SPECIAL REPORT

Five Steps to Stronger Email Relationships

**Research-based tactics SMBs can apply
for more active and engaged subscribers**

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Special Report

Five Steps to Stronger Email Relationships

Research-based tactics SMBs can apply for more active and engaged subscribers

Lead Author
W. Jeffrey Rice, Senior Research Analyst

Contributor
Sergio Balegno, Research Director

Production Editors
Brad Bortone, Senior Copy Editor
Selena Blue, Junior Copy Editor
Sean Kinberger, Graphic Designer

Five Steps to Stronger Email Relationships

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Dear Reader,

As longtime MarketingSherpa fans, the team at AWeber is very pleased to present this new resource for small- and midsize businesses.

Having worked with SMBs for many years, I'm surprised at how often key aspects of email marketing are still overlooked or underused. For example, list segmentation, testing, optimization, and automation tools are more accessible than ever -- yet many organizations aren't taking full advantage of them.

Rooted in the latest MarketingSherpa research and best practices, this special report can change that and help you strengthen your email relationships, increase repeat business and boost ROI.

On behalf of AWeber and MarketingSherpa, we hope you'll find this report both practical and actionable, and we wish you success with your email marketing in the year ahead.

Cheers,

Hunter Boyle
Senior Business Development Manager, AWeber
@hunterboyle

P.S. For more guidance and optimization resources, check out our new five-part special report series for SMB email marketers.

EXECUTIVE SUMMARY

One reason why people like doing business with smaller firms is they enjoy the personal service and attention they receive. Like the iconic theme song, "Where Everybody Knows Your Name," from the classic TV sitcom "Cheers" – exemplified every time the show's character Norm walked through the door – customers love to hear their name and share a story or two.

The challenge for small businesses is how to parlay that friendly experience over digital communications, specifically email messages. For many small- to medium-sized organizations, customer care is more than just proper etiquette, it is vital to their success. Personal service is integral to the firm's value proposition and competitive advantage over larger rivals.

Fortunately, many of the same steps used when building a face-to-face connection carry over to email campaigns. Email marketing's foundation is built on relationships, not simply collected addresses. To learn more about the how small- and medium-sized businesses are building more meaningful relationships with email subscribers, MarketingSherpa conducted a study involving more than 2,700 email marketers.

Special Reports

MarketingSherpa Special Reports provide marketing executives with concise research, insights and actionable advice, derived from unique market segments for guiding strategic and tactical decision making.

Here is just some of the feedback we received from small business participants who were asked:

What is the most important objective for your email marketing program in the next 12 months and why?

> *"To build up relationships with our customers, first and foremost, so that they trust us, they see us as a friend almost, someone that they enjoy reading about and want to hear about our tips and advice, with the mindset that then they will want to buy from us."*
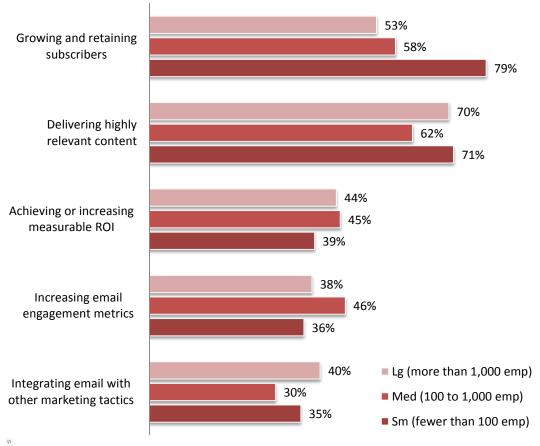
> *"The most important objective is to create a new, ongoing and formalized email contact strategy in order to retain/gain revenue and increase overall customer engagement with our brand. Our main issue is how we engage customers with email from the start and create a program that delivers relevant content/products over time to keep them engaged and hopefully become repeat purchasers. Our efforts for retention are essential to increase our overall ROI while using less budget (as opposed to new customer acquisition efforts, typically three times the amount of budget spend to acquire one customer)."*

> *"Growing and retaining subscribers on list. We've found repeat business from our customers can be the best source of sales and revenue, so we want to treat our customer list as a most valuable asset."*

Do you have similar objectives? Not sure where to begin to implement a strategy? Inside this Special Report, we will share five key findings from our email study. The in-depth analysis, valuable benchmark data and marketer insights captured will aid in constructing the right strategy for your organization to build stronger subscriber connections.

THE STATE OF EMAIL RELATIONSHIPS

CHART: TOP 5 PRIORITIES FOR ORGANIZATIONS' EMAIL MARKETING PROCESSES, BY ORGANIZATION SIZE
Q. Which email marketing processes are TOP OBJECTIVES for your organization in the next 12 months?

Priority	Lg (more than 1,000 emp)	Med (100 to 1,000 emp)	Sm (fewer than 100 emp)
Growing and retaining subscribers	53%	58%	79%
Delivering highly relevant content	70%	62%	71%
Achieving or increasing measurable ROI	44%	45%	39%
Increasing email engagement metrics	38%	46%	36%
Integrating email with other marketing tactics	40%	30%	35%

■ Lg (more than 1,000 emp)
■ Med (100 to 1,000 emp)
■ Sm (fewer than 100 emp)

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

As we discussed previously, small- and medium-sized companies (SMBs) know the importance of enveloping a customer in a positive brand experience at every communication check point, but email can be a complex task to execute. Will email marketers focus on developing and keeping a happy list of subscribers? The answer from our survey is "yes." Overall, 71% of organizations and nearly eight out of 10 small businesses ranked growing and retaining subscribers their number one priority.
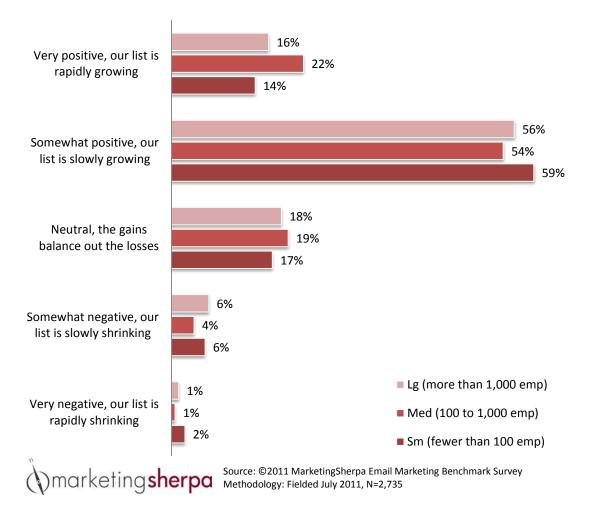
"Growing the list, because (honestly) the boss only looks at that number and wants it to go up."

- Marketer insight on objectives

However, not all marketers have the appropriate intentions, as we discovered through a marketer's comment to the right. The belief that "the bigger the list, the better" is an old paradigm. Email marketers today know the statement "the money is in the list" is only true if the list is full of *quality* subscribers.

CHART: EMAIL LIST GROWTH, BY ORGANIZATION SIZE
Q. Which statement best describes your organization's email list growth trend for the past 12 months?

