



2006 Top EMail Trends

Annual Report

*Eye-opening Statistics and Examples
from World-class Marketers*



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I am approaching the 2006 Email Trend Report with both optimism and frustration. The frustration comes from the fact that so many marketers still are not caught up to trends of previous years and here we are going into 2006. Old tactics just are not going to succeed.

Unlike past Trend Reports, I am not going to focus on relevance. Much has been said about the need for relevance in email marketing, and good email marketers know they should be doing everything to become more relevant. JupiterResearch confirms that most marketers still are not focused on relevance in their report titled: "The ROI of Email Relevance." This is in spite of Jupiter's widely publicized study revealing that relevant campaigns increase net profits an average of 18 times more than broadcast mailings. According to Jupiter; "Comparatively fewer marketers (**about 11 percent**) are implementing contextually relevant messages driven by segmentation, triggering, and targeting of content."

The 2006 Top 10

Assuming "relevance" is a given, here are the Top 10 Email Trends for 2006.

- 1) **Deliverability will drive email success.** The in-box holds the key to email marketing success in 2006. Four main deliverability factors will be in play in the coming year.

Reputation. Your email practices are the single most important factor in determining if your email will be delivered. Who do you email to? What do you email? When do you email? Why? The answers to these questions will help determine the kind of reputation you have as a marketer. Gartner's Adam Sarnier uses the term "Permission Spam" to describe what happens when marketers email nothing but self-centered junk to their opt-in list. Seth Godin called all email marketers "spammers" at the DMA this fall. He may have a point.

Technology. Domain keys and other authentication technologies are the table stakes; email marketers must implement them to be in the game. In addition, technology is required to help ensure you are not "mistaken" for a spammer, such as content screening before the send, and technology to review your data integrity for known bounces, spam traps and other things that can contaminate your list.

The human element. A big part of successful deliverability comes down to human monitoring and interaction on your behalf. The value of this cannot be underestimated. The effectiveness of your delivery comes down to people monitoring your results across domains, dealing proactively with ISPs and individual companies and addressing problem areas. Every email RFP should specifically ask about the size and experience of the deliverability team.

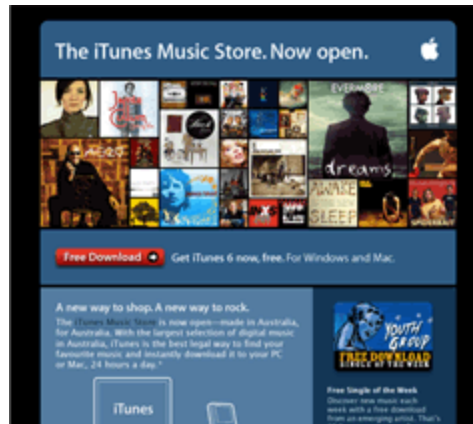
Design for deliverability. Now that handheld devices have become ubiquitous, subscribers have a lot of choice as to how they interact with your email. Design has to be flexible enough to deliver your message to various media in formats that work. This goes beyond HTML vs. Text. Viewing images is optional for much as 50 percent of all email. Emails must be properly designed to achieve your goals even in the event a subscriber is not seeing your image.

Here are some great examples (email examples courtesy of Campaign Monitor):

- Image suppression—Industry statistics show that email open rates are declining, indicating that a significant number of subscribers are keeping their images turned off. This email was designed mostly as images and therefore is unreadable when opened. To avoid this mistake, make sure you test your emails before sending them. In addition, resist the urge to replace text with images at all costs.



