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## **Improve Your Open Rates for Acquisition E-mail**

By Albert Gadbut

The most common question I get as a panel participant at industry events when addressing audiences on the topic of online marketing, specifically e-mail marketing, is: "What can be done to increase the open and clickthrough rates for e-mail efforts?" In my position, I see hundreds of e-mail campaigns by dozens of marketers every year. Often, it's the fundamentals that are overlooked by marketers when building their e-mail strategies. The following principles and practices are associated with acquisition e-mail but also apply to CRM programs. And they serve as strategies to consider and employ to yield higher response rates and a more effective e-mail marketing effort.

### **Open Rates: a Strange and Flawed Metric**

When analyzing your campaign, the first thing to consider is open rates. However, open rates are a strange and flawed metric. Less than 25 percent of all e-mail clients (like Outlook 2003 or AOL Mail) allow images to be served when the e-mail is opened. For the open to be measured, the recipient is required to right-click on the message to request that the image be served, and only when the image is served can the 1 x 1 pixel be served that allows the opened message to register as being opened. This means the number of people who really open your e-mail can be much greater than those measured. How do you get the majority of people who open your message to right-click to view your images? It boils down to basic trust and value that will incentivize people enough to engage with your e-mail to take that extra step.

### **Incentivize Your Audience to Engage**

How do you, as a marketer, enhance the trust and value proposition associated with your e-mail campaigns? It helps if you have an established brand. If you don't, you need to build trust and your brand over time. E-mail is a reasonable and cost-effective brand-building tool when used properly. However, other media, such as banners, search engine marketing and offline media, may provide you with more value while you are building your brand. It's critical to understand that if you have the budget and time commitment, you'll get a better lift and a stronger ROI by utilizing a diverse mix of online and offline marketing solutions that are coordinated around a particular campaign and a clear, consistent message. It sounds simple, but marketers who misunderstand this point have wasted millions of dollars.

### **Offer Quality, Increase Your Response**

Once you have maximized your branding and multichannel strategies, it's important to consider offer quality. Offers from the same marketer that promote sales or discounts yield higher opens than nonpromotional offers. That being said, the higher the discount offering, the better the response will be (30 percent off yields higher than 10 percent off). In the end, the Internet and e-mail are tools for shopping. Consumers are looking for bargains, and they want to believe you are offering them a special promotion. This is why e-mail can be so effective. It allows you to be proactive with consumers and guide them to your site when you have specials to offer, not passively wait for consumers to voluntarily navigate to your site. This applies to both acquisition and CRM e-mail. It's very important to be consistent with your e-mail messaging and your Web site messaging. Any offer highlighted in an e-mail should carry through to your Web site. If not, you risk hurting your brand, and your e-mails may be considered irrelevant to consumers moving forward.

### **Frequency, Frequency, Frequency**

The frequency at which you mail your offers is the final point to consider when building an effective e-mail strategy. CRM marketers have known for decades that you need to communicate to your existing customers regularly with valuable offers in order to retain them. Acquisition e-mail is no different. My firm analyzed eight acquisition-marketing programs last year that included e-mail with frequency as part of the overall program. In every program, the open rates on the third e-mail offer were greater than the open rates on the first. Two of the campaigns had better open rates on the fifth offer than on the third. In these programs, the marketer is communicating with the same population of consumers with each mailing. The conclusion we found was consumers would convert when they are ready, not when the marketer predicts they will be ready. We determined this by observing different prospects engaging for each mailing. The consistent open and click rates

supported this conclusion.

Keep these fundamentals in mind when developing your e-mail strategy, and you will be headed in the direction of better open rates.

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