

Zeta Vision Document

Effective Triggered Email Campaigns: 6 Best Practices

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Effective Triggered Email Campaigns

6 Best Practices

by George DiGuido, Vice President, Email Marketing

As a result of the recent economic downturn, marketers finally have an impetus to improve their email marketing strategies and execution. In general, email programs have historically provided solid, predictable ROI, leading many to avoid more advanced or innovative techniques in their customer communications. Instead they rely on the same tools and technologies they have for years. However, now faced with tightened budgets and the incessant call to “do more with less,” email marketers can no longer afford to maintain the status quo. In fact, as greater recognition of the value of email continues to take hold, marketing messages to the primary inbox will grow to more than 9,000 annually in 2014¹ – forcing marketers to do more than ever to stand out in a cluttered inbox and protect per-message and overall revenue.

Few marketing vehicles provide a faster, more impressive lift than strategically developed triggered email campaign programs. Triggered-based messages, based on a meaningful change in a customer profile or activity, create truly relevant campaigns that yield significantly greater ROI. From behavioral triggers (such as a customer opt-in, profile update, or purchase) to recurring triggers (such as birthday messages or product reorder alerts), triggered campaigns are a highly effective, yet underused tactic that can go a long way in moving a target to a specific goal, up-selling or cross-selling products, and creating customer loyalty.

Despite their high-yielding returns, however, fewer than 4 in 10 email marketers currently use triggered messaging according to Forrester Research. The fact is, without adding any staff, and generally, with only minimal technical and creative resources, marketers can use triggered messaging to increase the number of highly targeted, relevant messages they send to their customers, while at the same time reducing the untargeted emails that clutter the inbox.

Triggered email campaigns generally take one of three forms:

- **Behavioral** triggers are among the most prevalent. This type of trigger generates an email when a customer makes a purchase, visits a certain item, abandons a shopping cart or otherwise takes a specified action on a site. When merchandised correctly, behaviorally triggered emails are extremely relevant and can generate significant ROI.
- **Recurring** triggers allow customers to set up emails to alert them to customer life events such as birthdays or anniversaries, or for re-order events, such as a reminder to purchase diapers every six weeks.
- **Informational** triggers provide the consumer with non-commercial information, such as information about how to get the most out of a recent purchase, or, in the case of a baby site, milestones your child may be reaching at a given period of time. Informational triggers are ripe for cross-selling, as long as the marketer uses a soft selling approach, since the focus of the email is on the information being provided, not the product being sold.

Though triggered emails can be extremely lucrative for marketers, they also come with the risk of overmailing consumers or giving consumers a feeling that they are being watched when they shop. With that in mind, Zeta Interactive offers 6 best practices to generate the most revenue from your triggered email programs.

¹ Forrester Research “US Email Marketing Forecast, 2009 To 2014” June 12, 2009.

Best Practice #1: Define Business Rules

For marketers with a best-in-class email marketing platform, setting up triggered campaigns should be the easy part. In the past, triggered campaigns often required time-consuming interaction with technology teams to set up even the easiest of triggers. No longer. Best-in-class platforms allow for simple, one-screen setups for triggered email campaigns (sometimes called “conversations,” because the emails sent by the company are done so in response to a customer’s behavior). Technology is no longer an acceptable excuse for a company’s lack of trigger campaigns.

A great platform can only take marketers so far, though. The truly difficult part of setting up triggered campaigns is designing the business rules that will define the campaigns. It is easy to get caught up in creating myriad triggers, since the setup is so easy. Marketers must resist that temptation. The first step is to list the business goals for the group, then determine how triggered campaigns can help meet those goals. Looking to increase average revenue per customer? Consider cross-selling in transactional emails. Want to increase frequency of purchase? Evaluate birthday and anniversary reminders. Every trigger should tie back to a specific business rule.

