

SPECIAL REPORT

Email Summit 2011

4 key sessions from
MarketingSherpa's
Email Summit 2011



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Special Report: 4 key sessions from MarketingSherpa's Email Summit 2011

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Special Report: 4 key sessions from MarketingSherpa's Email Summit 2011

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FROM THE EDITOR

At last year's MarketingSherpa Email Summit, 826 marketers gathered at Caesars Palace in Las Vegas to discuss what really worked for them over the past year – the tactics they used to grow their lists, increase engagement, and ultimately, improve their organization's performance...as well as their own.

Before we reconvene at Caesars Palace on February 7-10 for MarketingSherpa Email Summit 2012, we wanted to take a look at a few of the lessons we learned from some key speakers at last year's event.

In this report you will find full transcripts of:

- Ben Day, Group Marketing Manager, Microsoft Corporation, discussing the company's real-time "dynamic content on steroids" system
- Sue Coakley, Sr. Director, Customer Strategy, Yahoo!, describing the company's contact strategy
- Diana Lawson, Senior Relationship Marketing Manager, Microsoft, presenting a case study that is a great example of how to use email to enamor customers with a feature-rich product
- Karen Rubin, Project Owner, HubSpot, sharing advice for mobile email

Of course, this was just a small fraction of the real-world examples, paradigm-shifting insights from marketing thought leaders, and, perhaps most important, invaluable informal and formal networking that took place last year.

After all, at MarketingSherpa Email Summits, not all of the wisdom comes from the stage. So we look forward to hearing what you've learned about what really works (and what doesn't) in email marketing at this year's event.

Best,

Daniel Burstein
Director of Editorial Content, MECLABS

CASE STUDY: HOW MICROSOFT USES TECHNOLOGY TO DRIVE 1:1 REAL-TIME CONTENT AND OFFER OPTIMIZATION FOR 2 BILLION CONSUMERS

BY BENJAMIN DAY

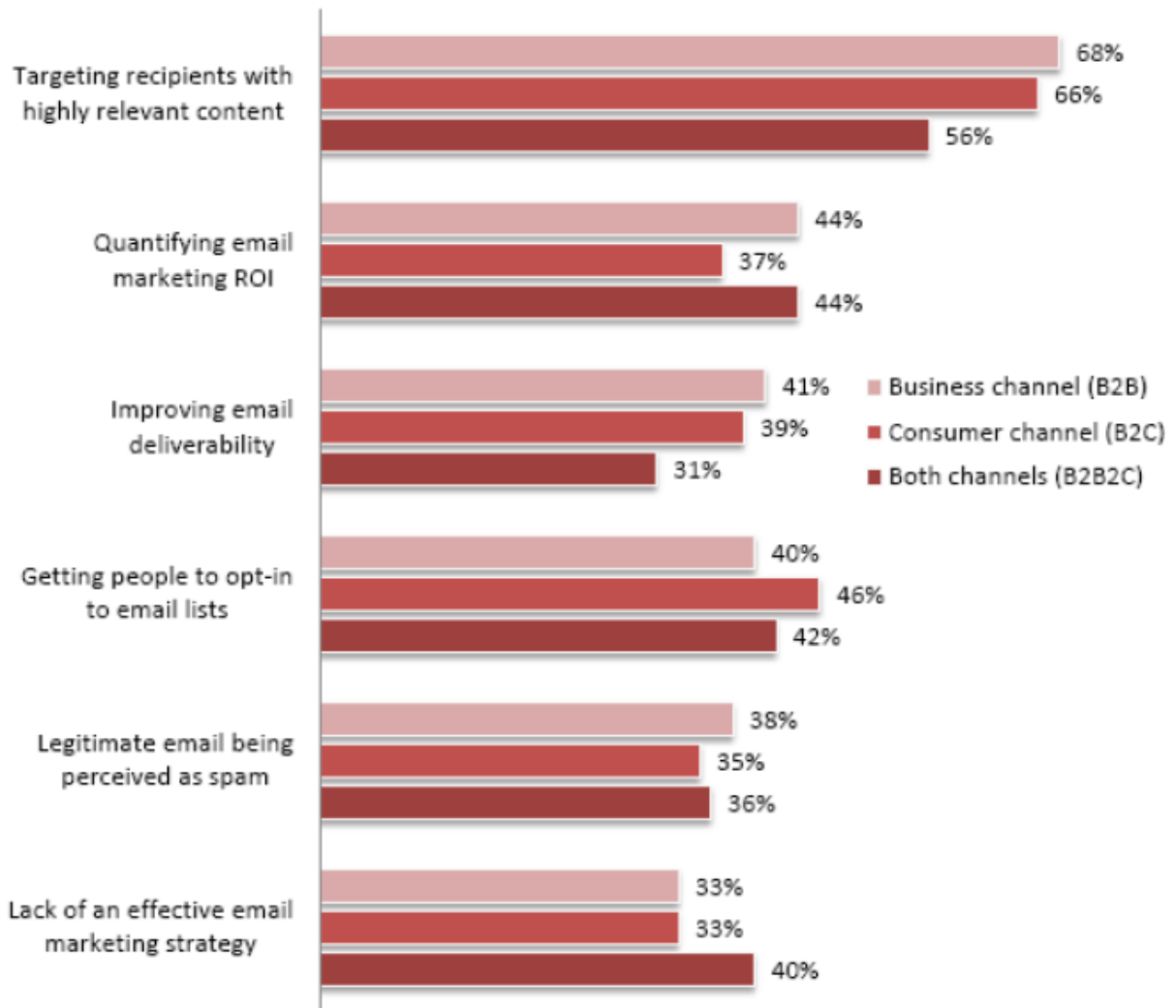
Good morning, everyone! I wanted to share a little bit about who I am and what I do. So, I'm in the Online Division at Microsoft. We have kind of three primary brands that we are marketing. It's the MSN, Bing and Windows Live brands. And, we operate in about 122 countries worldwide. And, I manage a large-scale email shop, so think of us as almost an in-house ESP at Microsoft, where we're running about 3,500 campaigns a year, total email volume of about ten billion a year, and we have 20 people on staff focused on email and display marketing, marketing automation, and product management of email.

So, about a year ago, we looked at how we could revolutionize how we do email marketing in this division at Microsoft. So, some of the core questions we wanted to address was, "You know, wouldn't it be cool if customers could receive the best email content at the right time? What if we could display the latest content, regardless of when the emails opened? What if poor-performing email content could be instantly replaced? What if content that was already expired or that particular customer already took that offer? What if we could instantly swap that out? And, what if we could encourage our customers to start to like the emails that we send them a little bit more and avoid that instant delete reflex?"

The Relevance Challenge

So, this is what we see as a core problem in the email marketing landscape as relevance. Right? Relevance is the number one reason that consumers opt out of email. Blasting large numbers of mail, static emails, also leads to delivery issues, reputation issues at ISPs. And, then, it's also costly. So, there is a trend of kind of the old way of doing things in email, with traditional static email marketing, that's starting to decline in success with consumers. And, you guys all told the MarketingSherpa folks, just a couple of months ago, in their email survey, that targeting recipients with highly relevant content is also your most significant challenge in email marketing.

Chart: Most significant challenges to email marketing effectiveness, by primary channel



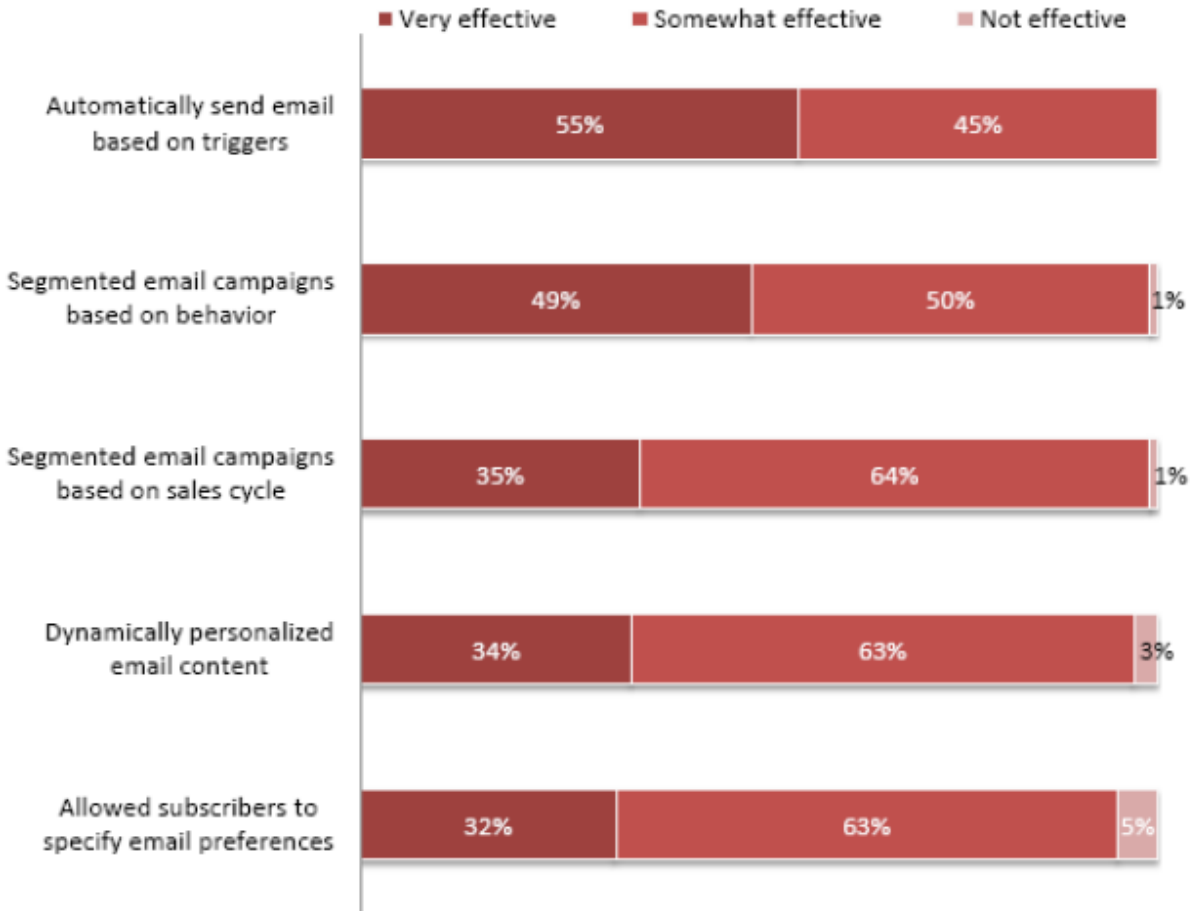
Source: MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded Sep 2010, N=1,115

You also said that overcoming that challenge is important, because with relevancy tactics those are actually very effective at improving results.

THE EFFECTIVENESS OF RELEVANCY TACTICS

Q. Please indicate the level of effectiveness for each of the relevancy improvement tactics your organization is using.

Chart: Relevancy improvement tactics - level of effectiveness

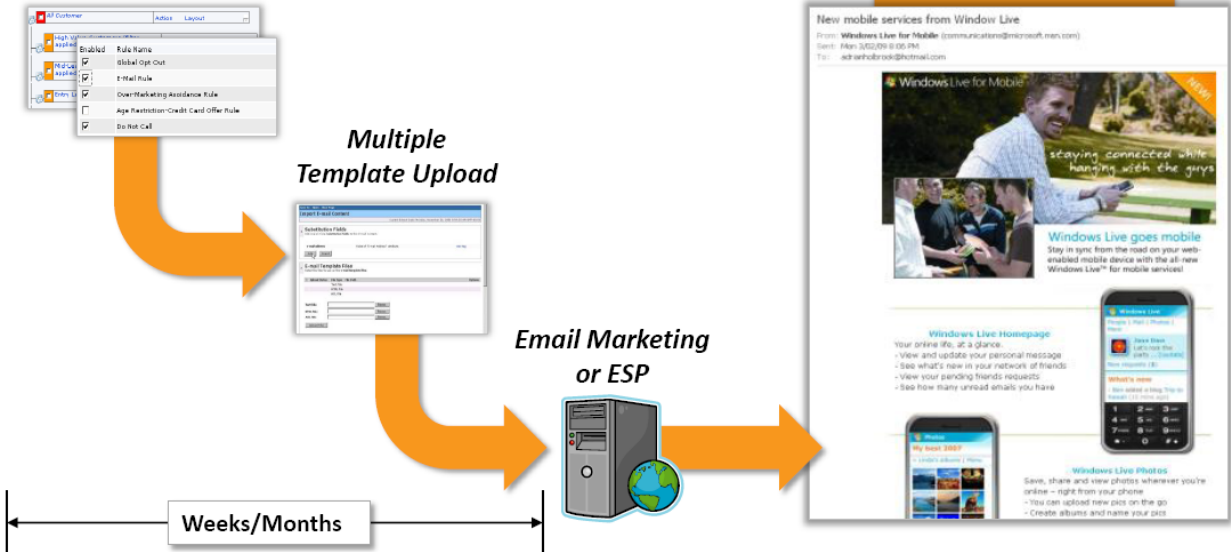


Source: MarketingSherpa Email Marketing Benchmark Survey
Methodology: Fielded Sep 2010, N=1,115

The current state of traditional static email, I'm sure we're all familiar with this, you do a bunch of segmentation and business rules upfront, create a bunch of static email, static HTML files, and then send them out through your email server or your ESP, so a fairly long cycle, costly. And, then, the real issue with this is it may or may not be relevant. Right? You're developing this stuff and sort of doing your best to get the right message to the right user, or group of users, but it's all created independently from user preferences.

Before: Static, homogenized email

Multi-Segmentation and Global Rules



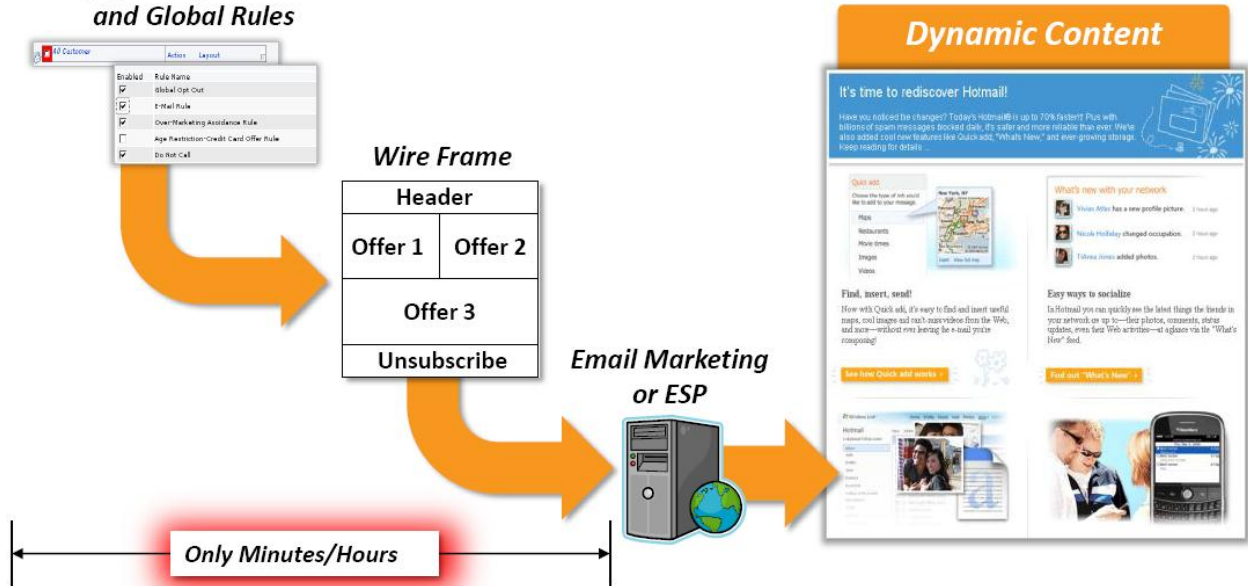
Creating Dynamic Content with a Real-Time Engine

So, with dynamic content, or dynamic email, instead of creating a bunch of HTML files, we're creating a wireframe and then dynamically populating content into that template, so shorter cycle. But, then, what's different about this particular approach that we took is we actually found a dynamic content delivery system that is paired with a real-time targeting engine. So, we have a very robust model that looks at the time the email is opened. That's when it decides what content to show that particular user.

And, we, as marketers, are not telling the system what to show a particular user. We're letting the engine decide, based on all of the data that we're providing it and its real-time calculations.

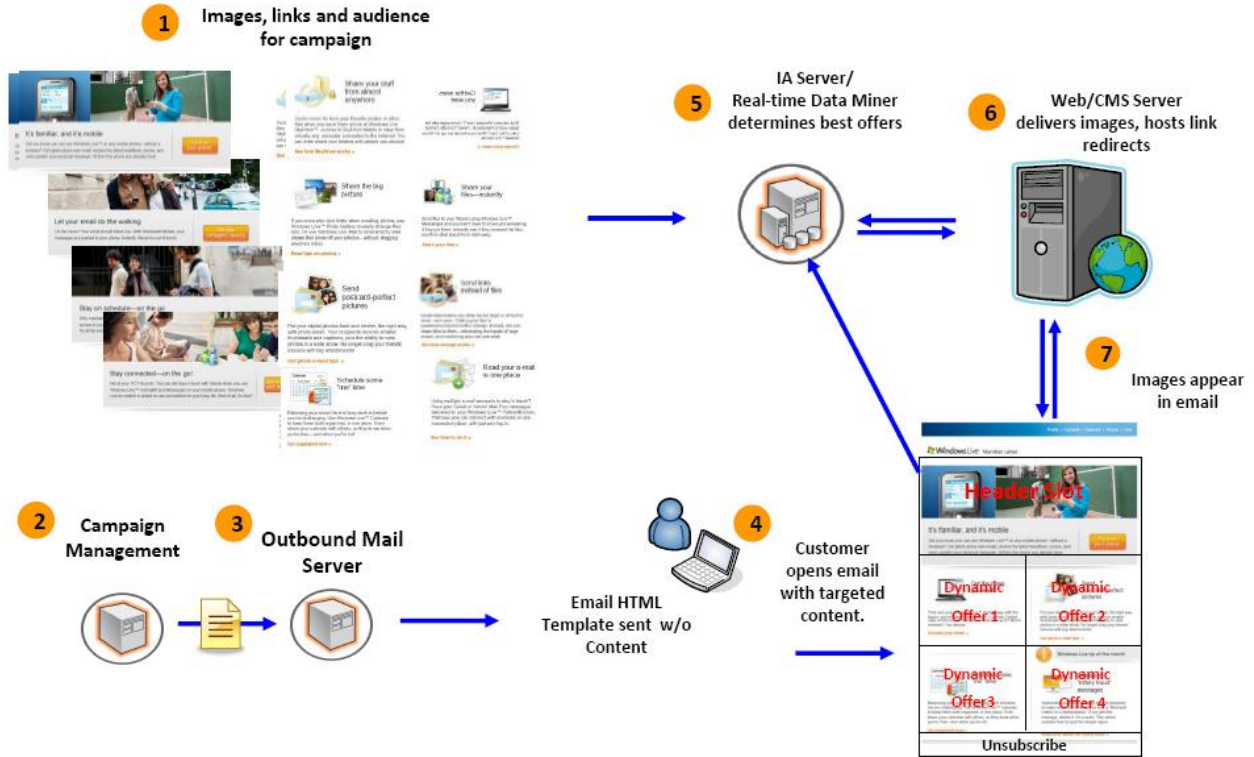
After: Dynamic, intelligent email

*Simplified Segmentation
and Global Rules*



So, how that works, in a little more detail, is we have images, links, data that we push into the real-time server. Then, we send out...we actually send out a blank email. It's a template with no content. But, what it has is, when the user opens that email, it makes a call through a web service to our engine, our real-time engine. And, there is about a 20 millisecond loop where the engine, based on the algorithms that it's running, all of the data that we're providing, decides, before the user knows what's happening, what is the right collection of offers for this particular individual.

