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Article

[New Survey Data: Email's ROI Makes Tactic Key for Marketers in 2009](#)

SUMMARY: The recession is putting increased emphasis on ROI in marketing campaigns. So, email stands out as a key tactic for marketers this year.

We've put together three new data charts from recent surveys that gauged marketers' priorities and concerns. They offer insights into why email will be so important this year and how to handle challenges, such as increased inbox competition and limited testing budgets.

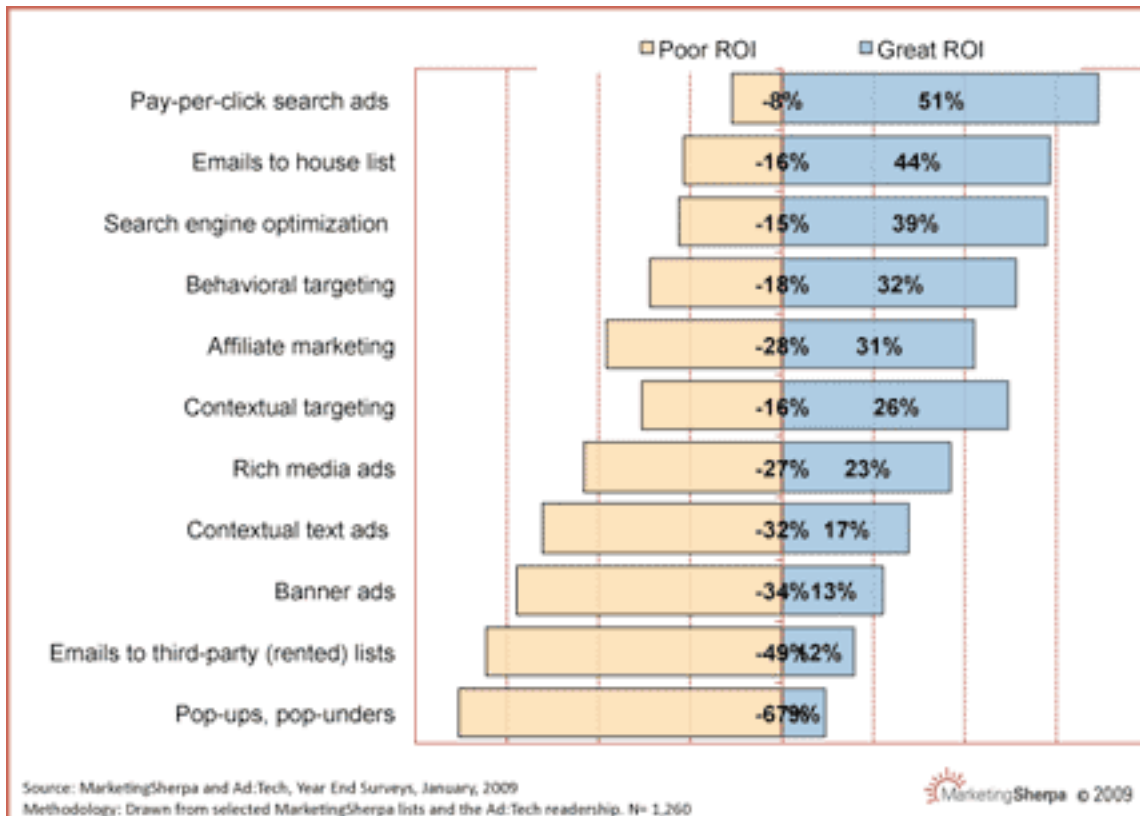
Email is a linchpin and a challenge for marketers this year. That tactic stands out as a key one for marketers among all channels and lead generation tactics, according to our latest survey on their priorities and pain points for 2009. The survey was done in partnership with Ad:Tech and Babcock & Jenkins.

Competition for a consumer's inbox may be tougher than ever – budgets for testing and measurement are constrained. And email's supporting role in lead generation and nurturing will put the onus on B2B and B2C marketers to optimize each message to make the most in a tough marketplace.

The following data charts highlight the role of email in 2009 marketing strategies. We also offer advice on making the most of the opportunities, while managing challenges of a recession and tight budgets.

Here are three insights from our recent surveys:

Insight #1. Email to house lists remains a high ROI tactic



The recession and budget constraints are forcing marketers to concentrate on tactics that deliver the best return on investment. It's not surprising, then, that B2C marketers rank the highly measurable tactics of paid search marketing and email to house lists as the top performers for ROI.

Even experienced email marketers, however, need to be careful not to let enthusiasm for email marketing backfire in the current economy.

- Be careful not to wear out your house lists with repeated messaging and offers. The competition for space in the inbox likely will be more intense than ever in 2009. That will require the creation of more efficient and relevant email campaigns, through techniques such as:

- Creativity
- Personalization
- Segmentation

- List management
- Testing

- Take a wide-ranging approach to your email marketing opportunities. Besides solo email messages and offers in house newsletters, for instance, consider marketing messages placed within transactional emails, such as:

- Receipts and transaction confirmations
- Shipping notices
- Customer service communications
- Monthly statements and notices

Transactional emails typically achieve high open rates. And many consumers accept marketing messages in their transactional emails as long as they are relevant and not too long, according to MarketingSherpa's 2009 Email Marketing Benchmark Guide.

