

SPECIAL REPORT

Top Email List Building Tactics

A Look at Email List Growth & Channels

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Top Email List Building Tactics: A Look at Email List Growth & Channels

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TIPS AND TACTICS FOR BUILDING YOUR EMAIL LIST

AppSumo is all about cool apps and other fun digital goods. They are also really fond of helping people save money and become better entrepreneurs. One way to do both is to run profitable and efficient marketing and promotions campaigns. But you can't do that if your subscriber list leaves a lot to be desired. You need a way to build up an email list quickly and without spending a fortune. Fortunately, that's sort of information is MECLABS' specialty.

AppSumo turned to MECLABS and their team of research experts at MarketingSherpa to get some valuable tips and advice that can help you grow your subscriber list with quality leads. This special report contains charts and information from [MarketingSherpa's 2011 Email Marketing Benchmark Report](#).

In the pages that follow, you will learn:

- The most common list-building tactics organizations are using
- How much work, time and money each tactic involves
- Which tactics marketers consider most effective
- Tips for testing and optimizing email marketing strategies

When building an email list, don't be too obsessed with reaching impressive numbers. It's more important to have high-quality names that will pay off for you.

You will also hear tips and comments directly from the marketers themselves—they share insights as to tactics that have (and haven't) worked well for them. There is quite a variety, so odds are good you'll find a few ideas you haven't tried yet!

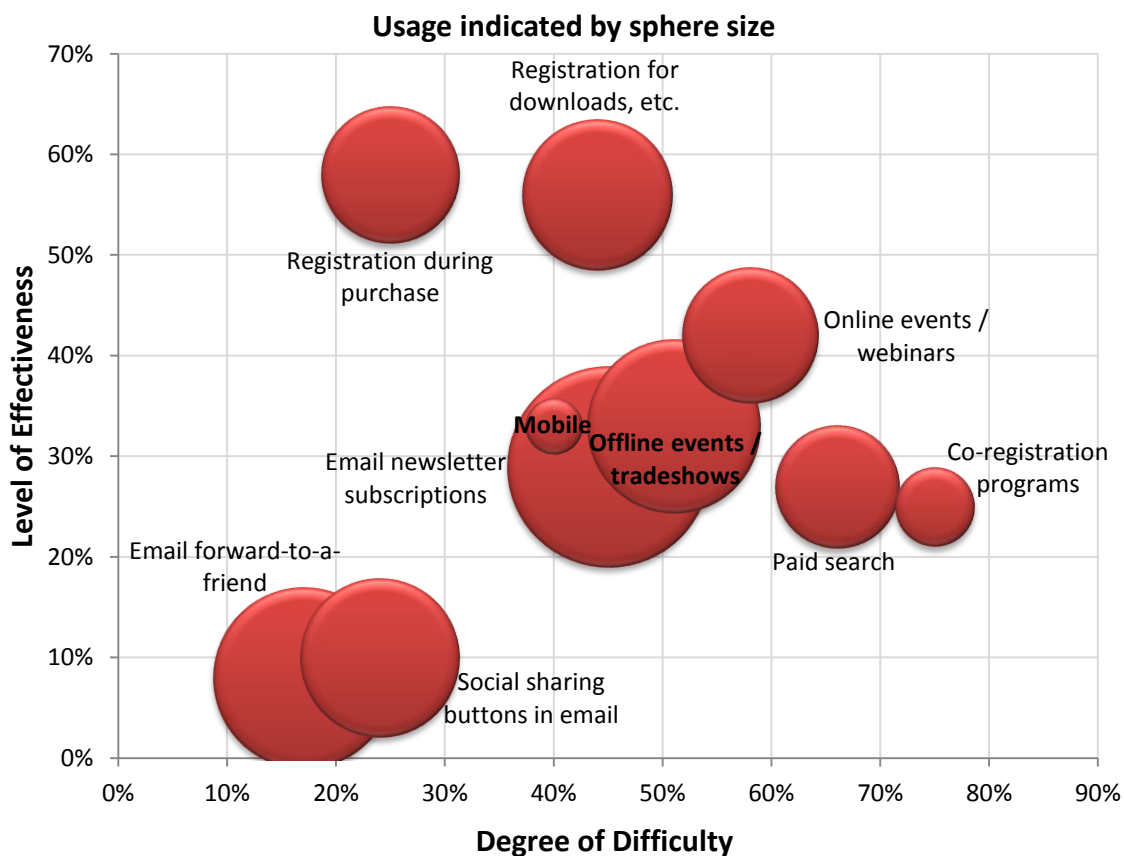
And of course you will also hear ways that marketers are testing their campaigns, to find out exactly how well their tactics are working.

But enough of the previews—let's get right into the data, so you can start growing your list ASAP!

TOP TACTICS FOR INCREASING SUBSCRIBER LISTS

Email marketing is recognized as an established marketing and sales tool. As the strategy matures it is no longer about strictly increasing numbers, rather quality is the priority. As marketing communications becomes more customer-centric, identifying a customer's communications preferences is essential to delivering relevant content. This trend coincides with a focus on content. In the chart below marketers recognize registering for downloads, webinars and newsletters are effective methods to grow email lists.