Very positive, our list is rapidly growing
- 16%
- 22%
- 14%

Somewhat positive, our list is slowly growing
- 56%
- 54%
- 59%

Neutral, the gains balance out the losses
- 18%
- 19%
- 17%

Somewhat negative, our list is slowly shrinking
- 6%
- 4%
- 6%

Very negative, our list is rapidly shrinking
- 1%
- 1%
- 2%

■ Lg (more than 1,000 emp)
■ Med (100 to 1,000 emp)
■ Sm (fewer than 100 emp)

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

Medium-sized business email marketers should find this chart reassuring. The communication channel as a whole continues to flourish as only 5% of the marketers surveyed reported lists shrinking.
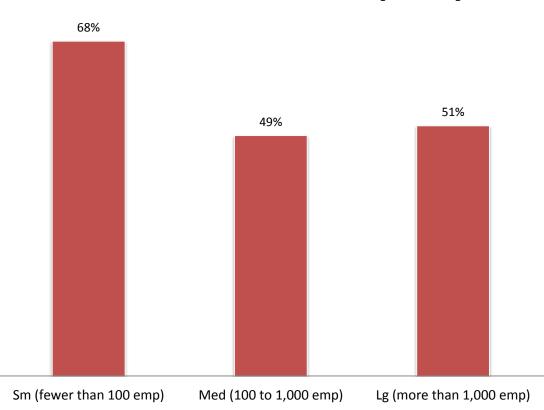
Additionally, more than half of the organizations cited that their list is slowly growing. Organizations that are selective in their growth tactics may not see quick list development, but rather a steady construction of long-term relationships with their new subscribers.

This reflects a shift in strategy from building the largest list to a more targeted list of active subscribers who are enchanted with a brand's content and offer. Rather than seeking quick growth (like the marketers insight on the right), marketers are choosing to focus resources on nurturing these new relationships with meaningful content to assist the subscriber's progression on the path to purchase. The size of the list is always secondary to the *quality* of subscribers; there is no short cut to acquiring relevant readers.

"Growing our list - And growing it fast. Our lists are already performing great, now we just need it to grow."

- Marketer insight on objectives

CHART: GREAT NEED FOR IMPROVEMENT IN GROWING AND RETAINING SUBSCRIBERS, BY ORG. SIZE
Q. Please select your NEED FOR IMPROVEMENT in the following areas. (great, slight or no need)

■ Growing and retaining subscribers

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

Even though the majority of small-sized organizations are seeing positive growth in their email lists, nearly seven out of 10 small business marketers feel a great need for improvement in growing and retaining subscribers, and for good reason.

The Email Experience Council reports that each year corporations lose roughly one-third of their email addresses. No matter how healthy an organization's list is, or how relevant their communications are, there is a constant demand to add new subscribers.

In addition, email is a powerful communication tool that connects a shopper's experience from website content and in-store activity to social sharing. An energetic network of names enables companies to have conversations with their core audience at critical moments, from new product announcements to crisis communications.
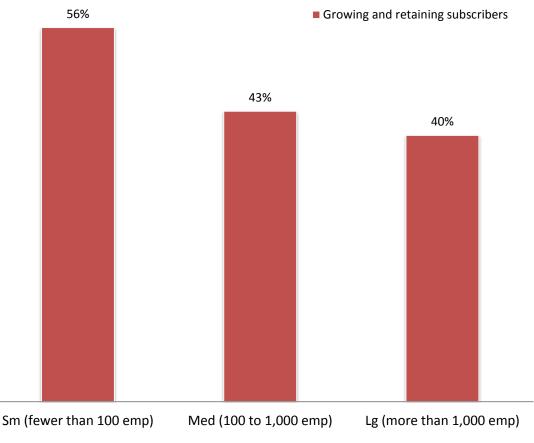
"Growing and retaining subscribers is most important because it seems that word of mouth is our best advertising. People pass on the info they receive from us and referrals are priceless."

-Marketer insight on objectives

CHALLENGES TO LIST GROWTH

However, aquiring, engaging and retaining subscribers can be a perplexing and resource-draining email marketing process. This is especially true for multitasking marketers who execute intergrated marketing communications plans. In fact, 56% of small businesses find growing and retaining subscribers a very significant challenge, ahead of processes to improve email deliverability, increasing ROI, and using email for funnel optimization. The only email practice with a more pressing challenge was integrating email with other data systems – a hurdle we will discuss later in this report.

CHART: VERY SIGNIFICANT CHALLENGES TO EMAIL MARKETING EFFECTIVENESS, BY ORGANIZATION SIZE
Q. How significant are the CHALLENGES to achieving the following email marketing objectives?

■ Growing and retaining subscribers

Sm (fewer than 100 emp)	Med (100 to 1,000 emp)	Lg (more than 1,000 emp)
56%	43%	40%

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

There is a quote from John E. Jones: "*What gets measured gets done, what gets measured and fed back gets done well, what gets rewarded gets repeated.*" This can be applied to a number of email marketing processes, particularly list growth. Our research revealed that less than half of small- and medium-sized companies do not track list size metrics, 43% and 47% respectively.

To understand an email address acquisition program's value, it is important that organizations benchmark their list sizes. Also, tracking the number of opt-ins that unsubscribe or become inactive will give feedback on the relevancy and effectiveness of the firm's communications.

Curious about how small- and medium-sized organizations were currently sending email communications, we asked survey participants this question based on four key areas: relevant content, sending time, segmentation of subscribers and the clarity of the conversion goal in the email. The chart below depicts a real opportunity for SMBs to separate from the pack with the quality of their messages.
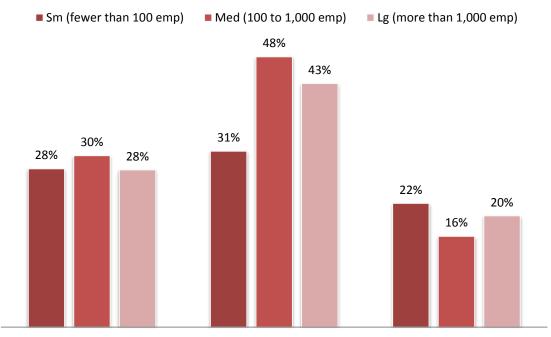
CHART: CURRENT STATE OF SENDING RELEVANT EMAIL COMMUNICATION, BY ORGANIZATION SIZE

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

Larger organizations do not have a distinct advantage over their smaller rivals, in terms of sending relevant email communications. Medium-sized companies seem to be best suited for this task, in that they are large enough to have ample resources, but small enough to have limited amount of competing emails and approval signatures.

With a level playing field, smaller companies have the opportunity to be subject-matter experts and share their thought-leadership with their loyal readers to influence industry perceptions and purchasing decisions.

"The most important objective is to grow email opt-in list by securing qualified leads and delivering pertinent content to each of those leads and customers."

-Marketer insight on objectives

Next, we will share five steps to create more meaningful relationships with subscribers, starting with how to build a quality list of opt-ins.

SELECTIVELY CHOOSE

EXCLUSIVITY IS ESSENTIAL

It is necessary for organizations to be selective in their email address acquisition strategies to meet the expectations of today's consumer. No longer will running a "one-size-fits-all" sweepstakes that drives potential subscribers to single website registration be successful. Today's subscribers expect brands to be proactive, finding them at locations and times they prefer, all while offering to deliver only content they deem relevant.

Conversely, companies must be calculated and discerning in selecting whom they empower to become brand evangelists. Email commonly carries an organization's best offer and insider information. By keeping the list exclusive, organizations can hold conversations with people willing to collaborate in the brand's success.

