thousands of other organizations that send email. SPF is currently used by AOL as a filter for incoming mail.

Sender ID Systems

Developed by Microsoft, Sender ID takes email authentication a step further than SPF. Sender ID authenticates email using the purported responsible address (PRA), rather than the return-path From address. According to those supporting the adoption of Sender ID as the authentication standard, the PRA is harder to falsify than the From address, making it a more secure way to check an email's true origin.

However, it's not quite that simple. Political issues surrounding Sender ID, including Microsoft's attempt to patent some of the technology (a definite no-no in the open source world of the Internet), have slowed its adoption. In July 2005, Microsoft began filtering email sent to Hotmail addresses with Sender ID; Hotmail remains the most prominent user of the technology today.

DomainKeys

DomainKeys takes authentication a step further. It matches the From address to the SPF record, but also requires an additional level of authentication: a digital signature or key. Developed by Yahoo! with SendMail, DomainKeys allows the recipient to:

- Verify the domain name of the sender.

- Confirm that the message hasn't been altered at all and has maintained its integrity.

- Match the IP address that the email came from to the domain in the From address.

- Trace the message back to the individual sender, not just to the domain from which it was sent.

The last point here is the single biggest differentiator between DomainKeys and the previous technologies we looked at; SPF and Sender ID only match domains, not individual senders. Matching to an individual provides personal accountability for the email, and tells the recipient exactly who the email is from. Digital

signatures also come with an expiry date, but can be revoked at any time if you misuse the privileges they offer. DomainKeys is suited for high-level filters such as ISP and corporate filtering.

Earthlink and Yahoo! both use DomainKeys today. Google's Gmail has also been reported as a user, but this claim has neither been confirmed nor denied.

DomainKeys Identified Mail (DKIM)

DKIM is a collaborative effort between Cisco Systems, Yahoo!, AOL, Earthlink, IBM, Microsoft, Verisign, and a few other organizations. Introduced in July 2005, it merges DomainKeys technology with Internet Identified Mail, a technology developed by Cisco. It's a twist on DomainKeys in which a public key is used instead of DomainKeys' original unique digital signature. This public key, which appears in the email header, is said to be less resource-intensive to implement than was the original digital signature requirement.

The large number of organizations working together on DKIM seems to increase its likelihood of being accepted as an industry-wide standard—a problem that has plagued the other types of authentication technologies. There is hope that DKIM will bring all the parties to the table in agreement. Yahoo! and Cisco claim to have examples of the DKIM technology in action, but it's not in widespread use right now. The Internet Engineering Task Force (IETF), which decides on standards and other Internet issues, met in Paris in July 2005 and at that meeting the DKIM specification was formally submitted for consideration. If all goes well, DKIM could be the authentication standard before long.

Finding Out if your Email is Being Blocked

We talked about deliverability metrics at the beginning at the chapter. In a perfect world these would be all you needed to find out if your emails were being blocked, but—here's a news flash!—the world of email is far from perfect. In this section, we'll look at a few more of the strategies that you can use to save your results and your reputation.

Read your Responses

On the odd occasion, you may be notified that your emails are being filtered. Amid bounces, "out of office" notifications, and challenge-response verifications, there may be notices telling you that your email has been blocked as spam. You may receive these messages directly, or your ESP may capture them for you. In addition to telling you that your email has been blocked, the email may also tell you who blocked it, why, and even provide you with contact details so that you can reach the party in question if you think that it's been blocked in error. It's important to review the responses that you receive after you send emails—that way, you can resend your email where possible.

Watch your Email Metrics

We're going to talk about tracking, reporting, and metrics in more detail in the next chapter. Obviously, a sudden drop in your "emails delivered" figure may be a symptom of deliverability issues, but so can a sudden drop in open or clickthrough rates.

If your emails aren't being delivered, there's no way for a recipient to open it or click on any links. If you see a sudden drop in your results and you're concerned that it may indicate a deliverability issue, you can employ a few investigative tactics.

Try to isolate the results by ISP (if you're sending to consumers) or by corporate domain (if you're sending to business addresses). Compare these open rates and clickthroughs to recent sends to those domains; a dramatic drop in results from one send may pinpoint the source of your problem.

In addition to looking at historic information for a single domain, you can sometimes compare domain open rates for a given send. If most of your listed domain names show open rates of 30% to 50%, but one lags at 5%, you may have a deliverability problem with that domain.

A decrease across all the domains to which you send is less conclusive, but still warrants further investigation—try a quick content filter check on the email (if you didn't do one before the send) and a quick look at the most common third-party blacklists.

Set up Seed Lists

We discussed this task in detail earlier in the chapter, but briefly, you should set up email addresses at the ISPs or organizations to which you send most often and monitor those accounts to see whether you're receiving your own emails at those addresses. You can do this yourself or pay someone else to handle it for you—either way, it's well worth the cost and effort.

Check Blacklists

We also talked about this earlier, but it's important enough to warrant another mention. Knowledge is power. Be sure to check the most common blacklists periodically to see if you're on them. The sites of most anti-spam organizations, like SpamCop, SpamHaus, and SPEWS, provide detailed instructions for running these checks. SenderBase,[16] Black List Monitor,[17] and other free services make the process even easier, as they allow you to check multiple blacklists from a single web site. ESPs can perform the checks for you, but it's always a good idea to "spot check" it yourself every once in a while—just to be sure!

What to Do if your Email is Being Blocked

If you're using email for marketing purposes, chances are that your email will be blocked at some point. Be prepared. Have a plan in place that you can use to address the issue as soon as it arises. In this section, I'm going to provide you with a standard crisis management process that's customized for email marketers.

Remain Calm

It may be difficult, but you need to recognize that the organization blocking your email has complete control, and you have none. To become angry and question their right to block your email won't help you, and may even damage your cause, so refrain from such behavior. An outrage? No. A mistake? Probably. Taking a constructive approach will always provide better results than a confrontational one.

Assess the Damage

Many blacklist organizations make their rules—including details of blacklist periods—readily available. If it's a first offense, you probably won't be blacklisted for longer than 48 hours. For cases like this (where it's unlikely that you'll send email during the blacklist period anyway), it's probably not worth contacting

---

[16] http://www.senderbase.org/
[17] http://www.blacklistmonitor.com/

the organization that blacklisted you. However, if you're confident that you've been wrongly accused, I'd encourage you to contact the organization, even if only to have some constructive dialog with people there in rectifying the situation. If you're ever blacklisted again, this relationship will work to your advantage. What won't work is your contacting them with an angry, know-it-all email that belittles the organization for putting you on its blacklist.

Gather your Documentation

Gather documentation relevant to the blacklisting. It's very handy to have a copy of any documentation that causes you to suspect that your emails are being filtered: emails notifying you of the block, a report from a web site that tracks deliverability, or any other relevant documentation.

Add copies of the emails that were blocked, along with their From addresses, subject line(s), and the IP address from which they were sent. This information will help you, and the organization blocking your emails, to determine why they were blocked in the first place.

Finally, have information on your opt-in and unsubscribe processes. If you already know that the block is the result of a spam complaint from a specific recipient, collect the details of when and how that person subscribed, including the IP address of the computer that he or she used, the web site or email promotion that drove the opt-in, and the precise date and time of the opt-in.

Contact the Blocker

The next step is to contact the organization that's blocking your email. Use the contact information in the report that you received, or call in and calmly explain the situation. Remember that these organizations are used to fielding calls like yours. When you reach the person concerned, ask him or her if you can provide the documentation that you've gathered, and discuss why your emails are being blocked.

Maybe it's something you're doing or something you've overlooked that's caused your email to be blocked. If this is the case, fix the problem, then report the fix to the blocker to have the filter lifted. As I said earlier, remain calm. Take some deep breaths, perform the actions that the blocker recommends, then contact the organization to be removed from the blacklist.

Perhaps the block is just a mistake. If this is the case, the filter will usually be lifted immediately. Often, you'll have to resend any messages that were blocked, but that's a small price to pay in the larger scheme of things.

Maybe the problem is bigger. If your email's blocked because you aren't following standards and best practices, an overhaul will be necessary in order to send your emails through in one piece. The most common problem is lists that haven't been built with opt-ins from recipients. The chances of removing yourself from a blacklist if you didn't obtain recipients' permission before you mailed them are slim to nil. If you can provide evidence that the recipients are your customers, or have some sort of relationship with you, then there may be hope. But don't count on it. The only way to solve this kind of problem is to move to an opt-in policy, remove any addresses from your list that haven't been obtained via an opt-in process, and then, of course, convincing the blacklisting organization that you've done this.

If a blacklist provider or ISP refuses to speak with you, there's not a whole lot you can do. Certain ISPs will only communicate with ESPs (they do have similar acronyms, after all)—not individual senders. Unfortunately, they hold all the cards in this situation. All you can do is make sure that you're operating in com-

pliance with all email standards and best practices—especially opt-in—and that your emails answer to all of the filter-friendly tactics we've discussed throughout this chapter. This may also be a good time to investigate changing to an ESP that has better ISP contacts. Having done all you can, pray that you'll soon be removed from the blacklist.

Improving Deliverability

Even if your email hasn't been blocked, those deliverability metrics we discussed at the beginning of this chapter might reveal that your email could be made more deliverable. There are a number of steps you can take to ensure that as many of your emails as possible actually reach recipients' inboxes. Let's take a look at them.

Avoid Looking Like a Spammer

Many deliverability problems are the result of recipients (rightly or wrongly) making spam complaints against you. As we saw not so long ago, adhering to standards and best practices reduces the chance of your email being mistaken for spam, and decreases the likelihood that you'll experience deliverability issues. This adherence should start when you obtain an explicit opt-in, and continue as you send emails that are relevant, personal, and anticipated. If the readers don't like what they receive, they can either hit delete (fair enough), unsubscribe (well, fine!), or click on their "this is spam" button (uh-oh!).

Put yourself in your recipients' shoes. Do you think your emails could be construed as spam? Any hitch—a misleading subject line, a broken unsubscribe link, unrequested content, and more—could see you labeled as a spammer. Once you've been given that label, it's a difficult and expensive one to remove. Respect your readers, and you'll protect your deliverability.

Adopt Best Practices

Incorporating best practices in your opt-in process right from the start can save you from deliverability headaches later. The key is to set registrants' expectations appropriately.

Be clear about what people are opting in to receive: include a brief description of the topics to be covered, tell them how often you'll send emails, and if it's an email newsletter, include the title of the publication.

If your email frequency is daily, consider a weekly synopsis as well, and offer registrants the choice of which email frequency they'd prefer to receive. If you cover a variety of industries or topics, let people choose what they want to see in the emails they receive. The more they see the information they want, the less they'll think of your emails as spam—and greater will be the deliverability of your emails.

As we saw in Chapter 4, adopting a double opt-in subscription model is another way to increase the chances of your emails making it to recipients' inboxes; it assures you that the recipients really do want to hear from you and reduces the chances of them filing spam complaints.

Capture Information on your Opt-ins

Hang on, haven't we already done this? No, I'm not talking about demographic information or any other details that you've asked recipients to provide. I'm saying that you should retain and document the precise time and date of each opt-in, along with the IP address of the computer that the registrant used to subscribe.

If you offer more than one way for subscribers to sign up online, you should also track the source of that opt-in (which web site it came from, or which email list or promotion sent them to your registration page).

While this information won't stop your emails from being filtered as spam, it will help you to show that you did receive the opt-in, and argue your case if your emails are blacklisted or otherwise blocked from your recipient's inbox.

Publish your SPF Record

Here's another aspect we've already talked about. In 15 minutes or less, you can add to your existing DNS entry the IP addresses of the servers that are authorized to send email on your behalf. As authentication technologies become more prevalent, it will become even more critical to have this information available for ISPs to check. Don't delay, sort out your DNS entry today!

Obtain a Dedicated IP Address for your Send

This protects you from "guilt by association" blocking. It may cost a little, but if you're concerned about deliverability, this is one of the best ways to ensure that your emails reach the inbox.

Develop Relationships

This step is worth your while if 3% or more of your emails are sent to a single domain name. Identify the ISPs and corporate domains that you send to most frequently, as well as the blacklists that they rely on, then reach out and develop relationships with all these parties. At best, you'll be added to their whitelists. At the very least, you'll receive notification of any deliverability issues with your email. And in many cases, you can receive an "early warning" notification of problems and address them before they escalate.

Clean your List Regularly

Bounces come in two basic flavors: hard and soft. Hard bounces last forever—the recipient's email address may no longer be in use, or there's some other fatal flaw that means that no future emails will reach that inbox. Soft bounces are temporary—the recipient's inbox may be full, or some other issue may temporarily prevent your email from reaching that inbox. When I say "temporary," I mean it in the broadest sense of the term—it may be a few hours, a few days, or even a few months.

Be sure to remove all hard-bouncing email address from your list in a timely manner. Some organizations will filter out senders who repeatedly try to send emails to bad addresses. For soft bounces, try for a reasonable amount of time, usually up to five future sends, but delete the address if those emails don't make it through.

Double-check Hard Bounces

It's an excellent idea to periodically double-check the addresses on your list that are reported as hard bounces.

An easy way to do so is to email those addresses from an account that sends mail through a different ESP or ISP than your marketing address uses. If you're using an ESP, send an email from your personal or business account. If you're sending email from your own server, you'll need to use an email account on a different server (maybe your personal account or a free Yahoo! or Hotmail account).

Compose a message that introduces yourself—use your company name or email newsletter title so the recipient recognizes you—and explain that you've been receiving a hard bounce when you send the email to that person's address. Politely point out that the recipient opted in for this email. Then ask the recipient to please reply to this email to let you know that it's still a viable address, and assist you to further investigate the hard bounces you've received.

Some ISPs and corporate IT departments generate a hard bounce in response to any email that they believe to be spam. This is seen by those organizations as a way to compel the senders to remove the bounced email address from their mailing lists, but it may also remove those email addresses from the mailing lists for emails that the recipients actually want to receive. Double-checking hard bounces will ensure that this doesn't happen.

Always remove unsubscribers or those who have asked to be removed from your list. It's best to do this straight away; removal within ten days of the request is considered an acceptable timeframe. Every email that's sent to an email address becomes a potential spam complaint after one hard bounce, five soft bounces, or an unsubscribe request.

You should also clean your list to remove any addresses that are obvious spam traps (which, as we saw in the section called "Permission-based Acquisition Models" in Chapter 4, are email addresses set up solely to identify you as a spammer), and correct any syntax errors (aol.con, hotmaik.com, etc.). This action is necessary if you're using a single opt-in process, but obviously it's not as much of a concern for double opt-in subscriptions—those recipients will have confirmed their correct email addresses with their second response.

Remove Non-responsive Email Addresses

If you notice that there are certain recipients on your list who aren't opening or reading your emails, delete those addresses. It may be that these people signed up to receive your emails a long time ago, and then forgot. If they keep receiving what they perceive as unwanted emails, they may mark your emails as spam—they aren't reading them, and they pose a possible threat to your deliverability, so cut them loose.

Large organizations, including USA Today and MarketingSherpa, monitor opens and clicks from their email lists, and remove email addresses that don't respond during any given 120-day period. There's an increasing number of other marketers that are now following suit. In addition to the removal of a potential threat, you'll also improve your open and clickthrough metrics by removing non-responsive addresses from your list.

Perform a Content Filter Test

To carry out a content filter test before each send isn't just a best practice, it's good business. Take the time to be sure that your email scores 2.9 or less, to ensure that it has a solid chance to make it to the inbox. We talked about this in more detail earlier in the chapter, where I also showed you Figure 6.2—a score card that you might find a useful comparison when you spam-check your own emails.

Check and Double-check your HTML

Some ISPs will filter emails that contain poorly formatted HTML. Be sure that your email renders properly across all the major email programs, including Gmail, Hotmail, MSN, Microsoft Outlook, Netscape Mail, and Yahoo! As with content filters, this check is necessary before every send, even if you're reusing HTML.

Adhere to all Laws and Regulations

Follow any laws or regulations regarding email—we'll be looking at this subject in Chapter 11—to boost your emails' deliverability. Close adherence to the law shows that you're an upstanding member of the email community, and gives ISPs or corporate IT groups one less reason to block your email. Why tempt fate? When in doubt, follow the strictest reading of laws and regulations.

Include a Clear and Prominent Unsubscribe Link

If recipients want to remove themselves from your list, let them. Include an unsubscribe link on your email page—make it prominent, make it easy, and make it clear that you'll honor their decision. Making the link prominent will encourage recipients to use the unsubscribe option, not the spam button, to stop receiving your emails.

The best way to handle unsubscribes is to include in each individual email a link that's unique to the recipient—one that's hardcoded with the email address you're using to send email to that person. This approach will alleviate any problems that may be caused by recipients forwarding their email to other accounts, and ensures that readers can easily remove themselves from your list.

Become Whitelisted as Much as Possible

Aiming for optimal presence on whitelists applies to all levels of filtering: the desktop level as well as the ISP and corporate IT levels. Whitelists allow you to bypass spam filters and go directly to the inbox. Have another look at the section called "Whitelists" for more tips.

Avoid Spammy Subject Lines

You have just one second—often less—to grab your prospect's attention with your subject line, and you certainly won't achieve this if your message looks like spam. I thought the email in Figure 6.5 was spam because of its subject line—and so did my Norton AntiSpam program!
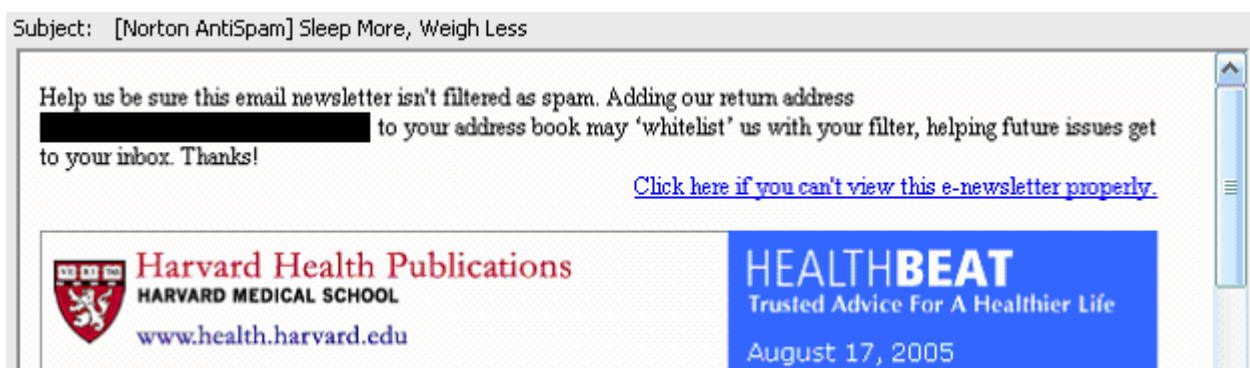
Figure 6.5. Harvard's "spammy" subject line

"Sleep More, Weigh Less" sounds like a pitch for a new herbal medication, doesn't it? It doesn't sound like a message that one of the US's leading medical schools would present to you. Don't make this mistake—be sure your subject line reflects the content of your email and the desired association with your brand name. Make your subject line relevant and sophisticated; that way, your email won't be mistaken for spam.

Work with a Reputable ESP

One of the multitude of benefits that reputable ESPs can provide you with is better deliverability. Their relationships with ISPs give them the inside track when it comes to delivering your emails to recipients' inboxes. Good ESPs can also help you stay informed about email regulations, and counsel you on email standards and best practices. All of this will help your deliverability—the potential increase in deliverability alone justifies moving your email send to an ESP.

If better deliverability is one of your goals, be sure to discuss this with any ESPs you consider. They should be able to tell you:

how many people their organization has working on the issue

> You want them to have at least one person dedicated to the task—someone who's knowledgeable and has a strong industry network. An entire department of deliverability experts is even better!

who they have relationships with

> Be sure the domain names to which you send most frequently are on the list. If yours is a business-to-business (B2B) organization, corporate IT relationships may be as important to you as ISP relationships.

how they handled their last spam complaint or filter issue

> You're looking for a systematic approach to the problem that resulted in a quick resolution. If they claim no deliverability issues, it probably means that they aren't aware of any that exist within their service. Be skeptical, not impressed. Even the most responsible opt-in marketer has deliverability issues once in a while. Interview another ESP for your business post-haste!

if they will seek out new relationships, either in the ISP or corporate world, to help your emails avoid being spam filtered

> Again, look for more than a "yes." Ensure that the ESP you choose has a system in place that will do the specific job you need it to. Ask who they've begun relationships with in the last three to six months, and see if you can contact these organizations to obtain references for the ESP you're considering.

Do your homework. Get a list of IP addresses from which the ESP sends, and use these and the company's name to conduct your own investigation. Google can be a great tool for finding discussion group threads about spam complaints. SenderBase[18] and other web sites will let you check the ESP's blacklist status. Find out all you can and if anything you learn gives you pause, ask the ESP to explain it. If you aren't satisfied with the answer, walk away.

Summary

In this chapter, we looked at the rising concern of deliverability, an issue facing many email marketers of today. We looked at deliverability statistics, and talked about how to measure deliverability. We also talked a lot about spam—the primary cause of deliverability issues—and looked at the different levels and types of spam filters available today. There were all sorts: blacklists, whitelists, velocity, content filters.

We found that improving your deliverability requires you to look at a number of different facets of your email program. If your email is filtered, the factors to be considered as potential causes include: complaints from people who receive your emails, the content you send, the quality of your list, and the technical aspects

---

[18] www.senderbase.org

of your emails. A successful deliverability solution focuses on all the pieces of your email program. Simple things, like setting expectations appropriately at opt-in, removing unresponsive names from your list, and making sure your HTML is clean, can help land your email safely in that inbox.

Deliverability should become easier as spam technologies become more sharply focused and precisely targeted. Authentication technologies are the first step toward this goal, and sender reputation is another move in the right direction. By being an early adopter of these technologies, you'll not only improve the deliverability of your emails, but you'll help move along efforts to combat spam.

Tracking and Reporting

You'll appreciate one of the greatest charms of email marketing when you arrive at the tracking and recording stage. Commonly known as metrics, these statistics will provide you with all sorts of interesting and useful information. You'll be able to gain a lot of valuable data, from how many of your emails bounced, to which of your prospects opened a particular email. If you've implemented a system that integrates your email tracking with that of your web site, you can also keep track of which web pages were visited and by whom, and even which links were clicked on!

Gaining access to all this information sounds amazing, doesn't it? But fancy statistics aside, it's worth taking a moment to remember that if you're using your email to sell a product, then the only metric that *really* matters is the metric that shows the return on your email marketing investment. That's not to say that these other statistics aren't worthwhile—they all offer information that can contribute greatly to the success of your campaign.

In this chapter, we'll walk through the email path, and describe the various metrics that email and web analytics programs track and report. We'll also look at the metrics that you'll need to calculate manually. Finally, I'll give you tips on how to use all this information to produce a successful email marketing campaign.

Following the Email Path

The **email path** is the process by which prospects respond to your call to action. This concept is relatively straightforward: you send your email, the prospects receive it, read it, and take the necessary action. If this action happens to involve placing an online order, the path continues through to the ordering procedure on your web site.

So far, so good. But what if there are complications? What if your prospects don't open your email? Or worse still, what if they don't receive it at all? They'll never know of your fantastic offerings, and you'll lose their potential business. This is where metrics come in. By tracking your email path, you'll be able to

see how your prospects are interacting with your emails and your web site. You'll be able to identify the weak links in your path and rectify them.

Let's see how this email path works. Figure 7.1 shows a basic email path that carries through to a web site. The actions inside the white boxes indicate the path that you want the recipient to take; the gray ovals represent weak links that can break that path.
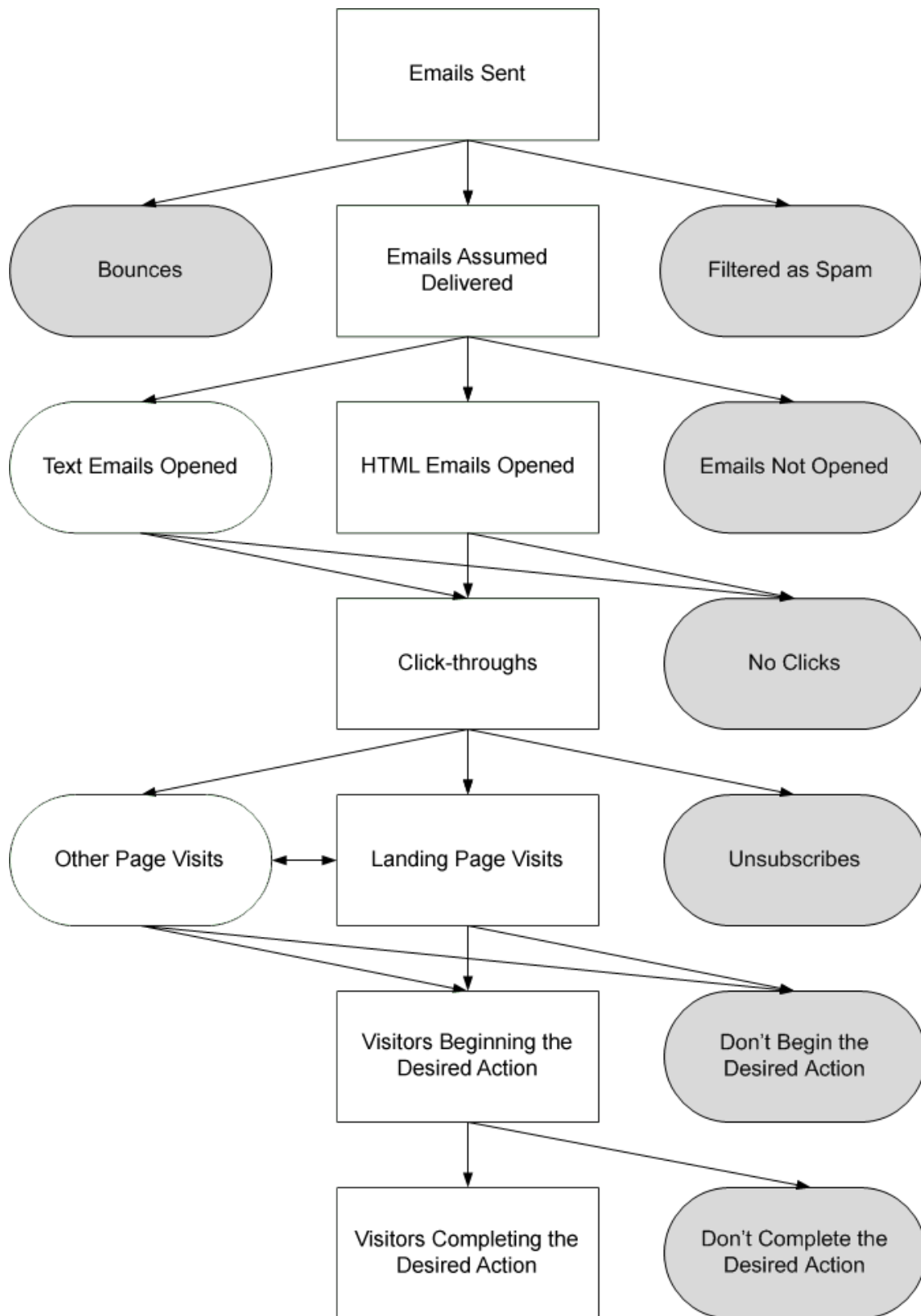
Figure 7.1. The email path

Remember when we set goals for our email campaign back in Chapter 3? Tracking and reporting can show us how well we've met those goals. Take a look at Table 7.1, which lists some goals for our campaign; these goals are based on a combination of benchmarks and past performance metrics.

We'll assume that we're sending 1700 emails, 1555 (91.5%) of which are delivered successfully.

Table 7.1. Setting goals for a sample campaign

Measures of success	Break-even points	Campaign goals
HTML emails opened	470 (30.2%)	622 (40%)
Clickthroughs	123 (7.9%)	156 (10%)
Landing page visits	78 (5%)	156 (10%)
Other page visits	39 (2.5%)	47 (3%)
Visitors beginning the desired action	23 (1.5%)	47 (3%)
Visitors completing the desired action	1 (0.05%)	6 (0.4%)

For the sake of this exercise, we've calculated two possible end results for our campaign.

■ The first is a break-even result, which just covers the costs of the creative and the sending of this email—this figure amounts to one order.

■ The second, which is our goal for making a profit with this email, sets the bar a little higher—we're hoping for six orders.

We'll talk more about how we arrived at these figures when we discuss bottom line goals at the end of this chapter; for now, we'll just use these figures to determine how we're doing at each step of the process. All the percentages are based on this statistic of 1500 successfully delivered emails; a break-even of 0.05% of "visitors completing the desired action" (in most cases, this is a sale) refers to 0.05% of the 1555 emails.

