



Grow Your Email Marketing List

Email remains the most potent, popular, and productive marketing tool.

Email has the highest return on investment.

The Direct Marketing Association (DMA) puts email marketing's ROI for 2011 at \$40.56 for every \$1 invested. This compares to catalogs' ROI of \$7.30, search's return of \$22.24, Internet display advertising's return of \$19.72 and mobile's return of \$10.51. The final figure for 2012 is predicted to be slightly less, \$39.40, but email will still be the runaway leader.

Buyers prefer email to other communications channels.

A 2012 survey of consumer channel habits and preferences found 77% preferred to receive permission-based promotions via email; only 6% preferred such messages via social media. A similar survey of UK consumers found 69% with a preference for email as the channel for brand communications.

Buyers make more purchases from email communications.

66% of online Americans say they have made a purchase as a result of an email from a brand, more than three times the percentage of people who have purchased in response to a message delivered via Facebook (20%) or text message (16%).

Obviously growing your email list continues to be critically important to your sales success. Let's examine the ways to do that.

1. Plan and prepare

First, like any plan, begin with the end in mind. Your goal is to gather permission-based email addresses from potential customers who legitimately want to hear from you. How many you need depends on your sales goals, average conversions, the length of your sales cycle, and the health of your current list. Work backwards from sales goals. Get input from the sales team to make sure you're working with the same definitions and numbers, and agree on a goal. Building your list is more than a numbers game; you want to find high-quality, legitimately qualified prospects who will (sooner or later) buy something from you. Filling a list with the addresses of people who will never consider buying from you is a waste of resources. It can also come back to bite you when those people ignore your email or worse, mark it as spam. The ISPs are watching, and every time you're snubbed they make a note of it...your deliverability will be negatively affected.

Understand your potential customers, who they are and what they want, and tell them how they will benefit by joining your list. Set the expectation that you will deliver value, and then exceed those expectations.

Train your people

Make sure your entire staff, especially the customer-facing team members, understands the importance of gathering email addresses. Train employees on gathering the right thing: permission-based email addresses from genuine prospects who actually want to hear from you. Determine what benefits there are for the prospect who opts in, and teach your people how to convey the value and benefit to the potential customer.

Incent your people

Consider giving employees some kind of incentive within an existing sales incentive program or regional incentive program. Caveat: Incent the behavior you want. Incenting only email address gathering tends to spike rates of bad and fraudulent email addresses, whereas rewarding legitimate growth of the email database can work well.

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2. Gathering email addresses in the real world

Brick-and-mortar locations

If you have a physical location, maximize your calls to action at the point of sale or interaction with customers. Even if people are just window shopping, you can reach them with calls to action to engage with you via an email program that offers benefits and value. That could be discounts, sales alerts, new product releases, contests, etc.

Receipts

Retailers are beginning to tie receipts in a physical point of sale to email. Customers who provide email addresses can get receipts sent to them, which is extremely convenient. It's a helpful gesture, and paves the way for an upsell on the benefits of opting in. It also enhances deliverability, as the ISPs watch customers open those emails with receipts. That "open" behavior makes that retailer's overall email look more important and wanted.

Caveat: If you're going to be following up email receipts with sales messages, it's always best to disclose to the recipient that they may in future receive a commercial email from you.

Product opportunities

Don't throw your warranty registration or service agreement over the fence to a third party. Run at least some of the program yourself, and take advantage of this tremendous opportunity to engage people.

Events

You can network and swap business cards at all kinds of events, from a Rotary Club meeting to your teenager's baseball game. Trade shows in particular are a target-rich environment. Consultant DJ Waldrow tells how one of his clients leverages the trade show circuit:

"My client has people on the floor of an industry event with iPhones. They have potential prospects type their addresses in directly, which enhances commitment and ups the odds that the addresses are real and correct.

"They also have a campaign set up with a welcome message that's triggered for that specific event. As soon as that prospect signs up, whether they type their address in themselves or the person on the floor types it in, the prospect automatically gets a welcome message that's targeted towards this very event. And that welcome message is a template, so it's easy to reuse for the next event, keeping the same triggered message going."

A Wells Fargo customer comments:

"If I take money out or make a deposit, I have the option right on the screen to send an email receipt. This gives Wells Fargo the opportunity to verify that my email address is correct. It's just one more soft-touch reminder that I'm getting email from Wells Fargo, so then when I do get that next sales email, it's not as much a surprise to me."

3. Gathering email addresses in the virtual world

People trade their email addresses and other information only in return for something they want. You can use all kinds of strategies, from paid ads to co-marketing to search, to offer something of value.

Your website

If you have a newsletter or other type of outbound communication that offers value, make it easy for people to sign up. Place this call to action on all your pages, above the fold if possible.

If you offer white papers, videos, infographics, or other types of content, promote it in various places and gate it. Remember that the less information you ask for, the more likely you are to get that email address. As you build a relationship with a prospect, you can use progressive forms to further profile people.

Test a pop-up form to gather newsletter sign-ups. Many people find them less annoying if they don't pop up instantly, but delay by 30 seconds or so. And annoying or not, they work well for many companies.

Online events

Webinars are great – the people who register will be those who are genuinely interested in your product or solution, and they can't get the information without trading their contact data. They also expect you to send confirmation and follow-up emails.

Social media

People connecting with you on social media are not necessarily also subscribed to your email list. It's good to have a strategy aimed at getting the ones who should be prospects into your list.

