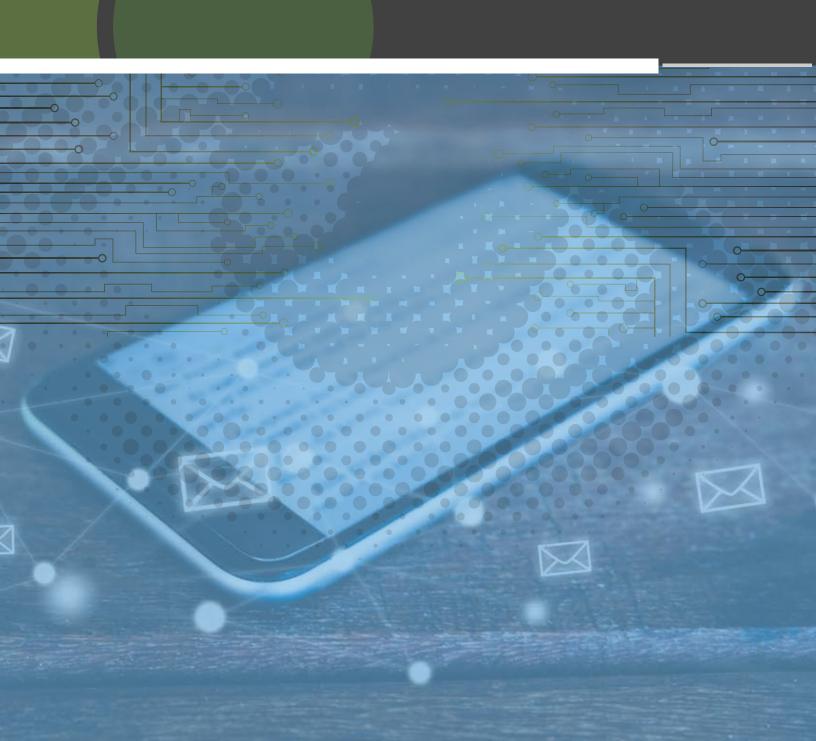


How to Achieve Successful Email Marketing Engagement 2018



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Preface

Email marketing performance is driven by subscriber engagement. The more engaged a prospect or customer is, the more likely they will help boost a company's revenue.

But what does a successful email marketing engagement strategy look like?

To help you answer this question, Adestra in partnership with Ascend2, fielded the How to Achieve Successful Email Marketing Engagement Survey.

This report exclusively represents the opinions of the 94 marketing influencers responding to the survey who described the success of their email marketing strategy as very successful, or best-in-class, when compared to the competition. We thank them for sharing their valuable insights with us, and you.









Methodology

This survey was fielded to a panel of marketing influencers and marketing research subscribers.

Role in the Company		Primary Marketing Channel		
Owner / Partner / CXO	43%	B2B	49%	
VP / Director / Manager	39%	B2C	27%	
Non-Management	18%	B2B and B2C Equally	24%	

Number of Employees			
More than 500	34%		
50 to 500	59%		
Fewer than 50	7%		





Introduction

Focus on Email Marketing Engagement in 2018

Customer engagement should be at the center of every marketing plan. Acquisition is important because you need a steady stream of new customers. Conversions are key because they lead to sales, revenue and company growth. But engagement is the engine that moves customers from the acquisition stage to the conversion stage.

If you can't keep your new customers interested and motivated enough to move on to conversion, you lose those potential sales and revenue. You just keep spending money over and over on acquiring new customers – money you could have used to develop better marketing programs leading to greater company growth.

Goals for marketers based on study findings:

Best-in-class marketers avoid a tunnel-vision focus on conversions and look at the broader engagement picture. Conversions, revenue, and sales are all important, but smart marketers know that a focus on engagement can yield stronger outcomes down the line.

In this report:

Only a third (34%) of the marketing influencers surveyed for this Adestra/Ascend2 study described their email engagement as very successful compared with their competition. Just over a fifth of marketers (21%) admitted their efforts have been unsuccessful.

Based on these numbers, it is likely that engagement is an area of opportunity for most email marketers.

Comparing your own planning process and results with our best-in-class marketers can help you assess your own success rate and identify areas where you can see potential improvement. The findings and our interpretations suggest several questions you can ask yourself and your team to help you plan your 2018 marketing program more effectively:

- Where should we place our focus as we allocate email marketing budgets?
- What proven tactics can we apply or improve upon as best bets for our email marketing programs?
- How should we consider managing resources for our email marketing efforts?