The email and web site reports for our imaginary campaign will show how the email progressed through the email path. Figure 7.2 shows a sample of such a report from an email service provider.

Later in the chapter, we'll take the email path from Figure 7.1 and complete it with the data from Figure 7.2. We'll then compare these figures to our goals in Table 7.1 and analyze the results to identify the strengths and weaknesses of our email. We're going to have a great time! But first, let's meet some metrics.

Understanding Send Metrics

The first group of metrics we'll look at are **send metrics**. These metrics focus on the details involved with the sending of your email, rather than how your prospects interact with it. Send metrics are divided into three categories:

■ number of emails sent

■ bounced emails

■ emails assumed delivered

Number of Emails Sent

You'd be right to be a little suspicious of this "metric." Also known as **total recipients** or **total emails attempted**, the **number of emails sent** is exactly what its name suggests, and can't really be considered a metric at all. The number of emails sent represents a quantitative figure that needs to be included in any
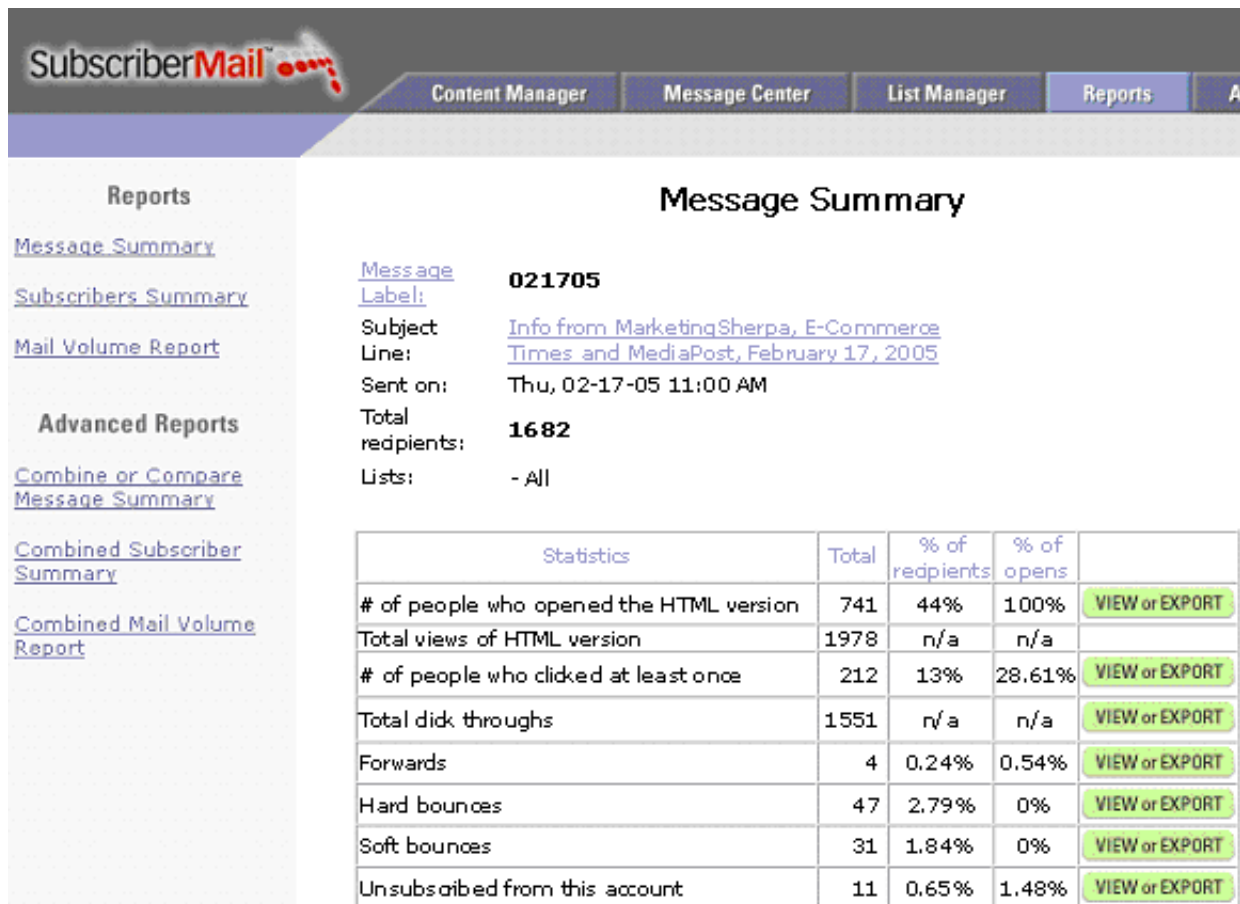
Figure 7.2. Sample email message summary report from SubscriberMail

report that relates to your email results. This figure is necessary because you'll be using it to calculate the bounce rate for your emails, as well as to estimate their delivery rate. It's also a good point of reference to have when you're analyzing your results.

Let's have a look at how this figure might be used for reporting purposes, in Table 7.2.

Table 7.2. Tracking the number of emails sent in our sample campaign

Break-even point for number of emails sent	1,700
Goal for number of emails sent	1,700
Industry benchmark	NA
Actual emails sent	1,682

As outlined in Table 7.2, the number of emails sent in our campaign is 1,682. This figure probably looks familiar because you've met it before, in the message summary report in Figure 7.2. You may also remember that when we created our goals, we estimated we'd reach 1,700 total recipients. Since we're 18 emails short of this goal, we'll have to exceed our goals in our other campaign metrics to make up this difference. Figure 7.3 maps out the first part of the email path, and the goals we've achieved so far.
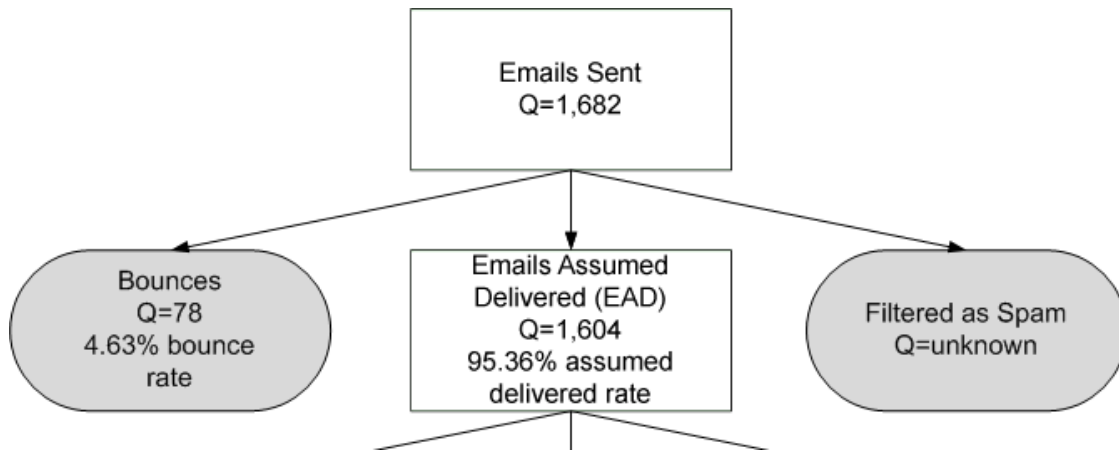
Figure 7.3. Send metrics—the first step along the email path

Bounced Emails

The **bounce rate** measures the number of emails that have bounced back because they couldn't be delivered. We've met them before, in the section called "Clean your List Regularly" in Chapter 6, so you'll remember the difference between hard and soft bounces: the former applies to email addresses that are nonexistent or no longer available, and the latter to mailboxes that are temporarily full or malfunctioning for some reason.

We calculate the bounce rate of a campaign as follows:

Bounce Rate = Number of Emails Bounced Back ÷ Number of Emails Sent

Let's use this method to calculate the bounce rate from our report.

Number of Emails Sent = 1682
Number of Hard Bounces = 47
Number of Soft Bounces = 31
Number of Emails Bounced Back = 47 + 31 = 78
Bounce Rate = 78 ÷ 1682
Bounce Rate = 0.0464 (4.64%)

The table I'll include after each calculation of the different send metrics we'll consider in this section will contain the break-even rate, our goal, the industry benchmark, and the actual figure our calculation arrives at. So, for the bounce rate metric we've just calculated, the important details are shown in Table 7.3.

Table 7.3. Bounce rate statistics for our sample campaign

Break-even point for bounce rate	8.50%
Bounce rate goal	8.50%
Industry benchmark	8.30%
Actual bounce rate	4.64%

If you revisit Figure 7.3, you'll see that I've included the total bounce quantity (78) and the bounce rate (4.63%) in the space for bounces. The good news is that our bounce rate is lower than the 8.50% we estimated

back in Table 7.1; as such, it'll help us bounce back, if you'll excuse the pun, from the earlier hiccup of not meeting our goal of emails sent.

> **Patience is a Virtue!**
>
> Many email service providers and software programs make several delivery attempts before bouncing back an email. They may do this over a period of two or three days, so for more accurate results, calculate the bounce rate a week or so after you've sent your email.

Emails Assumed Delivered

The number of emails assumed delivered is sometimes known as the **non-bounce** rate, as it's a metric that's directly related to the bounce rate. The number of emails that were delivered is precisely the number of emails that didn't bounce back. We're going to perform two calculations for this metric using the data from Figure 7.2. I'll also throw in an extra calculation to show you the significance of the relationship between the number of emails assumed delivered and the bounce rate.

With the first calculation, we'll work out the actual number of emails that we think were delivered. To do so, we'll use the following method:

Number of Emails Assumed Delivered = Number of Emails Sent - Number of Emails Bounced Back

We'll further calculate the delivery rate using this formula:

Number of Emails Assumed Delivered Rate = Number of Emails Assumed Delivered ÷ Number of Emails Sent

Now, let's put some numbers into these equations:

Number of Emails Sent = 1682
Number of Hard Bounces = 47
Number of Soft Bounces = 31
Number of Emails Bounced Back = 47 + 31 = 78
Number of Emails Assumed Delivered = 1682 - 78
Number of Emails Assumed Delivered = 1604
Number of Emails Assumed Delivered Rate = 1604 ÷ 1682
Number of Emails Assumed Delivered Rate = 0.9536 (95.36%)

Note that the delivery rate (95.36%) and the bounce rate (4.64%) add up to 100%—spooky, huh? I've added these figures to the Emails Assumed Delivered box in Figure 7.3. The actual number of emails assumed delivered (not the delivery rate) is a useful quantity to have handy, as it's the basis for a number of other metrics, including open rates and clickthrough rates. Since we've already established that our bounce rate is lower than we originally anticipated, it's safe to say that our number of emails assumed delivered for our campaign will be higher, and indeed it is—we've surpassed our goal of 1,556 by an impressive 48 emails!

Have a look at Table 7.4 for the end result of our calculation.

Table 7.4. The number of emails assumed delivered in our sample campaign

Break-even point for emails assumed delivered	91.50%
Goal for emails assumed delivered	91.50%
Industry benchmark	91.70%
Actual number of emails assumed delivered	95.36%

Another "Pretend" Metric

The number of emails filtered as spam is another metric-that's-not-a-metric. We won't know how many emails have been filtered as spam, so we won't be able to measure this. As a result, our previous metric, Emails Assumed Delivered, calculates an *assumed* figure. Nonetheless, it's important to acknowledge that a certain percentage of your emails may be filtered as spam.

Understanding Performance Metrics

So, now that we know where all our emails have gone, let's find out how they're doing. Remember open rates and clickthroughs? Now we're going to use these two metrics to evaluate how well our emails perform. Figure 7.4 gives you a preview of the metrics we're about to calculate for the next few stages in the email path. If you find this prospect daunting, don't worry—we'll be piecing the puzzle together as we go.
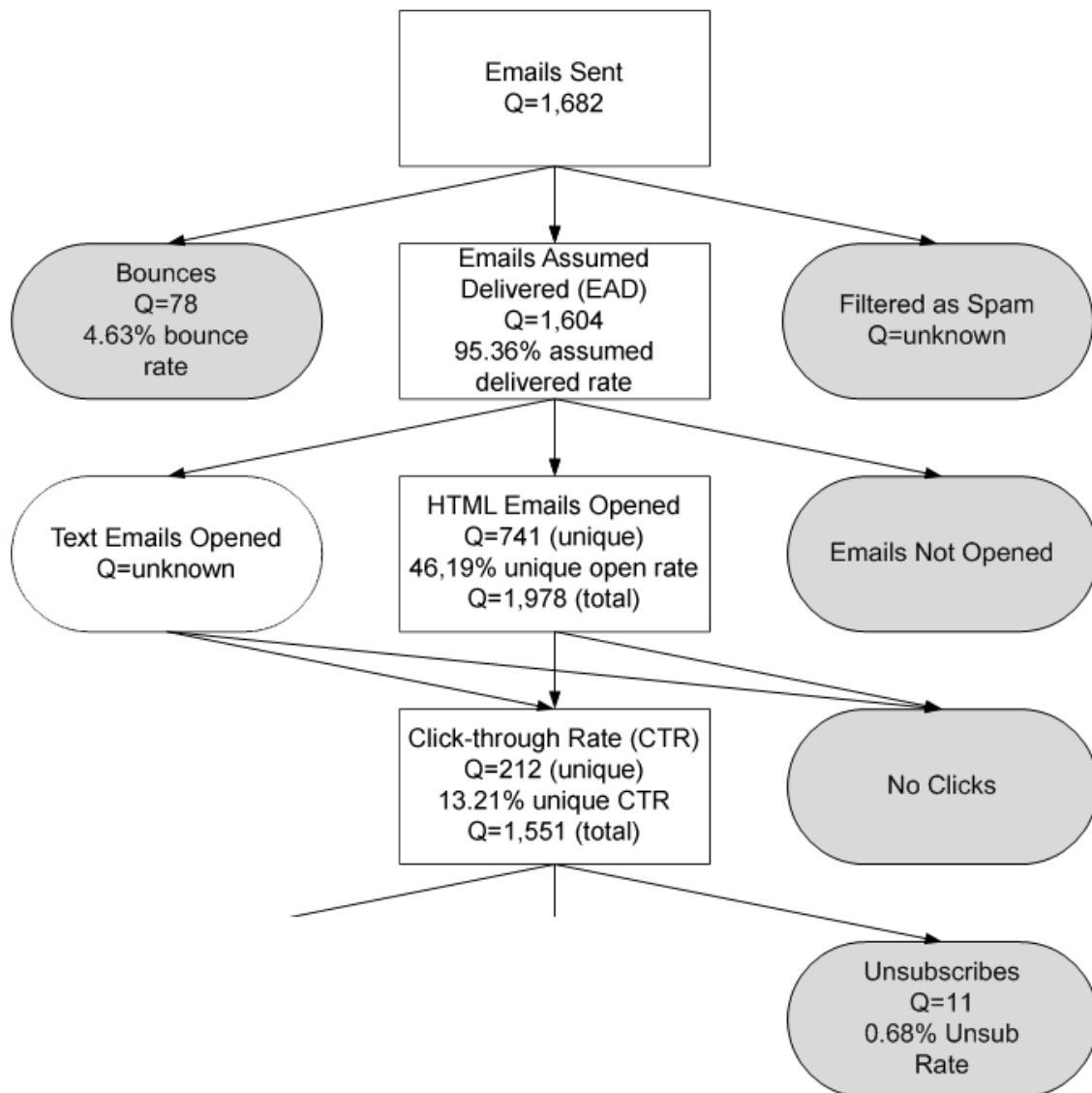
Figure 7.4. Email send and performance metrics

The Open Rate

The **open rate** is an extremely useful metric that tells you how many people have opened your email. This metric is tracked using a neat little trick:

- A request for a graphic on a server is embedded in the email.

- When the email is opened, the request is sent to the server.

- Once the server receives the request, the open is reported.

If you're thinking, "Wow, that's so easy! It almost sounds too good to be true!" you're partially right. The method by which an open rate is recorded means that it can only be measured on HTML (not text) emails. An open is triggered each time the graphic is requested, even when recipients are scrolling past the email to reach another one—false opens are easily recorded this way. Furthermore, if a recipient's email client

has been set to block graphics (as many are these days) or displays the email as text-only, the open won't be recorded at all.

Even with these imperfections, open rate is a really useful metric. An open rate that's lower than average could suggest that your From address and subject line aren't as effective as they could be. Or it may allude to a filtering problem, since emails that are sent into a black hole can't be opened (whether or not the redirect is reported to the sender). A sudden drop in open rates may be the symptom of a sudden increase in filtering; it warrants a close look into your blacklist status.

There are two ways to measure open rates; **unique opens** and **total opens**. With unique opens, you count only one open per email address for a given email. Total open rates count multiple opens per email address for each email.

Here's how we calculate our open rate, again using data from Figure 7.2:

Emails Assumed Delivered = 1604
Unique Opens = 741
Total Opens = 1978
Unique Open Rate = 741 ÷ 1604
Unique Open Rate = 0.4619 (46.19%)
Total Open Rate = 1978 ÷ 1604
Total Open Rate = 1.2331 (123.31%)

Our unique open rate of 46.19% exceeds our break-even of 30.2% and our goal of 40.00%, which bodes well for the success of this campaign.

Table 7.5 compares our original open rate goals for the campaign with the results we achieved.

Table 7.5. Open rate statistics for our sample campaign

Break-even point for open rate	30.20%
Open rate goal	40.00%
Industry benchmark	30.20%
Actual unique open rate	44.00%
Actual total open rate	123.31%

That's not Right!

No, you're not seeing things—the unique open rate in the calculation is 46.19%, but appears under the table's "Actual unique open rate" caption as 44.00%. The unique open rate on the message summary report is 44.00%. It's a calculation error on SubscriberMail's part; it's dividing by the number of emails sent (1,682) rather than using the emails assumed delivered figure (1,604), which omits bounces (71).

A unique open rate can never exceed 100%, but a total open rate might. If anyone reports an open rate of more than 100% (as you see in the calculations above, it's 123.31%), you'll know that the quote is for the total, not unique, open rate.

Tracking and Reporting   153

Email professionals question the idea of a total open rate as clearly it doesn't provide a true picture of what's happening with the email. Multiple opens are easily recorded—an open is triggered each and every time a recipient scrolls past the email. There's no way to determine the cause of an 123.31% open rate—you don't know whether it's because everyone on your list opened it once and then 23.31% opened it again, or whether only 46.19% of your list opened it once and then a portion of this group opened it again (which is the case for this particular example).

When your ESP quotes your open rate, always ask whether this rate is unique or total. If you don't receive a direct answer, ask how the open rate has been calculated. The reality is that a total open rate is a fairly useless metric, which can't provide you with must reliable information; a unique open rate, on the other hand, can provide you with valuable facts about your opens and clickthroughs.

As an added bonus, most systems will report not only that the email was opened, but also the day and time at which it was opened, and which email addresses it was sent to. You may use this additional behavioral data about your readers to change the way you send to them. If you see that most people read your emails over lunchtime, you might schedule your email to land at the start of their lunch breaks. If weekends show higher open rates than weekdays, maybe you'll only send on Saturdays and Sundays.

If you're wondering what the current benchmarks are, across the board, unique open rates currently average 30.20%, with some industry segments are seeing rates as high as 47.80% (financial services), while others cruise at a low 26.10% (retail and catalog).[1]

The Clickthrough Rate

A **clickthrough rate**, or CTR, is the next stop on the metrics train. A CTR tells you how many people clicked on your email. This metric can be tracked on text as well as HTML emails.

As with opens, clicks can be measured as a total (multiple clicks per email address) or unique (one click per email address) value. The following calculations are based on the sample data in Figure 7.2.

Emails Assumed Delivered = 1604
Unique Clicks = 212
Total Clicks = 1551
Unique CTR = 212 ÷ 1604
Unique CTR = 0.1321 (13.21%)
Total CTR = 1551 ÷ 1604
Total CTR = 0.9669 (96.69%)

A unique CTR can never exceed 100%, but a total CTR might. If your ESP reports a CTR of greater than 100% (the example above comes close, at 96.69%), then you know for certain that it's using the total, not unique, CTR.

In the big wide world, unique CTRs run at an average of 7.90%.[2]

---

[1] "DoubleClick Q1 2005 Email Trend Report," DoubleClick, May 2005 [http://www.doubleclick.com/us/knowledge_central/documents/RESEARCH/dc_q105emailtrends_0506.pdf].
[2] "DoubleClick Q1 2005 Email Trend Report," DoubleClick, May 2005 [http://www.doubleclick.com/us/knowledge_central/documents/RESEARCH/dc_q105emailtrends_0506.pdf].

Our goal for this metric in Table 7.1 was 10.00%, so with an actual open rate of 13.21%, we're ahead of the game.

Table 7.6 shows the results our sample campaign achieved, alongside our goals, benchmark, and break-even points.

Table 7.6. Clickthrough rate statistics for our sample campaign

Break-even point for CTR	7.90%
CTR goal	10.00%
Industry benchmark	7.90%
Actual unique CTR	13.21%

Clickthroughs as a Percentage of Opens

The data in Figure 7.2 doesn't reflect it, but some people track CTR as a percentage of opens rather than of emails assumed delivered. This practice is controversial, but it can sometimes be useful to compare CTRs between two emails with very different open rates (one high, one low). Let's look at an example: to begin with, in Example 7.1 and Example 7.2, we compare the CTR of two campaigns on the basis of the percentage of emails assumed delivered.

Example 7.1. Clickthroughs as percentage of emails assumed delivered for email A

Emails Assumed Delivered = 1604
Unique Opens = 741
Unique Clicks = 212
Unique CTR = 212 ÷ 1604
Unique CTR = 0.1321 (13.21%)

Example 7.2. Clickthroughs as percentage of emails assumed delivered for email B

Emails Assumed Delivered = 1604
Unique Opens = 370
Unique Clicks = 106
Unique CTR = 106 ÷ 1604
Unique CTR = 0.0660 (6.60%)

These results suggest that the content of email B was not as engaging as the content of email A, as fewer people clicked on email B. But what if we calculate the CTR based on the opens? Example 7.3 and Example 7.4 show the results of these calculations.

Example 7.3. Clickthroughs as percentage of opens for email A

Unique Clicks:Unique Opens = 212 ÷ 741
Unique Clicks:Unique Opens = 0.2860 (28.60%)

Example 7.4. Clickthroughs as percentage of opens for email B

Unique Clicks:Unique Opens = 106 ÷ 370
Unique Clicks:Unique Opens = 0.2864 (28.64%)

In this comparison, we find that the bodies of these emails performed comparably; it's actually the open rate for email B that needs to be worked on, not its copy, design, format, or any other feature.

While CTR as a percentage of opens can be useful in these types of situations, it's not a figure that should be compared to industry benchmarks, which are actually based on the number of emails delivered. The calculations above show that the figures calculated using emails opened are higher than the figures calculated on the basis of the number of emails assumed delivered—so, there's really no room for comparison with benchmarks here.

Measuring Clickthroughs by Individual Links

CTR can be measured across an entire email (one click per email address per email) or for each individual link in an email (one click per email address per link). As an example, a promotional email will probably only have three to five links, two or more of which point to your landing page, while an email newsletter may contain a lot more. Either way, measuring clicks to individual links will give you insight into what people click on, and are interested in.

Figure 7.5 shows the second half of the report from Figure 7.2. This portion of the report tracks clicks per link. In addition to raw data, this system reports the clicks per link as a function of the number of emails assumed delivered (called "% of recipients" here), and as a percentage of opens. The first figure, based on the number of emails assumed delivered, is the most important one to look at as the majority of benchmarks are calculated this way.

Click Through Details

Link Name	Total Clicks	% of recipients	% of opens	
http://clickz.com/experts/em_mkt/em_mkt/article.php/3465711	257	15.28%	34.64%	VIEW or EXPORT
http://dmnews.com/cgi-bin/artprevbot.cgi?article_id=31814	197	11.71%	26.55%	VIEW or EXPORT
http://clickz.com/experts/em_mkt/em_mkt/article.php/3482506	196	11.65%	26.42%	VIEW or EXPORT
http://www.ecommercetimes.com/story/40304.html	191	11.36%	25.74%	VIEW or EXPORT
http://www.jenningsreport.com/blog2005/blog021705.htm	188	11.18%	25.34%	VIEW or EXPORT
http://www.mediapost.com/dtls_dsp_EmailInsider.cfm?fnl=050216	158	9.39%	21.29%	VIEW or EXPORT
http://www.sherpastore.com/c/a.pl?1017&p.cfm/2182	147	8.74%	19.81%	VIEW or EXPORT
http://www.jenningsreport.com/archives.htm	89	5.29%	11.99%	VIEW or EXPORT
http://www.jenningsreport.com/contactinfo.htm	88	5.23%	11.86%	VIEW or EXPORT
http://jenningsreport.com/biography.htm	86	5.11%	11.59%	VIEW or EXPORT
http://email.exacttarget.com/lp/clickz-webinar.asp	77	4.58%	10.38%	VIEW or EXPORT
http://www.salesandmarketingnews.com/Audio/Audio29.asp	77	4.58%	10.38%	VIEW or EXPORT

Figure 7.5. Sample report tracking clicks by link (SubscriberMail, September 2006)

Here, seven of the links have unique CTRs greater than the 7.90% benchmark. All these links are content links that point to articles in the newsletter. Many of the links with below average CTRs are what I call housekeeping links. These links point to the publication's homepage, archives, or contact page. Their primary purpose is convenience, so there's no need to worry if these links aren't being clicked a whole lot.

Unsubscribe or Opt-out Rates

Knowledge is power—you can never have too much information about how your email campaign's doing. This said, you can't stake everything on your findings about your unsubscribe rate. Even though it's a metric that *is* worth figuring out, the usefulness of unsubscribe rates is actually fairly limited, because it's a figure that can't be relied on for its accuracy. A low unsubscribe rate doesn't mean that your readers like your emails—it could mean that your emails aren't being opened at all. However, if your unsubscribe rates are high, this could be an indication that your email newsletters aren't delivering what their recipients expected when they signed up, and that you've got some work to do to satisfy their expectations.

To Unsubscribe or Opt out?

These days, the term **opt-out** is commonly used to describe the action of people who've asked to be removed from your email list. Once upon a time, the term opt-out meant that they'd refused be on your list in the first place. Back then, it was the term **unsubscribe** that meant that if people wanted out of your email list, they'd take whatever action was available, contacting you or clicking on a provided link. Today, these terms are synonymous for people asking to be removed from your list. The trouble with measuring unsubscribes was that many recipients were actually afraid to unsubscribe; their fear was that doing so would expose

their email address to more unwanted emails. It often seemed easier and safer to these recipients to mark emails that they didn't want as spam.

How do we arrive at this actual figure? We calculate our unsubscribe rate from Figure 7.2 as follows:

Emails Assumed Delivered = 1604
Unsubscribes = 11
Unsubscribe Rate = 11 ÷ 1604
Unsubscribe Rate = 0.0068 (0.68%)

That's not Right—Again!

The unique unsubscribe rate shown in Figure 7.2 is 0.65%. This is a calculation error on the part of SubscriberMail; its calculation has divided the number of unsubscribes by the number of emails sent (1,682) rather than using the number of emails assumed delivered (1,604), which omits bounces (71).

Table 7.7 compares the goal and actual unsubscribe rates for our sample campaign.

Table 7.7. Unsubscribe rate statistics for our sample campaign

Break-even point for unsubscribe rate	NA
Goal unsubscribe rate	NA
Industry benchmark	< 3.00%
Actual unsubscribe rate	0.65%

If you'd like a benchmark to give you some idea of how to view your results, your unsubscribe rate should be less than 3.00% (based on emails sent) each month. If it's more than that, you definitely have a problem. However, don't rely on this figure alone—even if your unsubscribe rate is less than 3.00%, you may still have a problem (those recipients may simply have filtered your emails to the trash!). Email marketers are so disillusioned with unsubscribe rates that many organizations, including DoubleClick, have stopped providing this sort of benchmark.

Forward Rates and Viral Marketing Metrics

Forwards are yet another fascinating metric. I haven't included forwards in the email path because they're really more of a detour *off* the path—a scenic one! The term "forward" in this context is applied to two processes, only one of which will be trackable. A trackable forward occurs when a recipient clicks on a specially included link in an email in order to send that email to a friend via a web page. The forward that we can't track occurs when recipients click on the **Forward** button in their email clients in order to send the email onto someone else. How many people will use the provided link option rather than the **Forward** button on their email client? We can't predict that, but it'll certainly help if the link is there.

