Module-5

Email Marketing

What is Email Marketing?

Email marketing is using e-mail as a means of promoting your products or services. This can be direct one to one e-mails but typically it relates to sending e-mails to a group of people that have subscribed to a mailing list.

Email marketing is a digital marketing channel that engages prospects at various stages of the funnel, engaging and maintaining their interest. Because of its versatile nature, email is a vital tool for online retailers who want to stay top of mind with consumers. Email marketing is a good and cheaper alternative to sending direct mail (via the post).

For example some people may subscribe to receive a regular newsletter from you. In general the term "Email marketing" is used to refer to:

- Sending promotional e-mails in order to acquire new customers or convincing current customers to purchase something immediately.
- Sending emails specifically designed to enhance relationships with current or previous customers, to encourage customer loyalty and repeat business.
- Adding advertisements to others companies' e-mails (on a partnership basis) to gain exposure within a new market.

Measuring the Success of Email Marketing:

The following metrics are used to judge the overall success of email marketing:

➢ **List Growth Rate:** This measures how many addresses are being added to the company's list of contacts. More contacts is *not* necessarily better - a small list of leads who are likely to buy is better than a large list that doesn't care.

➢ **Bounce Rate**: A 'bounce' is an email that was never successfully delivered. This indicates a problem such as the account no longer being in use, and businesses need to trim these addresses on a regular basis.

➢ **Click-Through-Rate**: This calculates how many people are clicking one or more links in the email (typically taking them to a product page or special offer), and is one of the major signs of interest in an online store.

➢ **Conversion Rate**: An extension of the previous metric, the Conversion Rate calculates how many people are *finishing* what they've been prompted to do. The most common criteria for this is purchasing a product or service, but it is possible to use other criteria, such as filling out a form to provide more information about themselves.

➢ **Revenue Per Message**: This metric calculates how much profit, on average, a company made throughout its campaign. The calculation is a simple division of total revenue by the number of marketing emails sent.

Create an email marketing plan

Creating an email marketing strategy involves having a system for determining how often to send emails, what kind of content to create, and who to send it to.

It's important to go step-by-step through the process rather than skip ahead to the content creation step. Only when you have all the aspects of your marketing plan working in tandem can you reap the benefits of a strong email marketing plan.

Step 1: Setting goals and success metrics

The first step to creating your email marketing plan is to set goals for what you want to accomplish with your email marketing. Are you looking to increase clicks through to your website? Boost sales?

Start by setting one SMART (Specific, Measurable, Attainable, Realistic, Time-Sensitive) goal for your upcoming email marketing campaigns. For example, you might decide that by the end of the quarter, you want to have a 5% higher click-through rate on your emails.

When your goal is specific and measurable, you will have a cut-off point for determining whether your goal was met or not. In the above example, if your click-through rate is 5% higher by the end of the quarter, you've reached your goal.

While you set your goals, you should also determine which metrics you're using to measure success. These KPIs should be directly tied to your goal. So, in the above example, your click-through rate would be your KPI.

As you get a handle on your email marketing strategy, you may decide that you can tackle multiple goals — and multiple success metrics — each quarter. However, starting with one goal and one KPI can help you focus your efforts and achieve real success.

Step 2: Doing target audience research

The second step to developing your email marketing strategy is to research your target audience. You want to know your audience as much as you can — beyond basic demographic information like their age and gender.

Creating a customer avatar can be a significant first step in getting to know your audience. This in-depth exploration of your target audience gets into details like their hobbies, passions, and goals. This matters since 71% of customers prefer buying from brands that align with their personal values.

Once you know your target audience, you can begin researching the type of content they might find most appealing. Target audience research might include:

- Conducting customer satisfaction surveys
- Interviewing your sales team about their interactions with customers
- Examining what your competitors are doing
- Reviewing your blog to see which posts receive the most engagement
- Auditing your social media engagement

- Researching data on the buying habits and behaviors of your target audience

Take notes about your research, especially as it pertains to your business. For example, if you run a company that sells tea to people in the Gen X generation, and your research tells you that people in Gen X care a lot about the environment, you might note that it would be a good idea to talk about your company's compostable tea bags.

These notes can kickstart your brainstorming and help you develop solid themes and topics for your upcoming email campaigns.

Step 3: Reviewing marketing results from the previous year

You will want to use insights from your end-of-year marketing report to set goals for this year. If you don't already have this report you will want to compile it. It can be a time-consuming process, but doing so can help zero in on your most effective email marketing tactics.

Your year-end marketing audit can also showcase where your customers were engaged on channels outside of email. By getting a complete picture of which marketing channels and tactics work best — and which ones *need* work — you can keep from reinventing the wheel or repeating mistakes.

Step 4: Creating list segmentation

[Segmenting your email lists](#) is a vital part of a winning email marketing strategy. This is because not all of your customers have the same needs.

