

Email Marketing

Personalization, Triggered Emails
Newsletters & A/B Testing



Emails

- In 2019, the number of email users reached almost 4 billion worldwide, and that number will continue growing.
- Users are spending more time and paying attention to emails, and they prefer receiving promotional messages via email (77%) than social networking sites (4%) (Optinmonster 2018).
- Email is not only a massive form of communication, but it also enables firms to send **personalized** messages to their customers and generate timely evaluations of the messages' impact
- Emails are considered as top ROI drivers by the US marketers with 88% of them using emails to interact with their consumers

Email Marketing

Email marketing is the act of sending a commercial message, typically to a group of people, using email.

In its broadest sense, every email sent to a potential or current customer could be considered email marketing. It involves using email to send advertisements, request business, or solicit sales or donations, etc.



Some info on personalization

In general, the academic literature suggests that personalization provides several benefits to customers. It offers better communication and better preference matching to their needs, and it makes customers feel more important as individuals ([Murray and Häubl, 2009](#), [Vesanen, 2007](#)). Personalization also brings benefits to marketers, as it generates higher response rates and profits, differentiation from other competitors, customer satisfaction, and customer loyalty ([Postma and Brokke, 2002](#), [Vesanen, 2007](#)).

However, personalization also brings relevant challenges. One of the major criticisms raised regarding personalization is that it might constitute an invasion of the consumer's privacy ([Arora et al., 2008](#)). Personalization necessarily implies showing customers that their transactional and demographic data is being [used to generate content in a way that can be evaluated as invasive by some](#) ([Song, Kim, Kim, Lee, & Lee, 2016](#)). [Although some technical mechanisms are available to reduce privacy concerns, finding the proper balance between more detailed information, which leads to more effective recommendations, and the potential privacy concerns that come with this information is a major challenge for managers.](#)

Source: Marcel Goic, Andrea Rojas, Ignacio Saavedra (2021). The Effectiveness of Triggered Email Marketing in Addressing Browse Abandonments, *Journal of Interactive Marketing*, Volume 55, 2021, pages 118-145, <https://doi.org/10.1016/j.intmar.2021.02.002>.

Email marketing customer segmentation

Demographic/Location

You can segment based on any customer demographic point that impacts your results. These include:

- Age group
- Gender
- Education level
- Annual income
- Family status
- Geographic location

Behavioral:

You can also segment data based on consumer behaviors, sorting by customers who:

- Abandon their shopping carts
- Browse your product pages without buying
- Buy from you regularly
- Haven't been back to your website in a while

Source: <https://mailchimp.com/marketing-glossary/marketing-analytics/>

Behavioral (Triggered) emails

- Triggered emails are personalized messages that are automatically sent as a response to specific actions or states of customers. Typical examples of this type of campaign include cross-selling recommendations, cart abandonment reminders, and re-engagement emails.
- There are good reasons to believe triggered emails can have large response rates compared to traditional emailing.
- Results indicate that triggered emails can increase sales, especially in the online channel and in the target category.
 - Recent findings (Goic et al., 2021): **browse abandonment** (triggered) emails have increase revenues in the online channel and in the triggered category.

Behavioral (Triggered) emails

Examples of different types of automated contact with customers.

By definition, triggered emails provide two fundamental components of personalization. On the one hand, they provide **content** that is relevant to each customer. On the other hand, if properly calibrated, the content can be delivered **at the right time**, **coordinating** with the customer's evolution in the purchase decision process

Triggered email	Description
Confirmation	The objective is to welcome or thank a customer for a particular action performed on the website.
Order status	These act as a follow-up to customer purchases or processes initiated on the website, providing information on the state of their transactions.
Personal events	These are personal emails based on customer information, for example, sending birthday or anniversary greetings.
Cart and browse abandonment	The objective is to incentivize the customer to complete a transaction that was started in their previous session.
Cross-sell recommendation	These are emails with product recommendations based on the client's recent purchases.
Reorder	These are emails reminding the customers that they need to reorder a product. These are only valid for some product categories, which need to be bought regularly.
Reengagement	The objective is to encourage clients who have not visited the website or purchased recently to do so.