Chart: Three dimensions of list growth tactics - effectiveness, difficulty and use

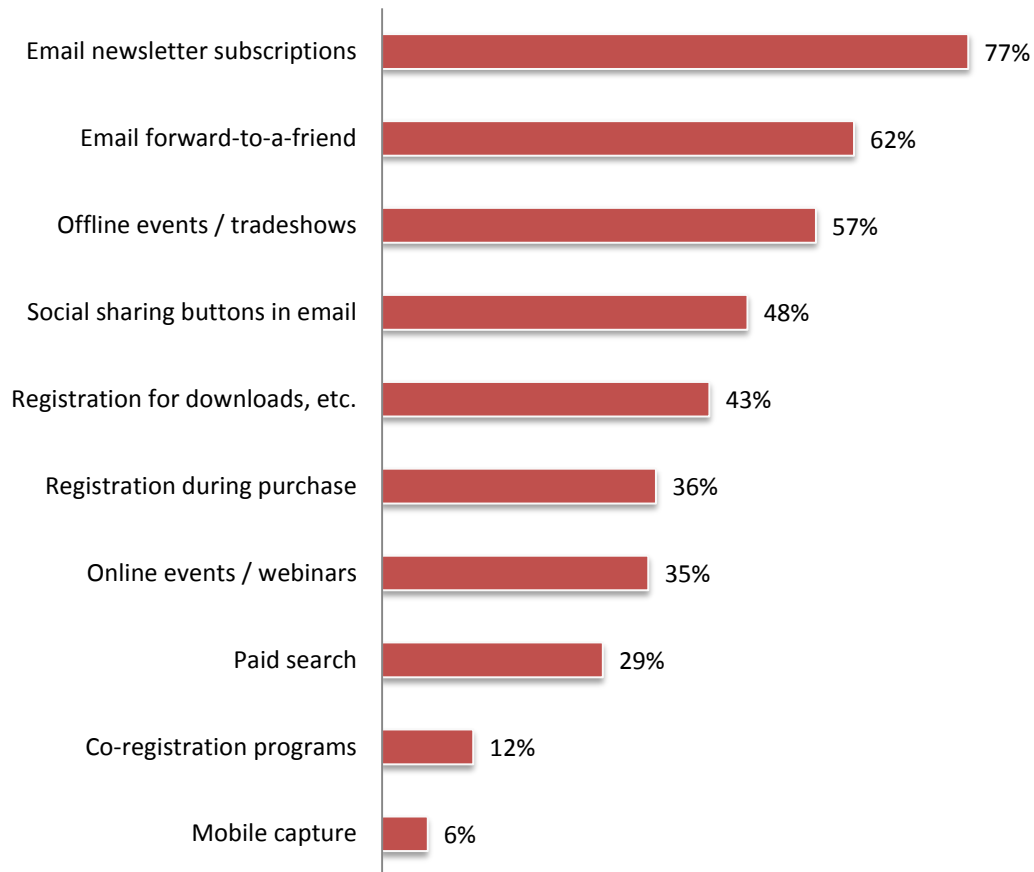


Source: MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded Sep 2010, N=1,115

EMAIL LIST GROWTH TACTICS USED

Q. Which of the following tactics is your organization using to drive email list growth?

Chart: Tactics organizations are using to grow email lists



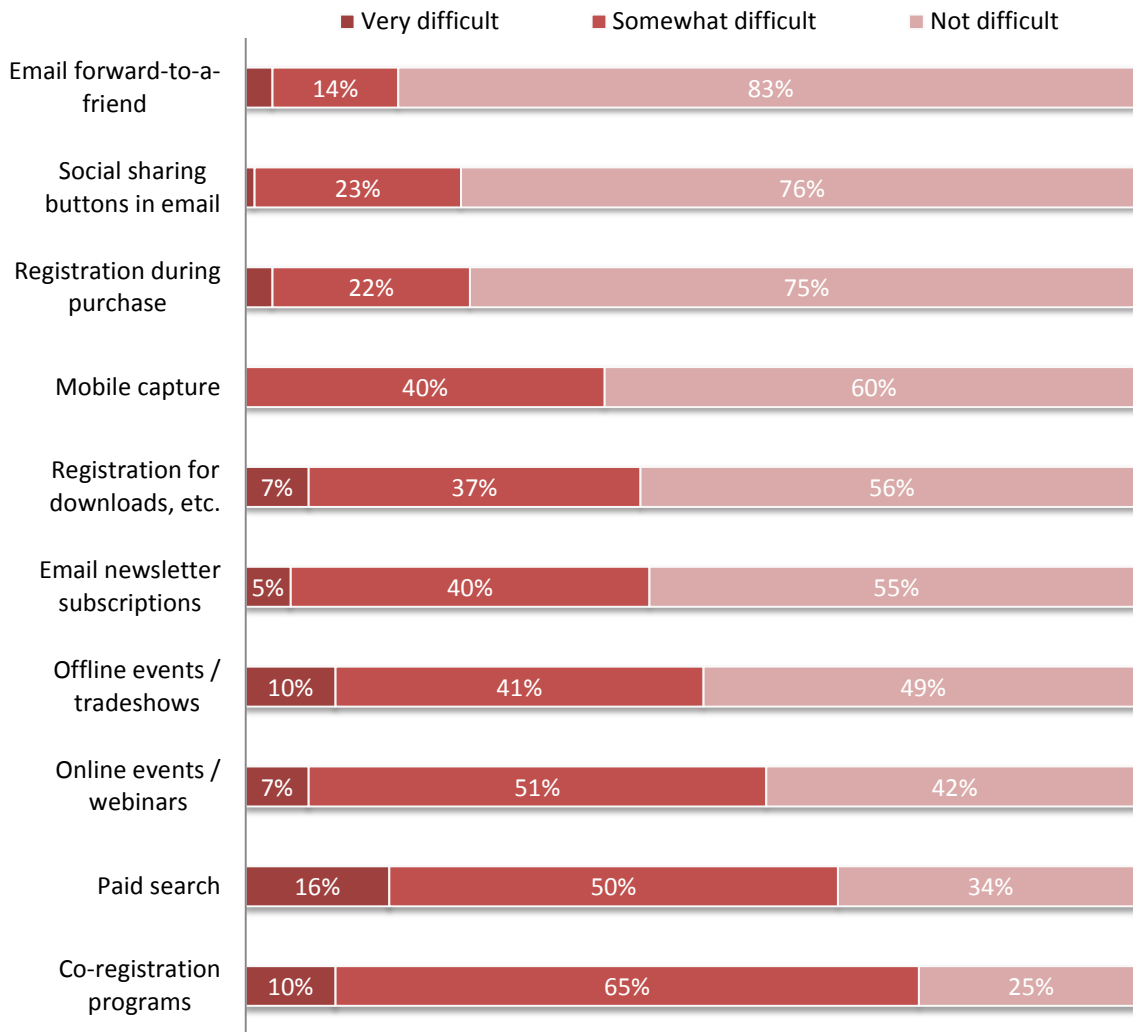
Source: MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded Sep 2010, N=1,115

Email newsletter subscriptions lead the tactics for email list growth. Followed by integration with existing mediums such as offline events and adding tools to forward-to-a-friend and social sharing buttons. Watch for mobile capture to grow in 2011 as smartphones become readily adopted.

