

Grow Your Email Marketing List

When it comes to developing and maintaining brand-to-customer relationships, it's hard to beat email. Highly valued by both businesses and consumers, email continues to deliver impressive return on investment (ROI) and remains one of the most potent, popular, and effective marketing tools available.

Consider the latest data:

- **Email has the highest ROI.** The Direct Marketing Association (DMA) puts email marketing's ROI for 2012 at \$28.50 for every \$1 invested. This compares to display advertising's return of \$22.38, search's return of \$19.71, mobile's return of \$11.37, and direct mail's return of \$7.00.
- **Buyers prefer email to other communications channels.** A 2012 survey of consumer channel habits and preferences found 77% preferred to receive permission-based promotions via email; only 6% preferred such messages via social media. A similar survey of UK consumers found 69% preferred email as the channel for brand communications.
- **Buyers make more purchases from email communications.** 66% of online Americans say they have made a purchase as a result of an email from a brand, more than three times the percentage of people who have purchased in response to a message delivered via Facebook (20%) or text message (16%).

Given the continued revenue and customer-relationship potential of email, growing your email list is essential to your sales success. Let's examine the key ways to do that.

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1. Plan, prepare, and get permission
2. Gathering email addresses
3. Buying third-party data

1. Plan, prepare, and get permission

Begin with the end in mind

The goal is to create and grow a house list of email subscribers who genuinely want to hear from you. Which means they've given permission – by opting into your email program.

The importance of getting permission cannot be understated, and it's a big deal for two specific reasons:

- **Brand integrity.** Getting permission to push your messages to someone is simply good business. Polite. Neighborly. You attract a lot more interested prospects with "please" and "thank you" than with "Surprise! Here are 12 wholly unsolicited offers that I really really want you to know about. Aren't you happy to see me taking up all of this real estate in your inbox?" (They won't be.)
- **You'll be punished.** Using tactics that appear underhanded will never serve you. That is, not if you're a legitimate business. In today's hyper-connected, always-on world, deceptively trolling for

email addresses will result – sooner or later – in very unpleasant consequences that can quite literally shut you down. Two common examples are being decimated across social media and getting black-listed by email service providers (ESPs). The time and resources it takes to recover are often steep.

Offer value

Building your list is more than a numbers game. It's about attracting and enticing the right kinds of prospects who will eventually become first-time buyers and, hopefully, long-term loyal customers.

To do this, you must offer something of value. Otherwise, why would someone sign up to receive your email messages, offers, and promotions? It's fundamental that you understand your target customers – who they are, their issues and pain points, what motivates them, and what they hope you can deliver and/or solve for them – in order to effectively craft a value proposition that will resonate with them and encourage them to join your email list.

Train your team

A common question asked by sales teams, marketers, and management is this: How many names do we need?

The answer wholly depends on business-specific information such as your sales goals, average conversions, the length of your sales cycle, and the health of your current list. Get input from your sales and marketing teams to ensure you're all working with the same definitions and numbers, then do a bit of math to determine the optimum quantity of names needed, and agree on a goal.

Be sure your team understands the importance of collecting only email addresses that are permission-based, from prospects who actually want to hear from you. Be directive about this. Determine what benefits there are for the prospect who opts in, and teach your team how to convey the value and benefit to the potential customer.

2. Gathering email addresses

Once your target audience is understood, your email program's value is defined, and your team is trained, the practical (and tactical) work of growing the list begins. Here are some ideas for accomplishing the task.

In the real world

- **Brick-and-mortar locations.** If you have a physical location, view every point of customer interaction as a potential opportunity to capture an email address. For example, by using static and digital signage in key areas such as walls, aisles, interactive kiosks, vending machines, and point-of-sale stations, you can promote the value of signing up to receive your branded emails. And with the increasing ubiquity of smartphones and tablets, shoppers can easily sign up right then and there, particularly if your email program offers prized benefits such as discounts, sales alerts, and members-only opportunities.

Caveat: Obviously every point of interaction is not optimal for requesting an email address, plus you don't want shoppers to feel stalked. So use common sense about when, where, and how you request an email address.

- **Receipts.** An increasingly popular service among shoppers is having their receipts emailed to them, a convenience that also benefits retailers. Primarily it's another opportunity to capture an opt-in email name, but it also can result in improved email deliverability downstream. This is because ESPs are on the fast-track to tie your email's deliverability to how recipients interact with it. Meaning the more recipients open and engage with your email, the more credibility your sender reputation has, and the less likely your email will be deemed spam. By its nature, permission-based email is generally wanted and welcomed by the recipient, meaning they'll engage with it and help your deliverability score.

Caveat: If you're going to be following up email receipts with sales messages, it's always best to disclose to the recipient that they may receive a commercial email from you in the future.

A Wells Fargo customer comments: "If I take money out or make a deposit, I have the option right on the screen to send an email receipt. This gives Wells Fargo the opportunity to verify that my email address is correct. It's just one more soft-touch reminder that I'm getting email from Wells Fargo, so then when I do get that next sales email, it's not as much a surprise to me."

