Building an
Email
Marketing
Strategy

BRONTO

Introduction

The Internet is now the way to get information. In the US, 170 million people, 60% of the total population, are online. One hundred and forty seven million people use email daily. Major advertising campaigns now include big investments in websites and email campaigns.

Email marketing has grown in popularity because it produces results. While in the late 90's and into 2000 email marketing was new, the accessibility of email now means that marketers must work hard to **cut through the clutter**. In the past, permission was a nice to have. Now permission is a must have. Ultimately, a company must put more thought into email communications – from the information gathered up front to the actual messages sent.

Whether you are new to email marketing or are a seasoned professional, **a strategy and a roadmap** prove critical for email marketing just like they do for public relations, advertising, etc.

No doubt you have done research on the web on the subject of email marketing. What seems to be lacking as a resource for professionals like yourself is an action plan. This document was created with the intention of saving you time by pointing out the main elements of a good email marketing strategy and letting you fill in the blanks. Armed with this information you should be able to provide management, partners, and peers with solid reasons why your organization should include email marketing as a way to reach business objectives.

Good Luck!

Table of Contents

Creating an Email Marketing Strategy

Whether you are already using a form of email marketing and need to convince management to upgrade your strategy or you are completely new to the topic and need to show the importance of email, you should think about these major steps.

Step One: Define Email Marketing

Email marketing can mean lots of things to lots of people. To some it involves renting lists from 3rd parties while for others it means cultivating relationships with your existing contacts to drive sales as well as customer retention. For the purposes of this document, we define email marketing as the latter.

Step Two: Set Goals

Remember that you need to communicate the purpose of email marketing for your organization. Start with a goal so that others can see how it ties into the overall business strategy.

Step Three: Your List

Your contacts form the foundation of your strategy. After all, you're building a strategy around communicating with them. Your goals are tied to their actions. Your lists are the most important piece of the puzzle. Successful email marketing is a result of sending relevant content, so your plan should include learning as much as you can about your contacts.

Step Four: Organize by Department or Group

How many people will use email marketing within your organization? Is it just for corporate communications or will the PR folks use it? Web group? Product marketing? Channel marketing? The toolkit will provide advice to help you get organized so that marketing can still have some control over the consistency of all communications.

Step Five: Plan for Content

One of the biggest reasons newsletters die is that people can't come up with content at deadline. Create an editorial calendar for your newsletters and have this ready with your proposal.

Step Six: Bottom Line

People love numbers. Be prepared to discuss the ROI and the metrics you will use to determine your success.

This document is organized around these main steps. Worksheets are provided at the end of the document to help you capture your thoughts. Let's get started by looking at each of these in more detail.

Define Email Marketing

Before you begin to create your email marketing strategy, you should define what email marketing means to your organization. If email marketing had existed in 1828 when Noah Webster first published his *American Dictionary of the English Language*, the definition might have gone something like this:

> **e•mail mar•ket•ing** *n.* The use of email to deliver permission-based communications to build relationships, increase sales and improve customer retention.

They key to the above definition is permission. While your organization may also rent or purchase lists to grow your business, this document will only focus on strategies for permission-based or in-house lists. Many organizations have realized that although building a house-list may take longer, it proves its value very quickly.

The definition also mentions customer retention. Email is by far the most popular way to stay in touch with existing customers. By providing valuable information and updates based on their interests, email can help build a relationship between the organization and the customer.

But there's a far more meaningful definition of email marketing: what it means to you and your business. Defining the purpose of email marketing for your organization is critical and will be the driving force for all other email activities.

Set Goals

MarketingSherpa, publisher of case studies and research on internet marketing, posted an article in early 2005 about the top five frustrations in email marketing. Frustration #5 was the lack of respect that email received from management. Email can be seen as a tactical and inexpensive way to reach out to prospects and customers to quickly increase sales or drive traffic to the website. It's a valid but very short sighted view. By building a sound strategy, you will be able to set expectations for long term success up front and alleviate those frustrations.

So here's the most important question you need to answer: What is the purpose of email marketing for your organization?

Other important questions to answer include why email marketing? What will email marketing contribute to your existing marketing efforts? How will your marketing efforts tie together?   What is your current lead generation process? How will email marketing contribute to lead generation? Do you communicate with customers on a regular basis already? Does email marketing replace or complement any other communication strategies?

