

The background features a decorative graphic consisting of three blue circles of varying sizes, each with a darker blue center and a lighter blue outer ring. These circles are arranged in a triangular pattern, with the largest circle at the top right, a smaller one in the middle, and another large one at the bottom right. Thin blue lines extend from the top left and top right corners towards the circles, creating a sense of depth and perspective.

Making Email Marketing Work For You

Success Strategies For Your Small Business

Learn successful email marketing strategies to grow your business with a minimal cost and maximum impact.

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MAKING EMAIL MARKETING WORK FOR YOU
SUCCESS STRAGIES FOR YOUR SMALL BUSINESS

Introduction – Email Marketing; It’s Not Just for The Big Boys

Not long ago, I was walking down the main shopping street in a nearby town when I stopped in at *The Sweet Spot*, a bakery and candy shop I’ve been known to frequent. It is a great place to sit down, have a coffee and a slice of pie and reflect on all the good things life has to offer. Without question, it has always been the happiest, sweetest place I know. When I’m down, I go there to feel better. When I’m feeling good, I go there to feel great.

I sat down at the counter, set up my laptop and then greeted Ellen, the owner-proprietor of the shop. “How’s the blueberry pie today?”

“Piping fresh,” she said.

“Then please bring over a slice of the pie and coffee.”

She brought over a generous slice, along with a cup of my favorite coffee.

“Thanks, luv,” I said, happily accepting my order. I set my laptop to the side to make way for the pie and then enjoyed some pie and sipped my coffee. In between, I tapped away at my laptop, checking email and surfing the Web. After a few minutes, I looked around the shop. Even for this time of day, it seemed curiously empty. “Where is

everyone?” I asked, half-jokingly. “Have I missed out on a national holiday or something?”

Ellen came over and shrugged. Then she leaned her elbows on the counter. “You tell me,” she said. “To be honest, business has been getting slower and slower. I don’t know how I’m going to stay open.”

This last bit of news filled me with apprehension. “What do you mean?” I asked anxiously, suddenly fearful of the day when Ellen’s blueberry pie might not be available whenever I fancied a slice.

“Business is tough. Rents are high. I’ve got salaries to pay. I need to sell more pie and candies to make a profit.” She glanced around her shop. The booths were bright and cheery. The floor, highly polished. The display cases were filled with delicious pies and gorgeous candies. There was a brilliant coffee aroma filling the air. It was, by every standard, a bright and cheery place. “I thought that I’d get more people when I went to the wi-fi service,” she said. “Students. Office workers. Whatever. And it helped. But still not enough to get enough of them through the doors and into the shop.”

I knew that the *Sweet Spot* was everything people like me – and a lot of other people – would love. So why weren’t more people here? I sipped my coffee and then looked her directly in the eye. “Have you advertised?”

“Of course. In all the usual places...”

“Aha,” I said. “What do you mean, *all the usual places*?”

“I’ve put an advert in the local newspaper,” she said. “I’ve made nice displays for the window.” She looked directly at me. “I sent out coupons in a mailing, which was

successful, but that cost too much money to do often.” She lowered her eyes. “I don’t know what else to do.”

“Newspaper? Displays in the window? Coupon in snail mail? Ellen, luv, it’s time you entered the twenty-first century,” I said, my voice both sympathetic and gently critical.

She looked at me curiously. “I don’t understand.”

“You’ve put in wi-fi for your customers, which is great, but you haven’t even begun to use technology for your own benefit. You need to take advantage of the Internet and technology to grow your business.”

“You mean the Internet?”

“For starters. I’ll bet you don’t even have a web site.”

“A web site? I wouldn’t know where to begin. Besides, isn’t the Internet for the big shops and stores?”

“Not at all. It’s for people just like you with shops just like yours.”

“But what do I do? Where do I start? I don’t know how,” she explained.

I smiled. “Then, my dear, you have just served some delicious blueberry pie to someone who can help you.”

“Have I now?” she asked, meeting my smile with an even broader smile of her own.

“Indeed you have.”

“Would you like another slice of pie?”

I raised my hand in protest. “I couldn’t. But, if you’d be so kind as to refill my coffee, I’d be glad to start to help.”

In short order, my coffee was refilled and Ellen was seated beside me at the counter. I explained to her that “mortar and brick” shops like hers were at risk unless they learned to compete in a world that was becoming rapidly wireless. “Not that long ago, you could have rested easy that you would do fine – as you’re the only pie and candy shop on the block. But now Main Street exists in virtual space and there are hundreds of shops there for people to visit.”

“But people can’t eat on the Internet,” Ellen protested. “And they can’t have a slice of blueberry pie on the Internet.”

“Right you are. However, because of the Internet, they can get blueberry pie from a shop in France and have coffee beans shipped directly to their homes from Colombia. There’s a shop in Melbourne that is half the size of yours that is sending candy to a customer in London right now.

“There’s...”

She waved her hands in the air, getting flustered and overwhelmed. “All right, all right. I get it. I’m not a complete loon, you know. I know the Internet is important. But you’re saying that I can use the Internet to get more customers and make more money? You’ve got my attention. But how do I do it?”

I smiled. “First, you have to stop thinking of the Internet as a foreign country – as someplace *out there* – and start thinking of it concretely as *everyone’s* Main Street. Once you are able to do that, everything else I’m going to say will start to make a bit more sense.”

She shuddered and then she nodded warily. “Okay, I can do that I think.” Then she let out a low whistle. “My little shop, here in reality, is competing with shops all over the world and you tell me I have to think of the shops on the Internet *concretely*.”

I laughed. “I guess when you put it that way, it can seem a bit topsy-turvy. But I promise you, it isn’t. What’s more, it is simply the way of the world so the sooner you can manage to think of the virtual world as your world, the sooner – and more successfully – you will be able to be part of it.

“And the sooner you will realize that the easiest and best way to communicate with your customers and get them here, and buying your pies and candy, is through email marketing.”

“Email marketing, what’s that?”

Chapter One – Email Marketing

Although the reputation of email marketing has been sullied by unscrupulous practitioners who have flooded people's email accounts with the Internet version of three-card monte the vast majority of email marketers are legitimate. They are, in truth, the vendors who ply their wares along the virtual Main Street that runs through every town, village, city and country of the world.

They are IBM and Microsoft. They are also my friend Ellen.

Broken down to its most basic definition, email marketing is simply a form of direct marketing that takes advantage of the Internet and email services to allow businesses – and non-profits and charities, etc. – to send commercial or fundraising information directly to potential customers and clients.

While this definition covers “email marketing” in its broadest sense – that is, any and every email message sent to a current or potential customer or client, when we speak about email marketing, we usually have a much more focused picture in mind.

“For example,” I said to Ellen, “let's say that you wanted a regular customer – me – to come in to try and different kind of pie. You could engage me in email marketing to get me back in the shop and to think about trying more of your wonderful pies.”

In other words, email marketing is a lot more than simply sending out emails saying, “Here I am!” They are as subtle and important as any other type of successful marketing, only adapted to the realities of the twenty-first century world. Email marketing is designed to improve the professional relationship between a merchant and his or her customers, to bring old customers back or to just keep the customers coming in

(both to the mortar and brick store or to the virtual store on a website.) In short, email marketing seeks to strengthen the bond between merchant and customer.

Of course, a well-crafted email message is also designed to win over new “converts” – people who might become new customers. Such a message also acts as an enhancement to some “impulse” shopping. For example, if I wasn’t in the mood for pie but I received an email from Ellen with a brilliant graphic of strawberry shortcake... well, that might just be enough to get me to stop by for a slice. Or, more likely, if the email advertised candies, to make a point of ordering or picking up candies for a special friend.

Oftentimes, email marketing will be a “collaborative” effort. In other words, Ellen’s emails might include virtual coupons from some other shop.

“The ceramic store perhaps?” Ellen asked enthusiastically. “They have a lovely line of coffee mugs.”

“Exactly,” I said.

There are many reasons to opt for email marketing over the many other marketing methods and outlets that exist. For starters, email marketing is the most profitable – and affordable – way for a merchant to reach his existing and prospective customers. Studies have shown that nearly eighty percent of marketers and almost seventy percent of customers believe that email marketing is effective.

“Can you say as much for the advert you put in the paper?” I asked Ellen.

“God no!” she exclaimed. Then she became thoughtful. “I don’t think anyway. How would I know?”

