



Email Marketing
from Constant Contact

Why You Need an E-Newsletter for Your Company

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“The cost of acquiring a new customer can be as much as 5 times the cost of keeping an old one.”

source: Peppers and Rogers

What is an E-Newsletter?

If you use email on a regular basis, you’re probably already receiving E-Newsletters from some of the companies you do business with. And while there’s a tremendous amount of variation out there regarding what constitutes an E-Newsletter (or “electronic newsletter” or “E-zine” or “email newsletter;” they’re all the same thing), they do have certain elements in common.

First and foremost, E-Newsletters arrive in your inbox as email messages. The sending company writes the newsletter, drops it into a predetermined email format, and sends it to a list of people who receive it on the other end. There’s a fair amount of technology that runs in the background to do this efficiently and effectively, but when you boil it all down, it’s just an email sent to many people at once.

To dig a bit deeper, think of an E-Newsletter like an electronic magazine, with three principal pieces:

1. Content

The words themselves - what you write and how you write it.

2. Formatting and Layout

Like a magazine, an E-Newsletter has a consistent look from month to month for organizing and laying out the content.

Fonts, graphics, sections, headings, links, etc., all come together to create the design and layout.

3. Delivery and List Management

Once the newsletter is assembled (content + layout), there needs to be a “machine” for sending it out to a predetermined list of people (your subscribers). The machine takes care of the logistics behind delivery. In addition to sending the newsletter out, that includes things like adding/removing names; managing bounced emails;

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"A 5% increase
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source: Bain and Co.

sending automated messages to readers as they join your list or make changes to their personal information; and collecting and reporting on response data regarding reader behavior and preferences.

Taken together, these three elements make up an E-Newsletter.

Why Publish an E-Newsletter?

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"A 5% increase in retention yields profit increases of 25 to 100 percent" (source: Bain and Co.)

"Permission e-mail campaigns are ten times more effective than direct mail campaigns." (source: IMT Strategies)

The results of this research and dozens of other studies add up to a simple conclusion: It's a lot more cost effective and profitable to grow your business by increasing revenue and referrals from existing customers, than it is to keep chasing strangers. If you've got a "house list" of business relationships, you've got an extremely valuable asset. An asset that a quality E-Newsletter is perfectly suited to take advantage of.

Specifically...

- **An E-Newsletter Increases Lead Generation And Cross Selling.**

As your newsletter arrives month after month, it keeps you top of mind with customers, prospects, partners and others, and provides an ongoing, low-key mechanism for highlighting your full range of products and services.

- **An E-Newsletter Increases Customer Lifetime Value.**

Competitors can buy their way into your market by matching your pricing, matching your products and even matching the look and feel of your company. What they can't buy are your relationships. Every newsletter that you send serves to solidify the connection between your company and your customers.

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- **An E-Newsletter Provides A Low Cost, Instantaneous Channel For Sending Messages.** Your database of email addresses gives you instant access to your customers and prospects. Once the machine is set up, in addition to sending an E-Newsletter, you can send alerts, advisories and messages as frequently as you wish.
- **An E-Newsletter Opens Up A Two-Way Dialogue With Customers And Prospects.** E-Newsletters allow recipients to easily and immediately interact with you. Comments are made, information is requested, an exchange of ideas between you and your customers flows easily in both directions.
- **An E-Newsletter Hypercharges Your Existing Marketing Efforts.** Your E-Newsletter doesn't compete with your web site, print newsletter or existing marketing materials. It leverages them. It creates a steady pulse and focus that ties your other marketing efforts together.
- **An E-Newsletter Provides Instant, Measurable Results.** Advertising, sponsorships, and many other traditional marketing tactics offer few options for measuring the return on your investment. E-based tactics on the other hand, are instantly trackable. With each E-Newsletter you send, you'll know how many people opened it; how many links were clicked on; who clicked on which links; and more. Fact-based, real time metrics.

If you already send printed materials out to your contact list – whether as a print newsletter or in some other fashion – the most immediate and measurable benefit of switching to an electronic format is a savings in time, printing and mailing costs. With a variable cost per newsletter of nearly zero, you will never again have to weigh the benefits of printing more materials or agonize over whether or not person X is “worthy” of the cost of sending information.