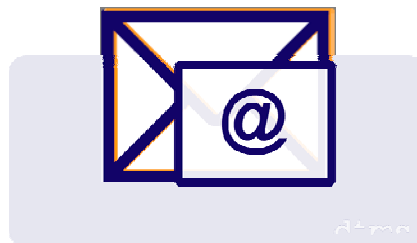


Netimperative Sector Report:

# Advanced Email Strategies



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## Email 2.0 –The Next Step?

**With behavioural targeting becoming more sophisticated, *Darren Fell*, founder of Pure, argues that interoperability with other systems will mark the next evolution in email marketing...**

Now I'm not knocking good old fashioned email marketing - you know, the pre-formatted standard weekly or monthly newsletter type. The transformation a marketing manager sees from having never used email to contacting their customer base and in minutes starting to see the response in detailed viewing figures and resultant sales is nothing short of amazing.

No, this is the next step. Could I be so bold to cite it as email 2.0? What I'm talking about is the next evolution in email marketing that is already in use by top brands like Tesco (not the sort of interaction you get with Web 2.0 like in MySpace - that's another column for another time) - being able to learn by customers' behaviour; their likes, their dislikes and tune offers back to them with absolute relevance, in some cases automatically.

So what does this mean to me, I hear you ask yourself? Well, quite a lot actually.

Just imagine you are an IT manager. While preparing your budgets for the following year you spend time on RS Components' site looking at tools and equipment for your growing team. Then, two weeks later you start receiving emails from RS with special offers on the same areas you'd been viewing. Relevant to you? Damn right it is! Is RS Components more likely to get a sale with you? You bet!

This is the same situation as donkeys' years ago when the corner shop grocer would get in items he knew you'd like because he knew you and your personal likes and dislikes. So is email 2.0 that friendly old grocer who knows you so well? That's exactly the effect you want with this next evolution in email marketing.

From the God of permission marketing himself, Seth Godin, relevance and timeliness are king. So if you could start to send mails so relevant and tuned to your customers' behaviour, that didn't require them to fill in long, painful forms beforehand so you could more deeply understand their needs, surely it would be a success.

So how could you undertake email 2.0? How different would your current email marketing setup have to be, or if you were looking to get a brand new setup, what exactly should you be looking for?

There are three main parts to a system that could achieve this: an email marketing system that could easily plug into other systems; a customer relationship management solution (CRM) that offered email marketing system plug-ins, and a Web analytics system that worked with email marketing solutions; possibly even CRM systems as well.

Starting to see the commonality here? You got it, it's interoperability - or that word that normally sends shivers down both yours and the IT Manager's back: integration.

Now the good thing is that if you choose your suppliers well they should already have thought about this and have plug-ins into the top systems in each area.

It's possible that if you work in a medium-to-reasonably sized organisation you'll already have a CRM system. This could be a good basis to check which email marketing providers connect to it. If it's an old style CRM system then not to worry, a competent email marketing firm with a custom API (application programming interface) capability will probably be able to connect to it in conjunction with your IT team.

The CRM integration with the email marketing system allows you to keep all valuable customer data where it should be - in *your* CRM system. Set up correctly, it will allow you to undertake fine segmentations, or even full lists of your client database for campaigns and automatically drop this information straight into the email system. All important hard-bounces and opt-outs get automatically updated again in the correct place - your CRM system.

Going further, you'll also be able to drop every customer activity back into the actual contact

detail element of your CRM; in other words where your customer information is kept. This could be anything from newsletter open rates and clickthroughs to actual purchases and the total value spent.

Ok, the next step. The Web analytics system. Typically, IT will have put something in place but this may not be the latest and greatest. You'll also probably have to go through that begging and pleading process to get the stats from them, and often the returned masses of information make no sense whatsoever.

Of course you may have a Web analytics system you can access – in which case this should have plug-ins, but if not, it's time to hunt for a package that will not only show you exactly what's going on with your site but will plug rather cleverly into the email marketing system as well.

Now this is where it gets rather sexy. With an integrated email and Web analytics system you'll be able to see customers viewing various sections of your Web site, create a targeted list for a specific campaign and then email them with an incredibly relevant offer.

So, the key message? Well it's that integration word. Make sure everything plugs together or at least one of your suppliers has a custom interface section so things can be connected. Do expect this setup to fit into the medium to top-end price bracket, but the power and intelligence it will give you it will certainly pay off many times over. And to top it all the boss will see the results, which will make you look rather good, won't it?

**By Darren Fell, founder of email marketing company Pure**

[www.pure360.com](http://www.pure360.com)

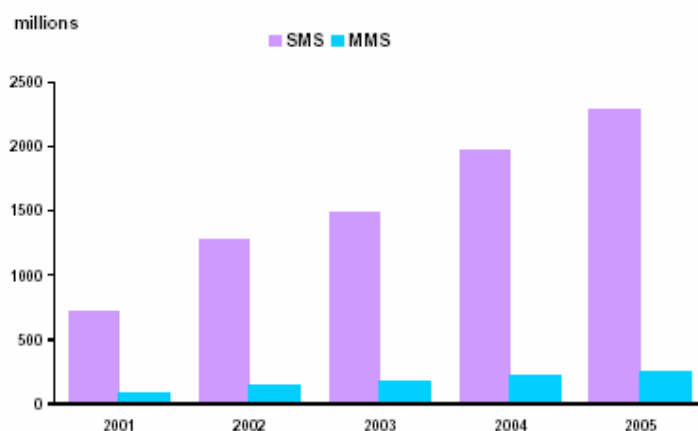
#### Research

### UK Mobile marketing: £26 million in 2005

As email and mobile converge, it is worth looking at the increasing role mobile is playing in direct marketing. Mobile phone ownership has risen dramatically in the UK and currently stands at 81.5%. The latest figures released by the Mobile Data Association show that the volume of text messages sent continues to grow, rising by 33% in 2004 and by 16% in 2005 to stand at 3.1 billion.

The DMA Mobile Marketing Council shows the vast proportion of text messages are SMS (90%), with the rest being MMS. Using an average creative cost of 7 pence per SMS and 20 pence per MMS message, and assuming that 10% of all messages sent are for commercial purposes, the DMA is able to arrive at an overall direct expenditure estimate for text messages, rising by 24% over the previous year to stand at £26 million in 2005.

#### Mobile marketing direct marketing expenditure



Source: Mobile Data Association. DMA Research Centre, 2006