And, it's doing all of that in real-time. So, when people talk about dynamic content, to allow the dynamic content, they're referring to is...they are doing dynamic content but they are still assembling that email before it's sent. So, what we think is really revolutionary about this approach is we don't assemble the email until someone actually opens it.



So, when I think about the real-time decision framework, right up front, if I have business rules that I want to apply, in addition to the built-in decision that comes with the engine, I'm able to set that up and have it work in tandem with the real-time analytics engine. So, I might have activation conditions with particular offers and qualification conditions. So, I can go ahead and define those, and let the real-time decision engine decide what is the best group of offers, or specific offers, to show to an individual.

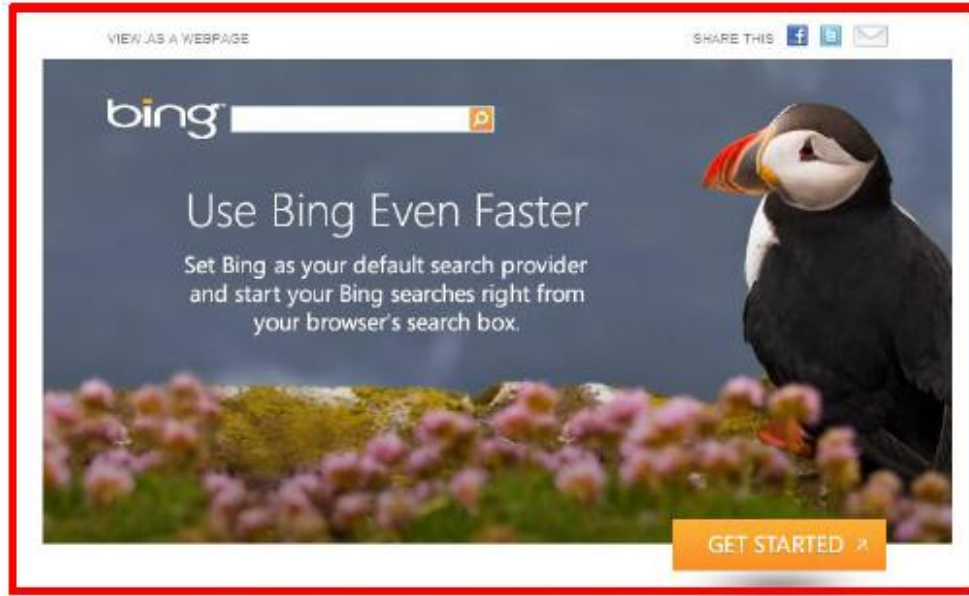
There is likelihood estimation, collaborative filtering and self-learning algorithms, all working in real-time at the time that the user opens an email. So, the reason it's so effective is we have real-time data that we're pushing into the server. There is contextual data. There is data about all of the offers. How are other users interacting with those offers, matching that up with users that have been sent the email, to determine what to show to whom.

So, the way this works, there is a concept of this real-time miner which is dynamically building and improving, over time, the predictive models, based on each interaction. We found that it's very effective in making predictions about which offers to show, and it happens with extremely low maintenance. If we were to try to re-create how this thing works, it would probably take us a couple of months and a bunch of analysts to figure out sort of what happens two months prior, and by that time the opportunity has passed.

Offer Arbitration

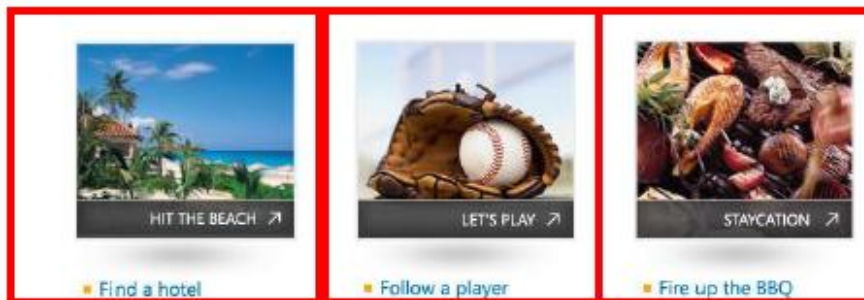
So, another concept or component of your content decision that you might need, that this model supports, is offer arbitration. So, if you're in an enterprise where there are competing interests with offers, for example, if I have a bunch of MSN offers and a bunch of Windows Live offers scheduled within the same campaign, I can either develop my own custom arbitration scheme and have the engine manage that, along with the other decision models that it's managing for me, or I can use some of the basic schemes that come along with the engine.

So, I'm going to get into a specific campaign case. This is a Bing campaign that we sent in the summer.



Spend the Summer With Bing

From planning a day off to buying flip-flops, Bing helps you get things done faster so you can have more time for fun this summer.



Download the Bing Bar

Get direct access to Bing, right from your browser.



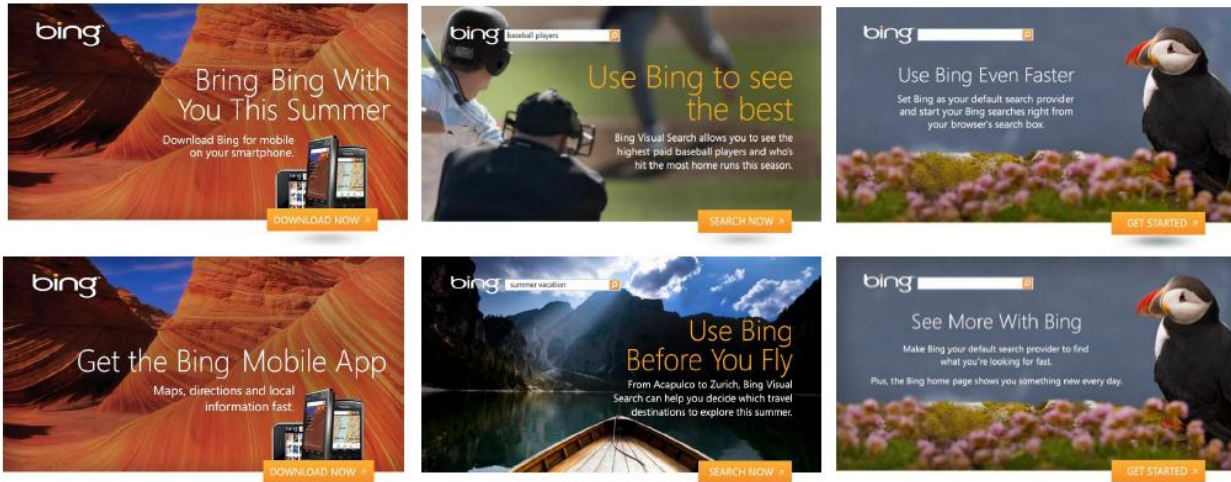
Follow us on [Twitter](#) | [Bing on Facebook](#)

So, just to illustrate, there is that the top area, there is the hero image, what we call the hero image, and then there are three slots in the bottom of the template. And, for the top region, we had three themes, a mobile summer visual search, with a couple of variations on each theme.

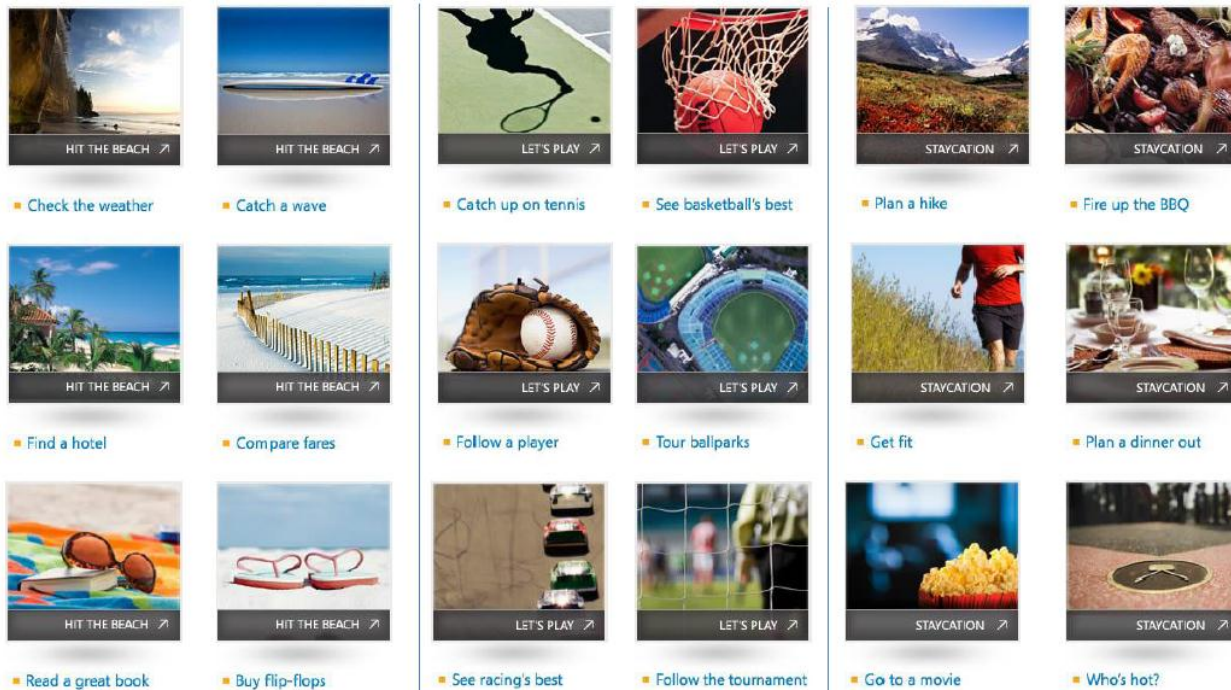
Mobile

Summer

Visual Search



And, then for the bottom region, we actually had 18 specific offers, generally themed around things like sports and hitting the beach. The primary objective was getting users to come to Bing to help them make decisions around specific tasks. So, if I'm looking at booking some airfare, one of these offers will specifically focus on comparing airfares. Another one was going to a movie.



So, on day zero of the campaign, we did a sample and we sent out all of this content, without any targeting. We just sent it out and let the engine just determine, just with one day's worth of data, how are the offers trending, in terms of click-through. So, after one day, we collected

that data and then we built basically three static versions. And, the purpose of this was to compare, sort of head-to-head, if we had arrived at the best combination of offers on our own, the middle combination of offers and the worst performing combination of offers, on our own. So, this was our baseline measurement approach. And, then we launched the campaigns. We sent the three static versions, along with the majority of the audience, were sent the real-time decision approach. So, there was no targeting. There were just all of the offers, all of the data that we put into the engine, so that we could directly compare the performance of engine versus static.



Clickthrough rates on day 0 test

1.17%			1.10%			0.95%		
0.50%	0.27%	0.33%	0.38%	0.17%	0.14%	0.27%	0.10%	0.12%

So, a couple of things we saw right away, this probably won't surprise any of you, but the hero image always garners the most clicks and then, from left to right, descending response.

And, this is where it starts to get interesting. I'm able to see, for all of the offers, how the engine decided to extend that offer, to what percentage of openers. And, I can see that my top performing offer was actually extended to 67 percent of my opener audience, versus my bottom performing hero image offer was extended to only 0.64 percent of openers. But, there was a specific audience where the engine determined that that was the right offer to show those individuals, and sort of the same concept with the bottom region offers.



1.36% CTR
Served to 67.38% of openers



1.04% CTR
Served to 16.41% of openers



0.88% CTR
Served to 7.22% of openers



0.78% CTR
Served to 5.96% of openers



0.61% CTR
Served to 2.39% of openers



0.52% CTR
Served to 0.64% of openers

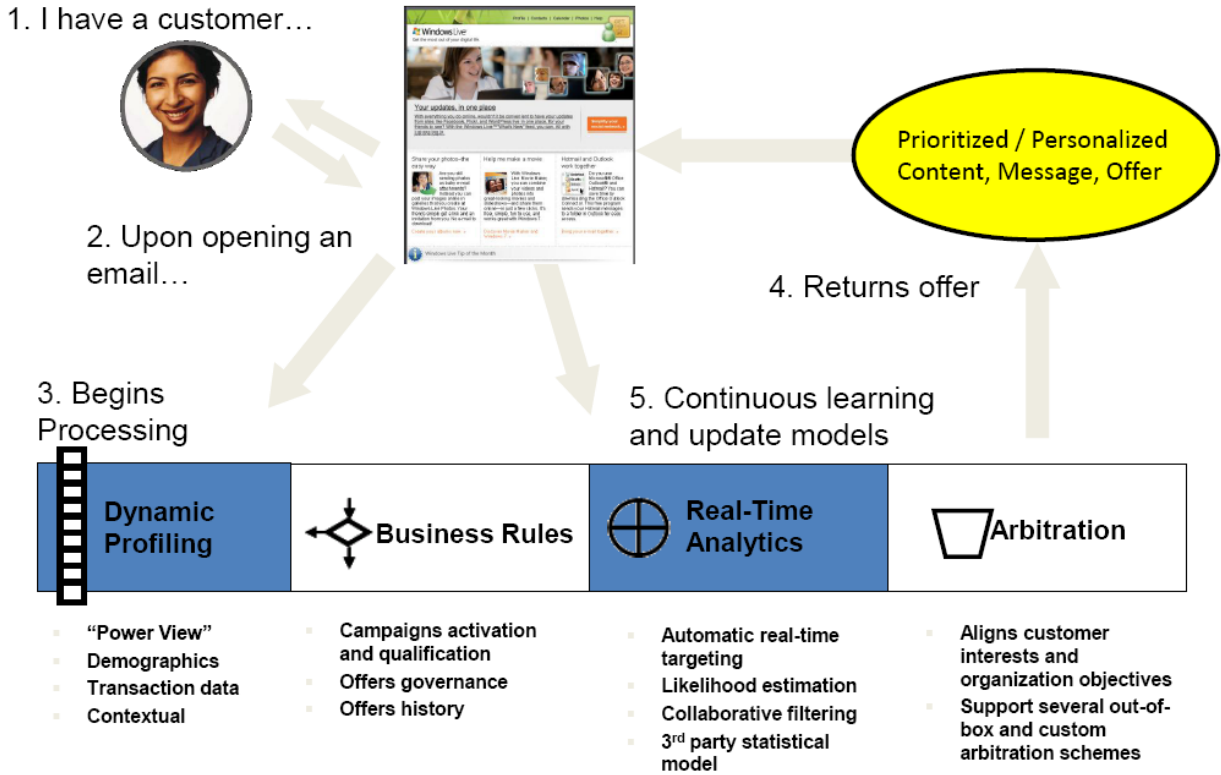
So, what did we learn? What we found is that this engine does a better job of predicting what content to show a particular customer than we did, as marketers. So, prior to this solution, we would sit in rooms, look at content, based on sort of our best learning's at that time, try to decide which offers should go to which users, or which collection of offers should go to which group of users, not one-to-one marketing. And, that was great, sort of status quo until we did this test.

Because, what we found with this test is that the engine actually drastically outperforms our best effort of predefined targeting. And, then the other thing that was interesting about this is the top...in this particular offer, which was the highest performing offer, the top five influencing attributes of those, the top four, was data that we would never think to use with this particular offer. So, it had to do with messenger products and new messenger users. So, the engine was able to determine that new messenger users, this was an extremely relevant offer for them. And, some more learning's along the same lines, with particular offers.

Bottom 1							
	Check the weather	Compare fares	Find a hotel	Catch a wave	Buy flip-flops	Read a great book	
	.59% CTR	.51% CTR	.50% CTR	.35% CTR	.26% CTR	.26% CTR	
	Bottom 2						
		Tour ballparks	See racing's best	Follow the tournament	See basketball's best	Follow a player	Catch up on tennis
		.35% CTR	.21% CTR	.21% CTR	.17% CTR	.16% CTR	.13% CTR
Bottom 3							
		Plan a hike	Fire up the BBQ	Who's hot?	Get fit	Go to a movie	Plan a dinner out
		.28% CTR	.23% CTR	.14% CTR	.12% CTR	.11% CTR	.10% CTR

Here's one, the "Hit the Beach" offer. It turns out that the 60-plus crowd like to go to the beach. I didn't know this. We might not have known this. But, this is something that was revealed in an interesting way. We can see that the engine was able to determine that much better than we could.

And, here is kind of the crowning jewel of my presentation, is the performance of this engine compared to the static versions. So, with this approach, we actually found that the engine outperformed even our best combination of offers in static. So, the reason for that is even though the best combination contains the best combination of offers, there are small slices of the audience where those lower performing offers are actually the right offer to show those particular users, so a 23 percent lift over the best combination of offers and a 66 percent lift over the worst combination of offers. So, even if by expertise or luck we had happened to arrive at the best combination, the solution still beat it by 23 percent.



So, again, the email channel content decision delivery, I have a customer, I have an email wireframe. Upon opening, I start the processing in the engine, all of the data that I’ve pushed in, contextual, historical, transactional, and behavioral. Maybe, it’s data from other channels. Maybe, it’s data from my website. Maybe, it’s data from my call center, business rules that I might want to define and manage through the model, governance of offers, history of offers. And, then in real-time, the engine is doing that likelihood estimation for each particular offer, doing the collaborative filtering. If I wanted to, I could push other statistical models into this engine, return to the offer and I get an individualized, one-to-one message.

Advantages of Dynamic Content with a Real-Time Engine

So, what are some of the key advantages of this approach? We believe this is the next big thing in email marketing. If you’re going to invest in making the switch and transition to dynamic content, why not take it a step further and have dynamic content that’s informed by a real-time analytical engine, a content-decision engine? And, for us, the proof was in the pudding. We weren’t sure about this technology when we first looked at it. We went ahead and engaged in a pilot to test the performance. And, as you can see, it definitely proved the value of this approach in the lift in response rates.

So, we feel like this helps us break through that relevance barrier in a way that we weren't able to without this solution. And, again, this concept of real-time decision can happen. You know, this particular case is about email, but this engine works across multiple channels, just about any channel, call center, IVR, web and email. And, it also would allow us to do, as we move towards integrated marketing. So, how do I have message reinforcement across channels in real-time? It could also help you deliver the next best action.

Audience Q&A Session

Question #1: "Are the images rendered automatically?"

Yeah, so the...that's a great question! The content does use images. So, when the email's opened, an open event triggers the call to the web server and our decisioning engine. And, then there's a 20 millisecond loop, where the engine runs through all of the data and its calculations, and returns the images to the email.

Question #2: "Is any of the content text? I'm wondering, with image blocking, how you keep that in mind and try to make sure that people are seeing all of these images."

Yeah. So, what we do is, if you noticed, there was text but it's delivered as an image. So, we merge the text with images, as an image, and serve it as an image. It's image-based.

Question #3: "If it's automated, what the heck is the point of us?" So, I just want to comment now for a second, dude. Are email marketers being automated out of a job?

I don't think so. Think of this as an advanced tool. Right? So, I think shifting from traditional static email marketing to dynamic content, great step forward. But, if you want to take it to another level, this would be an example of its dynamic content on steroids. It's dynamic intelligent email versus predefined, pretargeted, static or even pretargeted dynamic content.

HOW YAHOO! USES EMAIL TO BUILD RELATIONSHIPS YEAR-ROUND WITH YAHOO!'S

BY SUE COAKLEY AND CORI CHAO

The Three R's of Email Marketing

At the end of the day, we [email marketers] all need to solve for revenue, but it may not be the sole focus of every email, and I would argue it shouldn't be the sole focus of every email that we send. We want to develop that relationship. Why do we develop a relationship? Because, we know that when we build a relationship people are more likely to respond when we want them to take action and they're less likely to simply tolerate or, worse yet, unsubscribe from our messages.