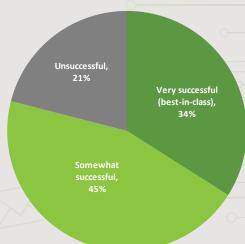






Reporting on **Best-in-Class** Success

How SUCCESSFUL is your email marketing strategy at achieving the top priorities?



One-third (34%) of marketing influencers described the success of their email marketing strategy as very successful, or best-in-class, when compared to the competition. What follows in this report is derived from this exclusive segment of best-in-class email marketers.

Email marketers are constantly challenged to use the email channel to generate short-term gains in the form of sales revenue or marketing-qualified leads (MQLs), or even sales-qualified leads (SQLs).

Over time, the channel has proven capable of achieving these goals to the detriment of the broader benefit marketers should expect of their email marketing efforts.

Marketers need to look at the bigger picture. Engagement can help marketers give and receive value from prospects who are not yet ready to convert. As the email channel matures, marketers have an opportunity to make the case for resources to improve engagement and maximize value.







Five Steps to Email Marketing Engagement Success

If you believe you are in the 45% of "somewhat successful" marketers, or even the 21% of "unsuccessful marketers," these five steps can help you improve your situation so that you can join up with your best-in-class peers:

- Map out the average conversion cycle for your prospects to understand the time involved, the pain points, and the decision makers.
 - Identify where you might have content gaps along the entire cycle, not just at the point of conversion.
 - Rework existing content into different formats to maximize value and fill existing gaps. This can be more cost-and-time-efficient than trying to create all-new content.
 - Avoid pushing conversion in content that is assigned to early stages of the purchase cycle. Instead, focus on relevant education and assistance.
 - Identify metrics that help demonstrate progress toward conversion, especially in parts of the cycle where conversion is not expected. Sales has its own pipeline, and your marketing efforts should too.









Strategic **Priorities**

What are the TOP PRIORITIES for an email marketing strategy?



Improving email engagement is a top strategic priority for about two-thirds (66%) of the best-in-class who also understand that improving the quality of leads (43%) will help increase conversion rates (36%).

Best-in-class marketers make engagement a top priority, above lead quality or conversion rates. These marketers understand that engagement underpins the entire funnel, from awareness to conversion. Your investment in engagement will pay off in improved lead quality and conversions both immediately and over time.

Marketers know that it is challenging to gain prospects' attention and inbox permission. So, it makes more sense to use engagement to retain that permission – and benefit from it – while prospects move through the purchase cycle. Sales people know that they often benefit from being top of mind at the right moment. Making engagement a top priority allows marketing to help sales in this way.









Barriers to Success

What are the most CHALLENGING BARRIERS to email marketing success?



Improving email engagement is not only a top strategic priority, it is also a most challenging barrier to email marketing success for nearly half (46%) of the best-in-class.

Engagement isn't easy. That's why improving it tops the list of barriers to email marketing success, even surpassing traditional concerns such as reducing sales cycle time and increasing leads and revenue.

Measuring engagement can be difficult. It's an amorphous concept, unlike increasing conversion rates or reducing marketing costs, because it's hard to measure. Or, is it?

Maybe the problem is not so much that engagement itself is hard to quantify but that we are not using data accurately to measure it. Therefore, it's hard to determine whether it's increasing or what marketers must do to move the needle.





Marketers often fall into the trap of using the wrong set of metrics to measure engagement. Email metrics consist of two general groups:

- · Process metrics include opens, clicks, bounces, spam complaints and unsubscribes. These measure email activity.
- Outcome metrics include total or per-email revenue, leads generated, cost savings, order size or number of downloads. They measure how well your email campaign delivered against your business goals.

How do you measure engagement? By opens and clicks? By conversions? By time on list? By revenue per email?

Once you define engagement, you'll be better equipped to measure it, track it over time and test ways to increase it.

