Birthday Blueprint:

How to Build a Top-Tier Birthday Email Program

SILVERPOP

BIRTHDAY BLUEPRINT:
How to Build a Top-Tier Birthday Email Program.

A "Happy Birthday" email program is one of the simplest automated email programs marketers can deploy. Yet many fail to embrace these automated messages that we at Silverpop refer to as "low effort, high ROI."

Given this dichotomy, we conducted a benchmark study among email marketers in September 2011 to better understand what's holding marketers back as well as to learn specific practices used by those who deploy birthday emails.
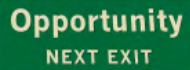
In Silverpop's new "blueprint for successful birthday emails" report, you'll find the following information:

- Why you should send birthday emails
- Why marketers don't send birthday emails
- A birthday email ROI calculator
- A 7-step guide to building your own birthday email program
- Best practices for birthday emails
- Samples of registration forms and birthday emails
- Other Silverpop resources you can use to build a case for a birthday email program

WHY SEND BIRTHDAY EMAILS?

In the email marketing world, saying "Happy Birthday" to your customers and subscribers is more than a pleasant gesture on their special day.

A birthday email program provides several benefits. Among them:

1. It can deliver a significant return on investment compared with the amount of effort required to set up and maintain it.

2. Birthday emails are about the most basic "set it and forget it" automated email message in email marketing.

3. These relevant messages provide an opportunity to reach out to your customers and say something other than "Buy now."

4. Their format and approach can add a human touch and creativity to your email relationship with customers.

5. Birthday emails containing gifts or incentives can deliver significant incremental revenue and drive follow-on engagement and purchases.

How much revenue? Potential revenue obviously varies by company, offer and approach to birthday programs. However, one Silverpop client's birthday message on average generates 25 times the revenue of a standard broadcast email.

In general, most companies can expect to see significantly higher open, click-through and conversion rates compared to their broadcast emails.

WHY MARKETERS DON'T SEND BIRTHDAY EMAILS

Despite these attractive benefits, Silverpop's own studies of email marketing practices show only a minority of marketers sends birthday greetings.

This prompted us to wonder: What's holding marketers back from joining the birthday party, given all the benefits and the relatively low cost of entry? We received some eye-opening answers.

The No. 1 reason marketers don't offer birthday email programs: **They don't collect birth date information (48 percent).**

Silverpop's birthday benchmark study found seven of 10 marketers surveyed don't send birthday emails. This is slightly lower than findings in Silverpop's 2010 retail email study, which showed 83 percent don't send birthday emails.

While the results of each study shouldn't be applied to all email marketers, there are additional signs that birthday programs aren't yet a universal practice.

Among marketers who don't deploy birthday programs, the vast majority (94 percent) knows these birthday greetings can deliver high ROI. However, only 1 in 4 said they might investigate a birthday email program, and 28 percent say it's not a priority in their departments.

Some encouraging results: Some marketers do collect birthday information but don't believe they have enough data to make a program worth operating.

Also, 24 percent of marketers who didn't deploy email programs at the time they took the survey indicated they plan to launch one, either by the end of 2012. The 76 percent that have no plans said birthday emails are not a priority or "not appropriate" for their market, and/or said the challenge of collecting birth data looms too large.

If you're on the fence, or if your executives want to see some numbers before you commit time and resources to a birthday program, use the ROI calculator below to estimate your potential gain.

ROI of Happy Birthday Email Programs	
Size of email database	500,000
Percentage with birth date data	0.20
Number of subscribers with emailable birth date records	100,000
Expected average conversion rate	0.10
Number of orders from birthday emails	10,000
Average order value (AOV)	$100
Revenue from birthday emails	$1,000,000
Average revenue per email - single email	$10.00
Average revenue per email - 2-part email series	$5.26
Additional email CPM	$950
Other costs (design, copywriting, IT resources, etc.)	$10,000
Total Costs	**$10,950**
First-year ROI - additional revenue/costs	**91.32**

Note: This calculator assumes the bulk of your investment in a birthday email program will come in the first year. Design, copywriting and IT time will likely be lower in subsequent years.

Building a Birthday Email Program from the Ground Up

STEP 1: ESTABLISH YOUR BIRTHDAY PROGRAM GOAL(S)

Should your birthday email simply say "Happy Birthday"? Should you provide some form of gift or reward such as extra membership points or free dessert with purchase of an entree? Include an incentive to encourage a purchase or other conversion activity?