Still not sure? Here are a few examples of how different organizations use email marketing:

The non-profit Audubon Nature Institute created a newsletter for each major audience: Members, Non-Members, and Community Leaders. The Member newsletter validates membership through unique content, the non-member newsletter drives additional traffic to the various parks, and the leader newsletter communicates activities as a result of donations.

E-Commerce vendor Lydia's Uniforms uses newsletters and email alerts to drive additional online sales, but they planned in advance what type of information they would collect so that they could segment their audience by various fields. They send special promos based on customers favorite brands or products. The highly relevant content has definitely contributed to their overall success.

Lead Generation and Sales Cycle Analysis

At the very highest level you will probably be communicating with two groups of people: customers and non-customers. As part of your lead generation process, the email newsletter can help solidify your relationship with the non-customer or prospect. By outlining your organization's process you can see where opportunities exist.
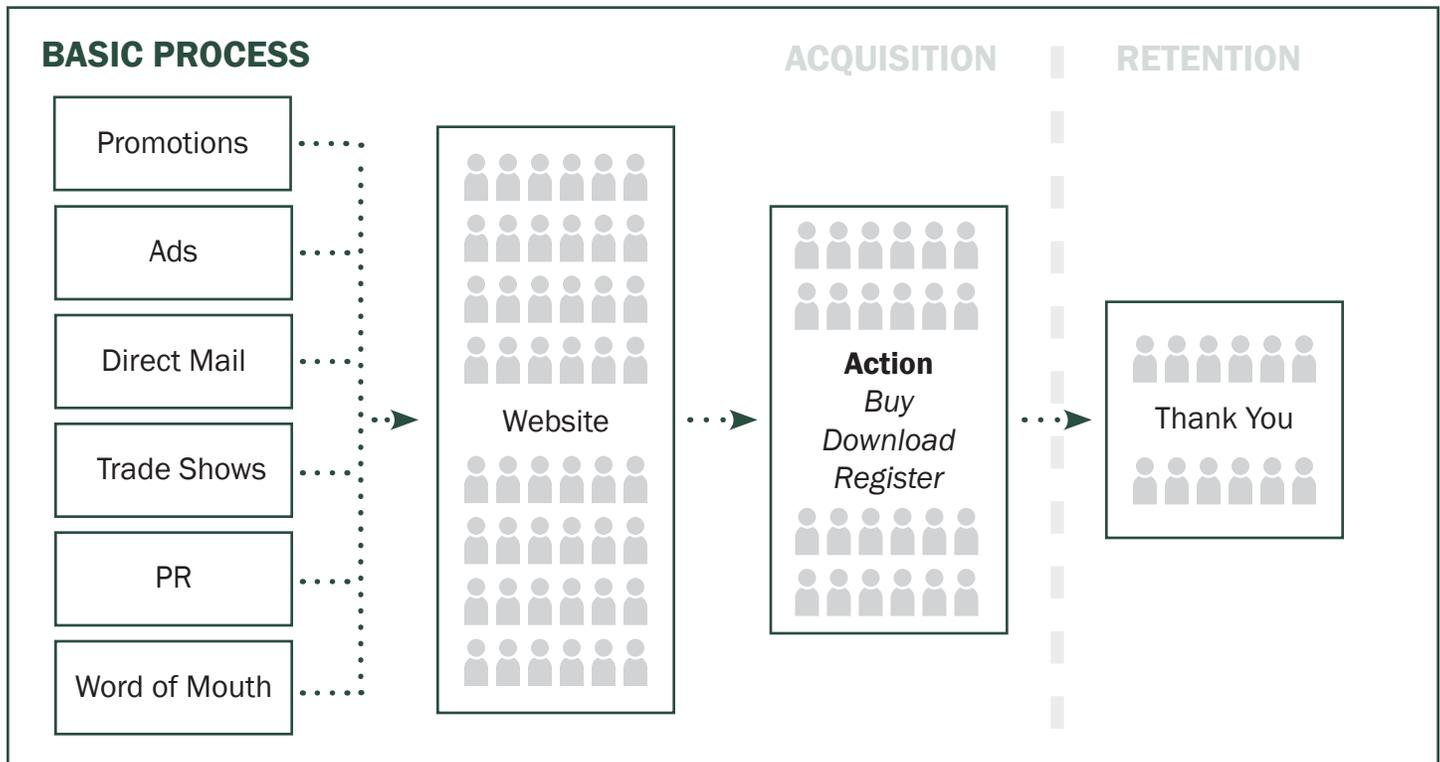
This diagram is a simple illustration of a lead generation process without email marketing. It shows visitors reaching the site and then taking a certain action. Currently the only follow up is a Thank You page that may show a receipt or confirmation.