A web-based forward-to-friend (or **F2F**) program, also known as a **viral marketing program**, works as follows: the reader types in his or her name, email address, the email addresses of one or several friends, a personal message, and sends. A duplicate of the recipient's original email, to which the personal message has been appended, arrives in the inbox of the recipient's friends. Figure 7.6 shows an example of a web-based F2F page.

Figure 7.6. Sample of a web-based F2F page

Web-based F2Fs offer a few advantages:

- You can track them! You know exactly how many people used your web-based system to forward your email on to others—see the "forward" metric in Figure 7.2.

- The integrity of your HTML is guaranteed. When it comes to HTML, email clients are very picky—they'll often render emails incorrectly when they're forwarded. Web-based F2F programs assure that your email will look like it's supposed to, no matter how many times it's been forwarded from one person to another.

The best ESPs offer some type of F2F service. You'll usually have to pay for it, but it's money well spent—F2F's a great way to grow your recipient list for a very small investment!

Using Granular Data

In addition to providing overall metrics for your email sends, the best tracking and reporting systems will provide you with **granular data**—data that's specific to individual email addresses. From granular data, you can see when an email was opened by an individual reader, how many bounces the address has accumulated, when it was opted in, and when it was unsubscribed. For large lists, such information is often too detailed to be examined individually, but it can be very useful for a small list. Figure 7.7 shows a sample granular data report.

The Jennings Report

Email:	don4747@hotmail.com	**Data Fields**	
Status:	Confirmed dbl opt-in	Last Name:	Donald
Date added:	02/14/05 3:21 PM	First Name:	Smith
Modified:	02/14/05 3:22 PM	Job Title:	
Opted-in From Site:	Yes http://www.jenningsreport.com/subscribe.htm IP: 69.20.16.232	Company Name:	
		Zip/Postal Code:	10048
		Country:	
Dbl opt-in:	Sent: 02/14/05 3:21 PM Confirmed: 02/14/05 3:22 PM	How did you hear about us?:	
Date deleted:		Date Added:	
Date unsubscribed:		Added By:	
Reason:			
Unsub from this message:			
Bounce Count:	Hard:0 Soft:		
Notes:			

Lists/Interest Groups

List Name	Date Added	Date Deleted	Unsubscribed
All	02/14/05 3:21 PM		

Activity summary:

	Count
Opened Messages	1
Clicked on Links	2
Hard Bounced	0
Soft Bounced	0

View activity details

Messages opened:

Date Sent	Message	Count	First Open
02/17/05 11:00	Info from MarketingSherpa, E-Commerce Times and MediaPost, February 17, 2005	3	02/17/05 11:01

Links Clicked:

Click Time	Link
02/17/05 11:02	http://dmnews.com/cgi-bin/artprevbot.cgi?article_id=31814
02/17/05 11:09	http://www.mediapost.com/dtls_dsp_EmailInsider.cfm?fnl=050216
02/17/05 11:06	http://www.mediapost.com/dtls_dsp_EmailInsider.cfm?fnl=050216

Figure 7.7. Reporting granular data

The top-left section of the report includes information such as the date and time at which individual subscribers were added to the list, which web site they were using when they signed up, which IP address they came from, and when the double opt-in message was sent and confirmed. If any readers have unsubscribed or been removed from the list, that information will also appear.

On the top-right of the report is the data fields section, in which you can see the demographic information available for subscribers. Just below this is the "Lists/Interest Groups" section, in which you can see the lists for which they've signed up.

Below this is the activity summary, where we can see how many messages the subscriber has opened, how many links he or she has clicked on, and how many hard and soft bounces he or she has accumulated. The **View activity details** link displays specifics about the information, including which messages the reader has opened, a count of how many times he or she opened each message, and when the messages were opened.

Granular data is your glimpse into the subscriber's world. It's purely anecdotal information, and while it's not as statistically significant as the overall metrics, it can be very useful. For example, if you're selling to businesses on a face-to-face basis, you might look at the granular email histories of prospects to discern the topics in which people are most interested. Then you can focus on these topics when you meet with the prospects in person. You can also use this type of observed behavior to segment recipients for future mailings. For example, if you do a special email report on penguins, you might only send it to the people who've clicked on penguin stories in your emails over the past few months.

Web Site Performance Metrics

The next portion of our email path features **web site performance** metrics. Also called analytics, these metrics provide insight into how visitors are navigating through your web site once they arrive there from your email. The process that makes this information available is the **clickstream**—the path the user takes through your site. The clickstream doesn't just provide information about how many people have landed on your web site, or how many people have viewed each page. It also includes information about where they came from (an email or another web page), and from which page they exited your site.

While it's true that you can determine which customers placed orders through your emails without clickstream data, you won't know what they did in between opening your email and arriving at the ordering process. Chances are fairly high that less than 100% of your clicks will convert to sales. Following readers' paths through your web site can help to clarify the reasons behind conversion issues, and these findings can help you work to turn a higher percentage of clicks into customers.

In addition to clickstream data, you'll also need the ability to identify and track subsets of web site visitors, specifically those coming from your emails. The newer tracking packages allow you to do this, and even if you're not a techie, these tracking capabilities are usually easy to set up and use.

Web analytics is a broad topic that could encompass an entire kit in its own right. For now, we're just going to touch on how web analytics can help your email marketing efforts. Our email path appears in Figure 7.8, complete with metrics.

Landing Page Visits

Most promotional emails include a link to a key web page for readers to visit, known as a landing page—we met these before, in the section called "Looking at Landing Pages" in Chapter 5. Usually this web page is the first stop after the recipient responds to your call to action, and functions as the most direct route between the email and the desired action. The landing page is also the anticipated first step in the web site clickstream. This is what the Landing Page Visits box in Figure 7.8 represents.

The landing page may contain a further call to action. If the email provides your recipients with all the necessary information, they can be taken directly to a page that initiates the call to action—for example a purchase. This approach works best for simple actions, such as providing contact information so the reader can be contacted by sales staff. For complex actions where more instruction is required, a landing page can provide supporting documentation and list additional product or service benefits, along with a link to initiate the call to action.
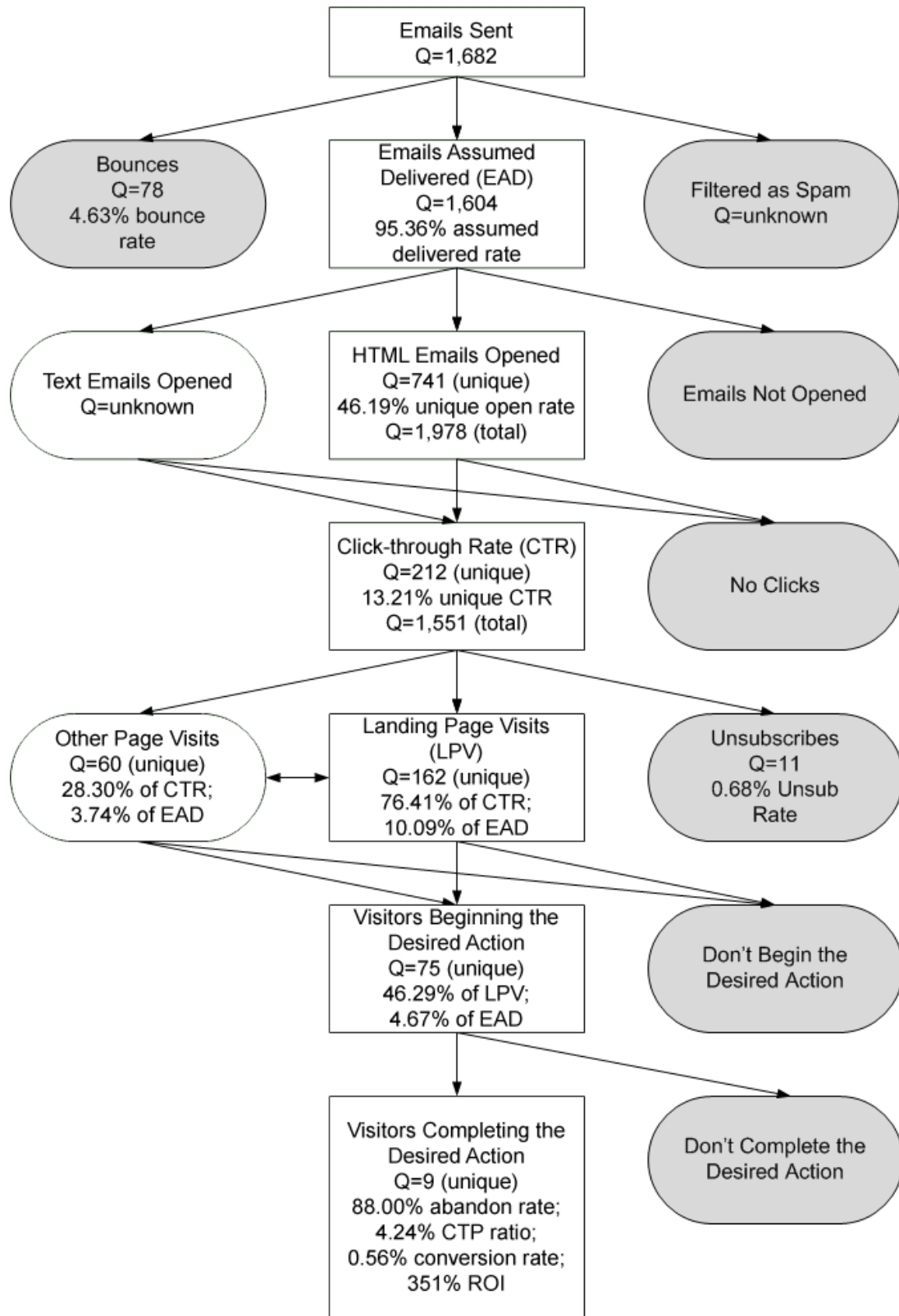
Figure 7.8. Complete email and web site path with sample quantitative data and metrics

There are many ways to analyze landing page visits, but here I'll explain two methods that I find most useful: measuring landing page visits as a percentage of clickthroughs, and as a percentage of emails assumed delivered.

Data points:　　162 unique landing page visitors

　　　　　　　　212 unique clickthroughs

　　　　　　　　1,604 emails assumed delivered

Calculations:　　162 / 212 = 0.7641 = 76.41% of clickthroughs went to the landing page

　　　　　　　　162 / 1,604 = 0.1009 = 10.09% of emails assumed delivered got to the landing page

These numbers have been added to the Landing Page Visits box in Figure 7.8. Compare these figures to the goals in Table 7.1—you'll see that we're on the right track, with 10.09% of the emails that were assumed delivered seeing the recipient reach the landing page. Our goal for this metric was 10.00%, as Table 7.8 indicates.

Table 7.8. Landing page visit statistics for our sample campaign

Break-even point for landing page visits	5.00%
Goal for landing page visits	10.00%
Industry benchmark	NA
Actual landing page visits	10.09%

Led Astray?

If recipients aren't following your desired path, it may be because you're giving them too many other choices. The fact that you *can* include in your email hyperlinks associated with every possible facet of your company doesn't mean that you *should*. Only include hyperlinks if they relate directly to the decision process and call to action; otherwise, hyperlinks will be likely to divert your readers away from the email path that you want them to follow. Keep your readers focused!

Tracking Other Page Visits

Tracking visits to other pages is much less important than ascertaining the landing page visits figure, but it's still a good tracking option to be aware of. Here, you're looking at which pages readers visit before they make a purchase. If there's a page that's particularly popular with purchasers, make the link to this page more prominent and drive more of your readers to it to help increase your sales. If there are links to pages that purchasers don't use, consider streamlining your process by removing these links from the email.

Data points:　　60 unique other page visitors

　　　　　　　　212 unique clickthroughs

　　　　　　　　1,604 emails assumed delivered

Calculations:　　60 / 212 = 0.2830 = 28.30% of clickthroughs went to other pages

　　　　　　　　60 / 1,604 = 0.0374 = 3.74% of emails assumed delivered got to other pages

As Table 7.9 shows, we'd anticipated that about 3.00% of the readers of the emails that were assumed delivered would visit a page other than the primary landing page. As it turned out, our calculated figure was

a bit higher, at 3.74%. This is nothing to worry about, though, since the figure regarding our landing page is okay—that's the main thing!

Visitors Beginning the Desired Action

We're almost there! Directing your readers towards starting your call to action is the only way to encourage them to complete it. Here are the numbers:

Table 7.9. Other page visit statistics for our sample campaign

Break-even point for other page visits	2.50%
Goal for other page visits	3.00%
Industry benchmark	NA
Actual visits to other pages	3.74%

Data points: 75 visitors started the desired action

162 unique landing page visits

1,604 emails assumed delivered

Calculations: 75 / 162 = 0.4629 = 46.29% of landing page visits started the desired action

75 / 1,604 = 0.0467 = 4.67% of emails assumed delivered started the desired action

We aimed for 3.00% of the recipients of emails assumed delivered to start the desired action, but ended up with 4.67%, as Table 7.10 reveals. That's over 50% more than our goal, so we can assume that the campaign's working well. If we hadn't met our goal, an analysis and optimization of the path leading to this point would have been in order.

Table 7.10. Statistics for visitors beginning the desired action for our sample campaign

Break-even point for visitors beginning the desired action	1.50%
Goal for visitors beginning the desired action	3.00%
Industry benchmark	NA
Actual rate of visitors beginning the desired action	4.67%

That's it! We're done with all our facts and figures. If you're really keen, have a close look at Table 7.11 to see how all our tracking came together in the end—it's quite a lot of information, isn't it?

Table 7.11. Sample email campaign goals compared with actual data

	Breakeven		Goal		Actual	
	Percentages	Raw Data	Percentages	Raw Data	Percentages	Raw Data
Emails Sent		1700		1700		1682
Bounces	8.50%	145	8.50%	145	4.64%	78
Emails Assumed Delivered	91.50%	1556	91.50%	1556	95.36%	1604
HTML Emails Opened	30.20%	470	40.00%	622	46.20%	741
Clickthroughs	7.90%	123	10.00%	156	13.22%	212
Landing Page Visits	5.00%	78	10.00%	156	10.10%	162
Other Page Visits	2.50%	39	3.00%	47	3.74%	60
Visitors Beginning the Desired Action (Order Process)	1.50%	23	3.00%	47	4.68%	75
Visitors Completing the Desired Action (Orders)	0.05%	1	0.40%	6	0.56%	9

Understanding Conversion Metrics

These metrics relate specially to **conversion**—how many of the visitors and email recipients completed the desired action. This point is the end game for your email, and the final step in the sales process. As a result, there are a number of different metrics that we use to analyze how well we did. Here, we'll cover the most common ones.

The Abandon Rate

The **abandon rate** metric gives us direct feedback on the process of our call to action. This metric reflects the number of visitors that didn't complete the process. There's a direct correlation between your abandon rate and the number of recipients who completed the process. The easiest way to calculate this figure is to subtract the number of visitors who did complete the process from the number who started the process; the difference is your abandon rate.

Your abandon rate should be as low as possible, but you can succeed even with a high abandon rate. You can track abandon rates on any process—from opting in to receive email, to filling out contact information on a lead generation form, to placing an order. Our abandon rate calculation based on the data in Figure 7.8 is as follows.

Data points: 9 visitors completed the desired action

66 visitors did not complete the desired action

75 visitors started the desired action

Calculations: 75 − 9 = 66 visitors who abandoned

66 / 75 = 0.8800 = 88.00% of visitors who abandoned the process

88.00% + 12.00% = 100%

As Table 7.12 shows, we'd set an abandon rate goal of 87.20%, with 95.70% as our break-even. Our actual abandon rate was 88.00%, just a little above our goal. So our goal was a tiny bit ambitious, although having a larger number of people start the process (75 instead of just 46) helps keep us on track to reach our campaign objectives.

Table 7.12. Abandon rate statistics for our sample campaign

Break-even point for abandon rate	95.70%
Abandon rate goal	87.20%
Industry benchmark	NA
Actual abandon rate	88.00%

Click–to–Purchase Ratio (CTP Ratio)

This ratio divides the number of completed processes by the number of unique clicks. The resultant figure tells you how well you're enticing the recipients who first click through to your process to proceed right through to the end. Here's a calculation of our actual CTP ratio based on the figures in Figure 7.8.

Data points: 9 total orders

212 unique clicks

Calculation: 9 / 212 = 0.0424 = 4.24%

We're well ahead of our break-even (0.80%) and goal (3.80%) figures. And, as Table 7.13 shows, we're even ahead of the industry benchmark (4.10%)!

Table 7.13. Click–to–purchase ratio for our sample campaign

Break-even click-to-purchase ratio	0.80%
Click-to-purchase ratio goal	3.80%
Industry benchmark	4.10%
Actual click-to-purchase ratio	4.24%

The Conversion Rate

The term **conversion rate** can be used to denote the percentage of your audience who completed a desired action. If you're using email to sell a product or service, your conversion rate can be calculated as the number of people who made a purchase divided by the total number of people who received your email (this flavor of conversion rate is sometimes also called **orders-per-email-delivered**). So, using our existing data, our conversion rate is calculated as follows:

Data points: 9 visitors completed the desired action

1,604 emails assumed delivered

Calculation: 9 / 1,604 = 0.0056 = 0.56% conversion rate or orders per email delivered

Again, we've surpassed our goal—take a look at Table 7.14.

Table 7.14. Conversion rate statistics for our sample campaign

Break-even conversion rate	0.06%
Conversion rate goal	0.38%
Industry benchmark	0.26%
Actual conversion rate	0.56%

We were looking for a conversion rate of 0.38%, and we achieved a conversion rate of 0.56%. That's nearly a 50% increase on our expectations.

Understanding Return–on–investment (ROI)

Return-on-investment (ROI) is the most important metric of all—it tells you how much money is being generated by your email campaign, relative to how much it cost to produce. In the end, ROI is the only metric that counts. You can have a great open rate and a sky-high clickthrough rate, but if you don't generate any revenue, you can't consider that you've run a successful email campaign (assuming that your goal was to generate revenue). Table 7.15 compares the goal ROI with the actual figure we achieved through our sample campaign.

Too many companies spend much of their time and energy creating and sending emails that lose money rather than make it. Email is like any other marketing channel—the return it generates should justify its cost.

Table 7.15. Return–on–investment for our sample campaign

Break-even point for ROI	103%
ROI goal	305%
Industry benchmark	NA
Actual ROI	351%

We talked about setting quantitative goals for your email marketing campaigns, including costs and basic metrics, in Chapter 3. We're going to build on this knowledge now, as we talk about the tracking and reporting that's involved to determine whether or not you've achieved your goals for a given email campaign.

I've included costs in Table 7.16: see Chapter 3 for more detail on how we determined these figures. We have a subtotal incorporating the following email costs: the list, copy, design, programming, send CPM, and tracking and reporting. The additional costs per unit sold figure is a variable cost that's based on the number of sales, so we won't be able to calculate the total cost per unit sold of the campaign until we know how many sales we've made.

Table 7.16. Cost and revenue goals for our sample campaign

	Unit Value	Quantity	Total
List (house list, no cost)	NA	1,700	N/A
Copy	$350.00	NA	$350.00
Design	$200.00	NA	$200.00
Programming	$100.00	NA	$100.00
Send CPM	$10.00	1,700	$17.00
Tracking and reporting (Web Site Analytics Package)	$100.00	NA	$100.00
Subtotal—email costs			$767.00
Additional costs per unit sold	$200.00	NA	$200.00
Average order	$1000		

In Table 7.17, we calculate two important figures: our break-even figure, and our goal or target orders/revenue figure. Here we've defined "breaking even" as earning enough revenue to cover our email costs, plus the additional costs of each unit sold. So with the subtotal of our email costs at $767, additional costs per sale of $200, and an average order of $1,000, we need to make just one sale to break even.

Table 7.17. Calculating the break–even and goal ROI figures

	Orders	Revenue	Email Cost	Additional Cost	Total Cost	Profit	ROI
Break-even	1	$1,000	$767	$200	$967	$33	103%
Goal	1	$6,000	$767	$1,200	$1,967	$4,033	305%

To break even is fine, but to profit is better. That's why we also calculate goals for orders and total revenue figure. For this figure, we've set a goal of six units, which will generate $6,000 in sales. The additional cost of each unit sold is $200. By multiplying this cost by the number of units sold (six), we arrive at a total of $1,200. Adding this figure to the subtotal of email costs ($767) gives us a total cost of $1,967. Subtract this from the $6,000 in revenue we're hoping to bring in, and we can see that we're looking for a profit of $4,033 from this email.

This is where the ROI comes in. We divide our total net revenues by our total costs and then multiply by 100 to calculate this percentage. 100% is always a break-even ROI—it means that 100% of what was spent on the campaign was returned in revenue. An ROI of less than 100% means we lost money. If the campaign achieved a ROI of 75%, that would mean that we brought in just $0.75 for each dollar we spent—or, to put it another way, that we lost $0.25 for each dollar we spent. An ROI above 100% shows a profit.

Let's calculate our actual ROI based on the data in Table 7.18:

Data points: 9 sales

$1,000 average sale

$767 cost of email creative, send, and tracking

$200 in additional costs per sale

Calculations: $767 + (9 * $200) = $767 + $1,800 = $2,567 in total costs

9 * $1,000 = $9,000 in net sales revenue

$9,000 / $2,567 = 3.51 = 351% ROI

So our ROI of 351% shows that for every $1.00 spent we generated $3.51 in revenue. This was above our break-even (103%) and goal (305%) ROIs. Once we've completed this calculation, we can compare the incomplete table of data in Table 7.17 with the finished calculation shown in Table 7.18.

Table 7.18. Break-even, goal, and actual ROIs

	Orders	Revenue	Email Cost	Additional Cost	Total Cost	Profit	ROI
Break-even	1	$1,000	$767	$200	$967	$33	103%
Goal	1	$6,000	$767	$1,200	$1,967	$4,033	305%
Actual	9	$9,000	$767	$1,800	$2,567	$6,433	351%

Case Study: Using Tracking and Reporting to Improve your Bottom Line

Table 7.19. Basic metrics obtained from online marketing and web analytics tracking

Client Metrics			Related Benchmarks
Impressions (Total)	20.90%	30.20%	Unique Open Rate
Clicks (Total)	0.80%	7.90%	Unique Clickthrough Rate
Landing Page Visits	0.60%	NA	
Starting the Order Process	0.40%	NA	
Click-to-Purchase Ratio	7.60%	4.10%	Click-to-Purchase Ratio
Completing the Order Process	0.10%	0.26%	Orders per Email Assumed Delivered

In this case study, I'll explain how enhanced tracking and reporting helped my client gain tremendous increases in opens, clickthrough rates, and orders per email delivered, while decreasing his cost per order.

Firstly, I was provided with some basic metrics, gleaned from a combination of online marketing and web analytics tracking. These metrics are shown in Table 7.19, along with their related benchmarks.

The client's metrics were dragging substantially below the industry benchmarks. At 20.90%, opens were behind the benchmark of 30.20% by more than a third, and clicks were averaging less than 1.00%—the benchmark was 7.90%. The only metric that was well above the industry benchmark was the click-to-purchase ratio.

The client's emails were sent monthly, so we had a limited amount of time in which to make changes for the next send. Initially, we decided to focus on standards and best practices—especially those associated with open and clickthrough rates:

- We removed redundancies between the From and subject lines. The client had been using the company and product name in the From line and then repeating them at the beginning of the subject line. This redundant phrase took up the first 19 characters of the subject line. By removing the phrase from the subject line we were able to better utilize this key area to feature benefits.

- We began the subject line with a benefit. After removing the company and product names, we reworked the subject line so that it was benefit-oriented and we made sure that the most important part of the message came through within the first 23 characters.

- We moved the key benefit statement up within the body of the email, so that it was prominently featured in the preview pane. Previously, the view of the email in preview pane had consisted primarily of a large image with little copy. We kept the image at the same size, but superimposed the key benefit statement over the top of the image so it would be seen in the preview pane.

- We added one key benefit to the body copy, and left the rest of it untouched.

Our results for the next send were good. As an added bonus, we were able to send it through our new ESP, so we gained the advantage of more robust tracking and reporting for the send. Table 7.20 compares the benchmarks and metrics from the first and second month's sends.

Table 7.20. Metrics for email sends in months 1 and 2

	Benchmarks	Month 1	Month 2
Deliverability	91.70%	NA	85.50%
Unique Open Rate	30.20%	NA	21.20%
Impressions	NA	20.90%	29.10%
Unique Clickthrough Rate	7.90%	NA	1.70%
Clicks (Total)	NA	0.80%	1.60%
Landing Page Visits	NA	0.60%	0.50%
Starting the Order Process	NA	0.40%	0.40%
Click-to-Purchase Ratio	4.10%	7.60%	6.40%
Orders per Email Assumed Delivered	0.26%	0.10%	0.00%
Cost per Order	NA	NA	$23.39

As the table shows, with just these few changes to the subject line and body copy, my client saw an immediate improvement in several areas:

- Impressions (a metric that's closely related to total opens) increased by 39%—jumping from 20.90% to 29.10%—thanks to the revised subject lines.

- Clicks (total) increased by 100%, rising from 0.80% to 1.60%. Clearly, moving the key benefit to the top of the email so that it appeared in the preview pane pulled in more readers and enticed them to click. The benefit we added to the body copy may have helped as well.

With the help of the ESP, we were also able to begin tracking additional metrics that we could compare to industry benchmarks:

- Deliverability was lower than expected (we achieved 85.50%; the benchmark was 91.70%), which called for some investigation.

- Unique open rates were 21.20%, about a third lower than the benchmark (30.20%). This presented an opportunity for us to continue to tweak the subject lines.

- While clickthrough rates were still disappointing at 1.70%, we now had a baseline measure from which we could aim for the 7.9% benchmark.

- We also had a baseline figure for cost per order: $23.39.

However, not everything was looking good:

- Landing page visits were down. People were clicking through more, but apparently a lot of those potential customers weren't getting through to our web site. Perhaps our web site was having technical issues, or maybe there was a typo in one of our links. Definitely something to look at.

- Also down was the click-to-purchase ratio, although I believe that this decline was caused by the large increase in clicks (100%), which was not countered by a large increase in orders—something else to be improved upon.

- Orders per clicks were down to 0.00% from 0.10%. This wasn't a huge decrease, but it was a change in the wrong direction.

For the next month's send, our goal was to continue to grow the open and click rates and to work on the body of the email, so that it not only engaged more readers, but also provided them with the information they needed to place the order.

- We continued to play with subject lines, building on what worked the previous month.

- We decreased the size of the images in the preview pane and made the headline, the offer, and the call-to-action more prominent. We also shortened this area so that more of the body of the email would be visible before the reader had to scroll.

- We reworked the copy to hit harder on key benefits (rather than features), and to present them in a way that was engaging to the reader.

- We reworked the format of the email's body so that the paragraphs were shorter and more readable, the headlines were more prominent, and the copy included bulleted selling points.

- We strengthened the call to action at the bottom of the page, reiterating the offer in larger letters that were more easily skimmed by the readers.

Once again, we saw a lift in results, as Table 7.21 shows.

Table 7.21. Metrics for email sends in Months 1, 2, and 3

	Benchmarks	Month 1	Month 2	Month 3
Deliverability	91.70%	NA	85.50%	85.40%
Unique Open Rate	30.20%	NA	21.20%	23.90%
Impressions	NA	20.90%	29.10%	37.10%
Unique Clickthrough Rate	7.90%	NA	1.70%	5.50%
Clicks (Total)	NA	0.80%	1.60%	6.00%
Landing Page Visits	NA	0.60%	0.50%	4.20%
Starting the Order Process	NA	0.40%	0.40%	2.50%
Click-to-Purchase Ratio	4.10%	7.60%	6.40%	4.30%
Orders per Email Assumed Delivered	0.26%	0.10%	0.00%	0.24%
Cost per Order	NA	NA	$23.39	$15.17

The marked improvements we saw in this third send included the following:

■ The unique open rate increased slightly, from 21.20% to 23.90%.

■ The unique clickthrough rate shot up from 1.70% to 5.50%, a lift of 323% that I attribute to the reworked copy and format of the email's body.

■ Also on the increase were landing page visits, which soared from 0.5% to 4.20%: an 800% improvement, again, thanks to the reworked copy and format of the emails.

■ Many more people started the order process—this metric jumped from 0.40% to 2.50%. Although the landing page visits stayed the same, the visitors who landed there were apparently more engaged and motivated to order.

■ The orders per email delivered increased. In Month 1, before any changes, they languished at 0.10%; Month 2 saw a decline to 0.00%, but in Month 3 we reached 0.24%, which nears the industry benchmark of 0.26%.

■ Finally, we decreased our cost per order from $23.39 to $15.17.