For example, consider a company that sells accounting software to mid-sized companies. The people benefiting directly from the software are the company's accountants. However, the CEO or managers of the companies are likely to be the ones deciding whether or not to purchase the product.

These two groups of people will require different messaging. The accountants will benefit from content showcasing how the new product works, how it makes their lives easier, and how it prevents mistakes. The decision-makers, on the other hand, won't care about the technical aspect of how the software works. Instead, they'll be interested in how the software will save them money and whether it is worth the investment.

Segmenting groups with different needs into their own email lists allows you to send targeted emails that matter to your recipients. Paired with a strong email headline, this can increase your email open rate, position your brand as an authority on the subject, and improve lead nurturing efforts.

Step 5: Starting with important business dates and holidays

Once you've audited previous marketing efforts, set your goals, and segmented your email list, you'll be ready to start adding items to your [email marketing calendar](#).

The first thing you should do is add key dates to your calendar that you don't want to forget. This may include:

- Important holidays
- Product launches
- Charity programs
- Business events

For each key date, determine how far in advance of the date you need to start marketing for it. Highlight those dates so that you know to prepare content for them. As you begin plotting the rest of your email campaigns, you can fit them in around the dates you already have outlined. This prevents email campaigns from running into one another.

Step 6: Plotting campaigns on an email marketing calendar

Planning out your actual email campaigns on your marketing calendar is the final — and often most exciting — step to developing your email marketing strategy.

For this step, you'll want to pull out the notes you took on your target audience in Step Two. Using those notes, begin brainstorming different campaign ideas with which your target audience is likely to connect.

Next, evaluate the ideas you've come up with based on your email marketing goal. Highlight marketing ideas that seem to align the closest with your stated goals and KPIs.

Once you've determined which email marketing campaigns you want to use, you can begin plotting them out on your calendar. As a general rule, plan to send your customers about one email newsletter per week. Your newsletter should contain content that provides value to your customers, rather than just asking them to purchase your product.

The only exception to this rule is when you have a genuine sale that you're running. In this case, it's okay to send promotional emails highlighting the sale. If your customers are used to seeing quality content from your brand, they'll be more receptive to promotional emails when you do need to send them.

Step 7: Planning time to craft your emails

It's one thing to design an email marketing plan for yourself and another thing to ensure you follow through on your plan. Studies show that 88% of people procrastinate on tasks for at least one hour each day. Forty percent of the time, procrastination stems from feeling overwhelmed and not knowing where to start on a task.

When you schedule a specific time each week to craft your email content and headings, you can nip that procrastination in the bud. If it's already part of your plan, you already have one foot in the door. You may as well take the other step.

The more often you create emails, the easier it will become. Over time, crafting high-quality email newsletters will be second nature to you.

Having a set time to craft your emails also ensures that you don't fall behind. When you have a detailed marketing calendar, sticking to the dates on your calendar is critical to achieving your goals. When it's time to audit your email marketing success and compare your KPIs to the SMART goal you set, knowing that you stuck to your schedule and did your best will

help you accurately assess your results. This, in turn, can help you tweak your methods and set goals for future email marketing campaigns.

E-Mail Marketing Campaign

With all the capabilities now available in e-mail marketing systems, there are a few basic things we need to know about e-mail marketing to build deeper relationships with your customers to

increase revenues, grow your business and get ahead of your competition. Here are seven steps to creating and launching a successful **E-Mail Marketing Campaign**.

1. Choose the Right E-mail Marketing Software System

CRM systems can range from simple database models to more complex systems that include sales force management, shopping carts, affiliate programs and e-mail behavior campaigns. Infusionsoft offers complete CRM capabilities, which include not only database and campaign management but also offer information on interest, preference and purchase behaviors so that you can tailor your message and campaigns. Other systems, such as Mail Chimp , Constant Contact and AWeber offer more basic e-mail database and campaign management services. Decide what capabilities you want and use a checklist to compare systems. Most e-mail programs have training and free support to guide you through the learning process.

2. Build a List

Even if you only have 10 e-mail addresses, you need to start somewhere. Add those to your database. Once you have your list started, make sure that you launch a campaign to keep in touch and in front of your contacts without overwhelming their inbox. I suggest two e-mails per month maximum. It's not about e-mail quantity; it's about quality.

3. Set up Contact Information Capture Forms

It's easy to add forms to your website or blog to allow visitors to give you their contact information, such as e-mail address, name and phone number.

4. Decide What You Want to Accomplish

Before you launch your first campaign, you need to decide what it is that you want to accomplish. Do you want to deepen the quality of relationships, take your list through the sales cycle, educate them? Why are you sending your e-mails? Set clear goals before you send your first e-mail, and build your messages and campaign around those goals.