“The same way the pros would – you’d guess,” I explained. “That’s how it’s always worked in the past. Whether print, radio or television, there was no way to really know how effective your ad campaign was.

“Sure, you could track the changes in business or sales before and after an ad runs, but in the end, you are just guessing. With an email campaign – especially one that is linked to a web site, you would be able to know exactly how many people opened the email, how long they spent reading it, which links they clicked and what they were most interested in.”

“You’re saying that I could probably figure out if people shopped in my shop because of what I offered or what I charged?”

“With a well-structured campaign, absolutely,” I said. “And once you’ve earned a customer’s trust then your continued emails will be incredibly effective. Your email campaign will seem almost like a personal correspondence with them.”

There are many advantages to email marketing that make it preferable to other forms of advertising. Once a merchant has purchased or acquired a mailing list (through in-store sign-ups, etc.) she is able to get her information out to a large number of *specific* actual and potential customers without the scattershot imprecision of every other type of media and marketing. What’s more, this can be done at a very low cost, particularly when the mailing list is used over and over. (The mailing list is often one of the most significant costs in email marketing.)

Another advantage to email marketing is that it is instantaneous. Unlike other forms of marketing – like snail mail – when you hit the “send” button, the message is delivered immediately, not two, three or four days later – if at all.

Email marketing is proactive. Unlike simple website marketing, which is a passive form of advertising (the site is *there*, the customer must come to the site) in the same way a mortar and brick shop almost always represents a *passive* merchant-customer relationship (the shop is *there*, the customer must walk through the door.) I refer to this dynamic as the “mother ship” dynamic. Almost every merchant feels that she can offer her customers a first-rate product or service *if only her customers would come to the mother ship*.

With email marketing, the dynamic is shifted and with it the energy of the relationship. Email marketing allows you to *go to* your customer. It is proactive. It is forward-leaning without being aggressive (your customer can still choose not to respond to the email or the advertising.)

Of course, as I’ve mentioned, email marketing allows you to track your customers’ preferences. Knowing your customers’ preferences puts you, the merchant, in a much stronger position when it comes to marketing your service and product.

“Imagine,” I said to Ellen, “if you had the ability to identify which of your customers loved only pie and which loved only chocolate candies and which leaned towards chocolate chip cookies – you would be able to tailor advertising to *each one of them* in such a way to bring them into the shop, or to have them make a purchase on line. In either case, you do not waste time, money or your customer’s goodwill by bombarding her with product or service information that is of no interest to her.”

What’s more, many new laws (and even marketing etiquette) require customers to “opt in” to receive emails. By working with such “opted in” customers, you are already

working with a customer base which you know is inclined to respond favorably to your product or services.

It is also possible to make email marketing “interactive.” Certain types of responses to your marketing campaign could result in other messages to be delivered. As I suggested to Ellen, someone who purchases a box of chocolates at Valentine’s Day is likely a romantic who might be interested in her line of “sweet seduction” candies. Someone ordering a “theme cake” automatically adds to the customer profile on hand.

While this advantage might not be terribly obvious for Ellen’s products, imagine how other merchants could take advantage of such things. A sporting goods company getting an order for hiking trousers could automatically add the customer’s profile for a special sale on hiking boots, fishing gear or birdwatching books. A druggist whose customer purchases suntan lotion automatically puts that customer on the list for sunglasses specials.

And, email marketing is *green*. No more wasted paper and envelopes. No more trees needlessly chopped down for naught.

Ellen, as you can imagine, was duly impressed by the possibilities email marketing afforded her – and equally energized by the possibilities that the world of the Internet opened to her as a person, should she choose to embrace it. But despite her enthusiastic response, Ellen had, to quote her, “seen more than a few seasons come and go in my lifetime.”

“I’ve been to more country fairs and heard more carney barkers than I’d care to remember,” she said. “I know for a fact that nothing is ever as good as it sounds. So what’s the downside?”

Ah, that's Ellen. Always thinking. A good thing too. For nothing in the world is perfect and for you to be successful at email marketing, you need to be thoughtful, creative and hard-working. The primary disadvantage to email marketing has been the problems created by the overuse of email marketing and the unscrupulous behavior of a small minority of marketers.

These people churn out and send unsolicited bulk email – better known as SPAM. Because the *misuse* of email marketing predates the more appropriate use of email marketing, legitimate merchants have found themselves digging themselves out of a hole not of their own doing. Often, the perception of email marketers is so negative that it is nearly impossible for legitimate marketers to convince customers to distinguish them from the spammers and outright fraudulent email marketers.

This is made more difficult because illegitimate spammers go to great lengths to *appear* to be legitimate, making it *even more difficult* for the legitimate email marketer to establish his space.

The proliferation of spam email on the Internet has forced most users to set up a spam filter on their computer. Some marketers complain that their legitimate emails get caught up in the filter's net.

“That's the downside?”

I nodded my head. “That's it. Other than the fact that unscrupulous folks kind of *got there* first, I can't think of any downside to email marketing.”

Ellen was thoughtful as she nodded her head. “That's very interesting,” she noted. “No downside.” She looked me in the eye. “It's effective, efficient, affordable...”

“Easy to get started,” I said, adding to her list. “Flexible and, to tell the truth, it’s kind of fun.” I chuckled. “Watching all your customers read your email in real time.”

Needless to say, I had gotten her attention.

I hope I’ve gotten yours.

Chapter Two – A Brief History of the Internet and Email Marketing

Gazing back into the hazy distant past... oh say, a decade or so ago, a relatively few people had email addresses. And those who did, found them cumbersome to use. Email addresses were identified by long numeric sequences that seemed to have nothing at all to do with the person who owned the account.

Fast-forward to now. Does anyone know *anyone* who doesn't have an email address? Most people have multiple accounts – personal, professional, FaceBook, MySpace... AOL accounts, Google accounts, whatever. Along with this accumulation of email accounts has come a sea change in how we view the computer, the Internet, communication... the whole show. Ten years ago, people were reluctant to purchase clothes from catalogs. Now the catalogs have all been digitized and a consumer can see how a dress might look on her particular body type – and change colors, fabrics and details while she's at it. Web sites allow consumers to go on virtual tours of products and services. They can see how their houses would look renovated. They can move furniture purchases around in different configurations.

Ten years ago, fifteen years ago *no one* knew what a emoticon was! Now the little devils punctuate more communications than anyone cares to admit.

What a sea change this all represents.

From little used to an absolute necessity; from slow land lines to cable to wi-fi, people can hardly bear to be separated from their email accounts, picking them up on their Blackberries, their mobile phones, wherever. People have become more expert in

the use of email and the Internet, more aware of its downsides and much, much more aware of its many advantages.

Along with that growing expertise came a growing sophistication in the way email and the Internet could be used for marketing. While consumers absolutely rebel against spam, they are also happily dependent on their email relationships with any number of businesses, marketing firms and institutions. Imagine how you would feel if you ordered something on line and you did *not* receive a confirmation via email! You'd immediately – and likely correctly – assume something was wrong.

Email communication has taken the place of notes, letters and, to a large degree, phone conversations. Certainly when it comes to commerce, email is preferred. After all, you not only have all the information you require in a manageable format, you have written documentation and confirmation of every aspect of the transaction.

With each passing year, email occupies a more valued place in our ability to communicate and our expectations about how we communicate. As a communication tool, email is well on the way to becoming fully integrated into our personal and professional lives.

At its inception, email was little more than a vehicle for acquisition. The nature of the communications were brief and perfunctory. With each passing day, it is become a critical component in retaining customers and creating loyalty. Current research has shown that more than ninety percent of customers expect emails to confirm orders, and almost as many expect to receive shipping confirmations.

Consumers are dedicated “emailers.” They are online sending and receiving email numerous times over the course of the day. Often, workers will check their home

emails while on the job and will almost as often check in with their professional email accounts when they are at home.

Pretty amazing growth for a system initially designed to be a way for scientists to interact easily. In fact, you can be sure that those initial visionaries had *no idea* that their system would one day become what it's become.

Gather 'round, and let me tell you the story of what we now call "the Internet." It all began, way back in the 1950's with those pesky Russians and Sputnik. Sputnik, the Russian head start into space completely freaked out the United States and it immediately started scrambling to make up for lost time.

