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Emerging Trends in Email Marketing

Media and Entertainment (M&E)

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Introduction

This white paper highlights the emerging trends in email marketing, which an Email Service Provider (ESP) must adopt to have better customer engagement keeping pace with the rapidly evolving technical and business landscape.

Emerging trends for Email Service Providers

Email is the most essential and effective digital marketing channel, according to the MarketingCharts (MC) 2014 survey.

This white paper focuses on two key emerging trends in the Email Marketing industry:

- Real-time personalization
- Influence of mobile on the marketing strategy

This white paper also throws light on how these can be integrated for better engagement with customers.

CREATING IMPACT THROUGH REAL-TIME PERSONALIZATION

The 'Real-time personalization' approach is entirely about customers and engagement with customers in real-time using their preferred channels. Customers' environments (such as the following) change dynamically and rapidly:

- Interest at a specified point of time about buying a product
- The recent buying pattern
- Vicinity to a specified location near to a point of sale

Changing environments give rise to various opportunities, which in turn influence the buying decision. Real-time personalization leverages these opportunities. For this, it collects data of the customers' changing environments through:

- Sophisticated data capture.
- Automation.
- Application of marketing intelligence.

Real-time personalization: This term implies using tailored content effectively for marketing not only to an individual customer but also several customers who are in the buying process. The motive is to attract and retain these customers.

Real-time marketing can:

- Make a market segment of customers using real-time data.
- Enhance the capacity of generating dynamic and more effective content.
- Filter and target emails based on specific customer profile.
- Personalize content.

What data companies use in Real-time marketing?

- Location
- Context-viewed
- Behavioral
- Demographics
- Segment or persona
- Time
- Device or browser
- Weather

Automation is the key to the success of behavior-driven, real-time marketing. The ESP should:

- Provide a platform where marketers can create customized automated campaigns, which are executed on the basis of triggers leveraging the customers' behavioral data.
- Have an environment where customers' behavioral data is updated and processed, and further, automated campaigns are scheduled and executed.

Another crucial aspect of real-time personalization: Customer Relationship Management (CRM) integration with ESP campaign tools.

Marketers can have better intelligence with the help of CRM integration. Real-time personalization has far-reaching opportunities, which can surpass the opportunities of targeted marketing to CRM by a large number. The real-time personalization opportunities can have considerable impact on the following.

• Automation • Efficiency • Timeliness • Interactivity • Quality • Flexibility • Complexity

A comparison

Organizations that adopt real-time personalization	Organizations that ignore real-time personalization
Can reap its benefits, which are multiple	Have to struggle with archaic processes, which are slow, error-prone, and resource-intensive

Emails do not target addresses, but real people. To implement successful real-time email marketing, marketers have to implement email marketing campaigns in conjunction with other marketing strategies. The email marketing campaigns generate enormous data about open rates, unsubscribes, and clickthroughs, among others. Marketers can track this data at the granular level.

The data sources are web analytics, event data, cookie-level data, and social analytics, among others. Marketers can preprocess, combine, and leverage this disparate data to generate greater insights into the customers' data. The consequences are better results and greater return on investment (RoI) of the marketing spend. The predictive analysis unleashes the power of data-driven insights to run your marketing campaigns by changing the approach from one-and-done to focused, personalized recurring engagement with customers.

Marketers process enormous data, harness the power of predictive analysis, and identify various patterns. Their prime motive is to engage with customers in each life cycle phase (Activation, Growth, and Retention) and act with precision.

MOBILE MARKETING SOLUTION TO TARGET YOUR CUSTOMERS IN REAL TIME

More than 73 percent customers use their mobile phones to access one or more email accounts, as per industry reports. Thus, marketers must ensure that they render mobile-friendly email messages.

Location-based Messaging:

- Is the backbone of the Mobile Marketing solutions that track and target customers in real time.
- Is an information service.
- Has considerable use in contemporary social networking as an entertainment service.
- Is accessible with mobile devices through the mobile network.

- Uses information about the geographical position of mobile devices.

Utilizing device detection techniques, marketers can serve customized images and content leveraging the underlying capability of the device to render a powerful mobile optimized experience to customers. So, location-based messaging has shot up as a useful, significant tactic that caters to the expanding smartphone and tablet markets. Marketers use real-time capabilities to keep content fresh and highly personalized. They leverage existing customer data and relate it with the context. Hence, they achieve accuracy and relevance in their offerings.

The following graph facilitates to conclude that consumers of all age group are using mobile to interact with their emails.

Consumer Mobile Email Adoption by Age - 2014

Organizations find that general SMSs and mobile app messages are critical communication. Customer behavior endorses this fact.

SMS (text messaging):

- Is global in nature.
- Is perfect to send real-time alerts and transactional notifications to all phones.
- Is perfect for urgent, portable communication.
- Facilitates two-way dialog between brands and customers.

Mobile marketing communication is quickly expanding. So, mobile communication should be more personal and synchronous, as opposed to email and social communication, which are asynchronous.

Examples of **mobile, cross-channel marketing use cases** that are in the forefront

Name of the use case	Salient points
Flickr	• Users can type their mobile number on the home page and receive a text message that links them to the app. • The key is to use a text-in campaign to drive app downloads, because this solves the business problem of capturing attention in cluttered app stores.
Starbucks	• Users can text in a keyword. This prompts an app download. • Presently, users do mobile transactions to generate 10 percent of Starbucks US commerce.

