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Email marketing is extremely effective in today's email-literate business world, but there are good ways and bad ways to use it. Robert McLuhan runs through the best examples.

Emailing businesses

Email marketing has rules that apply equally to mailing consumers or businesses: don't spam and be relevant. That said, there are marked differences between the two which b2b marketers in particular need to be aware of if their efforts are to succeed.

Right timing

Individual consumers can be coaxed, entertained and stimulated into making an impulse buy. The aim is to drive clickthrough to an e-commerce site which hopefully will be followed by an immediate purchase. To achieve this the content is pitched in a way that engages the emotions. Most likely the recipient will not have to consult anyone first – at most their spouse – so there is nothing to stop them acting straight away.

But in a business there's no point getting the recipient all fired up if colleagues have to be consult-

ed before a purchase, still less if, as is usually the case with larger companies, this has to go through a procurement function. Email works well here as part of a long-term lead generation process that can result in a purchase further down the line when the buying window opens. However many specialists think the medium is more effective for retention than acquisition, using regular communications keeping clients abreast of industry developments and the latest offers – and aware of that company's brand presence and stature.

Whatever its application, there is no doubting email's growing popularity with business-to-business marketers. The DMA's recent benchmark study predicts that b2b email volume is set to equal that of direct mail in 2006, which reflects the medium's versatility and sophistication.

“It is cost-effective, immediate, and measurable, all extremely important in a market where marketing

budgets tend to be smaller," says Denise Cox, newsletter specialist at Newsweaver.

Consumer marketers will often be looking for a quick sale, and constant repetition of an offer risks damaging the brand. But that is much less the case in b2b, where email can be specifically used as a branding medium. Businesses thrive on information, and a well-crafted e-newsletter or "e-zine" that provides interesting news and comment on the recipient's area of interest may be welcome even if there is no immediate need to satisfy. A company that provides this routinely can be confident that it will be the recipient's first choice when a requirement does suddenly crop up.

There's no doubt that impressive results can follow a properly managed email campaign. For example, a regular e-newsletter sent by Hay Group to its clients and prospects is opened by a third of recipients, and leads directly to sales (see box). Similarly, one created by Newsweaver for The New York Bank achieved a 71 per cent view rate in its first campaign, a remarkably high figure considering the target audience was senior level executives; here too, a third clicked through to read the articles in full.

For retention, an e-newsletter can also be used to match the lifecycle of the sender's products and services to the purchasing cycles of its customers. This technique has been adopted successfully by Richmond Events to promote upcoming shows, building interest with potential exhibitors, speakers and attendees. The cycle runs through various stages from the planning of the event to its taking place, at which point it starts again at the beginning.

Content is king

Since b2b marketers are targeting groups of professionals, there is seldom much point attempting a viral campaign. In any case, the quality of humour or special twist that make an individual consumer want to share a message with friends are seldom appropriate in a business context. But there are exceptions, particularly where business information is offered in a colourful or attractive format.



It is cost-effective, immediate, and measurable

Denise Cox, newsletter specialist, Newsweaver.

For instance, the Apollo Art Gallery sends art dealers and corporate buyers a regular e-newsletter which always results in sales and is frequently forwarded to other people. The key with b2b email is to establish a rapport with the buyer and build the rela-

tionship along all the touch points of a purchasing cycle.

Zubeir Mukri, sales and marketing director at Kinexus, says: "Email messages give you a chance to get across the personality of your brand and its selling points. You could be totally outclassed by a bigger rival but end up winning the opportunity because the prospect has had an opportunity to learn about your strengths, perhaps the fact that being smaller your company is likely to be more responsive."



About 20 to 30 per cent of our campaigns now have an email element

Haitham Himoud, marketing programmes manager, Stratus Technologies.

In theory, b2b enjoys an advantage over consumer email marketing in having been exempted from the 2003 legislation that requires an opt-in approach to email data collection. In practice, many b2b email marketing companies insist on this just the same. At a minimum, good practice requires that companies do not send emails to business professionals who have not indicated a willingness to receive them, and also provide an opt-out mechanism that they act on straight away.