You can apply this to your personal life. Right? Think about that cousin you only hear from once a year; when little Johnny has a triathlon and it's time to donate. You're much less likely, I would argue, to donate to that cousin than you are the one who takes the time to build the relationship with you throughout the year. You know the triathlon is coming up. You happily donate. So, it's really about building relationships. We're doing the same thing as we're going into somebody's inbox.

So, what I wanted to introduce to you is a construct that we use at Yahoo!. We call it the three R's. These are not revolutionary. We've talked a lot about these in the past few days. But, I want to just talk a little bit about how we define them and have applied these to all of our messages that go out.

Yahoo!'s 3Rs of Contact Strategy		
Build on the <u>R</u> elationship	Keep it <u>R</u> elevant	<u>R</u> espect preferences
<ul style="list-style-type: none"> ✓ Why did she start the relationship? <ul style="list-style-type: none"> • Why does she use your product/service? • What is her end goal? ✓ Continue to fulfill on that value ✓ Surprise and delight ✓ Give your email social legs 	<ul style="list-style-type: none"> ✓ What do you know about her? <ul style="list-style-type: none"> • Demographics • Interests • Response behavior ✓ Never assume what you don't know ✓ Listen <ul style="list-style-type: none"> • Both positive and negative • What the standard metrics don't tell you • Beyond the campaign 	<ul style="list-style-type: none"> ✓ Obviously honor her preferences ✓ Do all you can to retain her ✓ Think about frequency ✓ Avoid permission-creep ✓ Consider your message in the larger context

Build a relationship

So, the first we've been talking about is really building on that relationship. And, what we mean by that is thinking back to why somebody started the relationship with you to begin with. Why did they provide that email address? Are you building off of that? For us, it's because somebody signed up for a Yahoo! Mail account. So, we should really start and build that relationship first and foremost, before we look at expanding it further.

What is the end goal in buying from you? A lot of those retail messages we saw, the reason I bought from them, to begin with, wasn't to get a discount. It was probably because I had a very specific need. I wanted to throw a party for my child and create a great experience. I wanted to find a nice new outfit to wear out to a party, these sorts of things. So, think back to why somebody built that relationship to begin with and continue to fulfill on that. You know, we should think about how we can surprise and delight users. Let's not just hit them when we have that big offer or opportunity. Let's think about, "You know, when is the right time to just thank somebody for being a customer?" And, give your email social legs. So, clearly, today this is something that we should always be thinking about, is how we can build across channels.

Keep it relevant

So, this [relevant] is probably the biggest buzz word for email marketers. But, you know what we're talking about here. And how we apply it at Yahoo! is, first and foremost asking, "what do we know about the consumer?" This is both in terms of data that they've provided us in registration, data that we've observed, in terms of how they use the site, and of course, data

that we garner as they respond or don't respond to our messages. I think just as important as that is really thinking, being careful to never assume what we don't know. So, as marketers at Yahoo!, we would love to be able to target moms. But, if I don't know if somebody is a mom, I'm going to be very careful to reach out and talk to her like she is, because that could really alienate those that aren't. So, never make that assumption.

And, then always listening. What's the feedback you're getting? This is both in terms of the positive and negative response. So, unsubscribe rates are just as important as the positive metrics. What the standard metrics don't tell you. So, what I mean by this is just because you might be able to send a message every single day and somebody is not unsubscribing, they might simply be tolerating that message. They may not be appreciating it. It may not be doing anything to build the brand. They might simply just be remaining on your list so that one time of the year when they want to hear about the big sale, they get that. So, that's trying to understand, you know, what those key metrics might not tell you. And, of course, thinking beyond the campaign. Right? How can you think about the value of that customer over time?

Respect preferences

So, clearly there is the foundation that we all follow, from a Can-Spam perspective, but it's so much more than that. It's really doing all you can to retain that permission, and it is really permission to go to somebody's inbox, and doing that by thinking about things like frequency. At Yahoo!, we have a frequency count for our marketing messages of no more than one email per user, per week. That seems to be what seems both intuitively right, from our standpoint, but also what we see in terms of metrics that seem right, in terms of both the positive and the negative metrics. But, clearly, there is no one size fits all. You guys need to figure that out for your own businesses. Avoid permission creep. So, what I mean by this is things like the San José Mercury News. You know? They have no business, in my mind, sending things out about laser treatments or getting solar panels and these sorts of things. So, really think about that permission and be careful not to expand it too broadly. And then, always consider your message in a larger context. So, that's just going back to that overall inbox experience.

So, with that, I'm going to have Cori come up and she's going to take you through some programs that we've created over the past few years, in addition to those messages that hit hard from a very particular property or business unit, to take an action. These start by thinking with the end user, the audience, and how we can really help deliver relevant content to her.

Yahoo! Audience Emails

Cori Chao: Hello there! I wanted to share with you a series of audience emails and the strategy behind the audience emails that we've been working on at Yahoo!. We have sort of two key drivers behind the strategy and design of these emails. One is we have this audience that's very valuable to Yahoo! and we want to further their engagement and increase their overall responsiveness with Yahoo!.

And, that audience is women over the age of 30. The second driver is that we really want all of these women, just sort of as a basic starting point, to have a Yahoo! Mail account. What we want to do is really expose them to all of the other really great content we have available on our site that's relevant to them and make an even more engaged, happy Yahoo! customer.

So, if you look at the example that I have on the right here, it kind of illustrates what we've been working towards.

YAHOO! [Food](#) | [Shopping](#) | [Travel](#) | [Health](#)

Celebrate Yourself

2010 can be your year

- » 8 ways to pamper yourself
- » 13 ways to celebrate you
- » Create your own happy-life list

Eat Well

- » Delicious, easy, and good-for-you recipes
- » How to grow your own vegetable garden
- » Get quick and healthy recipes weekly

Body and Mind

- » An exercise plan for the new year, made simple
- » 8 bad habits worth breaking
- » Gorgeous skin in your 20s, 30s, and 40s

Take Control

- » Get organized in no time flat
- » Clean up, then donate
- » Find new ways to organize and stay in touch with New Mail

Take a look back

Yahoo! 2009 Year in Review

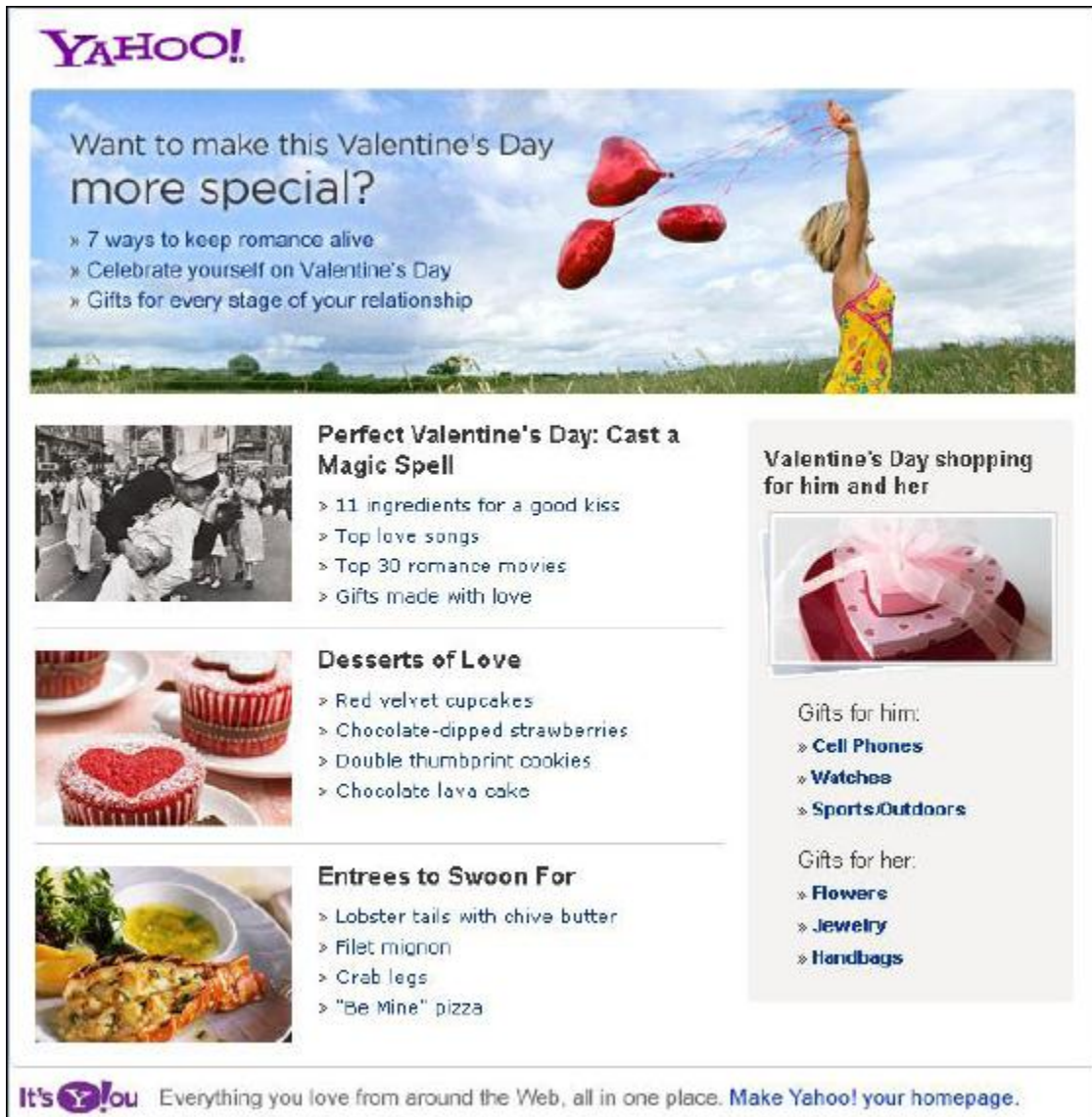
Michael Jackson drew record traffic last year. See who else made the [Top 10 Searches in 2009](#)

Check out these other categories:

- » [Overview](#)
- » [Farewells](#)
- » [Sudden Fame](#)
- » [Obama in the House](#)
- » [Financial Hangovers](#)

It's Y!ou Everything you love from around the Web, all in one place. [Make Yahoo! your homepage.](#)

What we're really trying to do is find content from across our site that's relevant to women over the age of 30 and package that under a theme. The theme for this email in particular is 'New Year, New You.' It's an email that we do every year, the first week of January, and it's really about reflection and starting out the beginning of the year. What are some of the pieces of content that women over the age of 30 are going to be interested in? So, things like getting fit, eating healthy, exercising, getting organized and sort of taking control of your life. And, so this is an example of one of our theme-based emails.



The image shows a Yahoo! email template for Valentine's Day. At the top left is the Yahoo! logo. Below it is a large banner image of a woman in a yellow dress holding up three red heart-shaped balloons against a blue sky. The banner text reads: "Want to make this Valentine's Day more special?" followed by three bullet points: "» 7 ways to keep romance alive", "» Celebrate yourself on Valentine's Day", and "» Gifts for every stage of your relationship". Below the banner are three main content sections, each with a small image and a title. The first section is "Perfect Valentine's Day: Cast a Magic Spell" with a black and white photo of a couple kissing and a list of 11 ingredients for a good kiss, top love songs, top 30 romance movies, and gifts made with love. The second section is "Desserts of Love" with a photo of red velvet cupcakes and a list of red velvet cupcakes, chocolate-dipped strawberries, double thumbprint cookies, and chocolate lava cake. The third section is "Entrees to Swoon For" with a photo of lobster tails and a list of lobster tails with chive butter, filet mignon, crab legs, and "Be Mine" pizza. To the right of these sections is a vertical sidebar titled "Valentine's Day shopping for him and her" with a photo of a gift box. It lists gifts for him: Cell Phones, Watches, and Sports/Outdoors. It also lists gifts for her: Flowers, Jewelry, and Handbags. At the bottom of the email is the slogan "It's Y!ou Everything you love from around the Web, all in one place. Make Yahoo! your homepage."

YAHOO!

Want to make this Valentine's Day more special?

- » 7 ways to keep romance alive
- » Celebrate yourself on Valentine's Day
- » Gifts for every stage of your relationship

Perfect Valentine's Day: Cast a Magic Spell

- » 11 ingredients for a good kiss
- » Top love songs
- » Top 30 romance movies
- » Gifts made with love

Desserts of Love

- » Red velvet cupcakes
- » Chocolate-dipped strawberries
- » Double thumbprint cookies
- » Chocolate lava cake

Entrees to Swoon For

- » Lobster tails with chive butter
- » Filet mignon
- » Crab legs
- » "Be Mine" pizza

Valentine's Day shopping for him and her

Gifts for him:

- » **Cell Phones**
- » **Watches**
- » **Sports/Outdoors**

Gifts for her:

- » **Flowers**
- » **Jewelry**
- » **Handbags**

It's Y!ou Everything you love from around the Web, all in one place. **Make Yahoo! your homepage.**

I also wanted to spend some time talking about the art and science behind these emails and the design of these emails. We obviously spend a lot of time testing templates and we've gravitated towards the winner, which has a really strong left vertical list of content. It's been phenomenal for us. When we look at heat maps, we get a really strong response, from top to bottom, on the email. It performs really well. But, one of the other challenges is really looking for age-appropriate articles and imagery and making sure that they're on brand with Yahoo!, which is all part of pulling it together.

When you thinking more about the science of delivering on these emails, I'm going to show you an example of this Academy Awards email that we do every year as well.



YAHOO!

And the winner is...
Our coverage of the 82nd Academy Awards

- › Awards video recap by Primetime in No Time
- › Fashion highs and lows from the Thread
- › The full list of winners and nominees

©Getty Images/filmmagic.com/Getty Images

Photos: Start to finish

- › Arrivals
- › Winners
- › Best and worst dressed

Trailers, news, and blogs

- › Watch trailers of all Best Picture Nominees
- › Get the latest news
- › Catch the surprises

Fashion retrospective

- › 2009: From A+ to F
- › 2008: Fantastic and flawed
- › 2007: From best to worst

CHECK OUT YAHOO! MOVIES

- › Find showtimes in your area
- › Get times, tickets, reviews, & trailers on your mobile

Follow Yahoo! Movies on: [Facebook](#) [Twitter](#)

The one-stop shop for all your movie info, trailers, and photos.

It's Yahoo! Everything you love from around the Web, all in one place. [Make Yahoo! your homepage.](#)

It mails the day after the Academy Awards and it has all of the recaps people are interested in, who or what won what. It does really well. But, is it appropriate for our broad audience demographic of women over the age of 30? For some of them, yes, but maybe not for all of them. So, what we do in instances like this, where the content is a little bit more specific, is we overlay additional targeting onto the audience to make sure that the content we're sending is relevant to the audience we're sending it to. So, in this example, we overlay a lot of behavioral demographic, behavioral data from our site. If you've been visiting our movie sites, our TV sites or our celebrity gossip sites, we're going to overlay that criteria to the list so that we know that who we're sending it to, will likely be interested in entertainment.

Here's another audience email that is focused on Mother's Day, and is an example of really trying to respect and provide relevant content.



YAHOO!

Make Mother's Day special, tasty, and fun!

- » Ways to spend time with Mom
- » 8 things to eat, drink, and do
- » Small pleasures for every day



Cook up her faves.

- » Fabulous French toast
- » Scrumptious strawberry shortcake
- » Splendid scones



Create memories.

- » 7 ideas for homemade gifts
- » Share family memories and recipes on Flickr
- » Project ideas for you and Mom



See moms in action.

- » What movie moms have taught us about mothering
- » What do you want most this Mother's Day?
- » Goddess Celebrity Mom's blog



Get Mom a great gift.

- » Jewelry
- » Flowers
- » Handbags
- » Digital cameras
- » Beauty & fragrance



It's Y!ou Everything you love from around the Web, all in one place. Make Yahoo! your homepage.

This is an example that's sort of the opposite of the last one that I just showed you, where we have content about Mother's Day and you initially kind of think of it as going to mothers with small children. But, if you don't have data in your file that tells you who those mothers with small children are, it would be a big miss to send something that's all about moms and children to that audience.

We really wanted something that was presentable to women in general. So, we thought about it not as a mom with small children, but anyone who is a mom, has a mom and or has a mom figure that means something to them in their lives. In that instance, we're really looking for articles that talk to things you would do with your mom, not just things that moms would do with their kids, and really try to broaden the whole scope of the email so that we could send it to women in general.

This is an example of a different type of audience email that we send.



It's not one of the theme based ones. We call it Best of Yahoo!, and we call it Best of Yahoo! for a reason, and that's our internal name for it. It basically repurposes high-clicking content that was shown on our front page and puts it into an email format and pushes it out to people who are not heavy on our front page or moderate on our front page. Basically people who aren't on the front page a lot and haven't seen these articles. It works really well for us because all of the content is already there and delivered in the front page. It's all been vetted. It's all been approved. It's all proven to work.

We also have a male and a female version, so we spend time kind of thinking about which articles from the front page are appropriate for males versus females, which ones have the highest clicking content. And, then, in addition to that, I try to come up with a mix of topic areas so we're not seeing all auto articles for men or all celebrity news for women. I try and make sure it's representative of Yahoo!'s site overall, not just a single business unit. And, it's really similar to, when retailers tell people about products that other customers like and rate it highly. It's a very similar concept. We're saying Yahoo! users on our front page thought these articles were great. We don't want you to miss out on seeing them.

This is another example of an audience email that we sent out.

YAHOO! NEWS

Learn. Listen. Be heard.
Ask America is where you can stay informed, see what others are saying, and share your opinion on today's top issues.

Join the Conversation

ASK AMERICA
THE MIDTERM ELECTION NEWS FORUM

5 top issues people are talking about on Ask America

- Midterm elections: Republican takeover?**
[Take the poll](#)
- Anti-Islam rhetoric: Endangering U.S. troops abroad?**
[Take the poll](#)
- Arizona immigration law: Fair or foul?**
[Take the poll](#)
- Tax cuts: Only for middle class or for wealthy, too?**
[Take the poll](#)
- Health care reform: Keep or repeal?**
[Take the poll](#)

Stay connected to breaking news throughout the day with Yahoo! News on:

[Like](#) [Follow](#)

Make your voice count. Are you registered to vote?
Get ready for Election Day. Register now at vote411.org. It takes only a moment.

YAHOO! All your favorite stuff, all in one place. [Make Yahoo! your home.](#)

It's focused around a world event. We created a site called Ask America during election. This was actually part of a much bigger marketing program. Email was just one piece of it. We have heavily leveraged the look and feel of our site. But, what we were really trying to do is to send this to women and really encourage them to have a voice and start a dialogue with Yahoo!, because that's what the site was all about.

In addition to all of the really great content-relevant email that we push out to women over the age of 30, we also offer them the opportunity to subscribe to content that they feel really passionate about. So, this newsletter is our "What's for Dinner" newsletter and it just pushes out great recipes week after week, after week.