What are the hottest trends in mobile marketing right now?

The hottest trend in topical mobile marketing: use of geo-location as a key parameter. Marketers are keen to explore more ways to use this trend.

Example

A retail store has ability to get real-time information about customers who are close to the store location. This store can send personalized offer messages to such customers through:

- Location-based text messaging.
- Location-based app messaging.
- Use of the location to generate personalized content within an app, mobile website, or email.

What are the biggest hurdles faced by mobile marketers? How to overcome those?

Hurdle	Description
Prioritization	• Ensuring a fine balance between innovation and revenue is a tough task. If marketers focus on innovation, business sustenance can become challenging. If marketers focus on revenue, they can lag in competition with respect to bringing something in the forefront. • Mapping customer interactions to individual preferences is a tough task.
Strategy	• In digital marketing and more so in mobile marketing, things are changing rapidly. To be competitive in the market, marketers have to focus on short-term plans (that is, a six-month plan rather than an eighteen-month plan). • Marketers must dedicate resources to mobile marketing. • Marketers must identify budgets to continue what is working presently and to try something new.

If mobile marketing is the key, the next logical extension is to see how mobile marketing can be made more effective. While technology has a prime role to play, the business perspective makes it important to know how to make emails and newsletters more effective to have more conversions.

Customers find it difficult to read through emails while on the go or even worse when they quickly download any webpage after clicking the links. So, here comes the concept of ***Mobile – Responsive Emails***

and Newsletters.

The preceding graph is a study by Litmus, an email analytics provider.
Sample size: More than 250 million
Observation: 47 percent emails are opened on mobile devices.
Conclusion: Mobile device adoption has increased considerably. Customers are comfortable consuming emails on the go

The problem

You can craft emails to promote company products or design email blasts for clients. However, most contemporary mobile email clients can scale down emails to fit small device screens. The result is:

- Users find emails difficult to read and eventually ignore them.
- Users feel that emails do not look good on mobile devices and delete them.

The solution

You can ensure optimal experience across platforms and devices with responsive email design. The result is greater message impact and higher RoI on the marketing spend.

Some facts

Percentage of people who check their emails through smartphones on a daily basis

Calculated from 1.02 billion opens tracked by Litmus Email Analytics in June 2015

Percentage of mobile email users	Description
43	Check emails four or more times per day
29	Do not check emails

Mobile is the most preferred device for checking emails during weekends.

The problem

Marketers are battling out to create and launch successful mobile-friendly email communications.

But, 75 percent of the companies do not create mobile-friendly emails and continue to lose out the RoI.

The solution

Organizations can use responsive mobile designs and coding techniques that are available in the market to create mobile-friendly emails in a hassle-free manner and thereby attain a better RoI on their email campaigns.

Best practices followed for the responsive design

Layout and Template	• Use the "mobile first" approach • Simplify navigation
Style	• Use a readable font • Use high contrast
Content	• Lead with the important stuff • Rethink your merchandising • Modify, optimize, and sharpen the image size
Calls for Actions	• Link to mobile-friendly landing pages • Increase the button size

So far, we have seen how responsive mobile designs can lead to a better RoI. There is another important upcoming trend that companies are adopting and can help to get more customers and conversion. This is termed 'actionable data'.

ACTIONABLE DATA THE CORNERSTONE

The gist of this white paper so far is that the backbone of success is data quality. Organizations capture data, but this data is worthless unless it is converted to actionable data with a clear focus on the purpose vision, actions, and required output. The mandatory requirement is that the right information must reach the right audience at the right time. This may sound simple, but it is the most critical challenge to overcome. You must know why a specific data is being captured and how this data is going to be used. Actionable data is more about usefulness with multiple layers of intelligence inbuilt.

Entity	Comments
51 percent of brands	Their primary hurdle is to extract insights and data from real-time social marketing.
66 percent of marketers working on branding	They conclude that for best practice in real-time community management in social media, monitoring trends and headlines are essential.
More than 50 percent of marketers working on branding	Their biggest roadblock is procuring real-time data and insights.

Entity	Percentage	Comments
Companies	5	Do not use data to personalize marketing communications
	33	Are confident in their ability to make decisions based on new data
	33	Say their Marketing department has very less or no customer data
Marketers	42	Say they are unable to link data to individual customers
	39	Say their own company's data is collected too infrequently or slowly
	36	Say they have mammoth customer data and cannot decide what to do with this data
	35	Collect social media feedback from prospects and customers
	19	Collect customer mobile phone or device data
	60	Say 'brand awareness' is the only metric they use to measure RoI
Customers	68	Base marketing budgets on historical spending

What makes data actionable?

Various elements or segments contribute to actionable data. Some are the following:

- Data correctness
- Data availability
- Liquidity
- Data quality
- Organization

Actionable data is the backbone to position an offer and create experiences that boost engagement and drive revenue.

Organizations can master actionable data using the following keys.

Key	Description
Compile all stats	Without solid data, organizations cannot make robust plans.
Appoint a data whiz	Organizations must manage collection, storage, and access of data in real time.
Share and analyze data together	Internal information sharing is must for successful usage. So, organizations must tear down the organizational walls and share the insights.
Connect the data dots	Organizations must develop metrics to reveal the bigger picture.

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