



Total Engagement Marketing

10 Ways to Improve Email Marketing Response in 2010

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 **Net Atlantic**
Your Email Delivery Experts

A background image of a smiling woman with long, wavy brown hair, wearing a white blouse, gesturing with her hands. A man in a suit is partially visible behind her. The image is overlaid with semi-transparent geometric shapes in shades of blue and purple.

What is **Total Engagement** Marketing?

Total Engagement Marketing is a new set of rules that puts your business in continuous touch with customers, at any moment, on any medium. You get feedback, answer questions, sell products and win referrals. It makes email the center of your marketing strategy.

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Email ties it all together.

Total Engagement Marketing relies on every tactic you use to communicate with your customers. You have many outposts on the web; social media, websites, blogs, directories, Pay Per Click (PPC) campaigns, and hosted web assets. You need something to tie your communications tactics together: Email.

Are you ready for a radical shift in the way you use email marketing?

This white paper asks you to use email as the central focus of your strategy, tying the others together. It is easier to personalize and automate; it is more current than your Flash billboard; and it gets delivered to your customers' inboxes consistently, where they've already agreed to welcome it.



1. *Backbone* of Total Engagement

Let's start with a blinding glimpse of the obvious; the online environment is now firmly entrenched as the media of choice for consumers and business leaders. Marketers use web2.0 techniques for websites and landing pages. You may already send automated, sequential email campaigns, and use social media and blogs as a marketing tool, and search for ways to improve engagement with narrower segments of your audience.

Now for the not so obvious; despite all this envelope-pushing, your website is still central to your marketing strategy, while everything else is treated as adjunct. It is time to start thinking of everything outside of your site as critical components of your online strategy. Get beyond focusing on updating graphics and perfecting messaging on the website, while everything else gets little credence as part of your strategy.

The old approach makes sense when you consider that your company website is under your complete control while with most other

outlets you are hamstrung by the limitations of someone else's user interface. Your email design is constrained by the limitations of email clients and ESP mailing practices. With dynamic media such as video you are limited by bandwidth. With social media you can manage your images and text, but the interface presentation is up to the whims of designers trying to please everyone else in the world. You rule your site, so it is tempting to put the bulk of your effort into it.

That's why making email the backbone is not about abandoning your website's utility in your marketing strategy, but about treating everything outside of it as part of your total web presence. Each outlet becomes an extension of your messaging for various demographics, vertical markets, or products and services. You create a path for users to reach landing pages, blog posts, or web assets.

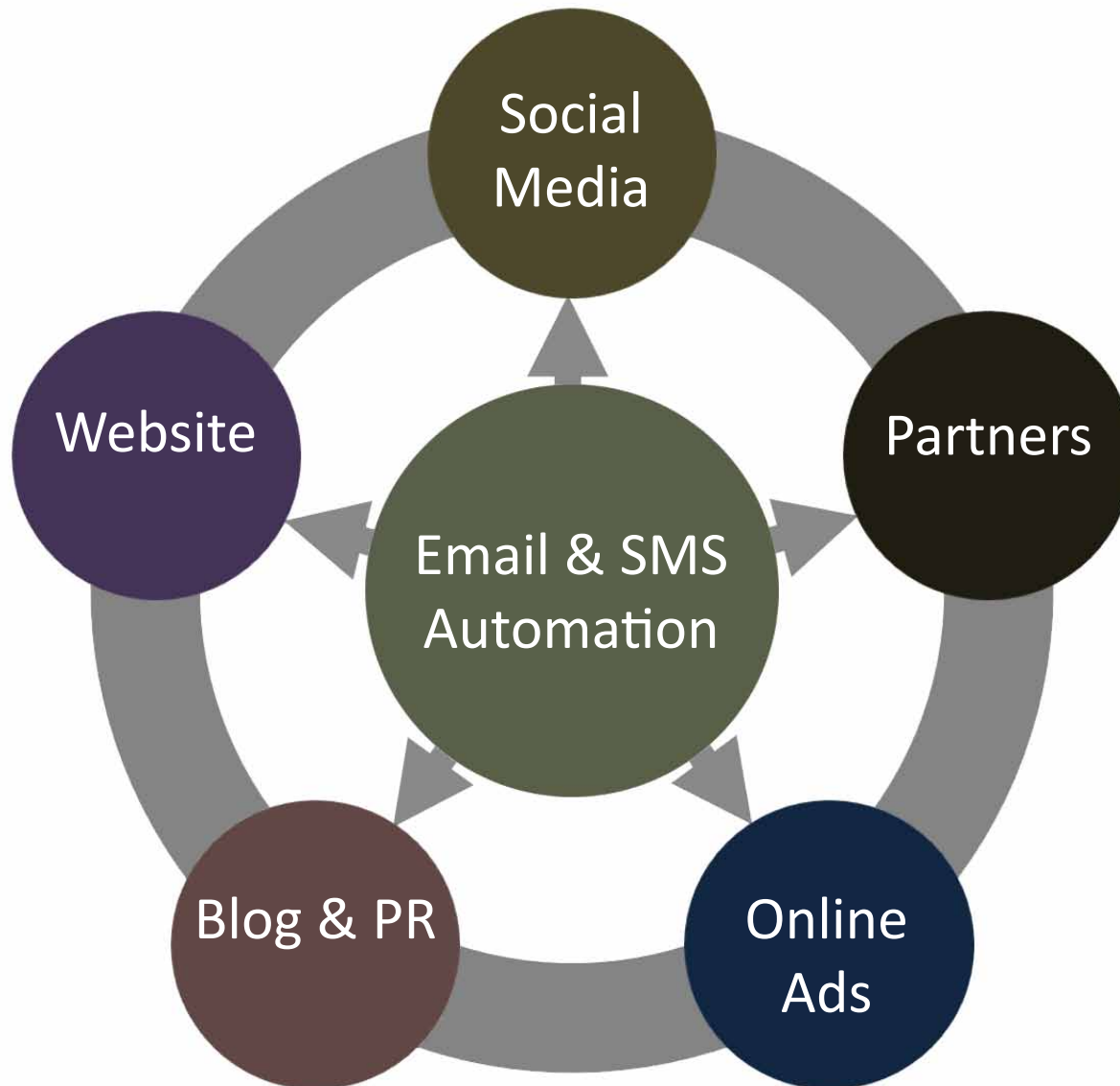
No matter what path your customers use to reach you and gather information about your company's offerings, there is only one central hub that ties all of it together: email.