Business rules should also take into account the needs of customers, especially around frequency. Marketers must consider a frequency cap to ensure that consumers are not overmailed. In general, triggered emails should have priority over general emails, as they typically have much higher response rates. Not every company needs to cap frequencies at the same number, but the marketing team must have a frequency strategy before deploying trigger programs.

Best Practice #2: Invest in Data Management

While best-in-class triggered email campaigns require strong strategic thinking behind the business rules, no campaign can be launched without data that is easily accessible and manipulated. In theory, data should not be a roadblock; you create an event that sparks a trigger, the database captures the event, this triggers an email, and the database captures the response. The reality, though, is much more complex, especially as triggers become more complex.

For example, a marketer may want to create a triggered email to lure back customers who have not purchased in the past four months. To execute this, the marketer would need to query their online transactional database to see if a person had made a purchase in the timeframe, then query a database of offline retail transactions to ensure that the customer has also not been shopping in the brick-and-mortar location (after all, a re-engagement email sent to a customer who has been shopping in the physical store every week would be met with a confused look). In some companies, data from online and offline stores may be in the same database – but they also may be in different databases. And it is possible that the customer key allowing the company to match up the transactions does not match (perhaps, for example, the credit card the customer used online is not the credit card they used for in-store payment). The big question is, “How do you reconcile the data from multiple locations?”

There are few easy answers to data management. The only advice that holds true for every company is to involve the email marketing technology partner as early in the process as possible. Best-in-class email service providers (ESPs) have integrated with many different data structures; some take longer than others to integrate, however.

It is never too late to get started with improving data accessibility. For marketers who find themselves handcuffed by data structures, it is time to set up a meeting with the ESP, the offline counterparts, and the database provider (if using an outsourced database) to begin the process of structuring data to allow for the sophisticated triggered messaging that will take campaigns to the next level.

Best Practice #3: Set up Behavioral Emails

The foundation of your triggered messaging campaigns should rest with behavioral messages, those emails that are sent when a consumer undertakes a specified action. The possibilities for behavioral triggers are endless; one can imagine campaigns being fired off constantly as consumers look at, and then don't purchase, various products on the website. Marketers must step back and prioritize behavioral triggers, focusing on those that are the easiest to set up first, then adding additional complexity.

An easy first step for the first triggered campaigns is a series of on-boarding or welcome emails for consumers who sign up to receive email messages from the company. We say a series of messages because the welcome campaign should go beyond the simple email thanking the customer for signing up. Marketers should script out the first 3-4 emails, sending a welcome email and several follow-up emails introducing customers to unique aspects of the site, current promotions, and customer service details. Several studies have found that more than a quarter of retailers do not send any welcome emails, and a larger number do not send a series of welcome emails. These on-boarding campaigns pay off long-term, with customers becoming more engaged from the beginning.

Including cross-sell items in purchase confirmations is a great next step for triggered campaigns. These provide a high degree of relevance and reach a large number of customers. We will discuss below how to work with the merchandising team to ensure the most relevant cross-sell opportunities.

When marketers are prepared to tackle additional levels of complexity they can address shopping cart abandonment emails and emails triggered when consumers visit high-value products but do not make a purchase. For these emails, merchandisers should pick just a handful of products at first and focus on sending follow-up emails just for those. One electronics retailer, for example, sent information about the benefits of Blu-Ray DVD players after consumers visited, but did not purchase from, pages with Blu-Ray players. These highly relevant follow-up emails were a soft-sell, simply providing information that may have answered questions consumers had that inhibited them from making a purchase.

Best Practice #4: Merchandising Should Drive Triggered Campaigns

Email marketing campaigns are typically driven by the marketing department. But triggered campaigns – at least those driven off of product-specific triggers – should be driven by the merchandising team. Merchandising is responsible for displaying products and product complements on the website, so it would certainly make sense for them to take a lead role when building product-triggered emails.