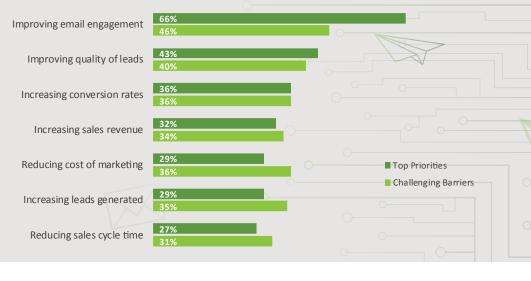






Priorities Versus Barriers

Comparing top priorities and challenging barriers.



Analyzing the importance of top strategic priorities, in comparison to the most challenging barriers to success, provides a unique perspective for developing a balanced and successful strategy for improving email marketing engagement performance.

Improving email engagement offers the biggest potential return for the expected effort. This should be expected, considering it can feed into success in several other priorities.

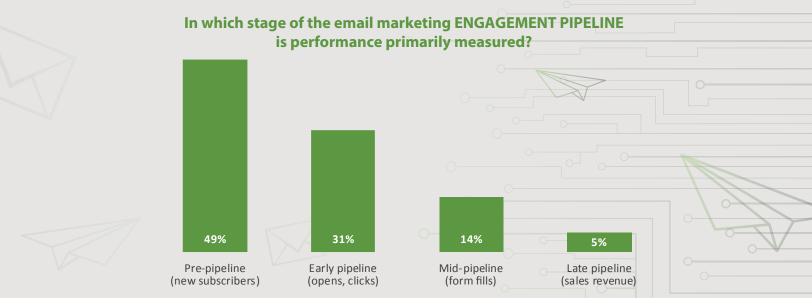
If your marketing goals include Improving Quality of Leads or Increasing Conversion Rates, working on engagement first could give marketers a boost there, too.











The email engagement process may be viewed as a pipeline that begins with new email subscribers and ends with sales revenue. Nearly half (49%) of bestin-class marketers focus on the generation of new subscribers to measure the performance of this process.

Best-in-Class marketers measure engagement primarily in the early stages. This is absolutely a great time to start measuring. New recipients are nearly always more engaged to begin with, and marketers can gain a lot of data during this "honeymoon" time frame.

However, it is important to look at engagement throughout the purchase cycle and beyond. Marketers who extend measurement through to loyalty and repeat sales can gain insights that can help level-up engagement efforts across the board.





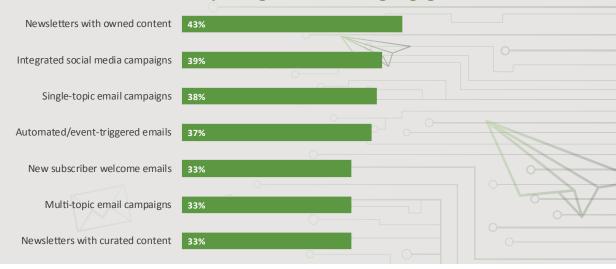






Tactical Effectiveness

What tactics are MOST EFFECTIVE for improving email marketing engagement?



There are many effective tactics for improving email marketing engagement. At the top of the list for the best-in-class is the use of newsletters with owned content (43%), followed by integrated social media campaigns (39%) and single-topic email campaigns (38%).

We were not surprised to see that each tactic on this list received votes from at least a third of best-in-class marketers. Marketers know that variety is critical to content strategy, and it isn't entirely about finding a "best" tactic.

If you don't have a newsletter yet, the results suggest that a newsletter is a good place to start. Given how challenging it can be to get a business to approve

content curated from external sources, starting with owned content in the newsletter - content you generate from your marketing team or other sources within your company – is the smart move.

Once you have a newsletter in place, you're definitely not done. This should be considered a short list of next steps in developing the content tools required to do email engagement right. Engagement requires more than just content, but that's a smart place to start.

Here are three tactics – and real-life returns from A/B split tests our clients have run - that could give you a start on some ideas for your own engagement marketing.





1. Personalized content. 200% incremental revenue.

Also known as conditional content, personalizing your emails can be a big boost to your results. Our clients, such as Future Publishing, have seen an average of double their revenue when applied correctly. Personalizing content requires reasonably clean data variables and enough content to be meaningful, so this test is very advanced.



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Cross-sell campaign emails





TeamRock+ campaign example

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The Future team have also used conditional content in cross-sell campaigns for their design and photography titles. The objective of these campaigns is to encourage customers to subscribe to other titles in their area of interest. For active subscribers, the email was personalized with their name and current subscription and other complementary titles were shown. These titles were shown using conditional content rules to drive the content hierarchy (showing the next priority product based on their existing subscription).