It's important to drive them into the email channel for several reasons:

- If your Facebook, Twitter, et al. account is very active, a constant barrage of updates can bury your messages or render them just invisible to some of your fans or followers
- Email is the only environment that we can assume most people check daily
- People who desert their social accounts for whatever reason are probably going to remain on email

Consistently, the data shows that 92-95% of U.S. online users are using email. Compare this to the Pew Internet Project's August 2012 study:

- 66% of online adults say they use Facebook
- 20% of online adults say they use LinkedIn

What Crocs did

Certain retailers have been successful using content or contests to convert fans to email subscribers. Last year Crocs had a strategy: If you Liked the company on Facebook, they'd ask you to opt into email and give you some sort of incentive, such as 25% off your first purchase.

- 16% of online adults say they use Twitter
- 12% of online adults say they use Pinterest
- 12% of online adults say they use Instagram
- 5% of online adults say they use Tumblr

Make it clear to your social network what they will gain if they sign up to receive your email. It should be something they can get only by subscribing. Your subtext should be, “You need to be on our email list. You’re missing out on something else that we’re not giving you here.”

Twitter is a smaller audience, but it has the largest amplification effect. People who tweet daily are creating content at the rate of two to six times others (frequency, not quantity). Research shows that people on Twitter feel anxious about the persistent messaging and fear missing out; appeal to this group with a message amounting to: “Email is the only way you know you won’t miss out on things from us.”

Video

If people are tuning into your videos for education or entertainment, include a pitch for your email list. Tim Carter of AsktheBuilder.com began tagging his how-to videos with a pitch for his weekly newsletter, and got 38% more signups than he had with video annotation.

Play to your existing strengths

When Dropbox began in 2008, it had a rudimentary marketing plan: “Big launch at TechCrunch50; buy some AdWords; hire, ummm, a PR firm or a VP of marketing, or something...”

In 2009 Dropbox launched an AdWords program using SEM and affiliate marketing. This did get some results, but at a cost of \$233–388 per acquisition. For a \$99 product.

However: Dropbox had noticed that seven months after launch, they had 1,000,000 users and a very happy community. They discovered that the typical user had learned about the company from a friend. They developed a new strategy to leverage loyalty, including a two-sided referral program (both the person who signs up for Dropbox through a referral link and the referrer get extra space). This strategy increased signup by 60%. Dropbox went from 100k users in September 2008 to 4 million in January 2010, to 25 million in April 2011, to 100 million in November 2012.

4. Buying third-party data

If your company's growing quickly, getting leads organically may not provide the volume you need. When the number of leads needed to meet the sales quota outgrows marketing's ability to fulfill it, you might consider third-party data.

Buying third-party data is a practice with a clouded history, but advanced technologies in recent years have allowed reputable companies to build databases responsibly. It's up to you to choose a good provider and purchase responsibly. Here's a guide to due diligence:

What to ask about the list:

How is the data collected?

- Good answer: Through a permission-based process
- Bad answer: Scraped using an internet crawler (this is illegal, and no one will admit doing it, but unscrupulous vendors may in fact gather addresses this way)

How is the accuracy verified?

- Good answer: Phone-verified quarterly
- Bad answer: Verified?

What data elements do I get?

- Good answer: Full record including geography and demographics
- Bad answer: Just email or postal address

Is there a return policy if the data is bad?

- Good answer: Yes, unconditional
- Bad answer: No, or limited to proven bad records

What to ask about the vendor:

- Where are they located? "Out of the U.S." is a black mark
- What's their reputation? Ask around. Some of your real-time and social network friends are buying lists, see what their experience has been with this vendor. Bad news travels quickly; irresponsible vendors leave obvious tracks
- Can you test before you buy? "Yes" is the only good answer. Test in small batches and have measurements and metrics planned before you do so
- How automated is the vendor? Platforms are more efficient than people; the more automated, the fewer errors

Red Flags

- The price is too good to be true – they're willing to sell you \$1 million names for \$1.00
- You receive a file which contains a large percentage of addresses from a single ISP
- The vendor's Terms and Conditions aren't clear
- You ask for references, and they stall...or give you names you can't reach

Just as with every facet of business, look for a vendor who passes the sniff tests, has a good reputation, and appears to want to establish a partnership with you. With the right lists, you can enjoy faster ROI. With the wrong ones, you'll waste money, encounter deliverability issues, and your reputation will suffer.

A final note

Be patient. Slow and steady will win this race. If you create a culture of email address acquisition and maximize all your touch points, you will grow a very healthy list. If it's smaller than the lists of marketers in other industries – that may just be the nature of your industry. What matters is that your list is healthy, and productive enough to deliver the growth you need.

About Act-On Software

Act-On Software's cloud-based Integrated Marketing Platform is rapidly becoming the foundation for successful marketing departments in organizations of all sizes. Act-On's highly intuitive user interface, Instant-On™ database, and complete online marketing tool set, have enabled the accelerated adoption of marketing automation technologies by smaller marketing teams without dedicated database maintenance, process analysis or IT support.

Built around a third-generation email marketing system, and featuring forms, landing pages, drip programs, social media prospecting, webinar management and the ability to automate critical marketing tasks, the Act-On integrated marketing platform generates rich analytics in real-time for multi-channel online marketing campaigns. An adaptive behavioral scoring capability and a deep integration with Salesforce.com and SugarCRM enable Act-On to push only the most promising, sales-ready leads to sales representatives.

Our customers tell us that Act-On enables them to keep their focus on their campaign objectives rather than on the underlying technology, and that they feel free to create and manage the marketing processes that best align with their corporate culture, skill sets and reporting requirements, thereby maximizing their effectiveness and ensuring positive outcomes.

The Act-On Integrated Marketing Platform can be implemented in a matter of hours rather than days and weeks. Contrary to general industry practices, all contracts regardless of size are month-to-month, with prices starting at \$500.

Check us out and see for yourself why well-established companies like Motorola and Siemens, as well as rising stars like HAAAdvantage, BreakingPoint and Fusion-io, count themselves among our 250+ happy customers.

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