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# The New Business Guide to Prospecting with Email Marketing

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## A Short Guide to Getting New Prospects and Customers

Growing your email list - and then communicating to that list - is the most important thing you can do as a start-up business because email marketing is the most affordable and effective direct marketing tool available!

You can use email marketing to maximize all of your prospecting, sales and marketing activities and improve the return on investment (ROI) of every dollar you spend to obtain new business and develop profitable customer relationships.

This guide contains a wealth of useful information, and gives you everything you need to get started promoting your new business including:

- How to Grow Your Email List
- What You Need to Know About Email Marketing and the Law
- Top 10 Tips on Getting and Keeping Permission
- Why You Need an Email Marketing Service
- Copywriting for Success
- Important From line, Subject line and Email Copy Do's and Don'ts
- Why your Organization Needs an Email Newsletter
- Measuring and Maximizing Your Results



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## How To Grow Your Email List

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Your own organically grown list of customers and prospects is one of your most important assets because it yields the highest response rates possible. It is never too early to start building your list. You will be surprised at the size of the list you are able to compile and how quickly and consistently it will grow.

It is 15 times less expensive to sell to an existing customer than it is to acquire a new one. So, by collecting email addresses at every customer or prospect contact point you can maximize the opportunity to solidify your existing customer relationships and turn one-time visitors and prospects into your best customers.

### Make it Easy

One simple way to collect email addresses and permission is via a sign-up box on your Web site. Here are some examples. Notice that these companies have modified a standard sign-up box to be specific – letting the subscriber know what he is signing up for and how often he may expect to receive emails.

Place your sign-up box in a highly visible place on your homepage, and other appropriate pages, where visitors might choose to opt-in. Make the sign-up box obvious – don't hide it! Make it simple for site visitors to find and join your email list.

The same rule applies to your guest book. Place it prominently in your office or store. Remind your employees to ask customers if they would like to receive your informative newsletter, to receive promotions or coupons, to be notified of private sales and events etc.

### Make it a part of your daily routine

Train sales, customer service and other employees to collect email addresses and permission at every contact point including:

- Customer service, sales and support calls
- Invoices, statements and brochures
- Coupons
- Comment cards, customer surveys or feedback forms
- Tradeshows, meetings or events



## Include a signup in your regular correspondence

Place a “join our mailing list” link in the email signature of your regular correspondence. The link should go to the most appropriate page of your site where your sign-up tag is prominently displayed.

If you use an email marketing service, it should allow you to include a “join our mailing list” link in every email campaign you send. This way, when your email gets passed along to others, they can join your list on the spot.

## Create an incentive

If the cachet of being on your company’s email list or the lure of private sales, events or promotions is not enough, then email list sign-up success can be achieved with sweepstakes, drawings or contests. But, make sure your incentive is closely related to your product or service. That way, you will end up with an audience interested in you, not the prize.



## What You Need to Know About Permission and the Law

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Permission is critical to your marketing efforts because it ensures that your emails are wanted, expected and welcomed by recipients. A customer or prospect who has given you permission will be a more qualified, loyal and profitable customer.

There are two types of permission:

- 1) **Opt-In or Affirmative consent** - The recipient of your email has chosen to receive email communications from you by giving you written or verbal permission to contact him via email.
- 2) **Implied Permission or Preexisting Business Relationship** - The recipient of your email is a client, has made a purchase, requested information, responded to a questionnaire or a survey, or had other contact with you.

### SPAM

In contrast, sending email to someone who has not given you permission, or who does not have a business relationship with you, is spam or unsolicited commercial email (UCE). Spam offers no value to the recipient because it is neither wanted, nor expected. Spam is almost universally unwelcome in any email inbox.

It is important to understand the difference between permission based email and spam, and it's not just because the federal government says so. The consequences of sending email without permission go from bad to worse. Once identified, spam can be blocked and filtered so that it never reaches its destination. At a minimum, spammers damage their reputation and destroy their credibility. ISPs and web-hosting services routinely shut down spammers' accounts. At a maximum, spammers may be subject to legal action, considerable fines and imprisonment for up to five years.