By the early 1960's, there were some pretty smart people who realized that there was a lot to be gained by figuring out a way for computers to share information about research and development in scientific and military matters (absolutely *nothing* to do with purchasing a pair of trousers, a hotel room, an airline flight, a pair of shoes or a box of chocolates!)

By 1965, Lawrence Roberts of MIT connected a computer in Massachusetts with one in California. Of course, this was over a dial-up telephone line so in addition to demonstrating that networking was possible, this success also exposed the limits of the phone system.

Over the next four years, the "Internet" (then called ARPANET for "Advanced Research Projects Agency-Network) connected the computers at four universities in the Western United States – Stanford Research Institute, UCLA, UCSB, and the University of Utah.

“Routers” were part of the essential design of the network, ensuring that it would still be up and running even in the event of nuclear attack. This earliest Internet was the province of computer experts, scientists, and librarians. Remember, this was in the days before PC’s, home computing or personal office computers. Bill Gates had not even dreamt of his operating system yet. Using a computer required the user to be capable of writing code in one of a handful of computer languages.

The Internet was not friendly yet. Not by a long shot.

It wasn’t until 1972 that an email system was adapted from the network and it wasn’t until fourteen years later that the commands for email were standardized, allowing people who weren’t quite so technically-savvy to begin to use the system. Mind you, it was still difficult – particularly by today’s standards. But it was a start. The door was opened and if people didn’t exactly stampede through, change was in the air.

By the 1990’s, a genuinely friendly user interface was finally developed for the Internet, making it possible for just about anyone to use the system – if they chose to. But why would they? There wasn’t anything for them to really connect to or with. Not yet anyway.

Then came Netscape and Microsoft’s Internet Explorer. Of course, as soon as Microsoft got into the picture, things changed big time. By the release of Windows 98 in June of 1998, Microsoft’s browser was fully integrated into the Windows desktop. Bill Gates knew a winner when he saw it and he was determined to make sure that Microsoft was *the* major player in the Internet.

During this time, the Internet was a lot like the Wild West. Rules were few and far between at best. Businesses entered the Internet as they would any other foreign

country – and tried to find economic models that worked, bringing us to the twenty-first century when we could all be grateful recipients of the development of this amazing... what? Tool? System? New land? Virtual reality?

Whatever it is called, it is here, it is real and it is where business will live and thrive.

Which brings us back to email marketing. For not only is the Internet the place where businesses will succeed, it is the place where those businesses will meet their customers, inform them about products and services, keep them updated on the progress of their orders, and seek to further develop the relationship between merchant and customer.

Email marketing, like the Internet itself, has grown in complexity and subtlety, honing the “elegance” of its message and finding that to be successful, one needs to develop a number of different marketing strategies and modalities. In short, a simple email message would not be enough to remain successful in the new Internet environment.

For example, recent studies have suggested that “open rates” (the number of times that an email message resulted in a customer opening the message) had declined by just under twenty percent. On first glance, that decline seems as if it should be cause for alarm. A twenty percent drop? If the stock market were to experience a similar decline, a financial crisis would grip the world. And yet, experts greeted this statistic with remarkable aplomb.

Not surprisingly, the number itself might be misleading. The number of people who are actually opening up messages might not be declining at all. The reason for *the appearance of a decline* is that anti-spam software was blocking the messages, asking for

permission to download the images in the message. The message was being read but there was no way to track that fact because the code that tracks the open rates is embedded in the images!

If the receiver of the email declines to manually open the images – declines to hit that bar at the top of the email that says, “some pictures have been blocked...” – then there is no way to know for certain whether or not the email has been opened.

Countering concern about a drop in open rates are statistics that show that the number of people who click on a link in emails that are reported has remained steady over the last few years. So what should a company do when considering an email campaign?

Over the years, three basic kinds of email marketing have evolved: Direct Email; Retention Email, and; Advertising or linking in another merchant’s email.

Direct Email

Direct Email is exactly what it sounds like – email that you send directly to your potential and existing customers to alert them to something pertaining to your product or services. The email might be a simple announcement: “We’re opening a new shop and we’d like you to come out and see us! Specials galore!” or it might be an update about your products. It might even be a “keeping in touch” message, in which you send along a comment about your customers’ interests and how you might work with them. For instance, if you are a surf shop, you might send along information about surfing conditions in the area (or even in areas further away) along with a reminder of your line of surfboards, waxes, board shorts and sunglasses.

“How do I know who to email?” Ellen asked.

“Acquiring an email list is both science and art,” I explained to her. “For example, you could start your list here in the shop, asking patrons like me to sign up for email notifications of specials. Because you offer wi-fi, you will find that many of your customers will gladly sign up because they depend on email to conduct their day to day business.

“You could mail out coupons for a free cupcake on people’s birthday if they return a card with an email address on it. People will often gladly give you their email address when such a sweet reward is in the offing.

“Of course, this last method does require you to use either snail mail or the newspaper to begin your list but as Isaac Newton said, ‘We stand on the shoulders of giants.’ You can’t very well move into the future without starting in the present.”

If you do choose to begin your list “the old fashioned way”, then you *must* make sure you are collecting email addresses at *every* customer and potential customer touch point – at every point of contact between you and your customer. That means at every register, in every package, in every promotion, *everywhere*. If you miss a touch point then you are potentially losing a customer’s email.

Mind you that you should be doing this *anyway*. Email is such a brilliant way to market your product and services that you are simply foolish not to take advantage of it.

Each and every email address you collect is valuable to you. It represents tremendous potential to you and your shop. When you’ve established an email list, send out an email inviting your list to send in friends’ emails for special promotions and discounts. Think of each email address not only as a customer but as an opportunity to get two or three more addresses.

You won't always be successful in getting email addresses "off line" but it is always worth the effort.

"However, the most efficient method of creating a list is to leave the legwork to someone else. There are any number of service companies that have compiled email lists based on any number of criteria – special interests, locality, the sporting team they follow. These companies rent out their lists. For a fee, they will let you send your message using their list."

If you take advantage of this last method of sending out emails, you might want to draft your messages in such a way that your customers reply to you with their email addresses, allowing you to begin compiling your own list.

"Why can't I just *buy* a list?" Ellen wanted to know.

I think she grew alarmed when she saw the color immediately drain from my face. "No!" I cried out, waving my hands in the air. "No, no. Don't do that."

"Why not?"

Although buying a list might seem to be the smartest move – in that you simply *buy* the list, there are no other fees to worry about, and you can send out promotional messages and newsletters as often as you would like – it is emphatically *not* the smartest move. Almost all of the time, it is not even a smart move. In fact, it is almost always a dumb move.

Buy an email bulk list and you have bought yourself a shortcut to an experience that would make the hairs on the back of Dante's neck stand on end.

When you compile a list of email addresses yourself (or "piggyback" onto a legitimate list) you are in possession of a very, very valuable commodity. Your list

represents a very real list of people with whom you have established or you are in the process of establishing a solid, trust-based relationship. They are people who have demonstrated interest in your product and service or, even better, they have used your product or services and *have been happy with them*.

In other words, they are very likely to *want* to hear from you and want to continue to be your customer.

The value of your list must be nurtured. It is like a campfire that you have started from twigs and tended carefully against the elements. Abuse it or neglect it and you risk losing its entire value.

The fire can go out.

Overuse your list by sending out too many promotions and your customers will tire of hearing from you. You will become an annoyance. You will become “just another piece of email to delete.” You will have lost that customer – on the Internet and in your brick and mortar world. Worse, you may anger your customer enough that they report you as a “spammer.”

When it comes to email marketing, the saying “use it or lose it” needs to be seriously modified. Use it judiciously and wisely, otherwise you *will* lose it.

What this means is that smart people are very, very careful with their lists. If they do choose to allow other people to use it, they will undoubtedly seek to exert a great deal of control over its use. What’s more, they will only allow their list to be used if the people on their list have *given permission* (usually when they first signed up for the list) to receive material from third parties. That’s the “opt in” feature that we will discuss in more detail below.

Any owner of a list who is willing to sell copies of the list doesn't care about the list. The list is not a vehicle for him. It is a product in its own right, one that he wants to sell to get the best price for.

He doesn't care that the list is inevitably going to be ruined because once multiple copies are out and being used, no central person or agent is controlling the number of emails that are going out to the list, or even the products and services being advertised. The people on the list are overwhelmed with unwanted messages.

They reach right for the delete key.

Response rates fall apart. The value of email marketing is completely compromised.