Visitors who opt in at any point in your various acquisition paths become part of your email marketing campaigns. Powerful segmentation lets you capture vital data about who they are and what interests them. Email allows you to personalize and strengthen the relationship, which you can't do with every other static, public outpost, including your website.

If your email campaigns, instead of your website, are central to your strategy, you can maximize your message through segmentation, customized merge fields, and triggered automation. The strength of your contact database drives your ability to market to extremely narrow bands of customers.

Total Engagement Marketing puts email at the center of your marketing efforts.

Why isn't email the center of your marketing strategy yet?



The diagram to the left shows how email marketing and SMS text messages hold your numerous outposts together:

- Social media sites
- Company website
- Blog posts, articles, and press releases
- Channel vendors and partners
- PPC, online directories, banner campaigns and media advertisements

The people who reach you through these channels become part of your database, where you engage them through automated, personalized and targeted email.

Since 2000, we've seen the expansion of the online environment to drive powerful social interaction. Your total engagement marketing strategy for 2010 and beyond relies on personalization, frequency, and relevancy.

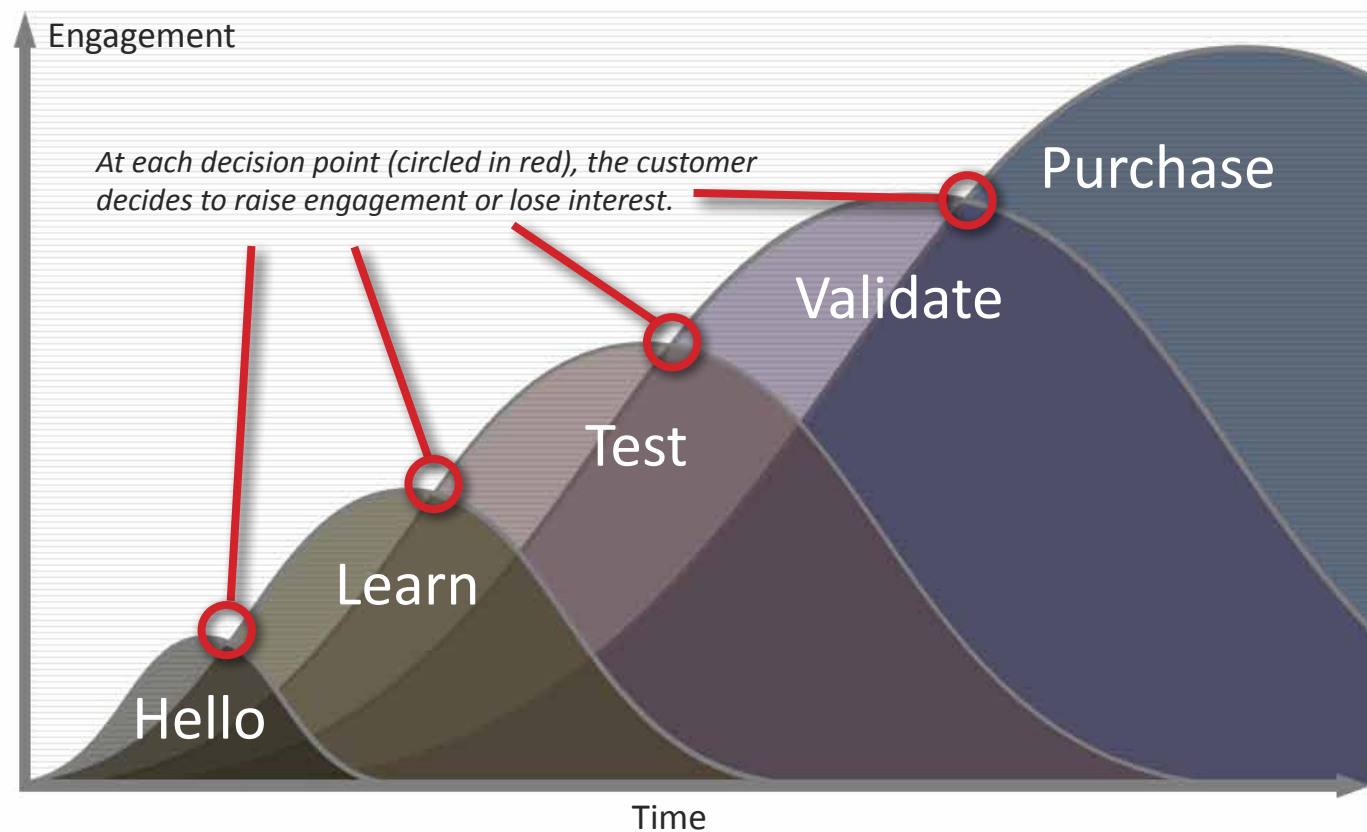
2. Have Them At *Hello*

Since prospects are not always ready to make an immediate purchase, it's important to develop a practice of tracking each stage of the buying process... from hello through purchase.

People come to you with various expectations about your products and services. Perhaps they're in the analysis phase and just want to download a whitepaper, or maybe they are almost ready to purchase and need pricing. Web analytics tools help you track a prospect's online activity, allowing you to craft relevant messages, build stronger relationships, increase conversions, and drive revenue.

Once people join your email program and give you permission, you can send them timely, relevant, and personalized communications on a scheduled basis. Because what you think is relevant and what a prospect finds relevant may be different things; tracking campaigns to see what triggers purchases — and what triggers high levels of opt-outs — is a critical part of any email marketing campaign.

Know your customers. Follow their online activity so you can segment and engage appropriately.



According to TowerGroup, firms that maximize engagement and limit churn grow 30% faster.

— 4Point.com, June 2008

Actively Engaged Customers

For customers who are very involved with your company, you should keep the growth opportunities coming. After every purchase, send them a thank-you email with an incentive to share the opportunity with others; send a survey; ask permission to send newsletters; send offers based on their interests; ask them to review your product or service and send email based on dates or activities (birthday, anniversary, seasonal).