Your answer depends on what you want your birthday email to accomplish and will guide your decision making, including creative choices, promotional copy to encourage people to provide the information, and how you word your privacy policy.

Birthday email programs can serve two basic goals: **branding and customer engagement** and **driving online or offline visits and revenue**. Your program can serve one or both of these goals:

1. Branding and customer engagement: Here, an attractively designed greeting is your centerpiece, but you don't necessarily include an incentive with the "Happy Birthday" message.
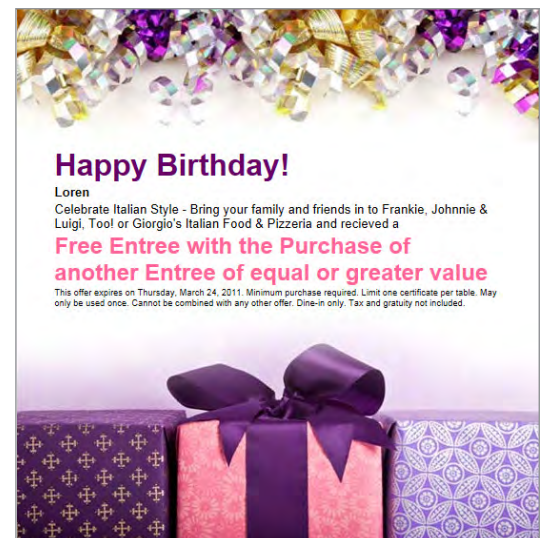
While you might not generate measurable gains using this approach, you'll score some brownie points with subscribers—provided your message is creative enough that it's not viewed as additional email clutter—and you won't see an impact on margins from providing gifts, discounts or other incentives.

You may see incremental revenue, however, simply as a result of the branding and additional engagement.

2. Driving online or offline visits and revenue: This approach will likely add to your marketing costs for whatever incentive you provide to encourage visits and purchases. However, the increased engagement and conversion rates typically more than make up for the hit on margins.

Other aspects to address in mapping out your birthday program:

- Will you use birth date information (age) for targeting?
- Is the subscriber the focus of the birthday program or someone else, such as a spouse/partner, child, other family members, friends, pets, co-workers or other important people?

Happy Birthday!

Loren
Celebrate Italian Style - Bring your family and friends in to Frankie, Johnnie & Luigi, Too! or Giorgio's Italian Food & Pizzeria and recieved a

Free Entree with the Purchase of another Entree of equal or greater value

This offer expires on Thursday, March 24, 2011. Minimum purchase required. Limit one certificate per table. May only be used once. Cannot be combined with any other offer. Dine-in only. Tax and gratuity not included.

STEP 2: DETERMINE A DELIVERY SCHEDULE

Should you send your birthday greeting on the birthday itself, at the start of the month, a week ahead, etc.?

This seems like a simple scheduling question, but it will drive everything else you do from here on out, including your email content and which kind of incentive to offer, if any.

The options most frequently used in birthday scheduling include the following:

- On the birthday itself
- In the birthday week
- Within a few weeks of the birthday
- At the start of the birthday month

As with so many aspects of email marketing, there's no single "best" delivery schedule. Besides the considerations we listed previously, your best option depends on the particulars of your company or products, the expiration date for the offer you use and any variables with your customer database.

In the Silverpop benchmark study, 75 percent of marketers said they send birthday greetings on the day itself or up to a week before. Many online retailers batch all their emails in monthly deliveries, often on or near the first day of the month.

However, one travel company sends its birthday promotion six weeks early to allow time to plan a trip. Some companies even send out belated birthday messages to new subscribers that have opted in within some short time period following their birthday.
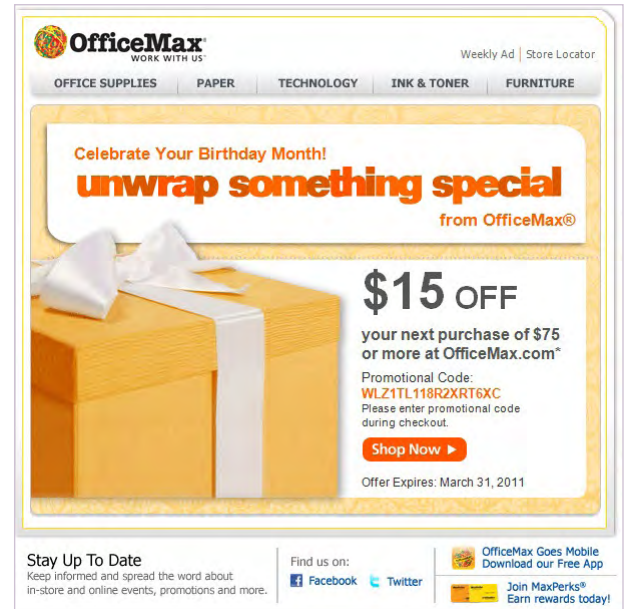
STEP 3: COLLECT THE DATA

As noted previously, lack of data is the main reason why marketers don't send birthday greetings. However, this shouldn't hold you back from launching a new program.