What I saw by default

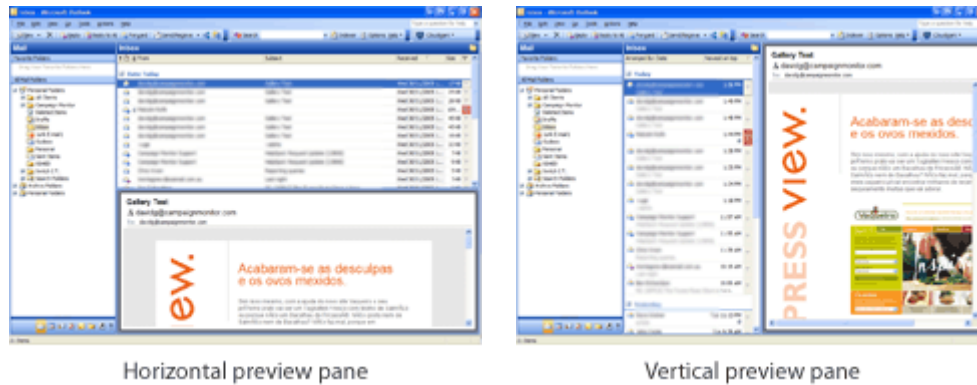


What I saw when I enabled images

- In this example, we see that the survey form was included as an image, but that image was suppressed. Subscribers never even had an opportunity to fill it out.



- Another design consideration should be how your email appears in the preview folder.



To avoid these and similar problems, check the design guidelines offered by Campaign Monitor at www.campaignmonitor.com.

- 2) **Open rate is over rated.** Too much is made of open rates as the measure of success anyway. In 2006, open rates are going to appear to go down as images continue to be suppressed. Open rates do not tell us much about the success of an email campaign. How then should marketers gauge success? Engagement! Did subscribers click? Did they call? Do they order or fill out a form? Look at it this way: a woman can see me from across a bar, but that cannot predict whether we are ever going to get married. The only way to go down that path is to build a real relationship and engage in some kind of dialog. We see emails that have 60 percent open rates and 1 percent click throughs, and emails with 40 percent open rates and 30 percent click through rates. Clearly, the latter is the more successful email.

- 3) **Email metrics and web analytics will be integrated.** Email metrics by themselves are just about useless. To have insight to what subscribers do after getting an email, marketers must integrate email with web analytics. This will give marketers a much better indication of success as well as build behavioral data that will help them become more.....oooops; I almost said *“relevant.”* Ask your vendors who they have integrations with on the web analytics front.
- 4) **Multi channel marketing will deliver winning results.** It has been widely publicized that a Nordstrom customer who interacts with three channels, spends six times more than those who only interact through one channel. Another example, Hotels.com, uses email marketing/transactional hybrid messages to send an email before and after a customer's stay at a hotel. Messages include useful details (confirmation of booking #, preferences, hotel information) as well as marketing information (how to get more offers, items they can add to their trip, etc.). Many of these are banner ads, which link to up sells and offers. Following the customer's stay, an email includes a link to a survey to determine their satisfaction.

A key element of this program includes a unique phone number tied directly to specific email campaigns. Hotels.com sends emails that include this number at the top. When someone clicks a link in the email, the phone number that appears at the top of all subsequent web pages on the site is this special call center number that is specific to the email. When people call into the call center, this number can be tracked and they know the volume of calls that are specifically generated by email. In addition to email and web analytics, the goal should be to measure and tie in all of your marketing efforts.

To view this email as a web page, go [here](#).

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WE KNOW HOTELS INSIDE AND OUT!

Hello, COURTNEY MINETREE

Thank you for using hotels.com to book your upcoming hotel stay. Before you go, here is some helpful information related to your trip and travel destination. For your convenience, we have included **hotel information, hotels.com contact numbers, booking numbers, maps, weather, and more.**

Quick Reference

Minerva Hotel Bed & Breakfast
 4.5★
 DOWNTOWN NEAR UNION SQUARE 1 Adult, 0 Children / 1 Night
 872 BUTTER STREET Check-in on September 24, 2008 (check-in time: 3:00 PM)
 SAN FRANCISCO CA 94109 US Check-out on September 25, 2008 (check-out time: 11:00 AM)

NAME	BOOKING NUMBER	ROOM PREFERENCE*
COURTNEY MINETREE	30225166	1ST - No Smoking

[Map This Hotel](#)
[Driving Directions](#)
[View Receipt / Modify Reservations](#)

Weather

3-Day Weather Forecast for SAN FRANCISCO CA US

SAT 24	SUN 25	MON 26
Mostly Sunny	Mostly Sunny	Sunny
60° F / 15° C	62° F / 16° C	64° F / 17° C
53° F / 11° C	52° F / 11° C	54° F / 11° C

Forecast provided by IntelliCast.