But this ideal is still not generally adhered to. "I see few companies doing email marketing well and a lot doing it quite badly," declares Andrew Burford, VP EMEA at Responsys. Burford believes it is worse in b2b than consumer, where marketers are used to dealing with larger audiences and are legally obliged to take permission a lot more seriously.

He singles out marketing and media companies, whose standard approach, he says, is often to get a name that has not been opted in, send two or three emails within a month, and then follow up with a telephone call. "I find that quite intrusive, especially as they don't bother about getting permission. That happens to me regularly," he says.

At least the comparatively lenient rules give b2b marketers an opportunity to send an email message to ask for an opt-in (which could not be legally done with a consumer email) and companies should take full advantage of that, Burford says.

"We tell clients that with a cold address they have one shot at getting prior permission. Without that, you can't push a marketing message, but you can ask if the recipient is willing to be enrolled in your newsletter, and once you have that opt-in, you can market to them."

On the minus side, b2b email data suffers some disadvantages compared with consumer data. Like

Newsletters hit the spot

In consultancy, the buying process is often complex and time sensitive, and can involve a number of decision makers within the client organisation. So forging strong relationships and keeping the brand in front of customers and prospects is essential for success. This made an email newsletter the ideal choice for global HR and management consultancy Hay Group as a regular marketing tool.

The newsletter, provided by Newsweaver, gives information on the latest trends and on Hay Group's full range of services. Being completely trackable, it tells Hay Group who has read what and when, and this information can be used to inform future promotional activity. Direct leads are passed to the relevant client account manager for follow-up.

The newsletter has run successfully for more than 18 months and consistently achieves a 98 per cent delivery rate along with a 31 per cent open rate. On average, 34 per cent of those who open the newsletter click on a link within it, indicating that the content is of real interest. As well as strengthening relationships with customers and prospects the newsletter also aids understanding of clients' specific needs and to identify potential sales leads.

Kate Cowan, head of marketing at Hay Group, says: "Email newsletters enable us to get the most from our marketing budget. They offer immediacy, are cost effective, are 100 per cent measurable, and have been directly responsible for a number of sales."

all business data, it decays more quickly as individuals change jobs or responsibilities within organisations, and it is harder than ever to be sure that the person being emailed is the decision-maker. A company that has no data of its own will have no choice but to buy it in, but it needs to be from a reputable source, with guarantees that the names are deliverable and current, and with real addresses rather than generic "info@" contacts.

These are often simply copied from standard business registers and are unlikely to generate much in the way of response. Suppliers such as Corpdata, LBM and Thomson who are in constant telephone contact with their database are the most likely to have up-to-date lists, as well as offering enough depth in their offline data to help make informed decisions about who to target.

Build your own

But nothing really beats a list made up of enquirers or customers; individuals who have had contact with the business and expressed some level of interest. For this reason many b2b specialists advise their clients where possible to create their own data, as it means they can target their products and services more effectively. It's a slower process, but the quality of permission is a lot higher, and so too are the results in terms of return on investment.

An obvious method is to create a point on the website where visitors can enter their details and subscribe to specific types of communication. But it's also important to develop a culture in which anyone who is in a customer-facing position makes a point of asking for an email address whenever they

are in a position to do so.

"Organic list growth is by far the best way to go, especially when combined with proper tracking," says Anthony Green, sales and marketing director at Concep. Green recently had dealings with a large health company which was not getting results from its email marketing. He realised this was because it was buying in third party lists and sending out generic communications.

"The essential thing is to avoid blasting the same list out continuously over a long period, but to analyse the responses and act accordingly, following up those that show interest and leaving alone those that do not," he says.

Green also thinks that b2b marketers are still not taking enough advantage of the tracking facility provided by interactive HTML messages to analyse their responses. Knowing who opened your emails, what they clicked on and which elements of the content were read are key indicators of the level of interest, and should be used to tailor future communications, as well as identifying sales leads for products or services.

"If you just send out one communication to the entire list on an ongoing basis, all that will happen is that view and click rates will quickly decline while unsubscribes climb," Green says. "But if you analyse the recipients' behaviour you can whittle your database down and instead of getting fewer responses will end up with more."

