

# The Power of Good Data: How to Maximize Success for Email Marketing

*Accelerate Your Outbound Email ROI  
With Data-Driven Solutions*



# The State of Affairs: Email Is Alive and Well

As the world that was “digital marketing” simply becomes general “marketing,” marketers are faced with the curse of abundance: there are now so many more places where they can reach their consumers. There are also so many more places they need to plan for in order to reach their consumers.

A wealth of new channels means new strategies, and more of them. It means new content, and more of it. The ability to track analytics and measure the data of one’s efforts means more reports and more pivoting to follow the results. In all of this new digital territory being explored, marketers have been told a few times that email marketing, a hallmark tool inside a marketer’s toolbox, may not be as effective as it once was. That observation, however well-intentioned, is also inaccurate.

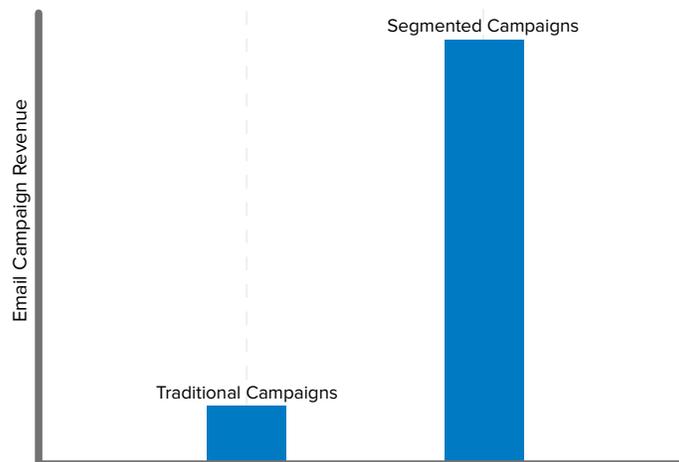
Email marketing remains highly effective and one of the most inexpensive ways to reach your customers where they are every day: **their inbox**. According to the Data and Marketing Association, effective email

marketing has a typical ROI of 3800%, meaning that for every dollar spent on email, your return on that investment is \$38. As a matter of fact, email conversion rates are 40 times higher than conversion rates on social media<sup>1</sup>—email is nowhere near dead. It’s thriving, and marketers should spend as much time as possible determining how to make their email strategies more successful.

The question, however, remains: how do you make your email marketing attempts more successful? Too often, the tools marketers utilize for outbound emails only provide simple demographic filters, restricting their ability to tightly segment lists and personalize communication, both of which are key components in maximizing ROI.

In this paper we’ll provide options for successful email types and list acquisition methods, as well as demonstrate how best to boost results using the right kind of solutions.

According to the Data and Marketing Association, marketers have found a **760%** increase in email revenue from segmented campaigns



# What You Send Matters, As Well As How You Send It

## Outbound

Sending prospecting or promotional emails to qualified and unique lists

## Transactional

Triggered by recipients actions (form completions, purchases)

## Nurturing

Leverages prospect behavior insights to serve the right content at the right time

People want to read content that they want to read: in other words, marketers need to deliver relevant content to customers and leads, and at the right time. As a matter of fact, personalized emails have a 14% higher click-through rate and a 10% higher conversion rate over non-personalized emails<sup>2</sup>. Your readers want to be treated like the unique people they are, with needs and wants unique to their person.

There are a few different categories of email types available to marketers, and each can be designed to reach users at different stages of the buying journey:

- **Outbound Emails:** This is often the type of email used as a first touchpoint with a potential lead or with a customer. These emails are sent as a means to prospect for new customers and expand business.
  - *Why Outbound?* Outbound emails are a good way to introduce yourself as a company to a qualified or unique list of users. They can also be used to promote sales, services, or recent news that the user list would want to know about.
  - *Challenges:* The success of outbound emails depends largely on the quality of the list being used. If marketers don't have the right lists, they may not be able to guarantee the quality of the leads on the list, diminishing the returns on these types of emails.
- **Nurturing Emails:** These emails are used when marketers have enough behavioral data on their users to determine exactly what the user wants to see and when. For instance, if a list is highly segmented to include only B2B marketers who have visited your website, you can set up an automated series to send the list a nurturing email following up on their visit.
  - *Why Nurturing?* Studies show that nurtured leads actually make 47% larger purchases than their alternative<sup>3</sup>. Nurturing emails are more effective than non-nurturing emails, simply because they are able to leverage a user's behavior and history in order to deliver the right information at the right time.
  - *Challenges:* To truly provide these prospects with the information they want, at the same time as they're ready to consume it, a marketer has to have highly developed data models to track past behavior and predict future behavior. Without extensive data, it can be difficult to determine who needs what and when and why.