Interested Customers

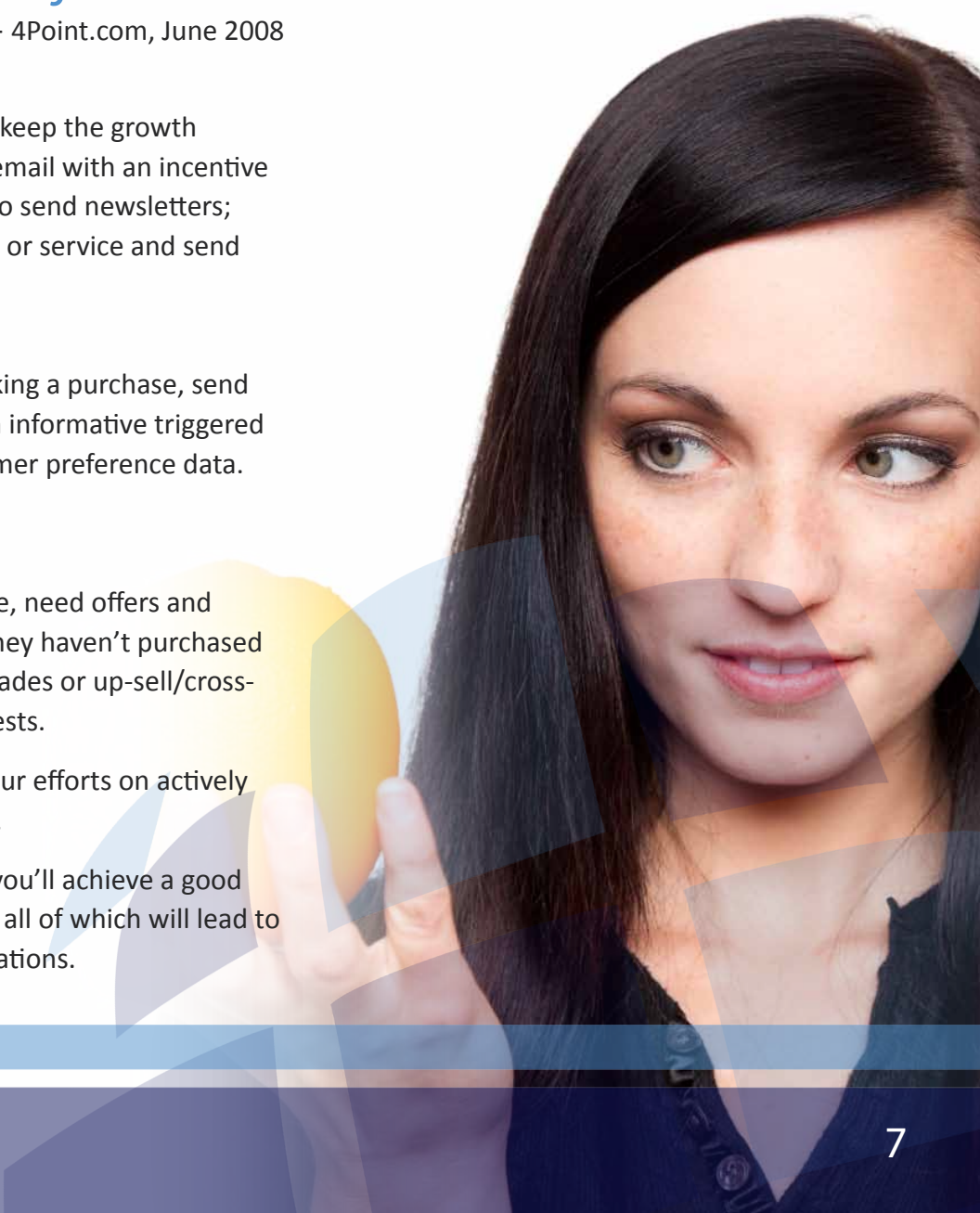
For people who have given permission, but left your site without making a purchase, send them relevant messages about specific product categories; initiate an informative triggered welcome email to capture more demographic information and customer preference data. Studies show that welcome emails typically have higher open rates.

Lapsed Customers

Customers who were interested at one time, but have not been active, need offers and messages to remind them why they engaged with your company. If they haven't purchased in awhile, send campaigns offering new products, subscriptions, upgrades or up-sell/cross-sell programs, surveys, or incentives to update their profile and interests.

If they remain inactive, purge them from your database, and focus your efforts on actively engaged customers who are interested in your products and services.

By engaging your subscribers with relevant content they want to receive, you'll achieve a good sender reputation, get lower complaint scores, and higher engagement — all of which will lead to increased open and response rates, higher ROI, and stronger customer relations.



3. Ride The *Lifecycle*

Now is the time to take your email marketing program to the next level, and move beyond the one-size-fits-all model to a lifecycle marketing model. Rather than a “batch-and-blast” approach, you use dynamic content to create personalized email programs that evolve to match the customers’ needs and increase the relevance and impact of your emails.

The customer lifecycle includes milestones such as: the day they apply to college; the day they land a job; lease a car; buy a house; have children; and pick up expensive hobbies. Your approach to the lifecycle considers three key elements: audience, message, and time.

It’s a simple concept: each life stage creates different needs. Whether the subscriber is a consumer or a businessperson, the right message at the right time can greatly improve results. According to JupiterResearch VP and Research Director, David Daniels, lifecycle campaigns perform 389% better than broadcast campaigns at converting interest into sales.

With total engagement you deliver highly targeted, meaningful and hyper-relevant communications that are unique to each subscriber based on profile, purchase history and life stage. This enhances your relationships by building deeper, more meaningful and sustainable interactions as they pass through different stages in their purchasing lifecycle.

But lifecycle marketing is not just about retaining high-value customers; it’s about focusing on the creation and delivery of lifetime value to the customer. You maintain a high level of engagement by personalizing communications across customer touch points to keep them coming back.

“Despite additional campaign costs, relevant campaigns increase net profits by an average of 18 times more than do broadcast mailings.”