They also used conditional content in a campaign to get new subscribers to register for their online portal TeamRock+. Conditional content is used to drive a dynamic banner matching their current subscription. Voucher codes functionality is used to deliver a unique voucher code giving subscribers access to TeamRock+.

The Result

For the binder upsell campaign (A/B split test), the conditional content variant delivered twice as much revenue compared to the nonconditional content variant.

The design cross-sell campaign achieved a healthy 34% open rate and a 9.9% conversion rate. The photography cross-sell campaign achieved a 4.8% conversion rate. The Future team were pleased with the uplift on similar campaigns sent previously.

The TeamRock+ email saw an impressive 73% open rate and 39% CTOR, plus an 11.3% redemption rate on the unique code.

These results indicate that conditional content is a powerful tool to drive relevant and personalized content, improve the customer experience and ultimately improve email ROI.

34% open rate achieved by the cross-sell campaign 9.9%

conversion rate achieved by the cross-sell campaign

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open rate achieved by TeamRock+

39% CTOR achieved by TeamRock+

About Adestra

We have been empowering clients to maximize marketing ROI through email-driven technology for over 10 years. Our flexible account structure and obsession with customer success have gained the trust of global and growing brands alike. Founded on the principle that marketing success takes more than technology, we're not just Software as a Service, we're Software AND a Service.

2. Localized content. 1,110% ROI.

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Localized content is similar to personalized content. It definitely requires you to have enough different content to be meaningful. But, because it is based on location rather than personal data, it can be easier to manage this into segments.

If localization is a good fit with your goals, you might want to try this. As you can see in this example from The Taxi Shop, our clients who use localized content have seen significant return on investment.



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Essex campaign

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similarly localized area by area, each featuring its own bespoke video. The aim being to create a seamless journey from inbox to landing page, one that felt relevant for each prospect.

Email campaigns were sent in two waves over one week.

Facebook

Using Facebook's ad targeting BuzzedUp served each chosen region with video ads that echoed the localized campaigns.

Facebook campaigns ran for two weeks before, during and after the email campaigns.

The Result

The Facebook video ads performed well with 20% of viewers watching the full video; and about half watching for at least 10 seconds. Although clicks on links were moderate,- those leads that clicked through proved to be very high quality.

Email campaign reports showed deliverability, open and clicks rates above average compared to other general campaigns. The campaign achieved a 22% average open rate.

The sales team used exported data to:

- Match records against inbound enquiries in the hours and days after the campaign.
- Follow up with outbound calls to selected people.

The overall ROI for the campaign was 1,100%.*

In summary, this highly successful campaign combined on-line channels (email, paid social and personalized landing pages) with off-line activity (inbound and outbound telemarketing) to deliver outstanding results and ROI. Short, localized video content proved a highly effective way of capturing the audience's attention.

1,110%

22%

average open rate

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"Good segmentation like this gave me the confidence that our email offer was only reaching the right people."

Mick Dickinson, Owner of BuzzedUp

"Sales are up thanks to this town-by-town approach. My sales guys know exactly where the leads are coming from, increasing their local knowledge and having better customer conversations as a result."

Rob Breuilly, director, The Taxi Shop

*ROI is calculated as follows: Gross Profit - Marketing investment / Marketing investment.

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3. Personalized by segment. +94% incremental revenue.

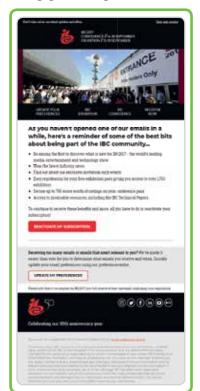
Targeting doesn't have to be done on an individual basis to gain the benefit of results. Clients, such as IBC, who segment based on past purchase behavior have seen significant improvements in engagement, without having to bear the burden of too many content versions.



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Re-engagement Program



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Anyone who did not engage during this program was fed into a second reengagement journey – again a series of three emails, but this time with a more direct call to action asking recipients to re-activate their subscription and complete their preferences. The emails reminded people of 'the best bits of being part of the IBC community'. Eye catching subject lines were used to encourage opening, for example: '<Firstname> Come Back to IBC Today!' and 'Last chance or we'll have to say goodbye!'. Those contacts who did not open or click any of the three emails were unsubscribed.



