

## The Resurgence of Email Myths

Jamie Schissler, February 2009

Among the things hard economic times have brought us is the resurgence of some email marketing myths, as well as some new variations – or strains. Like a dormant and opportunistic virus that has been activated by an exhausted immune system, these myths are gaining strength under the pressures of a weakened economy. They are breaking out in various locations – from the C-Level suite, to brand managers, and even among some of the folks in the trenches. Recrudescence – an outbreak after a period of quiet – is an apt description. So let's take on three of some of the most popular myths.

**Myth 1: Send more email:** Perhaps the mother of all myths, the call to increase mailing frequency is often made in order to compensate for a file that is performing below previous or historic levels. But beware. The net benefit is often negative. More email often results in irritating consumers, which in turn results in increased unsubscribes. The incremental revenue obtained through increased mailing is often disproportionately offset by the lost revenue (in both the long and short term) from consumers who are no longer on your list and/or influenced by regular communication. So the solution is not about sending more email, but rather being more strategic in your customer communications. Utilize differentiated messaging supported by segmentation that speaks to the unique needs and wants of your customers rather than carpet-bombing them with more email.

**Myth 2: Increase (email) acquisition efforts:** The notion that it costs more to acquire a new customer than to leverage and cater to the ones you have has become axiomatic. And for good reason. In challenging economic times when budgets are under increasing pressure, maximizing the value of your house list and keeping existing consumers engaged while deepening their relationship with the brand is critical. Acquisition is still an essential marketing function, in which email has a role. But when push comes to shove, taking care of existing customers needs to be the priority. Spend this time focusing on optimizing customer experiences, and take a broad view that includes the initial registration process, welcome messages, newsletter content, landing page optimization and site interaction. Think like a publisher by pulling consumers into the brand through content and value.

And don't forget about those consumers you may have on file who are not engaged with the brand through email. Many brands have large populations of consumers in the database for whom they have no email address on file. Consider "acquisition" efforts targeted to this segment to both increase the value of the house list and minimize communication costs. Re-evaluate and optimize organic email acquisition to capture as many consumers as possible – from inbound calls to direct mail and packaging.

**Myth 3: Use list rental to drive site traffic:** We don't have the budget for display media, so let's use list rental to drive site traffic and impact conversion – or so the logic goes. This was a

popular myth a few years ago that had all but died. Now budgetary pressures are bringing it back. Though understandable, this is a particularly insidious myth in that it assumes that sending an email to consumers with whom the brand has no previous relationship will result in site traffic and/or conversion. For most brands, the low ROI makes the tactic difficult to justify. First, list rental CPMs are expensive relative to display CPMs, so your effective reach is quite narrow. Second, list rental has the best results when the goal is to jump-start consumers' engagement with the brand by having them subscribe to your list so you can engage in relationship building. And third, it's dependent upon an incentive, such as a discount, sweepstakes, premium content, and so forth, which have additional cost implications.

### **Be Vigilant**

A combination of approaches is the only way to stave off the recrudescence of email myths and the disappointing results that often follow. Be vigilant. Focus on building strong business cases for initiatives, developing strategies focused on the customer experience and building loyalty, and leverage customer data to drive interactions.

### **About the Author**

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