Sage ACT! | White Paper

Your Guide to Email Marketing

A Cost Effective Way to Reach your Customers and Prospects

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One Northbrook Plaza
5 Revere Drive   Suite 200
Northbrook, Illinois 60062
847.835.0979
mail@northbrookconsulting.com
www.northbrookconsulting.com

Executive Summary

Email marketing is proven to be one of the most cost effective ways to reach out to your customers and prospects. Through email marketing, businesses are able to target the needs of their contacts. Sage E-marketing for ACT! provides you with the tools to create, track, and send beautifully crafted email campaigns. It also combines email marketing with robust reporting tools to reveal the results you want to see.

The goal of this white paper is to provide you with a guide to email marketing so that you will ultimately increase your return on investment. After reading through this white paper, you should be well on your way to creating your first email marketing campaign.


NORTHBROOK
Consulting Group, Inc.

One Northbrook Plaza
5 Revere Drive   Suite 200
Northbrook, Illinois 60062
847.835.0979
mail@northbrookconsulting.com
www.northbrookconsulting.com

Part One:

Permission-based Email Marketing

You may be asking yourself what is permission-based email marketing? Permission–based email marketing is defined simply by who you send email to. Permission-based emails are sent only to people that have requested or opted-in to receiving your emails. When emails are sent unsolicited it is called spam and can destroy a company's reputation if followed through with. Permission-based email stands out beyond spam as a valuable source of communication that allows businesses to reach thousands of clients purposely.

Email marketing has risen to be one of the most cost-effective forms of marketing, and creates the highest return on investment (ROI) than any other form of direct marketing. According to Marketing Sherpa's 2010 Email Marketing Benchmark Report, email marketing budgets have increased across all industries despite overall marketing budgets decreasing.
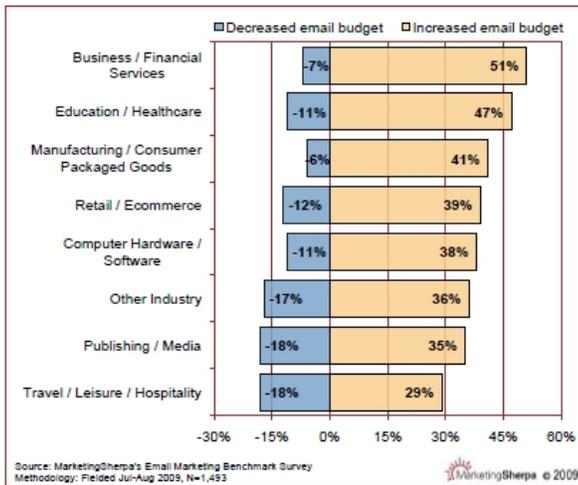
Just in the Business/Financial services industry alone, 51% of companies increased their email marketing budgets. These results also show that tactics that take more time are that much more effective. Delivering content that is highly relevant to the segment at 50% increased effort is 70% percent more effective overall.
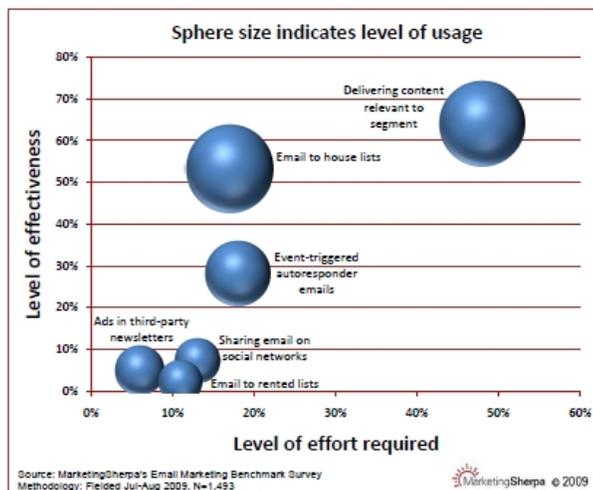
Part Two:

Email Marketing Tips

A successful email marketing campaign has the potential to generate higher open rates, obtain a greater response, and ultimately create more revenue. Here are a few tips to help you create an effective, well- crafted email campaign.