[Make a good vacation great! Add activities to your trip.](#)
TRIPBUCKETS
 Print your 3 FREE discounts! 65%

[Need a rental car? Book with hotels.com and save!](#)

Questions or Problems?

You can contact our expert customer care agents 24 hours a day, 7 days a week.

Online Customer Care Center	USA: (800) 219-4606
E-mail Customer Care	Europe: 00 800 1066 1066
	Outside of the U.S.A.: (214) 369-1264

Cancellation/Change Policy
Policies vary by hotel, please [view your online confirmation for complete details.](#)

- 5) **List growth will be healthy, but takes work.** Average list turnover runs about 25 percent yearly due to unsubscribes and email addresses gone bad. A recent study by ExactTarget shows that list growth for many industries is healthy, with an annual net growth of 38 percent. As part of the study, ExactTarget spoke with marketing representatives from both B2B and B2C companies who maintained strong and consistent list growth. These organizations all have been very deliberate in growing their lists. Marketers need to continually focus on long-term list acquisition strategies, instead of quick fixes like co-registration and list purchases.

Try a micro-conversion. During Christmas this year, Home Depot did a “15 Days of Specials” email. Prospects were invited to opt in for a very specific and finite campaign featuring 15 items over 15 days. After the two weeks of special deals, the subscriber had the opportunity to opt-in to ongoing communications with the company. An email was sent at the end of the campaign with a message that the subscriber has a “last chance” to opt-in for more deals. The campaign generated a much higher than average click-through-rate.

The Opt-down is a new trend that is used when a segment of subscribers is not engaging with your email. With the opt-down, inactive subscribers are sent emails inviting them to change their profiles. This is a more effective way to keep subscribers than to continue to pound them with unwanted emails.

The screenshot shows the Affymetrix website's contact and subscription page. At the top, the Affymetrix logo is displayed. Below it, a privacy policy notice states: "Affymetrix does not share your personal information to unaffiliated businesses. Read more in our [privacy policy](#)." The main content is divided into three sections:

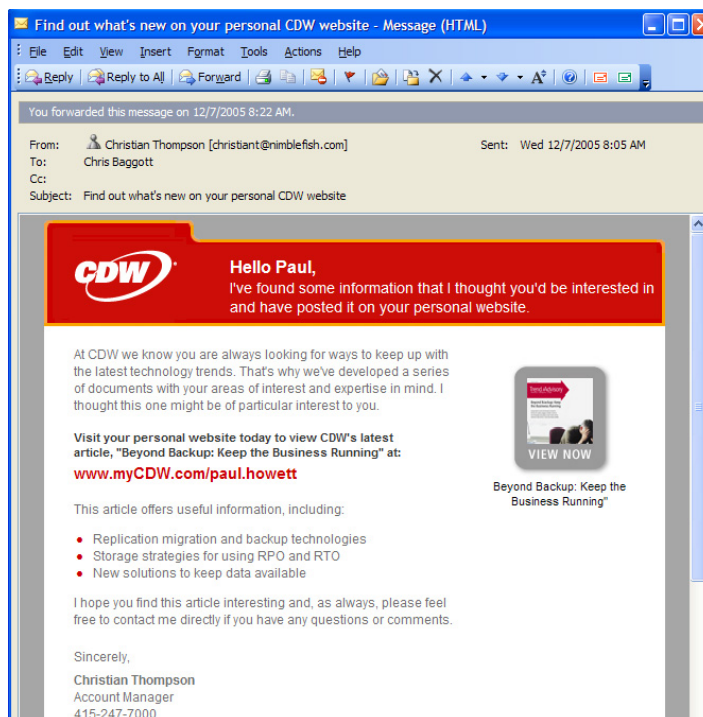
- Contact Information:** A form with fields for Email Address (blair@exacttarget.com), Company (Exacttarget), City (Indianapolis), First Name (Doug), Dept (Integratston), State (IN), Last Name (Karr), Address Line 1, Address Line 2, Zip/Postal Code (46228), Position (E7/Databases Adm), and Country (United States). A "Company Segment" dropdown is set to "Academic".
- Your Affymetrix Subscriptions:** A list of subscription options with checkboxes:
 - Affymetrix UPDATE:** A consolidated, monthly e-mail newsletter.
 - Events:** User Group Meetings, webinars, trade shows, training classes, and seminars.
 - Promotions:** Special offers and discounts on Affymetrix products and services.
 - Product Information:** New products, innovations, updates, and upgrades.
- Your Affymetrix Profile:** A section for selecting research areas and focus points.
 - What area of genetic research are you undertaking?**
 - Alternative Splicing
 - Association Studies
 - Chromosomal Copy Number/LCN
 - Biomarker Discovery
 - Gene Expression
 - Gene Regulation
 - Linkage Studies
 - Resequencing
 - Other
 - How will your research be used?**
 - Academic Research
 - Academic Clinical
 - Industrial Research
 - Industrial Preclinical
 - Industrial Clinical
 - Industrial Diagnostics
 - Other
 - What area does your research focus on?**
 - Aging
 - Agricultural
 - Animal Diagnostics
 - Animal Health
 - Cardiovascular
 - Cosmetics
 - Gastrointestinal
 - Hematology
 - Immunology
 - Infectious Disease
 - Inflammatory Disease
 - Metabolic Disease
 - Neurology
 - Oncology
 - Other
 - Pulmonary/Respiratory
 - Urogenital