### CAN-SPAM requirements

The federal Can Spam Act of 2003 requires commercial emailers to follow some basic rules. Establish a good permission policy. Use professional mailing practices. Don't falsify anything. Remove people from your list when they ask. It is pretty simple.

Here's what you need to do to meet the requirements of the CAN-SPAM Act:

- 1) Include a working unsubscribe link and/or instructions.
- 2) Be prepared to handle all unsubscribes within 10 days of the request.



- 3) Use good mailing practices. Be honest and truthful. The originating e-mail address, domain name and IP address must be legitimate. Your "Subject" line must be straightforward and accurately reflect the content of your message.
- 4) Your physical address must be included in your email.

The Federal law also makes a wide range of bad practices illegal -- harvesting email addresses from web sites, falsifying routing information, using third-party computer systems to send email without permission, and more. As a legitimate sender, these should not be an issue, but you should make sure you are in compliance.



## Top 10 Tips on Getting and Keeping Permission

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The increased focus on spam in email marketing also means an increased focus on permission. As permission-based email marketers, we need to remain diligent in our efforts to earn and keep the permission of our subscribers to the best of our ability.

1) **Be straightforward**

Remind recipients why they are receiving an email from you. Whether they are a valued customer, a prospect who expressed interest or a client you want to keep in touch with, the reminder will add credibility to your email and put it into context, thus differentiating your communications from unwanted email.

2) **Be specific**

When people sign up to be on your email list, allow them to select, precisely, their areas of interest (e.g. newsletters, sale notifications, new product or service announcements, event invitations etc.). You can make subscribers feel more comfortable by specifying what they will receive and when they will receive it (e.g. "Sign up for Our Weekly Concert Announcement") and this means more sign-ups.

Also, be specific about who you are and what address your email is coming from. You may want to let subscribers know what your emails will look like in the "From:" and "Subject:" line so that they will be expecting your email.

3) **Be respectful**

It is very important that every email you send has the option for the recipient to unsubscribe or "opt-out." Interests may change over time and communications may no longer be valuable to a given subscriber. Those subscribers are entitled to withdraw their permission at will.

4) **Be trustworthy**

Your privacy policy should be clearly posted. It adds credibility to your company and your email even if recipients do not click on the link.

5) **Be interested**

Are your email communications of value? Is the frequency right? A survey is an inexpensive, easy and immediate way to find out how your customers really feel about your company and your email communications. So, when you do a survey, don't forget to ask how your customers feel about your emails.

6) **Be current**

People change ISPs, jobs and email addresses at random. Often, you'll be the last to know. Ask for updated information and give subscribers an easy way to change their email address. This will ensure that your communications continue to be received if, and when, they make a change.

In addition, provide a way for your subscribers to change their interests and preferences. This will help you continue to provide the information most valuable to them, and target the right audience for each campaign.

7) **Be considerate**

Respect the privilege of communicating with your customers and prospects by taking



care not to communicate too often. Think carefully and plan how many, and what kind of communications you send to your subscribers.

*Note: As a rule of thumb, if you are sending consumers promotional emails about products and services, you should be emailing no more frequently than three, maybe four times per month. A rule of thumb always has an exception, and every audience is different, so make your decisions based on your own unique business.*

8) **Be diligent**

Some subscribers will reply to an email to unsubscribe instead of using the automatic unsubscribe link. Monitor your inbox for unsubscribes, and complaints, then make sure you remove unsubscribe addresses right away and take action on any grievances.

9) **Be observant**

Your reports contain a wealth of information just waiting to be discovered. Always pay attention to your unsubscribe rate to ensure that your churn rate remains positive. If you are losing more than .5% of your subscribers per month, take a look at all of the elements of your campaigns and make adjustments. Opens and click throughs can also indicate where you might be missing the mark.

10) **Beware**

Beware of strangers bearing lists! Permission is not for sale and is not transferable. Today, subscribers want to receive email from those companies they have subscribed to, not an unknown third party.

Many email marketers become accidental spammers by making the mistake of buying a list. When searching for a list, don't be fooled by offers of targeted, clean lists for sale on a CD or otherwise. If anyone claims you can "Blast your ad to over 1000 safe addresses for only \$5.00!", or "Buy a CD with 1,000,000 email addresses for only \$99!", this is too good to be true. These lists are not permission-based; they are spam lists.