The Result

IBC achieved great results with this strategy. They re-engaged an impressive 16% of contacts who entered the second program (6,614 contacts). They now have an active database of approx. 200,000 people. Following this project, they have seen an uplift in average open rates from around 14-17% to 25% and higher. As they enter the next phase of promotion for the 2018 Show, having an accurate insight into their active audience is helping them to plan more effectively and generate better results from the email channel for IBC and their partners.

16% re-engaged contacts

200,000 active subscribers

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What are they planning next?

IBC are using automation to nurture their active audience ahead of the registration launch for the 2018 show. They are segmenting their list based on what aspects of the show people have shown an interest in, using their completed preferences or email click behavior. They will be tailoring, and personalizing email content based on this data.

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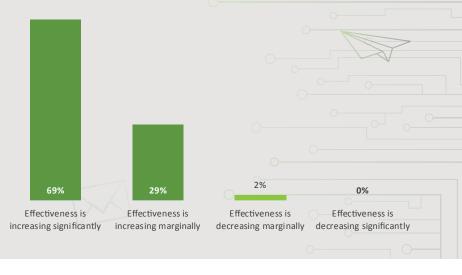
www.adestra.com 🔀 moreinfo@adestra.com

There are many more tactics that will help you boost engagement, but these three certainly stand out. The return on investment or revenue results you see in your own tests will depend on many factors. But, the only way to find out whether these – or any – engagement tactics work for you is to test them.



How **Effectiveness is** Changing

To what extent is EFFECTIVENESS CHANGING for email marketing engagement?



For a total of 98% of best-in-class marketers, the effectiveness of tactics used to improve email marketing engagement is changing for the better, with more than two-thirds (69%) describing the increase in effectiveness as significant.

It is exciting to see that nearly all marketers see effectiveness improving. This suggests that they are getting better at using the content, tools and tactics at their disposal to drive email engagement success. Content is only one piece of the tactics required for email engagement. Marketers need to look to data tools such as segmentation and modeling to push engagement to the next level.



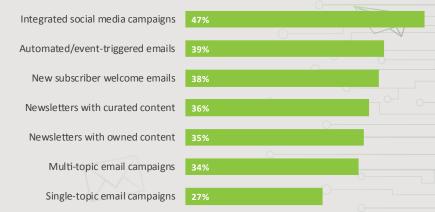






Effort Required to Execute

What email marketing engagement tactics require the MOST EFFORT (resource time and expense) to execute?



Integrating social media with email campaigns requires a lot of resource time and expense for 47% of the best-in-class. This is followed by automated processes like event-triggered emails and new subscriber welcome emails for 39% and 38% respectively.

Integrating social media campaigns is still relatively new to email marketing. So, it is no surprise that this is cited by 47% of marketers as requiring the most effort to execute. While there are tools out there to

make the operational side easier, any integrated marketing strategy is more complex and requires more time and effort.

However, we were dismayed to see the tactic of triggered and automated emails still ranking so high on the list. While it is true that legacy system integration can make this type of campaign quite difficult, many tools on the market can help simplify the process.







Marketers who are still having problems using triggers and automation should reexamine the time and effort and resources they're spending in this area to see if some of the newer tools could reduce time, effort and expense here.

After all, triggered emails that respond to real-time customer actions like visiting a website or browsing a product page, capitalize on behavior and move customers closer to a conversion.

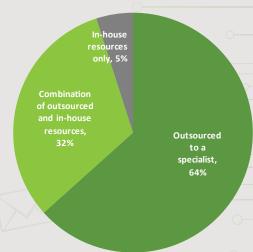
Adestra clients that have used triggered and transactional emails have seen about 50 percent or more email revenue in a year, so they're definitely worth your time to investigate and add to your email program.





Resources Used to Execute **Tactics**

Which best describes the RESOURCES USED to execute email marketing engagement tactics?



Executing tactics that require significant resource time and expense is a primary reason nearly two-thirds (64%) of the best-in-class outsource the execution of their email marketing engagement tactics to specialists. Only 5% do it entirely in-house. Only 5% of marketers try to do it all in-house. This isn't surprising, as marketing teams tend to run lean and outsource tasks when possible to benefit from experience elsewhere.