The click-to-purchase ratio continued to decline, shifting from 6.4% to 4.3% in the third month, but that's okay. This decrease seemed to be caused by the large increase in clicks (from 1.7% to 5.5%), and while the sales haven't increased by the same proportion, they're improved on the figures for the previous month (as shown by the order per email delivered). I wouldn't want to see this click-to-purchase metric drop much more, but being this close to the benchmark (4.1%) is fine.

Will the client ever reach the benchmarks? I can't say. But based on the improvement we've seen over just three sends, I think we've got a good chance. Email marketing is always a work in progress. Even if we do reach the industry benchmarks, we'll keep working to optimize and improve. That's what it's all about!

Summary

In this chapter, we looked at tracking and reporting metrics for your email marketing campaign. Tracking and reporting can provide you with amazing insight into how your recipients use your email.

To this end, we looked at all sorts of metrics: the number of emails sent, the number of emails assumed delivered, open rates, clickthrough rates, unsubscribes, forwards, and more. We also looked at the different sorts of data that an email tracking and web analytics program can provide for us.

We discussed in some detail the email path, that is, the path that your email takes to achieve your desired call to action. Finally, we looked at how these metrics helped enormously to improve the email marketing campaign of a real-world client.

Chapter 8

Customer Retention

To start us off into the wide world of customer retention, let's take a minute to consider the Pareto principle! Yes, it's relevant—I promise.

The Pareto principle states that, for many phenomena, 80% of the consequences stem from 20% of the causes.[1] In business, the Pareto principle is often applied to customers and revenues—"20% of our customers generate 80% of our sales volume"—and this is usually right on the money. The key to success for any business is hanging onto that 20%.

Research has shown that the cost of selling to a new customer can be up to ten times the cost of selling to an existing customer.[2] This finding shows a compelling reason why the customers you know are more valuable to you than the prospects you don't, and why customer retention is of vital importance to any business that wants to stick around.

Relationships are the basis of loyalty and customer retention. People don't just buy from people, they buy from people they like; it's very important to maintain the relationship that first motivated them to buy from you. It's an even better idea to enhance and build on that relationship to make it stronger for future business.

We've talked a lot in previous chapters about using email to make direct sales, but that's just one of email's hobbies. Email really excels at building relationships. A well-crafted relationship email is very personal. It can—and should—seem to the reader like a one-to-one correspondence.

Let's look at the art of crafting relationship emails.

---

[1] Wikipedia, August 2005 [http://en.wikipedia.org/wiki/Pareto_principle].

[2] Emmett C. Murphy, Mark A. Murphy, *Leading on the Edge of Chaos: The 10 Critical Elements for Success in Volatile Times* (Prentice Hall), 2002.

Customer Relationship Management Basics

Customer relationship management (CRM) is a fancy term for maintaining relationships with your existing customers. Expensive computer programs and systems are available to help with CRM, but good CRM requires neither a large investment nor a specialized computer system if your budget precludes these additional resources.

The essence of CRM is to tune into your customers' needs and provide solutions that satisfy them. The process starts with finding out what your customers want to do with your products.

- If you're selling high-speed Internet access to your customers, you'll want to know what they'll use it for. Do they want to purchase music, watch streaming videos, share photos with family and friends, play online games, or download the sample chapters of this kit?

- If you publish a business-to-business magazine, you'll want to understand what it is that your customers want to learn. Do they want to increase their industry knowledge, do their jobs better, or further their careers?

- If you're selling seeds, what are your customers' reasons for choosing the seeds that they buy from you? Do they want to have the prettiest window boxes on the block, or the biggest tomatoes that their neighbors have ever seen?

Once you've identified these goals, you can create a customer retention program that supports your customers' needs, and reinforces the fact that you're the one that's helping them reach their goals.

Email and CRM

CRM is all about building relationships, and email is great at building relationships—how about that?

At the basic level, CRM includes courtesy emails: an email to confirm an order or a change in a customer's online profile, an email acknowledging the feedback form that a customer's just submitted, or an email letting a customer know that his or her latest account overview has been posted online for review. Most courtesy email sends can be accomplished with the auto-responders and triggered emails that we talked about in Chapter 2. These emails are great for maintaining customer relationships, though they rarely enhance them. To enhance your customer relationships, you'll need to go the extra yard and add value to your emails. By value-adding a few easily implemented features to your courtesy email, such as highlighting relevant links to your web site, offering a discount on a future purchase, or including a list of FAQs, you'll build on the relationship you started when your customer first took action.

Email newsletters are a great way to build on existing relationships. Sending a regularly scheduled value-adding newsletter will keep your company, brand, and products at the forefront of your customer's mind. Here are just a few ways in which you can use value-adding email newsletters to enhance your relationships with your customers:

- If your products have a long sales cycle, an email newsletter is a cost-effective way to educate and nurture your clients towards the next purchase decision.

- If you're a consultant, an email newsletter can help grow your reputation as an expert in the field, as well as introduce them to skills or specialties they may not know you have.

- If you're looking to create additional demand for your product, identify in your email newsletter additional uses for your product that your clients may not have previously considered.

- If your product is feature-rich, you can use an email newsletter to demystify its features in bite-sized portions.

- If your product is one that's particularly important to your customers, such as anti-virus software, you could use an email newsletter to gently remind them not to take it for granted (and to use it more).

The difference between courtesy CRM emails and value-adding email newsletters lies in the content. That's the first topic we'll cover in this chapter. Then, we'll go on to look at what's involved in gaining opt-ins to your relationship mailing list from current customers. Finally, we'll review the other considerations that are relevant to the task of customer retention via email.

But first, let's learn to develop content that retains customers.

Developing Content for Customer Retention

Our discussion on newsletter content from Chapter 2 is extremely relevant here. In this section, we'll focus on the various approaches to content that are well-suited to customer retention efforts. To choose the right content model for your situation requires that you identify your goals, understand the needs of your customers, and determine the resources available to create your email newsletter.

Let's look at some of the approaches we can use to create a successful customer retention email newsletter. You don't need to follow these guidelines exactly, nor is it necessary that you choose only a single approach—you can use a combination of customized approaches to create the perfect email newsletter for your customers.

Educating and Nurturing

An educating and nurturing approach to your email newsletter is ideal if your company is concerned with:

- products or services that have a long sales cycle

- products or services for which there is a long time between repeat purchases

Email newsletters serve as a great tool to move prospects through a long sales cycle, or to remind previous customers to give you a call when they next need your services. What you need to do is use your emails to educate and nurture your readers. Have a look at the example in Figure 8.1.

Anna Blake is an interior designer and general contractor. Her services have a reasonably long sales cycle. Her clients are upscale home owners with tastes similar to her own, who are looking to get the required job done within their time and budget constraints.

This email newsletter gives Anna the chance to educate her customers on design issues—note the article she's included on "Kitchen Design: Quartz vs. Granite Countertops"—while she effectively positions herself as an expert in the industry. In addition to the articles that directly exhibit her expertise, Anna includes a list of upcoming events that her target audience would enjoy. She also offers advice on gardening and other topics that are of interest to her clients, to show that she's in touch with their lifestyles. The entire newsletter

Figure 8.1. Home Design Tips

has a very nurturing approach, and the photograph and friendly writing style work to engage her readers and make them feel at ease.

Anna's newsletter keeps existing customers up to date on the kinds of projects that she's working on, and may give them ideas for additional ways in which she can help them remodel their homes. This email newsletter provides Anna with a cost-effective way to stay in touch with all her clients and keep herself at the forefront of their minds.

So what can you learn from Anna's example?

educate your readers

Teach them about the work that you'll be doing for them. Give them enough information to make them feel confident about enlisting your services, but not so much that they become the experts themselves!

nurture your readers

Include content that they'll find interesting, and information that might tempt them to forward your newsletter on to their friends and colleagues.

Building a Reputation

Email newsletters that are designed to build your reputation are a great tool to establish credibility and provide readers with insight into your thoughts and actions. A reputation builder takes a little more effort than other newsletters, but it positions you as an expert in your industry, topic, or hobby area. Let's look at the Alf Report, shown in Figure 8.2.

Alf Nucifora is a marketing consultant who gives marketing seminars and speeches. One of the real benefits of his email newsletter is that it touches on current issues and events, regardless of whether or not they're directly related to the services that he offers. His newsletters provide insight into his view of the world as well as his approach to business, and the open and friendly way in which he words his newsletter makes readers feel like they know him personally. The newsletter contains a wide variety of content and ensures that it offers something to everyone who reads it, be that an informative article, a good quote, or an amusing brain teaser.

The best speakers build a rapport with the audience. No matter how interesting or valuable the subject matter is, if your audience isn't engaged, they probably won't get the full benefit of the presentation. If Alf is this engaging in his emails, imagine how charismatic he must be in person! This newsletter works as a great CRM tool for Alf, as it also builds a rapport with customers and prospects that haven't actually met him.

So, in your relationship builder:

focus on your credibility
> Build your credibility by giving your readers insight into your thoughts, ideas, and approach.

offer a variety of material
> Your email content doesn't have to be all about business. Acknowledging non-business events that affect your readers at some level reminds your readers that you're a real person—and that's never a bad thing!

Promoting Additional Product Uses

Promoting additional product uses in email newsletters is ideal for organizations with:

- consumable products

- multi-purpose products

Are there many different ways for your customers to get additional value from your product or service? If so, and if you can present them in an engaging, customer-oriented way, that can make a great retention newsletter. One of my favorites in this vein is published by the makers of the well-known brand WD-40[3].

WD-40 sends a monthly email missive reminding their customers of all the ways in which this product can be used. At first glance it looks like this newsletter contains a lot of content, which it does, but the entire newsletter is all about one product. I've had a can of WD-40 lying unused around my house for years; shortly after I read this email it was half empty! The more the company can motivate its customers to use this product, the sooner those customers will run out and make another purchase. Maybe you'll even be convinced

---

[3] www.wd40.com

Figure 8.2. The Alf Report

that you really need more than one can. (It's not that unreasonable—one in the house, one in the garage, one in your bicycle gear bag …)

The newsletters aren't sales pitches, though. They're friendly, appealing to customers, and add value to their WD-40 purchase—for example, a newsletter might focus on how the can of WD-40 at the back of your closet can help keep your extreme sporting gear in tip-top shape and make your hobbies more enjoyable. Customer testimonials are included, which show readers that people, just like themselves, are always finding new uses for WD-40—maybe readers will try these tips at home. In turn, perhaps readers have got their own hot WD-40 tip that they'll send in with the hope of getting it published.

An WD-40 email newsletter is much more fun than you'd expect from one about a can of slimy fluid. The colors and graphics are vibrant and eye-catching, and the content is light-hearted and relevant to the average Joe and his can of WD-40. The newsletters aren't hard sales pitches. While they'll increase sales in the long term, these newsletters are more about ways in which the product can help people like Joe.

Another example of an additional uses newsletter is published by Kraft Foods[4].

Kraft understands that for its customers, it's not really about salad dressing, graham crackers, or barbecue sauce; it's more about what Kraft-buyers can make with those ingredients. A recent email focused on how these products can make your summer weekend enjoyable. The email was relaxed and attractive, with images of delicious-looking food. The products themselves weren't shown, but they were included as ingredients in the recipes provided. The email also included customer ratings and testimonials for each recipe.

Soft sell? Very. Does it move more gelatin, mustard, and bacon bits off the grocery store shelves and into people's pantries? I bet it does. Will people remember that they got these great recipes from Kraft? I'm sure they will. Kraft understands that their customers use Kraft products for cooking, so they're providing recipes to support that endeavor.

In both these emails, and others of this nature, the key points to remember are:

it's about the customer
> Neither of these emails focuses directly on products—they're more about how customers can use the products to add enjoyment to their lives.

don't limit images to product shots
> Both these emails make great use of images that bear no direct relationships to their brands.

Explaining Advanced Features/Benefits

An email newsletter that explains advanced features or benefits of an item customers have purchased is ideal for companies that sell:

- products that have advanced or complex features

- products that require some learning on the purchaser's part

If you're selling a complex product with advanced features that users may not discover on their own (like all those extra features on my cell phone that I don't use because I've been too busy to learn how!), your customers may find an advanced features/benefits newsletter such as that sent by Adobe beneficial.

Adobe Acrobat is an incredibly useful—and fairly complicated—software program. Many users know the basics of the package, but not much more. Adobe uses email newsletters to further educate its customers. These newsletters are part of a series in which simple lessons are presented on how to use advanced features of the software. The feature is always positioned as a benefit, and presented in a user-friendly manner.

The more you can bring your customers to rely on your product, the higher the levels of customer loyalty and retention will be. Adobe's goal is to have you using its software to the fullest, and to make you so comfortable using that software that you won't want to learn to use a competitor's product.

As with earlier examples, a recent issue of Adobe used a beautiful graphic of a bouquet to grab the reader's attention, and further used the bouquet analogy in its copy to tie it with the lesson—this created something of a theme. The newsletter also provides a preview of the topic that will be covered next month (if it interests you, you'll be watching out for the email) as well as information on seminars that help customers use the

---

[4] http://www.kraftfoods.com

software more effectively. The email's geared toward helping the reader use Adobe's products to their fullest potential.

Adobe's newsletter shows us that in an advanced features/benefits newsletter, you should:

focus on the benefits to the reader
Instead of focusing directly on the feature, give the reader a reason to want to learn how to use that feature.

keep it simple
Even if you're presenting a very advanced feature, make sure that the directions are clear, concise, and easy to follow.

Imparting Know–how

Email newsletters that instruct are ideal for:

- situations where your target audience would benefit from a broader understanding of the task your product is helping them to accomplish

- situations where you're focusing on a new or non-traditional audience for your product

These newsletters take a different slant on educating customers. Here, you're focusing on macro issues that will increase their overall knowledge and expertise in an area, rather than a specific feature of your product. A sample customer retention email of this type is featured in Figure 8.3.

Figure 8.3. ClickTracks' InsideTrack newsletter

ClickTracks (which we met in the section called "Tracking and Reporting" in Chapter 3) is a web analytics program that provides tracking and reporting on web site usage. Web analytics reporting was once conducted primarily by IT folks, but ClickTracks is one of a new breed of web analytics products developed by marketers. This innovation creates a unique educational challenge, as marketers may not be as knowledgeable about the different aspects of web analytics as techies are.

This email seeks to help customers better understand web analytics in general. While it's true that this understanding will help them use the product more effectively, that's not the focus of the lesson.

The ClickTracks newsletter uses an engagement tool (the reward for case studies at the bottom of the newsletter), and offers additional training on analytics (ClickTracks U). There's also a note about the new

version of ClickTracks behind an approachable "more info" link. This email is a perfect example of balance between added value and soft-sell promotion.

A newsletter such as this works very well to:

educate your customers

Give your customers the information that they need to understand the task your product helps them to accomplish.

sell softly

This email newsletter has more directly promotional content than some of the others, but it's done in a soft, benefit-oriented way that's not pushy.

Making the Value Clear

An email newsletter that makes the value of the product clear to buyers is ideal for:

- products that are so effective that customers forget they're there

- products that don't require much more maintenance on the part of the customer than a periodic renewal

The well-known PC security company McAfee regularly uses an email newsletter to alert customers to a new virus threat.[5] This newsletter doesn't sell anything, it merely keeps readers informed. It's a reminder that McAfee's watching out for you—a suggestion that you'll most likely remember when it's time to renew your subscription.

The appearance of the email is serious, to suit its subject matter. The newsletter includes simple instructions for upgrading your virus definitions, and a recommendation that you turn on Automatic Update so that you won't have to do this in the future. Usually, the newsletter also includes a soft-sell promotion, such as for AntiSpyware.

With newsletters such as this one:

remind customers about your service

Don't just assume that customers are aware of your presence—it's good to remind them of the service you provide on a regular basis.

sometimes, serious works better than light and entertaining

Different types of messages require different approaches—the example in this section required a serious approach.

Promoting a Second Source of Content

The promotion of a second source of content is ideal for:

- situations in which you want to draw attention to a different medium, such as a corresponding print publication, web site, or radio show

---

[5] ???

One organization, a business-to-business publisher based in Washington, DC, found that customers who opened their daily email missives were more likely to renew their print publications than those who did not.[6] What did those emails contain? An overview of the stories that the reader would find in that day's print edition, along with links to read the content online. The only difference between the print and email content was the delivery channel. The correlation in renewals was between open rates, rather than click-throughs, probably because the email gave recipients a quick way to skim the content of that day's publication. While some readers did choose to read articles online, others just made a mental note to look for articles of interest in the print edition, which they preferred.

Figure 8.4 shows a sample email produced by Backfence[7] to promote a second source of content. It focuses on a niche subject area—hyper-regional geographical content—and includes blurbs on a variety of stories from the web site. This model works very well for print, and even online, publications. These emails are a great way to entice traffic back to a web site or print publication. While I wish the email were in HTML (it would make it a lot easier to read, and definitely a lot more interesting and pleasant to look at), the content is so useful that I'm able to get past the presentation.

There's one thing that's vital to the success of emails that promote second sources of content:

avoid using content that's purely marketing-oriented
> Receiving the information over and over again may annoy your readers. Use editorial content that, when plucked out of the email, would still be valuable to your readers.

Aggregating Information

Aggregating information into a newsletter is ideal for:

- situations where you don't have the time or resources to create original content

- positioning yourself as a knowledgeable and active player in the industry

This is one of my favorite types of customer retention emails because it requires little to no original editorial material, which means less work for me! What I need to do is keep informed of the latest news and happenings in my clients' industries, then aggregate this information into one email newsletter for my readers, a lot like the Software and Information Industry Association has done in Figure 8.5.

SIIA's target audience includes large software development companies. This email newsletter provides the headlines of articles that are of interest to members, organized into logical categories. The headlines are linked to the complete articles. The newsletter is a huge time-saver for SIIA members, who probably don't have the time to access and look through all the different publications for articles of interest.

You can easily produce a similar newsletter for your own customers. If you serve more than one industry or hobby area, either pick the one that the majority of your customers operate in and focus on that, or publish two or more customer retention email newsletters (one for each area).

Just be sure that you only send the email to people who have requested it. If you send an email to your entire list when the content is only relevant to a select subgroup, you risk a spam complaint. Be clear about what

---

[6] Bureau of National Affairs, Case Study, Newsletter and Electronic Publishers Association Luncheon, 2004.
[7] http://backfence.com

Backfence.com: What's Happening in McLean

Week of Nov. 14, 2005

Backfence is your guide to life in McLean—written by the people who know McLean best: you and your neighbors. Know something that's going on around town? Have an opinion about a local issue? Need to buy or sell something? Come post it on Backfence—and tell your friends!

Here's the Latest McLean News and Information from Your Neighbors:

McLean Little League Elects New Board and Officers for 2006
http://www.backfence.com/news/showPost.cfm?mycomm=MC&bid=397

Longfellow Middle School Band Issues?
http://www.backfence.com/news/showPost.cfm?mycomm=MC&bid=378

Coming This Weekend: Cheap Books at Claude Moore Colonial Farm
http://www.backfence.com/news/showPost.cfm?mycomm=MC&bid=394

From the Backfence Calendar: Upcoming Events in McLean

Wednesday, Nov. 16: McLean Art Club Monthly Meeting
http://www.backfence.com/calendar/showPost.cfm?mycomm=MC&bid=276

Saturday, Nov. 19: Colonial Rail Burning: An Evening Event
http://www.backfence.com/calendar/showPost.cfm?mycomm=MC&bid=258

Saturday, Nov. 19: Snappy Dance Theatre in "Temperamental Wobble"
http://www.backfence.com/calendar/showPost.cfm?mycomm=MC&bid=107

Backfence is Hiring
Backfence is looking for dynamic, energetic individuals to contribute to its expansion in the Washington area. We're looking for a Community Manager to lead our community outreach and grassroots marketing efforts in the Washington market, and we're looking for a Content Manager to oversee the day-to-day operation of its local community Web sites in the Washington market--acting as the editorial overseer for the user-generated content on our sites. If you know someone who might be interested in one of these fulltime jobs, please send us a note at jobs@backfence.com.

Please Tell a Friend or Neighbor About Backfence!
Know somebody around town who should know about Backfence or who could be a great contributor to the site? Forward this e-mail to them! Backfence is as good as you and your neighbors make it. So the more the merrier!

Thanks, and we'll see you around Backfence.com!
The Backfence Team

(You are receiving this e-mail because you signed up to receive news from Backfence.com. If you no longer wish to receive this newsletter, go to the Backfence.com My Account page to edit your account and indicate that you do not wish to receive news from Backfence.)

Figure 8.4. Backfence.com email

your customer retention email newsletter includes, and get an explicit opt-in from customers who want to receive it, to protect yourself against spam complaints. Your newsletters will be better appreciated, too.

Figure 8.5. SIIA's Industry Daily email

Building Personal Relationships

The personal relationship email is ideal for:

- using in conjunction with any of the CRM emails mentioned earlier

- building a relationship with your customer

- making yourself available to your customers

We've talked a lot about how email can help you build relationships with your customers. At the crux of it all is the personal relationship email. Figure 8.6 shows an example.

Exact Target is an email service provider. It uses monthly email newsletters—which provide information on how customers can improve their email marketing—to build relationships between the customer and the company, as well as between the customer and individual customer service representatives within the company.

The From address on the email belongs to the representative, as does the picture and the contact information that you can see in the left column. The picture is a very important part of this model—customers are able

Figure 8.6. ExactTarget's Taking Aim

to better relate to the representative if they know what he or she looks like. The relationship would not be so firm if the email only included a name and contact information.

The photo also draws the reader's attention to the email—"Who's this guy, and why has he sent me an email?" And after the relationship has been established, recipients think, "Ah, there's another email from Jeff. What's he got to say today?"

What's so great about this email is that, though it's personal, it doesn't actually require much effort on Jeff's part! The email is generated using an automated system that dynamically adds the correct representative's photo and contact information to the base email content.

Even without dynamic content generation, personalization is still a great approach to enhancing your customer relationships. A company with only a few customer service representatives might include a picture of all of them, along with their names, in each email; definitely consider including your photo and contact information if you're a single-party organization. I much prefer this one-on-one approach to the alternative that some small companies take: using non-existent employees and departments to create the illusion of a larger organization.

Building this relationship is the first step. And if your customers feel that they know you, they'll take the next: they'll feel more comfortable to pick up the phone and call you to discuss issues, place orders, or even talk about the weather. Before you know it, your relationship will be rock solid, and your sales will pick up accordingly, too.

Gaining Current Customer Opt-ins

One of the great debates about sending email to current customers is whether or not you need an explicit opt-in. The answer is yes, you do need an explicit opt-in. You *always* need an explicit opt-in, even if you're sending to your own customers—people who you're pretty sure will want to receive your emails. If they really want to receive your emails, obtaining their opt-ins won't pose any difficulty.

Remember: the customer retention email is all about the customer—if they don't want it, you shouldn't send it, period. The fact that customers have purchased your product doesn't automatically give you the right to send them emails.

If you haven't obtained an explicit opt-in, you can go back and ask them for one using a number of approaches. Send them a personal email, asking them to subscribe to your newsletter. Be sure to outline the features, benefits, and advantages of the newsletter to describe its content, and don't neglect to mention the frequency with which you'll be sending. Link to a sample issue of the newsletter if one is available.

Some companies will send a sample of the email newsletter along with a link that allows the reader to subscribe. While this sounds like an ingenious idea, it does have its flaws. For one, if the reader really does become engaged with your sample newsletter, he or she may forget about the opt-in altogether. Another thing to be wary of is that other companies may already be sending the person email newsletters, which often only have an unsubscribe link at the bottom (not a subscription link), so they may not realize that the opt-in option is available. Finally, if the issue that you send isn't engaging enough, the reader won't subscribe, never realizing that next week's issue will be far more relevant and interesting to them. A well-written description of your email newsletter may get across its benefits and advantages much more effectively.

Other Considerations for Customer Retention

Right now, there's nothing you don't know about content that makes up a good customer retention email. Let's step away from this and explore the other aspects involved in developing successful retention emails, such as frequency, personalization, and voice. Here's a quick run-down of the top issues, after content, that can influence the success of your customer retention emails.

Editorial vs. Promotional Content Ratio

In Chapter 5 we discussed the 60/40 rule—an email newsletter should have at least 60% editorial content and no more than 40% promotional content. With customer retention emails, this ratio is skewed slightly toward editorial content, as most recipients are existing customers who don't require as much promotional content. A ratio of 80/20 editorial to promotional isn't unusual, and neither is 90/10.

Basically, include only as much promotional content as you need to make the email worthwhile for you, as well as for your customers. Usually, just your logo, company, and contact details will suffice, but if there's a product or service that you feel will be of particular interest to your customers, a soft sell won't do too much harm.

Mailing Frequency

Relationships, both online and offline, take time and attention. You should touch base with your customers at least once a month to keep yourself at the forefront of their minds. Anything less than that, and you risk being forgotten between sends; it's hard to build a relationship if you're constantly starting over.

It's also important to publish on a regular basis. Sporadic efforts aren't as effective as a steady, continuous publishing schedule. This is probably the most difficult part of a customer retention email newsletter. Direct sales emails tend to take precedence with business owners, since they generate revenue immediately. Don't disregard customer retention emails, though—they're your bread and butter. These emails are catering to your most valuable audience: your current customers.

Keeping it Short and Simple

"Do not be overly ambitious," says usability guru Jakob Nielsen of UseIt.com. "It's better to have a short and simple newsletter that comes out on a regular basis than something that starts out fancy but then degrades because you don't have the time to keep up the publishing schedule. In fact, users' biggest complaint about eNewsletters is that they are published too frequently, so take it easy and make each issue a good one."

Resource Availability

The content sources we talked about in Chapter 6 are as relevant to customer retention emails as they are to promotional emails. Be sure that you have a reliable, sustainable source of content before you begin your customer retention email newsletter. As with any other email, you should follow the process described in Chapter 3 to create a comprehensive email strategy that addresses everything you're trying to achieve with your customer retention email campaign.

One of the key reasons that customer retention emails fail is that they lack content that interests readers. Be sure that you're in sync with what your readers want, and be sure that you can produce the content on a regular basis. You've heard this before, but it's worth repeating—it's better to publish a good email newsletter monthly than a poor one every week.

Voice, Personality, and Style

Voice, personality, and style are all part of the creative process that we discussed in Chapter 5. It's not what you write, it's how you write it. No matter what type of content you include in your customer retention emails, this content has to be written in a friendly tone that engages the audience and is enjoyable to read. Even if you're aggregating information from other sources, include some original content that you've written, such as your own short opinion pieces on the articles to which you're linking. Original content is one area in which the SIIA's newsletter, which we saw in Figure 8.5, has room for improvement.

The most interesting information can easily be missed if it's presented in a monotonous voice. Couple this with a plain text email, and your customers will have to be *really* interested to persevere and read your offering. Don't rely on that being the case! On the flip side, even the wittiest email won't save your customer retention email program if you aren't providing content that's of interest to your readers.

Personalization

Personalization (which we covered in detail in Chapter 5) is an important aspect of any customer retention email. You're sending emails to your customers, are you not? You know who they are—if you don't, you should!—so use their names. If you don't know their names, ask them to include these details in their next profile updates. Details like these are the little things that help build a relationship, and show that you care.

Tracking Success Metrics

How you measure the success of your customer retention campaign depends on the goals you set for it at the start. Since your overall objective is to engage the reader, you'll use opens and clicks to measure your short-term goals. You can also use reader inquiries, renewals, additional sales, or customer recommendations as measures of success. You probably won't see any movement in these goals after a single send—customer retention emails are about building relationships, and that takes time—but you will get there if you keep up your well-planned customer retention email strategy.

Summary

In this chapter, we talked about how we can use email for customer relationship management, or CRM. That is, how to keep your existing customers—your most valuable assets—on side.

We discussed the best way to form relationships with your customers via email, and looked at the different types of content we can include in emails to achieve this goal. We saw that tuning in to the needs, desires, aspirations, and dreams of your customers is the first step to forming successful relationships with them. We looked at how to use email to offer customers solutions and education that will satisfy their needs, yet see them reading your next email!

We also looked at the other issues involved with sending customer retention emails, such as gaining opt-ins, striking a balance between editorial and promotional content, how often to send emails, choosing an appropriate style of writing, using personalization, and how to measure your email newsletter's success.

We also learned that a personal photograph is worth a thousand words in developing customer relationships.

Viral Marketing

There are many things for the marketer to love about viral marketing.

"Like what?" you ask. Well, bear with me just a while and I'll explain.

Viral marketing is a cost-effective way to get your message out, for a start. Your email will reach those who are, as well as those who aren't, on your email list. There's no set investment—you can invest as much or as little into the campaign as you like. Finally, viral campaigns inspire a higher level of trust than any other type of marketing campaign.