5. Set up Auto-respond E-mails

Set up at least six e-mails that will automatically release on the dates and times you choose to send out to your list. Keep them short, simple and to the point. Do not make them "sales pitchy"; use auto-respond e-mails to educate and build relationships, and the rest will follow. Make sure that each auto-respond e-mail has several links for more information; this is how you will gauge their interest and determine how to keep marketing to them.

6. Add Triggers to E-mails

Here's an example of a trigger: Your client clicks on a link in one of the e-mails you sent her about your product or service. As soon as she clicks on that link, it automatically triggers the release of a message sending her information about a similar product or service based on the original link. Triggers are used to send clients into a new sales cycle based on topic.

7. Monitor Results

Once per month, look at reporting (metrics) to see which e-mails are more effective and have a higher rate of opening as well as click-through. Use the lessons learned to build your next campaign. It's important to know how your list is responding to the e-mails that you send. If you aren't getting a good click-through response, the problem is either the quality of your message or the topic. Test a few e-mails with your top customers to see what they respond to and what they don't respond to (one common test is to send the same message with several

different subject lines to see what your list favors). Offer recipients a discount on services for their time.

Not only has e-mail technology and software evolved, but the way people use it to communicate has changed how entrepreneurs and small-business owners market and grow their businesses. E- mail 2.0 marketing is an effective way to increase relationships, response rates and conversions through smart, targeted communication.

Advantages of Email Marketing:

Email marketing can be used for many different purposes.

➢ **Promotion —** you can use emails to promote a special offer, or a new product or service to a list of existing or potential customers. The main aim of a promotional email is to get the reader to take some type of action, such as, book a room, buy a gift card, or reserve a table. If your readers have specifically subscribed to your mailing list to receive special offers and promotions then that's fine, but if they have subscribed to a list to be kept up- to-date on news and events then if you are constantly bombarding them with promotional emails you stand the risk of alienating them and forcing them to unsubscribe.

➢ **Retention** — these are emails aimed at building a relationship between you and your readers. These generally take the form of newsletters where you are providing your readers with information and stories that they may find interesting. A newsletter can of course also include promotional messages or advertisements but these should not be their main aim. Your customers can forget about you very quickly so keeping in contact with them on a regular basis is a good way to keep them aware of you and your business.

➢ **Communication** — these types of emails are generally short emails designed to communicate some important information to your readers. For example, invitation to an event in your hotel, a traveller tip for your area, details of a news article about your hotel.

➢ **Other Benefits of Using Email marketing** - There are many good reasons to use e-mail marketing because even with the growth of social media, e-mail marketing can still be very effective

Email marketing allows you to reach millions of customers with a click of a button. Like

any marketing medium, it has its advantages and disadvantages. Use it correctly, and

you'll make more money, but use it incorrectly and you could lose your business. Weigh

these pros and cons before you start an email campaign.

▪ **Cost** — Communicating via email has many of the advantages of traditional direct mail but with much lower costs.
▪ **Speed** — if you need to, you can get a message out to your entire list very fast.
▪ **Easy to create** — with the many email tools out here, such as, MailChimp and Constant Contact, it has become extremely easy to send out professional looking emails and track their performance through reports. Most of these tools provide standard templates and layouts for all different types of emails, such as newsletters, invitations, special offers and many more.

▪ **Personalized** — the more information you collect, the more messages can be tailored and personalized.

▪ **Tracking** — you can track how well your email campaign is doing, such as, how many emails were opened, what links did they click, and so on. With this information you can then adjust your next campaign and improve performance.

Disadvantages of Email Marketing:

Businesses use email marketing as an affordable and often effective advertising tool. However,

before employing this technique we should make yourself aware of the disadvantages and

misconceptions that exist. For example, though many people believe email marketing is free,

starting any marketing campaign from scratch (even an electronic one) will cost your company

money. Several factors can hinder your effectiveness, and, in some cases, email marketing can even work against your business.

➢ **Spam -** People's in-boxes get inundated with email, both solicited and unsolicited. To cut down on the amount of unwanted emails, many servers have filters in place to lessen the number of spam emails a person receives. ("Spam" is a common term for bulk distributed emails.) People can further adjust their email filters to their own tastes. Our email

marketing could well land in a spam folder and never get viewed. In some cases, you could find yourself or your business in serious legal trouble. The CAN-SPAM Act sets forth strict guidelines that companies must meet in order to use email marketing. Violations of the act can cost up to $16,000, and numerous people may be charged. Even when you take pains to ensure

your email marketing conforms to the rules, you may still be accused and have to prove your campaigns are legitimate.