Subject Line is Key

Everyone has heard the saying, "Don't judge a book by its cover". Unfortunately, there is a reason for the saying—because it's a natural instinct. First impressions are a key in any form of communication. When people receive an email, the first thing they see is the subject line, which has the potential to either gain or lose the interest of a reader. Subject lines that include you companies name as a reference and provide specifics to your main point of the email will gain higher open rates.

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Bad Subject Lines

"hey I thought you want to see this"
This subject line provides nothing about the content or the sender

"ACT TODAY OR YOU WILL REGRET IT!!!!"
Subject lines with all caps and exclamation points will most likely land your email in the junk folder.

"Learn strategic marketing tips from c-level executives at the Marketing and Leadership Expo"
This is a bit lengthy and does not put key information at the beginning

</td><td>

Good Subject Lines

"[Sage E-marketing for ACT!] How to attract the right client "
This now provided a reference to your company and the focus of the email

"[Acme Garage] Fifteen percent discount on templates – 3 days only"
We now have a better idea of what the discount is and where it is coming from

" [Key note speaker] discusses marketing strategy for 2010"
Referring to a key note speaker will spark interest

</td></tr>
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Pay Attention to the "From" Address of Your Emails

To help understand how important this one is, think about your own inbox. Would you be more likely to open an email sent from advertising@xyzcorp.com or annie.cooley@sage.com? People don't want to feel like they are receiving an automated email. If readers don't feel like you put the time into personalizing the "from" address, they will not want to take the time to pay attention to what you have to say. Readers will be more likely to open your email, and if they have any questions or comments they can respond to "Dear Sara," instead of "Dear xyzcorp."

Mail Merge

People love seeing their own name. It makes them feel as though the email was written to them personally and not send to them as recipient #432. This is another simple option that can be directly inserted into your template using the Sage E-marketing for ACT! Online Template Editor.

Variety

Sending an email can be one of the most effective ways to grab the attention of your readers. However, if you abuse the power email marketing provides (in terms of ease of communication), readers will stop showing interest in your emails. Consistency is essential with any marketing campaign, but remember that variety is just as important. How often do you send out newsletters, event invites and updates? Are you getting an active response from the recipients? If not, try something new. Be conscious about how many emails you send out each week, each month. How are individuals interacting with your emails? Are you following up accordingly? How are you engaging the people that seem uninterested? We will go into further detail about how to specifically target your recipients to create variety in the following pages. Variety can be seen in many forms of communication including email, call lists, and direct mail.

Quality Over Quantity

It is far more important to send out content-rich emails than it is to send out long emails and/or multiple emails. When you provide your contacts with quality content, they are more inclined to read your emails and forward them to friends. Gain the trust of your contacts by emphasizing quality of communication over quantity.

Content Suggestion

How can you personalize the content of you message? Listen to your readers because the people who take time to contact you are the ones who are most likely to pay attention to your email campaigns. Focus on their emails, their questions, their likes and dislikes. After all, if it was not for your loyal customers and readers, you would not be as successful as you are today. Help build your products with your customer's input and they will understand that you appreciate them and will stay loyal to you. Social media can be one of the most effective ways to listen and engage your readers. Pay attention to what they are saying about your services and industry at large. You can take that information and create valuable content in your emails.

Test Everything Before Sending

Test the way your email looks, not only through your own email service provider, but in several email providers. Test all your links in the top, middle and bottom of your message to make sure they all work. Test your graphics. Pictures are a great way to grab someone's attention. Remember that pictures do not always show up in email messages, so test the effectiveness of your email by covering the pictures and making sure your message is still easy to understand and the call-to-action is clear. Finally, test your email with a spam check tool before you send. Spam check services review the content of your email to see what might tip off spam filters.

A/B Testing

Your email has passed all the tests of looking good, having working links, images properly placed, a call to action apparent and has made it through the spam check, but it is not getting the open rates you were looking for. How come? There are many reasons for this including time of day, day of week, frequency of emails, etc…

So why not test it? Start with one change at a time. For example, let's explore what days your recipients are more likely to open your email. Split up your list and send each set the same email on different days. Does the open rate stand out more on one day than another? The next step could now be to determine the time of day on this particular day people are more willing to open and interact with the email. Again split your list up and send out the same email at different times of the day. A good starting point would be the start of the day and the middle of the afternoon. Studies have shown these are the best times of day to send emails.