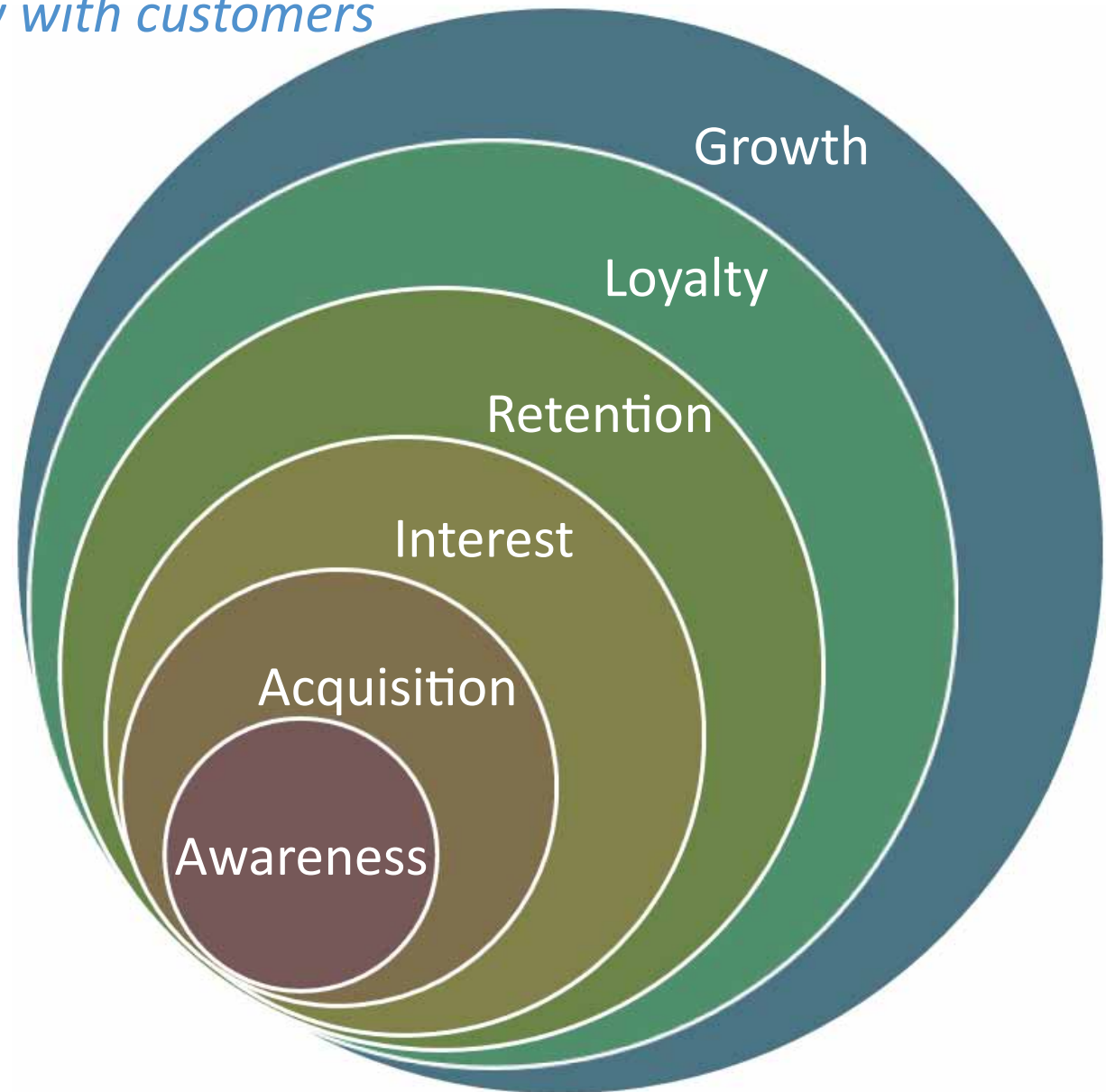
— Jeannie Mullen and David Daniels,
Email Marketing: An Hour a Day (JupiterResearch)

Email improves your visibility with customers throughout the lifecycle.


Once you've segmented your list, you can stay relevant with your customers via ongoing communications that involve them with your brand. When you know customers more intimately, you can craft your messages around products and services throughout the life cycle that address their needs and interests and maximize the lifetime value of each customer.

As you understand your customers' changing needs, you can bring them through each stage of their lifecycle: Awareness, Acquisition, Interest, Retention, Loyalty, and Growth.

You've heard it before... it's all about quality, not quantity. A large email list is worthless if subscribers are not engaged with your brand. Although behavior-based, trigger-based and lifecycle-based segmentation strategies are all time-consuming and resource intensive projects, even basic segmenting can produce a much higher return on investment (ROI).



4. Make It *Personal*

A woman with dark, curly hair, wearing a black blazer over a white collared shirt, is sitting at a desk. She is smiling and looking towards the camera. Her hands are resting on a silver laptop in front of her. The background is a light blue and white geometric pattern.

Automation is the core component of total engagement. Without dozens or hundreds of customer relationship managers to deal with your client base, there would never be enough time in a day to reach out to your audience as richly as total engagement requires. A robust automation software suite provides you with the tools to answer questions and follow up on actions with a level of detail that would otherwise be impossible.

Despite its power, an automated campaign is only as smart as the plan created by its administrator. The selected triggers should be created according to a communications strategy that makes sense for the marketplace and the interests of the subscriber. Appropriate and timely behavior-based emails can improve relevance for the individual prospect or customer, increasing the probability and potential revenue from a sale.

A personal approach raises engagement and puts you in sync with customers' needs.

Automated email campaigns can get very complex.

The flowchart below illustrates a typical automated introductory email campaign:

1. First, when a person makes an action, such as responding to a campaign, they become a lead.
2. The next item is a Trigger that puts leads into different Segments. In this case, split by annual revenues of \$10 Million a year.
3. Companies with less than \$10 Million go into the automated email campaign, and are sent a welcome email.
4. Companies with greater than \$10 Million in annual revenue are taken out of the automated process and into a manual queue to be contacted by a sales executive.
5. The next Trigger tracks whether the recipient opened the automated welcome email and clicked through. If they did, they go into the manual sales follow-up list.
6. If they do not open the email, the automated campaign continues by sending an invitation for a white paper or other asset.



This example is simplified, but a more typical automated campaign has more triggers, actions, and built-in delays to help you manage an automated response to customer activities.

By using dynamic segments and merge fields in your emails, the result is a seamless, organic stream of messages sent to your readers. Automated campaigns are completely controllable by you, and limited only by your data and creativity. By improving relevance, you improve response.

5. Create *Micro-Segments* To Raise Response

With the incredible amount of customer data available today, it is possible to segment your audience into much smaller groups than ever before. Marketers use this data to tailor their messaging by industry, region, market, age, interest, income, gender, and several other factors. The technology limitations of the past no longer prevent storing detailed information.