Viral marketing does come with its disadvantages, although its benefits greatly outweigh them. In this chapter, we'll talk about the pros and cons of viral marketing, as well as tips for creating a successful viral campaign for any budget.

What is Viral Marketing?

It was originally a partner in a venture capital firm, and not a marketer, who is credited with coining the phrase **viral marketing**. This was a term that he used to explain the incredible marketing success of Hotmail, one of the companies his firm was funding—but more on that shortly.

Viral marketing is defined as "any strategy that encourages individuals to pass on a marketing message to others, creating the potential for exponential growth in the message's exposure and influence."[1] Also called, perhaps more beguilingly, "buzz marketing," "social marketing," "social network marketing," or "word of mouth marketing," viral marketing turns customers and others who find your message of interest into advocates for your company. The idea is passed from person to person, not unlike the way a cold virus is passed around an office or a school! Have you ever bought a product based on the recommendation of a friend? Have you ever forwarded an email newsletter to a colleague? Both are examples of viral marketing.

---

[1] Dr. Ralph Wilson, "The Six Simple Principles of Viral Marketing," Web Marketing Today, February 1, 2000 [http://www.wilsonweb.com/wmt5/viral-principles.htm].

Now that we've defined the term, let's look at an example. Here's a brief overview of the Hotmail program, which was considered to be the first large-scale successful viral marketing campaign conducted on the Internet.

Case Study: Hotmail

The year was 1996. Hotmail, a web-based email service that was free to users, was just being launched. Hotmail needed a cost-effective way to gain recognition, and devised this plan: include a clickable URL in the footer of every message that was sent using the service. As a result, everyone who used a Hotmail email address to send email messages was actually helping Hotmail promote its service.

Hotmail went from zero to hero in just 18 months, with its customer count increasing from virtually none to 12 million. And what was Hotmail's advertising budget for this amazing return? $50,000. That figure may sound like quite a bit of money, but when you put it into context, it really isn't. The cost per new customer comes out at less than US$0.005. Juno, a contemporary of Hotmail's that offered free Internet services, spent over $20 million on non-viral campaigns during a similar period, but the result wasn't half as impressive as Hotmail's.[2]

Hotmail's growth started out slow, then increased exponentially. At the beginning, its marketers found that they'd gain two new customers per month for each customer they already had, thanks to the viral messages in the emails. Table 9.1 shows how this growth model worked.

Table 9.1. Breakdown of an exponential growth model

Month	Customers, Beginning of Month	New Customers	Customers, End of Month
1	1	2	3
2	3	6	9
3	9	18	27
4	27	54	81
5	81	162	243
6	243	486	729
7	729	1458	2187
8	2187	4374	6561
9	6561	13,122	19,683
10	19,683	39,366	59,049
11	59,049	118,098	177,147
12	177,147	354,294	531,441

Using this model, you could grow a customer base from one person to over half a million people (531,441 to be exact) over 12 months. That's exponential growth.

What makes the Hotmail story even more impressive was that Hotmail found that it was the leading email provider in a number of countries, including Sweden and India, where it hadn't even conducted any

---

[2] Steve Jurvetson, "What is Viral Marketing?" *Red Herring*, May 1, 2000 [http://www.dfj.com/cgi-bin/artman/publish/steve_may00.shtml].

formal marketing. This means that Hotmail's customer base in these countries was entirely the result of viral marketing.

Hotmail is just one of many organizations that can boast the success of viral marketing. Hotmail's entire business model depended on the success of its viral program, as it was being used to draw new customers to the service, but there are other ways in which we can carry out viral marketing. We'll look at some of these later.

Viral Marketing Benefits and Tradeoffs

Viral marketing offers a number of benefits, but there are also a number of trade-offs. It's important to know what you're getting into, and what you're giving up, when you make the decision to go viral.

Cost-effectiveness

As the Hotmail example shows, viral marketing can be extremely cost-effective. But that doesn't mean that it's free, or easy. What you don't spend in actual dollars may be matched or even surpassed by what you'll need to expend, in terms of strategy and creativity, to develop a successful campaign.

Gaining a Higher Level of Trust

Trust in traditional marketing techniques, offline and online, is decreasing. In 2004, Forrester reported that less than 50% of consumers trusted TV and radio ads, and print advertisements fared only slightly better. Viral marketing is the perfect antidote to these declining trust levels. The viral message is delivered to your audience by friends and colleagues, not by your organization. In this model, a level of trust already exists between your audience members, and the friends and colleagues from whom they hear about you. So, naturally, they'll trust you, too.

Beating the Backlash

In addition to a lack of trust, we're seeing a widespread consumer backlash against traditional marketing methods. Do-not-call telemarketing lists, spam filters, and TIVO-like devices that allow viewers to fast-forward past commercials are all attempts by consumers to avoid marketing messages. By using a viral approach, the messenger is a friend or colleague—people your prospects *want* to hear from.

Commanding More Audience Attention

Not only are your prospects less likely to spam-filter messages received from friends and colleagues into their junk mail folder, they're more likely to give those messages their full attention. The source of the marking message is someone with whom they have a relationship, someone who knows their likes and dislikes, someone whose judgment they trust. Your prospects are open to listening to what their friends have to say about your product or service.

Spreading your Message Quickly

The exponential nature of viral marketing can see a message spread, literally, like wildfire. Table 9.1 is a perfect example of this phenomenon; it's like a pyramid, with the bottom or base constantly expanding. Each new level is larger than the one before it, since existing customers are bringing in new customers for you every month.

Getting a Good "Buzz"

Viral marketing can also lead to free public relations, or PR. If people are excited about your viral message, you may find journalists writing stories about it; moreover, you may find your program being mentioned in blogs or even discussed on a podcast or two. All this free publicity will help fuel your viral marketing efforts—and expand your customer base and your reach.

Losing Control

For all these advantages, there is one downside to viral marketing that should be considered. Once you put it out there, understand that you will lose control of your message. Each person spreading the message will, consciously or unconsciously, change it. Key benefits may be forgotten; new benefits (real or imagined) may be added. You may be targeting segment A, but if people in segment B latch on instead, your message will be proliferated to that group; see the the section called "Case Study: MarketingSherpa's "Torture a Spammer"" for where the greatest interest came from people who didn't belong to the target audience for that campaign. And once your snowball starts rolling, there's not a thing you can do to stop it.

The Simplest Approach to Viral Marketing

There are many different ways to implement a viral marketing campaign, depending on your goals, your budget and your available resources. First, we'll talk about a very simple approach that anyone sending email can (and should) implement. Later in this chapter, we'll talk about some of the more advanced ways to approach viral marketing.

Forward to a Friend

We've met this aspect of a viral campaign before, in the section called "Forward Rates and Viral Marketing Metrics" in Chapter 7. This time, the goal of your campaign isn't to gain new customers directly—it's to attract more prospects to opt in to receive email from your organization. A forwarding link should be included in any email newsletter you send to your house list, as a way to remind recipients to share this content with friends or colleagues who might find it interesting. A sample forward to a friend (F2F) call to action appears in Figure 9.1.

Figure 9.1. F2F calls to action

While this approach may not create the exponential growth we saw with the Hotmail example, it's likely that it will slowly but steadily add new people to your opt-in list. The growth may not be as electrifying as that which Hotmail enjoyed, but it will still be worthwhile. Because the cost of these new subscribers is low or nil, the only additional effort required on your part is simply to include a F2F call to action in emails you'll send.

A sample growth chart appears in Table 9.2. Here we assume a monthly email send to your house list (quantity 1,500 recipients at the start) with a 2.5% forward rate and a 25% opt-in rate for those who receive the forwarded email. After 12 months, we've increased our list size by more than 100 people (from 1,500 to 1,616), or by 7.8%.

Your Own F2F Program

Incorporating a F2F program into your regular email marketing efforts is a cost-effective way to implement a viral marketing program. Here are some tips for making it happen.

Table 9.2. Growth of an F2F campaign

Month	Subscribers, Beginning of Month	Forwards	New Subscribers	Subscribers, End of Month
1	1500	38	9	1509
2	1509	38	9	1519
3	1519	38	9	1528
4	1528	38	10	1538
5	1538	38	10	1547
6	1547	39	10	1557
7	1557	39	10	1567
8	1567	39	10	1577
9	1577	39	10	1587
10	1587	40	10	1596
11	1596	40	10	1606
12	1606	40	10	1616

Content Creation

The good news here is that the content of your viral marketing program will be whatever you're already sending in your email. Email newsletters, which include value-add information and aren't purely promotional, work best. That said, if your promotional emails are engaging enough, you will often find people forwarding them on to their friends or colleagues as well.

The better your content—the more interesting and valuable it is to your readers—the more likely it is that they'll forward it on. The first level of engagement shows up in opens and clickthroughs; taking this to the next level, where readers actively share the content with others, requires a higher level of interest and commitment on their part. You can't force it, but the better your content, the more likely it is that recipients will share your message with friends.

Call to Action

You saw some examples of F2F calls to action in Figure 9.1. There are numerous ways to word your F2F call to action and unlimited ways to have it appear in terms of its look and feel. Design your F2F call to action to fit in with the style and voice of your email. Some email marketers use text links; others find that buttons or small banners work better. Test different ideas for yourself and see which approach works best for your audience.

Figure 9.2. An F2F link in The Jennings Report

More important than what your F2F call to action says or how it looks is where it's positioned. Give your F2F call to action a prominent location in your email, so it won't be missed. Also, position it in a logical place; work out a location where you imagine the reader would have read enough to know whether or not the email's worth forwarding. Or you can put it in a place where it stands out enough so that the reader will remember to come back to it. Figure 9.2 shows the location of the F2F link in my email newsletter, just below the header at the top.

Freeing up Footers

I don't recommend putting the F2F link in the footer, despite the fact that many organizations do. People really only look to the footer if they want to unsubscribe; chances are that a F2F link there will be missed, making it ineffective.

To Link or Not to Link?

In Figure 4.2, the F2F call to action is a link that takes the reader to an online form like the SubscriberMail one shown in Figure 9.3. But do people really click on "tell a friend" links in email, rather than just hitting their **Forward** button? Some do, some don't. At this point, however, we're not as worried about this as we were earlier, when we were tracking forwards in the section called "Forward Rates and Viral Marketing Metrics" in Chapter 7. As we saw then, the benefit of the link is that you can track the pass-alongs, which you can't do if senders just click **Forward**. And having it there doesn't impede their ability to just hit **Forward** instead of using the link, so it's really a no-brainer to include a link. When all's said and done, however the sharing happens, it's still viral marketing and your email is still passed on.

Your online viral marketing form should include several fields, for:

- the sender's name

- the sender's email address

- the friend's or colleague's email address that the sender is forwarding the email to

- a personal message from the sender to the friend or colleague

SEND MAIL TO A FRIEND

Your Friend's Email: (separate multiple addresses with a comma)

Your Email:

Your Name:

Subject:

Your Message:

Send

Figure 9.3. An online F2F form

The sender's name and email address should appear in the display name and the actual From address of the email that is sent. This is important for the recipient's recognition that the email is from an acquaintance, which helps to increase your forwarded email's open rate. The sender's email address should also appear in your reports (as you'll recall from the section called "Tracking and Reporting" in Chapter 3) so you'll know which sender is being so kind as to forward your emails for you.

Considering the From Address

Regulators in the US are looking at the From addresses used in viral marketing to determine whether or not using the sender's name is in compliance with the requirement that the From address be a valid representation of the entity sending the email. While no official position has been declared as yet, most feel that this practice will be upheld, as long as the senders are fully aware that their names and email addresses will be used in this way.

Obviously, the friend's or colleague's email address is needed so the email can be sent. Notice that this form doesn't ask for the recipient's actual name. Sometimes it is requested, but unless it will be used to personalize the email ("Dear Jeanne") there's really no reason to collect it. Some users of F2F feel that this additional field can suppress potential senders' using the form—people might feel they are providing more information than they need to about their friend or colleague.

Allowing Multiple Recipients

Allowing the reader to share your message with multiple friends from a single online form encourages the type of exponential growth you want from your viral marketing campaign. Statistics from a successful viral marketing campaign a few years back show that 58% of people forwarded the message to two colleagues (the maximum the online form allowed); only 42% of people entered just one friend's email address.[3] If readers have one person to forward your message to, there's a good chance they'll think of other people as

---

[3] "Using a Viral Game to Get Email Newsletter Subscribers," MarketingSherpa, January 22, 2003 [http://www.marketingsherpa.com/barrier.cfm?contentID=2248].

well; make it easy for them to pass your message along to everyone they know who might be interested in what you're offering.

The personal message is the most controversial part of these online forms. This area allows the sender to include a note about what's being sent. There are a few ways to handle this:

- In the example shown in Figure 9.3, the box is left completely blank; this allows senders to compose a free-form message to their friends or colleagues. This may ignite some creativity—or it may cause people to become speechless and not know what to say, which can discourage them from sending at all.

- Another option is to compose a generic message, include it in the box as the default, and let senders edit this text as they wish. This solution alleviates the "speechless" problem and even if the sender does decide to delete the message and start over, it gives them an idea of what to say.

- Many companies are hesitant to allow senders to write or even modify the message that's sent; they include a set message, written by the company, which cannot be changed, edited, or added to. Why not give the sender a voice? Legal departments worry about liability if the sender includes a message that's obscene or otherwise offensive; marketing people worry about senders writing negative messages like "Isn't this lame?!? How stupid!" or worse. This is one of the risks of losing control; you need to be willing to accept it if you want to maximize your viral program.

- Finally, you can use a hybrid model; usually, this is my weapon of choice. You show senders (then include in the email) a generic paragraph explaining the message (or including the content) that cannot be changed. By showing senders what it says, they'll know they don't have to repeat the information. Then allow senders to add a personal note that will appear above the generic paragraph in the email. I find this solution to be the best of both worlds: you can make sure that the important information (the URL, the key marketing message) is conveyed while giving senders a voice to address their friends or colleagues and tell them why they should care—which, after all, *is* the point of viral marketing!.

Figure 9.3 includes an additional field that's optional: the subject line field. While you can allow senders to create their own subject lines, more often this is set by the organization conducting the viral marketing. In the case of a newsletter, the subject line that was used for the original send is usually pulled in for forwards. Another option, if you're capable of it, is to preface this subject line with the sender's name—just to make sure the recipient understands that it's been sent by a friend.

The **Send** button at the bottom of the page in Figure 9.3 shoots the email on its way. Don't forget to confirm that the email has been sent and thank senders for passing along your email message—after all, they've just helped you promote your product. This message can be included on the page the senders land on after they hit **Send**.

Email Delivery and Display

You've motivated your recipients to forward your message—now, it's time to work out what that message will convey! Figure 9.4 shows a sample email newsletter that's been forwarded to a friend.

Figure 9.4. Forward of The Jennings Report

This sample includes a generic phrase that incorporates the sender's (in this case, me) full name: "jeanne jennings wants to share this with you." Also, here's the personal message I typed in when I sent it: "Hey, Saw this article on focus groups and thought it might be of interest to you. Best, Jeanne."

Easy Opt-in

To close the loop and encourage the opt-in, a link that allows the recipient to subscribe or opt in to receive future emails like this one is included, in red, below the message ("Please click here if you want to subscribe"). Make sure you put your opt-in link out there, nice and big and bold! Encouraging people to subscribe is critical to the ultimate success of your viral marketing program, since the goal isn't just to encourage readers to forward the email; the goal is to entice the people who receive the forward to opt in. This link can be included on your standard online opt-in page; there's no need to create a new page for people coming into your sign-up process via a viral email.

Many email newsletters include an opt-in link in the footer of every email that they send. This is good thinking; if the email is forwarded via the sender's **Forward** button, rather than via your online form, there's still a straightforward way for the recipient to opt in. The addition of a second link, as we have here in Figure 9.4, in a prominent place beneath the personal message is insurance against the footer link being missed and should increase your opt-in rate.

Finally, beneath all this information, appears the original, full text of the email, for the recipient to read, enjoy and—who knows?—maybe even pass along to some other friend or colleague.

Keys to Success

So, viral marketing sounds easy? Well, it is and it isn't—there's more to it than meets the eye! Here are a few other elements that are needed for the development of a truly effective viral marketing campaign.

Great Value

Make sure your email offers great value—it's the one overarching factor that can make or break your viral marketing campaign. If what you offer to readers isn't totally engaging and valuable to them, there's no reason for them to tell others about it. Your offering can be an article, an online game, a contest,

whatever—but if it doesn't pique the interest of readers in some way, they won't make the effort to pass your message along. We'll look at some examples of successful and less-than-successful campaigns later this chapter, but if there's any doubt in your mind that what you're offering is fabulous, then a viral marketing campaign may not be the best way to spread the word.

An Existing Social Network

The people who you want to spread the word for you by forwarding your email have got to have a way to communicate with other people—and your viral campaign needs to help them determine who's most likely to be interested. This is easy to do with articles—people know what their colleagues' interests are and are unlikely to forward an article to them unless they think they'll gain any value from it. Achieving this outcome is more difficult if your target audience members don't have an easy way of recognizing one another, or if your viral marketing content has a broad appeal.

Here's an example of a case where viral marketing would have been unlikely to succeed. I had one client who wanted to do a viral marketing campaign that offered a special discount on a new product to the current customers of one of its existing products. The problem? The current customers didn't have any way of knowing who the other current customers were. This wasn't a good fit for a viral marketing campaign; even if we were able to get it off the ground, most of those who got the forwarded message probably wouldn't be eligible for the discount anyway.

Incentives

You can offer an incentive to readers to entice them to pass on your viral message—a free special report, perhaps, or the chance to win a product. This tactic can be an easy way to lift your viral forward rate, since people gain benefits in return for sharing your message.

Be cautious about what you offer as an incentive, though. Regulators in the US who are fleshing out the CAN-SPAM act are looking at this practice as we speak. These regulators are concerned that if incentives offered for participating in viral marketing campaigns are too great, people will be encouraged to forward messages to their entire address books, creating a whole lot of potentially unwanted email.

As of now, asking people to forward a message to friends is fine; making the forward a voluntary (not required) action and offering an incentive (which they can have whether or not they forward the message) is okay; making the forward a requirement to enter a contest or receive a gift is seen as suspect. To illustrate:

- If you're marketing for a movie theater and you send out an email with this week's movies and screening times, it's fine to ask recipients to forward the email to friends who might also be interested.

- It would also be fine for the movie theater to send an email announcing a contest where the prize is free movie tickets for a year, give recipients the chance to enter and ask them to forward the email to friends who might also like to enter.

- It would be suspect to send this email about the contest and require that recipients forward it in order to enter, or to provide people who forward the email to friends additional entries in the contest.

Tracking and Reporting

Since you can only measure emails forwarded via your online form, not those sent with the **Forward** button in your readers' email clients, tracking and reporting on your viral efforts will likely yield imperfect results.

However, tracking and reporting remains the only way to gain an idea of how your viral marketing campaign is doing, and this knowledge can only be helpful. As with any marketing campaign, you should set some quantitative goals at the beginning and then track your results to see if you're meeting those objectives. The key data points for an F2F campaign are:

- how many people the email is sent to

- how frequently the email is sent

- the percentage of customers you anticipate will forward it

- the percentage of recipients of the forward that will opt in to your list

Prior to beginning your campaign, this data will allow you to create a chart like the one shown in Table 9.3, projecting the results you hope to achieve from your viral marketing. After the send, you'll be able to fill in the actual data, see how you've done, and adjust your projections for future campaigns accordingly.

You should already know how many people you'll be mailing your campaign email to and how often you'll be sending it to them. So those figures should be easy to drop in. For the other figures, you'll need to make some assumptions. Earlier in the chapter, in Table 9.2, we assumed a 2.5% forward rate and a 25% opt-in rate on forwards. You can also calculate data for these forwards and opt-ins based on your emails assumed delivered quantity, as shown in Table 9.3.

Table 9.3. Emails assumed delivered

	Raw Data	Percent of Assumed Delivered
Assumed Delivered	1,604	
Tracked Forwards	5	0.3%
New Subscribers Day of Send	25	1.6%
New Subscribers Next Day	9	0.6%
Total Subscribers	34	2.1%

The data in this example is based on an actual F2F campaign. You'll see that the tracked forwards (those that came via the online F2F form) reflected just 0.3% of the emails assumed delivered. But the total of new subscribers signed up on the day of the send and the day after was 34, or 2.1% of the emails assumed delivered. Since there was no other acquisition marketing going on at this time, we can attribute these new subscribers to forwards; this suggests that our viral marketing will grow our list by 2.1% each time we send out an email.

Tracking Email Forwarders

In addition to tracking aggregate data on how many people forward your emails, most email tracking programs will also let you see the email addresses associated with those people who are forwarding your message. Although anecdotal, this information may help you pinpoint segments of your list most likely to take part in viral campaigns. This tracking will identify these people as potentially more valuable members of your subscriber base than those who don't forward your emails.

Long-term Value

Taking it a step further, watch the new subscribers who come in through viral programs and see how they perform as compared to subscribers acquired in other ways. Do they open your emails more or less often? How does their clickthrough rate compare to your other subscribers? Do they convert to the desired action (a purchase, a request for more information, etc.) more or less often than your regular readers? All these metrics will indicate the long-term value of these new subscribers—if these new people don't perform as well as your regular recipient base, you may want to rethink how you're conducting your viral marketing.

A common culprit here is offering an incentive that's *too* good—the reader's motivation to forward your email on is personal (to take advantage of what you're offering) rather than altruistic (to provide value to the person the email is forwarded to). Cutting back on the incentive will often increase the long-term value of the subscribers you acquire via viral marketing.

Another issue of having too broad an incentive is that it may appeal to a wider audience than that attracted by your product alone. This problem is also illustrated in the section called "Case Study: MarketingSherpa's "Torture a Spammer"", where most of the recipients of the forwarded email were unlikely to buy special reports and support the company's business model.

Respecting Email Addresses

You know those email addresses that were submitted to your F2F campaign by your opt-in subscribers, the ones belonging to their friends who you forwarded the email messages to? Well, you cannot—absolutely cannot—use these addresses for any purpose apart from that single forward of the email message requested by the people who entered them.

I know it's tempting, but the best practice is not even to save them in your database. A worse practice is to add these people directly to your list and begin mailing them as if they had opted in. They did no such thing. Permission to email someone is not transferable—I can't give you permission to add my colleague to your email list; only my colleague can give you permission to email him or her. This is one of the most misunderstood aspects of viral marketing, and one that can cause long-term damage to your email program, since a blacklist will block all your emails, not just those sent to people without their explicit permission. For more information on permission and obtaining the opt-in, you might like to revisit the section called "Permission" in Chapter 4.

Advanced Viral Marketing

Viral marketing is a very broad genre, even if you limit your study of it solely to its uses on the Internet. To give you an idea of the power of viral marketing, we'll look at a few examples as well as some tips for launching more advanced viral marketing campaigns. As I said earlier, it's all about the value of the content; in these examples, new content, a new game, or a contest has been added into the viral marketing mix to entice readers to share the marketing message.

Case Study: Burger King's Subservient Chicken

This particular viral marketing campaign won the 2005 Grand Clio, the US advertising industry's most prestigious honor, as well as three additional gold Clio awards. After this campaign was launched, the team that developed it told about 20 friends about it; Burger King also flashed the URL in a few of its TV ads. Since then, the site has reportedly received 14 million unique visitors and 396 million total hits. The average

visit lasts about six minutes—quite an accomplishment for any marketing initiative! Oh, and Burger King says it's seen a steady increase in sales of chicken sandwiches—the point of the whole exercise.

The content Burger King used may seem a bit odd, but it does tie into the company's "have it your way" slogan—here, the message is that Burger King'll make your sandwich just the way you want it—and it was produced to increase awareness of Burger King's chicken items. It's well worth a visit to the web site to have a look for yourself, just for fun[4].

Yes, that's a person dressed in a chicken suit standing in a suburban living room. Notice the box below entices the visitor to "Get chicken just the way you like it. Type in your command here." Sure enough, the chicken performs just about any task you ask of it (it was programmed with 300 different actions), from "dance" to "throw pillows" to "die."

This is a much more elaborate viral marketing campaign than the Hotmail and Forward to a Friend examples we discussed earlier in the chapter. It's also edgier and more "out there;" for Burger King's target audience, consumers between the ages of 20 and 39, this was one very effective campaign. It was humorous enough not only to engage the audience, but to make them want to share the experience with friends—note the link at the bottom to "Tell a Friend."

Other Viral Marketing Campaigns

If you're looking to launch a viral marketing campaign on a bigger scale, then put on your thinking cap. Brainstorm concepts, keeping the value proposition of your product or service in mind and remembering the need to engage the audience. Here are a couple of examples of recent viral marketing campaigns:

■ Loews, a chain of movie theatres, periodically runs a contest where the winner gets to invite a group of their friends to a private preview of an upcoming film. Loews offers a way to tell your friends about the contest and hint that it's to your advantage to do so, because if your friend wins he or she will have to invite *you* to the screening, right?

■ Automobile manufacturer Audi launched an online mystery surrounding one of their new A3 models that was "stolen" from the New York Auto Show. Clues were provided online and via email, enticing readers to play detective and work with their friends to figure out "whodunit."

Notice how closely these concepts and incentives tie into the products or services of the company that's behind the viral marketing? Burger King's Subservient Chicken would have been an odd (and probably unsuccessful) choice for Audi; Loews and the stolen car mystery would have been a non-starter for both Audi and Burger King. To keep the concept in line with your product, as well as making it engaging for your audience, is a must.

To come up with a viral marketing concept is a creative process; it really is an art, not a science, which makes it hard to describe. If you can afford to bring in a creative agency to help you, do it. There are lots of ad agencies that specialize in viral marketing (type "viral marketing" into any search engine and you'll find a bunch). Even better—do some research. Look around at viral marketing campaigns conducted by other companies, ask your industry contacts if they've had any experience with viral marketing or if they know anyone who has, and search online for articles about successful viral marketing programs—then contact the agencies involved.

---

[4] http://www.subservientchicken.com

If you can't afford or don't want to involve an agency, then by all means look to create your own viral marketing campaign. I'd still recommend lots of research—look at what other organizations have done, see what's worked and what hasn't, then use that knowledge to develop a concept or incentive for your own viral marketing program.

Case Study: MarketingSherpa's "Torture a Spammer"

Games are often used as viral marketing content to engage people and entice them to tell others about your campaign. This can be a great way to attract people to your web site, where you can then ask them to opt in to receive email from you, purchase a product or service, or provide information so you can contact them.

In 2002, MarketingSherpa, an Internet marketing publisher, launched a new email newsletter for email marketers called EmailSherpa.[5] As with all MarketingSherpa's email newsletters, EmailSherpa was free. Subscriptions were going well but MarketingSherpa wanted to jump-start the process. The goal: to gain more subscribers for the publication and to bring in new people who weren't currently MarketingSherpa readers.

MarketingSherpa decided to take a viral approach, and developed an online game, hoping to generate a viral buzz that would broaden their reach outside their current audience. The name of the game? "Torture a Spammer," which was chosen to pique the interest of legitimate email marketers who saw unsolicited email as impinging on their efforts. People who came to play the game learned about the new publication and were offered the opportunity to opt in to receive it. Visit the web site to play it yourself![6]

The link to the game was mentioned (but not prominently featured) in emails sent to 24,000 of Marketing-Sherpa's subscribers. MarketingSherpa also sent out a press release about the game, promoted it in another industry newsletter via a banner ad, and were able to place two articles about it in other outside email newsletters. The total potential audience contacted via these placements was 63,000 people.

Did it work? Yes and no. Four months after the launch of the game, nearly 75,000 people had played it; only 1.7% of these came from links in MarketingSherpa's own email newsletters, which indicated that the campaign had achieved its goal of reaching a new audience. Another valuable source of referrals was blogs, which sent many more people than expected to play the game. The value of this type of free PR can't be understated.

However, in raw numbers of new subscribers, the results were okay—though not as successful as Market-ingSherpa had hoped. Only about 5% of people who played the game opted in for the EmailSherpa news-letter, a total of about 4,000 new subscribers. EmailSherpa is for industry professionals and is clearly marked as such; many of the people who ended up finding the game didn't fit this profile, so they weren't really candidates for the publication. Had the game not attracted these people, the conversion figure probably would have been higher.

Although valuable, the subscribers that were gained via this campaign turned out to be much less likely than other subscribers to buy special reports or other ancillary products, which are the basis of Marketing-Sherpa's revenue model. This result shows why it's so important to track what happens after the opt-in; in

---

[5] "Using a Viral Game to Get Email Newsletter Subscribers," MarketingSherpa, January 22, 2003 [http://www.marketingsherpa.com/barrier.cfm?contentID=2248].