Which data to collect? Your delivery schedule—on the date itself, on the first day of the birthday month or somewhere in between—will help you decide whether to seek month-only, day/month or day/month/year data.

Two-thirds of the marketers in Silverpop's benchmark study collect all birthday-related data (day/month/year). This approach also enables you to use this information to target customers by age.

Required or optional? Making birth date a required field might help you capture more data, but it might also reduce form conversions.

For some companies, such as those selling alcohol, cigarettes and firearms, actual birth date must be required for legal reasons. This presents an opportunity for these companies to leverage this data for a birthday program and deeper age-based targeting.

For other companies, the key questions become:

- Do we ask for month only; day and month; or day, month and year? (It's always best to limit the amount of personal customer information that you store.)
- Is this field required or optional?
- Do we try to capture this information later in the relationship?

Some subscribers will balk at providing day/month/year. Requiring the complete date will likely reduce form completion. Asking for month only or day/month is less identifying; thus, requiring it might have less effect on form completion rates.

Also, if you require relatively few data points from new customers or subscribers—name, email address, gender and zip code, for example—making birth date a required field might have only a minor impact on your overall form completion rate.

Test it first: Try an A/B split test on your registration form to see whether requiring birth date has any significant effect.

If you decide not to collect birth year, your decision whether to ask for just birth month versus day and month comes down to your program strategy. With month-only data, your program typically revolves around a "birthday month" schedule and content.

With this approach, every subscriber with a birthday in the specific month receives your message on the same day.

If you capture day and month, you can deploy messages based on actual day of month per individual or same day for all birthdays in a month.

Important: Be transparent! No matter which way you go, be clear about how you'll use the data and what customers can expect, whether a simple birthday greeting, a gift, discounts or other incentives.

Explain your program in simple language on the form and link to your complete privacy policy.

Beyond transparency, the more benefits you can convey, the more likely a new subscriber will be to provide their birthday information.

Related Birthday Emails and Beyond

A successful birthday email program can be the springboard for similar "date-based" programs. Depending on your market, product or customer/subscriber base, there may be several other dates that are also meaningful to recognize, including:

- Family members' birthdays (child, spouse, parents, siblings, etc.)
- Pet events (birth, purchase or adoption date)
- Wedding anniversary (self or friends/family)
- Purchase anniversary
- Account registration anniversary
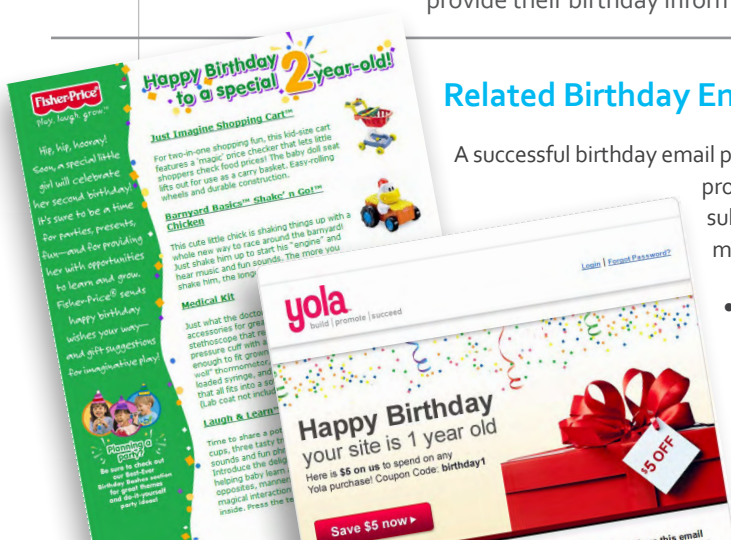
Collect data everywhere: Whether you're starting from scratch or looking to improve your birthday program, consider updates to the following data collection points:

- Add a form field to your opt-in or account-registration page.
- Add a form field to your preference center pages.
- Include a reminder as part of your welcome message or onboarding program for new subscribers.
- Add a module to your regular email message templates with an invitation to provide the date.
- Announce your new birthday recognition program in a stand-alone message to your database.
- Have customer-service reps ask for it during calls.
- Announce it via social media channels.
- Add it to direct-mail pieces and store literature.