So now you have a specific day and time your recipients are most responsive. It is time to dig into the content. What sort of subject line gains the highest response? Do my recipients react more to graphics or text? Consider the placement of your call to action. Is one position more effective than another? Do your recipients appreciate the lengthy, very informational emails or would they rather have a quick and to the point email? Again, test each one of these one part at a time. Always keep in mind that as the rest of the business world changes so could your recipients. Continue testing and never settle for one formula.

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5 Revere Drive   Suite 200
Northbrook, Illinois 60062
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mail@northbrookconsulting.com
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Part Three:

Building Your Email List (and Your Loyal Customers)

Offer Incentives

Incentives can come in the form of content rich materials such as white papers to discounted products and services. Place an email opt-in form on your website with an incentive attached. Other great places to put an opt-in form are on your social media pages, on the side bar of your blog site and attached to white papers and post event resources.

The Easier, the Better

Make signing up for your email list as easy as possible. First of all, make sure it is not difficult for people to find where to sign up. Post a link on every page of your company website for people to subscribe to your email list. Secondly, once someone clicks on your link, do not require a lot of unnecessary information. All you really need is an email address and name at this point. People will be more likely to provide you with these two pieces of information than they will be to fill out a form including their address, telephone number and more.

Use Your Current Contacts

Always make sure to include the option to "Forward to a Friend" at the bottom of your emails (Sage E-marketing for ACT! automatically includes this for all emails). If you produce content-rich information, people will be more likely to forward the information on to friends and colleagues. Those friends and colleagues will be receiving it from someone they know and trust, and will be more likely to look at what you have to offer. By forwarding an email, your current contact is saying, "This is great information from a company I trust."

Business Cards

Passing out your business card is natural and even expected in the professional world—trade shows, seminars, business meetings or even small talk with a stranger can be opportunities to network. While the basic information—name, title, company, phone, address, email and website—is standard on a business card, have you thought of promoting how someone can opt-in to your emails or newsletters? Doing so can be as simple as directing the person to a short landing page URL (e.g. http://xyzcorp.com/newsletter) to opt-in to your email on the back of your card.

Use Direct Mail

If you already have a large direct mailing list, take advantage of this list. On every piece of direct mail you send, offer information on how to sign up for your email list. This way, you are marketing directly to people you know are already interested in your product. To provide them with a reason to actually go to a computer and sign up for your email list, offer them some form of an incentive: a whitepaper, discount, a special online offer or even grant access to exclusive company specials. People love gifts, which make them a great tool to use to gain information.

Make it Worthwhile for Your Readers

It is a rule of thumb in email marketing to always make it easy for your customers to opt-out of the Email newsletters and updates that you send. However, if you make it worthwhile to stay subscribed, they will continue to follow you over the years and may even become evangelists of your business.

Part Four:

What to Consider When Designing an Email Template

Your email represents you, your company, and your product or service, and it is very similar to the cover of a book: the cover is a huge selling point and often differentiates the best sellers from the duds. Here are a few simple ways to create a bestselling book cover for your business.

Theme—Goal

The theme of a book is represented in all parts of its cover and should speak directly to the target audience as well as giving them an idea of what lies within the pages of the book. This relates to your email because the theme, brand and goal of your email should encompass everything you're communicating. Your text, images and links should clearly show why your contacts should read your email, and what they should do as a result (call-to-action). The best way to drive your contacts to action is with the use of links

Take Action:
-Link your call-to-action ("Sign up Now!"), or provide a phone number where they can talk to a company representative

-Utilize both image and text links

-Have both link types appear at the top and bottom of the email

-Utilize professional stock images, not clipart

-Always test your email in various email clients with images turned off. We suggest testing in at least Outlook 2007, Outlook 2003, Outlook 2000, Yahoo!, Gmail and Windows Live (these are the most common email clients)

Subject Line and Headlines

The subject line and the headlines within your email are as important as title and chapter titles are to a book. You only have one subject line to get your recipients to open your email and three seconds to grab your recipients' attention when they open it. Brian Clark defines a headline as a beneficial and relevant promise to the right people. When creating a headline, you need to ask yourself who the RIGHT people are.