"Growing and retaining subscribers. People often subscribe because they are getting something for free in return. However, most subscribers do not even open follow-up emails. We need to find a way to keep subscribers interested."

-Marketer insight on challenges

The exchange of content for an email address must mutually benefit each party. The marketer with the insight above should focus on making his or her free offer more discriminating, to weed out unwanted subscribers. There is a high cost in both time and resources, especially for smaller firms, in maintaining a list of poor-quality subscribers.

Time spent monitoring unsubscribers and scheming new ways to engage inactive subscribers could be better used to invest in relationships with the business' most valuable customers. These expenditures can be averted by ensuring the appropriate prospects are on the list before an email marketing campaign is sent.

STRATEGIC PLANNING

With so many opportunities for potential customer interaction— in addition to the explosion of new communication channels such as SMS, mobile and social media — subscriber acquisition strategies have become more complex. List building requires a multifaceted, highly targeted, and *strategic* approach.

To discover the differences in email marketing performance, MarketingSherpa segments the data collected in its benchmark reports by an organization's maturity phase, which is determined by the process it uses to plan, execute, measure and report on email marketing programs.

MarketingSherpa breaks down organizations' email marketing maturity into three stages: Trial, Transition and Strategic. Organizations in the Trial phase do not have a process or guidelines; those in the Transition phase have informal processes that they sporadically perform; and Strategic-phase organizations have formal processes in place that they routinely implement.
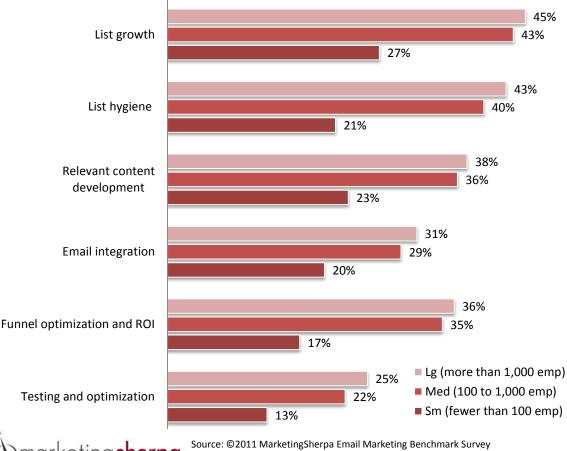
CHART: STRATEGIC PHASE OF EMAIL MARKETING PROCESS MATURITY, BY ORGANIZATION SIZE

List growth
45%
43%
27%

List hygiene
43%
40%
21%

Relevant content development
38%
36%
23%

Email integration
31%
29%
20%

Funnel optimization and ROI
36%
35%
17%

Testing and optimization
25%
22%
13%

■ Lg (more than 1,000 emp)
■ Med (100 to 1,000 emp)
■ Sm (fewer than 100 emp)

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Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

The previous chart reveals that indifferent of organization size, list growth has the most formal processes in place, as compared to common email practices such as list hygiene and testing. Organizations with more than 100 employees generally have more human resources and capital in comparison to smaller companies. We see this discrepancy in list growth as only 27% of small-sized companies are in the strategic maturity phase as compared their larger rivals at more than 42%.
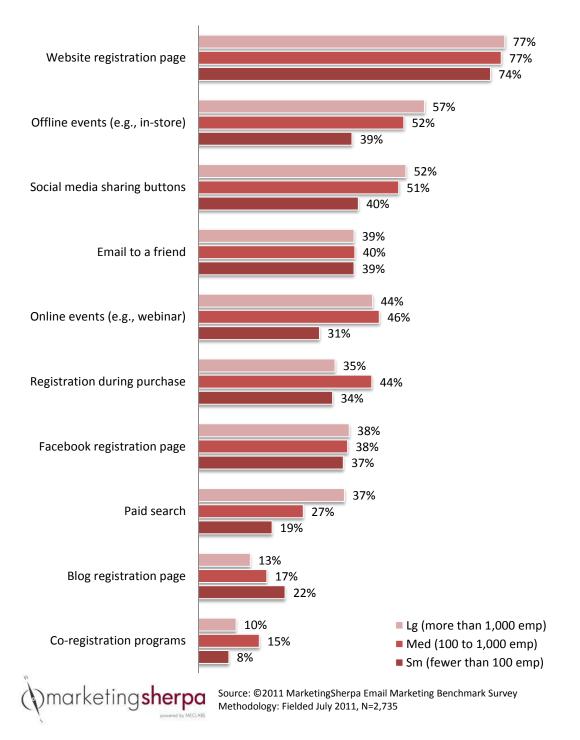
LIST GROWTH TACTICS

As mentioned previously, there are a myriad of tactics available for marketers to grow their email marketing lists. Each will have a different level of effectiveness based on the organization and its customer base. To assess potential subscriber's needs, organizations must ask themselves: What do they want? What are their challenges? How do they prefer to communicate? Marketers can gain valuable insights by listening via social media monitoring services, surveys or Web analytics.

No matter the findings, marketers need to be prepared to make opt-in requests on a regular basis. The requests may come in the form of customer-service email signatures, business cards, sales collateral, receipts, or even on products. Many marketers find it challenging to have list growth foremost in their minds, but inviting customers and prospects to opt-in is essential to long-term success. The chart on the next page gives insight into how marketers are choosing tactics to generate list growth.

CHART: EMAIL LIST GROWTH TACTICS, BY ORGANIZATION SIZE
Q. Which of the following tactics is your organization using to drive email list growth?

Tactic	Lg (more than 1,000 emp)	Med (100 to 1,000 emp)	Sm (fewer than 100 emp)
Website registration page	77%	77%	74%
Offline events (e.g., in-store)	57%	52%	39%
Social media sharing buttons	52%	51%	40%
Email to a friend	39%	40%	39%
Online events (e.g., webinar)	44%	46%	31%
Registration during purchase	35%	44%	34%
Facebook registration page	38%	38%	37%
Paid search	37%	27%	19%
Blog registration page	13%	17%	22%
Co-registration programs	10%	15%	8%

■ Lg (more than 1,000 emp)
■ Med (100 to 1,000 emp)
■ Sm (fewer than 100 emp)

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Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

Organizations will implement list growth tactics based on a combination of opportunity and simplicity. A website registration landing page is the tactic applied most often by marketers. Traditionally, an organization's website is at the heart of their marketing efforts, making it the first place an offer for an email newsletter appears. Learn how QualityStocks increased their email list 99% faster using pop-ups.

EFFECTIVE LIST GROWTH TACTICS

CHART: EMAIL LIST GROWTH TACTICS - LEVEL OF EFFECTIVENESS, BY ORGANIZATION SIZE
Q. Please indicate the level of EFFECTIVENESS for each of the email list growth tactics your organization employs.

Registration during purchase
- 50%
- 68%
- 59%

Online events (e.g., webinar)
- 33%
- 47%
- 40%

Website registration page
- 47%
- 37%
- 33%

Paid search
- 31%
- 39%
- 30%

Offline events (e.g., in-store)
- 27%
- 25%
- 29%

Co-registration programs
- 29%
- 17%
- 21%

Blog registration page
- 0%
- 23%
- 14%

Facebook registration page
- 17%
- 9%
- 13%

Social media sharing buttons
- 7%
- 8%
- 3%

Email to a friend
- 3%
- 8%
- 6%

■ Lg (more than 1,000 emp)
■ Med (100 to 1,000 emp)
■ Sm (fewer than 100 emp)

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Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

The sheer volume of traffic driven to a website, Facebook fan page or co-registration page can influence the registration page's effectiveness. With these three tactics, larger companies find greater success than their smaller counterparts.

