

Advertising in the Digital Age, Part 4

E-connecting strategies for growth



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by Douglas Knorr and Phil Callighan

If you've been following this series of articles on "Advertising in the Digital Age," you know your website, social media sites and blogs equip you to communicate one-on-one with your customer as never before. These tools let you engage your customer in dialog at her convenience, without interrupting her while she's in the midst of multi-tasking activities at work and home.

To sharpen these e-tools so they work most effectively and easily, customer segmentation is key. It will let you connect with her in a relevant and meaningful way.

Start the segmentation process by capturing each customer's and each prospect's email address when they sign in online to

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receive your e-newsletter or to download a valuable coupon offer.

Then, build the relationship by learning as much information about each person as possible. For starters, marry the customer's email address with her customer purchase history giving you dates, dollar volume and itemized merchandise categories as well as the name of the salesperson who helped her.

With both your customers and prospects, offer incentives to answer surveys, ask questions to define a favorite room, favorite colors, favorite styles, and other pertinent information. Your goal is to progressively build customer profiles based on their transactions and also on their preferences.

Gathering all this information will let you send them segmented email messages that prove your relevance to your customer and prospect and enable you to communicate targeted promotional offers. Instead of a one-size-fits-all message, you can communicate directly with your customer, one-to-one, on subjects that you already know are of interest to her.

If you send your targeted messages via email, you'll also save money. Using snail mail to communicate with your customer incurs printing and mailing list costs as well as postage and fulfillment/distribution costs. With email, you have no printing, mailing list, postage or fulfillment/distribution costs, only the cost of creating an email message, preferably in HTML (enabling you to use a variety of fonts and display images), and distribution (by you or a third-party resource).

E-promotion strategies

An impressive 59 percent of email users spend more than 20 minutes a week with "permission e-mail" — that is, email that consumers have opted in to receive. What's more, 27 percent spend an hour or more each week with permission email!

These were key findings in a study from database marketing agency Merkle. The study, "View from the Inbox 2009," measured and tracked the attitudes and behaviors of U.S. email users, with an emphasis on permission-

based email users. The study also showed that when it comes to image blocking on emails, respondents are nearly split as to whether they see pictures by default. Forty eight percent see pictures automatically while 52 percent do not.

What's most important to know is this. The biggest reason subscribers choose to opt out of permission-based email continues to be lack of relevance (cited by 75 percent of respondents) followed closely by sending too frequently (73 percent).

With these findings in mind, it makes sense for you to implement specific email strategies. This month and next, we examine:


Refining email segmentation

Gather email addresses and marry them to other data to create a more complete picture of your prospect or customer. It will help you identify your best segment categories and send more relevant content to subsets of your customers. You should be able to identify different subsets of you customers; for example, those who purchased a mattress eight years ago and may be ready for a new one; those who purchased a sofa at least six months ago but never purchased coordinating chairs or table

Then, create different versions of your messages to appeal to the different segments.

Finally, take advantage of personalization technology when implementing your strategy.

A message directed to the specific consumer by name, talking about products she has already shown interest in or which connects to products she has already bought, has must-read value!

Just as you would do for conventional direct mail, be sure to test your email messaging again and again to determine the best strategy for each customer segment. Split your list of "those who bought mattresses eight years ago" into two random batches and send two different messages to see which pulls the most response. That should get you started in the right direction! 

Coming in April: More email strategies to reduce advertising costs and increase relevant communications with your customers.