With online communications and networked data storage, what is the limit to the data that can be gathered? You can collect the names and information of each customer, client, user, subscriber, member, and reader so that you can drill down to their immediate needs and interests. Beyond that, micro-segments can change as people take different actions, fulfill needs, and shift to new income strata.

The result of this new level of detail is the ability to create micro-segments. A micro-segment is a grouping of people who share exceedingly similar descriptions, such as women of a particular ethnicity between 32 and 34 living in greater Boston who work for

a financial services company and like Mexican food. If your product is designed to appeal to that person, your campaign can reach them in the venues where they are found.

Micro-segmentation opens a ton of potential for creative ideas, because now you can use words, humor, color schemes, dynamic graphics and overall designs that would not appeal to a broader audience. How many advertising campaigns have been watered down to avoid offending viewers who are not part of the core audience anyway? Today, you can use a mix of different marketing channels to reach your intended audience, and appeal to them with a campaign for their exact profile.

Micro-segmentation lets you approach customers and prospects on their level, one to one, and participate in a conversation of equals instead of performing for an audience.

However, the risk in collecting this kind of detail is that customers may feel like their privacy is being compromised. At some point, Internet

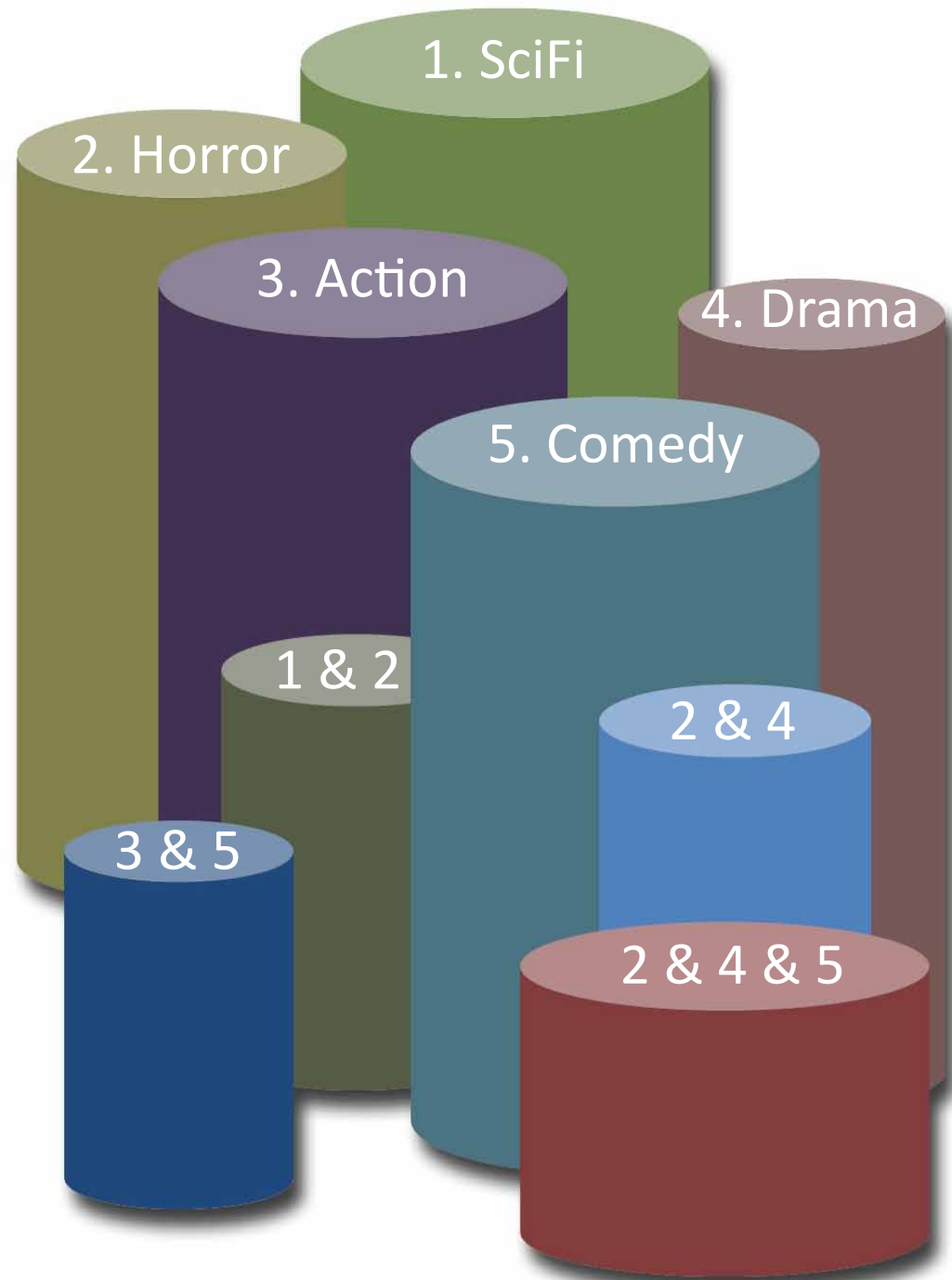
users and store visitors resist giving away too much information, especially if they know it means getting buried in emails, text messages and postcards from you. That is why continuous permission and surveys are so important. You must keep the customer in charge of the relationship. As your approach becomes more microtargeted, you defer more and more to the communication preferences of your audience.

Micro-segmentation can mean a vast improvement in the response to your emails, as people are more apt to read a message that looks like it is relevant to their interests.

Practice has proven that open and clickthrough rates rise when the size of a market segment is smaller. This isn't because of the size of the segment alone, but because the message is more closely targeted. As a marketer, you want to use any technique that can improve response; so, more detailed information about customers is worth real dollars in marketing ROI, sales, and profitability.

Micro-segments are very small groups of customers with similar interests, made possible with the latest email sending and tracking technology.

Current email marketing tools let you store more detailed data and run very tightly messaged campaigns. For example, you can segment viewers of movies down to the exact genres they prefer (graphic on right):



6. Keep It *Short* And Sweet

Most professionals think of marketing as the easiest function in any business. The assumption is that it just takes a little writing, a dash of color, a pile of money, and customers will flood your inbox with orders. It doesn't quite work that way; marketing is a terrific outlet for creativity, but it also requires a surprising level of discipline.

