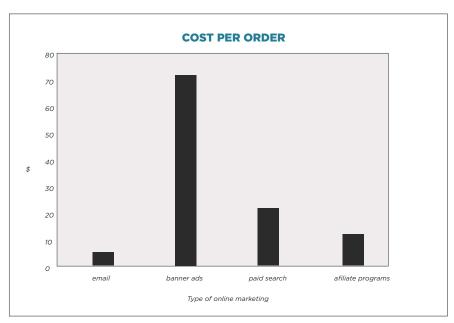**THE BASICS**

EMAIL MARKETING GUIDE
PART 1

eROI

Step-by-Step Email Marketing Guide

Email marketing generates maximum marketing return on investment (ROI), and drives online and in-person sales to new levels. The ROI index of email marketing is 70 percent higher than any other direct-response marketing vehicle. All businesses, both virtual and brick-and-mortar, can benefit from well-executed email marketing.

Guide at a glance:

PART ONE:

• Benefits of email marketing
• Types of email
• Building your list

PART TWO:

• Elements of a great email
• Putting it into action
• Tracking and measuring ROI
• Analyze this

COST PER ORDER

Type of online marketing

Source: eROI

As the top online marketing vehicle, email is delivering sales at an average cost per order of less than $7, compared to $71.89 for banner ads, $26.75 for paid search and $17.47 for affiliate programs. For every dollar spent on email marketing in 2007, marketers reaped an estimated $48.29 ROI.
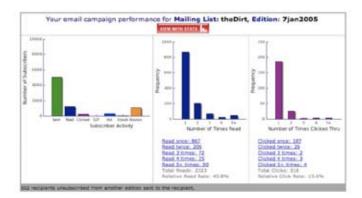
What are the Benefits of Email Marketing?

TRACKING

Tracking key statistics can give you a valuable snapshot of your email campaign results, Statistics such as: send/receive, open/read, click-through, bounce, unsubscribe, and send-to-a-friend rates help you catch trends and make recommendations for future online marketing communications.

This example was part of an email campaign which tracked votes on potential potato chip flavors.

INCREASE YOUR SALES CONVERSIONS

Every effective sales process requires an element of repetition. Think about a time where you've visited a new restaurant after driving past it every day, then decided to give it a try. That's repetition in action. Capturing an email address gives you a 'Plan B' and allows you to follow-up with a prospective customer after they have left your website or location.

GENERATE REPEAT SALES

The immediacy and creativity of email allows you to stay top of mind, building quality relationships with any customer segment. Businesses often focus only on the initial sale and forget about the lifetime value of a customer. Keeping in touch with

customers on a regular basis via email generates repeat sales, which can be up to four times more profitable than the initial purchase. A good email marketing campaign builds loyalty, increasing the frequency of repeat purchases from your existing customers.

PRODUCTS & SERVICES: UP-SELL, CROSS-SELL, EDUCATE

Email provides a great opportunity for you to up-sell, cross-sell, and educate potential customers on your products and services. If you're selling a service, once a customer has made an initial purchase you can use email to follow up with related

"59% OF EMAIL USERS SAID THAT THEY HAVE MADE A PURCHASE OFFLINE AFTER RECEIVING AN EMAIL PROMOTION."

services. This basic technique by itself can easily add an extra 30% to your average order value and is used by most major companies online. Use email to announce a product launch, or new addition to your menu of services.

GAIN VALUABLE FEEDBACK FROM YOUR VISITORS

Customer feedback is an invaluable tool for any business. This helps determine what products and services to provide, who to target, and what the market is willing to pay. Unlike face-to-face interaction where people can be shy about voicing their true feelings, email allows them to get right to the point. By using email as a feedback tool, you can adapt to what the market wants, improving your business and building trust with customers.

DRIVE WEB USERS TO MAKE OFFLINE PURCHASES, SUPPORT OTHER CHANNELS

59% of email users said that they have made a purchase offline after receiving an email promotion. Why? Sometimes a user will find something they want online but they need it straight away and can't afford to wait for delivery. Other times, the product might need to be demonstrated and they want to see, touch and feel the item. If you run a conventional offline business you can use email marketing to drive foot traffic through your door.