Understanding this, can you imagine why any legitimate list owner would ever sell copies of his list? Certainly no owner interested in preserving its value would do such a thing. Therefore, you can be reasonably certain that if someone *does* offer to sell you a bulk list of email addresses you are being offered a spam list. And being on a spam list means that you have not only wasted your money by purchasing the list but you have wasted your money by acquiring a list of people *who have not agreed* that they want to receive your message or a list of people that has been rendered absolutely useless because it has been misused and overused by any number of other marketers.

Buy such a list and you'll be fortunate to end up with nothing more than a poor return and response. A much more realistic – and worse – case is that you will be labeled as a spammer. Such a label has real consequences. None of them good.

There are some truths in the mortar and brick world that carry over to the Internet. One them is, If it seems to good to be true, it probably is. So if you get wind of an offer like a million addresses for \$100, I have only one piece of advice: Run away. Fast.

Which is not to say that it is not possible to purchase a legitimate list legitimately. It can be done. Lists do change ownership under certain circumstances. If you do purchase a list, make absolutely certain that you are buying *the list itself*. Make sure you are **not** purchasing a copy.

A legitimate list sold by a legitimate source will be the only copy. The seller will not keep a copy for himself.

It is also possible to pay for email addresses through co-registrations. That is a situation where other websites invite people to sign up for *your* list and then charge you a fee for providing that service (the fee is usually based on the number of people, or emails, that sign up.)

(Note: it is sometimes confusing when you are consulting marketing professionals about email lists. You will often hear them speak of “buying” or “purchasing” lists. While this seems contradictory to the advice I’ve given here, it’s not. Inevitably, though they use words like “buy” or “purchase” what they are really talking about is “renting.”

As we’ve discussed, renting a list is a completely different proposition. The downside of the rented lists is that you have to pay a fee each time you use them and you must constantly be on top of ensuring that you have the right list to match your product, service, and goals.

So, in the short term, it is always better to “piggy back” on an existing list while you are in the process of creating your own, homegrown list. Ultimately, you will find that there is no good substitute for creating your own list, made up of your customers and people who have opted-in to receiving your emails.

In the end, you will want to create your own list, one that is most closely matched to your needs, that is made up of your customers and of people who have chosen to receive messages from you.

Not only is such a list yours – so you don’t have to pay each time you use it – it represents the best return on your time and money investment. The people you are emailing are most likely to be the ones who will respond positively to your promotions and adverts.

They are your customers. Over time, you will get to know them and their needs. In time, you will not base your list on your product and services but as you get to know your customers you will also find that you are modifying your products and services to meet their needs as well.

Retention Email

Ultimately, your goal in your email marketing is to get a customer to *purchase* something that you offer. As is the case in all sales, that can sometimes be accomplished quickly and easily. Other times closing a sale requires a little time and consideration. All legitimate merchants know that their best customers are loyal customers. They work hard to develop on-going and long-term relationships with their customers. While price is often a significant consideration in any purchase, other factors come into play as well –

service, trust, etc. Merchants who recognize that “service” is a major variable in any successful endeavor will intuitively understand the benefit of Retention Email.

Retention Email is not a promotional email designed solely to get your customer to purchase something, sign-up for something, come into the shop, etc. It is designed as a “keeping in touch” kind of message; it is an email designed to establish and strengthen long-term relationships with your customers. This type of email generally are sent out at regular intervals (weekly, monthly) and contain information that is of more general interest than a simple sales pitch. These emails are known as newsletters or e-zines.

Although email newsletters are a great way to keep your customers, prospective customers and others current on your product or service, when done creatively and expertly, your newsletter is more than that. Just about anyone can use a template to create a “professional looking newsletter” and then hit the “send” button. But creating a successful newsletter – which demands more than simply creating the newsletter itself – is a bit more complex.

Although your newsletter should include all sorts of promotions, adverts, specials, etc. a successful newsletter is the epitome of “soft sell.”

For better or worse, whether it’s the “fault” of unscrupulous marketers or just the numbers of merchants “out there” we are all inundated by way too much *stuff*. We all receive a ton of promotional email daily. Personally, I don’t mind receiving this material *so long as I can see that it provides real value*. Sadly, most do not. Most newsletters are poor excuses for shouting out the name of a store, merchant or product. It is garish and off-putting.

It is *not* the way to run a successful Retention Email campaign. Remember: soft sell. What you are really providing in your retention campaign is a long-term message. You're communicating not a product or service but a relationship. As in any relationship, missteps are forgiven much more readily the further along you get.

Don't be obnoxious on the first date. And don't send out a newsletter that is too obvious, too "needy", to hard sell. If you do, you will hurt your chances for creating a good, long term relationship (or for establishing a good relationship) with your customers.

Again, a newsletter can – and probably should – include promotional items and ads. But they should be understated. They should not call attention to themselves. Take the time to let your customers get to know you. The relationship you are establishing will not only be long-term, so will the dividends to you.

Advertising in other people's emails

When you are first establishing your email marketing campaign, it might be worthwhile for you to simply advertise in other people's email newsletters. If they are newsletters that are well done, you will reap some of the benefits. People who have positive relationships with the newsletter will automatically transfer that relationship to you and your product.

Particularly if you are a small business or a small shop, it might not be worth your time or effort to actually create a newsletter. Indeed, your product or service might not warrant a regular newsletter mailing by itself. However, if you find an email newsletter that encompasses the interests that you identify with your customers and their needs, then you can advertise in that newsletter.

Just as there are services that create email lists for rental, there are other companies that produce email newsletters for the express purpose of being advertising vehicles for others. Take advantage of their expertise – it will leave you more time to do what you do best.

Chapter Three – Email Marketing, Getting Permission

Happily, the *Sweet Spot* is currently beginning a long-overdue email marketing campaign. Ellen is beginning to put together her email list by creating a “birthday special.” Anyone who signs up for the email list – and lists their birth date – will receive an email coupon for a free cupcake on their birthday.

“That’s a great idea,” I said, filling in the email form.

Ellen was beaming as she bragged that she’d thought of it herself. Standing at the counter of her bakery, she looked as if she was queen of the future. And, in many ways, she was!

Of course, each small “victory” for email marketing just makes more clear how many more “victories” are waiting to be won. Over the course of a few weeks, Ellen had garnered several hundred email addresses. What’s more, she added another little perk to her offer – anyone who signed up a friend, got a free mini-cupcake; anyone who signed up six or more friends, got a free dozen cookies.

The *Sweet Spot* became a veritable frenzy of online activity. In short time, Ellen was producing a weekly newsletter that was being read by hundreds of email subscribers. She was working out on online ordering system, which would allow her to ship cookies and cakes to anyplace in the world!

“And to think, it wasn’t that long ago that I was firmly rooted in the non-tech world,” she said to me one morning, shaking her head in wonder. Then she gave me a playful jab in the shoulder. “Shall I tell you how much business is up?”

I remained silent. Two could play this teasing game.

“Come on, you want to know,” she insisted.

“Of course I want to know,” I told her, laughing with her.

“Almost thirty percent,” she said proudly. “What’s more, online orders account for nearly a quarter of my orders now.”

Ellen had taken to email marketing like a proverbial duck to water. It wasn’t long before she restyled her shop so that one corner was devoted to an “online order pick-up” counter. Customers who ordered online had only to show up to find their orders already boxed and ready to go.

The lessons that Ellen learned – and implemented – for her small business are readily applied to almost any business, whether it be large or small, whether the business be service oriented or product oriented.

Email marketing can always improve the business marketing model.

William, an old college friend of mine, had gotten a very good job out of college. But, in short order, the long nine-to-five grind wore him down.

“It wasn’t that I minded working,” he said to me when we happened to bump into one another one evening at the pub. “But after May and I got married and had a baby... well, I didn’t like being out of the house for those long blocks of time.”

The Internet Age is most successful when it is allowed to provide real flexibility – in every way – for people. William no longer wanted to be “stuck” working his long hours in an office. He often left before the baby was awake and came home after the baby was bathed and put back to bed.

“I spent a good many evenings just looking at a sleeping baby,” he told me, the sadness and frustration of that time reflected in his expression. “Wasn’t for me. I couldn’t hack it anymore.”