There are email lists (not unlike Direct Mail address lists), of individuals who have requested to receive promotional messages within selected categories of interest. When considering renting a list, use a reputable list broker and expect to pay between .15 cents and .40 cents per name. If the list is too inexpensive, or if the provider won't share the source of their email lists with you, the list is highly suspect.



## Why You Need an Email Marketing Service

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Why should you use an email marketing service to send your email campaigns when you already have an email program of your own like Outlook, Eudora, Hotmail, etc.?

The answer is that your standard email client is not designed to be used for email marketing and therefore has significant limitations. Even more importantly, email marketing technology, best practices and laws are changing rapidly. Going it alone means that you must monitor all of these changes to make sure you are in compliance.

**A good email marketing service takes care of the heavy lifting**, allowing you to focus on what you do best - promoting your own organization and its products, service or cause. Web-based email marketing services are designed for small and midsized organizations. They are inexpensive and make email marketing easy for the non-technical user.

**A good email marketing service takes the guess work out of email marketing** and helps you avoid making common mistakes. For example exposing your email list to recipients, failing to abide by the law by omitting a physical address or failing to include a way for the recipient to unsubscribe. Or sending an email campaign without being able to confirm delivery or track opens, click through rates etc.

**An email marketing service delivers your emails with proper protocols** and develops relationships with ISPs to make sure your email reaches your recipient's inbox.

An email marketing service delivers your emails in the right format. Basic email clients can't tell which email format each recipient is able to receive – HTML or text. If you send HTML from your basic email client, some of your recipients will see raw code that they can't read. If you just send text, you are missing out on the 35% lift in response rates you can get from HTML emails. An email marketing service creates your emails in both HTML and text and delivers your email in the correct format every time.

**Professional HTML templates** provided by an email marketing service make email creation easy by eliminating the need for any HTML skill on your part. Templates are pre-formatted to help you organize your content. They include appropriate fonts, colors, placeholders for graphics and company logos that are easily customized to create a look that matches your company's Web site or brand.

**A good email marketing service provides reports and statistics** on the number of emails sent, opened, who opened and who clicked through. These reports help you track and measure your success, and improve your campaigns over time. With your basic email client, this information is not available.

**A good email marketing service automatically performs critical list management functions** including adding new subscribes, removing unsubscribes and handling bouncebacks and spam complaints. It also includes a failsafe automatic unsubscribe link.



**An email marketing service provides education** on email marketing best practices through free newsletters, - tutorials, guidelines and Web seminars – like this one -- teaching you how to build their lists with permission and communicate effectively with their customers and prospects.

**Using a good email marketing service guarantees** that you will always have the most current tools available to meet the changing requirements of the industry. A good email marketing service also provides regular updates and new features to comply with changing best practices and enhance functionality and usability.

**Finally, a good email marketing service is at the forefront of the industry;** protecting the use of email as a business and marketing communications tool through its involvement in legislative efforts and anti-spam organizations. The email marketing service you select should obey the law, maintain strong permission policies and have an active anti-blocking team working on your behalf. Should any problems arise, a reputable email marketing service will get more attention than you could ever get on your own.



## Copywriting for Success

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Good email copy captures the attention of your recipients and makes them take action on your email. It is important to keep in mind that writing email copy is different from writing for an advertisement, a direct mail piece or other traditional marketing vehicles. As you compose your email copy, keep the following points in mind.

### Know your customer

Know what motivates your recipients and use it to determine how to describe the benefits of your offer.

### Be Clear and Concise

In email marketing, less is more. Stick to simple words, short phrases and paragraphs consisting of one to three short sentences. Avoid clutter by including appropriate graphics and using white space effectively.

### Proofread

Read your email copy aloud. If you stumble over words or phrases, rewriting is a very good idea. Check your spelling and grammar thoroughly and ask someone else to proof your work. Errors not only make your email harder to read, they can make your company look unprofessional.

### Be careful with punctuation

Save exclamation points and other punctuation for when you really need it.

### Include Call-to-Action Links

If you have a Web site, your call-to-action will probably be a link. If you don't have a Web site, your call-to-action might be store locations to visit, or a number to call for an appointment. Your call-to-action helps recipients take the next step by answering three important questions.

