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Marketing As Usual. Not A Chance.™

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Beyond the Click: The Indirect Value of Email

Epsilon's Email Branding Study

Introduction

Email is a cultural and marketing phenomenon. In its relatively short lifetime, email has become so widespread and so often used that it has firmly been established as an essential part of a multi-channel marketing scheme surpassing other channels in almost every dimension – volume, frequency, and ease of execution just to name a few. With increasing volumes and proliferation of spam, this powerful communication channel and those looking to utilize it face savvy consumers able to weed through hundreds of messages looking for only the most relevant of information.

As a marketing channel, email is often overlooked, a last minute tactic to communicate a message because of the low cost, speed and convenience of getting something into market. However, peer deeper and you'll see that the medium has matured. Email is a vital link between marketer and consumer that can provide companies with rich information about their products and services. Email extends well beyond the boundaries of opens and clicks, and must be optimized and measured as an important part of the overall media mix.

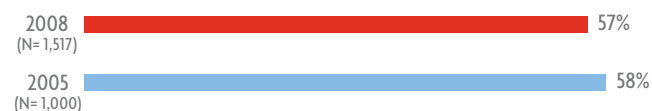
Epsilon's email branding study was designed to deliver insights on the effectiveness and impact of permission-based email as part of a multi-channel communications strategy. The study delves into a number of different industries: consumer packaged goods, financial services, pharmaceuticals, retail and travel. In this report, we reveal some of the general findings regarding consumers' feelings and reactions to email marketing. Furthermore, this study captures email-provoked activities by consumers that are not quantifiable by typical email metrics such as open rates and click-throughs.

Email communications improve company image

A majority of people receiving emails sent by companies from which they purchase products/services admitted that their overall impression of the sending company is positively improved because of the email. This telling stat provides direct evidence that companies can develop and foster a positive image with even the most casual of customers by reaching out via email

post-purchase. While customers may initially connect with your company through necessity ("I need a mortgage"), or chance ("I googled flights to San Juan, and you came up") – the opportunity to build on that connection and develop a good corporate reputation is alive through email.

My impression of companies from which I purchase products/ services is positively improved when I receive email from them.



Consumers link email marketing and websites

In an era of media saturation, today's consumer has developed quite a knack for weeding through unnecessary information and identifying the communications and offers that truly apply to their personal needs and desires. Therefore, brand recognition has become an increasingly important page in the corporate playbook because companies need to appear familiar to consumers who are busy making split-second mental decisions on whether to pay any attention to a message. The data shows consumers embrace familiarity, and when making purchases at a website often recall emails from the same company.

I often remember email I've received from a company while making a purchase online at their website*

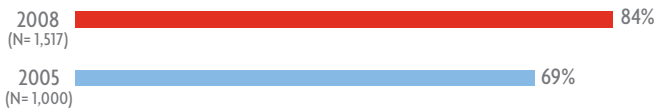


*Question not asked in 2005 study.

If you build it...

Email communications from companies that build trust with their customers rarely end up in the junk box. A noteworthy number of survey respondents enjoy receiving emails from companies with which they are registered. This number has risen significantly in just the past three years, perhaps indicating growing faith in the customer-company relationship. Getting consumers to register with your company is half the battle, but once you're there the data suggests that your email outreach will be hitting a receptive audience.

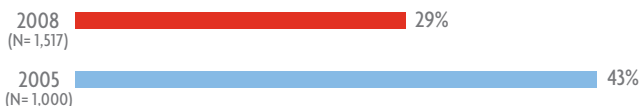
I like receiving email from companies I've registered with: even if I don't always read it, it's good to know it will be there when I'm ready for it.



The trust paradox

We discussed above the openness of consumers to receive emails from companies with whom they are registered, but this tendency seems to have limitations. While these consumers are satisfied, dialing up the amount and frequency of offers could trigger damaging backlash with some audiences. In the past few years the data shows deterioration in the company-consumer relationship when email amount and frequency enter the conversation. The message is simple – consumers won't stand to be abused. They value the relationship and trust the company not only to send relevant offers, but reserve the right to cut off contact at the first suspicion of being exploited. Most importantly, marketers need to segment the audience to figure out who wants more, and who wants less – rather than treating all consumers the same.

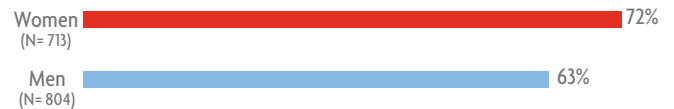
It would be okay for companies that I know and trust to send me email more frequently than they currently do.



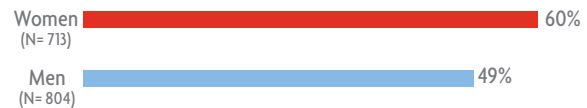
Gender preference

Two specific findings reveal an interesting difference in the ways that males and females manage their respective email inboxes. Women are more likely to hoard emails from companies/stores, keeping them in the inbox for reference at a later date. This allows the user to have the offer handy when info is needed to consider or execute a purchase. This also implies that females may be more ponderous about making decisions, stashing away emails and opening them multiple times before making a final decision. On the other hand, the data might also suggest that males are more inclined to an impulse buy, either acting on or deleting an email after the first impression.

I have gone back to review an email from a company that I know, even days or weeks after I received it.



I regularly save email from companies/stores in my inbox to refer to later when making purchases.



Methodology

Epsilon's 2008 email branding study was conducted in October 2008 by ROI Research, of Lancaster, PA., and compiles data from 1,517 responding consumers who receive permission-based email. The study focused on five specific vertical categories: CPG, financial services, pharmaceuticals, retail and travel. Respondents were screened for current receipt of permission-based email in each category. In addition to vertical-specific questions, the survey included a section of questions about permission-based email in general, which was compared to a similar 2005 survey on the same topic. The data has a sampling error of +/- 2.5%.

For More Information

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