With email marketing, it is very easy to let the message and design of a campaign get out of hand. It takes effort to keep the idea simple and the acquisition path clear. With product updates, partner announcements, events, promotions, and numerous other excuses for articles, it is tempting to let the message become diffuse. The customer receiving your email has too much to read and too many choices to make, obscuring your message.

With current email marketing practices, the average campaign is run every few weeks or monthly, and the message includes more than

one idea. Most marketers won't inundate their readers with emails more often than that. This trend is now shifting to more frequent emails, requiring the marketer to scale down the message.

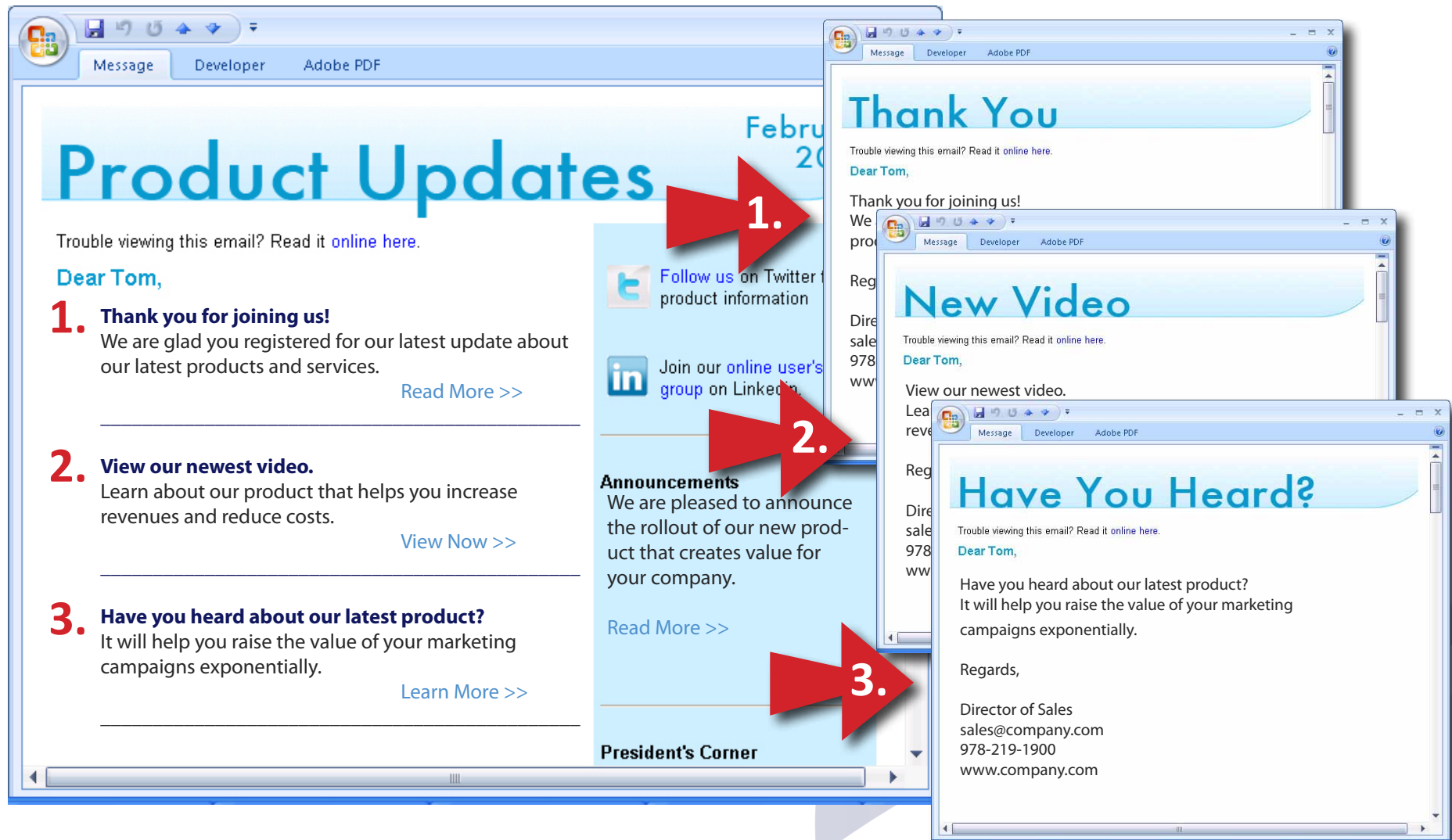
With total engagement marketing, you seek a deeper level of relationship with your customers, and ask for permission more frequently (which is described in *Get Continuous Permission*). This means you can engage more often, as long as you avoid taxing your customers' patience with multmessage emails. Your email marketing strategy for the next decade should be focused on:

- Creating shorter, more targeted messages that focus on one key offer.
- Setting action triggers in your email marketing program, to send one of these short emails when a customer takes a certain action at any one of your numerous outposts.
- Tracking opens and clicks to specific campaigns and apply a score to each action, measuring the depth of a customer's interest in your offer.

After you send an email campaign or get a click or conversion from somebody, follow up a day or two later with a welcome email, related offer, invitation, or just a message of thanks. But use just one message. You can send another next week.

Keeping your messages to just one idea can have a large impact on your overall marketing strategy.

Simple messages raise the value of the opportunity, so break up long messages into parts, for example:



7. Keep Your Eyes Open Wide

What matters most to your customers?

One of the most important elements of doing business is being open to receiving customer feedback. Developing lasting customer relationships requires an understanding of their needs. Listen to your customers, discover their pain points, and bring innovative solutions to market to address their issues.

Getting frequent customer feedback makes Total Engagement a scary concept for many businesses. However, the closer you get to knowing the customer, the richer relationship you enjoy. You should survey your subscribers often, even if it means hearing feedback you won't like.

Customer surveys help your organization:

- Discover new product and service ideas
- Learn what keeps your customers loyal
- Understand customer pain points & needs
- Gain insight into customer service care
- Keep a competitive edge with your market

Measuring customer satisfaction is a continuous process. With every bit of feedback, you can improve services so your customers understand that you listen to them.

Many companies monitor customer feedback monthly, quarterly, or yearly. Yet, there is much to be gained from acquiring and analyzing customer feedback on a continuous basis, in terms of timely response to changes in customer satisfaction.