- 1) What you want them to do
- 2) Why they should do it
- 3) How they take that next step

**Visible** - Place your call-to-action in the beginning, middle and end of the email so that recipients can click, or take action, whenever they are ready.

**Varied** - People read, react, make decisions and take action differently. Some make decisions right away and some need more details. You can vary your CTA to appeal to different types of buyers, or to fit your sales cycle. For example: "Buy now" will naturally



work better with loyal customers. The softer, "Learn more" may be better for newer prospects.

**Persuasive** - Use compelling action-oriented verbs and phrases, for example: "buy now," "call today," "get involved" "save."

**Rewarding** - Offer an incentive or reward for action to prompt the recipient to take the next step. For example, "Act now and also receive...," or "Shop now for the best selection."

**Direct** - Your call-to-action links should go directly to the appropriate page on your Web site with more details on the specific product or service you're promoting.

### Convey a Sense of Urgency

It is important to give recipients a reason to act quickly because the longer an email sits in an inbox, the less likely it is to be acted on. A sense of urgency can be created in a variety of ways:

**Limit the offer** to a specific time period or, for example to the first 50 customers.

**Include a bonus**, for example, "Act now and also receive..."

**Include a benefit**, for example, a free whitepaper on a relevant topic or a coupon with a discount

With solid email copy, a good call to action and a sense of urgency, you can maximize the success of your email campaigns.



## From, Subject and Email Copy Don'ts

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### Spam-like words

free, guarantee, credit card, sex etc.

### Red text

Red can be hard to read. It is also a spam tactic that may cause your email to be filtered.

### All capital letters

Resist the temptation to use capital letters. When you use all capital letters, there is no differentiation in your words making them harder to read. It makes your email look like spam, and will increase the likelihood of your email being filtered.

### Incomplete information

Your physical address is required by law. Always include your reply email address and your Web site URL, if you have one. Depending on your business, you may decide to include your phone number as well..

### Excessive punctuation !!!, ???

This is likely to cause your email to be filtered email filters especially when used in conjunction with spam-like words and capital letters.

### Excessive use of "click here" especially in all caps

Make your call-to-action links more specific to avoid filters.

### Mutiple \$\$, and other symbols

Use one dollar sign for currency and use descriptive words instead of symbols to get your message across.

### No "From:" address

This is a waste of valuable real estate and will increase the likelihood of your email being filtered.

### Misleading subject lines

Always match your subject line to your email content and never employ spam tactics like using Re: in the subject line so that the recipient thinks it is actually a reply to a previous email. It's illegal to mislead recipients, and if the recipient feels duped into opening an email, she will be unlikely to respond to your offer, and annoyed to discover that she has been tricked.



## Why Your Organization Needs an Email Newsletter

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Once you create your "house list" of business relationships, you have an extremely valuable asset: an asset that a quality email newsletter is perfectly suited to take advantage of.

By adding an email newsletter to your communications mix, you will see instant and measurable results, increase lead generation, cross selling and customer lifetime value - all while improving the ROI of your existing marketing efforts.

### An Email Newsletter Increases Lead Generation And Cross Selling

As your newsletter arrives month after month, it keeps your company "top of mind" with customers, prospects, partners and others, and provides an ongoing, soft-sell mechanism for highlighting your full range of products and services.

### An Email Newsletter Increases Customer Lifetime Value

Competitors can buy their way into your market by matching your pricing, matching your products and even matching the look and feel of your company. What they can't buy are your relationships. Every newsletter that you send serves to solidify the connection between your company and your customers.

### An Email Newsletter Provides A Low Cost, Instantaneous Channel For Sending Messages

Your database of email addresses gives you instant access to your customers and prospects. Once the machine is set up, in addition to sending an email newsletter, you can send alerts, advisories and messages as frequently as you wish.

### An Email Newsletter Opens Up A Two-Way Dialogue With Customers And Prospects

Email newsletters allow recipients to easily and immediately interact with you. Comments are made, information is requested, an exchange of ideas between you and your customers flows easily in both directions.

### An Email Newsletter Hypercharges Your Existing Marketing Efforts

Your email newsletter doesn't compete with your web site, print newsletter or existing marketing materials. It leverages them. It creates a steady pulse and focus that ties your other marketing efforts together.