[6] http://torturegame.emailsherpa.com

this case, these readers who were attracted because of the game campaign weren't as valuable to the company as readers acquired via other methods.

For your interest, here are the final viral metrics: 2.7% of those people who played the game chose to "tell a friend about it" via an online F2F form. And 58% of those receiving a message from a friend about the game clicked through and played it.

Case Study: e-tractions' Holiday Snowglobe

Here's another case study that illustrates how viral marketing campaigns don't always go exactly as intended.[7]

e-tractions, a provider of Internet marketing solutions, had a good deal of success creating viral marketing campaigns for clients in 1999 and 2000. For the 2000 holiday season, the people in the marketing team at e-tractions decided to use their expertise to market the company; they created an e-card and positioned it as the content in a viral marketing campaign.

A picture of the e-card appears in Figure 9.5, but you really need to view and interact with it online to gain the full effect.[8]

The image in the snowglobe is sweet enough—a typical winter scene with a person sledding down a hill, an ice skater, a snow man and (this is a bit odd) a man apparently sleepwalking in a nightgown and cap. Holiday music plays in the background as the inhabitants sled, skate, walk, and generally frolic about in the snow.

But notice the instructions below the snowglobe: "Click and drag the snowglobe to shake it." This is where the fun begins.

You expect to see the snow fly around, creating an intense flurry. You don't expect to see the inhabitants fly around, bouncing off the sides of the snowglobe and screaming. But that's exactly what happens. So much for holiday spirit—you now realize that this is a twisted take on season's greetings, and that's even before you see the snowman come to life and eat one of the snowglobe inhabitants!

e-tractions developed this e-card, posted it on its web site, emailed the link to a few hundred clients, friends, and prospects and waited for the viral marketing to begin. The response? Nothing. Nada. Silence.

We talked about how viral marketing was dependent on people wanting to share your message with others. Even through e-tractions' intent was to create a viral campaign, it didn't catch on, people didn't share it and—at this point—it looked like a failure.

Fast-forward two years, to the 2002 holiday season. The snowglobe e-card was still posted on the e-tractions site, in an archive of its work. And it started attracting hits. Who found it? Who shared it? No one knows. e-tractions swears it wasn't any of its staff or anyone it knew. But suddenly, the e-card took off.

In less than six weeks, over 200,000 people on three continents viewed the snowglobe e-card. When the hits started, the "Tell a Friend" link was broken, forcing people to manually cut and paste the URL into emails to let their friends know about it. Even though this took some effort, they liked the card enough to

---

[7] "Incredibly Unpredictable B2B Viral Campaign Results: The Little Snowglobe That Surprised Everyone," MarketingSherpa, January 21, 2003 [http://www.marketingsherpa.com/barrier.php?ident=23166].

[8] http://ww12.e-tractions.com/snowglobe/globe.htm

Figure 9.5. e-tractions Holiday Snowglobe

do it. We could speculate that the original recipients of the emailed link to the card from e-tractions found its blackest of humors to be in bad taste, or were afraid that those they emailed it to in turn would think so. Perhaps, the e-card's discovery by different audiences, who took it into their own hands to forward their quirky discovery on to like-minded friends, made it more of a cult- or fad-like joke.

Figure 9.6 features an analysis of the traffic the e-tractions snowglobe card received once the viral marketing campaign took off in 2002. As you'd expect, it's a bell curve, with interest peaking in weeks three and four, and gently falling off after that.
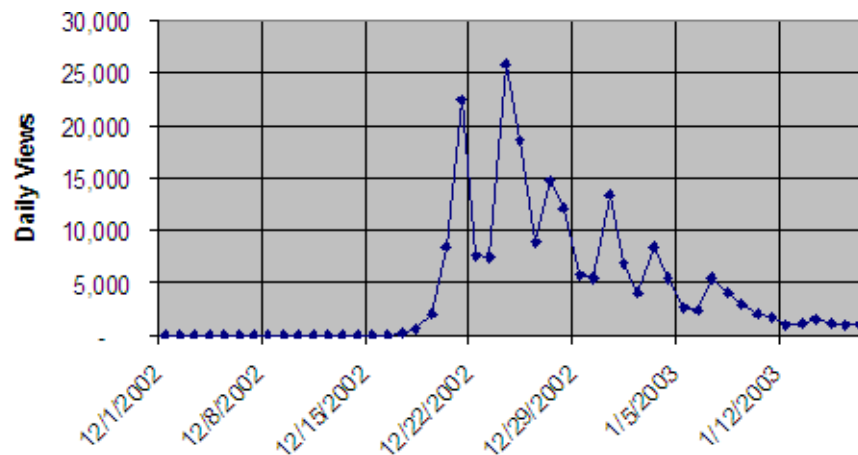
Figure 9.6. Snowglobe views

The biggest pearl of wisdom to be found in this case study is to acknowledge that you give up control when you implement a viral marketing campaign. The good news for e-tractions is that the campaign did, finally, take off two years after it was developed and proved to be successful for e-tractions. Many viral campaigns never take off, for a variety of reasons. That's the risk you take when you go viral!

Summary

We've seen that email and viral marketing are a match made in heaven. Viral marketing turns your customers and readers into advocates for your product or service, and can create exponential growth in your email list or customer base in a very cost-effective manner.

Even if you don't have the resources of the companies we saw in case studies, such as Hotmail and Burger King, you can still make a success of viral marketing. The key is to have a message that interests or excites people and makes them want to tell their friends or colleagues about it. It can be as simple as a great article in an email newsletter, or as complex as an online game or a contest. Viral messages sent to the recipient via a friend attract greater attention, and are received with more trust and less skepticism, than direct emails from an unknown company.

But there's a risk to viral marketing—you lose control of the message. You need to be willing to accept this fact and let the people spreading the message take charge. It's also important to track the performance of email addresses coming from your viral campaigns to determine their true long-term value.

An F2F campaign for an email you already send is the easiest way to get started with viral marketing. Good luck!

Using Third-party Email Lists

As we've seen, your best-responding list is, almost without exception, going to be your house list.

That said, there are some—admittedly rare—instances when it may make sense for the email marketer to rent an outside list. In this chapter, we'll talk about cases in which taking advantage of an outside or third-party email list may be useful. I'll also give you tips on how to find legitimate opt-in lists to rent, and how to avoid list scams.

When a Third-party List Makes Sense

In Chapter 4, we went into great detail on the topic of building your own opt-in email list. Generally, as we saw, it's a better idea to use your own list than someone else's list. Third-party lists add rental fees to your costs, and they rarely perform as well as an opt-in list that you've built yourself. Sometimes, though, using a third-party list may make good sense.

Third-party lists are best used when you're looking simply to introduce yourself to an audience. For instance:

- If you want to grow your own email list, you might send a third-party list an email that presents the benefits of opting in to your email list, and ask the recipients to respond. Once people have opted in, you'll be able to add them to your house list and provide them with the benefits and advantages enjoyed by regular recipients of your email newsletter.

- If you're attending a trade show, you might rent the third-party list of attendees and invite them to visit your booth.

- If you're hosting an event, you might rent a third-party list of people you'd like to have attend and invite them to RSVP.

- If you're looking to enter a new market segment, you might rent a third-party list to test the waters before you invest in building your own house list.

Third-party lists will rarely perform well enough to support a successful, long-term email marketing strategy. They're best used for special instances where the third-party list offers some value that your house list can't provide.

💡 **There's no List Like Home**

> A good rule of thumb is that a third-party list will only ever perform, at best, half as well as your house list, assuming that the same email is sent to both. And this is a best-case scenario. A recent survey of marketers using third-party email lists showed very poor results: 46% of the marketers surveyed reported open rates of under 10%. For free offers, 45% of the survey respondents achieved a clickthrough rate (CTR) of less than 2%. Direct sale offers saw 56% of marketers receiving at CTR of less than 2%. Conversions tell a similar story, with 49% of marketers who offered something for free, and 63% of those with a paid offer, seeing conversion rates of less than 2%.[1] It's not unusual for a third-party list to perform *much* worse than your house list; at times a third-party list may generate no leads, sales, or other types of conversions at all.

Opt-in Still Applies

We talked about the importance of obtaining an explicit opt-in in Chapter 4. The same rules apply to third-party lists. In fact, your standards for third-party lists should be as tough, if not tougher, than the rules for your house list. In the case of third-party lists, the question isn't whether the people opted in to receive emails from the list owner, it's whether there was an explicit opt-in to receive email offers from the list owner's partners (in other words, the people who list owners rent their list to—you!).

Before you rent a list, you'll want to see where and how the prospect's opt-in occurred—it will most likely have occurred through a web page that you can check out—and make sure that the subscription practices are up to par. Some important points to check for include:

Is the opt-in straightforward? Is it easy for the subscriber to be removed from the list?
A checkbox is preferable. Web pages that collect an email address but don't provide any way for the subscriber to opt out of receiving email aren't acceptable.

Is there a link to a privacy policy on the web page? What does the privacy policy say?
It should provide reasonable assurances of protection to the owners of the email addresses, including a clause saying that their addresses won't be shared with others. If this statement isn't available, or if the privacy policy is too broad about what the web site can do with the email addresses it collects, don't rent the list.

Is there an incentive for people to provide their email addresses? Does it overshadow the opt-in?
Many email lists are built from what I call "list farms." These folks manage a large number of web sites offering the opportunity to win a car, a vacation, or some other fabulous prize in return for email addresses and personal information. The people who sign up just want to win—they don't really want to receive email from anyone. They're not likely to be interested in what you send them, much less provide you with any business. Email lists generated from these types of incentives should be avoided like the plague.

---

[1] "Email Marketing Metrics Guide 2005," MarketingSherpa, November 2004
[http://www.sherpastore.com/Email-Marketing-Benchmarks-Conversion-Data-2006.html?1037].

A Test of Morals

My own test for evaluating web sites in which email addresses are collected for rental is simply this: would I, or my client, place a banner ad for our product on this web site? If we did, and an article about the fact appeared prominently in an industry publication, would I be proud? Or would I be mortified that people knew we were working with the group behind this web site? If you'd never consider advertising on a given web site, its list is probably not a good fit.

When it comes to renting lists, trust your gut. If anything seems odd or makes you feel even a little uncomfortable, walk away and explore other options. Don't rent a list if you don't feel good about the way it was built.

Finding Rental Email Lists

The first step towards finding a good email list is finding a reputable email **list broker**. A list broker markets lists for **list owners**—the individuals or organizations that own the list. Working with a list broker is a great way to learn about different types of lists in a short time span. Some brokers are also list managers, which means that they manage lists for owners, as well as marketing them. There's often a kind of fear associated with this sort of list broker—a nervousness about their possible bias towards their own lists. Personally, I've never found any such problem. The list brokers and managers that I've worked with have all been willing and able to tell me about their own lists as well as those of others. List brokers can introduce you to lists that you weren't even aware existed.

List brokers are a common fixture in the offline marketing world—they've been a source of offline direct mail lists for years. Many of the brokers that handle postal lists now also handle email lists. There are also brokers that specialize solely in email lists.

One way to find a reputable list broker is to ask colleagues who rent email or postal lists for recommendations. Industry publications are another good resource—the larger list brokers often advertise. Some publications include coverage of the newest rental lists to come onto the market, along with the brokers who manage them.

Don't enlist a broker who advertises through unsolicited email, better known as our old friend Spam. If brokers are spamming you to offer their services, it's a sure sign that their lists aren't opt-in. Steer well clear.

What's best about list brokers is that they're paid by the list owners, so their help and experience won't cost you a cent. The list owners give the brokers a commission of every list rental the broker brings them. If you worked directly with the list owner, you'd pay the same amount (the owner would keep the commission for themselves), so work with a broker and take full advantage of his or her broad experience.

Some list brokers will ask you about the target audience you hope to reach (we talked about defining this in Chapter 3), and provide you with a short sample of lists that meet your criteria. Other brokers offer online databases that you can search yourself, using keywords that describe your target audience.

💡 EdithRoman.com and Postmasterdirect.com

One of my favorite online list databases is EdithRoman.com.[2] Registration to this database is free, and you can search by list name or keyword, specifying that you want only email lists. The amount of information provided about each list is amazing (we'll look at one of their list data cards later in this chapter).

Another respected email list rental company is Postmaster Direct,[3] which is now owned by ReturnPath. This company entered the market early, way back in 1995, and has gained a reputation for providing email addresses that have been gathered with a high level of single or double opt-in integrity. While Postmaster Direct doesn't have as much information about its lists as Edith Roman, it's a reputable company and good to work with.

If you're speaking with a list broker, be sure to tell him or her what your end goal is—whether it's convincing people to sign up to your free email newsletter, gathering information for lead generation, or making direct sales. This information will help the broker to find lists of people who may be more likely to take the action that you're hoping for.

As helpful as list brokers often are, not all lists will be on their radars. Some list brokers will beat the bushes to find these missing lists for you. Others won't, in which case you'll have to venture out on your own and see what you can find. Here are some organizations you might like to try as you search for the ideal third-party list:

publishers   List rental fees are often a part of the economic model for magazines, newspapers, newsletters, and email newsletters. Figure out which periodicals—online and offline—your target audience is reading and approach the publishers. They may rent their lists themselves, and if not, they may give you contact information for the broker who manages the list.

associations   If you have a viable product or service to offer to their members, associations are often happy to rent their email lists to you. Identify professional, industry, or consumer groups to which your target audience might belong; give them a call and introduce yourself.

retailers   More and more organizations are selling and marketing to their customers online. As long as you're not offering a competitive product, retailers may be willing to rent their email lists to you.

web sites   Any web site that has online registration or an email newsletter will have an email list. As with retailers, it's probably not worth approaching a direct competitor, but otherwise, give relevant web sites a shot.

event hosts   Events have attendees, and often the company hosting the event will ask them for their email addresses. Not all event hosts rent their lists, but some do. It's always worth asking.

---

[2] http://edithroman.com

[3] http://www.postmasterdirect.com

Evaluating Rental Lists

Once you identify a reputable list broker or owner, you need to evaluate the lists they're offering. Remember: you're looking for lists that fit the description of your target audience.

Data Cards

Whether you're working through a list broker or directly with the list owner, he or she should be able to provide you with a **data card** or a **media kit**. These documents provide detailed information about the list you're dealing with: who's on it, how it was developed, what it costs, and who to contact if you want to use it. A sample data card from EdithRoman.com appears in Figure 10.1—a media kit will include the same type of information. Much of it is self-explanatory; we're going to focus on the aspects that relate directly to email list rental.

Ask to See the Badge

Be suspicious of any organization that can't provide you a data card or media kit about their list. In the case of a small organization that you approached because you were familiar with its email marketing efforts, this lack of documentation may be okay. But for any organizations in the email list rental business, a dearth of documentation is suspicious. If they can't provide a data card, and especially if they want to give you details about the list verbally, be wary. Chances are that the list isn't what they claim it to be.

Quantity and Pricing

Figure 10.1 shows the total quantity of email addresses available (50,416) as well as the cost ($275/M, or $275 per thousand). Here, both these details appear at the top of the card, just under the name of the list owner (Douglas Publications). I've not had much luck negotiating price on high-quality email lists, but you can always try. Also, ask how the price is calculated. It's standard for list brokers and owners not to charge for any email addresses that are suppressed or not sent. In addition, many firms don't charge you for email addresses that bounce.

Be sure that the word "email" appears on the data card. Many organizations offer lists in various formats (postal addresses with or without phone numbers is the most common format), so if it doesn't say "email," it's probably not an email list. In the case of the data card shown in Figure 10.1, this organization has over 350,000 subscribers from whom you can obtain postal addresses, but it only has email addresses for roughly 50,000 of them.

In addition to the cost of the list, you'll see a "Transmission for Email Blast" section ($95/M for text, $115/M for HTML). You'll incur these charges on top of the list rental fee, so the actual cost to send an HTML email to this list is ($275 + $115)/M, or $390/M.

Unfortunately, you can't save the transmission fee by sending the email yourself. As a renter, you'll provide your text or HTML email to the list brokers or owners, or their ESP, who will handle the send. Most email list owners don't provide their list from which the renters to send directly. Their commitment to security requires precautions to protect the email addresses from being taken and used elsewhere; if the list owners value their list as an asset, they won't hand it over. If they're willing to give you access to the actual addresses on the list, chances are that those addresses weren't collected in a permission-based manner, and you'll be spamming if you go ahead and send to them.

DOUGLAS PUBLICATIONS DATABASE   Datacard #:88964

```
355,441 Active Subscribers              $140/M
50,416 Email Addresses          *       $275/M
256,207 Subscribers W/Phones            +$40/M

* Transmission for Email Blast:
Text @ $95/M
HTML @ $115/M
```

Douglas Publications is a leading publisher of business-to-business magazines serving the healthcare, manufacturing, government, environmental, and construction industries. You can reach their subscribers by utilizing the DOUGLAS PUBLICATIONS DATABASE. This up-to-date and unduplicated database provides access to the most highly sought after safety and healthcare managers, engineering managers, design & construction professionals, environmental managers, and corporate buyers with proven purchasing power.

Every individual on the DOUGLAS PUBLICATIONS DATABASE is a subscriber to one or more of the following publications: Compliance Magazine, Facility Care Magazine, Sales & Marketing Strategies & News, Human Capital, Healthcare Products Today, Robotics World, American Painting Contractor.

```
Additional Selection:
Purchasing Authority @ $15/M

Job Function:
Management-
Corporate                       107,856
Middle                          127,869
Facility/Plant/Site              44,523
Personnel                        73,475
Environmental                    21,713
Sales & Marketing                90,632
```

UNIT OF SALE

N/C

GENDER

% N/A
CANNOT SELECT

MEDIA

100% CONTROLLED
CIRCULATION

ADDRESSING

4-UP CHESHIRE OR MAG
TAPE

MINIMUM ORDER

5,000

SELECTIONS

$10.00	P/S LABELS
$10.00	GEO SELECT
$10.00	RUN CHARGES
$15.00	NUMBER OF EMPLOYEES
$15.00	ONE NAME PER SITE
$15.00	JOB FUNCTION SELECT
$15.00	BUS/INDUSTRY TYPE
$15.00	SIC/NAICS CODE
$2.00	KEYING
$25.00	MAG TAPE (FLAT FEE)
$40.00	PHONE NUMBER

Figure 10.1. Sample data card (EdithRoman.com)

The fees listed on the data card are for one-time use only. If you wanted to send the list every month for a year, then you'd have to pay the fee for every send. Sometimes, you may be able to strike a bargain and wangle a discount, but don't count on it. You're renting the list, not buying it.

Email list rental prices are declining. In their Fall 2005 index, Worldata reported that lists of opt-in business email addresses were averaging $281 per thousand, with opt-in consumer email addresses going for $167 per thousand, on average.[4]

Niche lists, which are highly targeted, are more expensive than general lists. A list of high-level executives would be more expensive than a list of general business people. A list of people who had previously purchased seeds would be more expensive than a list of people who had previously purchased gardening products.

You Get what you Pay For

Beware of lists that are offered for rent at a fraction of their market value. There's a huge market in lists that aren't opt-in, and a very low price is a dead giveaway of addresses that haven't been gained in a permission-based manner.

List Description

The description below the "Transmission for Email Blast" section on the data card tells you a little bit about the list. This description is usually written by list owners, so keep that in mind as you read it: they're presenting their list in the best possible light. In this case, we learn that the addresses on this list belong to business people in the health care, manufacturing, government, environmental, and construction industries who have subscribed to one or more of the magazines published by the list owner.

If you were looking to reach people in one of these industries, this might be a good list for you. If you were looking to reach people with preschool-aged children, it's probably not. You've a little further to look.

When you're looking for a list, often you'll need to think outside the square. You want to find a list that contains a high percentage of people in your target audience. For example, if you sell cigars, a list of people who subscribe to *Cigar Aficionado*—that would be a magazine about cigars!—is probably a good list for you. But a list of people who recently purchased high-end bourbon may also be worth renting, since many cigar smokers are also connoisseurs of fancy spirits.

Media or Source

The "Media" or "Source" section tells you how the emails were acquired. The card in Figure 10.1 claims "100% Controlled Circulation." This is a publishing term meaning that the reader doesn't pay money for the magazine; instead, the readers provide information about themselves, which the publisher uses to convince advertisers to place ads in the magazine. The email addresses would be one piece of the information that the readers provided.

Another common source for email addresses is "100% Internet," which means that all the email addresses were collected online. You may also see data cards where the list source is split between two or more media. Conventional wisdom suggests that lists collected online will respond better to email promotions, but I wouldn't eliminate an offline list if it fits your target audience criteria in other ways.

---

[4] "Worldata releases the Fall 2005 List Price Index," Worldata, November 2005 [http://www.worldata.com/wdnet8/articles/listpriceindex_fall2005.htm].

"Compiled" is another notation that you may see. This means that these email addresses were gathered without permission—they were collected from industry directories or other sources. Don't even think about it—compiled lists are spam complaints waiting to happen.

If you're uncertain of what the media or source notation means, or if there's no source listed, ask. There are no dumb questions when you're spending money on an email list. If the answers you receive make you uneasy, don't rent the list.

Minimum Order

Most list owners have a minimum order, which is the smallest number of names they'll provide to you. In this case it's 5,000, which at a $390/M list rental plus HMTL transmission fee, is a minimum investment of $1,950.

Selections

Under the Minimum Order section, you'll see the further option of selections (sometimes called just "selects"), which are additional parameters that you can use to target the list. Let's say that you only want particular business and industry types. The list owner can filter out anyone who doesn't meet your parameters before the send. There's a nominal cost for selections (in this case, the two we mentioned are $15/M each) but it's usually well worth it in reducing the cost of your overall send by being more selective and further increasing your chances of campaign success.

Fresh is Best

Many lists offer a "recency" select, sometimes called a "hotline." This select refers to the newest names on the list, which usually have been added in the last one to three months. These email addresses tend to respond better than addresses that have been on the list for a while. They might cost you a little more than other selects, but they're usually worth it in terms of the recipients' responsiveness to your email.

If you're considering a select, ask how the information for the select was acquired. You want to understand the context. If the choices were "single or married," a divorced person would probably choose "single," but if the options were "single, married, or divorced," they would choose "divorced." The distinction between "single, never married" and "single, divorced" may matter to you. If so, you'd want to know how the "single" select was positioned.

You may also want to segment the list by attributes that aren't listed. Ask—sometimes the list owner will be able to accommodate these requests.

Beyond the Data Card

The data card is a good starting point, but the more information you can gather about your prospective list, the better. Even if you've found a data card online that looks promising, try to call and speak with the list broker or list owner. You may not obtain answers to all your questions, but any bit of additional information you can grasp will help you to make your decision on which list to rent. Here are a few of the questions you should ask:

How frequently is this list rented? Does the list owner put any limit on how often these email addresses can be mailed?

> Limits on frequency show that list owners are protecting their asset—and as a result, the list should perform better for you and other renters. Avoid any list that's rented and sent more often than twice a week.

Who else uses this list on a regular basis? What types of companies have had good luck with this list in the past?

> List brokers may not give you company names, but often they will inform you of the types of companies or industry segments who have used this list. If these companies are similar to yours, the list will be better for you to rent.

How often is the list cleaned?

> This question refers to how frequently bounces are removed from the list. The cleaner the list, the fewer bounces you'll have, and the better the chances that you'll obtain a good response rate. "Quarterly" is an encouraging response to hear; "continually," meaning that bounces are removed as they occur, is a great one.

What metrics does this list usually generate? What's the average open rate? The average clickthrough rate?

> Be sure to ask whether the figures the broker provides were generated by third-party rentals or by the list owner's own sends to the list. If it's the former, pull those numbers into your model and see if the results of that send indicate that this list will help you meet your goals. If it's the latter, divide the figures in half (or by four) before you run the same analysis. Not every list broker or owner will release this information, but always ask as these statistics are important in helping you set and meet campaign goals.

Is the list opt-in? Can I see the web site and registration pages (or, if the opt-in was acquired offline, the form they filled out) where they opted in?

> The only acceptable answer to these question is: "Yes."

Be sure that those web sites used to gain opt-ins are sites with which you wouldn't be embarrassed to be associated. If you have any hesitation about the content, the opt-in process, or anything else, reconsider the list rental. If you don't think that the people you want to reach would visit these sites, then the lists they generate aren't ones you want to mail to.

If you are able to, sign up to any list that you plan to rent. It's best to do this with a unique email address, so that you can easily identify any emails you receive from the list. Take note of the types of emails you receive, who they're from (which will tell you who's renting the list), and how often they arrive in your inbox. If the list owner says the list is mailed no more than twice a month, and you receive four emails in your first two weeks, well, you know something's fishy.

Another good test is to unsubscribe from the list and see what happens. How long does it take before you stop receiving emails? Is the unsubscribe honored? If you don't stop receiving emails from the list within ten days, there's a problem with its unsubscribe and you're probably best to steer clear of renting it for your own email send.

Finally, check blacklists—we talked about how to do that in Chapter 6—to be sure that the list owner isn't considered a spammer. If possible, it's even better to find out the IP address and domain name that will be used for your send and check to be sure that there's no sign of spam complaints or blacklisting for that sender profile.

Test, Test, Test

Before you take the plunge and rent an entire email list, test it. Rent just some of the addresses, have your email sent to them, and see what response you gain. You can assume that these results will be a bit better than those you'll obtain when you mail to the entire list. Then decide if it makes sense to rent the rest of the list (or a larger portion of it) for your campaign.

Beware of Guarantees

Beware of list brokers who guarantee that you'll obtain a certain open, clickthrough, or response rate. If the initial results fall short, these brokers will often mail additional names to make it appear that your mailout met that guarantee. For example, they may guarantee you a 3% response rate (150 responses on a list quantity of 5,000). If they mail to the 5,000 email addresses you purchased and gain only 50 responses, yielding a 1% response rate, they may send an additional 10,000 emails to make up the difference. But this isn't a 3% response rate; it's a 1% response rate on 15,000 names.

How large should a test sample be? 5,000 is a common test sample size. Also, it's often the minimum quantity that a list owner will rent you. If the list has 5,000 or fewer names in total, see if you can test 1,000 of them.

No Test? No Deal!

If the list contains more than 5,000 names, but the list owner or broker takes an "all or nothing" stance on the list rental and won't let you rent a small portion to test, walk away. If the broker isn't willing to back up the list's performance with a test, then it's probably not a good investment for you.

Before the test, set some quantitative goals for the send using the process that we described in Chapter 3. Remember to be more conservative with your goals for the rented list than you are for your house list. The best-case scenario for a third-party list is usually about half the response (opens, clickthroughs, conversions) that you attract from your house list. Determine the results you need in terms of cost-per-email-address acquired, cost-per-sale, or some other bottom-line metric, to meet your business goals. If the results meet these criteria, move forward with using the list. If not, start again and test some other lists.

It's wise, if you have the budget, to test more than one list at a time. Testing three different lists, for example, will give you a better chance of finding one that will meet your goals. If all perform well, you can move forward with the best of the bunch and make a note of the other lists for future third-party sends.

Handling The Send

As we mentioned earlier, the list broker or owner (or the ESP) will handle the send, be it a test send or a larger campaign. But that doesn't mean that you aren't involved. Let's talk about the aspects of the send that you need to address.

Suppressing Unsubscribes

Under the CAN-SPAM act, you must not send to people who have previously unsubscribed from your emails. You'll need to keep a list of these people and provide it to the list broker or list owner so that they can eliminate these email addresses from the send. You should insist upon assurance in writing that your unsubscribe list won't be used for any purpose other than the suppression. We'll talk more about this in Chapter 11 when we explore the details of email laws and regulations.

Suppressing your House List

If you rent a third-party list, you do so to gain access to email addresses that you don't already have on your own house list. To be sure that you don't pay to send to addresses that you already have, ask the sender to suppress the names on your house list. As with suppressing your unsubscribes, make certain that you have an agreement in writing that your list won't be used for any purpose other than the suppression.

De-duping

De-duping, short for de-duplicating, is the term used to describe the removal of duplicate names from multiple lists. Let's say you send to three different third-party email lists. In a perfect world, you'd like to be sure that if an email addresses appeared on all three lists, it would receive one, not three, of your emails.

De-duping is easy and straightforward if all the different list owners you deal with use the same ESP for the send. Just ask, and they can easily accommodate your request. If the list owners rely on different ESPs, it's not so simple. Some list owners will be willing to provide their list to another ESP for the de-dupe, if there's an agreement in writing that this is all the list will be used for. Other list owners might not agree to this service, mostly because they want to protect their list and they're unwilling to entrust it to anyone but their own ESP. You won't know unless you ask, though.

