E-Mail Marketing

Marketing, Media and Communications

Michele Sinclair

February 11th, 2014

“Emailing is the number one internet activity” (Phelps et al., 2004, 333). In 2004, 90 percent of Internet users used email. Ten years later, that number and the number of Internet users globally is assuredly much higher. According to Phelps, the average household recieves nine email marketing messages a day, and 3,285 a year” (p. 334). While that number is also likely low compared to today, for that reason and many more, email marketing is “arguably one of the more potent tools available to advertisers,” (Pavlov et. al, 2008,1191).

I received at least forty emails each day in the past week. About 85% of those emails were spam, although many of them were attempts at marketing I simply wasn’t interested in spending the time on. According to Cheng et. al (2009), “e-mail marketing is a type of interactive digital advertising in which immediate interaction between marketers and consumers can be made” (p. 503). Truly, in the ways it is utilized by small non-profit organizations with little marketing budget and large corporations with a large marketing budget, email marketing is an important new form of personal and company wide communication (Gopal et. al, 2006,1366). It is often quicker to write an email than a comment on social media and most definitely more efficient than writing a letter by hand. The immediacy and accessibility inherent of email marketing are two of its most compelling attributes to marketers and recipients alike.

Email marketing gives advertisers “twice the return on investment relative to other forms of online marketing,” (Pavlov, 1191). $57.25 is gained by a relatively large organization for each dollar spent on marketing versus an average $22.52 gained through other forms of direct marketing (p. 1191). The

little time and effort it takes to write and send emails means that marketing staff for companies small and large can be more productive in their campaigns. For people already using email, which, as stated before, is the majority of Internet users, email marketing is simply the process of information gently being pushed their direction. It is relatively seamless and requires little else but that recipients check their email regularly. Email marketing is at a very low cost to the market and can “target messages selectively”, and incur “high response rates relative to other forms of direct consumer contact” (Cheng et. al, 2009, 503). The email marketing world has seen “astronomical growth” in recent years, turning the internet into “a domain of corporate activity,” providing opportunities for companies, irrespective of their size to compete globally” (Gopal et. al, 2006, 1366). Gopal goes on to explain that “marketing companies can relatively easily obtain lists of email addresses and the cost of sending email solicitations to these lists is minimal… it makes economic sense to simply flood the entire list with solicitations as they become cost effective even at extremely low response rates. The incentives to do so are especially high for smaller establishments that [can’t] afford the traditional and more expensive advertising channels” (Gopal, 1367).

Email marketing is not without difficulties. “More information is not better” (Pavlov 1191). Useful email marketing messages can end up “lost in the background noise with negative consequences for short term return on investment and long term industry health” (Pavlov, 1191). From what I understand, Pavlov is referring to the difficulty in relaying a positive, attractive, authentic message through the often flat, colorless, spam filled platform of email.

If email messages aren't reaching consumers in a way that encourages them to act, reaching them too often or aren't reaching the indented consumers at all, a company can suffer greatly in the short term. In the longer term, they may find difficulty cultivating a sustained audience base due to negative connotations with the marketing campaigns utilized by the company. The **message**, or the central underlying theme within an advertisement, is critical. It may be subtle or direct. However, as Chelsea Kari once noted, "there are a number of factors which contribute to whether your message is successfully received or not," the first and most primary being if the recipient of the email choses to open the email or delete it.

Email marketing places significant trust in the recipient to open emails and have particular responses to emails. The trouble is, "little is known about the motivations, attitudes and behaviors" of the people receiving and passing along emails (Phelps 333). While some organizations do know their target recipient's needs and interests well, others do not. Some organizations decide it is most economically beneficial to mass email thousands of people an advertisement at a time while others hand choose a smaller recipient group and hope that those people will initiate and pass along email to others who might be interested. The recipient(s) can become a type of marketing force in itself, especially in smaller, more unique organizations. Good marketing strategy, as outlined in Darrel Kau's lectures, recommends that the recipient(s) must be consciously understood as living, breathing, feeling individuals with a wide range of needs and interests. The recipient is a **consumer**, the audience members, actual or potential, that the

organization is hoping to attract. If an organization manages to meet the needs of the consumer, they can greatly increase marketing productivity in levels of event attendance, donations, revenue—whatever the goal may be.

People are found in clusters. Whether these clusters represent interests, neighborhoods, relationships, organization affiliations or the people who buy ice cream at Prince Pucklers rather than Dairy Queen, these clusters tend to influence their online presence and the choices they make when reading (or not reading) emails. It is realistically impossible for email marketers to learn the needs of each consumer, but clusters can help. Phelps et. al note that within in email marketing, there are “important invisible networks comprising hubs, clusters and connections among clusters” (p. 334). These include social and communication networks, opinion leadership, source credibility, uses and gratifications and diffusion of innovations (334). Each of these specific clusters and connections can provide email marketers insight into viral marketing processes and participants’ motivations. Consumers often times have just as much or more power than marketers to influence other consumers (p. 334).

Even within clusters of consumers with general similarities in interests or needs, there are several other factors that influence a consumer to read, delete or forward an email. Interestingly, when study participants are asked what kind of people pass along emails, they overwhelmingly respond, “people with too much time” (Phelps, 336). Truthfully, most people do pass along email from time to time, if the email meets what Phelps et. al describe as a personal “quality threshold” (p 334). This “threshold” is likely derived from the message in the

email and what **values** that message represent. As Carrie Morton stated, “values have meaning and sometimes morality associated with them. They often set a standard against which actions are measured. Values can be very personal, but also exist on institutional and societal levels. Successful arts organizations often determine a set of values that are reflected in their vision and mission statements and filter down throughout all levels of the organization… These values are then translated into the visitor experience.” Part of this visitor experience is the online experience, and a consistent message and attached values helps maintain loyalty among constituents and attract new consumers. Email recipients may additionally draw from any number of motivations to read email or pass it along, most commonly favoring email messages with “altruistic, comforting, evangelical, superstitious” themes (Phelps 337).

