

Make Your Email Newsletter Smart and **Then Watch it Work**

A *StreamSend* Whitepaper

Topics covered

Why Email Newsletters
Strategy
List Growth
Design Best Practices
Content Development
Testing and Sending
Delivery and Measurement

The StreamSend Guide for Smart Email Newsletters

Done properly, email newsletters can transform subscribers into enthusiasts—people who look forward to opening and saving your emails. These enthusiasts act and interact with you in a number of ways: They pass content on to others; trust what you write; and respond to your advice, offers, recommendations and promotions.

What's more, with email reaching more than 90% of Internet users¹, email newsletters will continue to be one of the most popular and effective tools with which to communicate with prospects and customers. Why? It's affordable. It's targeted. And with a smart plan to get you from start to finish, it's highly effective.

Experienced marketers agree, there's much to be gained from a well-planned and executed email newsletter. But when done improperly, they can fail and be an unnecessary burden on resources. This white paper provides guidance and advice around some of the more significant aspects of creating and distributing effective email newsletters. It's intended for both beginners as well as experienced professionals who desire to refresh and enhance their campaigns.

► Why Email Newsletters

Email newsletters are one of the most popular forms of email marketing. They are distributed by individual consultants, small- and mid-sized businesses and large institutions. Take, for example, Legal Zoom, a rapidly growing online legal services company with over 1 million customers. Its monthly email newsletter contains legal tips and articles geared towards its small business clientele with promotions interspersed among the content.



The Heritage Foundation is a public policy research institute with more than half a million donors and an expense budget of \$61 million. It publishes the daily "Morning Bell" to highlight its position on current political events.



Virtually every business today uses email to communicate one-to-one. So, the desire to use email to communicate relevant content on a one-to-many basis is natural. But what's behind the enduring appeal of the email newsletter?

- **Email newsletters create loyalty:** Visitors to your site or blog may come and go. By contrast, newsletters push content to users on a regular schedule, creating predictability and consistency.

- **Email newsletters help build credibility and trust:** When you take the time to create content that is relevant to your audience, it positions your organization in the minds of recipients as serious, credible, and helpful.

- **Email newsletters create a sense of community:** A reader who views and follows your content does so knowing they are part of a larger group where the knowledge gained can be put to use.

► Define Your Newsletter Strategy

An email newsletter often has goals that are distinct from promotional campaigns. It tends to focus on customer retention and lead generation by providing relevant content to a targeted audience on a regular basis. Promotional email campaigns drive direct sales. Yet, there are many exceptions to this and the goals of an email newsletter can be multifaceted. As with any marketing activity, without explicit identification of a goal, you will have little on which to measure its success. Potential goals may include:

- Establish relationships with prospects
- Acquire new customers
- Build a following for your content
- Convert email lists into active leads
- Develop relationships and retain existing customers
- Position your company as an expert
- Educate or inform customers about products and usage
- Drive traffic to your Web site or social media outlets
- Gain advertising revenue
- Generate direct sales

Clarity on what you want to achieve will help identify your audience. Are you speaking to customers? Prospects? People who have browsed your Web site? Your in-house email list? Understanding your goals and target audience is the first step in planning your email newsletter. Often, you may find you need more than one to meet the needs of varying segments.

Create Your Plan

If your email newsletter is to successfully turn subscribers into enthusiasts and customers, you need a plan. Outline your goals and the steps that need to be completed, both one-time and ongoing activities, as well as who will be responsible for each item. The following is a short list of steps: 1) build your distribution list, 2) design your newsletter, 3) develop content, 4) test and implement and 5) measure results.

Your Email Newsletter Budget

A common misconception about email newsletters is the cost. It's true that an email newsletter is one of the lowest cost forms of marketing, but it's not entirely free. In addition to the cost of your ESP (Email Service Provider) you should plan for design time, Web site changes, list building activities and content development.

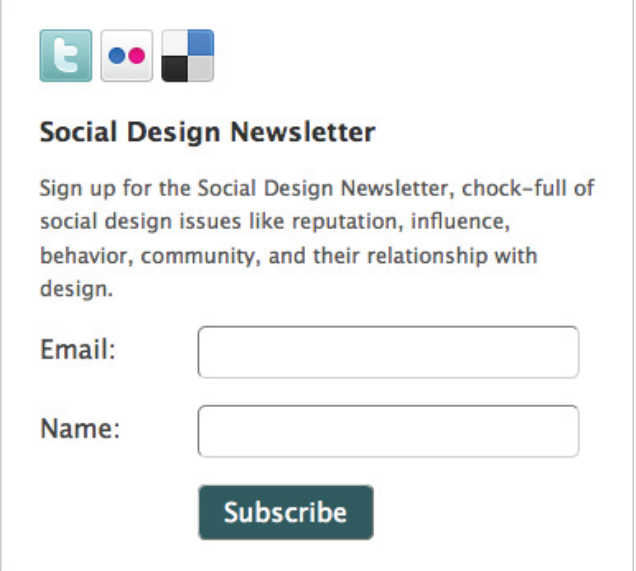
Email Marketing Continues To Grow

According to MarketingSherpa, investments in email marketing and social media were the only two areas of marketing budgets that increased in 2009.