The key is to maintain the service integrity of transactional emails:

- Keep the transactional portion of the message front and center – a requirement of CAN-SPAM.
- Choose a simple design that doesn't overwhelm the message with additional offers.
- Provide offers that are relevant to the content of the transactional email. For example, if it's a purchase receipt, provide offers for related products.

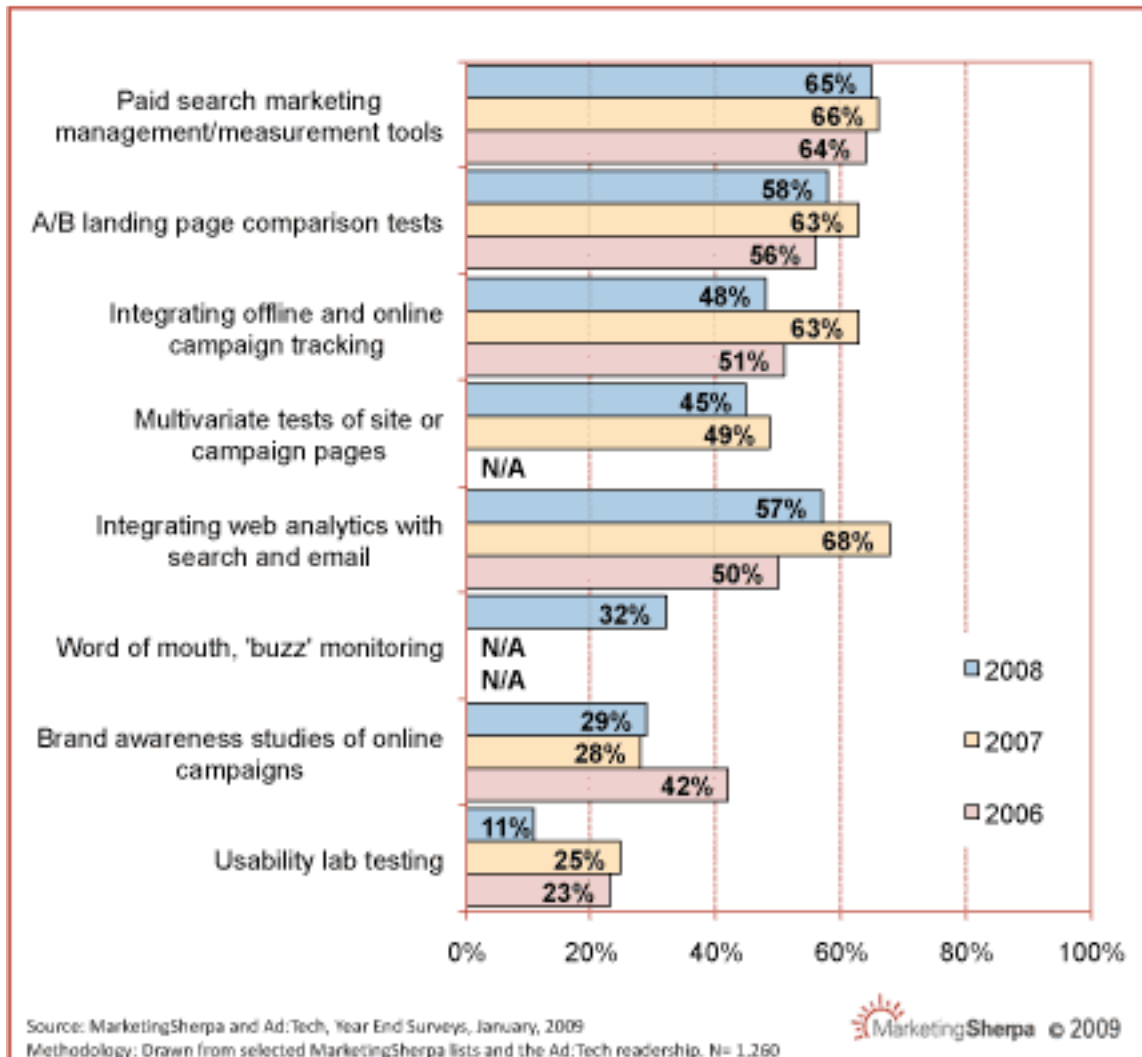
- Most marketers have a low opinion of third-party list rental, but there are exceptions.

As reflected by the 49% of marketers who deemed it a low-ROI tactic, email to third-party lists has been falling out of favor in recent years. But our 2009 Email Marketing Benchmark Guide found that some B2B marketers are expanding their investment in third-party lists:

- 29% of B2B marketers said they plan to increase spending on third-party lists
- 25% said they plan cuts in this area

Carefully chosen lists and relevant messages can help counteract some of the decline in new customer acquisition.

Insight #2. Testing and measurement budgets take a hit



Budget constraints may be hampering marketers' ability to invest in the testing, measurement and optimization that's essential to maintaining email marketing ROI.

