Email Marketing: A Strategy Sequence to Drive Conversion and Clickthrough Rates

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The marketing ecosystem consists of a holistic, yet complex, approach, incorporating different print- and web-based platforms to target specific audiences and enhance an organization’s strategic goals. As a part of this ecosystem, the purpose of email marketing strives to maintain communication with an audience through email messaging in order to elevate the awareness of an organization. Typically seen as an inexpensive, instantaneous, and preferred form of communication, email marketing, however, requires organizations to continually reevaluate the content, format, and design of an email in order to increase the effectiveness of an email campaign. (C. Spencer, personal communication, February 10, 2014; Aquino, 2012; Gao, n.d.; Klie, 2011; Merrett, 2012; Ray, 2012).

Message and Strategic Goals

According to Bryan Brown, Director of Product Strategy at Silverpop, “email is here to stay. Everyone has an email address, and it’s becoming easier than ever to tailor an email to a person’s specific interests instead of just sending one general email” (Aquino, 2012). In this article, Aquino (2012) highlights an important aspect of the consumer as it relates to the current culture – the undeniable prevalence of email in everyday communications. It has become a common way for organizations to reach multiple audiences and consumers, who support and/or are financially invested in an organization (Aquino, 2012; Popick, 2010).

Although email provides an efficient method for communicating with a variety of audiences and a mass market of consumers, the current culture has also forced organizations to develop strategic methods that effectively engage audience members and develop awareness (Kau, n.d.; Klie, 2011; Minsker, 2013). Due to the frequency of web-based interactions, potential consumers are inundated with a high volume of emails, including spam or junk email, increasing
the risk of implementing an email campaign without the desired outcomes, such as heightened consumer investment with the organization and growth in sales of a service or product (*Email campaign performance*, n.d.; Kau, n.d.; Ray, 2012).

Christopher Spencer, Senior Associate at PricewaterhouseCoopers, provides insight into the foundation for overcoming this barrier. Spencer suggests that organizations should start with developing an email message, such as accurately conveying intended information to the consumer, which aligns with the organization’s goals or strategic plan. Along with this method, organizations should also consider creating a consistent message that continuously reflects the content of other print materials and web-based platforms. In particular, organizations should consider the purpose and content of their website, which acts as the basis for consumer engagement (C. Spencer, personal communication, February 10, 2014). This, as Spencer describes, establishes intention with a specific audience; and through the email and web-based platform connection, organizations are able to reinforce marketing efforts to secure consumer engagement and potentially increase financial investments and time committed to an organization (personal communication, February 10, 2014).

### Audience and Segmentation

Once an organization has established a clear and concise email message, organizations should incorporate another key component of email marketing – understanding the audience and creating segmentations (C. Spencer, personal communication, February 10, 2014; Kau, n.d.; Klie, 2011; Minsker, 2013). In basic terms, Jay Conrad Levinson, author of The Guerilla Marketing Handbook, states, “*segmentation* is saying something to somebody instead of saying nothing to everybody” (Kau, n.d.). However, the process of developing segmentation involves
analyzing potential audiences through the collection of descriptive demographic data and behavioral patterns so that an organization can specifically construct messages that increase consumer engagement (Kau, n.d.).

As described by Spencer, organizations can create segmentations through two, different avenues – “on-line data” collected at the “front-end” of consumer engagement, such as initially entering an organization’s website through an email, or “off-line” data collected at the “back-end” of consumer engagement, such as logging into an organization’s website as a returning member and subscriber of emails (personal communication, February 10, 2014). These two methods for collecting data are apparent in opt-in or email subscription forms, which may include options for selecting the type of content in an email as well as the frequency of receiving an email, and previous purchasing behaviors (C. Spencer, personal communication, February 10, 2014; Popick, 2010). The latter method may contain the history of a consumer’s interests, including a detailed account of services or products a consumer purchased, highlighting the trends or tendencies of a consumer (C. Spencer, personal communication, February 10, 2014, Kau; n.d.).

In addition to on- and off-line data through the email and website exchange, organizations should simultaneously implement other methods for collecting data, such as distributing surveys, conducting personal interviews, and holding focus forms (Kau, n.d.). These methods heighten consumer engagement, targeting the “right people with the right message,” by collecting additional information about the consumer, such as psychographic information, needs, and desired benefits – the greatest factor that influences the likelihood of engaging with email marketing (Email Marketing, 2013; Kau, n.d.). The collection of this data through multiple avenues allows organizations to fully understand their audiences and construct personalized
messages while addressing the issue of the culture of mass communication and the overloading of information through email (Kau, n.d.).