However, SMBs can offset low traffic volume by creating contagious content, and excel in online events and blogging to deliver high value to the reader. The emphasis on content marketing enables SMBs to publish information that demonstrates their industry thought leadership. Two of these content-driven tactics --webinars and blogs -- have been found to be more effective for smaller companies.

> *"Growing subscriber base through content distribution. Firm has strong belief in the long-term, long-tail value of a subscriber list and is putting resources toward building that aspect of our sales funnel."*
>
> *-Marketer insight on objectives*

WEBINARS

Webinars have become a great source of lead generation, especially for B2B companies. During the registration, or at the close of the webinar, a firm may offer an attendee the chance to opt-in to its newsletter. Similarly, these attendees can be contacted by the organization's sales force and given the opportunity to enroll for its email communications.

BLOGS

SMBs have a great opportunity to leverage a blog's influence to grow its subscriber database. A well-written and frequently updated blog can attract a substantial amount of inbound traffic. The subject matter expertise demonstrated in a blog can influence search engine rankings and social media shares to the point where an organization's blog, not its website, is the first spot where a potential subscriber lands. We found 22% of small businesses are capitalizing on this with a blog registration page.

SOCIAL MEDIA

Frequently, social media is used to promote an upcoming email newsletter article, ask for email topic ideas, or announce the latest newsletter is in subscribers' inboxes to attract readership. In fact, less than 3% of SMBs found Share With Your Network (SWYN) buttons a very difficult tactic to implement based on time, effort and expense. By sharing an organization's email content, social media is an easy opportunity to acquire subscribers to its email program. Unfortunately, only 3% of small businesses find the list growth tactic very effective, so expectations should be tempered.

Share with your network buttons

In the early stages of a company's social media maturation, regardless of marketing channel, the most popular and widely adopted social media technologies are selected for social sharing (i.e., Facebook, LinkedIn and Twitter). As email marketers learn the unique advantages of each social media platform, they will have the opportunity to match content with the appropriate social media bookmarks.

Most ESPs offer a tool to add these buttons as part of their application. Alternatively, marketers can drop in HTML code provided by the individual social media sites or aggregator tools like AddThis into the email.

We recommend that organizations start with no more than three displayed buttons and then perform tests on their effectiveness. Too many buttons may overwhelm the reader and "paralyze" them in the sharing process. Keep in mind that to maximize the effectiveness of sharing buttons, they should be prominently

displayed in the email. Prompting subscribers to share, and explaining the benefits of doing so, is vital to this tactic's success.

Facebook registration page

With more than 800 million users, Facebook is a behemoth not only in social media, but throughout the Web. With the amount of traffic inside Facebook, marketers are now searching for new subscribers to register on company fan pages. Almost 40% of SMB organizations are utilizing a Facebook registration page in their email acquisition strategy. Regrettably, only 9% of medium-sized, and 13% of small-sized companies, find it very effective.

In early 2011, Facebook redesigned their brand page, removed tabs from the top, and placed links to the left, underneath photos. It represented a technological shift from FBML to iFrames code. This makeover now allows marketers to generate more engagement with their fans, as the frames act more like webpages. In addition, many ESPs, such as AWeber, provide turnkey app for brands to add registration pages to Facebook.

PAID SEARCH
Search engine optimization and paid search generate website traffic and leads for many SMB organizations. 39% of medium-sized companies are effectively leveraging the power of paid search to increase email subscriptions. Paid search's strength is the specificity in which the advertiser can target its audience to attract quality subscribers. A common practice is to add an email registration link to the ad's landing page.

SMARTPHONES AND QR CODES
According to a Nielsen study published in May 2010, email dominates time spent on the mobile Web. Combined with Comscore's data in November 2010, there are 70 million U.S. consumers accessing email on their smartphones, making it essential for marketers to reach out to consumers through this medium.

The next evolution to make email enrollment even easier is the Quick Response (QR) code. This two-dimensional bar code can be read by a smartphone, allowing consumers to immediately expand upon a real-world experience, and link to a wealth of information. Jumping to the Internet is easier with QR codes, as opposed to typing an intricate URL. Ideally, a QR code should take you to a mobile-optimized webpage.
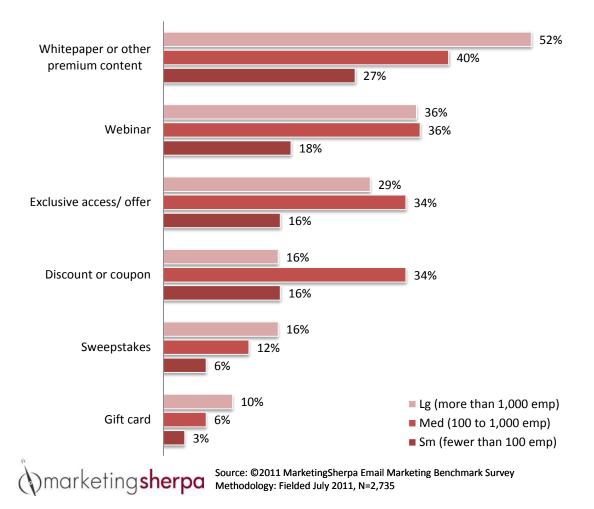
Watch for them on movie posters, magazine ads, trade show booths, or even on the hood of NASCAR driver Danica Patrick's race car. For example, download one of the many QR code apps available for Apple, Android or Blackberry phones, scan the image on the left, and it will take you directly to MarketingSherpa's landing page to register for our newsletter.

The codes are easy to generate using the popular free service, qrcode.kaywa.com. Once created, brands can add them to any of its existing marketing vehicles. Application ideas include business cards, products, or even promotional temporary tattoos.

Learn more with AWeber Email Marketing Tips article "*Take Your Marketing to the Streets: A QR Code Primer*"

CHART: REGISTRATION INCENTIVES, BY ORGANIZATION SIZE

Q. Which type of incentives does your organization use to register new email subscribers?

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

ExactTarget reports that 81% of subscribers have been motivated to provide a company with their email addresses, due to some form of promotion. The above chart depicts the most popular incentives used to acquire new opt-ins. Notice the three most-frequently used incentives are exclusive to the organization. Whether it is premium content, webinars or an exclusive offer, they are all items a potential subscriber cannot get anywhere else.

It is true that presenting a gift can unlock a consumer's grip on their email address. However, the goal is to attract readers who fit an organization's ideal customer profile, not just any email address ending with "dot com." Choosing incentives that are tied to a specific product, service, geographic location or specific demographic will increase the likelihood of attracting quality subscribers.
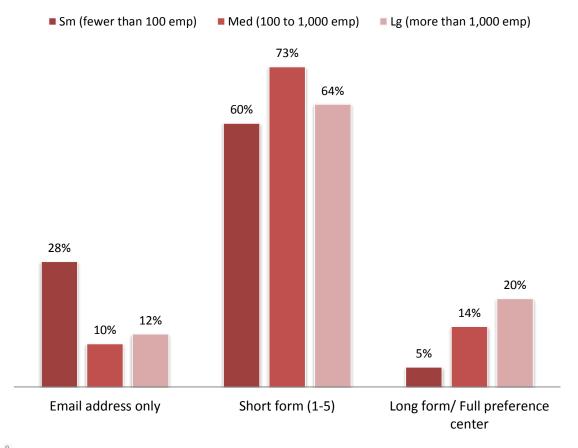
It's best practice to test incentives on a small sample of a firm's audience before wide-spread implementation. See the case study, "Email List Reactivation Incentives: Gift cards vs. whitepaper vs. nothing," as an example.