The screenshot shows an email newsletter titled "What's for Dinner" from Shine by Yahoo!. The header includes the logo and the title. Below the header is a yellow bar with "Top recipes" and a list of links: [steak](#), [picnicsalada](#), [pineapple](#), [coleslaw](#), [partydips](#), and [lemonbars](#). The main content is divided into several sections:

- Seven simple dinners:** Includes a link to "15-minute dinner: Cajun Snapper" and a large image of a grilled fish dish.
- New and easy grilling ideas:** Celebrate the holiday with these fuss-free grilling recipes and side dishes your whole family will love. Includes a numbered list:
 - 1 Southwest Pork Chops With Corn Salsa
 - 2 Grilled Pretzel-Beef Burgers
 - 3 Tex-Thai Chicken Breasts
 - 4 Steak With Roasted Garlic and Herbs
 - 5 Honey 'n' Orange Rack Ribs
 - 6 Lemony Scampi Kabobs
- picnic side dishes:** Includes a list:
 - 1 Fresh Corn-Rice Salad
 - 2 Zesty Three-Bean Salad
 - 3 Green Bean and Potato Salad
 - 4 Italian Basil, Tomato, and Pasta Salad
 - 5 Orange Dream Fruit Salad
- user favorites:** Divided into three columns:
 - Easy, cheesy recipes:** Herb-Cheese Salmon, Easy Veggie-Chicken Chowder, Five Cheese Ball.
 - Chocolatey desserts:** Cocoa-Cola Cake, Chocolate Tiramisu Parfaits, Shortbread Brownies.
 - Low-cal chicken dinners:** Almond-Crusted Chicken, Spicy Cornmeal Chicken, Quick Chicken Mole.

At the bottom right, there is a "share this email with a friend" section with a photo of two women and a "Send Now" button.

Because, if you think about the other audience theme-based emails that we send out, they probably end up being, on average, once a month, maybe a little bit more frequently than that. Sometimes, they have recipe content. Sometimes they don't. So, if you're really interested in getting recipes, you would much rather have something like this, that you can get on a weekly basis, where you're getting an ongoing fix of your recipe needs. So, what do you get for having an ongoing dialogue with your customers, your most engaged customers, really providing them with relevant content? You end up with a 25 percent plus increase in response overall from that audience.

How Other Companies Foster Audience Relationships

Sue Coakley: Okay, so you guys might be thinking, "Well that's great for Yahoo!. Yahoo! has a ton of content. That's easy for you guys to create these great seasonal messages and push them out." Well, we do have a lot of content. That does make that a little bit easier for us. But, I just pulled some examples of other companies that I think are applying these principles well. Crate & Barrel gets that they sell more than just products. Right? This is a great example of an email where they are tying back to a very specific emotional pull.

How others are doing it

The collage displays five distinct email newsletters:

- Crate & Barrel:** Features a "dad Father's Day" theme with a "Last Day to Standard Delivery" offer.
- snapfish:** A "special" email from Ben Nelson, General Manager, thanking a customer for their photography.
- AMERICAN LUNG ASSOCIATION:** A "Before You Go" email about summer outdoor sports and air quality.
- babycenter:** A "Preschooler Bulletin" with a "Top Story" about medicines and "In the News" section.
- WILLIAMS-SONOMA:** A holiday-themed email titled "'Tis the Season to Bake" featuring "Top 6 Ideas Starting Under \$10" like "Holiday Piecrust Cutters" and "Message-in-a-Cookie Holiday Cookie Cutters".

And, typically Crate & Barrel is selling experiences with a lot of their products, because if we're all just looking for the product, there are certainly other places we could go to get it less expensively. So, this Father's Day email they sent out, rather than just focusing on discounts and free shipping, and all of that, they focused on the emotional pull between father and child. I thought this was really strong from that standpoint. Snapfish is a very aggressive email marketer. They are very effective at it. I appreciate, though, that in addition to the messages they send me, with discounts and trying to get me to buy new products that they also took the time to just send me an email to say, "Thank you." I mean, clearly there are other marketing messages within that, but the main focus of this email is just acknowledging that I'm one of their top customers and giving a "thanks" for that. That's what I would categorize as more of the surprise-and-delight type message for your business.

American Lung Association, this is one of the key charities that we donate to, passionate about it having a son with asthma. They get that people don't just donate and people have a lot of choices of where to give their discretionary income. And, I like that rather than just always sending me emails about, "Hey, it's time to donate. Give us your money," is that they really focus on what actually some of that money is driving and some of the education around quality air. And, again, clearly they see it as a secondary opportunity to get the donations, but that's not the primary focus. BabyCenter does a great job of building relationships from the time a woman is pregnant. Right? They collect the due date. They send these wonderful weekly emails about development of the child.

And, then, the benefit of that is, over time, as they develop that relationship they also are able to start selling products. And, they become the go-to resource for anything that parents want to know. And then, Williams-Sonoma, this is a similar category as what we saw with Crate & Barrel. They also get that people aren't just going there for their products. They're going there to create an experience. Again, you could clearly get cookie cutters for the holidays that would be a lot less expensive than buying them at Williams-Sonoma, but they're really trying to show them in context of the experience that you can create. So, these are some examples of where I feel other emailers, that may not have as much content as a company like Yahoo! to push out, are really trying to apply these principles.

Measuring Success

In addition to the three R's, there are a couple of other pieces. I've talked a bit about measurement. I want to go through that a little bit, but then also talk about the importance of organizing for success and how we've set ourselves up, in Yahoo! so that we can even have this level of thinking. And, that will probably ring true for many of you, given that a lot of people said internal politics was one of the biggest barriers. So, we talked a bit about this, but again

for measurement it's thinking beyond the standard metric. You know, it's not always just looking at the revenue but it's looking at how people are engaging with the content that you're sending to them, and what are they doing in terms of, you know, really looking at that "Report Spam" and "Unsubscribe" button. And, considering that is just as important as you do the positive response. Going beyond the campaign ROI and really looking at the value of a group of users over time, which is, by the way, something that we're in the process of doing, is really looking to prove out.

We do very much believe that not only are the audience-centric emails that Cori talked about do, in themselves, perform higher, but we do believe that by interspersing those with some of the very heavy product focus and strong call-to-action messages that overall we're going to see higher response in those messages as well because we have built the relationship. And, then it's beyond the standard metrics. Right? That's considering again that overall inbox experience. And, if you need to, getting qualitative, bringing in customers, talking to them, understanding, you know, if they think it's valuable to be receiving messages with your set frequency on the content you're sending out.

So, organizing for success, what I mean here is we spend a lot of time as a group. Policy is very important to us, in terms of thinking about things like frequency, thinking about whether or not we include any third-party content at all in our messages. Clearly, there are a lot of internal groups, a lot of salespeople, a lot of advertisers that would love to use this channel to reach our users, and we've been very careful to protect it as an engagement channel for Yahoo!. We have centralized access to the calendar, so for big companies...you know, certainly I came from a company where, you know, it was kind of first come, first serve at the database, where multiple people could get the database.

No one was managing that centrally. We managed this on a quarterly process, where we take requests, we look at how things perform, what the priorities are for the company, and come up with our calendar based on that. We use creative templates you saw on Cori's work there. You know things are going to have variations, but there are certain things that are very standard so that we have that common look and feel in the inbox.

We use designers that have email expertise. So, I think we all know that the way you design for a banner ad is very different than a direct mail piece. It's very different from email. So, we want to make sure that our designers are knowledgeable with those best practices. We have performance benchmarks internally. So, we clearly track industry benchmarks, but we have our own internal metrics that we color code red, yellow, green for every single campaign we set out, for the creative and the targeting. And, we use that to determine whether or not we continue that campaign, going forward. And, then always learning, it's a continual process. We're always looking to improve. Each year we're looking to how we can get better.

I would encourage again these are questions we ask ourselves but for all of us really, just as email marketers to ask ourselves if we're really using that email to build a relationship or are we just always asking for the order? Are we sending relevant content based on the data we know and not assuming what we don't? Are we respecting preferences and really trying to protect that often that we have? Are our metrics and is our organization aligned around our success? And, with that, hopefully as female marketers we can all collectively continue to raise the bar. Thank you!

Audience Q&A Session

Question #1: "You mentioned to control frequencies you guys set up the like one user per email, per week. How do you manage that? Is that manual or is it automatic out of your database? How do you manage that?"

Cori: It's both. It's manual in the sense that we have that central calendar that we're maintaining. So, we know the list of campaigns that we might have going out in a week. And, then we use our technology to make sure that we're prioritizing among those campaigns so that a user, even though they might qualify for many, is only getting the one that we prioritize them into.

Sue: And, I also try and put campaigns with really competitive targeting in different weeks, so that there isn't a really big conflict.

Question #2: "From the technology that you use to sort of prioritize the sets per week, is there any kind of jitter that you have in there that sort of mixes up content that they receive. For example, one person, based on their preferences, might always get the same theme or layout and that might lead to a burnout even though this logic shows it to be the most relevant or the best performing. Do you have any kind of, sort of, something in there that sort of jitters the recommendation. That jitters the content, so that it mixes it up?"

Sue: I think a lot of that goes back to the manual piece of the process, so that we're making sure that...I mean, dozens of properties and one email per user per week. But, we don't have, for example, a travel email on the calendar every single week. We might have it once a month. So, that way...that's a lot for the manual piece that we're really kind of managing to make sure it's not always the same content that people are receiving. But, we also use exclusions as well. If we do have weeks where we're sending something out that's similar, we might exclude people that received the other campaign.

Question #3: I love your Best of Yahoo! and I wondered if you had ever used that as sort of a reactivation or...I'm just thinking about all of the times that we judge a campaign based on opens and clicks. What about all of the people that didn't see it? So, I wonder if you do sort of a resend of any of your best of? Why not send it to everyone who has not opened a series of emails that you knew were super engaging?

Cori: Yeah, I think that's a great idea and, honestly, it's something that we're exploring. I'm sure many of you were constrained in terms of the amount of messages that we can send with our budget. So, we have typically used that to optimize traffic back to the site. But, that said, I think there really is, and we are starting to explore as the team, is there a certain minimum frequency that we want for certain users so that we can reactivate. And, I think you're right. Best of Yahoo! is a key campaign that could do that.

Question #4 I think you said that you guys don't put any third-party offers in your emails, so I was curious if you guys have ever tried that, number one. And, if you don't do that, how do you measure success? And, then I've got a comment, which is as a long time Yahoo! Mail user I think the creative and execution of your emails are great, but I find that getting an email once a week or maybe once every two weeks and then having the emails be different themes or about different things. It's almost like a discontinuous experience. So, I never really developed an ongoing relationship. In other words, something you could do would be like, "Wow, I'm really interested in travel and I want to find Yahoo!'s best content and deals on travel."

Sue: Yeah. And, a great comment. Yeah, so in terms of measuring success, it's really about engagement with the site, and clearly we're able to track back. Right? There's value to bringing people back to the site because there is obviously advertising going on there. So, there's value to page views. Yeah. And, when we have tried it...certain countries outside of the U.S. have tried more of a third-party approach to their emails and those are...we see an increased focus on third-party there is the areas that have the lowest response and highest unsubscribe rate. So, we're trying to...we're actually doing some testing, where we're trying to include stuff in a contextually relevant way. So, we might, for example, in a future send one of our messages including some recipes from one of our advertisers.

In terms of personalization of emails, do you guys have signatures? Have you experimented with sending personal emails rather than just generic themes? And, when people unsubscribe, do you take them to preference centers so that they can tell you why they unsubscribed?

Sue: Yeah, so for the unsubscribed, yes, we do have a preference center. But, we...honestly, we find that most people are going to just unsubscribe through the "Unsubscribe" link, so that's

not necessarily going to take them to that preference center for trying to just make that an easy process. We've done some testing around having different images or different content in some of our audience emails. I don't think we've had sort of clear, statistically valid information. But, in a lot of our other product emails, where we've done testing with personalization, or some of our travel emails we've included personalization, we saw a significant lift.

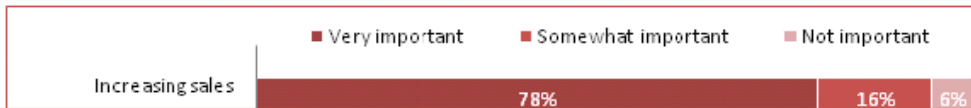
Case Study: Getting Off on the Right Foot – Why the first 30 days matter the most

BY DIANA LAWSON

It's a pleasure to be here today and to be talking to you about customer satisfaction. It's something I'm very passionate about.

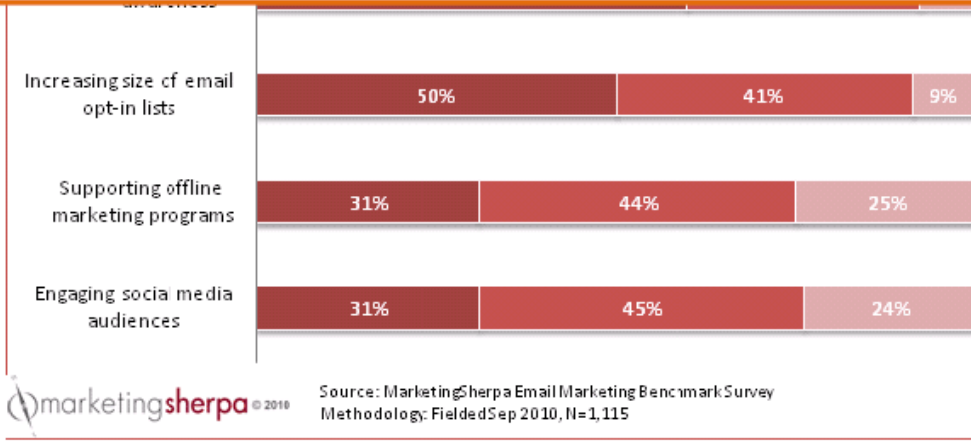
I'm with Microsoft and I'll be talking to you today about the Office products. I was pleased to see the panel before talk about using B2C tactics for B2B. My talk is going to cover a couple of B2C as well as B2B. So kind of covering both and giving you some examples of work that I've done in both areas.

To kick off, I don't know if any of you recognize this, but about a month ago this landed in my email box and I was very excited about it. This is the MarketingSherpa survey.



improve customer relationship by:

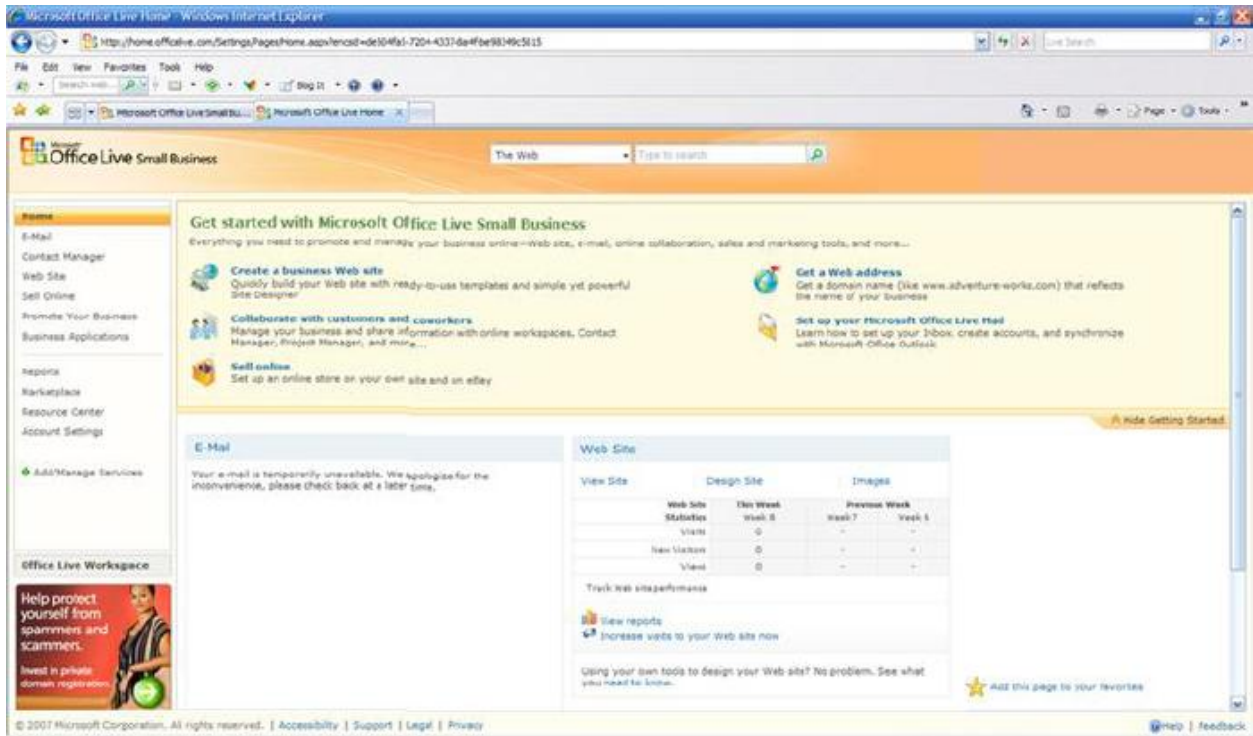
- focusing on the first 30 days
- leveraging basic content to help customers get started
- taking a long-term approach



It took us to their survey base, asking, “What’s the most important reason for your email campaign?” And, what they saw, in the second one there, is that retention and relationship building was number two. So, I was very excited to see this, knowing that this talk was coming up, because that’s exactly what I’m going to talk to you about today. Particularly, what I’m going to talk to you about is how to use the first 30 days of your customers’ experience with your product or service to really get them started, and how to use that basic content of just help and how-to, to move your customers into the usage of the service or software, and also about taking a long-term approach about that.

Addressing customer needs

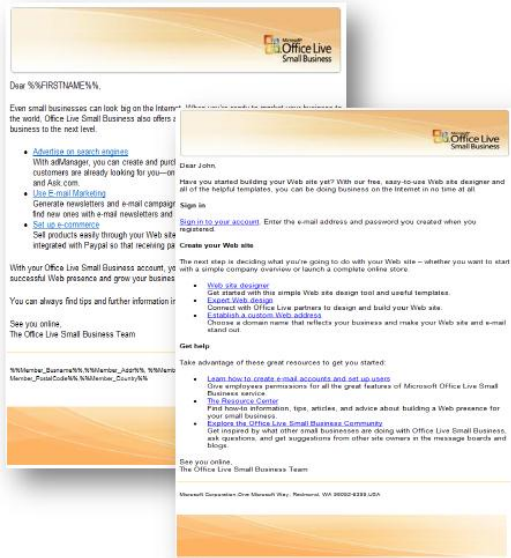
So, right off the bat, I’m going to talk to you about Office Live Small Business. Office Live Small Business is an online service for small businesses.



This is a great service. It allows small businesses to get online with little cost. It's basically free. You can sign up and get a business domain name as well as an email address, and a website. The service offered a way to build your website without knowing any development. Anyone could just sit down and use this kind of plug and play thing, cut and paste, and build a website, and have a website up in minutes. So, it's a great service for small businesses. And, then like I said, there is an email component so customers could have their business address, so it was your name at your business, and you could start getting email in a very professional way for your business.

So, when we started the service, what we had was a welcome series of emails. We also had a "getting started" panel, and this panel showed up in the service. So, imagine you log on through Internet Explorer. You log on just like you would log onto Facebook, or something like that, and right at the top there was this panel that helped you get started with the service. We also had some in-product banner ads, and these were placements in the UI, or in the interface of the service, that we had to offer up more help and how-to, and tips and tricks for customers. So, we were pretty excited about this. We knew it was a great offer for customers, basically free. You could add on a few things at a small charge if you wanted to. And, we had a good way to engage with customers, some great marketing within the service and the product itself, as well as the email program. And, we were pretty excited about this.

email series



in-product: getting started panel



in-product: banner ads



So, guess what happened? Here are two numbers that I want to share with you. Any ideas what these numbers might be? It's kind of a broad question, so I'll just go ahead and answer it. But, 50 percent was the drop in active customers in the first five months. 112 percent was the drop in net promoter scores from 30 to 60 days, and so what you can see here, net promoter score. Any of you familiar with net promoter? That's good. So basically that's the likelihood that someone will recommend your service. It can be a sort of an indication of satisfaction, how satisfied the customer is, how much they are going to tell their friends, how likely are they to recommend. So you what you see here is that these numbers are not good. We were not happy about this. So we took a step back and said okay what is going on? So we looked at our customer survey data and what we found time and time again is that the customer said, "I need step-by-step help." "I need more information about how to get started. Talk to me like I don't know anything about web sites, because I don't know anything about web sites. Help me, help me, help me."