THE TIME, EFFORT AND EXPENSE REQUIRED OF LIST GROWTH TACTICS

Q. Please indicate the degree of difficulty (time, effort and expense) for each of the email list growth tactics your organization is using.

Chart: Email list growth tactics - degree of difficulty



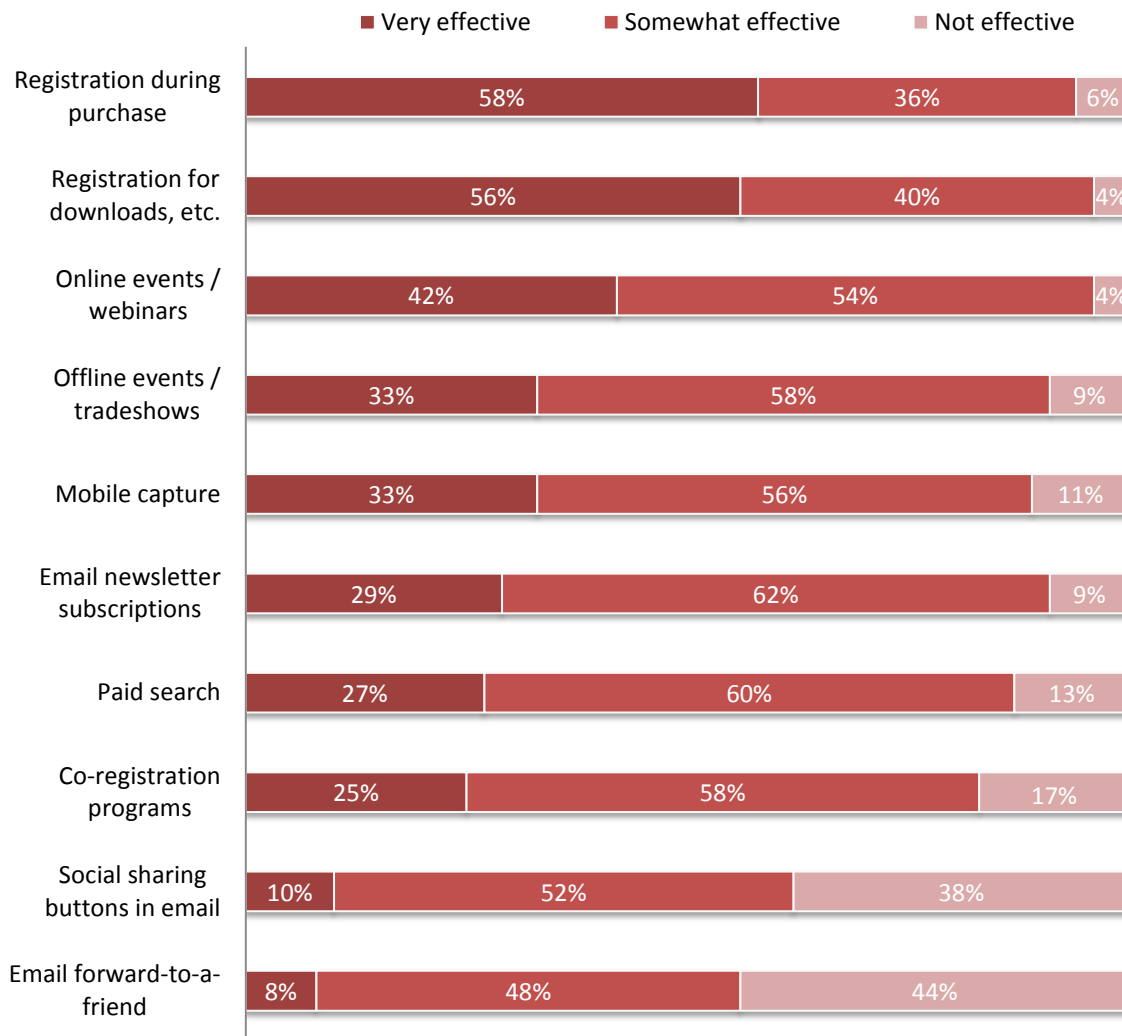
Source: MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded Sep 2010, N=1,115

As you would expect, tactics like co-registration, paid search and tradeshow were graded difficult because of the amount of time, effort and expense for the marketing department to execute. Likewise, adding buttons to email communications to forward-to-a-friend or social sharing are considered easier as they are usually part of an email service provider's package.

THE EFFECTIVENESS OF LIST GROWTH TACTICS

Q. Please indicate the level of effectiveness for each of the email list growth tactics your organization is using.

Chart: Email list growth tactics - level of effectiveness



Source: MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded Sep 2010, N=1,115

The results align well with content marketing strategies. Tactics that deliver value to the customer such as a purchased products, downloaded material and webinars develop trusted relationships enabling customers to share their email addresses and contact information. For this reason, company blogs and published articles have become an excellent device to capture email addresses.

Expect to see growth in mobile capture in the coming year as marketers rank the effectiveness positively and the difficulty low.