➢ **Engagement -** Email marketing requires constant tweaking to keep your subscribers engaged. A person will often sign up to receive email solely as part of a promotion. For example, if a user provides his email address, he may receive a discount on a product. A user might also unintentionally sign up, such as if subscribing was the default choice on a web page. In such cases, your email marketing may be perceived as a nuisance. Even in the case that someone deliberately signed up to receive your marketing emails, like an industry newsletter, you still must work to maintain a level of engagement to keep your reader from unsubscribing.

➢ **Appearance -** You may have worked to create your email marketing to look exactly the way you envisioned. Unfortunately, due to the varying servers and computer settings, your design may not come through the way you hoped, which can diminish the impact of your message. Text may be moved from one line to the next on a person's screen. The email setting on another person's computer may only allow text, blocking images from

coming through. If the main focus of your marketing was a logo, it could be lost. If you want to avoid a misconstrued or possibly messy appearance, you'll need to make sure the code used translates to the most basic processing systems. This may entail consulting with a technical specialist or marketing firm.

➢ **Costs -** Sending a quick email to someone may not cost you much more than Internet access, but the costs of launching an email marketing campaign add up. Even basic self-managed monthly plans with fewer than 10,000 subscribers can cost $70, according to one marketing software firm. Hiring a company to design and manage an email marketing campaign includes templates and consultations and can get pricey. A start-up package can cost several thousand dollars initially plus a thousand or more per month for continuing management.

How To Plan A Digital Marketing Budget

Let's have a look at these steps at how to set a digital marketing budget –

1. Understand your costs and revenue

You need to take into account your current costs before formulating a digital marketing budget plan. What are your current costs? How much value do your marketing activities create currently? What are your operational costs? You can then plan for the future only after taking control of the current situation.

2. Define your marketing goals

About 30% of digital marketers admitted that securing a good budget can be a challenge. Before allocating your budget, you need to outline your goals for the coming year. What are your KPIs? How many new customers do you wish to have? What is the retention rate? These questions will not only give you a direction but also

3. Align your marketing strategy

Your marketing strategy needs to be in alignment with your budget. The current targets and future targets need to be clear for the way forward.

4. Determine a rough budget

Make a rough outline of your budget. This may not be set in stone, but it will give you an idea of how to go out allocating it for marketing activities. Try to be strict about sticking to it as much as possible. However, there can be unforeseen expenditures.

5. Work within the budget set and review weekly or monthly

When you are working with the budgets, keep testing and reviewing on a weekly, bi-monthly, or monthly basis. This will help you gauge if the budgets are working for you or not.

6. Analyze your results over time and re-evaluate your budget or strategy accordingly

Analyze your marketing budgets and the results with the marketing team and management. You can accordingly tweak the average digital marketing budget or the marketing strategy, helping you identify what needs to change for maximum results.

Cost Management

The four steps below outline how the cost management process are

1. Resource Planning
Resource planning is the process of forecasting future resource requirements for a business, project or scope of work. To create a resource plan, you need to start by defining the project scope, a document that details the project activities that will be done.

Once the project activities have been defined, project managers usually rely on historical data, expert opinions, and resource planning tools such as a resource breakdown structure (RBS) to estimate the resources that will be needed.

Resource planning is the process of ascertaining future resource requirements for an organization or a scope of work. This involves the evaluation and planning of the use of the physical, human, financial, and informational resources required to complete work activities and their tasks. Most activities involve using people to perform work. Some activities involve materials and consumables. Other tasks involve creating an asset using mainly information inputs (e.g., engineering or software design). Usually, people use tools such as equipment to help them.

2. Cost Estimating
Cost estimating consists of assigning costs to the resources you need to execute your projects, such as labor, materials and equipment. Cost estimating is one of the most important steps in the cost management process because it lays out the base for your project budget. There are several cost estimating techniques you can use depending on the characteristics of your project.

Cost estimating is the predictive process used to quantify, cost, and price the resources required by the scope of an investment option, activity, or project. It involves the application of

techniques that convert quantified technical and programmatic information about an asset or project into finance and resource information. The outputs of estimating are used primarily as inputs for business planning, cost analysis, and decisions or for project cost and schedule control processes.

3. Cost Budgeting

Based on your cost estimates, you can now create a project budget, which is simply the sum of all your project costs. Make sure to include all types of project costs, including direct, indirect, fixed and variable costs. A project budget should also include contingency reserves in case there's work that needs to be redone, or a risk has struck the project and risk mitigation strategies need to be taken.

Once the project starts, the project budget is a baseline that's used to compare actual costs vs. estimated costs. Therefore, project budgets allow project managers to quickly understand if their costs are too high and if there's a risk of cost overrun.

4. Cost Control

Cost control refers to all the activities, guidelines and procedures taken to minimize and track project costs. Poor cost control can affect the profitability of a project, but luckily project management software can help you to easily keep track of costs with tools such as timesheets, workload planners and project dashboards.