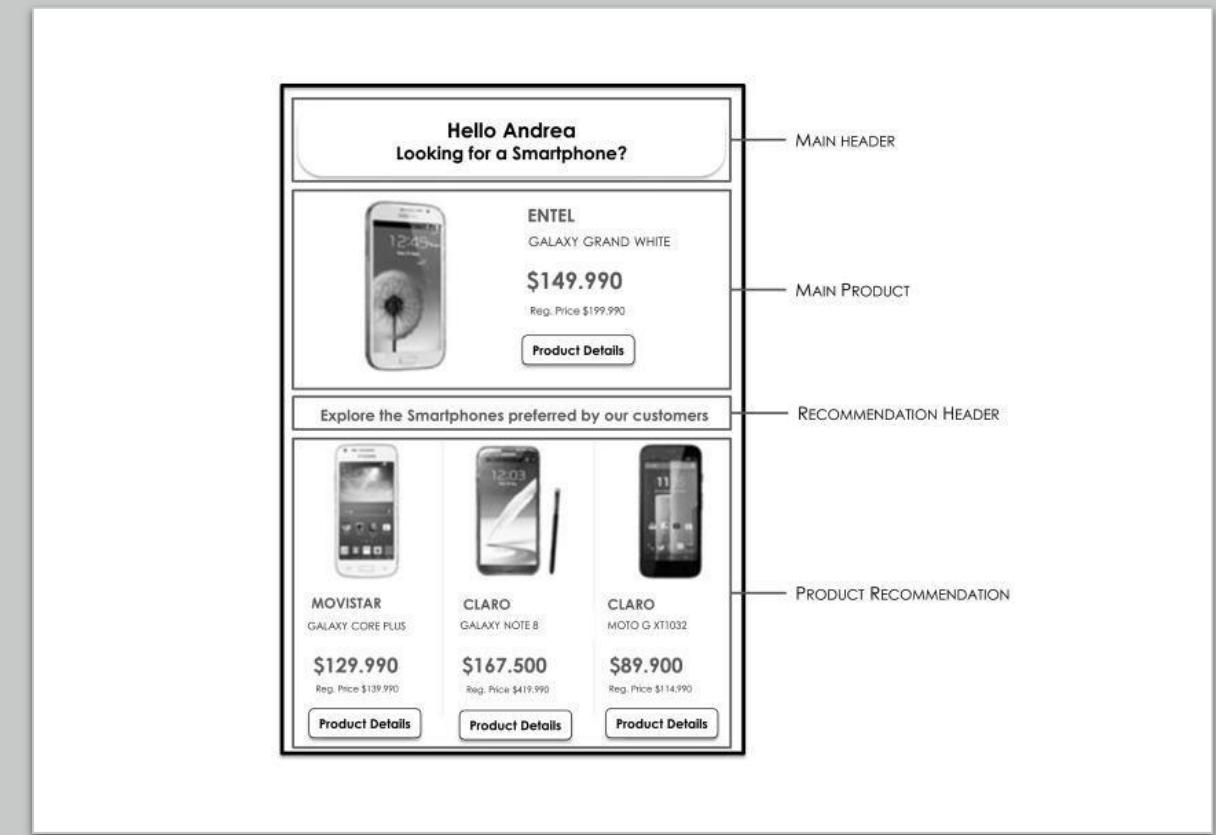
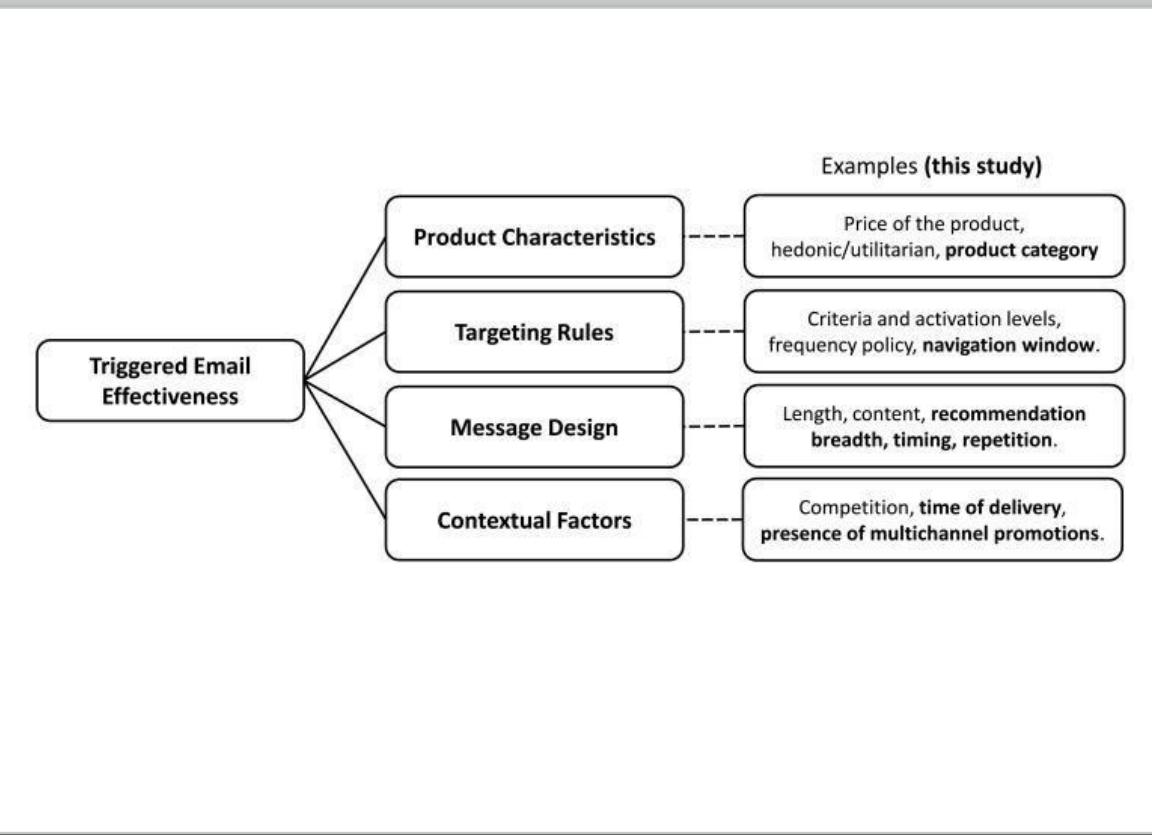
Examples of Companies Implementing Triggered Emails