Tracking and Reporting

Ensure that you'll be able to track the results of your send. Deliverability, open, and clickthrough tracking is usually a service that's included in the rental fees, but you should always ask. If the list broker can't provide these tracking reports, it's probably not worth renting the list, as these are standard metrics that are necessary for your evaluation of the list's performance.

Taking a "Make Good"

If the response on a regular send, not a test, is abysmal, a **make good** is your best recourse. A make good is a second send to a different segment of the list, or a different list, at no cost to you. Not all list brokers offer make goods, but if the overall list response is significantly different from the test response, many will.

Buyer Beware!

There's a seedy side to the email list rental business. We've touched on some of the warning signs already. Here's a summarized list of the issues to be aware of when you rent an email list.

unlimited sends
    You're renting the list, not buying it. Any company that offers unlimited sends to its addresses doesn't value those addresses very much. You shouldn't either.

below-market pricing

An email list is a valuable asset. If a broker's selling it far below the standard market rate for comparable lists, there's something wrong. Don't be taken in.

no data card

While this isn't necessarily a problem if you're dealing with a small list owner, or an organization that's new to list rental, the lack of a data card is highly suspect when you're dealing with someone who claims to be established in the list rental industry. If a list broker won't put in writing the details of the list you're considering, don't rent it.

you handle the send

No—don't go there! Handling the send makes your server or ESP solely responsible for any spam issues. It also shows that the owner isn't adequately protecting his or her email addresses from spamming and other unauthorized use.

no contact information on the web site

Many of the shady email brokers have web sites lacking contact information—there's no postal address, no telephone number, no executives' names and biographies. You wouldn't do business offline with any company that hid its identity from you; don't do it online either.

hard sell

Good email lists have people lining up to rent them. Email lists whose owners strictly limit the send frequency (only once a week, only once a month) will often be booked well in advance. If someone is pressuring you to rent an email list, it's probably not a very responsive list.

Wow, all those warnings sound a bit negative! Don't let them deter you, though. If it's necessary for you to rent a list, you'll find that there are good lists out there. You just need to spend some time looking for the right one—unfortunately, there's plenty of dross to sort through. Your careful research and selection *will* pay off.

Summary

In this chapter, we looked at renting third-party email lists as an alternative to mailing to a house list.

We talked about the issues of which you should be aware when you rent a third-party email list, and the best way to go about it: through a list broker. We also looked at how to read a data card—something that you should ask for when you rent an email list. We also explored the questions you should ask before making a decision on any rental list, and discussed the importance of testing a sample from the list before you commit to a full rental. We examined the subject of using a rental list inside-out to reveal its seedy side, but appreciated the extra benefits that taking this route might offer.

The biggest lesson that we learned was: buyer beware! There *are* good lists out there, and they can provide a good return on your investment; you just need to be very discerning when you make your rental choices.

Laws and Regulations

In this chapter, I'll give you a brief overview of the laws that exist with regard to email marketing, along with references to resources that provide more information.

The email world is constantly changing, so while I've attempted to provide the most current information, there's no guarantee that it will still be fresh by the time you read this chapter. If you find something I've covered particularly interesting or relevant to your own situation, check the mentioned resources to ensure that it still applies.

Legal Disclaimer

I'm not an attorney, so nothing in this kit should be regarded as legal advice. The points that I'll present in this chapter should only be considered as guidelines to help you identify the laws and regulations of which you need to be aware.

The Easiest Way to Comply

Each country has its own email laws, but if you take a closer look at Appendix A, you'll notice that most countries have similar laws. Some laws follow the standards and best practices that we've talked about in this kit, while others are just common sense and legitimate business practice. If you take a proactive approach, it's not difficult to comply with the different laws and regulations that exist across the globe. The guidelines below will help you to achieve legal compliance.

- Obtain opt-in permission, also known as prior consent, from all recipients—even those you have a prior business relationship with—before sending bulk email. This point precludes harvesting, scraping, compiling, or otherwise gathering email addresses without the knowledge or permission of the recipients. It also prohibits dictionary attacks, that is, using email addresses that have been randomly generated.

- Include a legitimate name, postal address, phone number, and an email address in all your email marketing correspondence.

- Be sure to include a working unsubscribe mechanism in each email.

- Honor all unsubscribes as soon as you are able, and no later than ten business days after the request has been made.

- Recognize that an unsubscribe or opt-out is forever, unless the recipient tells you otherwise in the future.

- Keep your unsubscribe or opt-out mechanisms active and working for at least a month after your email has been sent.

- Implement a system to handle unsubscribe requests that aren't made online, such as phone and direct mail unsubscribes.

- Don't share your email address lists with third parties. The only exception to this rule is the ESP that you use for the send, in which case the ESP will have committed to a legal agreement not to use your email address list for any purpose other than in conjunction with sends that you have authorized.

- Publish your SPF record (see Chapter 7 for more on this) and be sure that it's kept up to date. This allows ISPs to match the headers in your email to your SPF record and confirm that the email really is from you.

- Find out if the countries you're sending emails from and to have "do not email" or "Robinson" lists. If so, obtain these lists and ensure that none of your emails are sent to addresses on those lists.[1]

- Research the notation laws of the countries involved in your sends. Certain countries require "ADV" or a similar notation in the subject lines of commercial email messages, while others mandate that "advertisement" or a similar notation appear at the top of the body of your email message. If these laws exist, comply with them.

- Don't intentionally or inadvertently use false or misleading information in your header, From address, subject line, or any part of your email.

- Be sure the information in your email is accurate and that none of your content is of a fraudulent nature.

This is an area where working with a reputable and knowledgeable email service provider (ESP) can really help. Sending email is your ESP's business, so it's certain to know of all the important email regulations of the countries in which it operates. Even if you're sending email to another country, your ESP will be willing to provide you with information on the laws of that country. If you're thinking that there are a few laws that you might give the slip, here's a word of caution: these laws are not paper tigers. They've already bared the claws that led to judgments and convictions; just look at these cases:

- CIS Internet Services, an Internet service provider (ISP) in the US, was recently awarded over US$11 billion in an anti-spam lawsuit involving fraudulent From addresses. In addition to the fine, the convicted individual is prohibited from accessing the Internet—for any reason—for three years.

---

[1] Named after the Swiss Family Robinson, these lists are so called because the recipient is isolating him or herself from communications, just as the Swiss Family Robinson isolated themselves on an island. Wikipedia, January 2006 [http://en.wikipedia.org/wiki/Robinson_list].

- Four defendants were fined US$621,000 for violations of the US CAN-SPAM act in 2005. Their emails failed to include an opt-out mechanism, didn't have the required labeling for adult content, and used misleading subject lines.

- A 23-year-old described as Britain's most prolific spammer was sentenced to six years in prison in 2005, after conning millions of people with unsolicited emails.

- Courts in both the Netherlands (in March 2004) and the US (in January 2006) have upheld ISPs' rights to block email, saying that their rights to control the traffic on their networks, as well as their responsibilities to their customers, outweigh the spammers' rights to freedom of speech via unsolicited email.

- Back in 2004, the first spammer to be convicted of a felony in the US received a nine-year jail sentence for sending millions of unsolicited emails with misleading From addresses.

These cases are by no means the only ones. Anti-spam legislation is still in its infancy, but is evolving quickly. The many examples of joint international cooperation, covered in the section called "Joint Anti-spam Efforts", show that governments are banding together to combat spam. Maybe some day we'll have a consistent set of laws across the world, but right now your best bet to stay out of trouble is to follow the guidelines that I mentioned above.

Also remember that the law is a minimum standard. Just because a particular aspect is legal doesn't mean that it makes good business sense. If you rely on your own knowledge and experiences, as well as the standards and best practices that I've outlined in this kit, you'll stay on the right side of the law, and serve your customers and prospects in good faith. Everyone's happy.

Joint Anti-spam Efforts

One of the benefits of the Internet is its ability to transcend national borders. However, it's also one of the aspects that makes the enforcement of spam laws so difficult. To combat this problem, a number of countries have banded together in a joint attempt to battle spam. These countries are working together to:

- Share information about potential spammers.

- Detect and investigate spam violations.

- Track spammers.

- Exchange evidence concerning spammers.

- Facilitate law enforcement against spam violators.

- Enforce spam violations across borders.

While those involved agree that these joint initiatives will not solve the spam problem, the initiatives are seen as an important step toward addressing the issue in a comprehensive manner. Here's a shortlist of some of the existing multi-country initiatives:

Seoul-Melbourne Anti-Spam Agreement Enlarged

Some 12 Asia-Pacific communications and Internet agencies signed this agreement between the Australian Communications Authority (ACA) and the Korean Information Security Agency (KISA) in April 2005.

African Declaration in the Fight Against Spam

This act was adopted by 19 French-speaking African countries that were part of the *Confrences des Administrations des Postes et des Telecommunications d'Expression Francaise* in March of 2005.

Asia-Europe Statement on Spam

In February of 2005, 25 European and 12 Asian countries issued a joint statement against spam as part of the fourth Asia-Europe Meeting (ASEM) Conference on eCommerce.

Memorandum of Understanding between Spain and the US

This agreement covers mutual enforcement assistance and other cooperative efforts and was signed in February, 2005.

European Union Anti-Spam Efforts

A total of 13 European countries are cooperating across borders to combat spam, thanks to this voluntary agreement signed in January, 2005.

Memorandum of Understanding between Mexico and the US

Signed in January, 2005, this bilateral memorandum was the first in which the US teamed up with a non-English-speaking nation to protect consumers.

London Action Plan on Spam Enforcement Collaboration

A US- and UK-led effort to combat spam was signed into effect in October, 2004. China also signed in July, 2005.

Memorandum of Understanding between Australia, the UK, and the US

Seen as a framework for fighting cross-border spam, this agreement was signed in July, 2004.

Additional Resources

A number of resources are available to keep you informed of the latest anti-spam laws. Here are a few for your perusal.

- The International Telecommunication Union (ITU) maintains a web site on anti-spam laws and activities around the world. Here, you'll find news items, notes from meetings and summits on spam, and a list of worldwide anti-spam legislation. Visit ITU at http://www.itu.int/osg/spu/spam.

- The Organisation for Economic Co-operation and Development (OECD) has a number of online resources to help governments, regulators, and those involved with email stay abreast of spam solutions. In addition to its Anti-Spam Toolkit, it has information on the spam laws of each country. The information's not comprehensive, but it's pretty good. Visit http://www.oecd.org and type "work on spam" into the site search box at the top-right of the page to find the "OECD Work on Spam" Department and Topic pages.

- http://www.SpamLaws.com, run by David E. Sorkin, provides links to the full text of anti-spam legislation in the US, Europe, and other countries, as well as links to articles on spam laws and relevant cases.

- The FTC is your best source for information on the evolving US spam laws. Visit the web site at www.ftc.gov.

- For more on European spam laws, see http://www.euro.cauce.org, which is run by the European Coalition Against Unsolicited Commercial Email.

- There's also some good information on anti-spam laws at http://www.spamlinks.net/legal.htm.

- http://www.Privacy.org, a joint project of The Electronic Privacy Information Center and Privacy International, covers a variety of privacy issues, including news of anti-spam regulations around the world.

Summary

This chapter focused on the legal rules and regulations that concern email. I gave you a list of guidelines to follow to help achieve a globally spam-free email, and just in case you'd ever think about sneaking around a few corners, I provided you with some examples of what happens to email marketers who are lead astray. We also looked at the joint ventures that some countries are engaging in to fight the war against spam.

Finally, I provided you with a list of resources that will help you to further your education on email laws and regulations—they're essential reading for anyone in the email marketing game.

12

Getting Started

This is the final chapter in this kit, so why am I naming it "Getting Started," of all things? Because, while this is the end of our journey together through the Email Marketing Kit, it's the beginning of your new, or improved, email marketing program. You've read everything I've had to say, you've studied all the examples—now it's time to dive in and apply what you've learned!

Developing a Strategy

We talked about the importance of putting together a formal email strategy in Chapter 3. A strategy is like a road map; it'll keep you on track and help ensure that your email program meets your business goals. Too many companies move ahead without an email strategy and find themselves floundering, spending hard-earned money on email but not seeing the returns they were looking for. A strategic plan is a *necessity*, not a nice little option. Here are a few dos and don'ts to remember:

Do look at what your competitors are doing.
This will help you identify areas in which their programs are weak, which creates an opening for yours. You may also learn some lessons about what has, and hasn't, worked for them.

Do focus your efforts.
Using email to market every product and service you have to the entire population is a very broad goal. Better to start with one or two products or services that are aimed at specific market niches. Once you have a handle on this, you can consider expanding your email efforts to a broader audience, or marketing additional products and services.

Do create a content strategy.
Make sure the content approach you choose is something that you can realistically implement given the resources at hand. It's better to have a simple content strategy that you can implement well than a complicated one that requires lots of effort for only so-so results.

Do define your goals quantitatively.
The first time you do, this may feel like you're pulling numbers out of the air. That's okay. You can always adjust them as you obtain some actual results.

Don't get hung up on industry benchmarks.
They're great guidelines, but remember that the opens and clickthrough rates of many successful email campaigns don't even approach industry benchmarks. Conversely, unsuccessful campaigns exist that surpass industry benchmarks. All that matters in the end are your business goals, not opens and clicks.

Don't view your strategy as being set in stone.
Things change and, if you want to stay on course, you'll need to adjust your strategy as you go. After you learn more about what works for you, and what doesn't, feel free to adjust your approach to email marketing accordingly. The same goes for conditions outside your control, like competitors entering or leaving your market niche, or demand for your products and services rising or falling.

The creation of a strategy takes some time. If you know what your competitors are doing, and have given your program a lot of thought, you may be able to kick it out in a day. If not, you'll need to do the research and take some time to think about it. This will be time well spent. The more detailed your plan, the fewer the questions that will arise as you implement it.

Building your List

Many companies put this off until after they've developed their first email; I strongly recommend you do it first, right after you've set your strategy. The sooner you start to ask customers and prospects for opt-ins, the larger your list will be when you mail your first send. Just don't wait too long before you send to the list, otherwise your subscribers may forget about you and mistake your email for spam. A one-month lag is no problem; up to three months is usually okay, but don't wait any longer than that. Here are some pointers, recalled from Chapter 4:

Do build your own list.
It's very difficult, and sometimes impossible, to make an email strategy pay off when you're dependent on someone else's lists. Aside from the obvious additional costs involved, there's an issue of quantity when you're looking for good third-party lists.

Do use an opt-in or double opt-in process.
It will pay off in the long run, with higher open rates, higher clickthroughs, and higher conversion rates. You know your target audience better than anyone else; get the right people to opt in for your email and you'll create an asset for your organization.

Don't be tempted by shortcuts.
Appending, harvesting, compiling, or otherwise gathering email addresses without the knowledge of those you'll be sending to isn't a substitute for gaining opt-ins. These email addresses won't perform as well as those belonging to people who have opted in to receive your send, and they may generate spam complaints that see all your email blocked.

Do use online and offline methods to gather opt-ins.

The natural starting point to ask for the opt-in is your web site, but don't forget to look at offline tactics like brochures, trade shows, and even your organization's business cards. Online, you should also consider co-registration, email signatures, and ads on other web sites or email newsletters.

Don't ask too much of prospects on your online sign-up page.

Asking for too much information too soon will cause people to leave without completing the opt-in process. Keep it to five or seven items, maximum—just enough to allow you to target your messages.

Building your list is critical to the success of your program. Be sure the people who are opting in are well-qualified, based on your email strategy—this strategy should keep your email content specific to your audience. A large list of people who aren't in your target audience will be of little value to you.

Spend a lot of time designing your registration page. There are simple things you can do to entice people to opt in to your list. Offering an incentive, providing a benefit-oriented description of what you'll be sending via email, and making your privacy policy clear will help you to grow your house list. This is a great time and place to test things to see what works and what doesn't. Remember that opt-in is really a value proposition—what are you willing to give these people in return for their email addresses? If they feel it's a fair trade, they'll opt in. If not, they won't.

Creating your Emails

Email creative is part art, part science. Follow standards and best practices to ensure that people will be engaged more effectively, make your email more readable, and ensure that your HTML holds its integrity whether it's being read in Gmail, Lotus Notes, Microsoft Outlook, or another program. We covered this point in Chapter 5; here are some important points to keep in mind:

Do take time designing your From address and subject lines.

These will make or break your open rate. The From address should be recognizable to your readers; this isn't the place to use a new brand name to create awareness. The subject line needs to be benefit-oriented and have a hook to "grab" your audience. It's marketing copy, and as should be seen as such, even if your email contains editorial content.

Don't underestimate the importance of the preview pane.

While not everyone uses the preview pane feature in their email client, many people do. The top few inches of your email will appear there. If the displayed content is engaging, it will pull readers in. If not, you risk losing them. Personalization, a table of contents, and a brief benefit-oriented paragraph can work wonders.

Do keep it short and sweet.

Reading online is harder on the eyes than reading offline. Large blocks of text can appear daunting in an email. They're also hard to skim, which is what most people do with email. Paragraphs that are six lines or less work best—that's *lines*, not sentences. Columns are also helpful, because they'll decrease the length of your lines.

Don't overdo the graphics.

Large graphics can take some time to load, and there's a good chance you'll lose your reader in the interim. Smaller graphics used sparingly are okay, just be sure your email's key message is clear with or

without them. Many email clients now suppress graphics in an effort to thwart pornography and other unwanted email content.

Don't overload your email with links.
> Just because you can link to something doesn't mean you should. View the links in your email as a path; you want to avoid sending people on a tangent that doesn't lead to the end goal. You also don't want to make people scroll to find links. Present one in the preview pane and space the others out accordingly. Don't hold off and display your links at the bottom of the email page; people may never get there.

Do confirm that your HTML maintains its integrity.
> Programs that read email are more sensitive than web browsers, and an email that looks fine in Internet Explorer may be a mess in Microsoft Outlook. There are special rules for coding HTML email; be sure you follow them.

Quality assurance is an important, but often overlooked, aspect of email. Sending email with typos, grammatical errors, and links that don't work makes you look unprofessional. Check carefully, right before the send, to make sure your email works. And it really helps to get a second set of eyes to go over the email and click on all the links, just to be sure.

Testing is another valuable, but also often overlooked, part of email marketing. Testing aspects of your email send is relatively easy: just create a second version of your email. You can test From lines, subject lines, personalization, offers, and just about anything else. The results of this reporting will be a good guide to which features of your email need attention. If your open rate is low, test a number of different From and subject lines. If it's the clickthroughs that are low, look at the preview pane and body of your email. Testing is a way to further tweak your email to optimize your results; if you don't test, your email marketing results won't grow.

Delivering the Message

Deliverability is a key concern for anyone sending email. If your email lands in the junk mail folder, or isn't delivered at all, your response rates will suffer. And your email efforts will be wasted. Overlook this aspect of email marketing at your own risk. Here are some tips, taken from Chapter 7, to help you see your emails delivered to the inbox:

Do use a reputable email service provider.
> ESPs need to get their mail through, otherwise they're out of business. Most ESPs have a person, if not an entire department, devoted to deliverability. The relationships they have with Internet service providers are invaluable; forming these relationships is not something that would be easy for you to achieve in-house, and it's one of the primary benefits of using an ESP.

Don't equate a low bounce rate with high deliverability.
> Most organizations don't tell senders that their email has been filtered as spam, so bounces aren't a good gauge of whether or not your email got through. Use one of the services that are available to track your deliverability for you; alternatively, you can do it yourself by setting up email accounts on the major ISPs to which you send and tracking which of your emails makes it through and which don't.

Do publish your Sender Policy Framework record.

More and more ISPs are using technology to match the information in the email header to the senders' SPF record. If your information's not available, your From address won't be verified. Publishing your SPF is easy, inexpensive and well worth your while.

Don't send email that even looks like spam.

Oversights such as sending to email addresses that have racked up a lot of hard bounces, using subject lines that read like spam, and using terms common to spam emails ("click here") can all trigger spam filters. Look at all aspects of your email program, starting at the opt-in, and be sure there's nothing about your email that could make anyone think you're a spammer.

Do a periodic check to be sure you're not blacklisted.

This is an especially important check if you're sharing a server, since many blacklists block senders by server, not domain name. So you may be filtered because you're "guilty by association," even if you've done nothing wrong. If you are blacklisted, you should address the issue head-on. Ignoring your blacklisting rarely makes the problem go away.

Most industry groups working on the deliverability issue agree that the answer lies in technology, not necessarily policy. Even if the answer to this issue is out there, we haven't found it yet, so you need to take every step you can to get your email through. And even when deliverability no longer tops the list of biggest issues facing those who send email, you'll probably still need to take precautions to ensure that your emails land in those inboxes.

Tracking your Results

I can't imagine undertaking any email marketing without getting reports on the results, but many people do. Don't be one of them. Open and clickthrough statistics give you information about your email and how your readers are using it. Statistics are one of the real benefits that email marketing provides over other forms of marketing. Here are some reminders about tracking and reporting, taken from Chapter 8:

There's no need to feel overwhelmed!

Email can have a lot of features to track, but the most important figures, after your bottom line metrics, are unique opens and unique clicks.

Do look at link clicks your email receives, not just overall clicks.

There's a big difference between a click to get more information and a click to unsubscribe. Be sure you look at what people are clicking on, not just the aggregate total number of clicks.

Do track all the way.

Email opens and clicks, while important, only tell part of the story. Track all the way to your end result, including activity readers take on your web site after they've clicked through from the email.

Do calculate return-on-investment.

In the end, you want your email to generate more revenue than what it cost you to create. The ROI calculation is the best way to determine whether this result is happening for you.

In the early days, tracking was a luxury; only the more expensive systems provided such capabilities. Today, it's standard operating procedure. If your ESP or the software you're using to send email doesn't provide tracking, it's time to look for a new solution.

Retaining your Customers

Using email for customer retention purposes is a different task than using it for acquisition. While email standards and best practices still apply, the content strategy you'll use is different. Instead of a direct response, you're looking to grow a relationship. We covered a variety of models for customer retention email programs in Chapter 9; here are a few refreshers:

Do make the email all about the reader.
The content of your customer retention emails needs to provide benefit to your readers, even more so than in emails seeking the acquisition of subscribers. Giving customers tips for using your product more effectively, reminding them of the pain that your product is saving them, or helping them do their jobs better are all viable approaches. Conversely, telling them about new clients you've signed or promotions within your organization aren't likely to be of such interest to customers you want to retain.

Do make it interactive.
Email is a communications tool, and it goes both ways. Don't just ask your readers to respond to your emails—give them a reason why they should. "Let us know what you think" isn't terribly effective; "What issues can we cover in future emails to help you do your job?" is better. This approach gives readers a benefit—a possible solution to their issue—for taking the time to respond.

Don't downplay or take for granted the importance of retention.
It's less expensive to keep or upsell a current customer than it is to find a new customer. A customer retention email program is an investment in your business. Don't just throw any old email together, send it, and call that effort your customer retention—spend some time on keeping your customers interested with relevant and fresh email content.

One of email's greatest strengths lies in its ability to support the development of customer relationships. As good as email can be for direct response acquisition, it's in the realm of retention—when you're building on an existing relationship—that email can really shine. Give your customer retention efforts a voice, view them as an extension of your organization, and make sure that everyone in your organization is familiar with the information you're sending. In some cases, your customers will have more interaction with your email than they will with the people in your organization. Make the email worth their time, and yours.

Being Smart about Third-party Lists

While they shouldn't be used as a foundation of your email marketing program, third-party lists can provide a benefit—provided you get the right list. The world of business-to-business email list rental is getting better; the consumer side is still fraught with bad players and shady characters. Here are some tips, gleaned from Chapter 11, about finding and using quality third-party lists:

Do use third-party lists to grow your own list.
This is one of the smartest ways to go, since once you get the recipients' opt-in, they are part of your house list and you can mail them again and again without further rental fees.

Do confirm that the third-party list is opt-in.

This point is *huge*. In addition to getting verbal assurances, this condition must written into the rental agreement and you'll want to see, with your own eyes, the opt-in form. If the opt-in is buried in the fine print, if it's not explicit, or if anything about it seems dubious, walk away.

Don't respond to spam email or other shady sources offering opt-in addresses.

If you don't know where the list broker gained your email address, if the offer is too good to be true ("1 million addresses, just $100!"), or if it's selling "unlimited use," beware. Good email lists are assets to their owners and they just aren't marketed this way.

Do seek out reputable list brokers.

Many brokers who deal in offline or postal service lists now also offer email lists. They'll help you to identify lists that meet your needs, handle all the details with the list owner, and manage the send for you. Their services are usually paid for by a portion of the rental fee, so take advantage of the value reputable brokers provide.

Do read data cards and media kits.

These sources will tell you what recipients are on the list, how they got there, and give details on ways you can segment the list. They will also give you list quantities and pricing. If the person presenting the list can't provide a data card or media kit on the list, the service is definitely not the one to go with.

Do test.

Send your mail to a small portion of the list and see the results before you rent the entire list. Reputable list brokers are happy to let you do this; test samples usually include 5,000 to 10,000 email addresses. It's best to test a few lists at once, with at least two different versions of email content, to see what works. If your send proves to be lacking in any way, this "grid" testing approach will let you see whether it's the list or the content that's not working.

Sending to third-party lists should play only a small role in your email marketing program. It should be a once-in-a-while occurrence, with a focused goal for each send. Be sure the service you use allows the tracking and reporting processes that we discussed in Chapter 8; without going through these processes, you won't be able to evaluate the list's performance.

Complying with the Law

Spam has become a big issue in the past few years. In response, many countries have passed anti-spam laws, or are have adapted existing laws, to regulate email. Even companies involved in legitimate email marketing need to be sure they are legally compliant. While the laws vary from country to country, you can comply with almost all of them by sticking to standards and best practices, and using a little common sense. We covered spam laws in Chapter 11; here's a quick overview:

Do get the recipient's opt-in.

In some countries, failure to obtain an opt-in can result in anything from monetary fines to jail sentences. In others, there are no penalties. Regardless of the location from which you're sending email, you'll comply with the law provided you've received an explicit opt-in from your recipients.

Don't undertake any action that could be interpreted as being deceptive.

Including false or misleading information in your email header, From address, subject line, or body copy, even if it's not intentional, can taint your integrity. Be sure the From address clearly identifies you or your organization, make your subject line an honest reflection of the content of your email, and be absolutely certain that the information in the body of your email is accurate.

Do provide a way for recipients to unsubscribe.

In many countries, this is the law for all commercial messages. Give your readers a way to remove themselves from your list, and honor their requests within a reasonable time—ten days or less; sooner is better.

Do give readers a way to get in touch with you.

It's best practice to include your company's name, address, telephone number, and an email address where they can reach you ; it's also the law in many jurisdictions.

Don't share your email list with third-parties (except for your ESP).

Aside from the fact that this practice is illegal in some countries, it's a bad idea. Your email list is an asset; you don't want to risk its being used without your knowledge or consent.

You'll want to check whether there are any specific legal requirements binding email in the countries you send from, as well as the countries you send to. This is another area in which ESPs can be a tremendous asset. They should be aware of regulations pertaining to different countries and be willing and able to help you comply. The best ESPs require all their customers to be in compliance with the law, and refuse to work with those who aren't.

Keep Learning

Email marketing is an evolving discipline: we're all constantly learning more about what works and what doesn't. New technologies are appearing on the horizon that may enhance deliverability. And as more and more people purchase broadband connections to the Internet, streaming media and other rich content are making their way into email. Who knows what else the next five years will bring? As a result, keeping up with advances in email is an important part of email marketing.

If you're keen to stay up-to-date on email marketing, there are all sorts of great resources available. The best part: many are free! While you will need to take the time to read them, you won't break your budget subscribing to them. Here are some of my favorites:

ClickZ   This was one of the original resources, and it's only grown better with age. There's the "Experts" section, where my articles appear twice a month, along with many others by email marketing experts. You'll also find industry news and statistics, and ClickZ covers other areas of online marketing, including search engine optimization and marketing. It's a great resource and it's all free. Opt in to receive one or more of its free email newsletters and search the archives at http://www.clickz.com.

The Jennings Report   This is my own free email newsletter. Each month I highlight articles, white papers, and other resources I've found useful, along with links to the full text online. Also, I usually include a "Publisher's Note" about my experiences of

working with clients to optimize their email marketing efforts. Sign up to receive the email and search the archives at http://www.JenningsReport.com.

MarketingSherpa   Founded by Anne Holland, MarketingSherpa's sweet spot is case studies. It publishes some of the best case studies available on a regular basis, which is quite a feat. This company's big on reporting quantitative, not just qualitative, results. In addition to reporting on email issues, it does a great job of covering the online publishing industry. Its email newsletters are free, while its archives are fee-based, but reasonably priced. Visit http://www.marketingsherpa.com to check out MarketingSherpa.