Let's highlight some of the problems with this process.

- Web-centric - there is no effort towards customer retention. It is a very transactional approach.

- Lost opportunity - there is no collection of information for those that don't act immediately. What about those conducting research who want to learn more about your offering or your industry?

On the next page, we'll take a look at a scenario with email marketing integrated into the process.

INTEGRATED EMAIL MARKETING   ACQUISITION   RETENTION

| Promotions |
| Ads |
| Direct Mail |
| Trade Shows |
| PR |
| Word of Mouth |

Website

Action
Buy
Download
Register

Sign up for Newsletter

Invitation/Welcome Email and Regular Communication
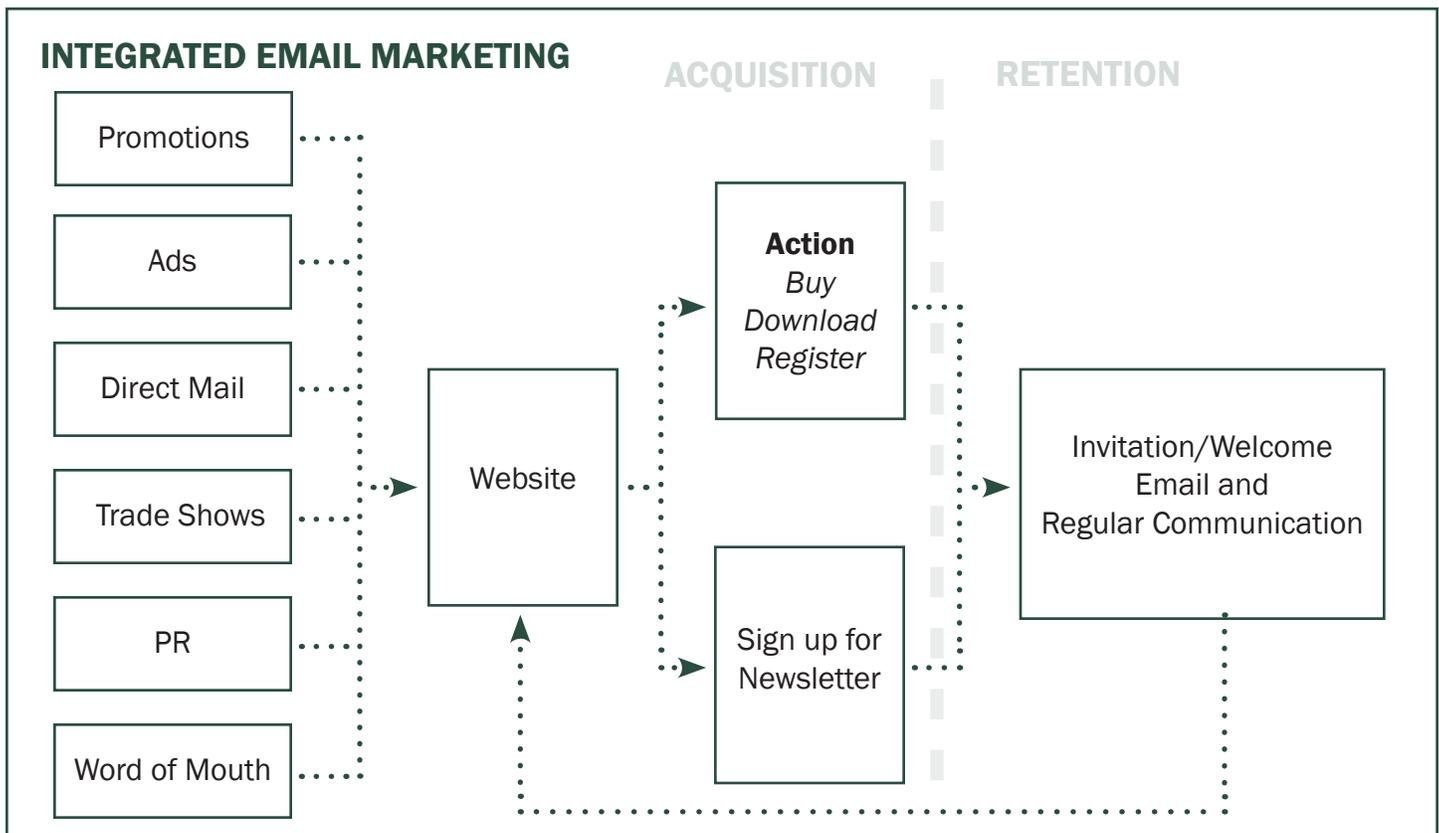
This diagram mirrors the previous illustration but shows how easily you can use an email newsletter to capture leads that may only be researching at the time of the website visit.