SET EXPLICIT EXPECTATIONS

Once a firm has successfully piqued a prospect's interest in its email marketing program, the next step is to establish clear expectations. At registration, businesses can inform new subscribers of exactly what they plan to send, giving "best of" examples of their newsletters and offers. This simple courtesy will reduce a customer's anxiety in the registration process, and enable organizations to collect more qualified leads.

Adding a "join my mailing list" box with just a space to type an email address will not effectively communicate a brand's value.

CHART: NUMBER OF REGISTRATION FIELDS, BY ORGANIZATION SIZE
Q. What is the average number of fields your organization asks a new subscriber to complete to register for your email program?

Sm (fewer than 100 emp) ■ Med (100 to 1,000 emp) ■ Lg (more than 1,000 emp)

73%
64%
60%
28%
20%
14%
12%
10%
5%

Email address only   Short form (1-5)   Long form/ Full preference center

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

As the above chart shows, 60% of small-sized, and 73% of organizations reported that in addition to their email address, new subscribers had to complete a short form of one to five fields.

The reason for this widespread trend is twofold. First, as we will discuss in the next chapter, organizations that ask only for an email address do not obtain enough information to personalize messaging moving forward. Marketers must find the right balance of not asking too many questions that will cause prospects to abandon the registration page, yet ask enough questions to be able to send relevant messages to the reader.

A marketer's decision is dependent on the sales model of the organization. An adventure daily deal company, like Zozi, only needs an email address and city to fulfill its promise to readers. While a B2B manufacturer with limited resources may ask for more information to properly qualify leads to increase efficiency for the sales force. Whichever route an organization chooses, each additional request for personal information must be used to enhance the communications the subscriber receives. If not, the reader may feel betrayed, as they will expect an email tailored to their desires.

The second factor is a request for an email address without space or a landing page does not allow ample space to explain the value of the email program. In this strategy, there is a tremendous opportunity for miscommunication at the very start of the relationship. To alleviate this potential problem, every opt-in page should answer these four questions:

What

Clearly state what type of content the organization will be sending. Many firms include a picture or copy from a sample newsletter. The sample newsletter or email should contain "evergreen" content that is relevant to the potential subscriber.

When

Identify how often email communications will be sent. Better yet, allow the new subscriber set the frequency with which they would like to receive emails from a company.

Why

The "why should I care?" or "what's in it for me?" questions must be plainly answered. Simply state in detail the features and benefits the subscriber will receive. The more descriptive and fact-based the copy, the more effective it will be at converting opt-ins. Don't just say, "Sign up for our FREE newsletter!" but rather write from the subscriber's point of view, by describing how the membership will assist in learning and solving challenges.

Privacy

Adding a link to a firm's privacy policy will reassure the subscriber what the company will and won't do with a submitted email address. Likewise, a succinct statement on how the brand addresses consumer privacy concerns will help alleviate any doubts. These tactics aid in overcoming the psychological fear of sharing personal information held by many potential opt-ins.

REGISTRATION PAGE DESIGN

Well-designed email acquisition tactics, such as an online event, pay-per-click ad or webpage teaser, will earn an organization a click on its registration page. It is important for marketers to maintain momentum by paving a path of logical next steps for new subscribers to follow. The primary goal of the registration page is to gain an opt-in. Here are some best practices for companies to consider when designing their registration landing page.

Creative consistency

The design elements of a registration page should be similar in style to the preceding ad or email that directed the visitor to this page. Consistent brand images, language and tone will allow the potential subscriber to know he or she landed on the correct page. To effectively communicate its value proposition, firms need to keep the page clean of clutter and multiple messages. Also, experimenting with the URL link can better reflect the benefit(s) the company is offering to the consumer.

Single-mindedness

While teaching the MarketingExperiments Email Marketing Certification courses, Flint McGlaughlin, Managing Director/CEO, MECLABS, emphasizes there is no place for unsupervised thinking in email communications. The only goal of the registration page is to capture an email address. Do not distract the potential subscriber with copy for new products, sales, events or links to navigate away from the registration page. These types of offers can always be made available on a "thank you" page.

Testimonials and more
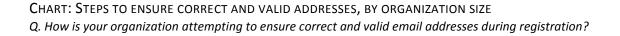
Third-party endorsements can go a long way toward reducing a potential opt-in's anxiety about sharing an email address. A well-written endorsement from a satisfied customer can evoke confidence and trust in the brand. A video testimonial can be even more effective, as people typically cannot resist hitting the play button.
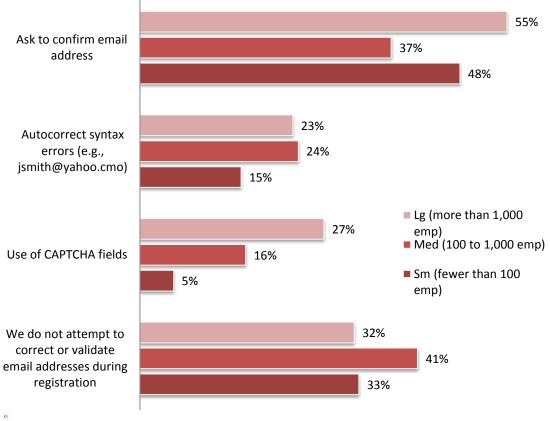
A softer, more "low-key" endorsement tool is a subscriber counter. Seeing how many other people are benefiting from the email communications can establish the business as a reputable source of information in the minds of potential members.

Comprehensive pictures of actual incentive gifts or newsletters can bolster the credibility of the brand and its message. Conversely, consumers may interpret stock photos and generic sketches as insincere, which may negatively affect the brand's integrity.

Thank you

After successfully capturing a new subscriber's email address and contact information, the process does not end. Many use a "thank you" page to build upon the relationship. To make a good first impression, a firm can create a link to a past newsletter or other relevant pages on its website. One popular tactic is to send the subscriber to a preference center, where they can tailor their communications and capture more demographic data. Organizations should not shy away from adding a little of its brand's personality. Today, it is common to see embedded video or audio files in the thank you message, describing how recipients should proceed, or what to expect from their email correspondence.

CHART: STEPS TO ENSURE CORRECT AND VALID ADDRESSES, BY ORGANIZATION SIZE
Q. How is your organization attempting to ensure correct and valid email addresses during registration?

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

People frequently mistype their email addresses when filling out registration pages. To emphasize this point, Jack Hogan, chief technology officer and co-founder of Lifescript, Inc., shared, *"I saw 500 different ways yahoo.com was entered into our address book,"* during a deliverability panel discussion at MarketingSherpa Email Summit 2011.