MarketingVox   I love MarketingVox's daily emails, which compile the online marketing news of the day into an easy-to-skim digest containing links to each item online. Sign up at http://www.marketingvox.com. It's free.

No Man is an Iland   This blog, by Mark Brownlow (who kindly acted as an editor on this kit), provides news, advice, and best practices in email and online marketing. Mark's adept at finding things that might otherwise be missed. He's also got a great voice, so it's a fun read. Read it online, or sign up to receive it via email, at http://www.email-marketing-reports.com/iland.

SitePoint   Although geared toward technical, rather than marketing, folks, SitePoint (the publisher of this kit) publishes some of the best information available about programming HTML for email. Search the archives or sign up for its free emails at http://www.sitepoint.com.

Web Marketing Today   Another early entrant into the email marketing space, Dr. Ralph Wilson provides information on email and online marketing for small businesses. His articles are easy to read and understand, even for the newest email marketers. He has a mix of free and paid email newsletters to which you can subscribe; he also has a searchable database that indexes not only his content, but articles from a variety of other sources (unlimited access is included when you sign up for a paid email newsletter). Learn more at http://www.wilsonweb.com.

Summary

It's great to read all you can about email marketing. But there comes a point where you have to jump in and start doing it yourself in order to continue to learn. Your initial efforts may not be perfect, but that's okay. You can tweak and optimize as you go.

Be sure to develop an email strategy for your program. Developing this strategy may take some research and time, but it will pay off. Be sure also to include quantitative as well as qualitative goals for your email marketing efforts.

Once you have a strategy and know what you're going to send, it's time to start asking for opt-ins. Remember that your email will need a solid value proposition before people will opt in to receive it. You need to offer your prospects something of value, in the way of newsletter content and maybe an added incentive, in exchange for the email address.

You need to employ a bit of art and a bit of science when you design the many and various facets of your email. Your From address and subject lines, preview pane view, layout, format, and content will make a difference to your end result; be sure you spend plenty of time on each of these elements.

Deliverability is probably the biggest issue that faces email marketers today. You won't always know when you email is filtered as spam. Industry groups are working on a number of different technical solutions to the deliverability issue, but none are widely used right now. Be sure to publish your SPF record, periodically check blacklists, and work with a reputable ESP to get your email into the inbox.

Tracking and reporting is one of the true benefits of email; it allows you to see how readers are interacting with the email you've sent and identify areas in which you can improve performance. Be sure you're looking at your bottom-line return-on-investment metrics, as well as unique opens and clickthroughs.

Email is good at attracting new customers to your business, but it's great at building relationships that help you keep and upsell existing customers. Remember that every email send is your chance to keep your name in front of your audience—don't shirk on the quality of the communication.

Third-party lists can be useful at times, but you don't want to build your entire email campaign around them. Use rental lists sparingly and with a clear goal in mind. They can be useful for building your own list via opt-in, but using third-party lists is also one of the most expensive ways to obtain opt-in recipients for your own house list.

Even the most legitimate email marketers have to be knowledgeable about anti-spam laws. You don't want to be mistaken for a spammer. While the laws vary from country to country, following the basic guidelines will keep you legally compliant just about everywhere.

Email marketing is constantly evolving, but many free resources are available to help you keep up to date. Use them. They can give you ideas to test, keep you abreast of new anti-spam legislation, and help you stay away from shady practices.

It's easy to feel overwhelmed reading about email marketing. But it all becomes clearer as you start to do it yourself. Don't be shy—jump in and give it a go. While your initial efforts may not be stellar, the best way to learn is by doing.

I really do love email marketing. And I hope that after reading this kit and applying what you've learned, you do too! Email marketing is a cost-effective way to communicate with prospects and customers, and, planned with plenty of care and creativity, it will be a real boon to your business.

Appendix A: Anti-spam Laws by Country

Countries and Anti-spam Laws

Different countries are at different points when it comes to anti-spam regulations. A 2005 survey carried out by the International Telecommunication Union (ITU) found that these 26 countries had specific anti-spam legislation in place:[1]

- Australia

- Austria

- Belgium

- China

- Czech Republic

- Cyprus

- Denmark

- Estonia

- Finland

- France

- Germany

- Hungary

- Ireland

- Italy

- Japan

- Lithuania

- Malta

- Netherlands

- Norway

- Poland

- Portugal

---

[1] ITU Survey on Anti-Spam Legislation Worldwide, presented at the WSIS Thematic Meeting on Cybersecurity, July 2005.

- Romania

- Spain

- Sweden

- United Kingdom

- United States

The survey also showed that another 18 countries had incorporated anti-spam regulations into their existing laws, with Argentina, Brazil, Canada, Colombia, Hong Kong, Russia, and Turkey considering the enhancement of their current regulations with specific anti-spam legislation. Here are the countries whose existing laws address spammers:

- Argentina

- Armenia

- Brazil

- Bulgaria

- Canada

- Chile

- Columbia

- Costa Rica

- South Korea

- Hong Kong

- Luxembourg

- Malaysia

- Mexico

- New Zealand

- Peru

- Russia

- Switzerland

- Turkey

At the time of the survey, the 13 countries listed below had not implemented laws to regulate spam; Singapore was considering specific anti-spam legislation at the time:

- Bangladesh

- Burkina Faso

- Ecuador

- El Salvador

- Haiti

- Kuwait

- Lebanon

- Madagascar

- Moldova

- Morocco

- Qatar

- Singapore

- Syria

While the survey didn't include all countries, the results were seen to be indicative of measures being taken around the world to combat spam.

Anti-spam Laws by Country

Now that we have an overview of the different ways in which anti-spam legislation has been approached by different nations, let's look more closely at the laws specific to some of those countries that have put such legislation in place. Note that this information constitutes a brief overview of the legal situation at the time of writing; for more detail on spam-related laws around the globe, see http://www.spamlaws.com.

Argentina

In October 2000, Argentina passed Act 25,326, known as the Personal Data Protection Act. It's not technically considered an anti-spam act, but it has been used in court to:

- require that unsubscribe or opt-out requests are honored (article 25)

- prohibit entities sharing with third parties the email addresses of people who have opted out of a subscription

Argentina is considering a bill that allows the government to block the IP addresses and cancel the domain names of known spammers. This bill also supports an opt-out, rather than opt-in, mechanism for email.

Australia

In 2003 and 2004, Australia passed a number of laws that regulate email. These laws cover both spam being sent from within Australian borders and spam coming into Australia from elsewhere. Their policy is strictly opt-in, requiring that:

- accurate information about the organization sending the email be included in the message

- all messages include a working unsubscribe, or opt-out, mechanism

These regulations also outlaw supplying, acquiring, or using software to harvest email addresses, as well as sending mail to lists developed using these types of tools. Relevant laws include the Spam Act 2003, Spam (consequential amendments) Act 2003 No. 130 in 2003, and Spam Regulations 2004 No. 56. For more information, visit http://www.efa.org.au.

Austria

TKG 2003, the Austrian Telecommunications Act of 2003, weakened the nation's previous regulations (found in an amendment to TKG 1997), and implemented key elements of the European Union (EU) Directive (more on that later) on email. The Act takes a "soft opt-in" approach to email:

- It prohibits the sending of email to consumers (not businesses) without prior consent (opt-in) if that email includes a direct marketing message or is sent to a list of more than 50 people.

- Prior consent is not required if (a) the recipient is a customer of the sender; and (b) the email is marketing the sender's own products and services, which are similar to the customer's earlier purchase; and (c) there is an opportunity for recipients to opt out when the email addresses are collected, and in every email sent.

- It allows email to be sent to non-consumers (read: business email addresses) without prior consent, as long as an opt-out is included.

- It makes it illegal for senders to disguise, conceal, or otherwise misrepresent their identities when sending an email.

- It established a "do-not-email" or "Robinson" list, to which people can sign up if they don't wish to receive email marketing messages.

The original law (TKG 1997) took a much stricter position on opt-ins, requiring prior consent to be obtained before email was sent to consumers. See the European Union information (below) and http://www.euro.cauce.org to learn more.

Belgium

In late 2002 and 2003, Belgium's Privacy Protection Commission investigated the spam problem and issued a report. In addition to outlining measures to combat spam, and providing legal advice for recipients of spam, the Commission traced the origins of spam email being received by Belgian citizens and found that much of it came from the US.

Belgium has taken a strong opt-in approach to email, requiring prior specific and informed consent to be obtained from the recipients of all emails that contain advertising. The sender must also include a way for recipients to electronically opt out of future emails; it's also a crime to falsify the return address or use a return address other than your own. The onus to prove the opt-in rests with the sender, which means it's wise for marketers to keep detailed records of the day, time, and subscription method used by each person who opts into a list. These laws were put into place in 2003, in response to the EU Directive on Electronic Commerce. See European Union (below) and http://spamlinks.net for more information.

Bolivia

Bolivian law does not offer protection for consumers or data.[2] However, ISPs are currently working to combat spam, with help from telecommunications regulators. The most damaging spam is seen as that which:

- adversely affects the rights of individuals, groups, companies, or organizations

- is commercial in nature, and is sent without explicit permission

- unduly saturates a user or an ISP's server, using an unreasonable amount of resources

Bolivia is attempting to use article 306 of the Regulations of the Telecommunications Law, which provides the telecommunications superintendence to "cut the service of the user causing" the disruption.

Currently in development is a legislative project that will require all commercial emails to:

- Use a moniker such as "public" or "adult.publi" in the subject lines of emails whose content isn't suitable for people under 18 years of age.

- Include the legal name, complete address, and email address of the company issuing the email.

- Provide a working unsubscribe mechanism.

- Make certain that the origin and route of the email are accurate.

Some exceptions to these rules would be made when the sender has an existing relationship with the recipient, or when the recipient has given permission in advance to receive the email. Information on spam laws in Bolivia is a bit sparse; your best resource is probably the official web site of the *Superintendencia de Telecomunicaciones de Boliva* (Spanish-language content only), at http://www.sittel.gov.bo.

Brazil

No current laws address spam in Brazil, but in May of 2005, the Brazilian Internet Steering committee created a task force on spam (CT-SPAM). Its mission includes:

- identifying technical procedures to combat spam

- providing information about spam to interested parties

---

[2] "Legislation and Spam Control in Bolivia," presentation given in Geneva, July 8, 2004 by Dr. Gabriela Urquidi Morales, Legal Director, SITTEL BOLIVIA.

- establishing codes of conduct regarding email

- recommending anti-spam bills to the congress

- becoming involved in the international anti-spam movement

One of CT-SPAM's stated goals is to launch a web site that explains email marketing standards and best practices as a resource for businesses sending email. It's not online yet, but watch out for it; I assume this resource will also cover any anti-spam legislation that is introduced in Brazil. In the meantime, http://www.spamlaws.com is probably your best resource.

Bulgaria

Bulgaria has no anti-spam legislation, although the Personal Data Protection Act does address aspects of data protection. Right now, spammers can be prosecuted under civil litigation; it's likely that Bulgaria will adopt an opt-in approach to email, mirroring their opt-in data protection legislation.

For more on Bulgarian data protection laws, visit http://www.oecd.org and search on "work on spam" to access the OECD Work on Spam Department topic. You'll see Bulgaria after you click on the "Information by Country" link on that page.

Canada

To date, Canada has restricted the development of regulations affecting email to expanding existing laws. The three most relevant are the Competition Act, the Criminal Code of Canada, and the Personal Information Protection and Electronic Documents Act (PIPEDA).

- The Competition Act outlaws false or misleading information in emails; there are opportunities for both civil and criminal enforcement.

- The Criminal Code addresses fraud and other illegal activities in email.

- PIPEDA establishes a de facto opt-in requirement, mandating companies that send email to gain prior consent from recipients.

- PIPEDA also states that email addresses should be used only for the purpose for which they're collected, and that all emails must have a working unsubscribe link.

Canada is currently working on specific anti-spam legislation. In May 2005, after a year of research, a task force convened by the government presented a report entitled *Stopping Spam: Creating a Stronger, Safer Internet*. It includes 22 recommendations, including best practices to which it wants those sending email to voluntarily adhere, and a list of actions that the task force believes should be considered spam violations. It expands on existing laws and keeps the opt-in requirement front and center.

A good source of information about Canada's spam initiatives is Strategis, a service of the Industry Canada department of the federal government, which can be found at http://www.strategis.gc.ca. The Trust & Confidence section of the department's web site includes an area dedicated to the work of the Task Force on Spam, including a link to the full text of the report. I imagine the site will continue to cover the issue as the task force works it way through the legislative process.

Chile

In June of 2004 Chile enacted a new consumer protection law (19.955) to address the issues of spam, including:

- the establishment of an opt-out, rather than an opt-in, standard

- a requirement that all emails include the name of the sender

- the inclusion of a precise description of whatever is being offered

- the ability for recipients to opt out of future email communications

Interestingly, these same rules apply to advertisements being delivered via postal mail, fax, and telephone. Your best source for information and updates on anti-spam laws in Chile is Privacy International, at http://www.privacyinternational.org, which publishes papers on privacy regulations around the world and has one devoted to Chile.

China

In the summer of 2005, the Chinese government was seriously considering anti-spam legislation which:

- outlawed the sending of email with false or misleading information

- made it illegal to send email without authorization

- prohibited the gathering of email addresses

There's also been an aggressive effort in the private sector, thanks to the Internet Society of China (comprising the nation's largest ISPs), to address and manage the spam issue. For more, visit http://www.itu.int/osg/spu/spam.

Colombia

To date, Colombia has relied on *Habeus Data*, a constitutional right allowing individuals to control data about themselves, to address spam concerns. A court ruled that under this code Colombian citizens have the right to opt out of email communications. A new bill, which was introduced in 2004, but not passed, proposed an opt-out, rather than opt-in, standard for email. To follow developments and updates on anti-spam initiatives in Colombia, visit Privacy International, at http://www.privacyinternational.org, which publishes articles on privacy regulations around the world.

Cyprus

The spam problem was addressed in section 106 of The Regulation of Electronic Communications and Postal Services Law of 2004. It requires prior consent, or an opt-in, for direct marketing emails. If an email address was collected as the result of a sale, the sender may use the email address to market their own similar products or services, as long as a way to opt out from future emails is included with each communication. Using a fraudulent return address on email communications is prohibited.

To learn more, see European Union (below) or visit http://www.dataprotection.gov.cy for an English translation of the law.

Czech Republic

The Czech Republic enacted a law that almost completely mirrored the EU spam directives. It requires an opt-in, either via email or in writing, before commercial emails are sent to consumers (but not businesses). Recipients must be given the opportunity to opt out of receiving future emails each time an email is sent. The relevant law is Act N. 480/2004 on Certain Information Services. For more, see European Union (below) or visit http://www.spamlaws.com for an English translation of the act.

Denmark

Opting for a soft opt-in approach, Denmark implemented the EU spam directives in an amendment to the Danish Marketing Practices Act (Section 6a). The law requires an opt-in to be obtained by an entity before it sends advertising emails, unless the consumer has provided an email address as the result of a purchase made on the Internet. Companies must provide people with a way to opt out of email communications, both when the email address is collected, and in each email that's sent. This eases the original law, passed in 2000, which required recipients to opt in in all instances. See European Union (below) or http://www.euro.cauce.org for more.

Estonia

Estonia's Information Society Service Act, which closely follows the EU directives on spam, mandates an opt-in approach to email. It took effect in May, 2004. To learn more visit http://www.itu.int/osg/spu/spam or see European Union (below).

European Union (EU)

Founded in 1993, the EU is comprised of 25 independent European states and countries that cooperate on political, economic, and social issues:

- Austria
- Belgium
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Greece
- Hungary

- Ireland

- Italy

- Latvia

- Lithuania

- Luxembourg

- Malta

- Netherlands

- Poland

- Portugal

- Slovakia

- Slovenia

- Spain

- Sweden

- United Kingdom

In the anti-spam world, the European Union's decision to require organizations to obtain opt-ins before sending commercial email was widely applauded. The only exception to this rule is an existing business relationship; here no opt-in is required. In all cases, recipients must be given a way to opt out. As in other countries, the use of false or misleading from addresses is also outlawed. The key piece of legislation is Article 13, Directive 2002/58/EC, Concerning the Processing of Personal Data and the Protection of Privacy in the Electronic communications Sector, 2002.

As with all EU directives, it's up to each member country (as well as those that join in the future) to draft their own rules for enforcement. Sometimes these countries interpret the details of the directives differently. For instance, although the EU Directive supports an opt-in approach, some of the members' laws don't. That said, if you're sending email to Europeans, deciding to use opt-ins is the best way to ensure that you're in compliance with anti-spam laws.

The full text of the directive is available at http://europa.eu.int; http://www.spamlaws.com is another source of relevant information.

Finland

For email sent to consumers, Finland's legal standard requires that an opt-in must be obtained; for email sent to businesses, the process is opt-out. The Finnish Act on the Protection of Privacy on Electronic Communications (516/2004) is the pertinent legislation. An overview with a link to the full text is available from http://euro.cauce.org; see also European Union (above).

France

France was one of the last counties to implement the EU's anti-spam directive. Their legal standard is opt-in, requiring prior consent before email can be sent to an address. In addition, every email must include a way for the recipient to opt out. http://www.euro.cauce.org provides a good overview of these laws; see also European Union (above).

Germany

Germany has taken a strong opt-in stance on email, requiring prior consent for all email sent, regardless of whether the recipient is a consumer or a business. The pertinent legislation is the German Law Against Unfair Competition, Germany's enforcement provisions of EU Directive 2002/58/EC. Additional legislation that was introduced in 2005 makes it illegal to falsify the sender's address on emails and requires that commercial email be clearly identified as such, with "ADV" in the subject line. See European Union (above) for more information; http://www.euro.cauce.org also has an overview and links. An excellent article on German anti-spam laws, written in the summer of 2005, is available from http://www.ashursts.com.

Greece

Obtaining opt-in is the law in Greece, which implemented a strict policy enforcing the EU Directive on spam. An overview of Greek policies is available at http://www.oecd.org; search the site for the "OECD Work on Spam" topic, or see European Union (above) for more.

Hungary

Article 14, Act CVIII of 2001 sets guidelines of "prior consent" or opt-in for unsolicited email in Hungary, closely following the EU Directive. See European Union (above) for more details; http://euro.cauce.org also provides a brief overview.

Ireland

In 2003, Ireland outlawed the sending of unsolicited email, requiring prior consent, or an opt-in, for all email sent. Regulation 13 in the European Communities (Electronic Communications Networks and Services) (Data Protection and Privacy) Regulations of 2003 also forbids forging or disguising the email sender's information. Ireland counts each individual email that's sent as a separate offence. See the section on the European Union (above) for more information; http://taint.org also provides a clear overview of the law.

Italy

Italy's interpretation of the EU Directive is one of the toughest; in addition to high fines, convicted spammers may face up to three years in jail. Email senders must obtain opt-ins from recipients, and an opportunity to opt out must be included in all emails. It's all spelled out in The Personal Data Protection Code (legislative decree #196/2003), specifically in Sections 121–132. See European Union (above) for more, and http://euro.cauce.org for an overview.

Japan

The Law on Regulation of Transmission of Specified Electronic Mail, first passed in April 2002, and now in the process of being revised, laid down the law on emails. All emails must include:

- the sender's name

- the sender's address

- the sender's email address

- a way to opt out of future email communications

Opt-in is not mandated in the law; Japan maintains an opt-out policy on email. An interesting note: in Japan, nearly 75% of spam is sent to mobile phones, rather than to standard email accounts.[3]

For more information visit http://www.itu.int/osg/spu/spam.

Korea

In July 2005, Korea passed new regulations regarding email. They require commercial emails to:

- be identified as advertisements

- provide a way for recipients to opt out of future email communications (The laws also mandate that companies honor the opt-out by not sending any more emails.)

- include the name of and contact information for the sender

- have SPF records that match the information in email headers; delivery is halted if the two don't match

The key legislation is Article 50 (recently added) of the Act on Promotion of Information and Communication and Communications Network Utilization and Information Protection of 2001. Korea hasn't gone so far as to mandate opt-ins for all email; opt-out is still the law of the land. To learn more, visit http://www.itu.int/osg/spu/spam.

Lithuania

Lithuania officially adopted an opt-in standard with its Law on Electronic Communications. This legislation went into effect in May, 2004, and was based on the EU Directive regarding spam. In addition to requiring senders to obtain opt-ins, the law makes the following demands:

- All emails must include a way for recipients to opt out of future communications.

- The sender of the email must be clearly identified.

- All the information in the email must be correct and not fraudulent.

See European Union (above) for more, or visit http://www.oecd.org and search for the "OECD Work on Spam" topic, which includes Lithuania in this list of laws by country.

Luxembourg

Luxembourg, as of mid-2005, had not passed any legislation with regard to spam. While the country is a member of the European Union, it missed the deadline to write regulations enforcing the EU Directives on

---

[3] Elizabeth Lloyd, "Marketing to the Global Inbox," *iMedia Connection*, November 21, 2005.

spam. The Luxembourg delegation to the EU did not vote in favor of the Article 13 directive on spam, feeling that the opt-in standard was too restrictive. Luxembourg prefers an opt-out standard. See European Union (above) for more, and visit http://euro.cauce.org for more on Luxembourg's issues with the EU Directive.

Malaysia

While Malaysia has no legislation that specifically addresses email, the country does have laws of which email marketers need to be aware. Section 223 of the Communications and Multimedia Act of 1998 (Act 588) makes it illegal to:

- deliver any communication that does not include the sender's identity

- send any communication with the intent to annoy, abuse, threaten, or harass a recipient

- improperly use network facilities or network services

For more, visit http://www.itu.int/osg/spu/spam.

Malta

Malta requires that opt-ins be obtained for email sent to consumers; the only exception to this rule is an existing customer relationship, in which case an opt-out will do. Opt-out is also the standard for email sent to businesses. Legal Notice 16 of 2003, article 10 outlines the details; it's based on the EU Directive on spam. Visit http://www.itu.int/osg/spu/spam for an overview of Malta's laws, and see European Union (above).

Mexico

Mexico uses existing laws to address spam issues. Chief among these is the Federal Consumer Protection Law (FCPL), which regulates unsolicited commercial messages originating in Mexican territory. Highlights of the chapter, added in December 2003 to specifically address electronic commerce, include:

- requiring the inclusion of the name, address, telephone number and, where applicable, email address of the both the company sending the email and the company whose products or services are being offered (article 17)

- requiring senders to provide a way for recipients to unsubscribe or opt-out from future email communications, and honoring those requests in a timely manner (article 17)

- requiring requests from consumers asking that their personal information not be shared with third parties be honored (article 17)

- allowing the creation of a national do-not-contact list, with which consumers can register if they do not want their personal data to be used for marketing purposes (article 18)

- forbidding companies to use personal information collected from consumers for purposes other than those originally set forth and agreed to by the email recipients (article 18 bis)

- placing the responsibility for compliance upon both the company sending the email and the company whose products or services are being offered (article 18 bis)

The Organization for Economic Cooperation and Development, at http://www.oecd.org, is a good resource for keeping up with the anti-spam laws in Mexico and other countries. The section entitled "Anti-spam legislation and authorities: country profile–Mexico" would be a good resource for those sending email to, or receiving mail from, Mexico.

Peru

Peru passed a strict opt-in law in May 2004, making it illegal to send a commercial email message without the prior authorization of the recipient. Criminal sanctions apply and are spelled out in Ley N. 28493. It's also illegal to falsify headers, From addresses, or other elements of an email under Criminal code article 161. Updates are available from the Spanish-language web site at http://www.antispam.org.pe.

Russia

While Russia does not currently have a dedicated anti-spam law, it's in the pipeline. The Antispam project, which began in May, 2003, has been tasked to use legal, ethical, and technical means to battle spam. The project members are in the process of drafting anti-spam legislation that takes an opt-in stance. For updates on this project, visit http://www.itu.int/osg/spu/spam.

Spain

Spain mandates an opt-in policy for email, requiring that senders get permission from recipients before sending email. The country's laws also require that the term *publicidad* ("publicity" or "advertisement") be included at the start of all commercial email communications. The agency in Spain that regulates email is the *Agencia Espanola de Proteccion de Datos* (AEPD). Created by the first Spanish Data Protection Act in 1992, the Agency now enforces Spain's take on the EU Directive on spam. Guidelines were incorporated into:

- Royal Decree 424/2005

- Law 32/3003 (which revised law 34)

- Law 34/2002, Title III, articles 19 to 22

- Organic law 15/1999

For more detail, check out the full text of these documents or visit http://www.itu.int/osg/spu/spam.

The United States of America

The CAN-SPAM Act of 2003, full title "Controlling the Assault of Non-Solicited Pornography and Marketing," took effect on January 1, 2004, and was intended to override all US state laws regarding email. It makes a distinction between "commercial" and "transactional" emails, focusing its regulation on the former.

A commercial email is defined as one with a commercial advertisement or promotion as its primary purpose; a transactional email would involve communication with an existing customer about an existing business transaction. Under this rule, an email confirming shipment of a product the recipient has already ordered would be transactional; an email to the same customer offering another product or service would be commercial.

Highlights of the Act with regard to commercial emails include:

■ regulations against using misleading From addresses and subject lines (section 5(a)(1) and 5(a)(2))

■ a requirement that companies include their physical postal addresses (not just a post office box) in each email (section 5(a)(3) and 5(a)5(A)(iii))

■ a requirement that emails include a prominent notice, at the top of the message, identifying the email as an advertisement or solicitation (section 5(a)5(A)(I)); and an exemption from this requirement (section 5(a)5(B)) if your list is opt-in or double opt-in

■ requiring emails to have a "clear and conspicuous" unsubscribe mechanism (section 5(a)5(A)(II)) that must work for at least 30 days after the email is sent

■ a stipulation that requests must be honored within ten days

■ a requirement that senders be prepared to honor unsubscribes received electronically, as well as those received via postal mail, telephone, and other means

■ a restriction on sharing email addresses with third parties unless the sender gains permission from recipients to do so (section 5(a)(3)(B)); this includes the email addresses of those who have unsubscribed (section 5(a)(4))

■ a ban on using automated means to collect email addresses from the Internet (sometimes called "harvesting" or "scraping") or to randomly generate email addresses (sometimes called "dictionary attacks") (section 5(b)(1))

■ a moratorium on sending unsolicited commercial email to wireless email devices, such cell phones and PDAs

Companies sending email are required to suppress email addresses registered as belonging to wireless devices unless they receive an explicit opt-in from the recipient. This list is managed by the Federal Communications Commission (FCC).

A number of other measures, including a do-not-email list and a requirement that all unsolicited commercial messages carry an "ADV" moniker in the subject line, have not yet been implemented. They may be reconsidered when technology improves so that the sender of an email can be clearly identified, making these types of provisions easier to enforce.

There's another set of laws of which you'll need to be aware if you're sending email to or from the US: the state and federal laws seeking to protect children online. In 1998, the US Congress passed COPPA, the Children's Online Privacy and Protection Act.[4] It requires companies to gain permission from a child's parent or guardian before collecting any information, including email addresses, from that child online. Children are defined as individuals under the age of 13; most web sites comply by asking for a birthdate in any online sign-up forms. If the individual indicates that he or she is younger than 13, either the information is disposed of, or a process to request parental permission (by asking the child to enter a parent or guardian's email address) begins.

---

[4] http://www.ftc.gov/ogc/coppa1.htm

In addition to COPPA, there are two relatively new laws, passed by Utah and Michigan in 2005, that seek to protect children. For the purpose of these laws, a child is defined as anyone under the age of 18. Parents are being encouraged to put their children's email addresses on a special registry held by the state. If you are planning to send an email promoting or even just linking to products that minors (people under the age of 18) are prohibited from purchasing by law, you must suppress any email addresses that are listed on these registries. While the Act was originally intended to address pornography, its language also applies to emails advertising alcoholic beverages and cigarettes. This law applies even if the owner of the email address has previously opted to receive email.

Penalties for non-compliance with the law include up to three years in jail (in Utah) and fines ranging from $1,000 per message to $250,000 for each day on which a violation occurred. Both laws are currently being challenged in the courts, but in the meantime, they stand. Lyris wrote a concise, easy-to-read overview of the two laws in August of 2005.[5]

The group primarily responsible for developing and enforcing federal CAN-SPAM and COPPA regulations is the Federal Trade Commission (FTC). This organization's web site, at http://www.ftc.gov, is a good resource for gaining additional information.

---

[5] http://www.lyris.com/resources/articles/200508utah.html

Index

M