Helping Customers Get Started: Service

So we thought all right, it is pretty clear. We need to reengage our customer base at the very early stages of their time with us so we can get them started and get them moving through and into the service. So the strategy we took here was to decide on a directive cast. So we basically decided that there were three things we wanted the customer to do. We want them to build their website, we want them to get a web address, and we want them to setup their business email. We figured that if they did those three things, just those three things in their first 30

days, we would likely have them coming back and revisiting that service, checking that business email everyday and getting back in it and really much more satisfied because they would have a little more skin in the game and feel like they have gotten something out of the service.

So, the other step that we did in our strategy was taken an integrated approach. We put these three steps in all of our communication channels. So like I showed you on our slides before, we had email, we had end product and we had some banner placements in the product. So we thought that we were going to just put these three steps everywhere. Microsoft is a pretty large company and oftentimes everyone wants to put everything in an email or everything in a newsletter, through this in there, put that in there and kitchen sink. I want it all in there. But the reality is that if you can narrow it down, you can often see a lot higher response rate to your emails. So we said we are going to this directive path and we are going to put those three steps everywhere. And we are going to follow some design best practices. We are going to take a step back on all of these placements and see what would really work and how can we make each of these channels much more engaging and work a lot harder for us. So let us take a look at some of the tactics.

Tactical approach

So here is the first email that our customer gets when they join the service.



Dear John,

Have you started building your Web site yet? With our free, easy-to-use Web site designer and all of the helpful templates, you can be doing business on the Internet in no time at all.

Sign in

[Sign in to your account](#). Enter the e-mail address and password you created when you registered.

Create your Web site

The next step is deciding what you're going to do with your Web site – whether you want to start with a simple company overview or launch a complete online store.

- [Web site designer](#)
Get started with this simple Web site design tool and useful templates.
- [Expert Web design](#)
Connect with Office Live partners to design and build your Web site.
- [Establish a custom Web address](#)
Choose a domain name that reflects your business and make your Web site and e-mail stand out.

Get help

Take advantage of these great resources to get you started:

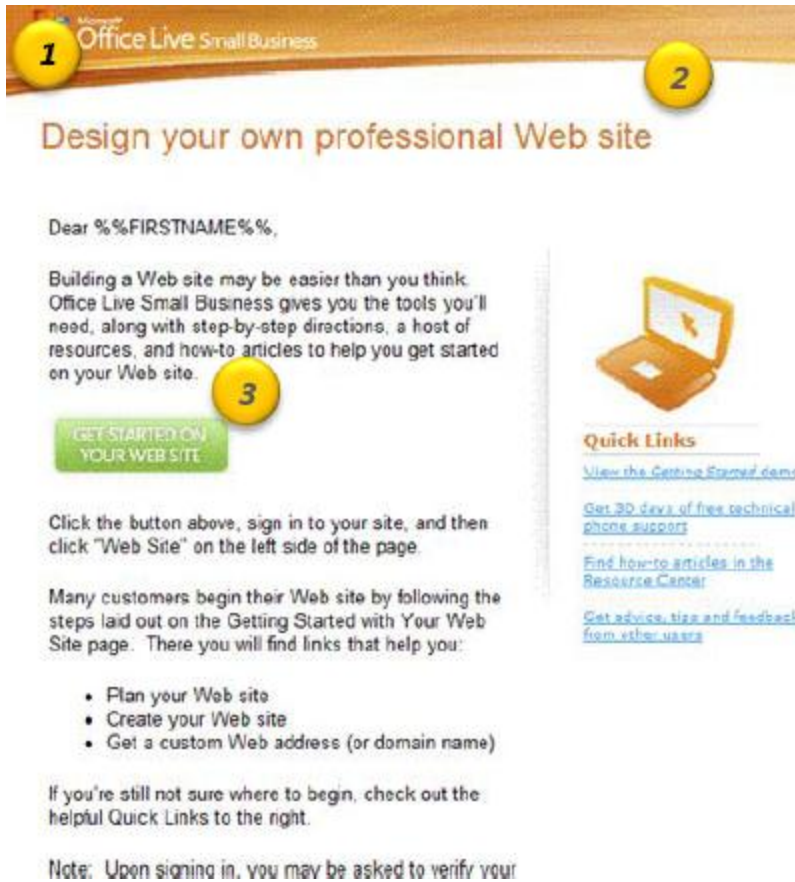
- [Learn how to create e-mail accounts and set up users](#)
Give employees permissions for all the great features of Microsoft Office Live Small Business service.
- [The Resource Center](#)
Find how-to information, tips, articles, and advice about building a Web presence for your small business.
- [Explore the Office Live Small Business Community](#)
Get inspired by what other small businesses are doing with Office Live Small Business, ask questions, and get suggestions from other site owners in the message boards and blogs.

See you online.
The Office Live Small Business Team

Microsoft Corporation, One Microsoft Way, Redmond, WA 98052-6399, USA



As you can see here, it breaks some design best practices. There are way too many calls to action on this email and one of the things that Dr. Flint McGlaughlin was saying yesterday was about the priority of these actions. There is a lot of unstructured thinking going in here to use his term, which I love. And basically they are all at the same level; it is not prioritized for the customer. So here is the new design.



I am going to walk you through two slides with this. One, I am going to talk about design and the other one I am going to talk about content on the email.

Let us take a look at what is different on design. First of all we optimized for the reading pain. We moved the logo to the upper left so that no matter what configuration the customer has in their browser, this is 101 for most of you in here, we were following that rule previously so we moved it into the better location so that customers could instantly see who this email is from and then we also reduced the size of the header and this allowed us to move the call-to-action up a little bit and then we integrated the best practice from our website. Our website team did a lot of multivariant tests to see what drove the most to action and what they found is that this green button was the thing that drove most to action. Not an orange button, not a red button, but a green button and so we decided to use that green button in all of our emails and it actually became kind of a funny thing around our office where every time we look at creative mail, we are like "where is the green button?" You know it is not appropriate everywhere, but we try to employ it where we can.

What is different in content? You can see here that we reduced the number of calls to action. We really simplified this to really focus in on what are the most important things and what were they? The first step of that three-step process. And then we moved to more help tones.

So when the customer signed up for Office Live Small Business they got three days of free phone support and most customers didn't even know that they had the free phone support. So we decided to let them know and right after that first email, hey here is the reminder you have 30 days because you know the clock is kind of ticking and if they didn't know, they might miss the opportunity to use the free phone support and then we also worked on the subject line. And this is an example of the subject line. Before it was easy to get started with Microsoft Office Live Small Business, pretty long, pretty, lots of words there and we shortened that to "start building your website today." It has a lot more punch, a lot more quick action and gets them to really reiterate the first step and the three steps that we wanted them to take and really kind of move the open rights on our emails quite a bit.

Results

So let us take a look at some results. So the bottom line there is pre-optimized, so that is our baseline. We sent emails at T7 or T1, T7 and T14, with T being the day they signed up. If they sign up and sign up one day later is that they would get the first welcome note. So what we find is that the clickthroughs and open rates are increased in every email. Every mail saw pretty big advances in the number of clicks and opens. This last email in the T+14. You can see, a 143 percent increase in the clickthrough rate and one of the things I attribute that is that that email actually up-sold the customer to sum up the paid offerings of the service. We took all that paid offering information out. Because we felt that two weeks in the service it was probably a little too early in their life cycle to start trying to up-sell them, and so we really claimed that up and focused it on the third step in the process and we saw a 143 percent left in the clickthrough rate there.

So, the next step was the end product. And again if you remember this is the panel that shows up when you logged into the service. And what we had here was a lot of random calls-to-action, a lot of opportunities for the customer to take action.

Get started with Microsoft Office Live Small Business
Everything you need to promote and manage your business online—Web site, e-mail, online collaboration, sales and marketing tools, and more...

- Get a Web address**
Get a domain name (like www.adventure-works.com) that reflects the name of your business
- Create a business Web site**
Quickly build your Web site with ready-to-use templates and simple yet powerful Site Designer
- Send professional-looking newsletters with E-Mail Marketing**
Cost-effectively build relationships and loyalty with customers
- Set up your Microsoft Office Live Mail**
Learn how to set up your Inbox, create accounts, and use Microsoft Office Outlook
- Save your documents on the Web**
Access files from almost anywhere. A single place to save and share your work
- Sell online**
Set up an online store on your own site and sell your products

The very bottom part, the bottom tier is up-sell to email marketing and e-commerce. So again, there was a lot of opportunity here for the customer to kind of go off and do something else and get lost and confused and possibly not get stuck and not move forward in the service.

Here it was after the redesign.

Get started

Just design your Web site, get a Web address, set up a custom e-mail account, and your online doors are open for business. Before you know it, you'll be using simple tools to attract customers, help them find you online, and track your results. [View the demo](#)

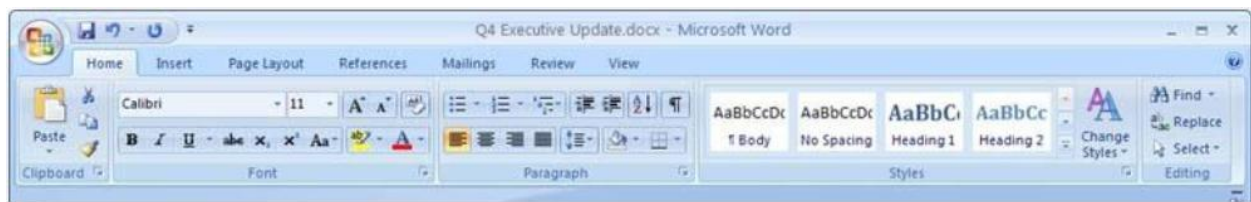
- 1 Design your Web site**
Easily put together a professional-looking Web site using customizable templates and your own graphics. [See examples](#)
- 2 Get a Web address**
Choose the Web address—the "domain"—where you want people to find you. Get a domain from us or transfer an existing domain.
- 3 Set up your business e-mail**
Create your e-mail account, and you're in business. You've opened the door to connect with customers simply and professionally online.

As you can see it is much cleaner. It has that directed path right there. One, two, three and it really shifted the tone to being much more helpful and there is no preset and there is no up-sell content, there and there is no cross sell. This is really meant to get them into the product and using. So let us take a look at the results. There are two areas on this that I was particularly excited about and one was the lift in design your website. It went from 2.2 in the old version to a 5.5 percent clickthrough rate in the new version. Pretty significant lift on that one to call-to-action. The other call-to-action that had a big lift was setting up your business email. This went from 0.5 to 0.8, which doesn't seem very significant, but the reality is that if you have email coming into an email account, you are much likely to come back into the service and check that email daily, pretty frequently and probably multiple times a day if you actually have an email account there that people are sending email to.

So, it is a very sticky part of the site and we were excited to see that lift as well. Overall on this email we saw a 79 percent lift in the clickthrough rate and so clearly our work on employing best practices there helped us a lot. So now what happens? If you are remember at the very start, I talked about the net promoter score and the using. So here is two new numbers, 24 and 22, probably you will have a better idea about what these are. What they are is that we saw a 24 percent increase among new users and usage and so this program actually got those users to start using, which is what we wanted and a lift in net promoter score of 22 percent; which is a pretty significant lift in net promoter score for those of you that are familiar with. And it is a tough one to move the needle on net promoter. So we were thrilled to see that just by embracing the customer, getting them in, getting them started and really helped them a lot in the service and when they started using the service more, this promoter score and the satisfaction score increased, so we are very excited about that.

Helping Customers Get Started: Software

I am going to switch gears a little bit. This is a little bit more “consumery,” but it does have the whole philosophy applies to B2B and talk to you about software. So what I just showed you was a service example, how we used the getting started program to help people in the service of Office Live Small Business. Software is a totally different story and where software the customer actually has it on their machine. It is not something that they log into necessarily, so we needed to move from the services space to the software space and see what we could do there. You know if we did something like this, what could happen with that, what results could we see and in this case study we are going to talk about Office 2007. Office 2007, is anybody using Office 2007? Yeah, so this probably looks very familiar. This is the ribbon in Word.



Office 2007 was a very pivotal release for Microsoft. It was the time that we moved from Office 2003, anybody on Office 2003, still? Yeah, a few of you.



So, Office 2003 had menus and toolbars, Office 2007 has a ribbon, which is a much more fluent UI. It actually changes when you start to do different things in the product. So if you go into the insert tab, you see choices that are really relevant to inserting images or things like that into the document you are working on instead of menus and tools and so it is very fluid. It had a lot of features that everybody knew from 2003. The 2003 version was getting a little constrained in how many tool bars and menus that we could offer up and how many features we could give the customer, and so this went through and this was a free radical redesign on the software and it went through a lot of testing, a lot of focus groups, it was well received in a all those spaces. We were pretty excited to release it for Microsoft and yeah what happened when we released it, is that we do product satisfaction studies on our software and what we found when Office 2007 released, is that in the first three-months' use the customer satisfaction dropped dramatically.

So what we had here is customers investing in the software, they went to use the software and they were not very satisfied. You can see that it went up and I think your market actually went

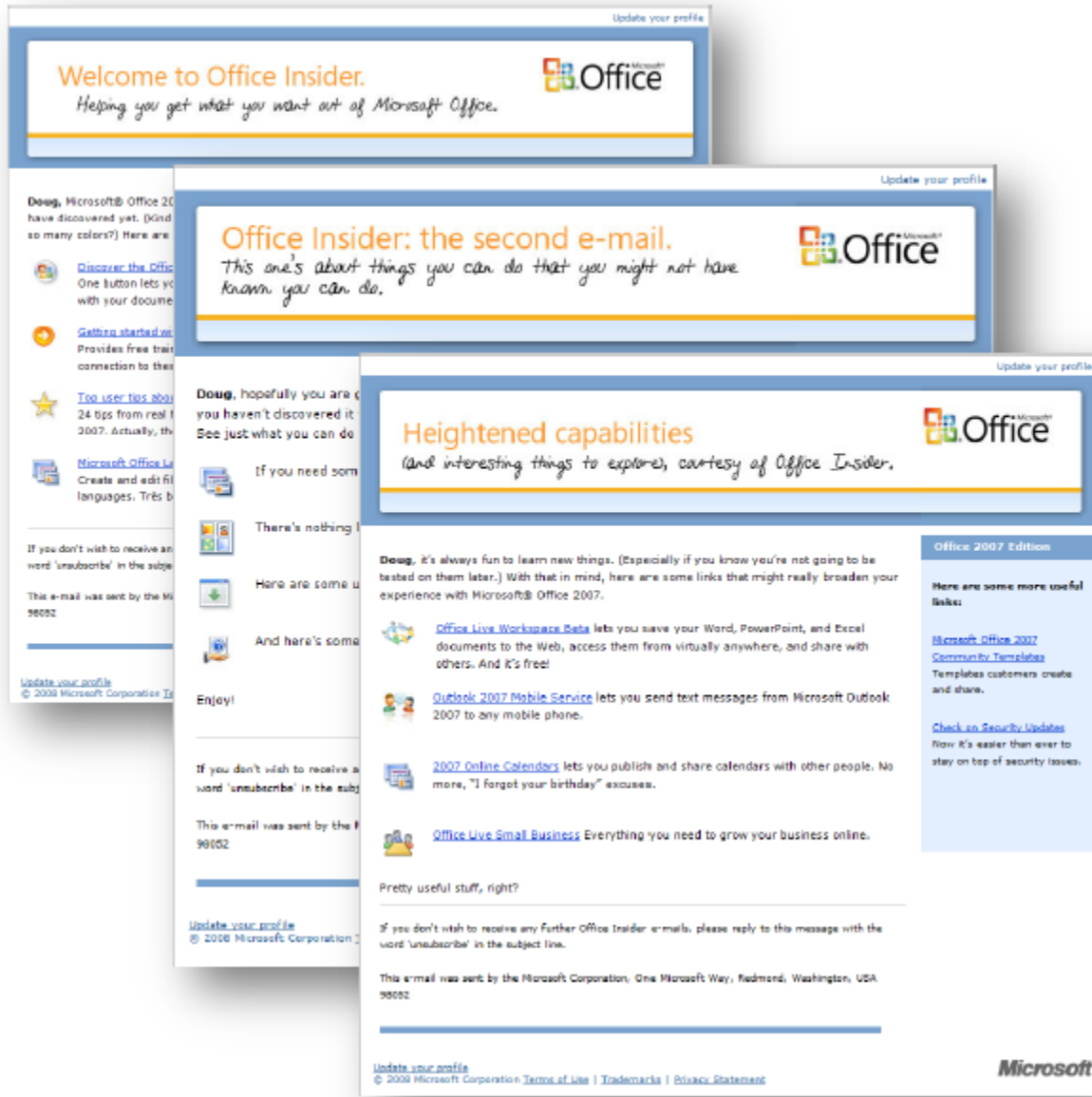
up very high, but the first three months, that is a big pain point and what if those customers decided that they didn't want to continue playing with this software because they just weren't happy with it. And so in this case study we are going to take a look at why that happened and what we did to help.

Overcoming challenges

The challenge here, as I spoke to you about the ribbon: the change in the ribbon and the change in the UI. I don't know about any of you, but I worked at Microsoft when Office 2007 was released, so I was on the Microsoft campus and I was going to go to a meeting and I needed an agenda and I needed to print the agenda. So I had the agenda and I opened it and office 2007, for the first time that I used that version of the software, I needed to print it so I was looking all around, where is the print button? Yeah. This is familiar? Where is the print button? I don't see it. It was pretty clear in Office 2003 but I don't see it in 2007, so I actually yelled across the hall to my colleague who sat across from me and said, "hey I need to print, but how do I print?" And what was his response? You use the button, the Office button. I am like Office Button? Okay. Looking, looking, and I don't see an office button, there is no office button on here and finally he had to come across the hall into my office and point to this little circle there that is in the upper part of the User interface and that is the office button. Once I found it and opened and saw that wide range of opportunities there of different things I could print and how I could print it, I was like "sweet!" I love the office button! But nobody told me where it was and I know that yeah you went through the same thing. And I am lucky, I am working at Microsoft, I am sitting there with people who know this software. So we realized that we had a big challenge and that we needed to help move people through the transition to the new software.

The strategy

So the strategy I employed here was to really leverage an existing email series that we had in market already. And then also to conduct a product survey, because as I mentioned before, one of things that we needed to do, was prove that this type of program could help with software satisfaction and usage. So I had some constraints here. I had limited funding available, and like I said, I didn't have the data to prove that this was really going to do what we needed it to do. And the limited funding came about because, when we started focusing on this, we knew that Office 2010 was a year out, and so we just released Microsoft Office 2010 and we knew that pretty soon resources were going to have to shift, our marketing resources from Office 2007 to Office 2010 to get ready for that and to bring that into market and instead of doing a full redesign on a pro, full redesign and starting to build out a whole new program, what I did was leverage an existing program and here is that existing program.



These is an email series that someone would sign up for and to say if they wanted to get information about Office 2007. And once they signed up they got a number of emails in different cadence throughout their life cycle. These cover a wide range of topics and they also included some cross sell and up-sell information. So let us take a look at what they did here.



Again this was just a content redesign because of the funding and timing, and so what I did first was change the content to talk about, to use words that I knew that customers would relate to and words like open, print, save. I didn't lead with the office button, because I knew that that wouldn't mean anything to anybody. We led with here is how you print, here is how you save, and then we also changed it to help with the ribbon and so the website content was pretty robust around helping people getting started with the ribbon. And there are actually great interactive guides about it if you did this in 2003. We wanted to surface up all that help content here early on in the customer's life cycle and then I cut all the cross sell and up-sell. We had a link here to offer people office site work spaces, which is online file sharing and really that is a little bit too advanced for their first couple of days on the software. So I cut all of that, all of the up-sell and cross sell and focused in on just, this is what I want the customer to do now and get them into the product.