A problem is that addresses with a misplaced letter or punctuation often come from people legitimately trying to subscribe to an organization's newsletter. If they never receive the promised communication, even if it was their own error, it will reflect poorly on the brand.
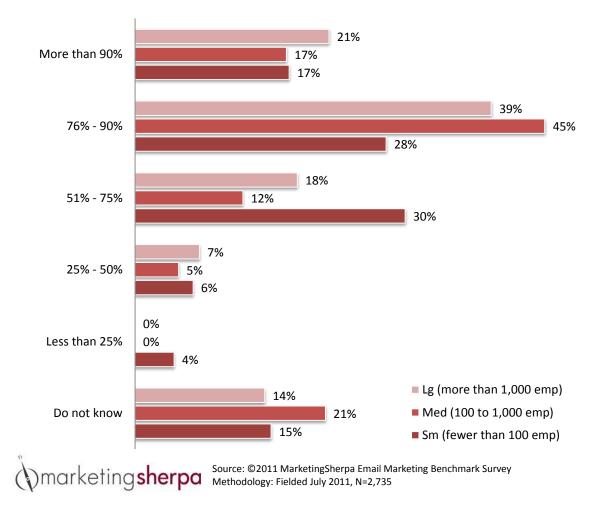
The chart reveals SMB marketers most commonly overcome this obstacle by asking to confirm the email address, followed by autocorrect syntax error tools. Neither is fail-proof, but are attempts to curb both the ill will with potential customers and marketing colleagues that must spend time cleaning the dirty data. Regrettably, more than a third of the SMBs in this study do not attempt to correct or validate email addresses at the time of registration.

While it may be tedious for marketers to validate and cleanse addresses, their actions will be rewarded. The practice will not only allow firms to make a good first impression with opt-ins, but also improve their sender reputation with ISPs, due to lower bounces and undeliverable rates.

SEGMENT SUBSCRIBERS
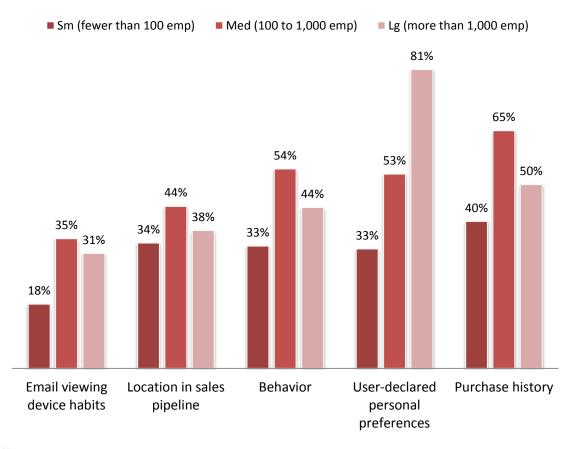
Marketers are well aware that the person who originally enrolled in their email marketing program has changed. The individual may have switched jobs, developed new tastes, or matured into a new life stage. However, an organization's ability to deliver highly relevant messages to the ever-evolving subscriber will be only limited by the sophistication and precision of its database. The chart below depicts how marketers feel about the accuracy of their email database.

CHART: THE ACCURACY OF EMAIL SUBSCRIBER DATA
Q. Approximately what percentage of your email marketing subscriber data is correct and current?

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

Almost one-third of small-sized organizations feel their email database is between 51-75% correct. Email is a data-driven marketing tactic, and it is critical to keep information current and correct. The power behind the segmentation strategy lies in how it enables email marketers to send relevant communications that do not overwhelm the readers with a bombardment of seemingly random offers. The following chart shows how successful SMBs ability to segment their databases.

CHART: ABILITY TO SEGMENT DATA, BY ORGANIZATION SIZE
Q. Can you segment subscriber data based on the following categories?
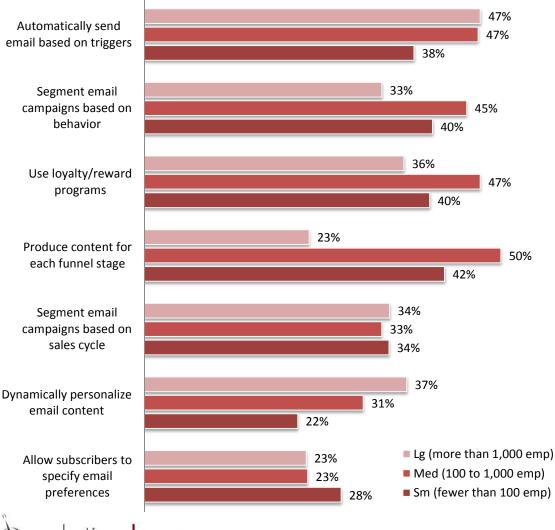
■ Sm (fewer than 100 emp)　　■ Med (100 to 1,000 emp)　　■ Lg (more than 1,000 emp)

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

Medium-sized companies led in all categories except user-declared personal preferences over their smaller and larger counterparts. It seems medium-sized organization have the right balance of resources and data to execute their segmentation strategies.

With the volume and rate of change in our culture, hosting a robust user preference center will not entirely resolve this predicament, but is a good first step. Allowing subscribers to update their own profiles, in addition to empowering them to have some control in the relationship, will relieve a firm's marketing team of this burden to a small portion of the list population. The challenge is encouraging opt-ins to regularly participate.

The ability to segment an email database is very important as the chart next page will highlight the tactics SMB marketers find most effective for creating relevant and engaging email messages.

Learn more segmentation best practices with AWeber Email Marketing Tips article *"How Personalized Emails Create Happy Subscribers"*

CHART: RELEVANCY AND ENGAGEMENT TACTICS RANKED VERY EFFECTIVE, BY ORGANIZATION SIZE
Q. Please indicate the level of EFFECTIVENESS for each of the email engagement and relevancy tactics your organization employs.

Automatically send email based on triggers
- 47%
- 47%
- 38%

Segment email campaigns based on behavior
- 33%
- 45%
- 40%

Use loyalty/reward programs
- 36%
- 47%
- 40%

Produce content for each funnel stage
- 23%
- 50%
- 42%

Segment email campaigns based on sales cycle
- 34%
- 33%
- 34%

Dynamically personalize email content
- 37%
- 31%
- 22%

Allow subscribers to specify email preferences
- 23%
- 23%
- 28%

Legend:
- ■ Lg (more than 1,000 emp)
- ■ Med (100 to 1,000 emp)
- ■ Sm (fewer than 100 emp)

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

All the above tactics share a common goal of personalizing the communication, either through timing or customization. The ability to respond quickly to a subscriber's action of clicking on a webpage, redeeming a coupon in-store, or making a phone call to customer service gives SMBs an opportunity to promptly deliver helpful information.
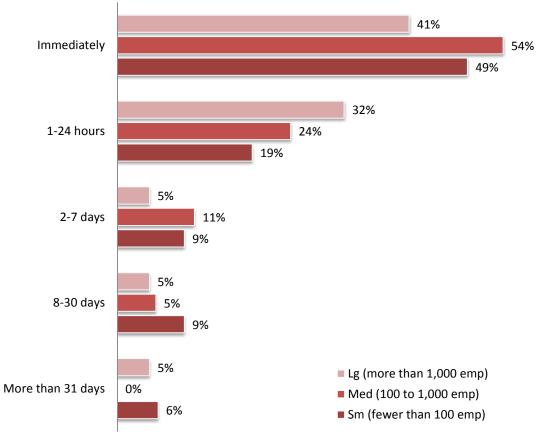
Another strategy SMBs find very effective is producing content for each funnel stage, and segmenting email campaigns based on their location in the sales cycle. These tactics complement each other in reaching the customer at a specific moment in the buying process and assist the reader's progression on the path to purchase.