Company	Cart abandonment emails	Browse recovery emails
Amazon	Yes, 1 email within 24 hours.	Yes. The email addresses the customer by name and shows the product viewed.
Dafiti	Yes, the first email is sent 1 hour later, showing the abandoned product, and a second email is sent 24 hours. Later, including a discount or free shipping. The second email is sent only if the first is not opened.	Yes. The first email is sent within a few hours, showing the browsed products and other recommendations. A second email is sent if the first is not opened, offering a 5% discount (in the subject line). Similarly, a third email is sent if the second is not opened, offering a 10% discount. The company also triggers emails when lowering prices on products in the customer's wish list.

Company	Cart abandonment emails	Browse recovery emails
Booking	Yes (abandoned reservation), 1 email within 24 hours.	Yes. The email addresses the customer by name and is sent within 24 hours. The email shows the browsed destination and includes recommendations for similar destinations. If the customer does not purchase, a similar email is sent 48 hours later.
Ebay	Yes. The email is sent 7 days after the product is abandoned.	Yes, the email is sent 5 days after browsing the product.

Behavioral (Triggered) emails

Study: Marcel Goic, Andrea Rojas, Ignacio Saavedra (2021).
The Effectiveness of Triggered Email Marketing in Addressing
Browse Abandonments, Journal of Interactive Marketing,
Volume 55, 2021, pages 118-145,
<https://doi.org/10.1016/j.intmar.2021.02.002>.



Email NewsLetters

The email newsletter is a one-off communication that can be used to send promotional messages, important account information, product updates, and more.

Done well, an email newsletter will help build brand recognition and awareness.

Quantifying the success of email newsletters is challenging.

With only a quarter of email recipients responding to emails and only 10.5% buying items shown in emails (eMarketer 2018), getting users to check and open emails, and subsequently influence their purchases can be challenging