At the bottom of the form is a button labeled "Update My Preferences".

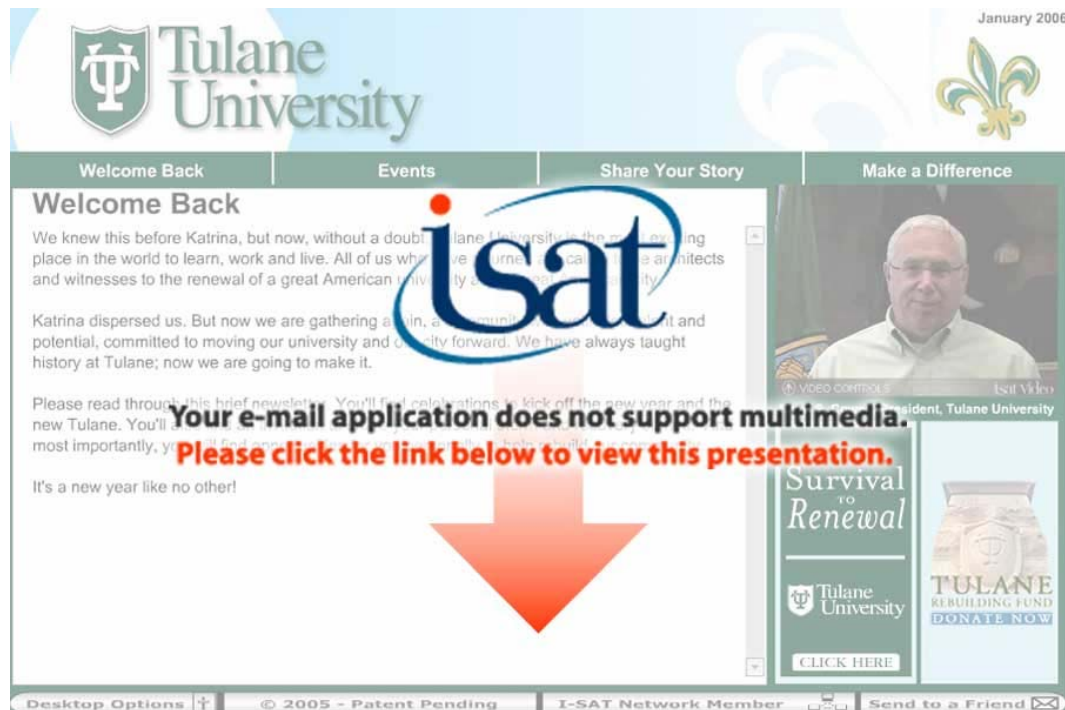
- 6) **RSS will start to make an impact on email marketing.** There is a lot of talk about RSS (Really Simple Syndication) and how it will affect email marketing. While 2006 will not be the year of widespread RSS adoption at the expense of email, there will be an opportunity for RSS to become a significant component of email marketing.