MARKETER INSIGHTS ON THEIR MOST EFFECTIVE LIST GROWTH TACTICS

Q. Please describe the most effective email list growth tactic your organization has used.

- It's not growth I'm concerned with, it is quality. I can build a lot of numbers, but if they aren't the right names, it is just a waste.
- At this point, we purchase 100% of our list, but are moving to strategically replace this with capturing emails via content delivery and social media.
- Sign up at checkout.
- Posting good content will always be the best way to grow our list. Finding out when there is new free content on the Web site is the only benefit of subscribing.
- Webinars!!!!!!!!!!!!!! To the tune of more than an 8000% ROI (yeah, 8000).
- Email append on postal lists -- although resulting performance is quite weak, even with proper permission process.
- Our lists decreased by 50% after cleaning. We are working on building them back up.
- Third-party sponsored webinars.
- Free content with email registration
- PPC search on Google/Yahoo!/Bing/7search.
- People in my country like online contests and they engage in the activities. We have observed that people still perceive social media as entertainment.
- We've just slowly built up a list of contacts from old customer lists and have worked hard on cleaning it up, validating the contacts, and making sure that we improve our deliverability rate from 50 or 60 percent to 93 to 100 percent.
- We have a proprietary subscriber acquisition strategy that generates between 10,000 and 30,000 new subscribers daily.
- Telemarketing to request email addresses.
- Sign up to win contests.
- The most effective list growth tactic our organization has used is opting in all users who register and download a software product.
- Basic direct response 2-step lead generation model targeted toward specific solutions to problems based on market research.
- Registration for thought leadership resources such as whitepapers and webinars.
- SEO organic traffic growth on our corporate website.
- Registration during checkout is the best growth driver for our email list.
- Collecting contacts at events and from the sales force.
- Haven't found a "most effective" solution. The closest is to have a "request more information" option that leads user to ask specific questions.
- From writing a regular column for another company's customers in USA, Canada, Australia and New Zealand with a link to my Web site.
- We still find most of our clients are engaged after the meeting, perhaps even several days later. This sudden need to look at the Web site and its offerings promotes the highest growth in our list subscription. Upon purchase automatic sign-up for updates and industry-specific changes seems to be well accepted and further builds the internal lists. Memberships and purchased lists from chambers and local groups gives the focus needed to initiate the conversation and offering email lists on active changes helps to seal the deal.

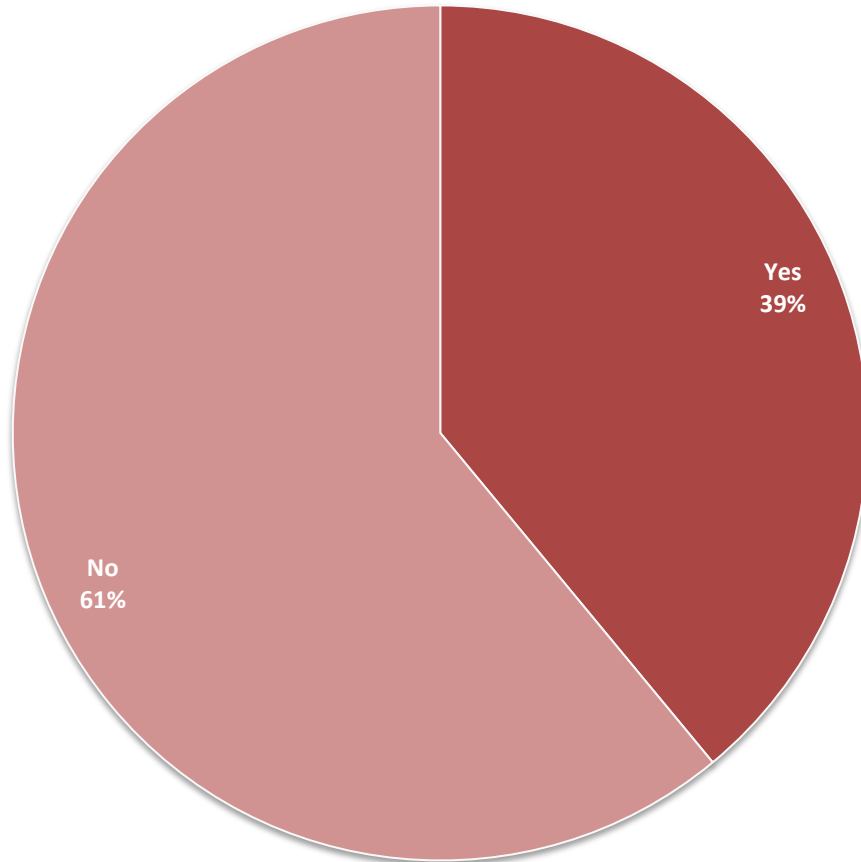
- We have been able to acquire lists from partners, resulting in a 300% growth of our list in the last 12 months.
- More sign up options on the Web site. Increased mailings with new information designed to encourage two-way engagement (access to ask questions to experts, etc.) that will lead to sharing of emails.
- We run a lot of giveaways and contests and require entrants to register to participate, where they can choose to opt in to our list.
- Social media sharing for email sign-ups.
- Offer free trial with access to about 10% of our material in exchange for email address.
- Editorial placements have netted us new contacts.
- We provide free samples to Web site visitors in exchange for their email address.
- Registration for content – webinars, whitepapers, etc.
- Crowd-sourcing of affiliated website lists of pastors and church offices and then sent them invitations to register. Increased email lists by 15,000 at very low price.
- Asking people to sign up for the newsletter.
- Offering a prize for registering to receive emails. But we haven't measured the actual retention of this group over time to see if they are staying around or just came for the chance to win a prize.
- Opt in banners and contextual subscription links in strategic locations along with a dedicated newsletter sign up page that has a sales newsletter approach.
- Webinar's are a great source for growing our B-to-B lists. We also have seen B-to-C success with our contests.
- Growth tactics that have added a lot in a small amount of time have been appends and co-registrations. But the trade-off there is that they're lower-quality addresses. Currently working on a referral program that rewards both the referrer and the referree.