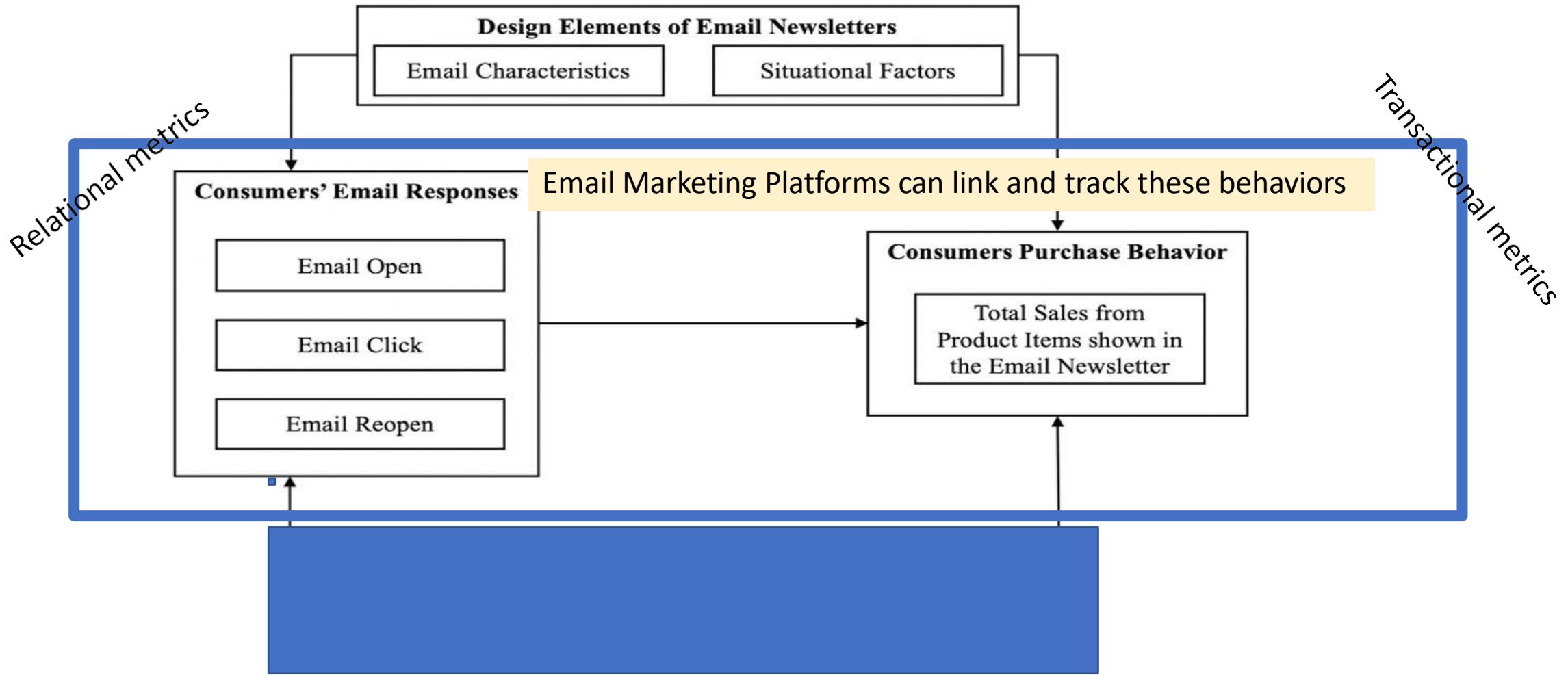
Newsletters' Success/Performance Metrics

These metrics are divided into two categories: **relational** metrics and **transactional** metrics.

Relational metrics capture the consumers' responses towards an email newsletter and constitute email open, email click, and email reopen. We note that while B2C firms have used these metrics to quantify the success of their email campaigns, these metrics are also well suited for B2B firms due to the lack of frequent transactions in the B2B business environment.

Transactional metric captures the consumers' purchase behavior that is more suited for B2C firms with frequent transactions (Kumar et al. 2008, 2016). In capturing the transactional measure, we use the purchase behavior of consumers that accounts for the revealed consumer

Measuring Newsletters' performance



NewsLetters' Success/Performance Metrics

Some common metrics' terms:

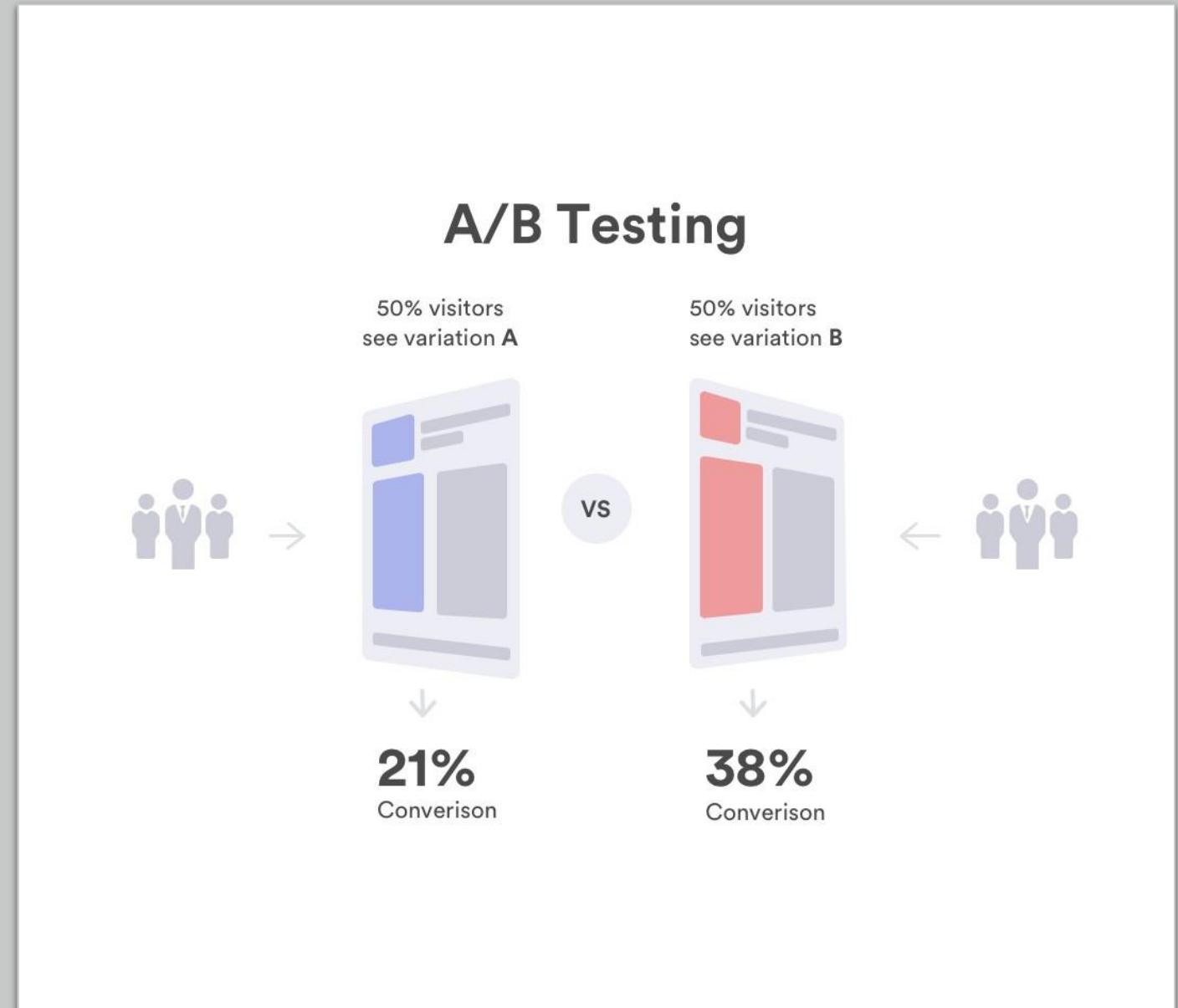
- Bounces (bounce rate): The total percentage of your emails that weren't delivered successfully are known as bounce rate. There are two forms of bounces:
 - **Hard Bounces:** When an email cannot immediately be delivered because the address is invalid or closed, it's known as a hard bounce.
 - **Soft Bounces:** Server issues or full inboxes can both be the reason for soft bounces. Most mail platforms will continue trying to deliver a message which soft bounced for 72 hours, after which time it becomes a hard bounce if the efforts are unsuccessful.
- Delivery rate: the percentage of messages which ended up in your contacts' inboxes.

$$[(\text{Total Emails Sent}) - (\text{Hard and Soft Bounces})] / \text{Total Emails Sent} = \text{Delivery Rate}$$

- Spam Complaint Rate: how many of your emails were marked as spam by the recipient
- Open Rate: The percentage of total email contacts who open your email communications
- Click-Through Rate: how many people who received your message chose to engage with the content by clicking through to your website.
- Conversion Rate: The total percentage of email recipients who click-through your newsletter content and convert into leads on your website is conversion rate.
- Unsubscribe Rate

A/B Testing

- A/B testing is an **online experiment** conducted on a website, mobile application or ad, to **test potential improvements** in comparison to a control (or original) version. It allows you to see **which variation (version) works better** for your audience based on statistical analysis.
- A/B testing compares two versions of the same thing (subject headlines, email design layouts, CTA buttons, etc.)
- The results reveal how your audience responds to changing variables.
- Contribution?