► Build Your Distribution List

Key to an email newsletter's success is the right audience. Most businesses have an in-house email list comprised of customers and prospects. That can serve as a starting point, but careful planning of your list building process is key. The best email results are achieved through opt-in lists, and the most common way to get an opt-in audience is through your Web site or through targeted emailing of existing customers and/or prospects.

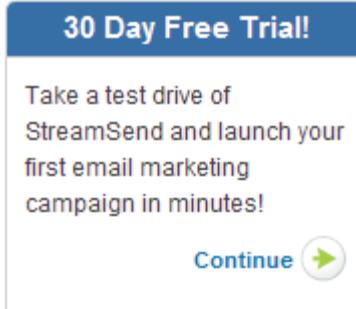
One strategy for boosting Web site opt-ins is the "easy join" method. Put very few requirements in place and create an inviting sign-up form. The form below is a good example of a simple offer to 'subscribe' with a brief but clear explanation of what the audience expects to receive.



The form is titled "Social Design Newsletter" and features three social media icons (Twitter, Facebook, and a generic square icon) at the top. Below the title, a paragraph describes the newsletter's content: "Sign up for the Social Design Newsletter, chock-full of social design issues like reputation, influence, behavior, community, and their relationship with design." There are two input fields labeled "Email:" and "Name:". Below these fields is a dark green "Subscribe" button.

To get the most benefits from sign-up forms, make sure the sign-up offer is prevalent throughout the site.

Another strategy to build your Web-based opt-in list is to use a promotion to encourage a prospect to provide detailed information in return for content or some other offer of value. Of course, the incentive should be tied directly to your product, as in this promo:



The form has a blue header with the text "30 Day Free Trial!". Below the header, the text reads: "Take a test drive of StreamSend and launch your first email marketing campaign in minutes!". At the bottom, there is a blue "Continue" button with a green arrow pointing to the right.

Offers can be placed on your Web site, on other sites or incorporated into search engine marketing efforts. For example, here is a landing page sign-up form we found when searching for “sales productivity tools.”

The advantage of capturing detailed prospect information is that in addition to growing your email newsletter list, you can also send highly targeted promotions based on the information you acquire.

Beware of Short-cuts in Building Your Email List

Many businesses are tempted to short-cut the opt-in process by purchasing an email list. However, you should do so with caution. Sending your email newsletter to those on a purchased list with whom you have no business relationship will most likely result in an unacceptable number of spam complaints and low delivery, open, and link rates.

Another common method used to build an email list is to offer a “contest” promotion (e.g., “Win an iPod”) where the promo is not directly related to your product offering. Remember, the goal is not quantity but quality. If someone is not expecting to hear from you, they will likely complain by marking you as spam. A poor quality list will result in high spam complaints, which can permanently damage your reputation and ability to send future email campaigns. A rule of thumb for an acceptable level of spam complaints, before your ability to get emails delivered is affected, is about one complaint per 1,000 emails.

What's In A Brand?

Your brand is a set of perceptions and images that represent your company or its products. While many people refer to a brand as a logo, tag line or jingle, your brand is actually much more. It encompasses the essence of both the promise made and the actual experience of using your products.

► Design Your Newsletter

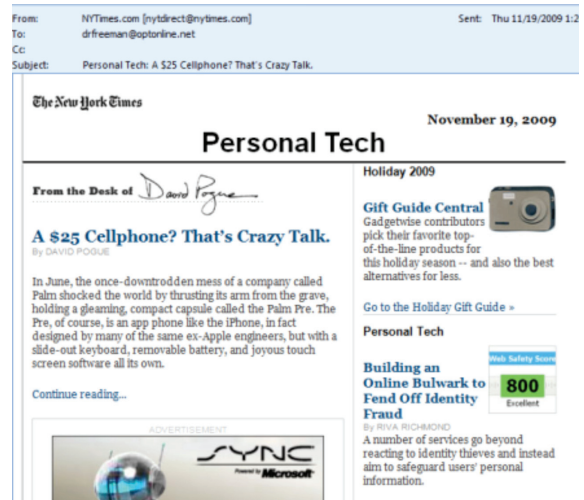
Now that you have established the goals, your audience and have a plan to grow your list, you're ready to focus on design. By design, we are referring to both the physical layout, as well as the various elements of the newsletter such as the “from” address and the subject line. Also included in the design are features such as the ability to unsubscribe or update your subscription.