TESTING AND OPTIMIZING EMAIL MARKETING PERFORMANCE

An organization initially develops their email marketing strategy based on widely accepted best practices. But every organization has a different set of circumstances and what works best for one will not necessarily work as well for another. While using best practices to establish an email strategy and initial performance benchmarks, it is only a starting point. Continuously improving campaign performance to increase demand should be the ongoing objective. To accomplish this objective requires continuous testing and optimization. So why aren't more organizations doing it?

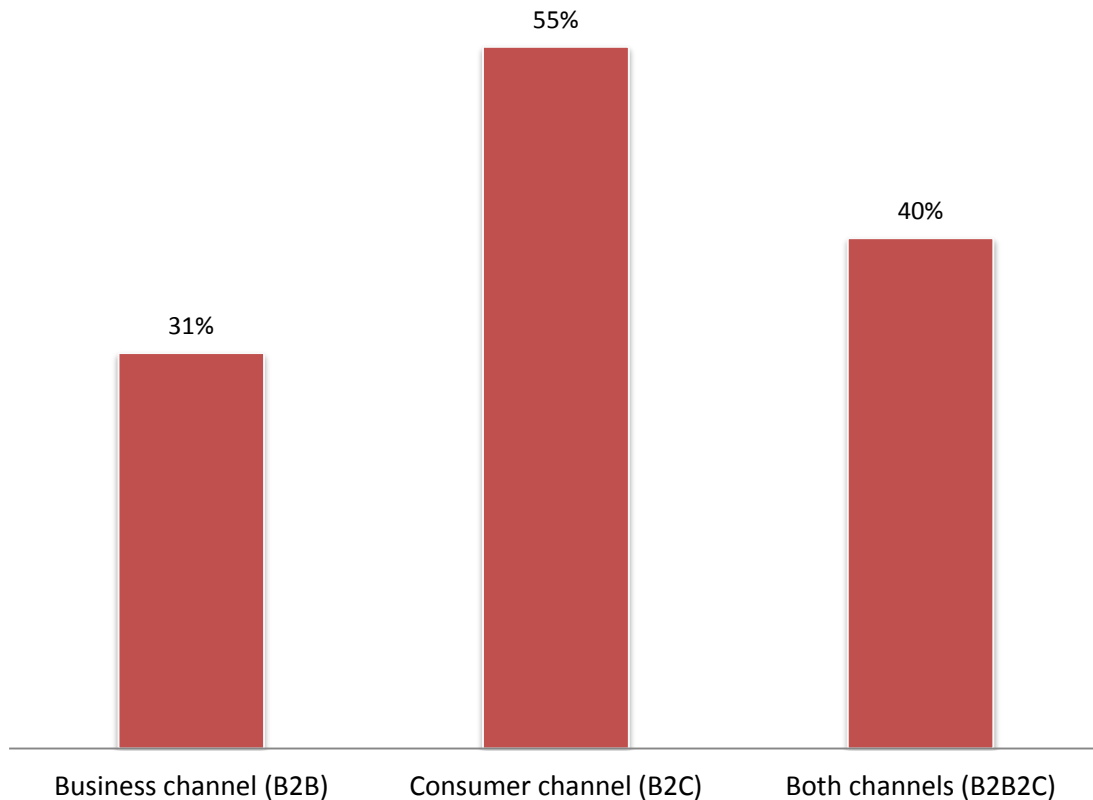
Q. Does your organization routinely test (A/B split, multivariate or other method) email campaigns to optimize performance?

Chart: Minority of organizations routinely test email campaigns to optimize performance



Source: MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded Sep 2010, N=1,115

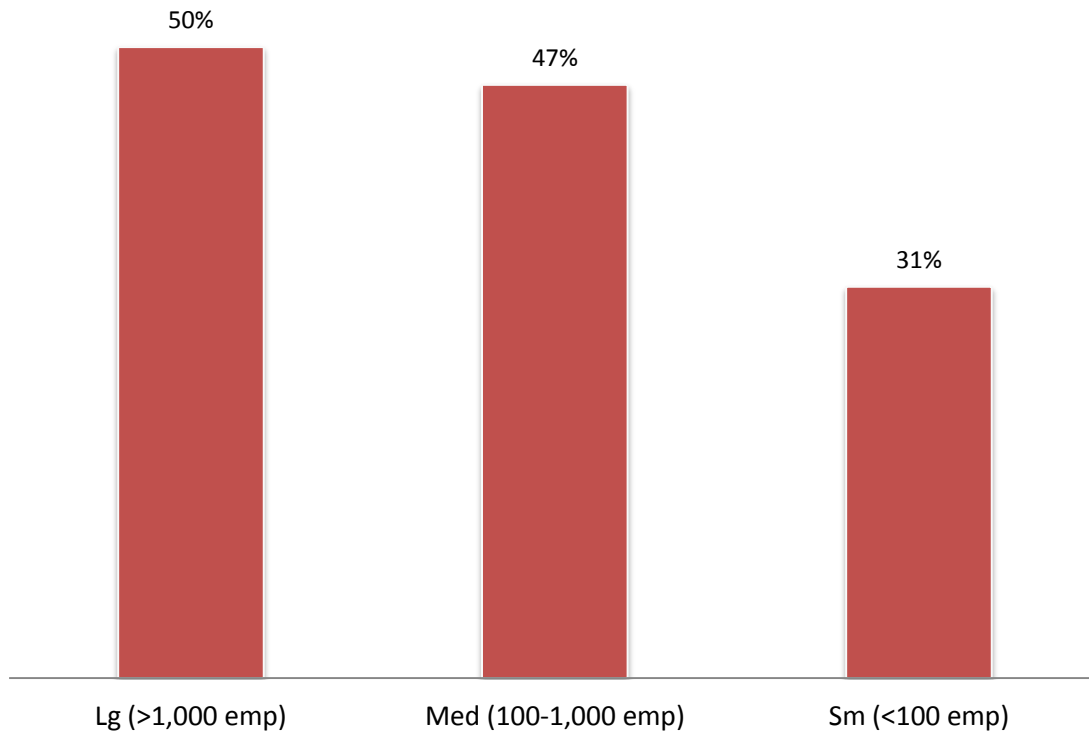
Chart: Organizations routinely testing email campaigns, by primary channel