Illustrations—Images

Illustrations on a book cover are very compelling. Your images should not be overlooked or overbearing, but should communicate your goal and represent your brand. Keep in mind the hierarchy of text and images to create a well balanced flow of information. Remember that some of your recipients will have images blocked on their incoming emails.

Content—Text

The content of your message should be authentic and concise. The key to success is to offer concrete, eye-catching material that sparks the readers interest; you typically have 3 seconds for your recipient to decide if your email is worth reading. If you have more to say, utilize links to continue your communications with your recipients.

Embrace your story. Make sure your content represents your company and your voice. Market your services keeping in mind how they stand out among your competitors. Constantly be answering the question, "Why would a person choose us over our competitor?"

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One Northbrook Plaza
5 Revere Drive   Suite 200
Northbrook, Illinois 60062
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mail@northbrookconsulting.com
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Part Five:

Targeting your Results

One of the major benefits in investing your trust in an email service provider is the advantage of being able to directly target your customers. For example, if you create a list of 500 of your customers who have shown most interest in your newest product, you can enter their email addresses into an email marketing campaign and track exactly what takes place in the campaign, knowing who opens, clicks, and forwards your email.

Campaign Summary
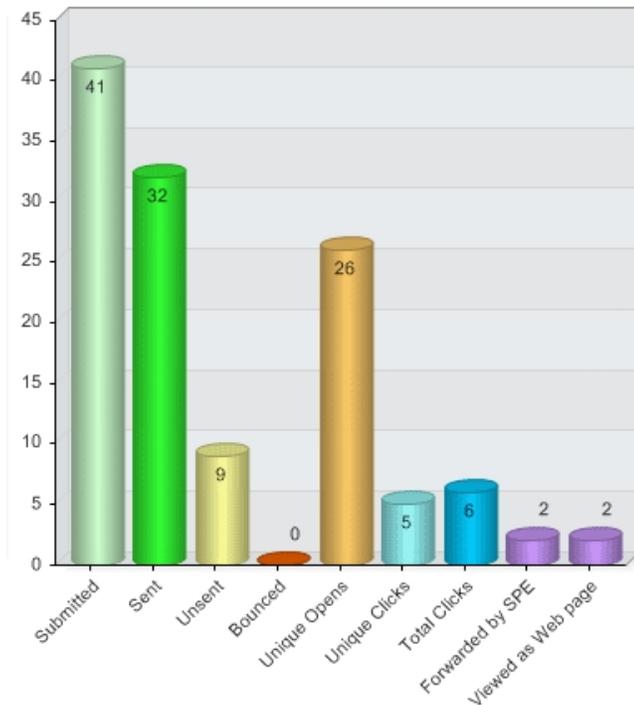
Once you gather your open and click results, you will be able to determine the most qualified leads to build a call list from. Someone who opened the email three times and clicked on four links would be more interested than another person who opened the email once and didn't click on any links. The call list can be sent to your sales team so they view this valuable information on the leads before they even pick up the phone.

#	Action	Strength	First Name	Last Name	Phone	Company Name	Email Address	Score	Sent	Opens	Clicks	
1		HOT	Joe	Smith	555-786-9004	XYZ Corp	jsmith@xyzcorp.com	74	1	7	1	Details
2		WARM	Bill	Jones	555-978-0543	XYZ Corp	bill.jones@xyzcorp.com	74	1	7	1	Details
3		WARM	Sam	White	555-383-9090	Swiftpage	swhite@swiftpage.com	34	1	7	0	Details
4		MILD	Linda	Farley	555-888-9000	Swiftpage	farley.linda@swiftpage.com	10	1	1	0	Details
5		MILD	George	Anderson	555-323-7896		george@noname.com	10	1	1	0	Details
6		MILD	Kate	Smith		XYZ Corp	ksmith@xyzcorp.com	10	1	1	0	Details