Results

So here is what happened after this email was out in the market. I saw by design a decrease in

all of the cross sell content because I cut it. I decreased 100 percent, and I saw a decrease in advanced content because, again, I really wanted people to focus in on just getting started. And instead all those clicks and opportunities to engage people, moved over to help and support, to how-to, to training, and we had a whole robust site full of content. It moved all of those clicks to that area. And so then if you recall, I talked about doing a survey and so what else do I find? So this is the red line, is what I showed you before, which is the product satisfaction of Office 2007, and the green line is a sample of the customers who are in this email program. So we took the list of my email program and sent them the same survey that included a lot of the same questions that the general population received and then we compared those, and what we found is that a lot of people in the general population were not as happy as the people in the insider program. The office insider email program drove, it was actually, got people a lot happier about the big product and they were just generally happier people. So, great to know. Then we also found that this email program mitigated that learning curve and it was a lot gentler and a lot smoother transition into the new software. We were able to see this correlation that they were actually moving to the new software and still not dipping down so much in their satisfaction as the other group. It was great to know and it was great to have the survey in our back pockets and to say okay, we know then that a getting started program can actually help in the desktop product.

Lessons learned

And so now we are continuing the journey into Office 2010. Anybody using Office 2010? It is, just a few of them out there. Great, great, thank you. So we just released this in June, just six months ago and if you purchased through an online electronic distribution through Microsoft, then you would get a welcome email from us and you would be joined into this survey or into this program and in the welcome program. What I did now is, I leveraged a lot of those things I learned from Office Small Business and Office 2007 and put them to work in Office 2010. So these included those design best practices, fewer calls-to-action, really offering up help and how to and support. The other thing that I did then is layer on. And so each time I do one of these programs on of our software or services, we layer on something else and try something else with it. This time around when I am layering on is doing ten-year based. So for Office 2007 they signed up for the email series and for Office 2010 they get it when they start, once they purchase the software, it starts their life cycle with us, and so it is more tenure-based and it is pivoted around their purchase date and it fosters relationships. I don't know if you can tell up here, but this is Takeshi Miyamoto, he is the Vice President of Office.

Let us help you get started with Office 2010. Trouble viewing this email? [View it as a webpage.](#)

Office

"Thank you for choosing Microsoft Office 2010. Here are some resources designed to help you get the most out of your purchase."

— Takeshi Numoto
Corporate VP, Office Product Marketing Group

We know it takes time for people to learn new products so I want to help you out. In short, I recommend visiting the [Office.com Getting Started Center](#). This is your source for training, Office templates, and how-to videos.

You can also find online support through [Microsoft Answers](#). Here, you can get your questions answered by thousands of Office community members, including Microsoft folks.

I hope you find these resources helpful as you explore Office 2010. My team and I will be in touch soon with more tips.

Again, welcome to Office 2010.

Takeshi Numoto

Takeshi Numoto
Corporate VP, Office Product Marketing Group

QUICK LINKS

Office Office.com Getting Started Center	Microsoft answers Microsoft Answers Forum	FREE PHONE SUPPORT Telephone Support Directory
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Welcome to Microsoft Office 2010

Office

banner ad

This is actually a letter from him and he signed it at the bottom and he stands behind this and he is thanking the customer for his purchase. And then we are doing that following on from this every 30 days the customer is going to get an email and it will showcase a new team member, another team member from office and those team members are also on Facebook and LinkedIn and Twitter and other places so that you can engage with them.

The other thing that this does is it truly integrates emails and ads and this will run on the website and the ads and the email channel actually effect each other and so we know that the customer will see both of them around the same time period.

And lastly we are going to extend beyond 30 days and how are we going to extend beyond 30 days and I am going to give you a sneak peek because this isn't even actually out the door yet.

Just on the cusp of getting, hitting the blast button in the next few days. But we are going to have email, the first email will be about Excel, there will be banner ads about Excel, and that talked to the customer on how to use the Excel software and this particular one is about how to build a table in two steps using Excel.

Excel email **landing page**

Excel email banner ad: The banner ad features a man (Albert Clavo) standing next to a computer screen. The text on the screen says: "Tables may look complicated, but they are actually super easy to create. Let me show you how in two steps." Below this, there is a "Watch Now" button and a section titled "Albert's Go-To Guide" with links to "Watch a video on how to create a table in two steps" and "View the video on how to format a table in two steps".

Excel landing page: The landing page has a header with the Microsoft Excel logo and the text "MICROSOFT EXCEL MAKES IT EASY TO MAKE DATA LOOK GREAT" and "CREATE PROFESSIONAL LOOKING TABLES". Below this is a video of Albert Clavo, Product Manager, pointing at a table in Excel. The table has the following data:

Product	Qty 1	Qty 2	Grand Total
Chocolate	10	10	\$ 182.56
Gummi barchen	10	10	\$ 1,249.20
Scottish Longbreads	10	10	\$ 1,041.24
Sir Rodney's Scones	10	10	\$ 1,041.24

Below the video is a "Create a table in two steps" button. To the right, there is a section titled "How Others Are Using Tables" with three testimonials and a "How do you use tables?" section. At the bottom, there is a section titled "Albert's Go-To Guide" with links to "Top resources on tables:", "Top questions about creating and formatting tables:", and "Or Ask questions at answers.".

And this is Albert, and Albert is the product manager for EXCEL, and these lead to landing page where you can watch a video, and in the video Albert shows you how to build a table in two steps and there is also a social component here where you can type in your favorite thing about Excel and your not-so favorite thing. And you can take anything and there is also a lot of help and how to content here. To get the customer again back into our website for more information and more tips and tricks.

Key Takeaways

So let me just summarize some key takeaways. The first one is that the first three days actually do matter. I feel like I have proven it again and again and every time I prove it, Microsoft kind of gives our team a little more resources and gives us a little more funding and all of that. So it really, really helps and if you have customers that are joining your service spend some time with getting that first three days right and then it is good to be basic. Everyone wants to have these grand, these Caesars Palace of email marketing, but really basic stuff is fine.

Customers just need steps to get started and then take a long-term approach, like I said every time I do one of these we layer on something new. I know it is a little cliché, but it is a marathon and not a sprint. To get something out there, continue to optimize, row it over time and I didn't do a credit slide, but I do want to just mention that there is a whole team of Microsoft folks that I work with and we also have a whole host of agencies and our exact target is our platform for all of these programs.

Audience Q&A Session

Question #1: Who received the email examples that you just showed, I am only using my office experience as an example. Was it painful, the adoption of Office 2007 for many of the folks in my office and so now that 2010 is around the corner, there is reluctance to adopt, because not everybody received that communication? So, is it when you log on for the first time do you receive it, or how do you identify your end users?

Okay that is a great question. We actually identify them differently in both of these case studies. So in Office 2007 there were sign ups on our website where you could sign up to get the email and so customers could come to us and ask for that and Office 2010 it is available when you download the software and you could purchase the software online through online download and when you download the software you have to give your email address as part of that process and so that is how they enter the program and so we know that there are a lot of customers who buy the software through like best buy or some other places and they are not in our program and we are looking at ways that we can do some data collection and some other things to get more and more customers into the program and we just released it in the last 6 months and we are working on how do we will that a little more, so that is how they get in.

Question #2: I have a question about the email in regards to the web building platform product. At what point were you able to ascertain the actual NPS? Was that after the email had gone out or did you offer an opportunity for survey or feedback within that email?

That was after the email went out. So we had for our survey for NPS for that service, it was kind of rolling continually in the market and so we were able to see before the program started and after the program started and take the scores from those two time periods.

Question #3: am really interested in your series of welcome emails. This is something that we struggle with as well and how best to execute that. Do you also send them anything in hard mail like a welcome pack or kit or something like that in case people delete the email or do you only focus on the email?

We just focus on email.

Question #4 Did you consider sending something hard?

I would consider it and I think part of the challenge that I would have is getting physical addresses. Because with software like I said, if you are going to buy a physical box, or oftentimes you will go to a retailer and like a best buy or something like that, so that would be the challenge for me, but I think it would be a great combination of things to do, this would be a data challenge for me.

Question #5: I like the fact that you are using real people in your marketing and I think you even mentioned some of them are product managers or people responsible for different things and I think that you do that even within the product too correct? In part of the training module?

It is possible, yeah.

Question #6: I just wonder is there a risk there in them leaving the organization or as you are linked in to social networks and that kind of thing what happens if that person departs or?

Yeah, no one is allowed to leave. There is a risk there. There is a definitely a risk there and I think this kind of goes along with what we have been hearing about being authentic and fostering true relationships because the reality is that people will shift and move and when that happens it is just a matter of being transparent about it and we will probably have to redo some email creative and some ad creative to map to the next person that comes in and I think that is just one of the cycles of being human and having human real connections, is just being transparent enough about it.

THE ROLE OF EMAIL MARKETING IN AND INBOUND MARKETING WORLD

BY KAREN RUBIN

The Outbound Challenge

Hi folks! Today we're going to talk about the role of email marketing in an inbound marketing world. And, to start that off, we're going to talk about how marketing is changing. And, at HubSpot we talk a lot about inbound marketing and we talk about how marketing, over the last couple of years, has really started to shift in a different direction.

And, if you take a look at the companies on the right here, Google, Amazon and Facebook, they've really built their brands in a different way than the companies on the left, PG, McDonald's and Pfizer. The approach that they've taken is very different.

1950 - 2000



2000 - 2050



And, that's because outbound marketing, television ads, cold calling during dinner, radio ads, newspapers, trade journals, magazines and spam, it's all getting a lot harder. And, it's getting harder because all of us, as consumers, have found ways to block the interruptions. When we're watching...well, maybe not the Super Bowl. We like the ads in the Super Bowl. But, when we're watching TV, we don't want to see the advertisements anymore, so we TiVo it and we fast forward through them.

We don't want to listen to the advertisements on radio, so we listen to our iPods and we listen to satellite radio. We read RSS instead of the newspaper. We have caller ID and Do Not Call Lists in order to not have to hear from salespeople. And, we've got our Spam box on our email so we don't have to see the email that we don't want to see. Outbound marketing is harder, and it's harder because we don't want to be interrupted all of the time anymore.

The Inbound Solution

The good news, as marketers, is there's an alternative, inbound marketing. And, inbound marketing, it involves a lot of different concepts; social media marketing, search marketing, content marketing, conversion, lead nurturing, sales support. All of that is part of inbound marketing. But, the core thing about inbound marketing is that it's a content-based marketing approach. Instead of interrupting your customers when they're trying to do something, instead of getting in their face and blocking them from doing what they want to be doing, as a marketer you spend your time creating lots of great content and you put that online so that it shows well on the search engine, and when your leads and prospects are searching for your solution they'll find you. And, so inbound marketing offers this alternative to the interruption-based marketing and we'll look...in this presentation, I'll show some numbers about how it's gaining in popularity and a lot more people are using it.

Email as an Inbound Tactic

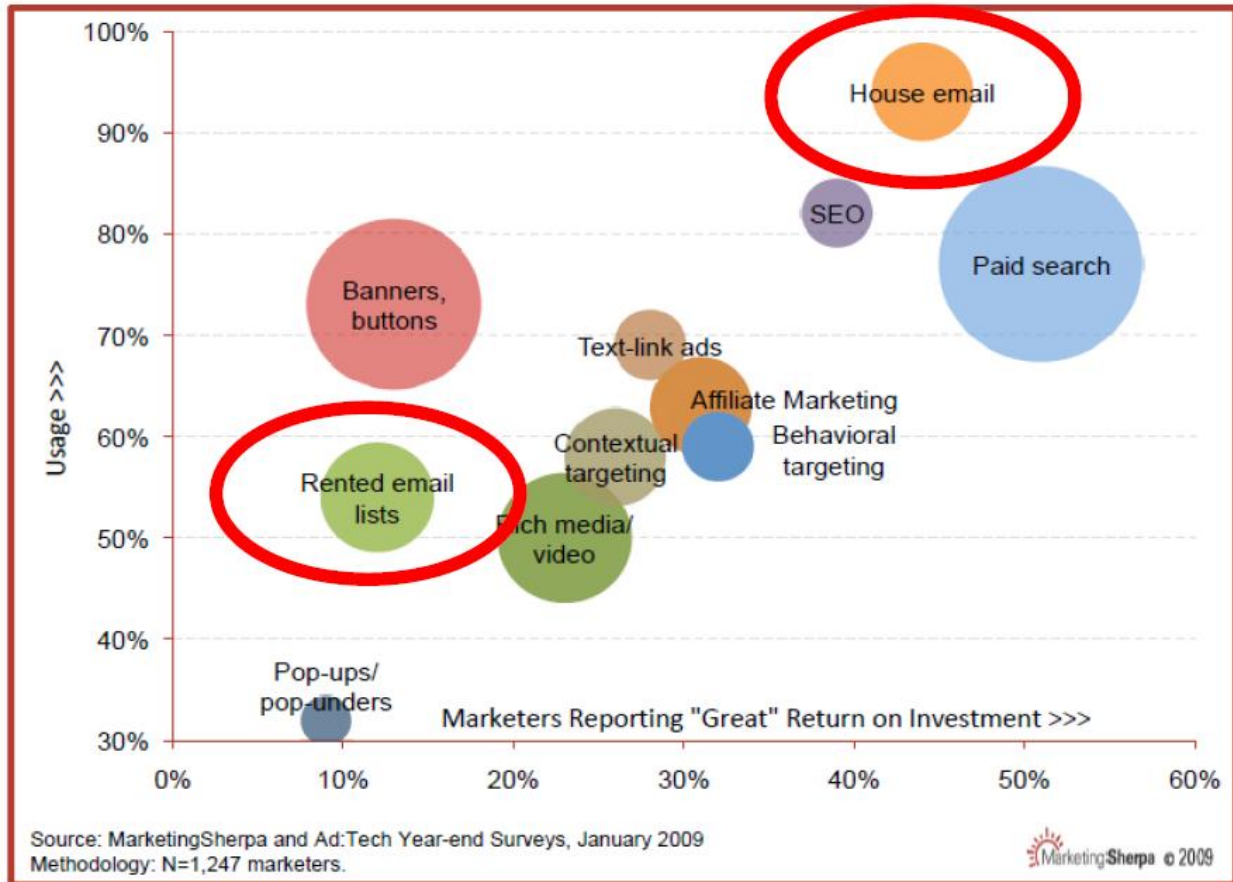
So, what we're really going to talk about today is how email fits into an inbound marketing world. I've been working at HubSpot for two and a half years and regularly people say to me, "You guys believe in inbound marketing. Why do you send emails? If you send emails, isn't that outbound marketing? I'm not coming to you." And, in reality, that's an important question, and it's something we need to think about. So, if you look at your buying cycle as awareness, consideration, and decision, email fits in a number of different places. At the awareness stage, you've got list rentals and you've got purchases. You can go to those purchases. You can go to Jigsaw, Dun & Bradstreet, get a whole list of people that don't know you and send them an email. On the consideration phase, you've got your newsletters and your lead nurturing. You can send to people who know about you. They're interested in

learning more about you, and you can send them some information. And, you've got lead nurturing in the decision phase to help people make the decision about what tool or product they want to buy. And, so let's look a little bit at these different methods and try to figure out which ones really are inbound and which aren't.

House Emails

So, this is one of these famous bubble charts from MarketingSherpa.

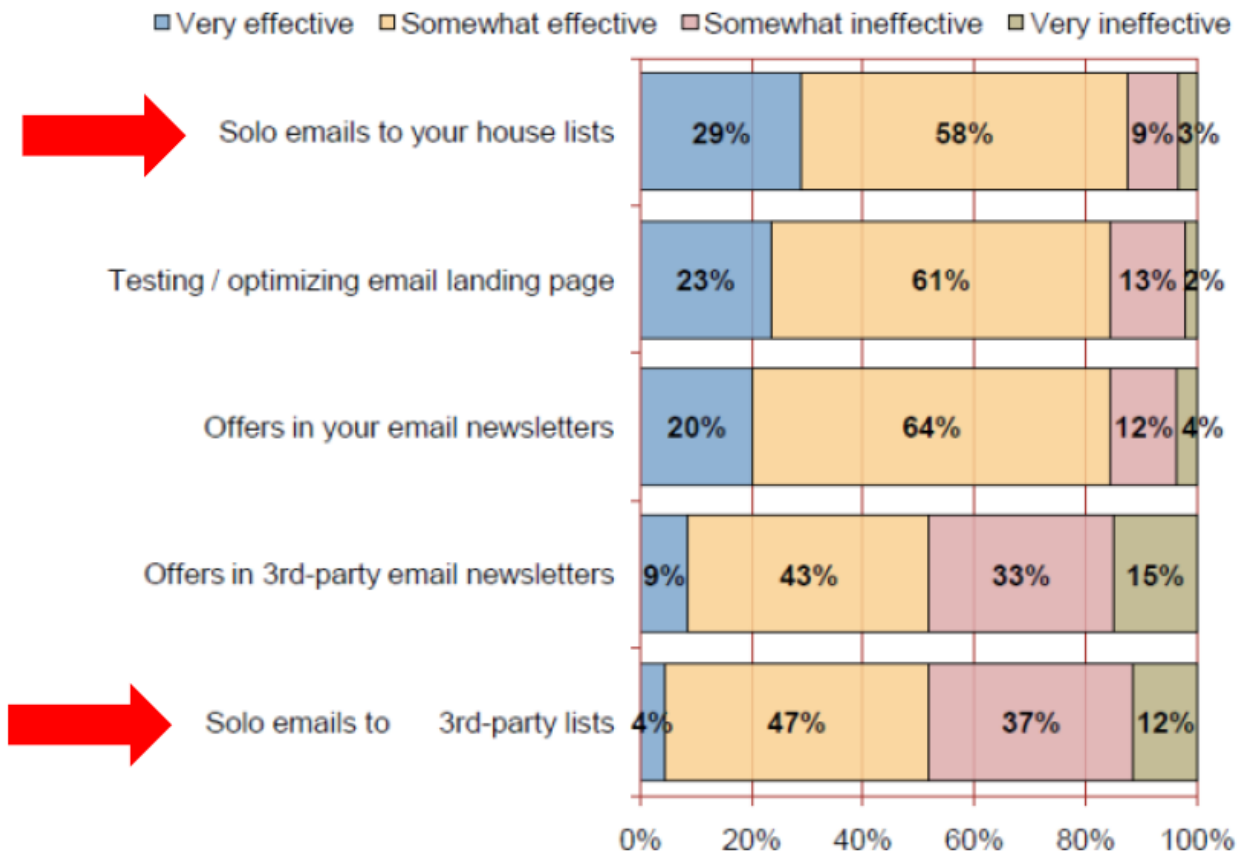
Chart 1.01: B2C Marketing Tactics that Rank Highest for ROI



And, and take a minute to look at it. On the vertical axis, we've got usage. And, all of the bubbles are different marketing tactics or marketing tools. And, on the bottom, we've got return on investment. And, so what this shows us is, of the different tools, how many marketers are using them and what the return on investment for those different tools that we, as marketers, are finding. And, so there are a couple of important ones that I want to point out here. The circle that I just drew is around house email. Now, house email is the email that you, as marketers, build from your website. You cultivate it by asking for people to sign up for your newsletter. You meet people at trade shows and they put their business cards in your fishbowl.