Creating your registration form: Do you need to do an extreme makeover on your registration page to fit in a birthday request? It all depends on how many form fields you ask for, where you put the field and how user-friendly your form is now.

The screenshots below demonstrate a few different ways of setting up the data fields on your registration page.

Month only:

Day/month:

Day/month/year:

STEP 4: OFFER: GREETING-ONLY OR INCENTIVES

Many factors go into deciding whether to include an incentive in your birthday message. There's no hard-and-fast rule.

If using incentives is a common part of your email approach, then incorporating them into your birthday messages should be a no-brainer.

If not, you might still choose to do so because you're reserving a message such as a birthday wish or purchase anniversary as one of a few special times to reward a customer.

If you need to lobby management for additional budget to cover an incentive or gift, make the case using our ROI calculator, or test the two approaches side-by-side for a few months.

What about sending a birthday wish with no incentive?
You're likely forgoing a greater conversion or revenue opportunity. This approach may be more consistent with your brand and marketing approach and has no impact on margins.

You'll also need to be more creative with the content, because you're providing no incentive to further action from your recipient. It's like getting a birthday card with no money inside.

However, if you include selected navigation or call-to-action links, your message might still deliver significant revenue or conversions.

In Silverpop's benchmark email study of birthday email programs, over half of marketers who send birthday emails said they offered a simple birthday greeting with no incentive. Among those who do add an incentive, the discount, whether a monetary amount or percentage reduction, was the most popular.

Other sample programs include:

- Buy one, get one free
- Free shipping
- Loyalty program bonus
- Gift (no purchase required)
- Gift with purchase
- Special or limited-time access

STEP 5: SINGLE OR MULTIPLE EMAILS?

In our benchmark study, 77 percent of respondents send only a single birthday email, while 23 percent send two or more.

Although sending a single birthday wish email is the most common and simplest approach, a multiple-email strategy can have benefits. Following are two possible scenarios:

- Send an initial email days or weeks ahead of a recipient's birthday offering a month-long or specific time period to redeem the offer. Deploy a second email on the day of the subscriber's birthday.
- Send the first email on the day of the recipient's birthday, with a reminder several days later and before the offer expires. The second email might be triggered if the recipient doesn't open, click or convert from the first email.

STEP 6: DESIGN YOUR MESSAGE

Because birthdays are inherently a celebration and a fun day for the subscriber (at least we hope so), your creative approach to your messages should reflect this. Push your designer to create something fun and thoroughly engaging while still following your graphic standards and email design best practices.

Your birthday message does have a bit of a split personality. On one hand, it should be somewhat consistent with your other messages so that your company and brand or products are prominent in the message.

On the other hand, the message shouldn't look like every other promotional message you send.

After all, the birthday email must stand out in the inbox and be distinctive from all other emails, not just yours but those from your competitors as well as everybody else sending birthday emails to your customer.

Following are some tips and suggestions for each aspect of the email itself:

Sender name: Be sure this field shows clearly who sent the email. It can be a variation on your regular sender name but shouldn't be an unfamiliar person, email address or department name.
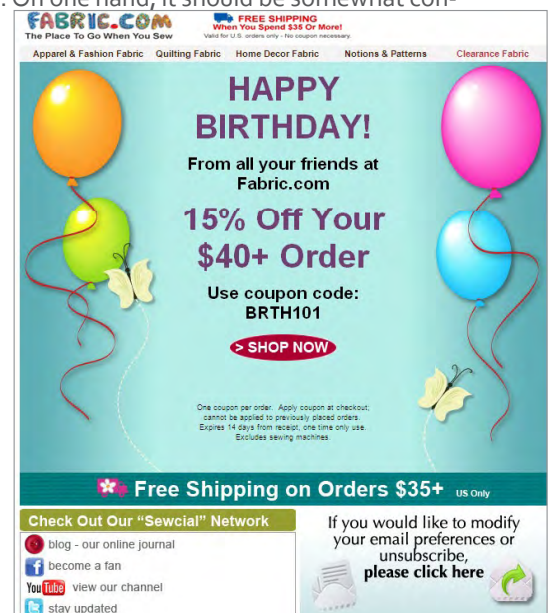
Subject line: Naturally, you'll want to use some variation of "Happy Birthday," while making it distinctive. Here's a sample of birthday email subject line approaches from our collection:

- "Happy birthday!"
- "Happy Birthday (Subscriber Name)"
- "(Subscriber Name) Happy Birthday"
- "Happy Birthday from (Name of Company)!"
- "A birthday wish from (Name of Company)"
- "Free (Product/Item) at (Name of Company) for Your Birthday!"
- "To mark your special day"
- "Happy Birthday, (Name of Subscriber), from (Name of Company)"
- "Happy Birthday! Enjoy 25 Free Reward Points!"
- "Birthday Gift from (Name of Company)"
- "Happy Birthday, (Name of Subscriber) – Take 15% Off"

Keep in mind that a customer who's willing to entrust you with his/her birthday data will likely have given that information out to others. "Happy Birthday" by itself might blend into the background among all the other birthday wishes in the inbox.

Here are a few concepts to consider in developing your own approach to birthday subject lines:

- Be creative, but be clear. Use humor as appropriate to your brand.
- If your message goal is a call to action with an incentive, make that a key focus of the subject line.
- Is your message just a birthday wish? Develop more creative subject line approaches than just "Happy Birthday."
- If your brand name is clear in your sender name, you might want to use this valued inbox real estate for other copy.

There's no right or best approach to birthday subject lines. So, testing will be key to discover what's best for your company. You'll find more specific subject-line testing ideas in Step 7, "Testing and Optimization."

Personalized salutation ("Happy Birthday, <firstname>!"): Should you use first-name personalization within the body of the message? If you capture first name, then it's certainly a logical and expected use of personalization.

Make sure you include a default such as "Valued Customer" when the first name isn't in your database for an individual.
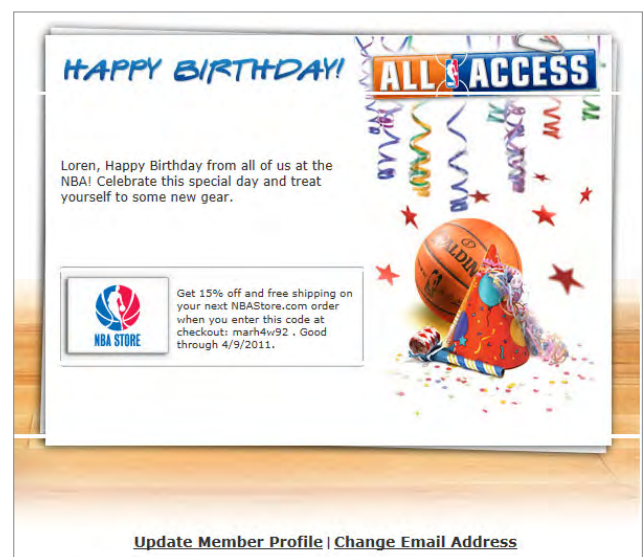
Birthday imagery: While using birthday imagery can be cliché, it's a common approach to birthday design and clearly is consistent with recipient expectations. Following are a few examples.