As I listened, he told me how he’d begun to do small carpentry jobs for people in the community. “I’ve always been good with my hands. Remember how I used to work in my dad’s shop?” He had always been a remarkably handy guy and he would have made a great craftsman – or shop teacher – had not the siren call of wealth called to him. But it wasn’t long before he decided that money alone wasn’t enough to make a good life.

“Man, my friend, does not live by bread alone,” he said to me, quoting a fairly insightful source.

“Still, you’ve got to pay the veritable rent,” I suggested.

He nodded. “True enough.” He described how he’d managed to parlay his private craft working into a fairly successful specialty furniture-making business. He set up a workshop in his garage and, except when the baby was sleeping and he couldn’t use his power tools.

“Of course, it is always a challenge to make ends meet. What I’d like to do is to enlarge the services I offer...”

He had many great ideas for expanding his small business – a newsletter with furniture he made, handyman tasks he would perform. He even wanted to open a small hardware shop. His problem was getting that information out to his clients and potential clients.

I raised my glass. “Well, mate, I might not have the hands to be much of a craftsman myself but I can certainly help you with this.”

He looked at me curiously. “What do you mean?”

With that, I began to speak about the benefits of email marketing.

“But I’m not even a proper business,” he protested. “It’s just me. I offer a service. That’s it.”

“That’s all you need,” I answered. “The same benefit that email marketing brings to a multinational company is available to you – on a smaller scale, of course.”

“Of course.”

Like Ellen, William was an innocent babe when it came to email marketing. In fact, when I began to tell him about it, he seemed to get flustered and overwhelmed.

“You’re making more out of this than there is,” I told him. “At bottom, email marketing is nothing more than its name suggests – using email as a marketing tool.”

“I’ve got an email account. How do I...?”

“Look,” I said to him. “Why don’t I come over one morning and lay it out for you very simply?”

“Sounds good.”

When we met, I explained that email communication was really just that... communication. “That’s really all marketing comes down to anyway, right? Communication?”

Email marketing, in the broadest sense, means that every email you ever send to a customer, a potential customer or to a public bulletin board has a direct role in your marketing plan. That might mean that the email contains some kind of direct

promotional email – like Ellen’s promise of a birthday cupcake, or it could be a percentage discount to first-time customers.

The purpose of such email promotions is two-fold: to win over new customers and to convince existing customers to use your services or buy your product again. “Suppose you’ve made a small end table for someone,” I suggested. “Wouldn’t you like to convince them to have you build a console or some other piece of furniture for them? Or perhaps help with their wood floors?”

He nodded his head as if I was reading his mind.

“You’ve actually already done the hard part,” I explained to him.

He looked at me curiously, not following my point.

“Look, there’s a billion low-end furniture shops. The most important thing you market is your skill and your competence and build continued trust with your customers. I know you do that in your business but, in a marketing context, that comes down to effective communication.”

Email marketing comes down to a three-fold strategy:

- ✓ Sending direct promotional emails to try and acquire new customers or persuade existing customers to buy again
- ✓ Sending emails designed to encourage customer loyalty and enhance the customer relationship
- ✓ Placing your marketing messages or advertisements in emails sent by other people

William listened thoughtfully. When I had outlined this strategy, he nodded and said that, to his mind, it really didn’t sound all that much different than a more traditional marketing strategy.

“It’s not,” I agreed. “Certainly not if you are thinking in terms of the goals of any marketing strategy. But using emails rather than a more traditional format is not only much, much more efficient and cost effective over time but it allows you to tailor your advertising in ways that no other media allows.”

So, while it is possible to think of email marketing as little more than the electronic equivalent of direct mail advertisement or a print newsletter or even ad placement in an existing magazine or newspaper the analogy is only partially sound. It *is* true that these conventional options allow you to market your product or service to existing or potential customers. However, there are a couple of very significant differences.

One, email marketing **requires permission**. Never forget this. Email marketing is *not* the equivalent of stuffing a flyer in everyone’s mailbox or in the screen door. Such a strategy is SPAMMING and it demonstrates bad form, marginal results and is generally outside legal parameters. (I hope that was sufficient to get your attention!) However, when you have gotten permission you will find that email marketing opens a world of potential that more conventional methods of marketing can not even imagine (and, as Ellen learned, getting permission from a trusted vendor is not difficult. In fact, you can make a list simply by having customers provide email addresses for subsequent “quality checks” or “satisfaction surveys”. This is ethical and legal so long as you provide a clear “opt out” choice.)

The benefits of email are readily apparent once you get over the “conceptual” hump of asking, “What *is* it?”

Email marketing has become remarkably popular because its benefits include:

- ✓ Cost effectiveness. Sending email is much, much cheaper than any other form of communication between you and your customers.
- ✓ Email marketing is *proactive*! You are *going to* your customers rather than having to passively wait for them to come to you, or to your website. Marketing should *never* be a passive enterprise.
- ✓ Email marketing is successful! It works!

Perhaps most importantly, you can tailor your email marketing almost to the individual customer (this, obviously, requires more work than simply shooting off a generic email to everyone on your list but it is possible to do, as I will discuss below, by creating your list with care, anticipating individual needs, and having a method for using that information to create subsets of your primary mailing list.)

I have already discussed the three types of email marketing: Direct email, retention email, and advertising in other people's emails.

"It sounds brilliant," William said, enthusiasm starting to shape his words.
"When can I start?"

I raised my hand. Having lit the creative fire beneath him, I felt compelled to point out that, for all its amazing benefits, successful email marketing is not all that simple.

"There's a catch?" he asked, sounding crestfallen.

"Well, not a catch exactly," I said. "But you know, it's like they say, anything that sounds too good to be true usually is. Email marketing *is* as good and effective as it sounds. However, to realize that effectiveness, you have to understand how best to use it and set it up."

Clearly, it is far cheaper to send a thousand emails than it is to send a hundred letters through the postal service. However, there is the matter of designing and delivering the *right* email messages to the *right* people.

“Huh?” William asked.

“Well, let me use Ellen as an example. Now, in addition to her admittedly tasty cookies and cakes, she also has a sugar free line of pastries which are a bit hit with people who are dieting or who have diabetes. Imagine if she sent the *same* email to those people as she sends to the customer who cannot live without a chocolate delight cake! They’d feel betrayed and would not feel as dedicated to her shop and her product, right?”

William nodded. “Yes, I see your point.”

How Email Marketing is like a pair of pants

Got your attention? Good. This is an important point. For all the thousands of ways that effective email marketing is *nothing like* a pair of pants, there is one way in which the analogy holds beautifully. No matter how nice the style or how wonderful the material, if the pants don’t fit... well, they aren’t going to look good. A good pair of pants is all about *tailoring*. So is effective email marketing.

You’ve got to tailor your email to your recipients.

The last thing you want is an email two sizes too small for your customers. So to speak.

Of course, once you’ve tailored your message and honed your list you’ve still got to manage the most difficult part – getting your customers or potential customers to *read the email*.

This may seem like the easiest thing in the world. If you get an email, you open it and read it, right?

Wrong!

Your customers, like you, lead busy, complex lives. They don't want clutter and anything that smacks of something they don't need to deal with amounts to clutter. Your task is to design email marketing messages that your recipients will not only open but actually read and then act on!

Even then, your work is not done. It is not enough for you to make a list, design your email, send it out and get it read. You still need to be able to measure and analyze the results of your marketing campaign.

So, as you can see, an effective and successful email marketing campaign, while the best possible way to go forward in our brave, new world, is not for the weak of heart. However, for the business determined to survive and to thrive in our global economy, it is the best and most effective method of marketing.

“But what about a website?” William asked. “I have a friend who can make me a website...”

“Tsk, tsk, tsk,” I sighed, shaking my head in a most condescending manner. “Haven't you been listening? Of *course* you should have a website. But a website by itself is not going to get your customers. You have to think of a website as a place, hopefully a nice place on a wide, magnificent *virtual* boulevard. It's your shop. But getting someone to visit your shop – coming to your website – requires advertising. That, my friend, is marketing.

“And that's what email marketing is all about.”

Of course, I pointed out – not for the first time – it all hinges on permission.

When “No” means “NO!”

We live in a crazy world. People are bombarded by so much stimuli in their personal and professional lives that they feel inundated. They feel like they can’t “get ahead” of the curve. For most of us, we carve out some small “safe” place, our sanctuary. More and more, that is in front of our computers.

When you *invade* that space, you trespass not only on private space but you make people feel violated.