Step One: Types of Email You Can Do

NEWSLETTER

Sending a newsletter is an effective way to keep a potential customer in tune with your company, whether it's new products and services, general company information, or industry resources. The newsletter is usually sent monthly or quarterly and includes multiple content types.

EVENT INVITATION

Show potential customers on your email list what your company is doing, and give an impression of your company as forward-looking, active and social.

Above see an example of an event invite email. The freedom for creativity with content makes this a great example of how "bending the rules" of email can result in unique and effective email marketing pieces.
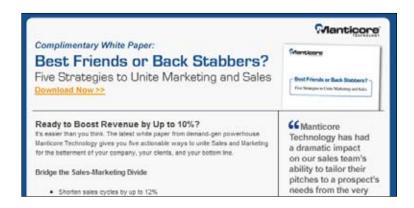

This CBS Fantasy Sports newsletter features efficient content organization and slick design rendering. This helps keep the user experience fresh and engaging even with large amount of content.

Reach out to potential customers that you have recently met, following up their initial action with one that will lead to conversion

DELIVERING DOCUMENTS

Deliver content directly to individual potential customers, or drive them to your website for tracking

Use email as a primary delivery method for hot content aimed right at the end user. Get your best whitepapers, podcasts and much more right in front of your audience.

EXCLUSIVE RELATIONSHIPS

Personalize communications, automatically and simultaneously tailoring them to several of your segments at once

Using personalization, this email can identify the specific needs of the person reading it. This results in a more effective dialogue between the company and the customer.

CUSTOMER LIFECYCLE

For information on sending Customer Lifecycle emails, download our Customer Lifecycle Whitepaper, also available in the eROI Resource Center at eroi.com

Step Two: Building your Email List

ASKING FOR EMAIL

When preparing to ask for a potential consumer's email address, it's important to ask yourself, "Why do I want these email addresses?" Am I asking for this because I want it, or because I need it to deliver more value to the user? If you are offering a direct benefit to the user for submitting their email, make sure to clearly tell them at the point of collection. This will encourage the user to submit a legitimate email address without viewing the process as just creating more work for them with nothing to be gained. Remember to look at the process from the user's point of view. Let potential customers immerse themselves in the experience of your site before being hit with a solicitation for their email address. Offer previews of articles or limited use of other site features before you ask them to register and submit their email address. Show them the value that you provide, not only for them as individuals, but for the community as a whole, and your task of collecting email address will be an easier and more successful one.

NEWSLETTER SIGN-UP
Keep up with the current trends in e-marketing and online media.

An example of a form, a common email collection point. By entering their name and email, the user selects which content they wish to receive

EMAIL COLLECTION POINTS

Collection points may include print and online contest and registration forms as well as point of sale. In an ideal situation, these lists aresegmented by origin, interest and marketing objective. Since we have established the benefit of marketing to existing customers, it makes the most sense to ask "opt-in" permissionto

send them information regarding your products or services. It's important to remember to only ask for the information that you need at first, as requesting too much initially will decrease your subscription rates. Making it easy for customers to opt in will allow you to collect more data at a later time. Once you'vestarted asking

"REMEMBER TO LOOK AT THE PROCESS FROM THE USER'S POINT OF VIEW"

permission fromcurrent customers, the next step is toask prospects. This may include an email newsletter signup on the home page, an opt-in checkbox on a website registration form, an email for trial offers, and opt-in at the point of purchase in your website, or even a mail-back contest or promotional postcard.

From there, you can expand into tertiary audiences like investors, press, analysts, potential employees or local community leaders. If you've started collecting customer emails late in the game, you have a few options as to how to reach customers lacking email addresses in order to garner permission to send them emails. The first option is to send a postcard to those with mailing addresses requesting that they update their information, which would include an email address and an opt-in check box, whether returned via mail, fax or Web forms. Many companies use PIN codes on direct mail pieces that are driven to a campaign site ww.mywebsite.com/offer.html or a stand-alone URL not at the parent site).

What's Next?

Stay tuned for Part Two of eROI's Email Marketing Guide, where we show you how to: Recognize elements of a great email, build your email, and put it all into action...