The Littlewoods example (below left) uses a simple cupcake image that adds to the message intent, but without overwhelming the 10% off discount offer. The Olympus example (below center) is even more subtle, with balloons as the masthead background and a muted gift box in the bottom right corner. Since Cheap Caribbean (below right) doesn't offer an incentive, the birthday imagery is the predominant visual in the email.
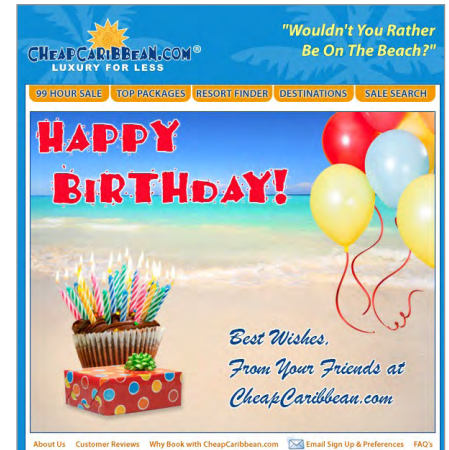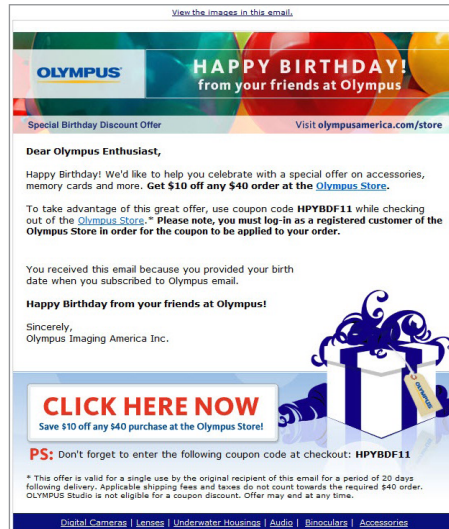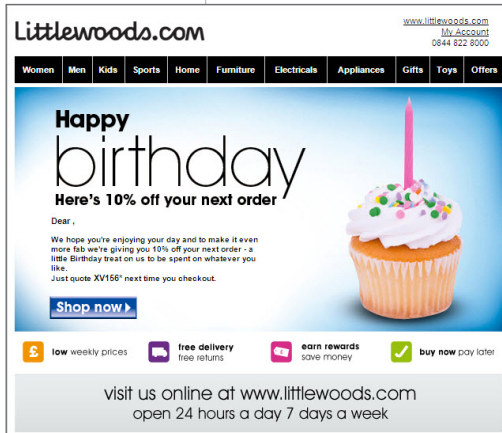
Simple and visual: The email below from Busch Gardens is an excellent example of a message that incorporates a simple greeting with soft-sell branding and the spirit of the theme park.
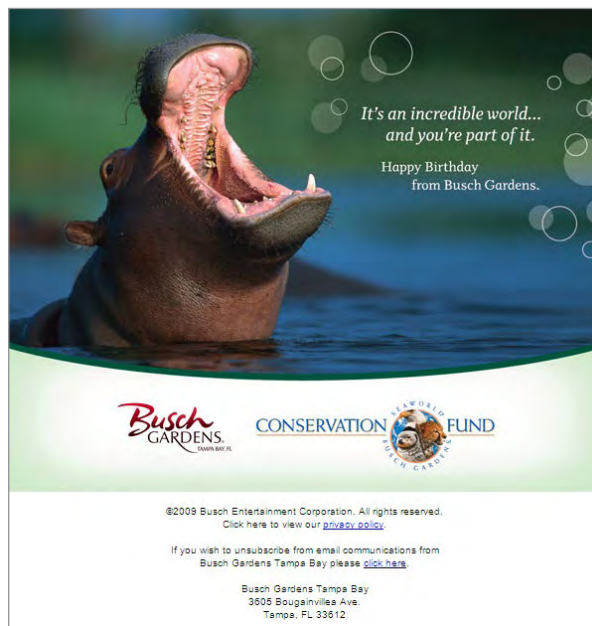
Note that the message includes only a boilerplate administration footer (unsubscribe/privacy policy link and address). It doesn't include the top-line navigation bar to the website featured in the company's broadcast and transactional emails.

This is one approach. You might want to include some key navigation links that engaged subscribers can easily click through to explore the site or take an action.

This example below from U.K. retailer La Redoute is similar but a bit more visually focused and pronounced with the incentive.

Localized: Many birthday greetings feature incentives such as a buy-one-get-one deal or a price discount. This greeting-with-incentive from Uno Chicago Grill combines snappy copy and major branding with the discount in a prominent location in the message. Bonus: It's localized to the nearest Uno's location.

Fun style: Birthday messages present an opportunity to combine serious revenue-generating approaches with a little fun. In this example below, Tafford Uniforms combines a current-month message and discount offer with some famous birthdays mixed in with the recipient (Fred).

Copy style: There are many approaches to the style of copy you can use with birthday messages, but the key is keep it focused on your program's goals. Fun and cutesy can work, but make sure the copy drives the action you want and is simple and straightforward.

This example at left from Taco Cabana does a good job of supporting the quesadilla imagery and offer with the oversized copy: "FREE Personal Quesadilla." The smaller supporting text works well for explaining the details of the birthday gift and what steps the recipient must take to redeem the offer.

Seasonal/time-based content: If your birthday message contains an offer, you might want to update your email content based on the month, season or special events and happenings at your organization.