The Indianapolis Colts are a great example of how to aggregate content in an email template and then distribute that content as an email to their fans. The content is available on the web at sites like NFL.com. The RSS feeds the information to a site that places it into the Colts' email template. Alternatively, marketers can make content for their emails available through an RSS feed that subscribers can choose to access through their RSS reader versus email.

- 7) **Email will get more personalized.** Who owns the relationship with your subscribers? An institution? A brand? Or is there a person? Organizations realize one of the true beauties of email is the ability to communicate one-to-one on a large scale using tools such as "on your behalf." Below is a terrific example from CDW. This email is completely customized to the recipient including coming 'from' the relationship owner and linking the subscriber to a completely personalized landing page.

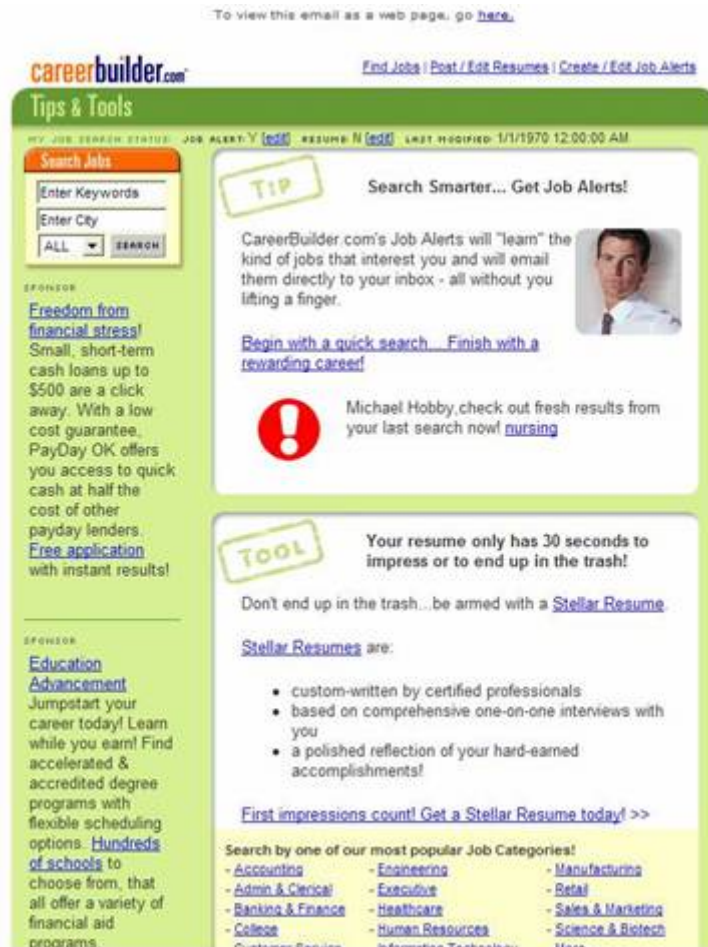


- 8) **Look for rich media in email.** Rich media—such as streaming video and audio—have been difficult to include in email because of the large file sizes and scripting required. Now, better video software and increased bandwidth makes rich media more realistic. Like images, most email clients will not automatically open audio and video files. One solution is to have the subscriber click a link. With bandwidth increases, click-through rates are rising significantly. The other alternative is shown in the example below from Tulane University. Flash video will start automatically if possible; if not, the email is coded to encourage the viewer to click to view the entire email in its full video glory.



- 9) **Email as a carrier for third party advertising.** Email is attractive to advertisers because it is targeted and trackable. Email marketers generally know quite a bit about who receives their messages. The key to success is that the ad has to fit with the expectations of the subscriber. You never want to abuse permission, violate privacy or be *irrelevant*.

Careerbuilder is focused on helping people find jobs. Their email options include specific alerts when a job becomes available and general career building newsletter emails. Included in the emails are ads for such services as professional resume writing.



- 10) **The new metric: return on subscriber.** I have never supported the idea of "email campaigns." Marketing with email will fail if marketers only are focused on the results of one email versus another. The goal for 2006 must be to focus on return on subscriber, creating high customer lifetime value.

This is accomplished by simply monitoring the value of your subscribers as individuals. Measure their value quarter-to-quarter, not campaign to campaign.