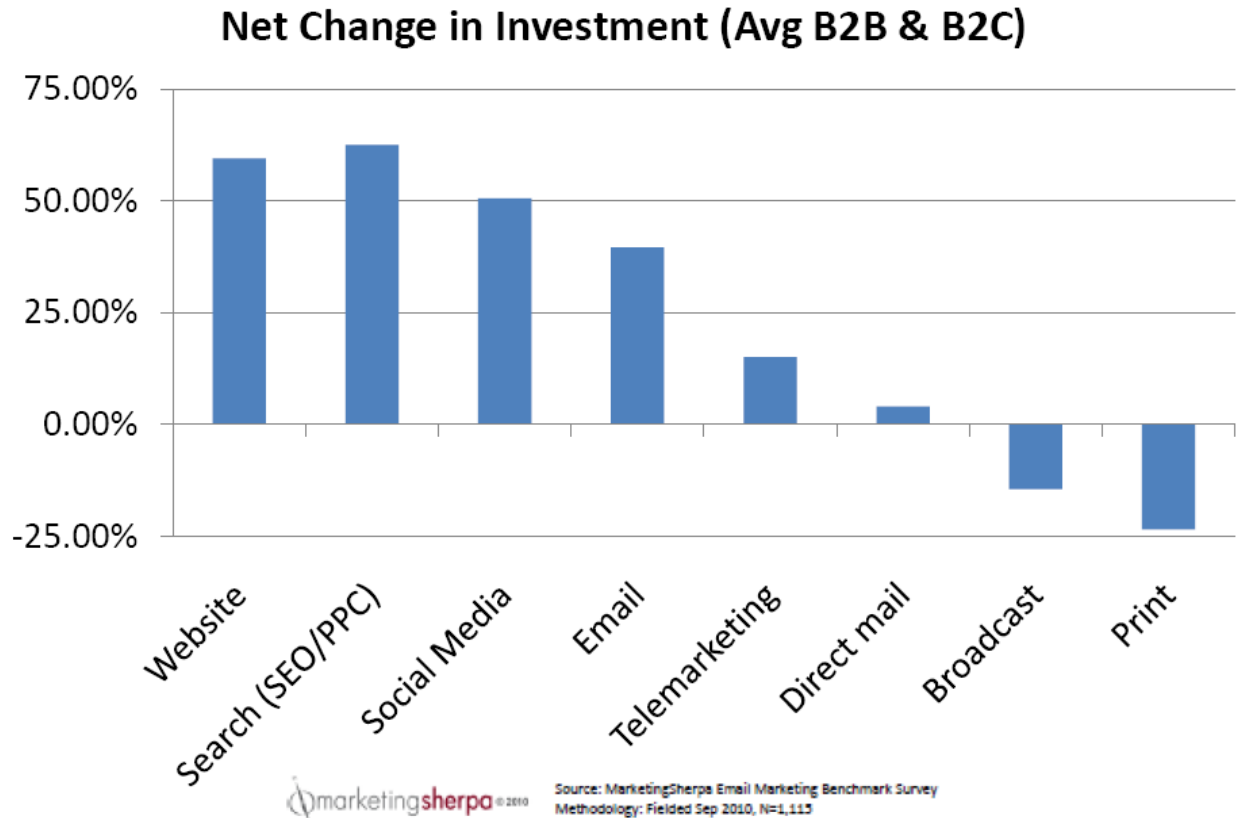
You have webinar registrations. That's your house email list. It's people that are asking for information from you. It's a list that you work to build over a long period of time. As marketers, we're all very proud of our house email list. And, you can see that it's got very high usage. Ninety to 100 percent of marketers use house email. And, the return on investment is pretty good. There's only one bubble higher than house email, when it comes to return on investment. It's something we, as marketers, find to be pretty good to use. It's got good return. On the other side of this chart, we've got a bubble for rented email lists. And, you can see here that 50 to 60 percent of marketers use rented email lists. That's still pretty high. But, the return on investment is much lower. It's only 10 to 15 percent. So, if you look at these two different approaches to emailing different groups of people, house email has much higher adoption, but it also has a lot more return on investment. And, the rented email lists, it has much lower return on investment, but still pretty good adoption.

Solo Emails



Looking at this a different way, solo emails to your house lists; 87 percent of marketers find that solo emails to their house lists are very effective or somewhat effective. We all like those emails. They work pretty well. Down below, solo emails to third-party lists. Only 49 percent of

marketers find these somewhat to very ineffective. So, we find that the emails to our house lists are very effective, or somewhat, but those emails to third-party lists, really not very effective.



And, I really like this chart. It looks at the net change in investment for both, B2C and B2B. Where marketers are investing their dollars, moving forward, how we're changing the investments that we're making. And, so you can see the areas that we're investing a lot is our website search, social media, and email. Those are places we're putting a lot of effort and a lot of our resources. But, telemarketing, direct mail, broadcast print, we're just not spending that much time there. And, so in reality, the future investment is in inbound marketing, spending time on your website, writing those blog posts, optimizing those so that they perform well on the search engines and getting into the social media. All of that is really an inbound approach, and that is where marketers are making their future investments. And, so when this all comes together, opting email, those house email lists, that's really inbound marketing. When we think about it, those are people asking to hear from you. They want to get more information. So, you're not interrupting them when you go in their inboxes. And, so what I take that to mean is that list rentals and list purchases, those aren't an inbound approach. But, newsletters, lead nurturing campaigns, those really fit well within the inbound strategy. And, so as a marketer, moving towards a more inbound world, wanting to allow people to come to you and not

interrupt them anymore, you need to think twice about those list rentals and list purchases. We looked at the data and they don't perform as well. They don't have as high an ROI. And, so it's something to think twice about and to consider spending more time building out your house email list. It's an inbound approach and it performs better.

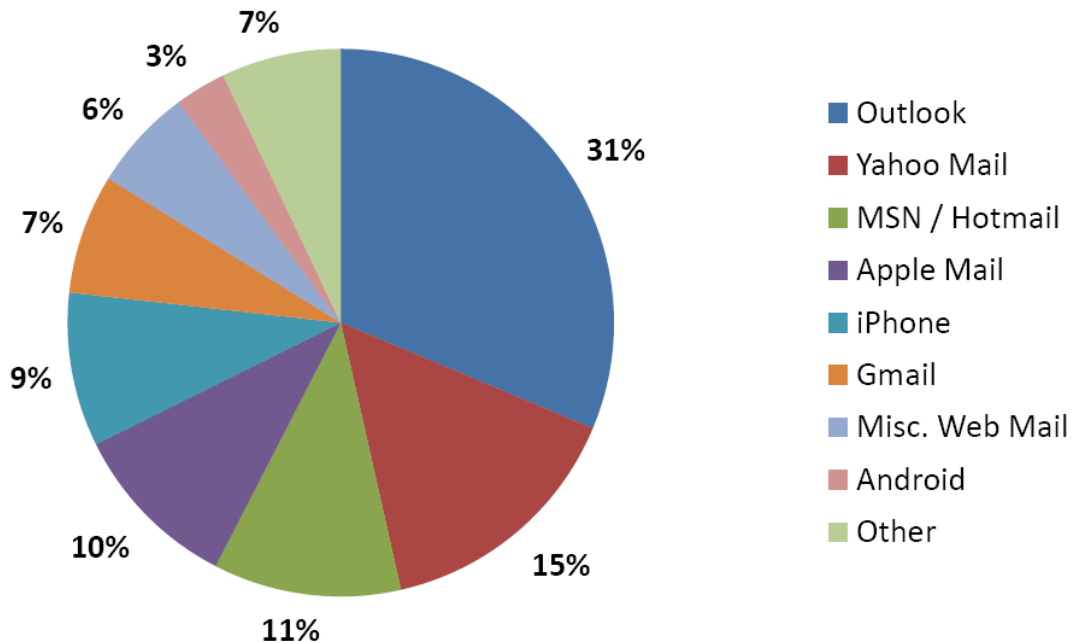
How to Prepare for Future of Email Marketing

So, what we're here to talk about today is how to prepare for the future of email marketing. Marketing is changing and we, at HubsSpot, we believe that email marketing is changing as well. There are some fundamental things that are going to be different about email marketing, moving forward. And, then what I'm going to do is I'm going to walk through a bunch of those and talk about what you, as a marketer, can do to prepare for it.

Optimizing for Mobile

Quick, show of hands. How many people have spent the last three days checking their work email on their mobile phone? Yeah. That's what I expected. We all know that mobile is on the rise. Eighty million smart phones were sold in the fourth quarter of 2004. Mobile phones is where people are going. It's how we're starting to read email. It is a trend that we, as marketers, cannot afford to ignore.

Email Usage



So, these are some numbers that come from a report on eROI.com, about email usage and the different tools that people use to receive their emails. I don't think anyone's surprised. Thirty one percent use Outlook. That works. There is a series of smaller email players, like Yahoo, Hotmail and Apple, that fall in there. What's interesting is nine percent on the iPhone and three percent on Android, for a total of at least 12 percent using mobile phones. But, I actually think these numbers are deceptively low. I think there are a lot more people using mobile devices to read their emails, and I think that for two reasons. First, email writers who like Outlook and Gmail, they have mobile versions of their tools that you get to through the browser on your smart phone. That doesn't render as separate for them. That shows up here as just part of Outlook or Gmail. I know, I use Gmail and I use it on my smart phone all of the time.

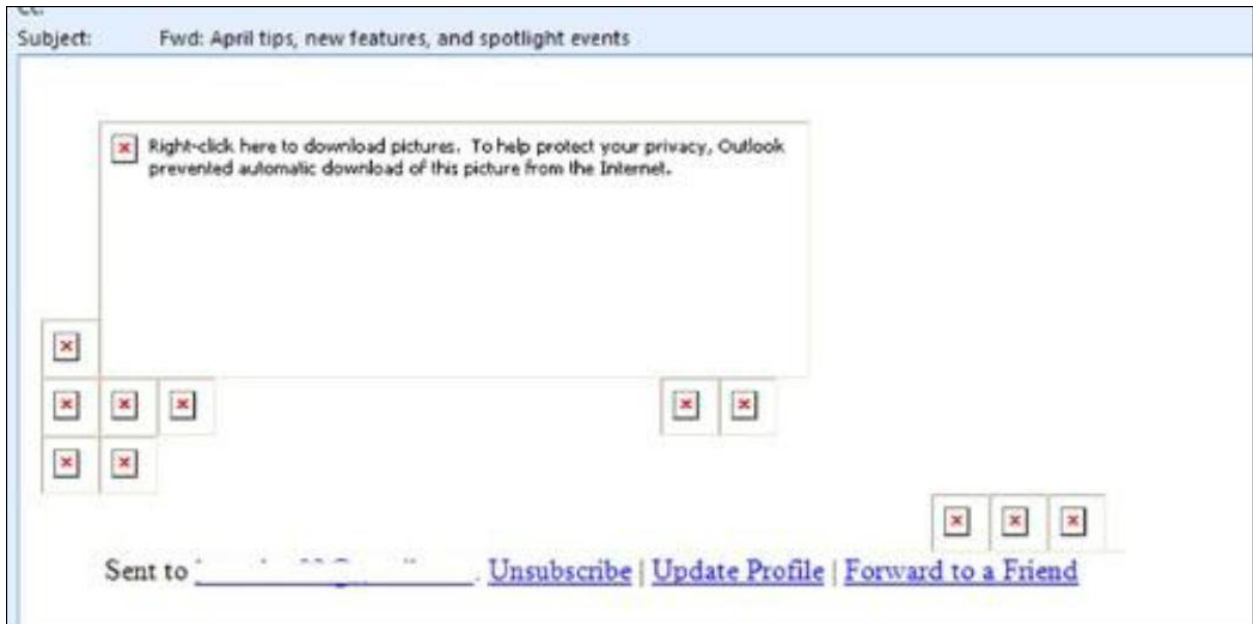
Second, there is one really big mobile player missing from this pie chart. I'm sure a lot of you out there are using Blackberrys and it doesn't show up here. And, a lot of that reason is that up until the most recent version of the Blackberry interface, Blackberry, you could only get emails in text, and so the numbers weren't in yet for this report to be done. And, so, as a lot more people are adopting the newest version of Blackberry, I expect we'll see Blackberrys showing up on these charts in the future. But, email usage on mobile phones, it's just growing. And, so as marketers, we have to think about what we need to do to change our emails to adapt for that.

Be image conscious

I know when I'm working on building an email and our marketing team is working on building an email, we do it at our computer. We don't do it on our mobile phone. We sit at our computer with our beautiful desktop monitor. Our emails, they look great. But, as a marketer, you really have to think about how it's going to look on a screen this big. It's not enough to just look beautiful on your monitor anymore. You have to think about how that email really shrinks down and how it displays from people reading it on their mobile phone. So, one of the things is avoiding large images. And, this actually...it's not just for mobile phones. This is something, as marketers, we need to be thinking about for people reading emails on their computers as well.



This is an email that Mike Volpe, our VP of Marketing, got for a CMO breakfast. That's the kind of thing that gets Mike really excited. So, normally, he would love to read this email. But, he can't actually say anything about this breakfast. He doesn't know what it is. He doesn't know how much it's going to cost. He doesn't know who's going to be there. There's not even a call-to-action. He's not even actually sure what he's supposed to do. All he can see is that he can forward the email. He can unsubscribe from it. That doesn't really do that much for him. So, you know, Mike, he hit Delete. Well, actually he forwarded it to me first so I could include it in the slide deck, and then he hit Delete. But, this doesn't, as a marketer, this doesn't convey the point you're trying to make. This isn't the first impression you want when someone's opening an email from you, to see nothing essentially, and have to download those images. The important thing to note, and this was in the most recent MarketingSherpa report, is 67 percent of recipients do not automatically download images. That means 67 percent of people see the email this way. That's enough people that we need to stand up and pay attention.



This is actually an example of a similar email in outlook, all red X's. You know? You've all seen these before. You've got to right-click to download the images. Again, "unsubscribe," "forward to a friend," great! I have no idea what this email is about.

This is an example on the iPhone.



The iPhone does a pretty good job of displaying emails. It is one of the few browsers that displays all of the images and then you can zoom in and see them. But, where it falls down is if you're reading your email on the subway, which is how I read all of my emails. On the way to work, I download them all and go through them. I can see they want me to register for something, but I don't know what. So, I'm going to delete this email and move. Likewise, you know, you go into the mountains and you don't have 3G, it just doesn't work anymore. So, you have to think, as a marketer, about those images, about image-intensive emails where the point of your email is not getting across unless those images are downloaded. More than half

of your recipients do not automatically download images. So, that's something that you need to think about as you're designing your emails. So, first, avoid large images.

Beware of tables and columns

Second, tables and columns are hard on a mobile device. Your email might look beautiful on a screen, and it's got two columns, and that second column is nice and skinny, and you've got your blog listing there, or how to connect with me on social media. But, when that scales down to a screen this big and that column is that wide, it doesn't display quite as well.

Keep it simple

Formatted text is your friend, and I know we all really love our big call-to-action buttons. I do too. They're really pretty. They stand out. But, if I can't see the call-to-action, because the button hasn't been downloaded, that's not a great user experience. I would think about putting it in text and using bold. Use formatted text and start to incorporate that into your emails a little bit more. Definitely, it doesn't look as beautiful as the images. We love our images. Really, they can look great. They can have rounded corners and drop shadows, and they really look amazing, but formatted text might work better for people on mobile devices.

Keep it short

And, lastly, shorter is better. If you write an email that's five paragraphs and I'm looking at it on my computer screen, I can skim paragraph two through four, and get to the call-to-action, and move on. If I'm getting that on my iPhone, I've got to scroll all the way to the bottom of the email to see what the call-to-action is. It's not very likely I'm going to take that action. So, think about keeping your emails brief so that people on really teeny screens will actually read the whole thing.

Building Your Social Authority

Next, we're going to talk about building your social authority. We're going to talk a bunch about social media. We've been talking about social media for two days now. This is a little bit different. This is about building your social authority. It's not just about incorporating buttons in your email, although we will talk about that. This is about your social authority. In the last few couple of month there have been two huge developments in email. The first is the priority inbox from Gmail.

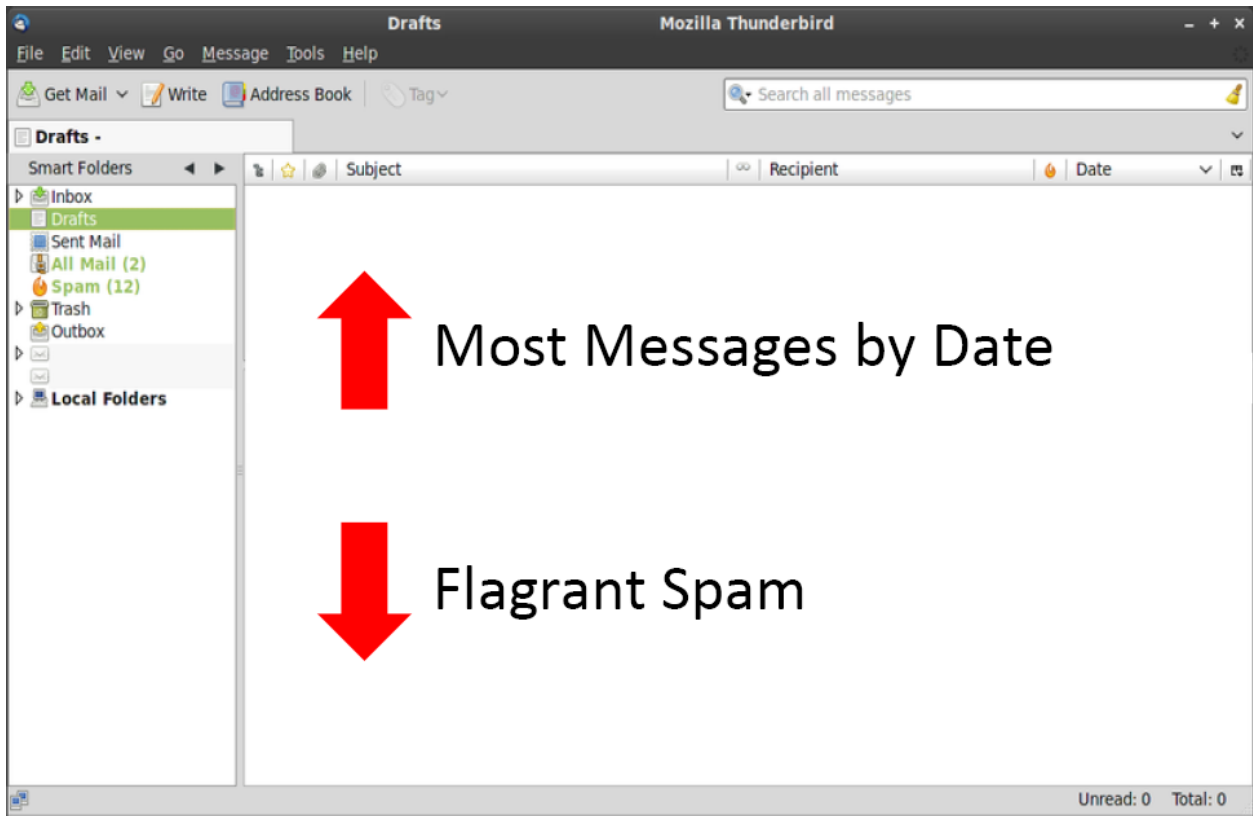
I use priority inbox is one of the best things to happen to me. What priority inbox does is it pays attention to your email habits which emails you read and which ones you respond to. It divides your email into two; everything that's important which goes in the top and everything else goes

on the bottom. So if I spend the afternoon in meetings and I come back to my computer and have a hundred emails, what priority inbox does is it takes the most important 20 of them and it puts them at the top of my inbox so I can pay attention to those. So what that means for marketers is that a lot of the emails that I get end up in the 'everything else' bucket. It's a little scary.

Social Inbox came out through Facebook. And Social Inbox is pretty similar. All of us now have @Facebook.com email access. And people can email us at Facebook and what Facebook does is it will separate out emails that you're getting into people that you're friends with. Companies that you "like" go into one inbox. And the people that you aren't friends with and companies that you don't like go into another inbox, so you don't have to pay attention to them.