The email copy below from The Islands of The Bahamas is a good example. This particular message was sent to a recipient with a March birthday and was clearly updated to reference the month and season (spring).
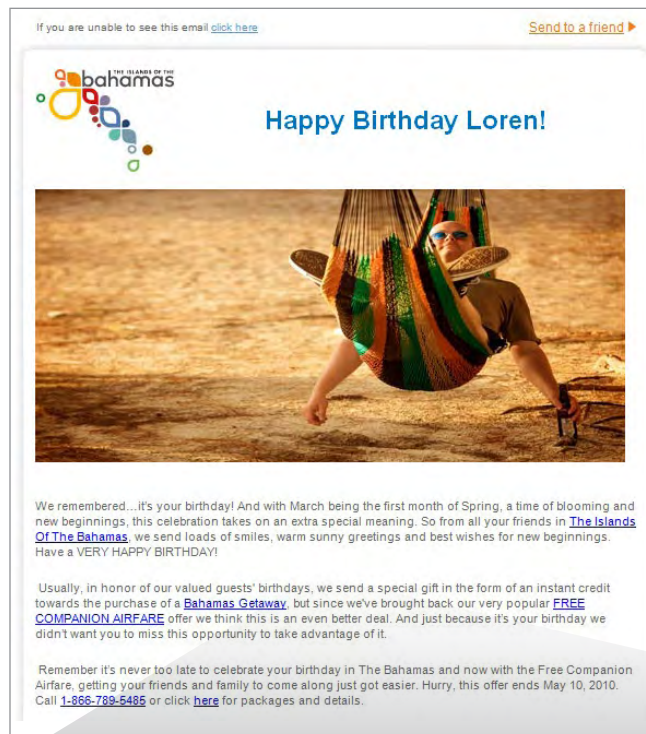
We remembered...it's your birthday! And with March being the first month of Spring, a time of blooming and new beginnings, this celebration takes on an extra special meaning. So from all your friends in The Islands Of The Bahamas, we send loads of smiles, warm sunny greetings and best wishes for new beginnings. Have a VERY HAPPY BIRTHDAY!

Usually, in honor of our valued guests' birthdays, we send a special gift in the form of an instant credit towards the purchase of a Bahamas Getaway, but since we've brought back our very popular FREE COMPANION AIRFARE offer we think this is an even better deal. And just because it's your birthday we didn't want you to miss this opportunity to take advantage of it.

Remember it's never too late to celebrate your birthday in The Bahamas and now with the Free Companion Airfare, getting your friends and family to come along just got easier. Hurry, this offer ends May 10, 2010. Call 1-866-789-5485 or click here for packages and details.

Segmentation: If you have obvious customer segments, you may want to dynamically populate your message content, targeting each group. One example is different creative approaches and, possibly, offer types for men versus women.

Tell a friend: While not very common, using a tell-a-friend approach like this example from VIE at home is quite creative.
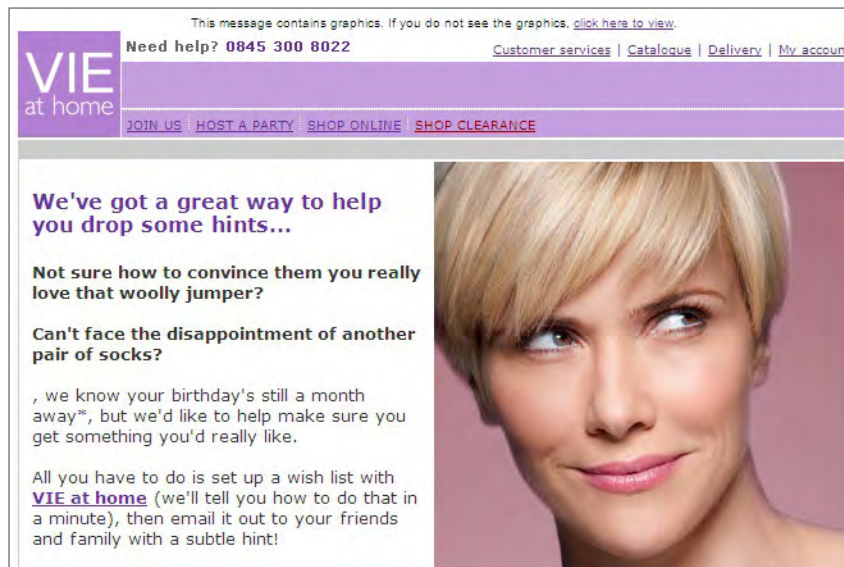
Email administration footers: Although you might opt not to include your standard email navigation, be sure your message complies with email regulations, especially those governing unsubscribes and sender identification.