First, a note about branding. Many ESPs (Email Service Providers) promote the fact that they have hundreds of email templates from which to choose. This is a nice feature for very small organizations without in-house design resources or a significant budget. If, however, you have already invested in a Web site, logo and other branding, it pays to design your email newsletter from scratch and leverage your brand. After all, a successful newsletter will both drive people to your Web site and hopefully turn those visitors into subscribers. People look for consistency and an email newsletter branded with your colors and logo to match the look and feel of your Web site is well worth the extra effort. Now, let's take a closer look at the elements of your email newsletter.

The **“from” address**: Key here is to use a name that is clearly identifiable and with some meaning to your audience (e.g., [use SMB-Marketing Report](#), or [J. Thomson from Legal Advice.com](#) instead of [random@randomlist.com](#)).

The **subject line**: This is the entry to your email newsletter and its importance cannot be overstated. It should be as short as possible while still communicating the main point of your content (think headlines, not sentences). It should convey relevance, value and urgency. Remember, different email clients show varying amounts of subject line text so get the key words up front. Ideally, subject lines should be about 35-45 characters in length.

The **masthead**: This vital area is at the top of the content area and sets the tone for the entire newsletter. It should reinforce your brand and contain the name of the newsletter, logo, publisher or editor, a date or issue number and a link to the associated Web site. Keep it simple and narrow so as not to take up much screen space. Many recipients view their emails in some type of preview pane, usually horizontal, so make sure your masthead design enables easy access to the content.



What lies “**above the fold**”: Above the fold describes the area of the email viewable without scrolling and it is key to determining whether the audience will bother to view the remainder of the mail. Readers tend to read emails in an “F” pattern, scrolling down the left rail, then across the top. These areas are your primary real estate for compelling and engaging content.

Spam Tip

Place your unsubscribe link big and bold at the top of your newsletter. This can reduce complaints by as much as 75%.

The bottom is ideal for various administrative and legal notices. Included in the footer area should be:

- The unsubscribe/subscribe instructions and/or links
- Relevant links, such as archives, advertising information, Web sites and other resources
- Copyright notice
- Email address or link for feedback
- Information required by relevant anti-spam legislation, such as a physical address

However, it is also advisable to place the unsubscribe link at the top of the email. This makes it easy for users to unsubscribe and can reduce complaints by up to 75% and keep your sender reputation in good standing.

Use Images to Support Content

Images should support but not dominate the content. Remember, not all recipients will see your images as they are often blocked. So when creating emails, no more than 40% of your area should be consumed by images. And when they are used, they should be tagged with alternative text explaining what the image is.

Relevant Content Is The Greatest Challenge

Delivering highly relevant email content to recipients remains the #1 challenge for email marketers. 82% of Marketers viewed this as “very important,” according to MarketingSherpa 2010 Email Marketing Benchmark Report.

► Content Development

Developing relevant content—content your audience cares about—is the most important aspect of your email newsletter as well as the most challenging. Lack of content, and lack of planning around the development of content, is a common cause for failure.

In order to convert subscribers into enthusiasts (those who trust you and follow your advice and recommendations) you must provide something they can savor. To do that, you need to put yourself in the mind of your customer.

- What interests them?
- What can you give them that they cannot find elsewhere?
- What do they really care about?

Content should not be thrown together the day before a newsletter is to be sent. Always be thinking of relevant content. Set up a newsletter content file and as you come across interesting articles or facts, file them. Have a storehouse of information that will allow you to develop various themes. The more time you devote to content, the more you will connect with your audience.

► Test and Send

Never send out a newsletter without testing it. That way you can catch any glaring errors first. Almost all ESPs allow test messages. It’s good practice to send the message to different email clients including Outlook, Gmail, AOL and Yahoo accounts.

In addition to testing for grammar and display, also test for features such as links, personalization, forms, opt-out and updating profiles. I recently received an email that began with,

Dear {Contact.firstname}

Obviously, the personalization feature was not implemented properly. You also may, prior to a full emailing, consider getting feedback from colleagues or others you trust.

In some cases, it is worthwhile to send a small sample campaign to 50 or fewer contacts. This allows you to test a variety of factors including subject line as well as the use of images and layout. That way, you can see which combination works best before sending the full campaign.

Most Popular Email Clients in Use by Consumers*

Outlook	31%
Yahoo! Mail	16%
Hotmail	15%
Outlook 2007	7%
Apple Email 3	6%
Gmail	5%
iPhone	4%

*MarketingSherpa 2010 Email Marketing Benchmark Report

► Get to the Inbox

Deliverability involves getting your newsletter into the inboxes of your audience. It can be a big problem because as many as 20% of emails do not reach their destination. To reduce undeliverable emails, focus on five key criteria proven to optimize deliverability rates.