### An Email Newsletter Provides Instant, Measurable Results

Advertising, sponsorships, and many other traditional marketing tactics offer few options for measuring the return on your investment. E-based tactics on the other hand, are instantly trackable. With each email newsletter you send, you'll know how many people opened it; how many links were clicked on; who clicked on which links; and more. Fact-based, real time metrics.



The fact is, for the small business owner, an email newsletter represents the first time in history that we have ever been able to cost effectively communicate with our entire customer and prospect base over and over and over again. Not only that, but thanks to the inherently democratic nature of email (i.e. the big boys don't get any more space in the email inbox than the rest of us), an email newsletter gives us the opportunity to not just compete with, but outperform our much larger competitors for the attention of readers.



## Measuring and Maximizing Your Results

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Email marketing's measurability is a marketer's dream. No other marketing vehicle can compare when it comes to delivering real-time results and actionable data. With proper tracking in place, you will have access to a wealth of information that can help you troubleshoot problems and perfect your formula for success.

The key pieces of data to watch when evaluating results are:

- 1) Number of emails sent
- 2) Open rate - The percentage of your emails that were opened
- 3) Who opened - the email addresses of those who opened your email.
- 4) Click through rate (or CTR) - The percentage (the number of unique clicks divided by the number that were opened) of recipients that click on a given URL in your email.
- 5) Who clicked on each link- the email addresses of those who clicked on each link in your email.
- 6) How many of your subscribers forwarded your email to a friend or associate
- 7) Subscriber data - new subscribes and unsubscribes.
- 8) Email bounces - when a recipient's mail server rejects your email message preventing your email from being delivered
- 9) Spam complaints - how many recipients reported your email as spam.

How do you interpret these results? And what can you learn to help you improve your campaign results over time?

**Your open rate** will depend on your From line, Subject line, email list and targeting.

If you have a low open rate:

*Take a look at your From and Subject lines.*

- Are you a trusted sender? Ask your audience to add your from address to their trusted sender list or address book.
- Are you using your brand and/or a name the recipient will recognize?
- Are they short enough to be visible to the recipient?
- Does your sl incorporate a specific benefit?
- Does it accurately reflect the content of your email?



- Does it look like spam?
- Is the message in your subject line relevant to your audience?

*Consider your delivery day and/or time.*

- Recipients are more receptive to offers in the mid-day, mid-week timeframe.
- Evaluate your list.
- Is your permission fresh? How recently were the email addresses and permission collected? An old or stale list won't perform as well as a fresh one because people may lose interest or forget about you, or your company, over time.
- Is your list targeted? If your message is targeted to the recipient, it has a higher probability of being opened.
- Are you sending emails too often?

If you have a low click-through rate:

*Examine your call-to-action.*

- Is it clear what you want your recipients to do?
- Have you made it easy for recipients to answer your call-to-action by sprinkling links throughout your email?
- Do your links work? Always test links before sending.
- Review your email copy.
- Are you writing to your target audience?
- Is your message clear and concise?
- Is your copy short and to the point?
- Have you placed the benefits of the offer up front?

*Reevaluate your offer.*

- Does your offer fulfill the promise of your subject line?
- Sometimes, tweaking your offer can make all the difference. For example, 10% off or free shipping may be all the same to you, but your customers may respond better to one, or the other.



- Is your product or service expensive? Low or no obligation offers will naturally achieve a higher response than an offer carrying a high obligation, a long decision process or a significant expense. For offers requiring a longer sales cycle, newsletters and whitepapers are a great way to educate your prospects and progress to a sale.

If you have a high unsubscribe or opt-out rate, or if you have a high number of subscribers who reported your email as spam:

You may see a natural jump in unsubscribes immediately after you send an email campaign because people forget to unsubscribe until your email arrives in their inbox and reminds them. People generally unsubscribe or report your email as spam when they:

- Do not know you or recognize you as the sender
- Are not interested in your content, products or services
- Are frustrated by receiving too much email from you

It is always possible to improve. Email marketing is not an exact science, but paying attention to your reports and troubleshooting goes a long way in helping you increase the effectiveness of your campaigns.