STEP 7: TESTING AND OPTIMIZATION

Although setting up a birthday email program is relatively easy, you should probably operate it as a pilot program at least for the first year, during which you test every aspect, from program approach to data collection to creative to timing. Then, use the data from your testing to optimize the program to achieve the best results.

Testing

Test data collection: Test different elements of your form layout to optimize data capture, including:

- Birthday field location
- Required versus optional
- Day/month versus day/month/year
- Date field format
- Surrounding benefit language

Test incentives: If you decide to offer an incentive, choose at least two to test to see which one inspires the most customer action. Consider testing a tried-and-true incentive that works in your other email programs (free shipping or price discount) against a wild card not available in other programs, such as a gift with purchase, free product or download, loyalty club upgrade, etc.

Test subject lines: If you already test subject lines as part of your regular email program, this should be familiar territory. Following are some suggestions:

- If you capture first names, test impact of first name personalization.
- Test usage of company name in the subject line.
- If your message is just a birthday wish, test more creative subject line approaches than just "Happy Birthday."

- Test specific-versus-broad approach. Will "Birthday Gift" work better than a more specific "Birthday Gift – Free Dessert with Purchase of Entrée" approach?
- For a general greeting, test for open and click-through rates and any additional lift in engagement or revenue.
- For an incentive-based message, use click-through and conversion rates and revenue/revenue per email as your key success metrics.

Test copy: Beyond testing for rendering on every platform, browser and screen size, your birthday greeting should reflect your company's personality or brand image. Try several versions to see which resonates most with your recipients.

Optimization

Optimize for accuracy: To minimize user input errors and ensure data consistency, consider using drop-down menus on forms to indicate day/month/year.

Track and measure continuously: Monitor every aspect of your email program for the first year. Track process metrics (deliveries, bounces, spam complaints, unsubscribes, opens and clicks) as well as output metrics where relevant (conversions, sales attributed to the email, average order size/revenue per email).

Optimize the delivery schedule: Testing should show you which delivery format (monthly, day-of or another alternative) will generate the most engagement.

If driving conversions is a major goal for your birthday program, consider sending a reminder email. This can go out before the birthday or after it to remind subscribers to take advantage of your offer.

B2B Birthday Emails? Why Not?

At first glance, it seems logical that B2B marketers would say that birthday greetings to their clients and prospects aren't appropriate. In our study, many of the respondents who said they don't send birthday greetings because they were "inappropriate" were B2B organizations.

However, business buyers are people, too. Putting a human face on a corporate email message can help you stand out from faceless competitors.

Your biggest challenge will likely be collecting birth-date data because B2B registration forms tend to focus on company and work roles.

Adding a birth date field might appear out of place amid these workplace considerations. Consider using a progressive form approach, a special request in welcome or nurture emails, or a survey.

If you do ask for birth date on an opt-in form, provide a short copy block explaining what subscribers will receive (e.g., a special ebook, actual gift, etc.) However, think twice about making birthday information mandatory if you have many required fields.

Another alternative, which you can use instead of or in addition to a birthday program, is an anniversary program, which recognizes the years your recipient has been your customer or subscribed to your newsletter.

Conclusion

Although nearly all marketers in Silverpop's select benchmark survey said they knew about the high ROI of a birthday email program, lack of data, other department priorities and concerns that birthday emails were not appropriate were most likely to hold them back from piloting or launching a program.

A birthday email program is a classic low effort/high ROI email strategy. It can enhance your company's bottom line and offers you an opportunity to reach your subscribers and customers on a happy occasion, with a message that says more than "Buy Now." Don't miss this opportunity to humanize your messaging and build a more personal connection with your customers.

SURVEY METHODOLOGY

To compile broad benchmark data that would help marketers learn from each other, Silverpop conducted a detailed survey of 91 email marketers in September 2011 on their attitudes toward and use of birthday email programs.

Additional Resources

1. Study: "Tapping the Power of Triggered Emails: Silverpop's Retail Benchmark Survey "

2. Blog: "Have Social Networks Killed the Birthday Email?"

3. Case Study: "Online retailer increases conversion rates by 50 percent with customer lifecycle marketing campaigns"

4. Webinar (download slide presentation): "Email Automation: Using Triggered Emails for Dramatic Increases in Conversion Rates"

5. Press Release (highlights Purchasing Power Birthday Club promotion): "Enhanced Landing Pages Offering Saves Time and Money for Silverpop Customers"

6. Webinar: "20 Emails that Got It Right"