In other words, just because you *can* send an email doesn’t mean you should. People became so enraged by the sheer volume of unwanted email that they went to various lawmakers and they passed laws against unwanted email messages. Against SPAM.

Email marketing is all about establishing real, credible, trusting relationships with clients and potential clients. Doing so inevitably translates into sales and profits. Nothing damages that credibility more than an email marketing campaign that does not first gain permission.

Effective and responsible email marketing depends on permission. However, just as permission can be a complex and thorny concept in personal relationships it can also be complex in commercial relationships. And, just like in social communities, the subject of permission is debated intensely in the marketing community.

On the one hand, the issue of permission is very straightforward. You need an email address owner's permission before you can send him or her a commercial email.

Period. Without that permission, then the recipient of your mail will likely consider your message as SPAM and, without question, you do NOT want to send SPAM.

Not only do you run the risk of having your email accounts shut down if you are accused of sending SPAM but you could also have your website closed down and, it goes without saying, your credibility and reputation will suffer.

And that's all without talking about any criminal action if you are breaking the law.

In short, there are some very real practical considerations when it comes to the issue of permission. However, apart from these considerations, there is still a strong case to be made that a long-term successful email marketing relationships with customers and others **can only work anyway if it is permission-based.**

Which brings us back to the real question – What constitutes permission? To paraphrase Hamlet, “there’s the rub.” In trying to define obscenity, the United States Supreme Court noted that a simple definition was difficult but that you would know something was obscene “when you saw it.”

In other words, you’d simply *know*. A similar dynamic is often at play when people discuss – and debate and argue – about what it means to get permission. For some it is a certain look. For others, a hand shake. Still others require a written contract. However, as a good rule of thumb, you might want to remember that it doesn’t really matter what *you* consider permission. The only definition that counts is the one understood by the person receiving your email.

“Permission” is not a democratically determined idea. From a marketing perspective, each and every customer is the final word in the matter. It doesn’t matter

that “the majority” of people say one thing. It doesn’t matter what you think. What matters is that recipient. The recipient and whoever is responsible for administering the infrastructure of the Internet.

Period.

So, when everything is said and done, you want to remove as much uncertainty from the concept of permission as you possibly can. There should be no ambiguity. No assumptions. Nothing that can be misunderstood.

Permission is... permission. Not saying, “no” is not the same as saying, “yes.” Giving permission is an active decision. For example, when a customer purchases something from your online store and also clicks on a box marked "please send me news about product updates via email."

Bingo! That’s permission. To paraphrase an eminent philosopher who never lived to see the computer age, that would be permission in “any and all possible worlds.” You can comfortably and confidently sent that person product updates by email. Of course, even that isn’t that simple. You also have to give them the opportunity to change their mind – at any time.

You see, it *is* a lot like personal relationships. Saying “yes” is permission only until someone says, “no.” Then it’s no. Permission is withdrawn. All bets are off.

I suppose it’s not all that much of a stretch to continue to use the analogy between these personal relationships and email marketing. In truth, what you’re trying to establish is a relationship that is based on trust. The same pitfalls that exist in one kind of relationship exist in the other.

As with most things, knowledge is your best resource when it comes to permission and email marketing. So, educate yourself!

If you are considering creating an email marketing campaign, you must read up on the subject of permission and SPAM. If you don't appreciate the importance of permission and the risks you invite if you play fast and loose with it, then you could be heading toward commercial disaster.

“Yike’s,” William whispered. “This is all sounding so overwhelming.”

I assured him that there was no reason to panic, though. In real terms, it’s actually pretty easy to make sure that the address lists you use or build yourself are permission-based.

Although both Ellen and William were relatively new to actively and aggressively marketing themselves and their products, others who *have* experience in marketing still struggle with the permission issue. Those who are new to email marketing but who have been involved in marketing in other media, whether radio, television, print, or direct mail seem to not “get” the permission aspect of email marketing.

For them, the issue is getting your information “out there.” The more efficient the medium, the better.

“I never had to ask permission to put a commercial on television,” Leon, a man with a number of years in advertising, pointed out. “Those commercials went right into people’s living rooms.”

Radio. Newspapers. Even direct mail. It was all the same. The *idea* of asking permission before trying to make a sale was anathema to advertisers.

“Who would ever let you advertise if you have to ask permission first?”

A good question. Wouldn't you rather watch a television program *without* advertising? If the advertiser asked for permission before putting a commercial on, the answer would almost always be, "No way!"

What these advertisers need to understand on a conceptual level is that email as a medium is not like those others. In fact, it is much more like the telephone. It is both personal and has the potential to be powerfully intrusive. Just as many people around the globe got tired of getting up from their dinner tables to answer a call from a telemarketer, unsolicited email had got customers and potential customers fed-up. And the last thing you want your customers to be is fed-up!

I ran into a guy who builds mailing lists for clients. He makes a practice of getting permission for clients but he tends to do it almost "on the sly" – using sign-in sheets at trade shows, requests for demonstrations, those sorts of things. Not what I would classify as actually getting permission.

And while it might be that such people are managing to meet the letter, if not the spirit, of the laws concerning SPAM I would suggest to them that they are squandering the opportunity to have a much more successful and efficient marketing campaign by getting *real* permission.

However, for those who are satisfied with merely doing all right... there's not much I can say that can win you over to doing email marketing in the best possible way. Why would you care about the best possible way? You're satisfied with "all right."

But, if you are the kind of person who is not satisfied with doing "well enough" then you might want to consider that when there are large health studies the studies often find a subtle skewed result. They have trouble being absolutely sure that the beneficial

outcome is due strictly to whatever they're testing. Why? Because people who are compliant and follow the rules tend to take care of themselves in many other ways as well.

Now, why is this relevant here? Because when people "opt in" to your email list, they are establishing a similar tendency. They are *more likely* to respond positively to your email marketing and to the products and services you sell! In other words, *these* are your people!

Let's say our television advertiser spends millions of dollars to put a commercial on during a television which reaches ten million viewers. Ten million viewers! Imagine that! With that kind of reach, certainly the commercial will be very beneficial to the advertiser. And maybe it is. After all, advertisers do extensive studies on the demographics of who watches what kind of television program. However, it is more likely that out of the ten million viewers, only a small fraction are interested in the product being advertised. And of that fraction, only a small number are interested in making an actual purchase.

In other words, the "bang for the advertising buck" might be worthwhile but it is hardly impressive.

Permission-driven email marketing is extremely efficient. You are *targeting* exactly the people who are most likely to spend money on your service or product – people who have chosen to have you contact them!

Email marketing is phenomenal because, done well, you get:

- ✓ Better response rates
- ✓ Increased trust on the part of your customers and subsequent brand affinity to *your* brand

- ✓ Better deliverability.

There's no question that creating a permission-based mailing list that is focused and has a well-drafted message takes time and money. It is equally true that your permission-based list will be a lot smaller than a list comprised of unsolicited names. However, like the television example, if you have ten million people on your list but only one million are even interested in your product, that seems pretty inefficient to me. Sure it *sounds* impressive to have a list of ten million names but I would much rather have a list of one million made up of *one million people who are interested in what I have to sell* than a huge list where finding the people who are interested in my product is like a shot in the dark.

Size – does it matter?

Email marketing has a efficient elegance. It isn't about the size of your list or beating your customers over the head with email after email. Ultimately, all marketing is about getting great results and building relationships. Everything else is hot air. And, quite simply, permission gets better results and is the only way to build email relationships with customers and subscribers.

So let's dispense with any more foolishness about the relative merits of getting permission or not getting permission. It is much better – on every level – to get permission.

I mean, what are we really talking about after all? At base, permission is just getting consent to receive your emails. But, once you have committed to a permission-based list, you have to consider several other things.

There are really two kinds of permission: "expressed" and "implied." As you might suspect, "expressed" permission is most explicit and direct. It comes from the user himself when he checks a box requesting your emails on a site-registration form or point-of-purchase postcard, or he agrees in person or sends in an email request. "Implied" is a softer kind of permission. Rather than a direct request for your emails, it results from some other action. In certain ways, the "implied" permission is closer to saying, "not saying no is saying yes." If a customer does not *remove* a check from a pre-checked email permission box on an online registration, or if she hits the "agree" button on an end-user agreement (without really reading all the fine print!) that lists receiving emails as a condition for using a site.