Merchandising should also drive which products generate triggers, focusing on high-margin and complex products at first. Marketing should task merchandising with creating sets of product complements for key products that can be used in triggered emails, and with helping to craft key messages for complex products (such as the Blu-Ray players mentioned above) that may require additional information before consumers make a purchase. Email marketing – especially triggered campaigns from products viewed but not purchased and cross-sells in transactional emails – is as much a merchandising game as it is a marketing strategy. That fact is often forgotten since marketing pushes the send button for most companies. Including merchandising in all email marketing meetings and educational sessions can only help to improve the relevancy of campaigns.

Best Practice #5: Recurring Email Triggers Give Consumers the Control They Need

Recurring event triggers can sometimes find themselves at the bottom of any marketing plan despite their effectiveness. A 2009 study conducted by marketing group Online Marketing Connect found that only 25% of companies offered milestone reminder emails. These messages include reminders about upcoming birthdays or anniversaries, or messages that allow consumers to set a frequency reminder, such as ordering toner ink each month.

However, consumers are always looking for control over their marketing experience, and recurring triggers are an excellent way for customers to personalize their shopping experience. In the same vein, marketers setting up trigger campaigns need to give consumers full control of the experience, especially in the area of frequency. Triggers can backfire if they cause customers to be inundated with email. Create an area of the preference center where consumers can choose a frequency cap. The preference center should also allow them to set recurring email triggers, such as birthday reminders.

While consumers do want relevance, it is imperative that marketers ensure that they are not creating a “Big Brother” type atmosphere on the site, where every consumer action leads to an email being triggered. Subtlety is key, whether that is limiting the number of triggers, or ensuring that triggered emails include offers and information outside of the specific trigger. Nobody likes feeling they’re being followed.

Best Practice #6: Create Reactivation Emails

The Online Marketing Connect survey found that 58% of marketers have not created email marketing win-back campaigns, highlighting a disconnect between customer acquisition teams and customer retention teams. Lapsed customers often fall between these two groups, leaving once-profitable customers in email purgatory, receiving (and ignoring) the same retention emails over and over again. Companies that create reactivation trigger emails find that they are able to re-connect with customers who have not purchased (or even opened emails) in months.

Online retailer Bluefly, for example, tests win-back campaigns, offering small discounts or free shipping to customers who have not purchased in a defined period. Bluefly's emails succeed because their subject lines explicitly acknowledge that the recipient has not purchased in a while. Customers respond precisely because of that acknowledgement. Pretending that the customer has been engaged all along is folly.

Employment website The Ladders has a strong re-activation trigger campaign coupled with a best-in-class preference center. The Ladders offers a subscription service for job postings. When a customer does not renew, they are given the option to continue to receive emails (with some of the job postings' details removed) for free each day. When a customer opens one of these emails and clicks on a specific job, they may later receive an email asking if they would like to re-subscribe to the service (oftentimes with a discount attached). These re-engagement campaigns work because they are triggered by customer behavior.

It is imperative that marketers test different time intervals for reengaging customers. Win-back emails triggered too soon after a customer has made a purchase may come across as annoying or aggressive; too long after a purchase may be too late for re-engagement. A well-designed testing program will help discover the optimal lapse period.

Conclusion

Marketers who have built triggered email campaigns have found that they are able to create a growing number of highly relevant connections with their customers without having to increase their staff. Marketers must ensure that the campaigns they build out match with their long-term strategy, put customers in control and, of course, follow all the best practices around testing and including viral elements to every email. Those marketers looking to do more with all of the data they have in-house will be rewarded with targeted triggered email campaigns in 2010 and beyond.



About Zeta Interactive

Zeta Interactive is a full-service digital marketing agency offering a wide range of services — from email, search, and social media marketing, to creative services, web site development and analytics. We are a leading provider of integrated, interactive services that help marketers realize the full potential of the Internet to build brands, increase sales, improve processes and reduce costs. Our specialty is in crafting strategies and programs for our customers that help them acquire, retain, up-sell, cross-sell and win back their customers—cost effectively and efficiently. We do so by providing superior proprietary technology and a marketing approach that is focused on accountability, measurability and ROI metrics.

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