- **Be Professional:** What does your message say about your company? Advance your brand and professional reputation by sending well designed, organized and relevant email newsletters.
- **Mind Your Lists:** How relevant is your list? You should only add recipients via opt-in practices, removing bounced accounts and unsubscribe requests immediately. Never use distribution lists that are severely outdated.

• **Maintain Low Complaint Levels:** Every time a subscriber reports you as spam, your sender reputation is affected. Several popular ISPs, including AOL, Yahoo and Hotmail make this extremely easy with one-click spam reporting features. Also, it's important to know how many complaints are coming in. You don't want to receive more than one complaint per 1,000 emails.

• **Understand Reputation:** ISPs filter spam based on your company, domain name and IP address reputation. Building a solid reputation takes time, and the only way to build it is by sending legitimate emails and following best practices. Send legitimate emails, clean your lists and avoid complaints.

Make sure your selected ESP can address each of the above items and that they are setup with private IP addresses so you can maintain control over your email reputation.

Average Open and Click-through Rates

US E-Mail Marketing Campaign Metrics, Q1 2007-Q1 2009

	Delivery	Open rate	Click-through rate
Q1 2007	93.7%	22.1%	7.2%
Q2 2007	95.1%	20.7%	6.2%
Q3 2007	94.3%	20.7%	6.5%
Q4 2007	93.1%	19.8%	6.1%
Q1 2008	93.4%	19.9%	6.4%
Q2 2008	93.2%	18.8%	5.9%
Q3 2008	93.6%	19.8%	5.9%
Q4 2008	94.4%	20.9%	5.8%
Q1 2009	94.1%	22.1%	6.1%

Source: Epsilon, "Epsilon Q1 2009 Email Trends and Benchmarks," July 2009

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www.eMarketer.com

► Measure Your Results

After all this work to plan, design, develop and test, it would be a shame not to circle back to your initial newsletter goals to assess your success and make necessary adjustments. You should measure your list growth, health, delivery rate and level of engagement. The key metrics are list size, bounces, opens, clicks, unsubscribes and complaints. You should track in absolute numbers and percentage terms.

About StreamSend

StreamSend offers an easy-to-use, affordable and reliable email marketing software solution designed to help businesses make the most of their time and money when sending an email newsletter or other email campaigns. StreamSend offers a number of industry-leading standard pricing plans and also has strong private-label and affiliate programs. Started as part of EZ Publishing, a web hosting and design company founded in 1998, StreamSend is now the company's flagship product.

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¹ Pew Internet and American Life Project (Feb 2009)

► Email Newsletter Checklist

When planning for or updating your email newsletters, use this checklist to make sure you've covered the critical aspects for making it smart and effective.

What is my primary goal?

- ☐ Build relationship with prospects
- ☐ Acquire new customers
- ☐ Build readership
- ☐ Convert email list into active leads
- ☐ Position company as an expert
- ☐ Educate/inform audience about product
- ☐ Drive traffic to Web site
- ☐ Generate advertising revenue
- ☐ Generate direct sales
- ☐ Other:

Who is my primary audience?

- ☐ Current Customers
- ☐ Past Customers
- ☐ Prospects/Leads
- ☐ Other:

How do I sign them up?

- ☐ Use existing database (proactive opt-in recommended)
- ☐ Append existing customer data (proactive opt-in recommended)
- ☐ Web site sign-up forms
- ☐ Verbal permission (customer service, telemarketer)
- ☐ Events
- ☐ Contest/Promotion
- ☐ Purchased/Rented lists (not advisable, using purchased lists is against StreamSend policy)

Are my design elements in place?

- ☐ Clear "from" address
- ☐ Concise, compelling subject line (35-45 characters)
- ☐ Identifier in masthead
- ☐ Strong lead in
- ☐ Six-to-nine main content items with links to more
- ☐ Aligned to "F" viewing pattern
- ☐ Text to image ratio 60% to 40%
- ☐ Alt IMG tags on all graphics
- ☐ Unsubscribe link prominent (recommended at top)

Am I CAN-SPAM compliant?

- ☐ Sender is clearly identified in the "from" line
- ☐ Subject line is clear, not misleading
- ☐ Physical mailing address included in email
- ☐ One-click unsubscribe
- ☐ Did you test everything?
- ☐ How does it render in various email clients?
- ☐ Did it deliver to top domains?
- ☐ Links are correct/active
- ☐ Subject line legible in various email clients/devices
- ☐ Mail merge worked correctly
- ☐ How does it look with images blocked/off?

How is my deliverability health?

- ☐ Delivery percentage
- ☐ Bounce rate
- ☐ Open rate
- ☐ Complaint rate
- ☐ Any troubles with particular domains?

Did I meet my goals?

- ☐ Yes
- ☐ No
- ☐ Partially

What do I need to change next time?

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