Purists – and in this regard, I am a purist – insist on "expressed" permission. Implied permission is just another name for opt-out – which is a perfectly fine option for people to *remove themselves* from a list they'd already chosen to be on but not a fine option for putting them on the list to begin with.

CAN-SPAM, a 2003 United States law that regulates commercial email, allows opt-out email marketing (I guess the United States Government is not quite as much of a purist as I am in this regard) but with a couple of caveats. The first is that all commercial emails must have a working "unsubscribe" function. In other words, you have to let people get off the list. Second, emails that are sent to recipients who did not provide "affirmative consent" (another way to say "expressed" permission) must include language that indicates that the message is "a promotional email."

CAN-SPAM tries to make email marketers “play fair.” Still, these rules, while clearly articulating what is legal, fall short of promoting best practices for email marketing. And, without question, "best practices" email marketing means opt-in **only**.

Now, you would think that “opt-in” pretty much says it all. But even the ole “opt-in” has two distinct levels:

- ✓ "Single opt-in." In this level, the recipient is automatically added to a list after completing a Web opt-in form, sending in a postcard, emailing a request, etc.
- ✓ "Double opt-in" or "confirmed opt-in." Here, the recipient requests a subscription, which generates an automated email message to which he must reply or click a link to confirm the subscription and is subsequently added to the list.

Despite what I’ve noted, there are still those who doubt that permission-based email lists get better results and result in many fewer unsubscribes, spam complaints and blocks. However, objective evidence suggests that this is indeed the case.

Marketers who begin with an opt-out mailing list strategy and then make the wise switch to a strictly opt-in strategy have found that their click rates jump nearly ten-fold *on average*.

Studies have consistently shown profound difference in survey responses in how people respond to email marketing depending on whether it is unsolicited or permission-based. For example, when asked whether they were “curious” to read an email, 48% of those who had given permission to receive the email said that they *were* curious to read it. For those who hadn’t given permission? The number was 16%.

Significant difference.

Perhaps most telling is the percentage of people who open the email but are “somewhat annoyed” by receiving it. For those who gave permission, the percentage was a modest 7% but for those who received the email unsolicited the percentage jumped to a whopping 76%!

What marketer is enthused by knowing that from the get-go 76% of the recipients of the marketing message are annoyed to be receiving it? Talk about digging yourself a hole that you have to climb out of.

As people become more sensitive to the dangers of computer viruses, people are more likely to simply delete emails from unknown sources than to open it and be swayed by a marketing message contained in it.

Inelegance and inefficiency, non-permission is thy name!

Marketing is all about making money, correct? Well, non-permission emails seem to waste money in many ways. 20%-30% of people change their email addresses in any given year. Therefore, when you send out unsolicited emails, you are likely sending out a lot of emails to addresses that don't exist anymore or to people who have adjusted their security settings to a higher level and so are blocking the message.

If you don't collect the addresses yourself, you haven't established any real connection to the address owner and he or she has no motivation to keep you up to date on any change in their status.

What's more, SPAM-reporting services often create specific email addresses and add them to mailing lists just to see who grabs them up and SPAMs them. Then, they report those email senders to blacklists or file spam complaints.

Tag, you're it!

So if you've just rented a low-cost mailing list thinking you've saved money... guess what? It's likely jam-packed with spam traps. If you get reported often enough, or if you generate enough spam complaints or bad addresses, ISPs and email providers will block everything coming from your email address, IP address, or domain or company name.

Bottom line, it ain't worth it!

Face it, there's no such thing as a free lunch and something that looks too good to be true usually is. Do the work and create your email list. With a good email list, you can work magic!

I mean it. Forget the surveys and statistics. Permission-based email marketing just makes more sense, both for customer relations and your marketing budget. Why would anyone in their right mind (you!) throw money at people who have no demonstrated interest in your products or services? The pittance you get from the small percentage of people who will open an unsolicited email because they're interested in your product will be more than offset by the diminishing returns you'll face as more ISPs block your emails.

So, when considering your email marketing list, keep these things in mind:

- ✓ **Permission must be granted.** Never assume (it makes an "ass" out of "u" and "me") that you have permission. Have the people on your list actually given you permission or are you simply assuming they want to receive your emails?
- ✓ **WIIFM (what's in it for me?)** This is the gold standard of any recipient of any marketing communication. Recipients want to know and need to understand "what's in it for me." You'll find that you will have a much more content (and therefore, more receptive) audience if you consider their needs in your permission process and your email campaign.

- ✓ **Permission can be revoked.** The Lord giveth and the Lord... Recipients should have the right and ability to get themselves off your list if they don't want to be there. Ironically, the easier and clearer you make this process, the more loyal your list will be.
- ✓ **Permission cannot be transferred.** Never! Preserve the privacy of your people on your list as fervently as you would protect your own. Just because you have permission from someone to send them an email does not mean you have the right to give their name and email to anyone else. This is an absolute rule. Do not give this information to anyone, not your distributors, parent organizations, associations, etc.
- ✓ **Permission is NOT granted...** Come on, who're you trying to fool? If you get someone to toss a business card into a fishbowl at a trade event, great. But that doesn't mean they've given you permission to use the information on that card unless you have clearly stated that by doing so, they are giving you permission to send them specific information.
 - If you ask me for an email address as part of the data gathered in the sales process that does not constitute permission unless, again, you clearly state that by doing so, you are being given you permission to send them specific information. ("May I add you to our mailing list to receive periodic")
 - If you have visitors to your website fill out a request for information still does not constitute permission unless... (I'm starting to sound like a broken record, aren't I?) you clearly have them opt-in and give you permission to send them specific information or a specific newsletter.
- ✓ **Ways to Gain Permission- ASK!** What a concept! You want something... just ask. The golden rule: just clearly ask for permission. You'll be amazed at how often you will get a positive response if people understand the situation, and what they'll receive as a result. Again think of the "WIIFM" rule!
- ✓ **Opt-in:** "Click here if you would like to receive our email newsletter." Short and sweet. No fuss, no muss. This is the standard, and most common, method of permission.

- ✓ **Opt-out:** “Click here if you do NOT want to receive our email newsletter.” This is discredited. Do not use this method to create your list. It is, at base, deceptive.
- ✓ **Double opt-in:** Here’s the gold standard. “Click here if you would like to receive our email newsletter, then receive a verification email that you must respond to in order to double opt-in.” Admittedly, this method is lengthy, and your list size grows at a slower rate, but the people who double opt-in are giving you a very strong permission to email to them and with that permission a very stronger likelihood of responding favorably to your emails.

Chapter Four – Making a List, Checking it Twice...

If you're fortunate enough to have a dynamic house list that seems to "grow itself" each month... good for you. However, most people need to develop a list from scratch. This is not always an easy task but if you put your time and energy into the early going, you too will soon have that "dynamic house list" that is the envy of every other company and business.

To be successful in any business is to have a plan. Building a list is no different than any other aspect of your business. You can't expect to do it successfully if you're going to do it haphazardly. You need to come up with a strategy of how you'll find, approach and then convince your target audience – your customers and potential customers – to give you their email addresses.

Often, people place the "cart before the horse." They write a beautiful newsletter, filled with interesting tidbits about their business. They make it look good, etc. But then... they find that they don't have anyone to send it to yet. They are like the girl who buys a prom dress before getting asked to the prom. It is much better to have someone to send your newsletter to before you devote too much time to writing it.

List first.

Newsletter second.

But remember, building a list is not a static event. It is an ongoing process. So, don't wait until your list is "complete" to get that newsletter out. Just wait until you have what you consider a "critical mass" of people to send it to.

Now, whoever is writing your plan should have a clear and complete sense of who your target audience is. Mother's of pre-teen girls? Athletic types? Car

enthusiasts? Audiophiles? The more the person writing the plan knows about your target audience, the better the plan will be. Who do you want to reach? How can you “reach” them – online and off?

(And don’t forget to establish how much you can afford to spend to get an email address!)

Consider the content of your email. In all email marketing, there is going to be some kind of promotion. Remember WIIFM! Make sure you provide content that is value laden for your recipients.

Remember too that imitation is the greatest form of flattery. That is, look to see what your competitors are doing online. Try to find out how they gather email addresses. Consider if any of their methods will work for you.

Finally, define the specific things that you will do to build an opt-in list. These things might include:

- ✓ Leverage existing touch points to get the opt-in for email.
- ✓ Identify specific Web sites, email newsletters, search engines, and other online spaces where a banner, co-registration, or other mechanism will help reach the target market.
- ✓ Brainstorm offline ways to grow the opt-in email list.