AUTOMATE CAMPAIGNS

Managing a customer's lifecycle needs from prospect to repeat customer, all while ensuring a branded experience at each stage, can be a multifaceted endeavor. Email can relieve marketers and salespeople of some burden with nurturing newsletters, FAQ emails, and renewal reminder messages. The timeliness of these types of communications is key to their effectiveness. For example, to make a good first impression, more than 60% of SMBs send welcome emails to new subscribers after registration. The following chart shows how quickly organizations respond.

CHART: RESPONSE TIME AFTER REGISTRATION, BY ORGANIZATION SIZE
Q. How quickly will a new subscriber receive an email communication after he or she registers for your email program?
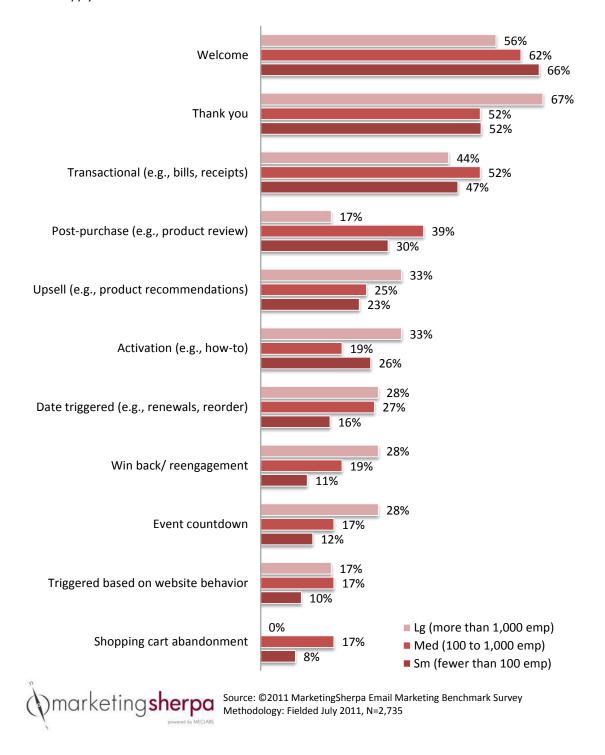
Immediately
- Lg: 41%
- Med: 54%
- Sm: 49%

1-24 hours
- Lg: 32%
- Med: 24%
- Sm: 19%

2-7 days
- Lg: 5%
- Med: 11%
- Sm: 9%

8-30 days
- Lg: 5%
- Med: 5%
- Sm: 9%

More than 31 days
- Lg: 5%
- Med: 0%
- Sm: 6%

Legend:
- Lg (more than 1,000 emp)
- Med (100 to 1,000 emp)
- Sm (fewer than 100 emp)

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

More than 75% of medium-sized businesses send a communication within 24 hours of a subscriber enrolling in their email marketing programs. To accomplish this task, marketers will leverage their ESP's capability to send automated messages. This type of communication can be defined as a single or series of emails created by a defined set of rules based on dates, events or behaviors that are automatically sent to a subscriber.

CHART: AUTOMATED EMAIL MESSAGE USE BY ORGANIZATION SIZE
Q. What type of automated, event-triggered, lifecycle email messages does your organization deploy? Check all that apply.

Welcome
- 56%
- 62%
- 66%

Thank you
- 67%
- 52%
- 52%

Transactional (e.g., bills, receipts)
- 44%
- 52%
- 47%

Post-purchase (e.g., product review)
- 17%
- 39%
- 30%

Upsell (e.g., product recommendations)
- 33%
- 25%
- 23%

Activation (e.g., how-to)
- 33%
- 19%
- 26%

Date triggered (e.g., renewals, reorder)
- 28%
- 27%
- 16%

Win back/ reengagement
- 28%
- 19%
- 11%

Event countdown
- 28%
- 17%
- 12%

Triggered based on website behavior
- 17%
- 17%
- 10%

Shopping cart abandonment
- 0%
- 17%
- 8%

■ Lg (more than 1,000 emp)
■ Med (100 to 1,000 emp)
■ Sm (fewer than 100 emp)

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

Our research found 16% of small-sized and 15% of medium-sized companies email volume consists of automated messages. The chart above depicts the most popular triggered email campaigns.

As the previous chart shows, marketers have a multitude of options to insert automated messages into their communication plans throughout a customer's lifecycle. Email marketers find that triggered emails consistently achieve higher open rates, due to timing and relevancy. The most frequently deployed automated message is a welcome campaign.

WELCOME EMAIL DESIGN

Welcome campaigns are well-suited for communicating a brand's values and personality during a prospect's incubation stage. Educating and freely sharing valuable information with a new subscriber, when a sale is not imminent, speaks volumes to the brand's credibility. To quickly establish rapport with a new subscriber, it is best for an organization to include four key messages in its first communication.

Cite source

By acknowledging specifically how, when and where the opt-in enrolled in the firm's email program will reduce a new subscriber's anxiety and keep them on the mailing list. In addition to citing the source from a webpage, having the welcome email layout similar in style to the registration page will comfort the reader with the familiarity and consistency of design.

Deliver value

The first email will set the tone of future conversations. Start with a sincere "thank you." Like in most relationships, manners matter. The words selected must support the brand's voice and successive messages meet subscriber expectations.

The aim is to start a relationship that turns prospects into customers and evangelists, so organizations are encouraged to give more than is expected. The goal is to have new subscribers looking forward to receiving the next email.

Each business provides value differently. With increasing demands on their time, it is common for marketers to repurpose existing evergreen content into their welcome messages. If the subscriber opted-in to receive a newsletter, they may be provided with a link to a back issue or a "best of" issue. Choosing to provide practical tips, how-to strategies or a product guide will immediately establish a company as a helpful resource. These become even more effective when the message is delivered via video link, webinar or podcast. In some cases, offering a discount or coupon as a special thank you for signing up is also beneficial.

Confirm content and frequency expectations

Ideally, during registration, the expectations of what the subscriber will receive were clearly communicated. Confirming future email's content and frequency will place the reader at ease.

Offer links to unsubscribe and privacy policy

Sometimes subscribers will get buyer's remorse or change their mind. For this reason, always include a link to the firm's unsubscribe pages. This may seem counterintuitive, yet it reduces complaints and businesses can maintain a higher quality list of readers. In addition, providing a link to its privacy policy will lessen a subscriber's anxiety about what the business will do with their email address.
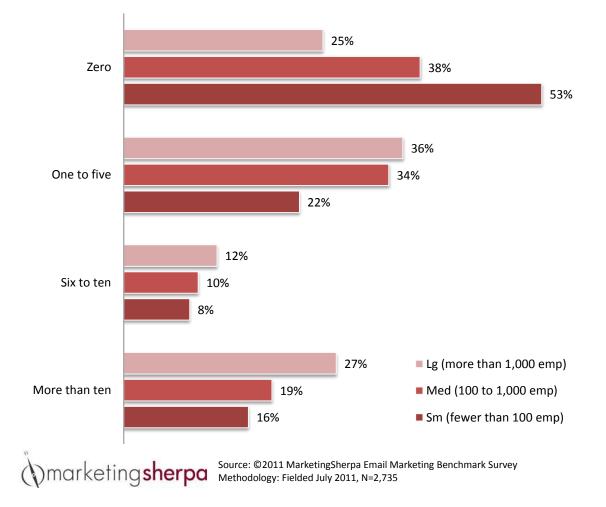
OPTIMIZE MESSAGES

Email marketers need to be weary of becoming out of touch with the reality of their reader's challenges. It is easy for some marketers to start thinking they know what the customer "really" wants before a customer actually shares their needs. Email marketers have a duty to ensure their messages contain valuable information in the form of reports, entertaining videos and insightful stories, not endless self-promotion.