More opens and click-through rates result in more website visitors and conversions/sales

A/B Testing

Before designing your A/B campaign, determine what you want to test.

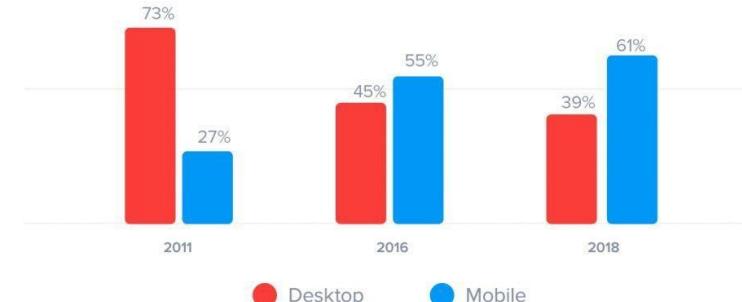
Test just one element per time so your results are clear.

Ideas:

Design

- **CTA (call to action) size and style.** Full width or smaller? Green or red? Tall or short?
- **Layout.** Single column or multiple?
- **Color scheme.** White or gray bg? Blue or green header text?
- **Image size or variety.** Two product images or four? Include faces, emotions, etc?
- **Information amount.** Include secondary content or not? Social media buttons or not? Nav menu or not?
- **Information placement.** Social buttons at the top or bottom? CTA button mid-way through or at the end?

Open rate by device



Content and Time

- **From line.** Your business name or the name of an individual?
- **Subject line.** Length (lines, word count), word order, visuals (or not)
- **CTA language.** “Claim your ebook now” or “Claim your **free** ebook”? Button vs text, etc
- **Body text.** Language, tone (e.g., positive language) etc
- **Send time.** Before noon or after noon (late/ evening)?

Personalization

First name, subscriber's company name, etc.

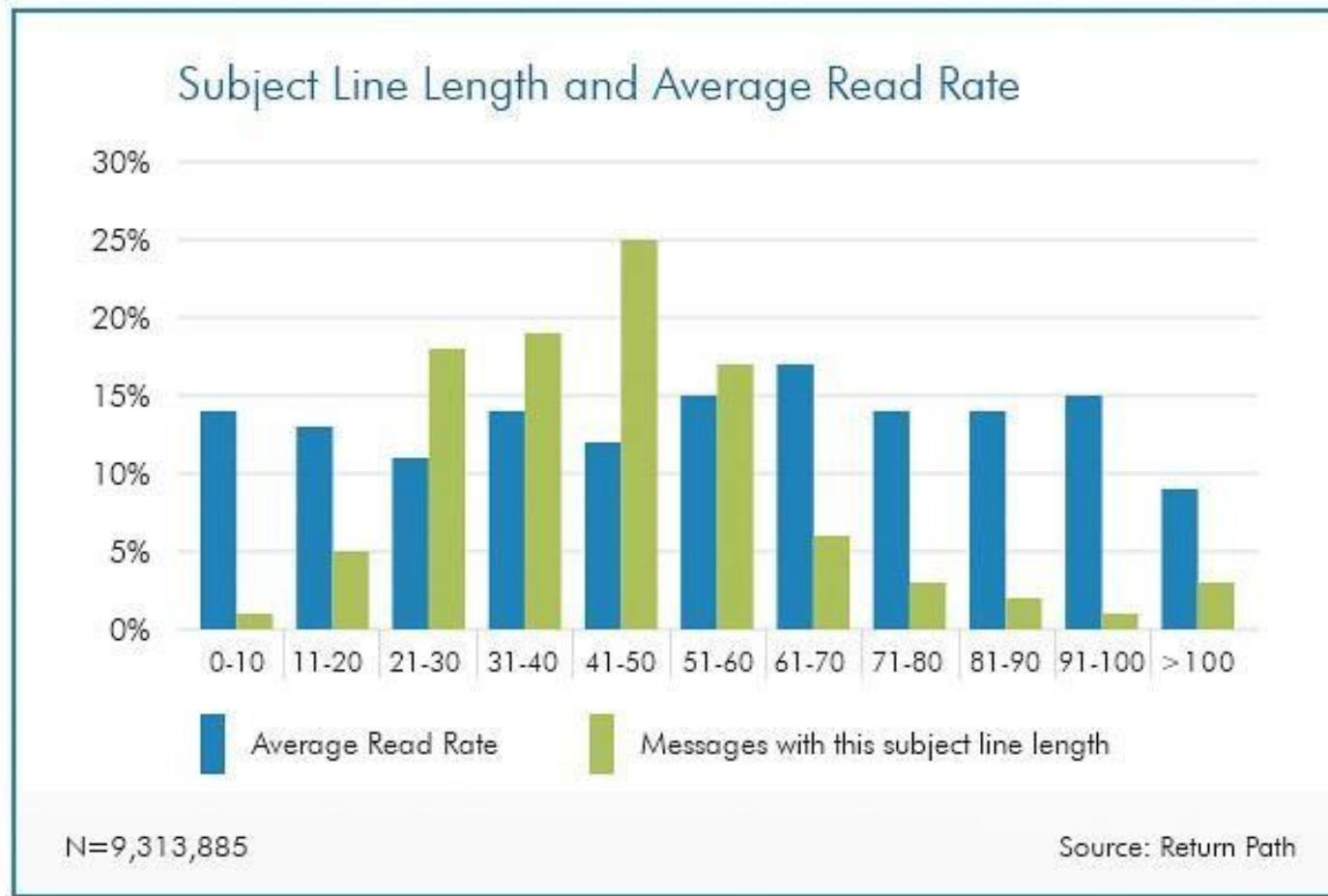
Other: intent of email, type of product, etc.