This chart shows across-the-board decreases in the percentage of marketers who said they have set aside budget for testing and measurement of specific tactics. Most relevant to email marketers:

- Those budgeting for Web analytics integration with search

and email declined from 68% to 57%

- Those budgeting for A/B landing page tests declined from 63% to 58%

If you're facing limits on your ability to test email offers and tactics, here are specific tests that marketers rated highly in our 2009 Email Marketing Benchmark Guide.

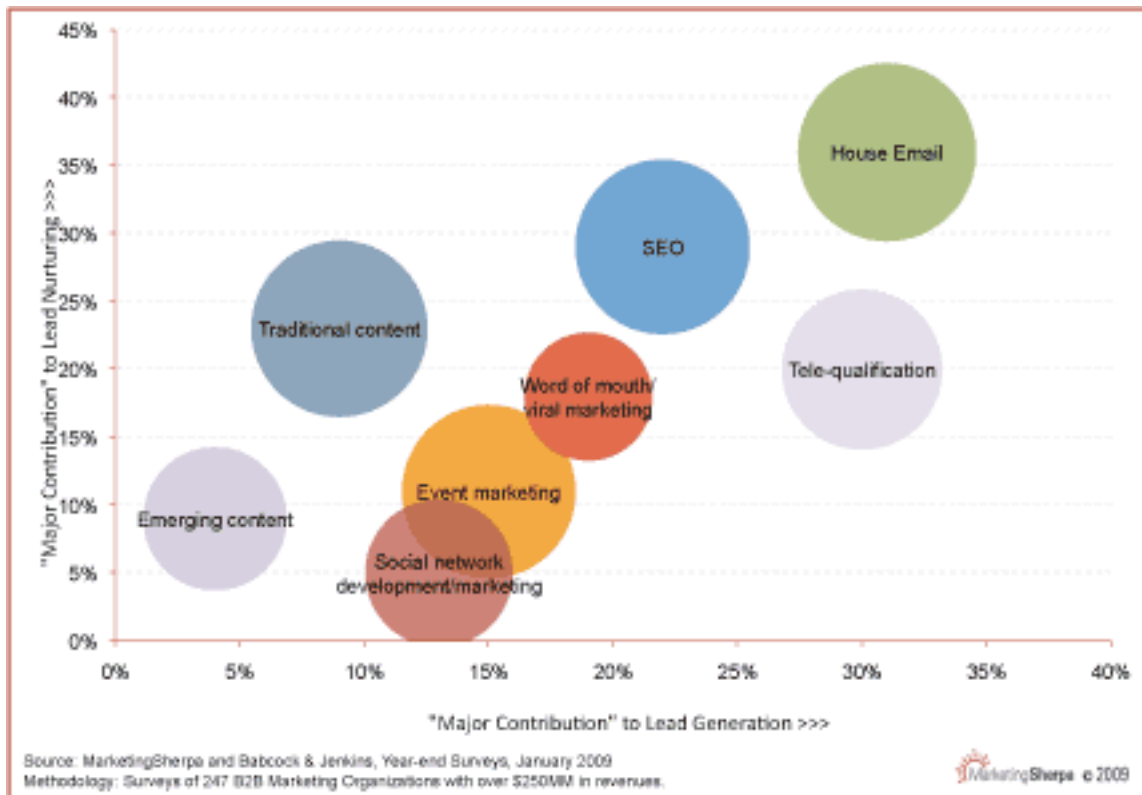
- Percentage of marketers who rated email *design* tests "very effective":

- Landing page content tests (27%)
- Landing page design tests (26%)
- Subject line tests (25%)
- Email offer tests (17%)

- Percentage of marketers who rated email *targeting* tests "very effective":

- Welcome message/campaign sent to recent subscribers (30%)
- Personalization by product profile/user details (29%)
- Timed email, such as one sent prior to a warranty expiration (27%)
- Personalization of emails by making them appear to come from a specific sales rep (25%)
- Sending one newsletter to customers and another to prospects (24%)

Insight #3. Email remains the primary enabler of lead generation and nurturing



Email plays a central role in generating and nurturing leads, according to our survey.

First, an explanation of this chart: The bubbles show the relative importance of specific marketing tactics in lead generation and lead nurturing. The 'x' axis shows the percentage of marketers who said a tactic makes a major contribution to lead generation. The 'y' axis shows the percentage of marketers who said a tactic makes a major contribution to lead nurturing. Finally, the size of each bubble represents the percentage of marketers who engage in each tactic.

House email stands alone at the upper right corner of the chart, with the most marketers saying it makes a major contribution to both lead generation and lead nurturing. That prominent position is understandable – email can be the primary vehicle for a marketing campaign or an enabler of campaigns in different

channels.

Email messages support event registration, content downloads, newsletter subscriptions, community membership and interaction, and more. As an email marketer, your contributions to those integrated campaigns will be as important to your organization's overall success as are your solo emails and newsletters to your house list.

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New Research from Sherpa: 1,763 Marketers Reveal Top Strategies for Email in Economic Downturn

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