- Transactional Emails: This type of email is triggered by a recipient's action, whether they completed a form on your website, provided their email address to be used on your list, or made a purchase or inquiry.
  - *Why Transactional?* Because these are emails that the user is likely expecting, having engaged with your brand online in some way, they produce better results. Transactional emails achieve double the open rates and triple the click-through rates of other types of email. Welcome emails triggered by a sign-up on your website could yield as much as 33% more long-term engagement with your brand<sup>4</sup>.
  - *Challenges:* Much like nurturing emails, transactional emails are automated and require a robust system to not only set up the automation, but to develop the "if/then" patterns needed to trigger the right email at the right time.

## Knowing Your Audience

After determining the type of emails you're able to use for your audience, and where each email type fits into your specific campaign, it's important to then decide who you're going to send these emails to. How can you build up a base of users who would be interested in receiving your emails? There are a few options:

- Build a list. Growing your list over time will mean needing just that: time. You'll need to build a list that meets targeted criteria so that you're speaking to a relevant audience, to include job titles, purchase habits, or interests. **This method is superior when it comes to list quality, but can be cost-prohibitive: building lists can easily mean a spend of \$20 per contact or more when one considers the amount of time either spent internally building or outsourcing to another company.** ROI is difficult to generate off the bat with this method.
- Buy a list. Plenty of companies online are willing to sell email lists to marketers, which seems like the easiest and quickest way to get your hands on a lot of emails fast. **However, the quality of the list can come into question depending on the provider. Additionally, permission based-status is questionable: did these users really say they would be okay receiving emails from you?** Finally, the security stakes are high, since the list could include spammers, putting all users of shared IP sending addresses at risk.
- Email rental list brokers and publications will often rent out their own email lists to marketers who may be interested in reaching their audience. Instead of spending money on advertising on these publications or platforms, marketers can use that money to have direct access to this audience, segmenting them into geography, gender, age, and interests. **It's an easy way to reach new and qualified people, but the criteria available for segmenting can be limited, and you'll only get data on prospects that trigger a conversion event: completing a purchase or engaging with a call-to-action.** You won't see the users who click through and make no actions, even though they may still be ripe for nurturing.

# The Keys To Email Success

As has been said before, people respond to content they want to read, when they want to read it. One-size-fits-all messaging for broad audiences doesn't compare to targeted emails sent to specifically segmented lists based on robust behavior and lifestyle data. Marketers drive better results when they leverage email for new business growth by targeting audiences based on attributes that resemble their best customers. Simple filters for targeting don't often give the data that marketers need to make their emails rich and successful, so how can it be done? **We've found that the recipe for success comes with a few steps, but that it mostly depends on the quality and depth of your data:**

We know the following is key to success:

- **The Right Data and Predictive Modeling Technologies** – to identify and target your best prospective customers
- **Targeted Email Universe** – delivering the right message, at the right time, to a highly targeted universe of prospects
- **Measurement** – 1:1 insights and measurement that delivers a 360° view and the ability to adjust as necessary
- **Stronger Overall Email ROI** – via cost effective email prospecting solutions

When combined, these steps lead to an overall stronger return on investment in your email marketing efforts. To have the greatest possible email success, you must have access to key data points on prospective customers.

# Case Study: Amplify Results with Email Prospecting Campaigns

Being able to use data-driven solutions such as email prospecting provided by KBM Group means having access to the kind of data that is most important for targeting. By using predictive analytics and data modeling, you can receive valuable insight into detailed buying behaviors, purchase preferences, and other relevant traits for target prospects you're trying to reach.

Our data-driven solutions can help you predict what consumers will buy now and what they will buy in the future--all based on the rich data we can deliver.

## Customer Success: Japanese Automaker

### Objective

A highly successful Japanese automaker was looking for a way to continue to grow their success and drive new customers into their facilities for a test drive.



**30%** LOWER AVG. COST PER ACQUISITION

### Solution

KBM Group launched an email campaign on behalf of the client targeting current owners of competitive models, which included several unique offers, designed to drive consumers to their local dealership for a test drive.



**700% ROI**

### Results

Campaign Click rates performed **45%** higher than any other campaign in the automakers campaign history and delivered:



**\$687,000**

**INCREMENTAL INCREASE IN SALES FROM EMAIL CHANNEL**

# Conclusion

Our email prospecting solutions can help drive better results for your email marketing, simply because it's data-driven. We combine the predictive power of data modeling expertise with the reach of a large permission-based database of prospective customers to deliver some of the strongest return on investment in the industry today.

We want to help you take your email marketing initiatives to the next level, yielding higher ROI and stronger engagement.

Our team is ready to discuss your unique campaign goals to increase your overall success through email prospecting.

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## About KBM Group

KBM Group is a global data and analytics company that connects brands with the right people. Our solutions help organizations worldwide activate their data to improve marketing performance, increase profits and deliver results. Headquartered in Louisville, Colorado and with offices on 5 continents, KBM Group is a WPP company (NASDAQ: WPPGY) and part of the Wunderman network. For more information, visit [www.kbgm.com](http://www.kbgm.com).