Lead Acquisition
The newsletter sign up form captures prospects that may not be ready to take other actions. By creating a newsletter or other communication for this audience, you can begin to build a relationship with them that can lead to sales or other desired action in the future. Without this regular communication, the contact could easily forget about your organization the minute they exit the website.

Customer Retention
For those that do take a desired action on the website, the process now includes a welcome email that invites them to stay in touch with your company.

Additional benefits of adding email marketing to lead generation and the sales cycle:

- Viral marketing opportunities enable word of mouth marketing
- Reinforcement of brand with continual communication
- Regular communication improves customer loyalty

- Feedback from tracking reports provides info on interest levels
- Ability to communicate with customers/ prospects based on past behavior
- Drives traffic to website

Your List

Successful email marketing starts with a quality list. After all, Marketing 101 tells us that we need to know our audience. Do you know your list? Take some time to note what information you have now and make a plan for how to capture additional information over time. The more you know about your readers, the easier it will be to provide valuable content within your communications. For our example company, their lists currently look like this:

List Name	Source of List	Permission?	Status	Known Fields
Customers	CRM	Yes	Exported and ready	name, address, phone, email
Product A Prospects	Trade Show	No, need to invite	Spreadsheet, ready	name, email
Interested Prospects	Website	Yes	Text file, ready	email

Now think about what information you have and what you'd like to know about new prospects and customers. Typical information below:

- Demographics (marital status, income, location, etc)

- Interest area (product A or B, specific service, information, etc)

- Amount purchased, donated, etc

- Business info (industry, title, etc)

- Time frame for making a decision

- Budget

The most powerful aspect of email marketing software is that you can segment your contacts based on known information, letting you send targeted and personal messages.

Collecting Data at the Right Time

After you have determined what type of data you have and what you need, the next step is to determine at what point you collect that information. Do you ask for it all up front? Depending on your target audience, you may need to limit the amount of information asked initially so you don't put customers off. Here are a few additional times you can collect information:

- Have the Thank You page ask for additional information post-subscription

- Include a survey in the confirmation or welcome email

- Include survey questions throughout the life of the newsletter

- Prompt subscribers to update their information periodically

Plan for a Growing Email List

An important element of any email marketing strategy includes plans for continuing to grow the list. Below are ideas for planned tactics to promote each newsletter.

- Include "forward to friend" in all outbound emails

- Add sign up form for newsletter on the website in prominent area

- Drive all prospects to website from all advertising

- Collect emails at checkout in retail stores (if applicable)

- Have newsletter opt-in box in checkout of e-commerce area of website

- Collect email addresses at trade shows and other events

- Put website on all basic company docs: stationary, business cards, etc

- Mention the newsletter(s) and website on the Hold music for inbound calls

- Have customer service ask all callers if they'd like to receive newsletter

- Have support staff ask all callers if they'd like to receive newsletter

- Include link to newsletter sign up form in email signature (all employees, especially support and customer service staff)

If you have no list and are starting from scratch we suggest:

- Appending email addresses to your existing prospect/customer database

- Start collecting email addresses from website

Organize by Department or Group

So far we have reviewed the purpose of email marketing and have looked at how it can complement existing marketing activities and provide a way to capture new leads and help build relationships. You know your audience now, so the next phase of building your email marketing strategy involves getting organized internally.

After you have outlined how email marketing can fit into your own process and have identified your audience, you will start to see many opportunities of how to organize the information to reach your original goals.

A simple communication chart will help you understand the role of each of your external communications and will help you get a feel for the resources required to produce each item.

Here's an example:

Communication	Owner	Audience	Format	Purpose	Frequency
Monthly newsletter	Marketing	Customers, advocates, community, analysts	Template	Retention	Monthly
Promotion update	Product Marketing	Prospects, customers	Unique each time	Acquisition	As needed
Press release	PR	Journalists	Stationary template	Inform	As needed
Industry newsletter	Channel Marketing	Prospects, customers	Template	Retention	Bi-monthly

As you can see from this example, opportunities for email communications exist among other departments.

Plan for Content

Now that you know who you are communicating with and the type of communication you want to produce, you need to plan the actual content for each item. To do this, you should create an editorial calendar. This will help you prepare for the future and ensure that each communication contains relevant content.