**Personalization and Trends**

“Personalization is vital to connecting with subscribers one to one. Triggered emails are critical in reaching customers when they’re most receptive. Mobile design is a must, as more consumers read email on smartphones. And crosschannel integration is now expected by even less sophisticated shoppers.” – Chad White, Director of Research at Responsys (Klie, 2011).

As previously mentioned, the purpose for developing segmentations is to create specific messages geared toward individuals, such that consumers believe the organization is personally contacting them (C. Spencer, personal communication, February 10, 2014; Kau, n.d.; Klie, 2011). This part of the email marketing is apparent through the greeting in the body of an email, in which organizations use their contact information databases to imbed each consumer’s name into the email (Jay, 2012; Klie, 2011). However, this personalization strategy has become an expectation with implementing an email campaign and organizations are striving to develop innovative tactics to target audiences in meaningful and authentically individualized ways (Klie, 2011; Minsker, 2013).

Many organizations are operating on simple and basic pieces of information that do not accurately describe the consumer. This information includes open and click rates (Minsker, 2013). Open rates describe total email open rates – the number of times an audience member opens the email – and unique email open rates – the number of audience members, who opened the email (Email campaign performance, n.d.). Clickthrough rates, on the other hand, provides additional information on the behavior of consumers, indicating how many times a consumer clicks on a link or links in an email and how many consumers have clicked on a specific link or links in an email (Email campaign performance, n.d.; Gao, n.d.). In order to customize email campaigns for
each segmentation, however, organizations should thoroughly consider the demographic, psychographic, and benefits information as previously described (Kau, n.d.; Minsker, 2013).

As a part of personalizing email messages and content, organizations are investing in the trend, in this case the growing pattern, of utilizing video marketing as an effective method to engage consumers (Email Marketing, 2013). Organizations are realizing the impact that videos have on consumer engagement, and according to the Web Video Marketing Council, 73% of marketers believe videos positively impact clickthrough and conversion rates, such as the number of purchase of services or products that were generated directly from an email (Email Marketing, 2013; Email campaign performance, n.d.). As that are incorporating this component into their email marketing strategies take advantage of two options – click-to-view, which allows the consumer click a link that directs to a website to view a video, or video-in-email, which imbeds a video directly into an email (Email Marketing, 2013). Depending on the segment and like other components of content in an email, the organization can select a specific video to meet the interests and desires of the consumer. These videos may include product displays, product or service demonstrations, educational instructions, customer reviews, and event footage (Email Marketing, 2013).

Testing and Adjustments

Beyond segmentation and creating a personalized email message for targeting consumers, organizations should implement ongoing testing methodologies in order to maintain the effectiveness of an email marketing campaign (C. Spencer, personal communication, February 10, 2014; Klie, 2013; Merrett, 2012; Ray, 2012). These testing methods may include basic tests such as testing if the images appear and links are active across different email servers, or more
complicated analyses, such as A/B testing (How does A/B Split testing work?, 2013; Jay, 2012; Merrett, 2012).

A/B testing requires organizations to develop two marketing campaigns that differ by a single variable, such as the subject line, image, the content in the body of the image, or even the time an email is sent (How does A/B Split testing work?, 2013; Merrett, 2012). The purpose of this analysis is to determine the factors that increase open and conversion rates (Merrett, 2012). Continual testing, including A/B testing, is imperative for organizations to maintain optimization and consumer engagement (C. Spencer, personal communication, February, 10, 2014; Klie, 2013; Merrett, 2012; Ray, 2012).

For example, the following image from “How does A/B Split testing work?” illustrates a potential scenario for assessing the effectiveness of an email campaign (2013). In this specific example, the organization develops two emails with one altered variable – the wording of the subject line – and sends these to two different groups sampled from the organization’s database of contact information (How does A/B Split testing work?, 2013). Based on the subject line, the organization is able to determine what subject line appealed more to the groups, indicated by the number of clicks in the email, and uses that email campaign for the rest of the targeted audience (How does A/B Split testing work?, 2013).
Beyond these tests, however, Kevin Gao, CEO and Founder of Comm100, stresses the importance of cleaning an organization’s database of contacts (n.d.). This includes retrieving email addresses that have bounced back, indicating that these accounts are no longer active, as well as updating email address if a subscriber has changed their account information (Gao, n.d.). In combination with testing, this cleaning method may improve open and clickthrough rates by removing inactive and unengaged consumers (C. Spencer, personal communication, February 10, 2014; Gao, n.d.).

Organizational Resources

Through the sequence of these components, incorporating segmentation, personalized and customized messaging, and implementing testing procedures, organizations are able to utilize email marketing to the optimum potential in increasing consumer engagement. In order to implement these components, though, these organizations require the personnel and a system for efficiently developing and testing email campaigns. Through experience, however, the system for email marketing becomes a model for future emails, streamlining the process for effective communication (C. Spencer, personal communication, February 10, 2014).
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