- **Product opportunities.** Don't throw your warranty registration or service agreement over the fence to a third party. Run at least some of the program yourself, and take advantage of this tremendous opportunity to engage people.
- **Events.** You can network and swap business cards at all kinds of events, from a Rotary Club meeting to your teenager's baseball game. Trade shows in particular are a target-rich environment. Consultant DJ Waldrow tells how one of his clients leverages the trade show circuit:

"My client has people on the floor of an industry event with iPhones. They have potential prospects type their addresses in directly, which enhances commitment and ups the odds that the addresses are real and correct."

"They also have a campaign set up with a welcome message that's triggered for that specific event. As soon as that prospect signs up, whether they type their address in themselves or the person on the floor types it in, the prospect automatically gets a welcome message that's targeted towards this very event. And that welcome message is a template, so it's easy to reuse for the next event, keeping the same triggered message going."

In the virtual world

The digital landscape is perpetually expanding, becoming more integrated, and opening new doors for customer engagement. It's clear that strategies and tactics will morph and change, but in the meantime, here are some ideas for using today's main online channels to grow your list.

Your website

If you have a newsletter or other type of outbound communication, make it easy for people to sign up by placing the call to action on all your pages, above the fold if possible. Research indicates that the upper right-hand corner is usually most effective, but be sure to test this.

If you offer content such as white papers, videos, infographics, webinars, or eBooks, promote it in various places and gate it – that is, place a form requiring the prospect to provide contact information before the content can be accessed.

Experiment with different types of sign-up forms. You may discover that different forms work better on different pages. From a functional perspective, here are the most common types:

- **Embedded.** This is a form that's embedded directly in the current webpage, using the webpage's navigation areas or page body. It is not blockable. This is useful when you don't want users to leave your page to submit a form.
- **Pop-up.** Opens in a new browser window that loads on top of the current webpage. Pop-ups are operated by script (e.g., Javascript); thus, can be blocked – and commonly are – by a wide variety of available software.
- **Pop-under.** Is identical to a pop-up except it loads under your current webpage. It's generally assumed to be less intrusive than a pop-up because visitors often don't see it until after they've closed their current browser session.

- **Pop-over.** Similar to a pop-up form, but rather than opening a new browser window (which is blockable), a pop-over form is part of the current webpage, superimposed as a transparent “hover” layer. It is not blockable.
- **Lightbox.** This is identical to a pop-over but it darkens your webpage. Thus, the effect is that the form is “spotlighted.”

When implemented correctly, “pop” type forms can be very effective because they capitalize on the element of surprise. That is, their sudden appearance can shift your visitor’s attention and (re)capture their interest in something new and valuable. Many companies see significant list-growth increases using one or more of these forms.

But do not proceed lightly to the pop form. As successful as they can be, the opposite is also true if implemented poorly. Pop forms can be annoying – even outright exasperating – to many visitors and, as such, can backfire and lead to negative list growth. So it’s critical that they be designed, thoroughly tested, and used wisely.

Finally a reminder: Less is more. That is, the less information you ask for, the more likely you are to get an opt-in email address. As you build relationships with your email list members, you can use progressive forms and other data-collection techniques to further understand your audience, allowing you to better segment them and communicate more effectively based on their needs and interests.

Online events

The most common online event is a webinar, which can offer a treasure trove of qualified email addresses because people who register for online events are interested in your product or solution, willingly provide their contact information to sign up, and generally expect to receive confirmation and follow-up emails.

Test, test ... and then test again

Testing is the key to unlocking online success. It’s more important than ever, given the steep competition for consumers’ attention via every channel, physical and virtual. Finding out what can cut through the noise is essential to business growth.

Things you might test include headlines, forms, email subject lines and copy, offers, graphic elements, calls to action, or social messaging. Within each channel are countless things that can be tested, but you don’t need to test to the “gnat’s eyelash” of detail. Pick a few things that matter, and find the balance between what works (getting conversion) and what’s achievable (having the resources to manage it all).

Testing is a continual quest of discovery and refinement. It doesn’t always have to be complicated, but it should always be an integral part of your business processes.

Social media

People connecting with you on social media may not be subscribed to your email list. So it's good to have a strategy aimed at converting followers to email subscribers. Here's why:

- If you're lucky enough to have active social media pages, the heavy stream of activity can effectively bury your messages, essentially making them invisible to some of your fans or followers.
- Email is much more effective at delivering targeted messages that resonate with your customer types (aka personas). Social media, while quick and convenient, treats everyone the same, which is why social media is only minimally successful at delivering ROI.
- People who abandon their social accounts for whatever reason generally continue to use email.