Our example company produces a monthly newsletter. Here's their editorial calendar for the first five months of the year:

Communication	January	February	March	April	May
Monthly newsletter	2005 results, highlights	Industry update	Product launch	Big customer win	New contest

And so on. Don't forget to decide how many topics will be covered in each newsletter. Some focus only on one topic, others have 5-10 topics per issue.

The possibilities are endless with email. But don't forget the main reason why you are sending these emails – they should be valuable to your audience. Don't just send content because you have a list of people to receive it.

Bottom Line

As with any critical marketing function, you need to define metrics for success. For each type of publication, you should outline what will represent success. Sharing these metrics will help communicate with all involved how email can truly impact the organization. Here are a few ideas of items to be used as metrics:

Email Marketing Reports

- Open Rate – The number of messages opened is a general metric to gauge interest

- Click-Through Rate – Number of people that clicked through a link within your message. This is a very good metric to measure interest and activity.

- Conversions by source – The number of people that took a specific action as a result of your message.

- Forward rate – How many times the message was forwarded to others. This measures viral marketing or "buzz"

Business Metrics

- Leads by source – track leads from email forwarding or referral

- Website traffic before email marketing and after

- Customer retention before email marketing and after

- Sales metrics before email marketing and trends after

- Website traffic the day an email goes out

- Conversion rate from email before and after initiating email marketing

Benchmarking

Bronto.com monitors average open and click-through rates for all customers. To learn more about how you can benchmark your numbers against averages in your industry, contact us.

Worksheet: **Set Goals**

ANSWER THIS

What is the purpose of email marketing for your organization?

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....

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DIAGRAM THIS

Outline your current process for lead generation through to customer communication. Show where people are coming from and where you are driving them to and what you want them to do. Do as many outlines as you need if you have different processes for different groups or industry verticals.

ANSWER THIS

What are the issues with the above process? What opportunities are you missing?

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Worksheet: **Your List**

Write down all sources of customer and lead information and their status.

List Name	Source of List	Email Permission?	Status	Known Fields

List all the other fields you have or hope to have for each contact. After you have determined which fields you have or need, then you can determine at what point in the lead generation process you request that information.

Field	Where to Capture That Information

Worksheet: **Organize by Department or Group**

COMPLETE THIS

Use this table to develop your **email communication chart**.

Communication	Owner	Audience	Format	Purpose	Frequency

- Communication – the various publications or types of messages that you'll be sending

- Owner – which department of your company this communication belongs to

- Audience – the recipients of your publications

- Format – the planned look of the message. Some may be rich text, others may be a formatted template used each time, others will be unique each time, etc.

- Purpose – perhaps the most important, why are you sending this email.

- Frequency – determine how often you plan to send each item.

Worksheet: **Plan for Content**

Build a suggested topic list for each item on your email communication content plan. Remember that not all items have to be sent regularly – typically only newsletters are sent on a regular basis.

Communication					

If you're having trouble thinking of different topics for your individual communications, look at other newsletters. There are tons of websites out there with ideas for how to write a successful newsletter. Just a few resources that we like:

Marketing Sherpa – www.marketingsherpa.com
Email Universe – www.emailuniverse.com
MarketingProfs – www.marketingprofs.com

Worksheet: **Bottom Line**

COMPLETE THIS

Determine your metrics for success. It would also be a good idea to document those stats as they are now if you know them. You can use them as a baseline to build from.

Metric	Current stats

Looking Ahead

After you have set up your lists and have a plan for what you'll be sending to and to whom, spend some time thinking even further ahead. What will your lists look like in 6 months? If you could further divide lists into more specific segments, what would those segments be? And have you collected the information to get you there?

Email is organic – things are always growing and changing. What interests a customer one year can change the next year. Customers change or discard email addresses. Knowing where your email communications are taking you will only help your marketing strategy.

What are the next steps? Establish the "launch" date for your first new campaign. Build a project plan that lists everything you need to successfully launch your campaign List owners for each item and deadlines. Major items include the list, the content, and the creative. Communicate your activities and plans to others in your organization.

ABOUT BRONTO SOFTWARE

Bronto Software is a leading email marketing software company with clients across North America and Europe. Organizations use Bronto's web-based solution to manage email contact lists for sending email newsletters, email surveys, and other email marketing communications. Features include automated email list management, email templates, list segmentation, and real-time tracking of mailings.

318 Blackwell St.
Suite 220
Durham, NC
27701
888-BRONTO1