As discovered by Cheng et. al, most consumers feel that emails are “informative, entertaining or irritating” (501), and subject matter plays a role in those responsed. “Good deeds, jokes, gender issues and crime warnings” are most commonly passed along (Phelps 342). According to the study by Phelps et. al, email recipients open emails and pass them along mostly for entertainment purposes (343). In addition, email marketers shouldn’t take subject lines in emails for granted—if the consumer doesn’t already know the sender, subject lines are the first indicator whether recipients will feel inclined to open an email. In addition, “because subject lines tend to be retained throughout the life of an email, they deserve special attention” (Phelps 346). Subject lines have a particular ability to persuade the consumer in the way in-person communication

could persuade a consumer to participate in an activity (Phelps 334). Marcus Renner defined **persuasion** as “the extremely difficult task of unpeeling someone from their point of view, enough so they actually change their behavior and make a different decision than they otherwise would have made.” The arts have made clear the immense power of language and imagery in persuading people to step outside formerly held beliefs. While more difficult to decorate, emails can have a deeply persuasive artistic draw.

It is essential that email marketers remember their own human qualities when designing email campaigns. Just as marketers themselves have experienced, consumers are often opening emails at work, and are already frustrated to have found a flooded inbox, just a hour after last checking emails. This is where strategy is so important. Defined by Alex Richardson, **strategy** is “an action plan, a coordinated set of tools… Marketing strategies seek to identify and address those areas where a brand or product’s reach may be lacking.” One of the most important strategies utilized by successful email marketers is to give the impression that consumers are opening emails from people they know. “Consumers often hit the delete key when they know the message is from a marketer. They are much more reluctant to delete a message from a person they know” (Phelps 334). Carefully designed subject lines can aid in this strategy, as many companies attempt to include the recipient’s city of residence or name. When personalization is not possible, email marketers can avoid incurring bad track records through utilization of the “opt in” and “opt out” approaches. “The opt-in approach allows businesses to send email solicitations only to individuals

with whom they have a prior business relationship" (Gopal 1367). This is an attempt to minimize the sheer mass of unwanted email consumers are receiving so that targeted messages are better received and more likely opened. In the "opt-out" approach, "businesses can make first contact with consumers but must honor a recipient's request to be removed from the email list" (Gopal 1368). Either way, to avoid having emails being received badly, email marketers must systematically evaluate and properly integrate email marketing into the business strategy of the greater organization or marketing initiative for greatest success (Cheng 519).

Among the future implications for email marketing is the rapidly growing role of price discrimination. When marketing certain goods, "consumers are willing to pay a higher price when the good is in fashion despite the prospect of a significantly lower price in the future" (Gopal 1372). Whether this is regarding fashion trends, artistic styles or an upcoming musical, price discrimination plays a strong role, especially if consumers are fed **incentives** to "buy now" instead of wait until later. For example, if a consumer was told that all the good seats in a theatre will be sold out by a certain date, they will be more likely to buy tickets immediately if it is a show that is targeted towards their individual interests. Defined by Erin Empey, an incentive is "a motivation, a stimulus, a reason.. to get people to participate." Price discrimination and carefully delivered incentives are forms of market **orchestration**. I understand orchestration as a way of coordinating messages surrounding all of us as we navigate through a media musical, in which there are the roles of the conductors, the instruments and the

actors. In this case, the conductors would be the marketers designing and sending emails, the instruments would be the email databases and platforms which deliver messages to consumers and the actors, of course, are the email recipients.

"Email marketing is a legitimate, lucrative and widely used business tool that is in danger of being overrun by unwanted commercial email" (Pavlov 1191). The increase in mass emailing could even lead to a drop in response rates across the board due to frustration in the misuse of the medium (Phelps 334). Consumers will continue to make decisions regarding which emails to open, which to delete, and which to pass along to others. While there may come a time when consumers simply decide to stop using email to avoid spam emails, it is likely that email marketing will continue for some time. Interestingly, participants in Phelps study "described negative emotions they would experience in the absence of email. They said they would miss email if it were taken away" (Phelps 338). "It made them feel like they were communicating with somebody when they really were not" (p. 338). Email marketing can be as powerful and memorable as other forms of direct marketing and should be executed only with a defined message and clear action plan.

Works Cited:

Cheng, Julian Ming-Sung, Charles Blankson, Edward Shih-Tse Wang, and Lily Shui-Lien Chen (2009), "Consumer attitudes and Interactive Digital Advertising," International Journal of Advertising, 28 (3), 501-25.

Gopal, R. D., Tripathi, A. K., & Walter, Z. D. (2006). Economics of first-contact email advertising. *Decision Support Systems*, *42*(3), 1366-1382.

Pavlov, O. V., Melville, N., & Plice, R. K. (2008). Toward a sustainable email marketing infrastructure. *Journal of Business Research*, *61*(11), 1191-1199.

Phelps, J. E., Lewis, R., Mobilio, L., Perry, D., & Raman, N. (2004). Viral marketing or electronic word-of-mouth advertising: Examining consumer responses and motivations to pass along email. *Journal of advertising research*, *44*(4), 333-348.