The important thing is to keep collecting data. "It's an ongoing process," Green says. "Over time, new contacts will come to the surface and others will fall away. You really have to keep an eye on your email marketing to make sure you are doing it correctly." He recommends that someone in the business be delegated to "own" the task of analysing responses, breaking the audience down into segments, and adding new names to the list.



With a cold address, they have one shot at getting prior permission

Andrew Burford, VP EMEA, Responsys.

Automated technology can help b2b marketers, not just by managing campaigns efficiently but also by analysing responses in order to identify qualified prospects. That is a major objective at RSA Security, which sends out as many as six different email campaigns per week and has to coordinate them to the various segments of its database.

It uses Responsys Interact, which it has integrated with its Siebel system, to automate the lead management and outbound marketing processes. Of partic-

ular value is the user-friendliness of the tool's web forms, which make it easier for prospects to respond quickly, boosting response and lead generation results.

"A large portion of the leads we deliver to our sales group are from email campaigns, and they all come to us by way of web forms we have hosted on Responsys. It is key to the success of our marketing efforts," says Michael Veit, direct and database marketing manager at RSA Security.

Text or HTML?

Deliverability continues to be a major headache, as spam filters become more and more effective. The problem is especially severe for b2b marketers. The bigger ISPs have different ideas about how to block spam, and broadcasters have to deal



Email messages give you a chance to get across the personality of your brand

Zubeir Mukri, sales and marketing director, Kinexus.

with them individually to get legitimately opted-in messages white-listed. But every large company or corporation has its own set of rules, which means dealing with a virtually infinite number of set-ups. Even if an individual or business has indicated a willingness to receive email communications, the company firewall may block it.

Communicating in plain text can sometimes be the answer, as filters may be aimed mainly at blocking image-heavy HTML messages. But in many cases the only option is to contact the company and try to register the domain and ISP server, a job that is best handled by a specialist supplier.

More businesses than consumers are connected to broadband, and therefore in a better position to enjoy high quality multimedia communications. Yet it seems this is still far more prevalent in consumer email marketing. It is common to find a car company encouraging recipients to click through to watch a film of a rally, for instance, or a clothes supplier offering video footage of models on a catwalk. Multimedia is less used in b2b, as businesses discourage their employees from watching videos and usually block such communications. Instead emails are used mainly to open the door, and any actual presentation is arranged by appointment. Online demonstrations now have a big following, with the seller pushing images via a web browser at the prospect while they talk them through the content on the telephone.

Most businesses understand that b2b marketing is not the same as b2c. But that perception can disappear when handling a marketing medium as distinctive as email, which seems to have its own rules, characteristics and boundaries. The trick is to understand that these can be applied and interpreted in various ways, and knowing how best to exploit this medium will make the difference between failure and success. ■



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Anthony Green, sales and marketing director, Concep.

Stratus measures its results

An effective management system is a must when running b2b email campaigns. IT supplier Stratus Technologies sends out frequent messages, including a monthly e-newsletter to 3500 partners, customers and prospects. It uses Email Reaction to manage the process and identify the best leads for a telephone follow-up.

One problem with bulk emails is that everyone on the list receives exactly the same text. But this system (and many others) can personalise the message content so that it is addressed to the individual who receives it, making it look as though it has been sent as a one-off, not as part of a volume campaign. That is having significant impact on response rates, according to Haitham Himoud, marketing programmes manager at Stratus Technologies.

The system also enables every link in the newsletter to be tracked, which helps convert a cold prospect into a warm one. "A week after we send a newsletter out, we start to run reports," Himoud explains. "We can look at those people who have the highest number of clickthroughs, see what they clicked on and prioritise them for calling on the phone. We can also check the open rate and might call those who opened the mail too, depending on the campaign."

Stratus has also experimented with scoring the different links, so that a click on a white paper might be worth ten points and an article five points. Each click adds points to the total. Then the campaign scores are totalled up to gauge each recipient's level of interest. "This makes it a lot easier for us: the scores help prioritise calls, and when we do call we already know what product or service they are looking at," Himoud says. "The system is getting good business results. We're seeing a good ROI from campaigns that we couldn't run at all before, and about 20 to 30 per cent of our campaigns now have an email element."