Source: MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded Sep 2010, N=1,115

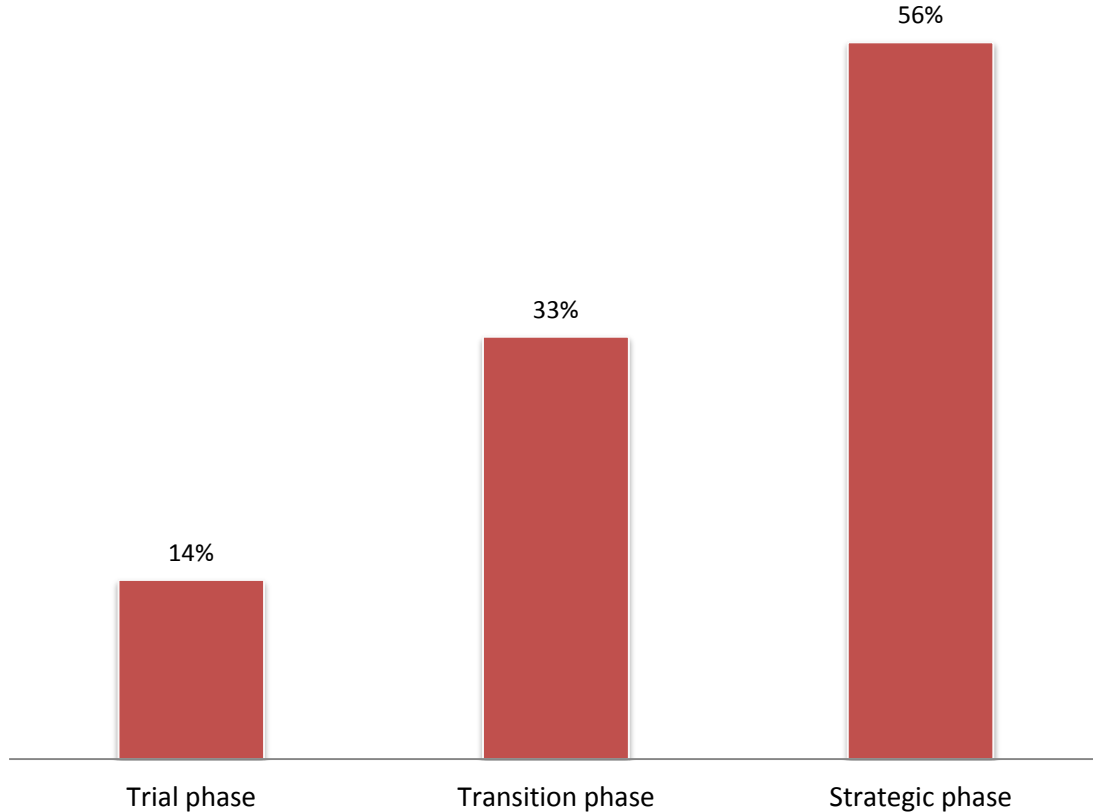
Generally speaking, organizations in the B2C channel deal with a much higher volume of conversion opportunities than do organizations in the B2B channel. Therefore, an incremental increase in the rate of conversion, as a result of testing and optimization, will have a much greater impact in the consumer channel than it will in the business channel. This may be why B2C marketers are 43% more likely than B2B marketers to routinely test email campaigns to optimize performance.

Chart: Organizations routinely testing email campaigns, by organization size



Source: MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded Sep 2010, N=1,115

Chart: Organizations routinely testing email campaigns, by maturity phase



Source: MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded Sep 2010, N=1,115