You can target other recipients depending on what they specifically click on in any given email. For instance, if a group opened and clicked a link, thank them for their interest and offer them more information on the specific link they clicked on.
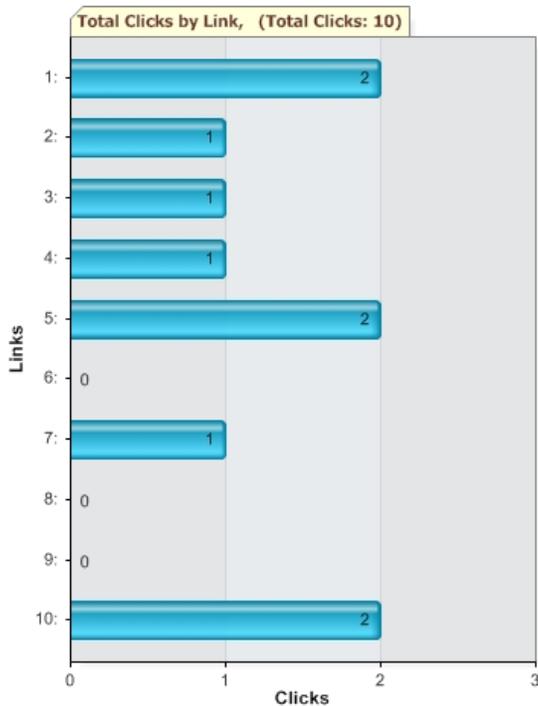
This report shows how many times specific links were clicked on. Depending on the link, you can target specific recipients with further information focused on what they are most interested in.

Links Legend
(Links listed by position in template)

1 http://bostonmediadomain.com/holy-trinity-search-social-media-email/#ixzz0YfNSDc7g
2 http://www.marketingprofessor.com/social-marketing/ultimate-twitter-list-for-online-marketers/
3 http://www.businessweek.com/magazine/content/09_50/b4159048693735.htm
4 http://www.copyblogger.com/mental-blocks-creative-thinking/
5 http://smallbiztrends.com/2009/12/email-marketing-in-small-businesses-adoption-budget-and-challenges.html
6 http://www.visinsights.com/marketing-spend-for-email-and-social-media-top-plans-for-2010/374/
7 http://smallbiztrends.com/2009/12/personal-branding-trends-for-2010.html
8 http://mashable.com/2009/09/30/small-business-strategies/
9 http://www.neurosciencemarketing.com/blog/articles/digg-headlines.htm
10 http://www.copyblogger.com/blog-comment-traffic/

For the inactive customer, try a different subject line and content for the second email or seek a new form of communication such as direct mail or a phone call.

There are various marketing strategies, but email marketing allows you to know your audience before you contact them increasing the possibility of turning your leads into loyal customers.

Part Six:

Practical Use

Scenario 1: A small business owner who has never used email marketing before.

Suppose this small business is a bakery that never spends time on the internet. The main focus of the small shop is dedicated employees and customers. Fortunately, email marketing does not take a large time commitment. For example, the bakery could send out news about special offers and upcoming events in a monthly newsletter to their loyal customers who choose to stay up to date with what the bakery has to offer.

Scenario 2: A business launching a new product.

Company X wants to get the word out and is proud of its newest offer, but doesn't know how to spread the word. They could first send out an email to all of their customers and monitor the results. If certain customers are more interested than others, Company X will know exactly who the hot leads are by generating a Call List. If customers are not interested at all, a second email can be sent to those contacts hoping to catch their attention or reach them by another method, like a postcard.

Scenario 3: Driving people to an upcoming event.

Do you want to get a numerical estimate of attendees before an event takes place? Send out an email allowing guests to RSVP online. Once a guest RSVPs, enter them into an event reminder campaign. If they never RSVP, enter them into a "sorry we missed you" campaign. All of this can be automated with Sage E-marketing for ACT! Drip Marketing. Set the campaigns up initially, sit back and enjoy the show.

Scenario 4: New to Social Media?

How are you ever going to gain followers? Send out an email to your customer base announcing that you are now taking your presence in the social media world seriously. By doing this, you will gain loyal followers who actually respond when you ask a question. Social media is perhaps the most effective contemporary marketing tool.