When conducting surveys, make them quick and simple. You should streamline your survey by limiting the length and number of questions you need answered, for several reasons:

- To ensure a low abandonment rate
- To reduce the customer's level of boredom
- To raise the thought level for each answer

The ideal customer survey has 3-5 multiple choice questions with no 'neutral' answers, and a box for comments or suggestions.

Knowing your customer is the most important function of marketing. Total Engagement only increases this need.

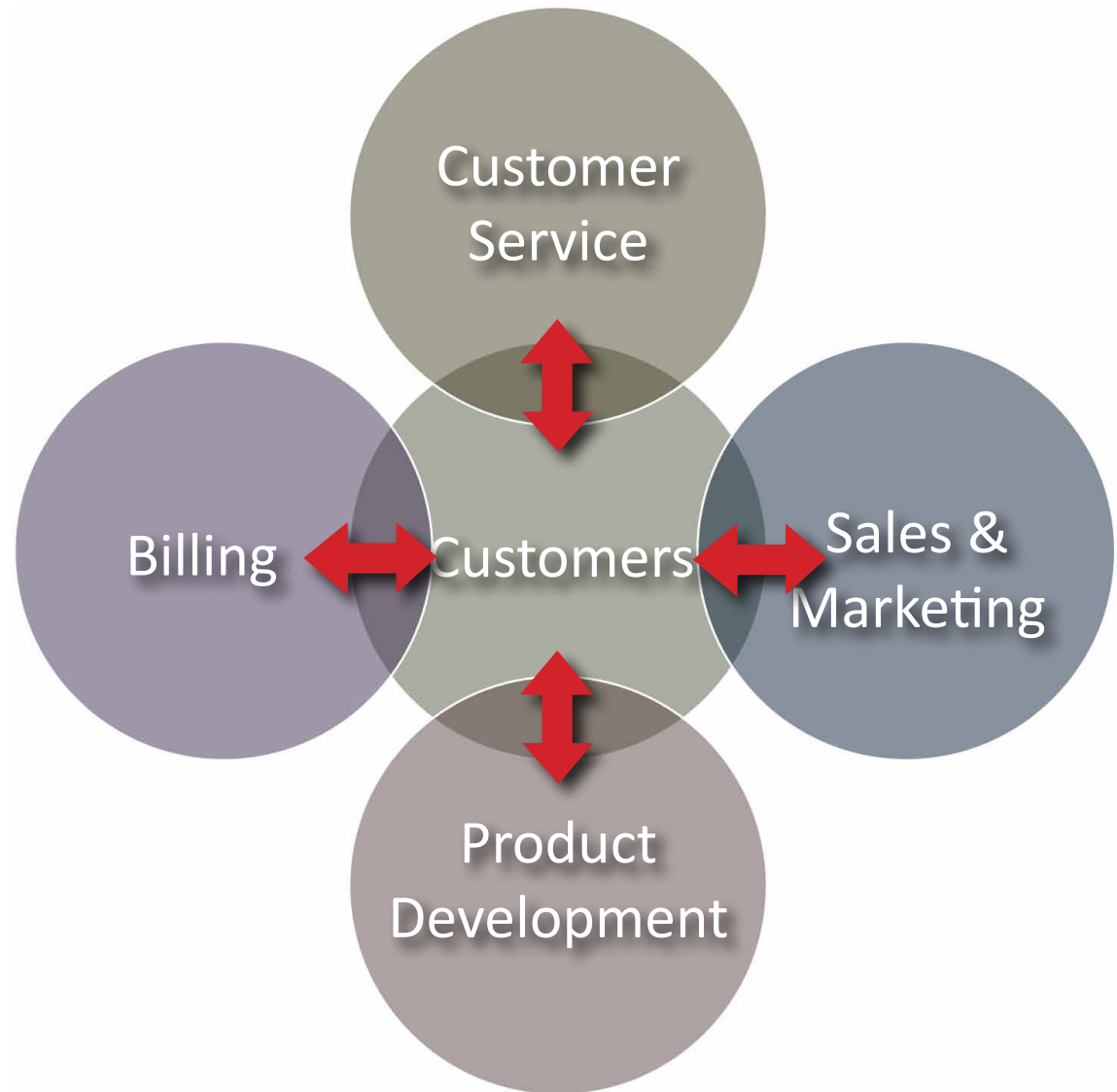
Surveys help you understand exactly how to engage customers.

You reach people in many ways, and each offers a survey opportunity. Whenever a business department has contact with a customer, use a triggered email survey to continue dialogue.

You set the criteria and the types of triggers are infinite. A customer or prospect is much more likely to respond to a survey if they have just had an interaction with you, and surveys that are automatically emailed to people when a trigger or event occurs deliver better results.

Triggered surveys give you rapid insight into your quality of customer care, your purchasing process, and ways to improve the experience. When you can identify your prospects' and customers' needs and pain points, you can address them; and addressing pain points is what creates a lasting customer relationship.

By listening carefully to customers, you can identify opportunities for training employees, while gaining valuable insight for product and service enhancements that will increase revenue as well as improve customer satisfaction and loyalty.



8. ^{Get} *Continuous* Permission

Engagement-based deliverability metrics are increasingly important for email campaigns, like open rates and clickthroughs. While open and click rates vary widely, deliverability describes the percentage of emails getting to the inbox, and should always be as high as possible.

The best way to maximize deliverability is to improve email compliance practices, which are more important than they've ever been. ESPs monitor SPAM complaints and use robust filtering systems to weed out illegitimate email. ISPs have developed user engagement metrics for deliverability to identify legitimate email. For example, Yahoo! tracks the time an email stays in a user's inbox before it is deleted, and AOL tracks what messages are moved from the SPAM folder or forwarded.

SPAM complaint buttons are more prominent in email systems, and email recipients use them. 'Blast', 'Bulk', and 'Mass' have become dirty words in email marketing, which means email marketers have to strengthen their compliance efforts and tighten their sending practices.

Most people say "No" to your message. Engage the ones who say "Yes" and grow your business.



Continuous permission is a shift in the way you engage your mailing list.