We were pleased to see nearly two-thirds of top marketers use outsourcing to build on their email

engagement tactics. Partnering with creative agencies, consultants and freelancers gives you and your in-house teams more time to work on your most important objectives and tap into the expertise these specialists offer.

Also, agencies often see tactics and strategies from clients in different industries and verticals that might work for your company too. This wider worldview will help your in-house team avoid the "echo chamber" effect that results when you lack diverse viewpoints on your team.

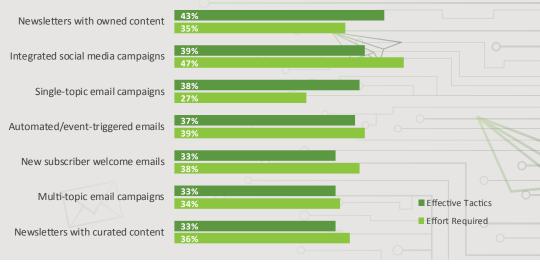






Effectiveness Versus Effort

Comparing tactical effectiveness and effort required.



Tactics that are much more effective than they are effort-intensive (single-topic email campaigns, for example), are much more likely to be included in a tactical plan of action for achieving top priorities than those less effective than they are effort-intensive.

Nearly every tactic on this list is perceived to require more effort than the expected return in effectiveness. This is discouraging, because marketing requires diverse efforts and tends not to be as effective overall as when marketers focus on one or two tactics to the exclusion of all others.

Marketers should start focusing on how to find the tools and resources to help make automated and triggered emails less resource-intensive. The industry can help with APIs, pixel tracking and other technology that avoids legacy system pitfalls and reduces the effort required.

However, marketers will need to invest in these new opportunities in order to help themselves succeed.





Conclusion

Engagement is central to your email program. New tools and measurement can help you build it for stronger, longer-lasting customer connections.

Engagement is key: Improving email engagement is a top concern even for best-in-class marketers. Email engagement – what it is, what it does for your email marketing program and how to measure and increase it – is a topic marketers must focus on, because it boosts conversions and keeps the customer pipelines full.

If you focus too narrowly on conversions and overlook engagement-building through nurturing campaigns, you'll miss opportunities to reach potential customers who are at different points in the buying cycle.

Look for new tools: Marketers have many tools at their disposal to help them improve engagement. It's disheartening, on one hand, to see even top marketers say that the best tactics – integrated social media campaigns, automated and triggered emails, even email newsletters – take more effort to produce than they return in effectiveness.

The email industry has developed an entire new class of tools that use data and automation to make tactics like these easier and less time-consuming to produce. We urge marketers to spend time exploring these new tools and to invest in those that will drive the greatest benefit. Email service providers can be an excellent first step in finding out what's possible and what benefits different tools can provide.







Use your data: Beyond exploring new tools, marketers who are not satisfied with their email engagement efforts should study their data and use of metrics to determine whether they are accurately tracking their engagement efforts and whether their investments are paying off.

Although data and measurement are beyond the scope of this report, they are also essential to building a strong, engaging email program. Increasing the amount of data used to measure results and using correct metrics can reveal opportunities to adjust your engagement strategies and tactics, leading to a stronger email program that contributes even more to company growth.





Adestra is a trusted provider of First-Person Marketing solutions for global and growing brands.

The company's industry-leading email platform provides a powerful infrastructure for one-to-one, contextual messaging and marketing automation, helping marketers communicate more effectively with their customers and subscribers. Robust reporting features allow marketers to efficiently evaluate and optimize their campaign results. The flexible structure and open integration architecture enables businesses to connect disparate technology platforms to create a seamless customer journey.

Along with a best-of-breed platform that drives customer engagement and boosts ROI, Adestra was founded on the principle that marketing success takes more than technology, which is why customer service is at the heart of its business. Adestra was a winner of the 2014 and 2017 Customer Focus Award from the Customer Service Institute. It also won Bronze for Customer Service Department of the Year at the 2017 Stevie Awards for Customer Service, as well as being presented with the 2017 Supplier of the Year Award from one of its longest-standing clients, UBM.

Adestra continues to maintain one of the highest customer retention rates in the industry. It is trusted by top companies including UBM, FranklinCovey, and Condé Nast Digital Limited, among others.

Established in 2004, Adestra has offices throughout the UK, US, Canada and Australia. For more information, please visit adestra.com.















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