NORTHBROOK
Consulting Group, Inc.

One Northbrook Plaza
5 Revere Drive   Suite 200
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mail@northbrookconsulting.com
www.northbrookconsulting.com

Glossary of Terms:

Commonly Used Email Marketing Terms

Above-the-fold

Above-the-fold items show up on the screen when an email is opened—a recipient does not need to scroll down to view them. It is beneficial to put your most important information (links, product or event details, etc.) above-the-fold because that information is more likely to be viewed. If you can catch the reader attention here, they will be more likely to scroll down, read on and take action.

Blacklist

A blacklist acts as a filter to block email from a particular server. If a recipient of one of your email campaigns reports the message as spam, the recipient company's Internet Service Provider (ISP) may block any future correspondence from your entire domain. This can be very costly, as it impacts not only marketing, but also sales, accounting and customer service—very department of your business attempting to contact your customers. If the email recipient was an existing customer, his or her company may not receive important information about meetings, billing and so on.

Call List

The Call List is a valuable tool that converts your email campaign reporting into essential information for your sales team. The Call List ranks contacts in order from "Hot" to "Mild" based on their interaction with your email. For instance, someone who shows the most interest in your email campaign by opening it and clicking on links is considered one of your most valuable contacts and is grouped into your "Hot leads" category. Someone who opens your email but does not actually click on a link is grouped among your "Warm" or "Mild" leads. A person who does not open your email or click on a link within it is not included in your leads, as they are considered to be less interested.

Click Rate

Click rates signify the amount of people who click on at least one link in your email. A "unique click" represents the first time someone clicks on a link, whereas "total clicks" represents the total number of times a person clicked on a link in your email. On a Sage E-marketing for ACT! Call List, recipients who click on at least one link will most likely be rated as "Hot" leads.

Email Service Provider

An Email Service Provider (ESP) is an organization that provides a web-based email tool. Sage E-marketing for ACT! is an example of an ESP.

Hard Bounce

A hard bounce is an email that bounces instantaneously at the recipient's server level. For example, an email will hard bounce if the server finds that an inbox is invalid. At this point, Sage E-marketing for ACT! is still connected to the recipient's server, and when the email bounces, Sage E-marketing for ACT! collects it and reports it to the sender as a bounce. Essentially, a hard bounce occurs because the recipient's server never really accepts it.

HTML Email

Using HTML format when sending your email campaigns allows you to include more features than a plain text email. HTML allows the sender to format their email with images, headers, links and more. Sage E-marketing for ACT! offers an online template editor where you can create your email templates in HTML. We also have a template library where you can find outlines and ideas for your next template. You can also import your own HTML templates designed in HTML editors like Dreamweaver, Frontpage, or True HTML.

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Northbrook, Illinois 60062
847.835.0979
mail@northbrookconsulting.com
www.northbrookconsulting.com

Marketing Automation

Marketing Automation is the use of software to automate your marketing processes. It allows you to focus on other details during your business day because it removes the tasks you would have had to perform manually and adds new processes that would not have been possible. You can construct an entire marketing campaign that includes email marketing campaigns, call lists, direct mail, and more. Also, if someone signs up for a certain offer in one email campaign, you can establish filters so they are transferred to a second campaign to better target your audience. With every sign up, contacts are automatically entered into the second campaign.

Open Rate

An open rate signifies the amount of people who open your email campaign. It is a great way to track the interest of your contacts and to compare and contrast what marketing methods work brings the best results over time. Open rates also help group your contacts into Call List categories to ensure you are contacting the most interested recipients. Sage E-marketing for ACT! tracks opens through embedded image tracking. When the recipient opens the message, the image is accessed and an open is counted.

Opt-out

An option for the recipient to opt out—in other words, to be removed from your email list—must be included on all email campaigns. Opt out allows your contacts to stop receiving emails from you, and is required by the federal 2003 CAN-SPAM Act. Sage E-marketing for ACT! automatically adds an opt-out option in the footer of your emails, and makes the opt-out process very simple. The ability to opt out is considered best email marketing best practice, is necessary for CAN-SPAM compliance, and is an integral part of Sage E-marketing for ACT! user policies. The Sage E-marketing for ACT! footer also includes your company's address, and information on contacting Sage E-marketing for ACT! as the third-party provider.