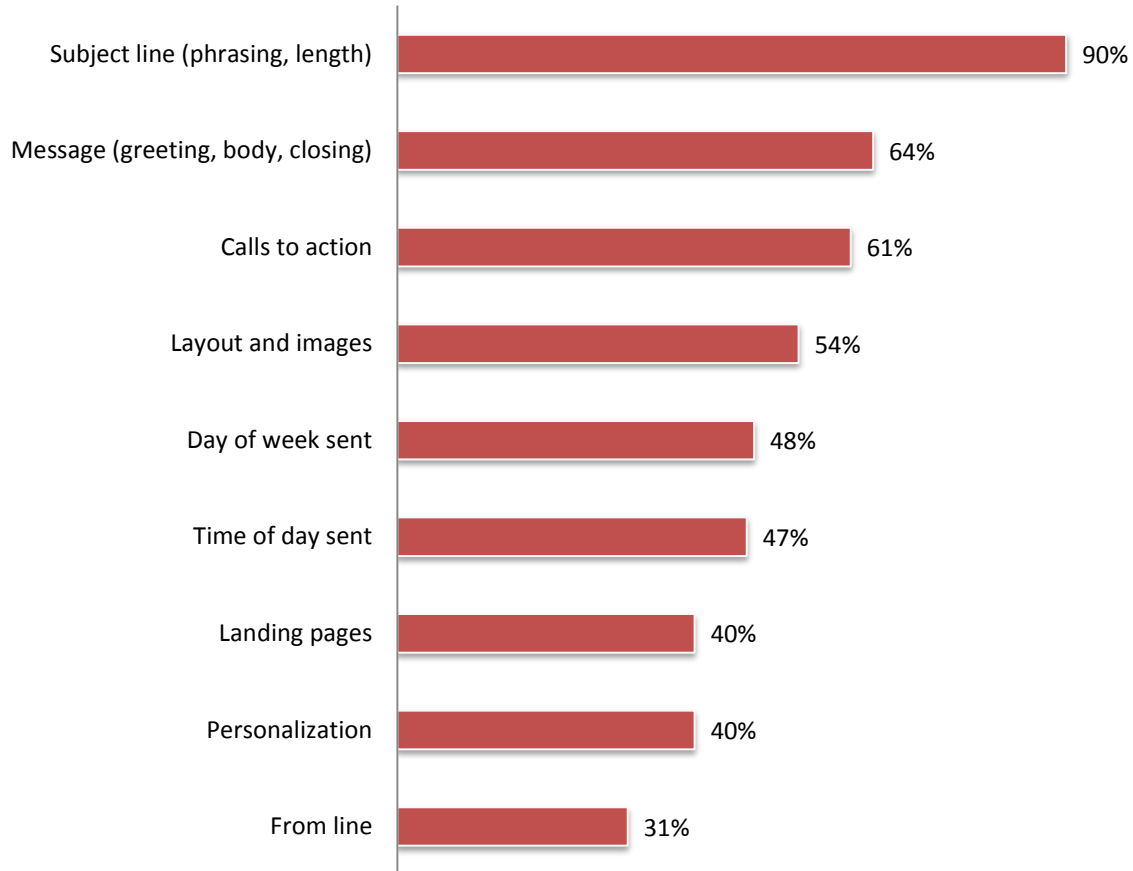
By definition, an organization in the strategic phase of email marketing maturity has a formal process with thorough guidelines they routinely perform. This definition applies to testing and optimization specifically as well as to email marketing overall.

Four times as many organizations in the strategic phase routinely test email campaigns to optimize performance as do those in the trial phase of email marketing maturity.

CAMPAIGN ELEMENTS TESTED

Q. Which of the following email campaign elements do you routinely test to optimize performance?

Chart: Campaign elements routinely tested to optimize performance



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Source: MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded Sep 2010, N=1,115

There are numerous points in an email campaign where data can and should be collected. Each of these points is an opportunity to measure results and optimize the performance of future campaigns based on those results.

MARKETER INSIGHTS ON METHODS TYPICALLY USED TO TEST EMAIL CAMPAIGNS

Q. Please briefly describe how you typically test (method, elements and metrics used) email campaigns to optimize performance.

- We use random samples within a list to test all of the elements. Once we start seeing a pattern, we adjust campaigns to use the tactics that work most effectively.
- Typically we do a/b testing on a single element; try two layouts, try to subject lines, etc. Rarely do we combine different elements when testing. We measure open rates and click thru rates when testing.
- A/B testing Change in subject line - measured by open rate Change to body of email - measured by clickthrough rate. We usually change on element of an email at a time instead of a radical redesign. Since our emails are weekly (we are a recruiting firm alerting candidates to new jobs every week) we split the entire mailing list in half each week (rather than testing a portion of the database).
- Develop DOE (Design of Experiment) identifying 5 or so key variables. Hold out a control group and a random group and measure on open rates, clickthroughs and conversions (high level).
- I've tried to put in place a testing schedule for all or most of the above points, but it has not been successful thus far. We do not test nearly as often as we should, and we don't use the data collected from the tests in any meaningful way.
- We have tested often but rarely put what we learn into practice.
- We test by market segment and use at least two versions per segment. We test subject line and measure open rates. For the users that open but do not click through - we assess the effectiveness of the landing page (look and feel /layout) and Call to Action messaging. We have found for our business that we have the poorest open rates on Mondays and Fridays and avoid campaigns on those days.
- We are just now starting to test messages – changing subject lines, from addresses, and layout and copy. We use excel to randomly split the list and then measure results.
- We test 2-3 subject lines with a random sample of 4,000 recipients a few days before the drop. We then use the subject line with the highest open rate.
- We use Office Autopilot's built in testing and metrics. Biggest impact is the headline. We split test until we have significant data then select the winner.
- We pick the metric we are going to test that month and then usually divide into four groups. Our success metric is the open rate.
- We isolate the element we'd like to test and make some initial projections of how the versions will perform, then execute and measure all relevant metrics such as open, click through and conversion rates as well as total revenue and unsubscribes. We test 2-3 times more just to validate the original results and then apply the learning to future campaigns.
- A/B split depending on which element is testing determines what metrics are used if it is subject we measure with opens. Message and CTAs are measured with clicks. Layout we measure with clicks.
- Day of week sent, time of day, and subject line by open rates. Personalization, message, and calls to action by clickthroughs. Landing pages by sales conversion. All A/B tests against control.
- We have made a lot of progress in the past year, but are still working on getting better engagement with customers and prospects – higher open rates, higher clickthrough rates, etc.
- For a specific drop I typically decide on a "bucket" I want to test...for example, call to action. I create a control email that is standard to what we are currently doing, then create the variable

emails that test one variable at a time. I typically don't test more than 4 (3 variables and one control) at a time. Then I randomly split the list into quarters (assuming I'm sending 4 test emails) and send. I'm usually testing for performance for Open, Click, Click to Open and post conversion. When I get results, if there is a clear "winner" I'll add it to a best practices document I have with my findings and why I think it performed...if it seems close I'll recreate the test with the next email to the same segment. I will also usually recreate the test if the results are totally surprising to make sure it wasn't a fluke.