Consistently, the data shows that 92-95% of U.S. online adults use email. Compare this to an August 2012 study by the Pew Internet Project, looking at social media use by online adults:

- 66% use Facebook
- 20% use LinkedIn
- 16% use Twitter
- 12% use Pinterest
- 12% use Instagram
- 5% use Tumblr

When trying to convert your social followers, it's important to clearly articulate the value of your email program. A successful tactic is to leverage the psychology of FOMO (fear of missing out).

Case in point: Research shows that people on Twitter feel anxious about the persistent messaging and fear they'll miss out on something if they don't continue to pay attention and stay engaged. Thus, appealing to this group with a message amounting to "Email is the one way you

Play to your existing strengths

When Dropbox began in 2008, it had a rudimentary marketing plan: "Big launch at TechCrunch50; buy some AdWords; hire, ummm, a PR firm or a VP of marketing, or something..."

In 2009 Dropbox launched an AdWords program using SEM and affiliate marketing. This did get some results, but at a cost of \$233–388 per acquisition. For a \$99 product.

However: Dropbox noticed that seven months after launch, they had 1,000,000 users and a very happy community. They discovered that the typical user had learned about the company from a friend. They developed a new strategy to leverage loyalty, including a two-sided referral program (both the person who signs up for Dropbox through a referral link and the referrer get extra space). This strategy increased signup by 60%. Dropbox went from 100k users in September 2008 to 4 million in January 2010, to 25 million in April 2011, to 100 million in November 2012.

know you won't miss out on things from us" could prove quite successful.

Experiment with your social channels to find the optimal message that spurs the highest conversion.

What Crocs did: Certain retailers have been successful using content or contests to convert fans to email subscribers. Last year Crocs had a strategy: If you Liked the company on Facebook, they'd ask you to opt into email and give you some sort of incentive, such as 25% off your first purchase.

Video

If people are tuning into your videos for education or entertainment, include a pitch for your email list. Tim Carter of AsktheBuilder.com began tagging his how-to videos with a pitch for his weekly newsletter, and got 38% more signups than he had with video annotation.

3. Buying third-party data

If your company's growing quickly, getting leads organically may not provide the volume you need. When the number of leads needed to meet the sales quota outgrows marketing's ability to fulfill it, you might consider third-party data.

Buying third-party data is a practice with a clouded history, but advanced technologies have allowed reputable companies to build databases responsibly. It's up to you to choose a good provider and stay on the bright side of integrity. Here's a guide to due diligence:

What to ask about the list:

- How is the data collected?
 - Good answer: Through a permission-based process.
 - Bad answer: Scraped using an internet crawler (this is illegal, but unscrupulous vendors often gather addresses this way).
- How is the accuracy verified?
 - Good answer: Phone-verified quarterly.
 - Bad answer: Verified?
- What data elements do I get?
 - Good answer: Full record, including geography and demographics.
 - Bad answer: Just email or postal address.

- Is there a return policy if the data is bad?
 - Good answer: Yes, unconditional.
 - Bad answer: No, or limited to proven bad records.

What to ask about the company:

- Where are they located? "Out of the U.S." is a black mark.
- What's their reputation? Ask around. Some of your friends and colleagues are also buying lists, so ask what their experience has been with different vendors. Bad news travels quickly; irresponsible vendors leave obvious tracks.
- Can you test before you buy? "Yes" is the only good answer. Test in small batches and have measurements and metrics planned before you do so.
- How automated are they? Platforms are more efficient than people; the more automated, the fewer errors.

Red flags:

- The price is too good to be true – they're willing to sell you 1 million names for \$1.00.
- You receive a file that contains a large portion (or percentage) of addresses from a single ESP or domain.
- The vendor's Terms and Conditions aren't clear.
- You ask for references and they stall ... or give you names you can't reach.

Just as with every facet of business, look for a vendor who passes the sniff test, has a good reputation, and appears to want a partnership with you. With the right lists, you can enjoy faster ROI. With the wrong ones, you'll waste money, encounter deliverability issues, and your reputation will suffer.



A final note

Be patient. Slow and steady will win this race. If you create a culture of integrity-based email address acquisition and maximize all your touch points, you will grow a very healthy list. If it's smaller than the lists of marketers in other industries – that may just be the nature of your industry. What matters is that your list is healthy and productive enough to deliver the growth you need.

For additional information and insights, here are some resources:

- [Best Practices in List Building and Deliverability \[webcast\]](#)
- [Buyer Personas: The Five Insights Every Marketer Needs to Nail \[webcast\]](#)
- [Six Best Practices for Creating a Content Marketing Strategy](#)
- [7 Characteristics of Great Marketing Content](#)
- [Buyer's Checklist for Marketing Automation](#)

About Act-On Software

Act-On Software is a marketing automation company delivering innovation that empowers marketers to do the best work of their careers. Act-On is the only integrated workspace to address the needs of the customer experience, from brand awareness and demand generation, to retention and loyalty. With Act-On, marketers can drive better business outcomes and see higher customer lifetime value. The Act-On platform provides marketers with power they can actually use, without the need for a dedicated IT resource.

+1 (877) 530 1555

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