When you begin your plan, start with solid numbers. How many email addresses do you want to add each month? Only when you have established your quantitative basis can you intelligently look at the qualitative aspect of building your list. This is, of course, the creative and challenging part. Where does your target audience “hang out” – on-line and off.

It often feels as though you're searching for a needle in a haystack at first but, when you think about your target audience, you probably have a good idea where to look. After all, they're your target audience for a reason – you have a product or service for them. You *know* your demographic. Put that knowledge to work for you.

Getting Them to Come Calling

Ultimately, the purpose of email marketing is to drive clients to your store or, more likely, to your website where you can sell your products and services to them. But, of course, until you have *someone* to send your email promotion to, you're at a disadvantage.

The quickest way to get a list is to rent or buy one. But, for many reasons, most of which I've already covered, renting and/or buying is often not the best strategy. Opt-in email lists are the gold standard. So, don't expect the list to magically appear. Do the hard legwork to get your list established and growing. Those names are your sales leads. The more effort you put into developing your email list, the more potential customers you will have. By the same token, if you don't collect email addresses, your online business growth will halt.

It ain't rocket science.

So, with the ultimate goal in mind, consider these tips for establishing your own, in-house, opt-in, high-quality email list:

- ✓ Offer Content. Don't expect people to come running to you to give you their email addresses. However, if you offer them something in return – whether an informative newsletter, a coupon for something, a free membership... *something* ... they will much more likely to be willing to

give you their email address. (Subscriptions to a newsletter, e-zine, e-book, software or online course are the best method. Many studies of internet use indicate that most people go online to learn something. So, help them. And in the process, help yourself.

- ✓ Don't make it hard! Life is hard enough. You want something from these people (for them to give you their email address.) Don't make it difficult for them. Make it as easy as you can. Make the form obvious. Make the instructions clear. Whatever you do, if someone visits your site, don't let them leave without offering them the chance to sign up. (Try including a link on each of your web pages!)
- ✓ "What happens in Vegas..." Guarantee the privacy of your customers! None of us wants the information we give out passed around willy-nilly. Make sure your clients and customers know that you respect their privacy and that you will guard it.
- ✓ Discretion... Don't ask too much too soon. The soft sell is always more effective long term than the hard sell. Sites that don't allow people to enter without first getting a lot of information generally end up with fewer visitors than they would like. Keep it simple at first. Once you've established a relationship with your customer/client you can ask for more information. Think of your relationship as dating. Go slow at first.
- ✓ Give something away! Everyone loves a present. So, satisfy that delight we all have in getting something for free. Offer an incentive for subscribing to your newsletter. Remember: WIIFM!
- ✓ Word of Mouth. Once you've established a relationship with a customer/client ask them to pass your website along to *their* friends and colleagues. Coming from a friend, the site is more credible. Build on your relationships. Viral emailing. Make it work for you. The Internet is all about sharing information, and we love to let others know about good places to learn at. If you make yours a great one, you'll start seeing people share the wealth with others-and your web site URL will get seen by more people.

- ✓ People love choices. Offer visitors to your site different options: some may want to subscribe to a newsletter, others may want to read your special articles, while yet others only want to hear about special product updates. Create your subscription box to offer different choices, then deliver them what they asked for. Maybe you don't know you're doing it, but your engaging in "market segmentation" – meeting the needs of different sectors of your market. This is a good thing.
- ✓ You're in it for the long haul. Develop your relationship with your clients and customers. People would much rather deal with someone they trust than someone they don't know – even if that ends up costing a bit more. So take care to take care of your email relationships. Respond promptly. Be businesslike and appropriate. Be polite.

If you look over this list carefully, you will realize that it really amounts to a common-sense approach. Remember, it's the Internet, not a distant planet. The same kinds of things that work in other environments work here.

Chapter Five – Strategies that Work

Email is an integral part of your marketing plan. Say it again. That's right, email is an integral part of your marketing plan. So, make it work for you!

While the main value of email marketing is to drive traffic to your web site, there are other important reasons that emails can be used in promoting your business.

Remember, email works! Develop strategies that will help your email marketing be even more successful.

Establish brand identification. Nothing is more fundamental to marketing than branding. Using emails to strengthen your brand is easy – and essential. You can reinforce brand identification. But how? By knowing your demographic – if your business sells toys for young children, you will want to use fonts and graphics that will appeal to those who *buy* toys for young children, mothers (and don't forget grandparents!) Similarly, if humor will appeal to your customers, use it! Topic and tone matter in email communications. Be consistent in your tone and always choose content that will matter to your customers. (A final word about fonts and graphics... USE THEM CREATIVELY! The vast majority of email users have the ability to receive HTML email – graphic email. And HTML email more than doubles the response rate of plain text email.)

Be informative! Update your customers on your products and services. If your demographic is teens – write about acne cream! What's the best out there (and what's the

best deal you have on it!) Provide seasonal gardening tips if you have a garden shop (or even if your demographic tends to be people who take good care of their gardens!)

Build good customer relations. Use your emails to establish and reinforce a positive image of your reputation for services and attentiveness. Include “testimonials” from satisfied customers. Make sure your customers know how to reach you – and how to get a prompt and polite response! Customer service is the difference between customer loyalty and losing a customer – much more than modest differences in price. “Value” is rarely defined by cost alone. Remember, SERVICE. Make your good service part of every email you send – from the auto-responders you send when clients fill out an order form, confirming that their order was received and is being processed, to the product updates you send your email list. SERVICE.

A contact number for those customers who feel that they need to reach you immediately goes a long way to establishing and maintaining your professional credibility.

Making your commitment to quality service evident in all your communications can go a long way towards creating positive customer relations. And, regardless of your painful memories of your middle-school English teacher, make sure that your emails are grammatically correct and have no spelling errors! Keep the tone polite and business-like. Let the nature of your business define the “tone” and informality of your email. A swimming pool cleaning service and a bank should NOT send out emails that sound like they were written by the same person!

Use emails to answer customer questions, and overcome objections to buying from you. Answer – or anticipate – customers questions or concerns in a clear, easy-to-

understand manner. Give your customers useful information, information that they've either already asked for or information that you *anticipate* will make it easier for them to use your products or services. Include articles that help address common customer concerns that may make them resistant to buying products from you. For example, if you send along an article that guides a customer in the most successful way to plant grass seed (watch out for those shady areas!) you will likely win over a customer for all your products.

While your website might include a section devoted to "Frequently Asked Questions" why not include one or two of these with every email you send out? At the very least, doing so communicates that you are dedicated to addressing your customers' needs. And that can never be bad for business.

Use Your Email Signature EVERYWHERE. It doesn't matter if you are sending an email to your old college roommate or a friend from a fishing trip, ALWAYS (do the CAPS convince you that this is important? They should!) include your website URL and email address in your signature. It's free advertising for your business, and is an effective method of letting people know that you're online, and ready to receive requests from them.

Send Greeting Cards. (Or, if you've managed to include the information – Birthday and Anniversary Cards.) Your regular email client list will welcome a friendly greeting card from you during holiday time. A greeting card is a nice gesture and a friendly reminder that you wish them a happy season, and to let them know about seasonal promotions.

Hold a Contest. People love to compete, especially if there's a modest prize for the winner. So, take advantage of human nature and use email to hold a contest, and to offer prizes to winners. You increase interactivity and, in the process, increase interest in your newsletter or ezine. (Be sure to encourage contest participants to get others to sign up as well-and watch the interest grow. You might even create a contest where a prize goes to the person who signs up the most names!)

Create your own newsletter, online course, or ezine. This suggestion, of course, demands the most creativity, time and effort but it might also be the most effective way to increase the benefits of your email marketing campaign. After all, don't you want people to perceive you as an expert in your field, or your business as the "best" resource for products and services? Don't you want to market your online business effectively? Then consider investing in the time and effort to create your own ezine or newsletter.

- ✓ You will be building your email list (see the second suggestion)
- ✓ You create a forum to place your own ads, and promote your services or affiliate programs
- ✓ You will get **your** website address, your logo, and a link to your programs in each email that you send.

Use email as part of your overall marketing plan. By doing so, you help your customers form a positive image of your business, improve customer relations, and help get the word out about your business.