The best way for marketers to ground themselves is to test their email programs on a small segment of their readership. Unfortunately, our research found only 28% of small-sized companies routinely test and optimize email messages. Far better news, the majority (54%) of medium-sized companies routinely execute tests. The chart below looks at the percentage of emails tested and optimized.

CHART: PERCENT OF EMAILS TESTED AND OPTIMIZED, BY ORGANIZATION SIZE
Q. What percentage of emails does your organization dedicate to testing email campaigns — using A/B split, multivariate, or other methods —to optimize performance?

Zero
25%
38%
53%

One to five
36%
34%
22%

Six to ten
12%
10%
8%

More than ten
27%
19%
16%

■ Lg (more than 1,000 emp)
■ Med (100 to 1,000 emp)
■ Sm (fewer than 100 emp)

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Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

WHY TEST?

Our research found that 51% of medium-sized companies use published best practices and benchmarks to improve their email program's effectiveness. Learning new trends from industry blogs, attending webinars and email conferences are a great place to start; however, only through testing and optimization will companies find out works best for its customers.

Continuous experimentation is the quickest path to peak performance. The process pushes marketers to become even more creative to design meaningful tests, spurring on new approaches and initiatives. As the team records the results and discovers new messaging insights, each unearthed nugget of knowledge will make proceeding communications more efficient and effective.

MOST POPULAR ELEMENTS TO TEST

The most popular email elements for small-sized organizations to test are subject line, message, call-to-action, and layout and images. The impact subject lines have on open rates, and the ease in which marketers can substitute them, makes experimenting with subject lines the most popular email element to test. The subject line acts as a mini-billboard that tries to quickly grab the reader's attention as they scan the inbox. Successful subject lines are brief, branded, and truthful to the intention of the email; as such, many marketers experiment with length, personalization and real-time events.

Testing layout and images is also a popular component for marketers to test. The time to change out layouts, images, fonts and colors can be time intensive. However, the trials may lead organizations to discover the size and color of the call-to-action button that can impact conversion rates.

MOST EFFECTIVE ELEMENTS TO TEST

Interestingly, the most popular testing elements are not always the most effective. The chart on the next page shows two of the least tested elements, landing page and target audience, were found to be the most effective elements to test.

Medium-sized companies were more likely to find success experimenting with the target audience compared to smaller and larger firms in this study. By segmenting a portion of their email list closely tied to the testing objective, marketers make more discoveries than testing across the board. This narrow focus allows the research team to see specific results rather than the data pulling them in an array of directions.
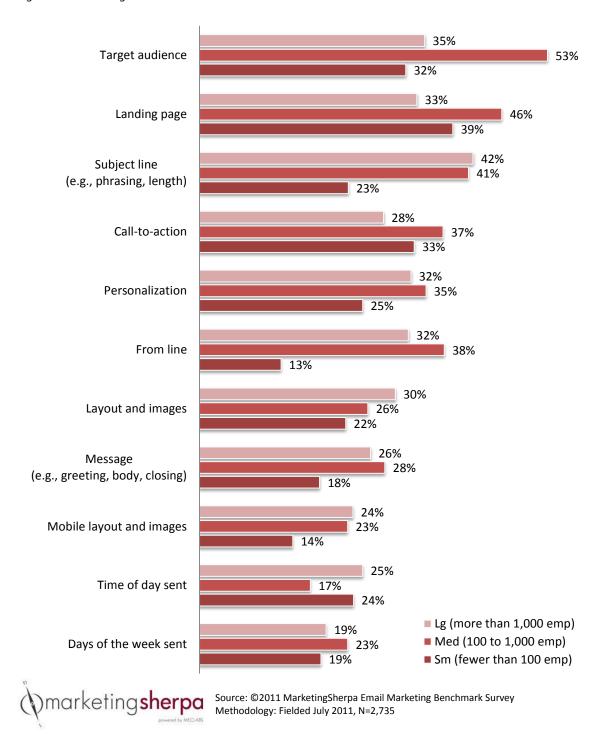
The goal of an email is to earn a click, not a sale. Landing pages do the heavy lifting to create a conversion. They also provide the additional evidence to convince readers to move forward on the path to purchase, whether it to be to make a purchase, download a whitepaper, or fill out a form. It is vital that the page instantly assists the visitor in identifying their location and what he or she can do on the page. Anytime there is a disconnect between the content and the visitor's motivation, the likelihood of the visitor leaving the page increases.

NEXT STEPS

Starting with tiny experiments allows organizations to garner quick wins and gain positive momentum. The small scale gives marketers the flexibility to try new tactics with minimum risk. In addition, focusing on incremental innovations permits marketers to introduce new practices without raising reasons for organizational leaders to resist change. Over time, each discovery will justify future funding and resources to expand a firm's research capabilities.

CHART: VERY EFFECTIVE EMAIL TESTING ELEMENTS, BY ORGANIZATION SIZE
Q. Please indicate the level of EFFECTIVENESS for each of the email testing and optimization tactics your organization is using.

Source: ©2011 MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded July 2011, N=2,735

RECOMMENDATIONS

The marketers' insights shared in this report reflect the changes in today's email marketing environment. "Batch and blast" email messages have evolved into targeted communications based on an indivdual's preferences, behaviors and transactions with a brand. Email marketing's greatest strength lies in providing communications that contain a high degree of value to its subscribers.

The five tactics outlined in this special report can be integrated into an organization's email program in small steps. Marketers will choose the tactics that best fit their immediate business goals and customers' needs. With each additional tactic, an overall improvement will be seen in the strength of relationships the brand have with its readers. In summary:

Selectively choose

Organizations that focus on quality subscribers will have an advantage over rivals who aim to have the largest email list in all email measurables from deliverability to conversion rates. Companies who are selective in who they empower to become the brand's evangelists will focus on the email aquistion tactics that best fit their ideal customer profile, not what appeals to the masses. SMBs have found the content marketing strategies of hosting webinars and writing blogs to be more effective acquisition strategies than their larger competitors.

Set explicit expectations

Good business relationships start with transparent transactions. When a subscibers decides to exchange their personal email address for content, it is critical the company outlines exactly what it will and will not deliver in its email communications and follow through on promises made. An email enrollment page out to anwser the questions: "What content will I receive?" "When will I receive my messages?" "Why should I care about these communications?" and "What will you do with my personal information?"

Segment subscribers

Subscribers' tastes and preferences contiually evolve, so it is important companies track these changes to deliver the most relevant communications. Email is a data-driven marketing tactic that requires an email database be kept current. Two of the most effective ways to segment data is based on a subscriber's behavior or location in the Marketing-Sales funnel.

Automate campaigns

Many ESPs are capable of automatically sending a single or series of emails created by a defined set of rules based on dates, events or behaviors. This is a tremendous opportunity for marketers to ensure their communications are timely, making them more likely to be opened, read and acted upon.

Optimize messages

Learning best practices from industry benchmarks, blogs and webinar speakers will only take a company so far. Only through testing and optimization will the firm discover what works best for its brand and customers.

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What do leading sites such as Social Media Examiner, Copyblogger, Which Test Won, ProBlogger and Harvard Business Review all have in common?

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