Send A and B versions at the same time
(to different but homogeneous groups)
—unless send time IS your variable.

- Use this discount code to get 25% off your next purchase
- Get 25% off your next purchase using this discount code

Word order example

Length & read rate



Consider: The best email subject line length might vary from brand to brand



Subject Line A: 23 Easy Picnic Recipes That Everybody Will Love
Subject Line B: Here's What Real Healthy People Actually Eat For Breakfast

BuzzFeed Food

PACK YOUR BASKET



23 Easy Picnic Recipes That Everybody Will Love

Now that it's picnic season, it's time to start planning your menu. [These recipes should definitely go in your basket.](#)

ASK THE EXPERTS



Here's What Real Healthy People Actually Eat For Breakfast

We asked 27 health experts how they start the day, and learned that 'nutritious' doesn't have to mean 'boring' when it comes to breakfast.

(A) Testing different pieces of content as the subject line

Content

How we use email autoresponders to onboard new employees

Being a new employee at a company is an exciting time.

You meet lots of new, intelligent people and learn a whole new set of tools and processes.

So when we found out our new recruits weren't getting the most out of this time, we decided to do something about it.

In this post, we share with you how we use email autoresponders to help new employees get started quicker and feel more comfortable and confident in their new roles.

[Read the full story](#)

How we use email autoresponders to onboard new employees

Being a new employee at a company can be difficult.

You don't know many people and you're not familiar with the tools and processes needed to do your job well.

So when we found out some of our new recruits were struggling with these new job woes, we decided we needed to do something about it.

In this post, we share with you how we use email autoresponders to help new employees get started quicker and feel more comfortable and confident in their new roles.

[Read the full story](#)

(B) Positive language example

A/B Testing

is a Hypothesis-based experiment

State a hypothesis, for instance:

- *H1: We believe using a button instead of just a text link will make the call to action stand out in the email, drawing the reader's attention and getting more people to click-through.*
- *H2: We believe embedding image in text instead of using just text will drop the readers' attention out of the content (in text).*
- *H3: We believe personalizing the subject line with the subscriber's first name will help make our campaign stand out in the inbox and increase the chance it will get opened.*
- *H4: We believe that long-form content with images or short-form content with a buy button will generate more sales*

A/B Testing

is a Hypothesis-based experiment

More examples:

- *H1: Blue hued (cool) analogous color set induce more positive attitude towards the advertisement than complementary colors.*
- *H2: Blue hued (cool) analogous color set induce higher levels of purchase intention than complementary colors.*