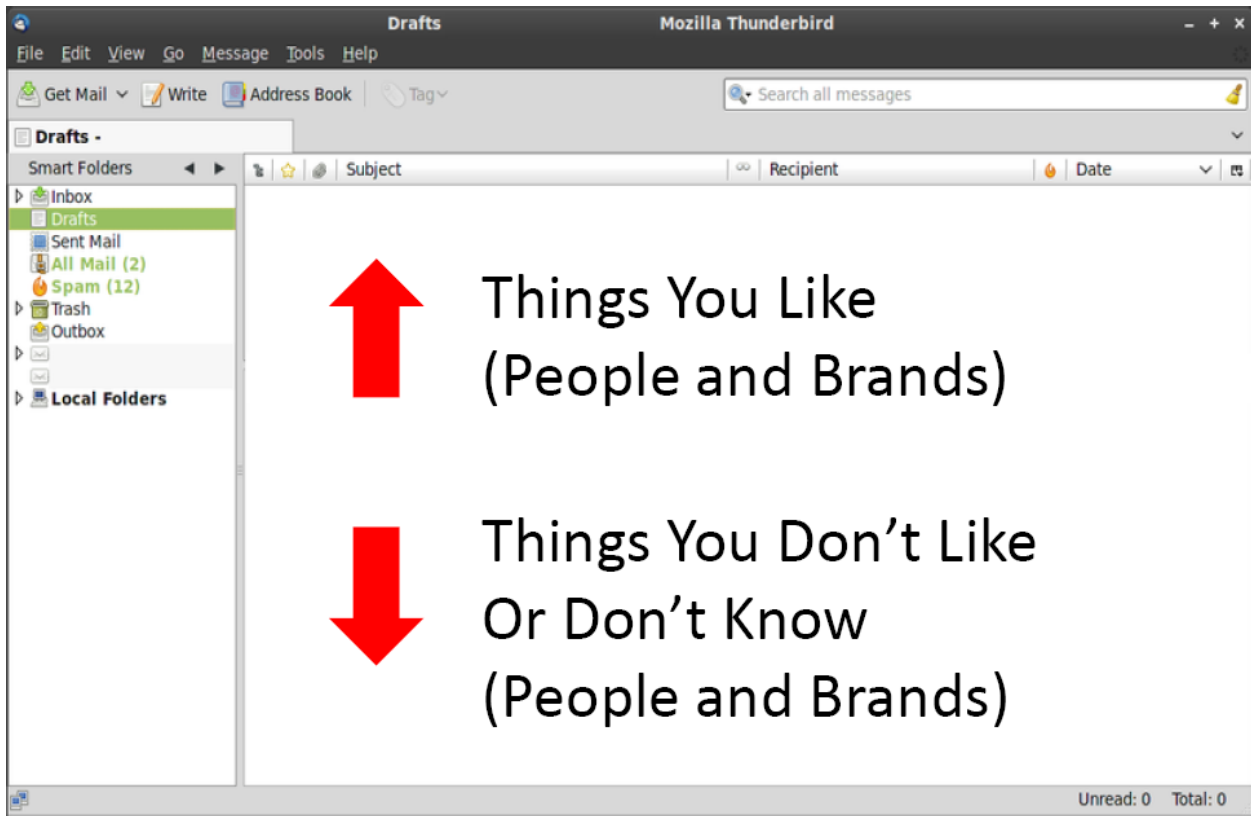


And so what this is all coming to is that the Spam filter is now social. We all know the tips and tricks to make sure that our email doesn't go into someone's Spam anymore, but when we have to factor in social media, that's a whole other level of Spam filtering that we need to think about now, moving forward. Now these two new tools, they don't have high adoption yet. No doubt about it. However, moving forward this is kind of the future of email marketing and the Spam filter is going to become more social over the next 6-12 months or even two years out. Diving into that a little bit more and what it means for marketers, this is what your email inbox looked like before 2011.



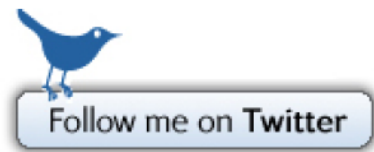
Most of your messages are ranked by date, the most recent emails are at the top. Flagrant Spam goes into its own folder and we never look at it. Right?

But moving forward, after 2011, things you like, people and brands are going to show up at the top of your inbox.



And things you don't know or don't like are going to show up at the bottom. This means that sending your email at eleven o'clock on Tuesday is not going to matter that much anymore. Because that's not how inboxes are going to be prioritized. And it means that as a marketer, you're going to have to start thinking about how your email is ranking in inboxes, the same way you think about how your websites are ranking in search engines.

I don't know about you, but I spend a lot of time worrying about how my Web site ranks in search engines and now I'm going to have to do the same on my email. So how do we do that? I don't have all the answers for this one because this is still unfolding. This is some real new development. But what I can tell you is that social media is going to be a really important part of this moving forward. And so, what you want to do now is start building your social authority.



Start getting people to 'like' you on Facebook. Start getting people to follow your company on LinkedIn. Start building your Twitter presence. Twitter doesn't impact either Facebook or Priority Inbox at this point, but it will moving forward. It's going to have an impact. And so as

marketers, you want to start building that social authority now. You want to start thinking about that today, so that when the time comes, be it six months, two years from now, you don't have to start from the bottom. If all your emails are going to the bottom of people's inboxes in two years, are you going to say, "I should have listened to Karen. I should have built my social authority?" And so start doing that now.

Optimize for social

Tip three is optimizing for social. The good thing about optimizing your email for social is that it will help with tip number two. It's going to help you build and reach your social media authority. We're going to talk about the following module. I already expect that a lot of you already use this. And what this is, we call this "follow me" module. I've heard other people call it social sharing. But it's including in your email the key icons for the social media sites where you have a presence; Facebook, LinkedIn, Twitter, Youtube, your RSS feed. Whatever you think is most important including those in your emails.



Wanted to let you know: We're starting to fill Dr. Cuzalina's schedule for November!

Dr. Cuzalina is a leader in the field of Cosmetic Surgery, over the last decade he has performed over 10,000 cosmetic surgery procedures. He has developed a special interest in body procedures including tummy tucks, liposuction and butt lifts as well as breast procedures including simultaneous breast lift and augmentation, and has lectured extensively across the country and internationally on this subject.

WOOT! Dr. Cuzalina's surgery center in Tulsa, Oklahoma is considered to be one of the finest in the nation, he frequently teaches surgical courses at his facility. Surgeons from around the world gather in Tulsa to observe Dr. Cuzalina perform live surgery, as well as participate in classroom lecture sessions taught in Dr. Cuzalina's private auditorium on site.

He will be joining us again on **Monday, Tuesday, and Wednesday, November 15, 16 AND 17.**

As it has in the past, Dr. Cuzalina's schedule is certain to fill quickly, *please give me a call or send me an email at your earliest convenience to indicate your interest*, and we'll get your spot reserved. Thanks, I look forward to hearing from you!

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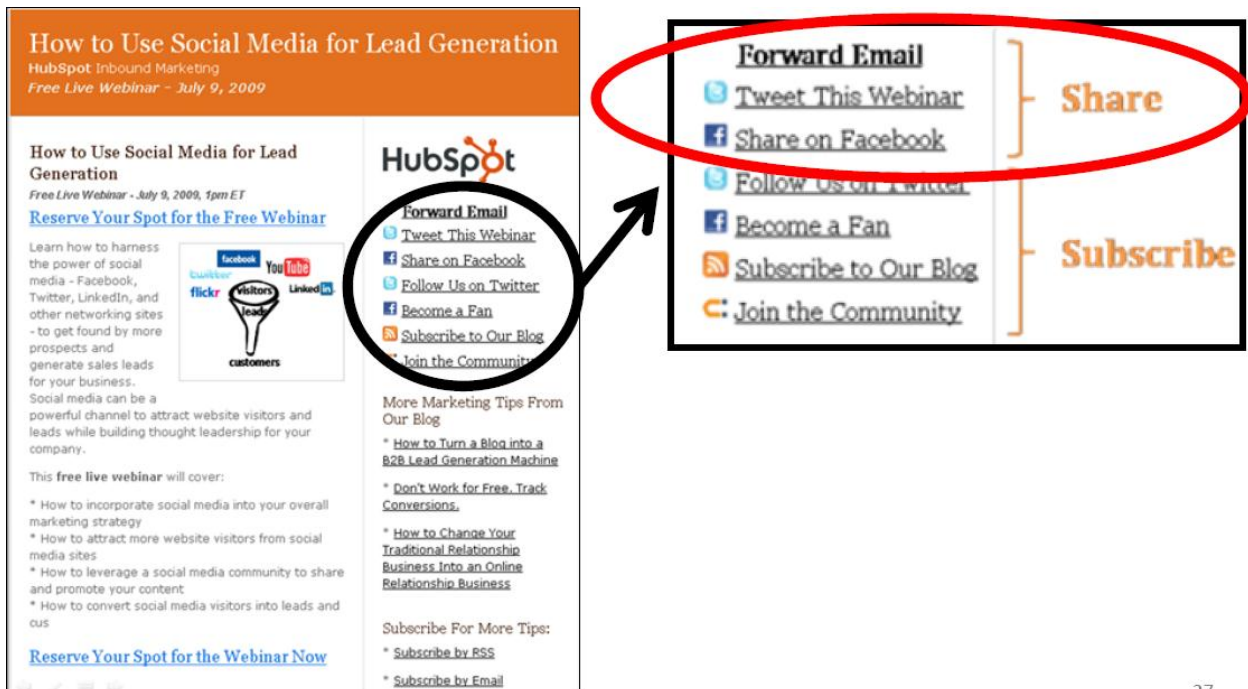
It does two things. It allows the recipients that you're emailing to decide how they want to communicate with you. I might want to get emails from you, but in reality, I might like communicating with my brands via Facebook or via Twitter. And what this does, is it allows me some control over how, as a recipient, I want to communicate with the brands that I like to communicate with.

Two, it will help build your social media authority. It will get you more followers and fans. And that's something that you want to do. In the Monday session on email marketing, there were actually three really good tips that Jen Doyle talked about. First, you don't want to do more than four or five icons in your email. Studies have shown that if you do more than four or five

buttons the clickthrough rate significantly diminishes. So you want to keep the number of those to the most important networks. Two, you want to organize them from left to right, based on which networks are used most by your recipients. So, say you love Twitter, but you're working with a demographic over 65. That demographic might not use Twitter all that much. So Twitter might not be the first thing you put in the bottom of your email. You might love it, but they might not. So, think about that. Also the placement within your email is important. You want to think about where it is and not hide it up in a corner, so people don't see it. Most people put in the bottom of their email. But think about putting it in a place where people will see it. That's the 'follow me' module.

Social Sharing

The next thing we're going to talk about is the 'share this' via social media. It's something we use quite a bit at HubSpot.



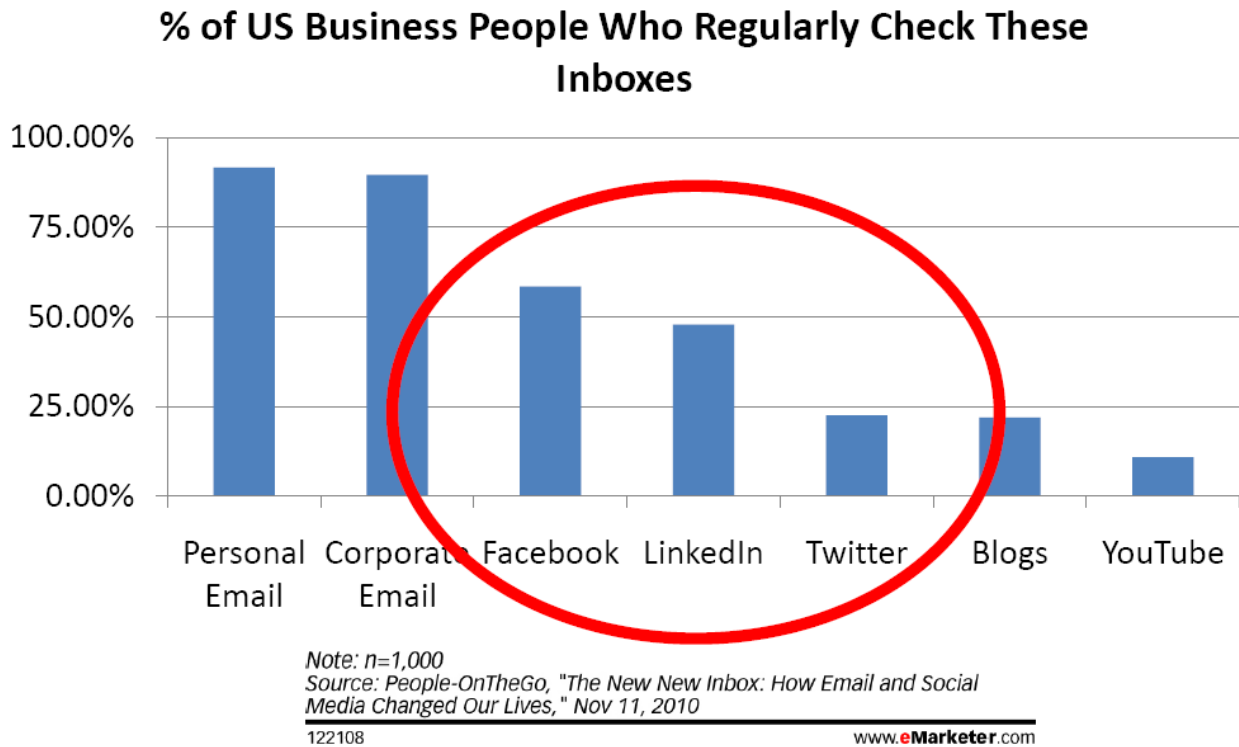
27

This is when you allow the recipients of your email to tweet the webinar or share the webinar with their social networks. This is like the beautiful compounding effect of social media. You're allowing your house email list, the people that you're emailing to send it out to their followers. So real quickly, the way this works is that when someone receives an email they can then tweet the webinar to their Twitter network and it will create a tweet for them that has a link to a hosted version of this email. So you're not tweeting an actual email to them, you're tweeting a link where this email lives. At HubSpot we don't have hard data on this, but for webinars the primary way of getting the word out is email and we include the tweet this webinar and share

on Facebook in both the email and the landing page. We typically see 20-30 percent more leads, more people signing up that were not on the original email list. So, that actually works out brilliantly for us because that 20 to 30 percent just signed up for our webinar and now they're on our house email. It helps you continue to build that house email list and build authority in social media.

The Future of Inbox

So the next question is, "where is the next inbox?" This shows the percent of U.S. business people who regularly check these inboxes.



And this kind of stretches the definition of what an inbox is. And this comes from Emarketer.com. You can see that huge percentage of people check their personal and corporate email regularly. What is really interesting here is the next three. You've got about a 50 percent of U.S. business people that check Facebook and LinkedIn regularly. That's a lot of people. And 25 percent check Twitter regularly. So, as you're working in social media and as you're starting to build your authority here and get people to follow you, more and more of your house email list starts to be in these social networks. And you need to think about which inboxes you want to communicate to them through.

Medium vs. Message

Which brings up a great point and a great question. What comes first, the medium or the message? "As marketers, we send out a monthly newsletter or quarterly newsletter. We sit down every 15th of the month, so on the seventh we say "ok, what's going in our newsletter? What are we going to talk about this month?" And I challenge you to think about that a little bit differently. Instead of planning your email and then thinking about what you're going to talk about, start with a message. Think about what you're going to say and then decide what the best medium is. We just talked about all these inboxes that you can use to talk to your leads and prospects. And so, email might not always be the best approach. And we all know that if you send too many emails then you overwhelm them, you're going to get lower clickthrough rates. So when you've got something to say to your leads and prospects, think about the best way to say it. If we're going to Las Vegas for a conference and want to host a meet-up, we don't send an email to our entire list; we don't wait for a monthly newsletter to do that. We tell people about it on Twitter. We post it to Facebook. We let people know we're going to be here and tell them; "come join us." So think about what you're going to say and then think about the best medium, what inbox you want to hit. We have so many more tools at our disposal now than just email. So you really want to think about what the right medium is.

So just recapping on social media:

1. You want to add the "follow me" module, so that people can follow you via their email, they can find you in social media easily and follow you on your social media sites.
2. You want to add the 'share this' buttons. Play with this. Something you can test. I know there is a case study in the B2B section, where someone mentioned they haven't had a lot of success with this, but I definitely urge you to try it out and see if the compounding effects kick in for you. And you end up getting a lot more clickthroughs.
3. And then start with the content. Start with the message that you're trying to send and then decide what's the best way to send it. Think about what the message is and then think about the medium.

Putting it into practice

So let's talk about what you should go home and do today.

First, stop buying lists and subscribers. It's interruption-based. It's not inbound thinking and the ROI just isn't there. If you're currently buying lists and subscribers, I urge you to spend more time building your house list, so that you can get a higher return on your emails.

Second, mobile optimize your emails. Think about the images you're putting in your emails. When you're building it on your computer screen think about how it's going to look this big. There are some really great tools you can use to test how your emails will display in mobile

devices. So start and take that next step in your planning. Think about how mobile devices affect your email.

Third, social optimize your email. Add social sharing, the 'follow me' module. Let people share your email on Twitter. Let people leverage their networks to tell people about your information.

Fourth, build your social authority. Those social inboxes. They're a little bit scary for us, but you're going to have to start thinking in the next six to 12 month's how your emails are going to rank in people's inboxes. And the way to do that is to start thinking how to build your social authority. Start building your presence on those social networks, so that when this happens you're not starting at the bottom.

And lastly, start with the message. Pick the right communication channel. Start with the message and think about the medium. And leverage all those different inboxes to get your word out.

Audience Q&A Session

Question #1: As we look at the social authority becoming a factor in inbox priority, how would sub domains play into this? Let's say we are all at zzz.com but then I'm sending email from LasVegas.zzz.com and someone else is sending it from Denver.zzz.com and so forth, that all Facebook and Twitter and all that is tied into key domain. Do you think that there will be any impact there?

I think you're going to be ok. Assuming that the zzz.com, say that's your company name and your Twitter name is associated with that, and your Facebook profile is associated with that. Assuming that the tie can be made between those profiles and your company that's sending the emails, I think you're going to be ok. I think a lot of this is speculation, but we found that tying social media pages to domains, they're pretty smart about figuring that out. What would be scarier is if you had groups within your organization that were all using different Twitter accounts and all trying to build authority in separate places online, then you'd have a more challenging time. I've talked to numerous people who have companies like that and I'd urge you to look at consolidation and seeing if that's possible. But for you, I think, because you're using the domains, that you'll be just fine.

Question #2: Is there a widget for adding the buttons to the bottom of the email?

There are actually. Most email tools make this nice and easy for you. You can put in your social media information and it will automatically include it in the various templates. The hardest thing is finding out all the different sites and figuring which are most important.

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The screenshot shows the MarketingSherpa website interface. At the top right, there are links for "View with Images" and "View Mobile Version". The main header features the "Email Marketing" title and the MarketingSherpa logo. Below the header is a navigation bar with links for "New Case Studies", "Members' Library", "Research", "Events", and "Training". The main content area displays an article titled "Growing Email Lists with Social Media: KFC's Facebook tool adds subscribers". The article includes a summary, a paragraph of text, and a "Click to continue" button. To the right of the article is a sidebar with social media links (LinkedIn, Twitter, RSS, Facebook, YouTube) and a "Research:" section featuring a "Live" event titled "marketing sherpa Social Training" with a photo of a seminar and dates for Los Angeles (3/15) and Toronto (4/19).

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