- Generally, we use 10% of the entire segment to send an A/B test. Based on the results we send the 'winning' email to the remainder of the segment. Subject lines are usually measured by open rates and in some cases conversion rates. Messaging, personalization, layouts are all measured based on open rate, click through rate, unsubscribe rate, and conversion rate – depending on the case.
- Typically we test subject lines via A/B testing. Our system will automatically send a percentage of the total with the two test subject lines, and after 24 hours will automatically deploy the winning subject line to the remainder of the population. We haven't used the same approach for content. However, we did do an across-the-board content test once with an even 50/50 split on the list.
- Subject line is most often tested, driving open rates. Day and time sent tests were critical but once run are now not often repeated.
- We split the main list into two: one of people who don't appear to be engaged and one of people who are engaged. Those two lists are then split 50/50 into A/B groups and sent the appropriate message. This helps ensure that a truly random split doesn't put a majority of engaged people into one email and skew overall results. Post-campaign analysis becomes a bit easier this way.
- We test by using different subject line as well as changing the position of call to action button.

METHODOLOGY FOR EMAIL TESTING AND OPTIMIZATION

To help leaders optimize the financial performance of their sales and marketing programs, MECLABS has developed and utilizes a unique methodology to help analyze real-world data and create new single- and multi-factor tests that produce significant results.

MECLABS methodology is centered on an empirically derived model of human behavior, motivation, and decision-making consisting of a small set of core principles, or “heuristics.” This model provides proven principles for the planning, design, conduct and interpretation of conversion optimization tests, thereby greatly reducing the time-to-discovery, and to increased demand.

For example, the heuristic for MECLABS’ **Email Messaging Optimization Index** is:

$$\text{eme} = \text{rv} (\text{of} + \text{i}) - (\text{f} + \text{a})^{\circ}$$

Wherein:

eme = email messaging effectiveness index

rv = relevance to the consumer

of = offer value (why)

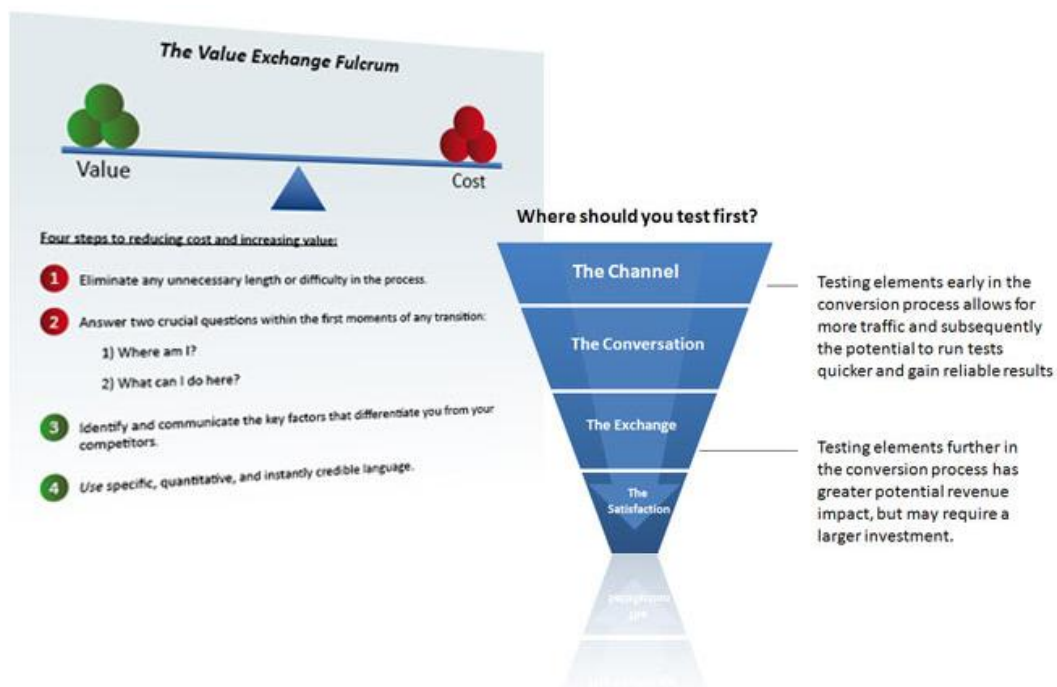
i = incentive to take action

f = friction elements of process

a = anxiety about entering information

For the purposes of the MECLABS testing methodology, Friction is defined as a psychological resistance to a given element in the sales or sign-up process. Anxiety is a psychological concern stimulated by a given element in the sales or sign-up process.

The application of the above heuristics, as well as the others quantified in the MECLABS research process, allows MECLABS’ analysts to empirically extend these findings to any number of marketing situations.



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Praised by *The Economist*, Harvard Business School's Working Knowledge Site, and Entrepreneur.com, MarketingSherpa is distinguished by offering practical, results-based marketing information researched and written by a dedicated staff of in-house reporters.

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Launched in 2010, AppSumo is a daily deal website offering the coolest web apps and digital goods for technology geeks.

We exist for one reason - to make our customers happy and help them succeed. How, you ask? By providing them with low-cost tools and learning materials that are relevant to their career and today's business climate. Everyday, AppSumo sends you a special deal that's guaranteed to help you win (or at least become a better entrepreneur).

The Sumos scour the web to find the very best goodies around and offer you unbeatable promotions that can't be found anywhere else. Killer exclusives from companies like Evernote, Shopify, FreshBooks, and sooo many more...

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AppSumo was co-founded and is run by Chief Sumo Noah Kagan, a former Facebook and Mint.com employee, entrepreneur and burrito lover.

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Growing Email Lists with Social Media: KFC's Facebook tool adds subscribers

SUMMARY: Subscribers who are willing to share your messages on social networks are valuable. They might even have higher response rates than your other subscribers, as a digital analyst learned at KFC.

Check out why the multinational restaurant chain added an email registration form to its Facebook profile and the impact that the form had on its email list. Also, see why you should track the social influencers in your email database.

Click to continue

(Open access until Feb. 25th)

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