Soft Bounce

A soft bounce is an email message that gets to the recipient's mail server but is sent back before it ever reaches the recipient. One of the main causes of a soft bounce is a full inbox on the recipient's end, or an inbox no longer existing

Spam

In most cases, spam in unsolicited and undesirable email. Spam is almost always email that is sent without the recipient's permission. If someone perceives you as spam, you can get blacklisted by them.

Whitelist

Whitelist is the list of email addresses or domain names from which a spam filter will allow messages to be received. You are added to a recipient's whitelist when your customers establish your email address (or domain) as a trusted sender. It is always a good idea to ask your customers to add you to their whitelist (or Safe Senders list) when they first sign up to be on your email list and to also encourage them to add your company's email address to their address book.

ASIA
210 Middle Road
#06-04
IOI Plaza
Singapore 188994
+65 6336 6118
www.sageasiapac.com

AUSTRALIA / NEW ZEALAND
Level 6, 67 Albert Street
Chatswood, NSW 2067
Australia
+61 2 9921 6500
www.sagebusiness.com.au
www.sagebusiness.co.nz

BELGIUM / LUXEMBOURG
Rue Natalis 2
4020 Liège
Belgium
+32 4 343 77 46
www.sage.be

CHINA
Suite 2605,
Liu Lin Tower No. 1
Huaihai Zhong Road
Shanghai 200021
People's Republic of China
+ 86 21 63850097
www.sagesoft.cn

FRANCE
Ciel – Service Commercial ACT!
35, rue de la Gare
75917 Paris cedex 19
France
+33 1 55 26 34 77
www.MonAct.fr

GERMANY
Emil-von-Behring Str. 8-14
60439 Frankfurt am Main
Germany
+49 69 50007 6260
www.sage.de

INDIA
100, Second Floor
Okhla Industrial Estate Phase-III
New Delhi 110020
India
+91 11 4071 2488
www.sagesoftware.co.in

IRELAND
3096 Lake Park Drive
Citywest Business Park
Dublin 24
Ireland
+353 (0) 1 642 0800
www.sage.ie

MIDDLE EAST
Office No. 315, Building 12
P O Box 500198
Dubai Internet City
Dubai
United Arab Emirates
+971 (4) 3900180
www.me.sage.com

POLAND
Sage sp. z o.o.
Ul. Berna 89
01-233 Warszawa
Poland
+48224555600
www.actsage.pl

SOUTH AFRICA
Softline Technology Park
102 Western Services Road
Gallo Manor Ext 6
Johannesburg, 2191
South Africa
+2711 304 3000
www.pastel.co.za

SPAIN
Labastida, 10-12
28034 Madrid
España
+34 91 334 92 92
www.sagecrm.es

SWITZERLAND
Sage Schweiz AG
D4 Platz 10
6039 Root Langenbold
Switzerland
+41 58 944 19 19
www.sageschweiz.ch

UNITED KINGDOM
North Park
Newcastle Upon Tyne
NE13 9AA
0800 44 77 77
www.sage.co.uk/act

NORTHBROOK
Consulting Group, Inc.

One Northbrook Plaza
5 Revere Drive   Suite 200
Northbrook, Illinois 60062
847.835.0979
mail@northbrookconsulting.com
www.northbrookconsulting.com

About Sage ACT!
Sage ACT! makes it easy for you to have meaningful conversations with customers by giving you an organized view of the people you do business with. Like the millions of small businesses and sales teams who use Sage ACT!, you'll always be prepared with recent emails, meeting notes, task reminders, and social media profiles, because all of these details live in one place.

Important Notes: *For Sage ACT!:* You must purchase one license of Sage ACT! per user. Scalability varies based on hardware, size, and usage of your database. Review Sage ACT! system requirements at www.act.com/2011systreq. Visit www.actsolutions.com or contact your add-on product provider to determine compatibility for your add-on products. *For Sage Connected Services for ACT!:* Sage E-marketing for ACT! is powered by Swiftpage™.

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