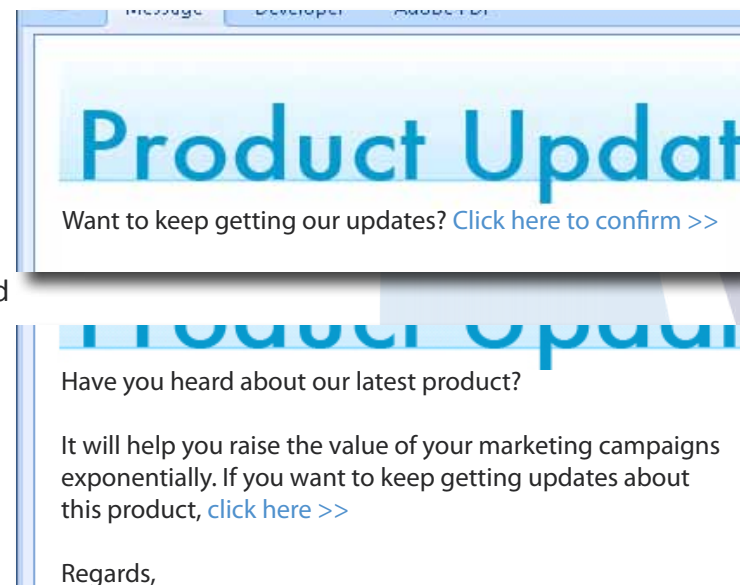
Deliverability is based on numerous factors. These include an email service provider's reputation, an email marketer's domain address, the subject line and message content, percentage of bounces, unsubscribes, and SPAM complaints in previous campaigns, and many others. Having a strong list of subscribers who know your company and anticipate its emails will bring higher deliverability. This makes getting continuous permission more imperative than ever.

Some marketers ask permission in the form of an opt-in checkbox or double opt-in procedure, where subscribers respond to a confirmation email before being added to the list. After that, they are not asked again for several months. Some email marketers have begun to use a more frequent permission request in their regular emails, maybe every time. This is continuous permission.

Here are some examples of continuous permission built into an email message:

1. The first example shows a quick confirmation of reader permission at the beginning of the email, before the salutation. Although it is very straightforward and obvious, it is best for situations where the reader understands that an automation tool is sending the message, such as an e-commerce purchase confirmation.
2. The second example shows the permission request built into the content. This hides the intent somewhat, and may result in reduced confirmations. It should be used when the list needs to be tightly targeted and personalized.

Do not fear reducing the size of a permission-based list by asking for permission more often. If you use the methods described in this white paper to build your list to maximize your customer engagement, your response will likely improve.



9. ^{Raise} *Awareness* Of Your Brand

Increase your market reach and campaign response by setting viral triggers that cultivate customer engagement. Put simply, a viral trigger is a piece of content that engages your audience and compels them to forward it to a friend. It's the most cost-effective and efficient way to spread the word to a broader audience.

You have the capability to help customers share your message with others. Use it to increase engagement.

Digital content types that can go viral include photos, widgets, compelling offers, articles, and podcasts. Be sure to include a 'forward to a friend' link in the footer of your email. This is a great way to enable recipients to share your email with friends who might also be interested in your product or service.

Beyond email campaigns, you can increase content reach by adding social bookmarking to your website. This enables visitors to bookmark key pages across their social networks.

In 2010, ramp up your engagement initiatives and make your campaigns even more viral by adding video to your email newsletters. Create content that is ready to share, because it is newsworthy, educational, or entertaining. This entices your readers to pass it on to others.

The viral trigger turns a passive viewer into an active influencer, who sets "viral" marketing into motion by broadcasting a message that drives awareness and generates leads.

Your goal is to get the viewer from just passively consuming the content to actively sharing it. Although people usually pass on videos that are funny, sexy, surprising, or shocking, a video that is hyper-relevant has the power to be extremely viral.

The best part of adding sharable media to your email is that you can track and monitor its impact every step of the way, including impressions, clicks, views, drop-offs, view times, and viral sharing.

74% of people are influenced by the opinions of others, and 47% read reviews before purchase.

— ManageSmarter, September 2009

10. Deliver *Support* Services

Have you ever received an email from one of your vendors asking you to write back to schedule a support call, in case you have problems with the product? It's not a sales pitch because you're already a user. It's merely an invitation to get some support time. Would it work? Would you write back, or would you delete it like any other vendor email?

Email campaigns can be used for a lot more than just marketing. A large company can use email for internal communications, or a support team can use them to help customers get the best experience from the product. Automated emails and segmented lists make this kind of campaign much easier for everyone at a company.

Salesforce.com is one company using email campaigns for their customer success program. The team works actively to help users learn this online CRM solution to maximize its use. They regularly send emails to users to ask if they need support, or have issues or questions. Instead of waiting for irate callers, they defuse

potential problems by taking a proactive approach to customer service.

Engagement is an ongoing process. Existing customers are potentially your greatest sales force, and yet, a surprising number of companies fail to see them as an audience for further brand messaging. Total Engagement Marketing is about more than expanding relationships with your target market, it is also

about finding additional groups with which you should apply your core strategy.

What kind of support-oriented message should you use? You can send offers to help, product updates, scheduled training courses, new data sheets, and other service-related materials. No matter what your support message is, the true, underlying message to your customer is:

We are here and we are engaged.



Conclusion

The latest email marketing technology allows you to deepen customer relationships, turn leads into sales opportunities, and move them forward in the buying process. Engagement metrics such as interest scoring, shopping cart abandonment, and sales cycle analysis comprehensively assess how effective your campaigns are at retaining your audience. Raising your level of engagement is the key to sales growth and the expansion of your business.

When you engage people throughout the process, no matter where they congregate on the web, you raise the level of participation and build trust. Listen, learn, and deliver targeted information to address their particular interests and needs, at the right time... consistently. Customers engage more deeply with companies that listen to their needs.

Total Engagement Marketing is a new message, and it may seem unorthodox, but as a marketer today, you should rethink how you deliver your product to your customer.

It's simple: Don't lead your customers. **Engage them.**



You're not trying to be all things to all customers. You're trying to be one thing to one customer.

About Net Atlantic

Founded in 1995, Net Atlantic, Inc. is a global email service provider (ESP) offering email marketing solutions, branded reseller programs and dedicated email marketing servers. Net Atlantic's goal is to help businesses maximize ROI with email tools like A/B/N split testing, triggered and sequential mailings, custom surveys, click streaming, spam analysis tools, open database connectivity, and an open API (application program interface for even further customization). Net Atlantic was one of the first email marketing companies.

Visit www.netatlantic.com, or contact an account executive toll-free at 978-219-1900.