

Dealers Take Their Message



For greater success
in e-mail marketing,
think one-on-one.

BY JOANNE COSTIN

E-mail marketing spending is expected to reach \$2 billion by 2012, and it's easy to see why it's so popular. It's low-cost, easy-to-implement, immediate and measurable.

While marketers in many industries quickly jumped on the e-mail bandwagon, the fact that contractors spent much of the time away from their office, and away from computers, kept many construction marketers out of game. But now that about 80 percent of households have Internet access and by 2010 an estimated 37 percent of global handsets will be smart phones, dealers and other construction marketers have discovered that e-mail messages are well accepted among their target audiences. In fact, in a recent survey of AED dealers, more than 80 percent of the respondents found e-mail marketing to be "somewhat effective."

When customers started requesting more information be sent via e-mail, such as invoices and product information, Jacki Valdez, who manages industrial sales for Chicago-based Metrolift, started thinking that e-mail marketing might be worth a try. That was a year ago, and according to Valdez, "It has really picked up." Metrolift has garnered e-mail addresses from sales staff, events,

and its website. Their weekly e-mails cover a wide range of topics including sales, safety, service and events. "Everything is not a sale or promotion," said Valdez. "We try to mix it up."

Volvo CE began to see e-mail requests emerging about six years ago. "Once we realized that people were requesting information this way, we then took a more aggressive approach," said John Johnston, e-business marketing manager. "We wanted to make sure we could deliver content back to them that meets their request."

It was over a year ago when Maryland-based Folcomer Equipment Corp. began an e-mail marketing program. Today, with a concerted effort by their sales team, as well as an online signup form, the company has more than 600 subscribers to their twice monthly e-news. "We have sold several pieces of equipment through e-mail," said Amanda Haddaway, director of human resources and marketing. "Folcomer has cut back on traditional marketing efforts while ramping up their e-mail marketing. "It's a way of doing more with less," said Haddaway.

As easy as it may seem to employ, effective e-mail marketing is much

more complicated than generating a message and hitting the send button. According to research firm The Radicati Group, a typical corporate user sends and receives about 110 messages every day. Approximately 294 billion e-mails are sent every day and nearly 80 percent of them are spam, or unsolicited e-mail. With all this clutter, marketers need to work harder than ever to ensure that their messages not only reach the Inbox, but are actually read.

According to Eric Groves, senior vice president of global market development at Constant Contact and author of "The Constant Contact Guide to E-mail Marketing," there are three elements to e-mail marketing success: Building the list, looking professional and creating good content.

Building the List

The CAN-SPAM Act, a law that sets the rules for commercial e-mail, establishes requirements for commercial messages, gives recipients the right to have you stop e-mailing them, and spells out tough penalties for violations. For this reason, most marketers use e-mail as a tool for relationship building, not customer acquisition. What you don't want is for

a major Internet Service Provider, such as Yahoo or Google, to label your e-mails as spam and block them.

Frank Stephens, president/CEO of Computing Technology Solutions, based in Wheeling, Ill., suggests checking to see if the IP address of your mail server is on any blocklists using sites like mxtoolbox.com.

Vickie Chiappetti, e-marketing manager for Milwaukee Electric Tool Corp., recommends outsourcing this responsibility. "I learned it is very valuable to have a team of experts with you, especially an ISP relations team," said Chiappetti. "You don't have the time to be massaging your delivery with MSN and Yahoo and Google. You can have the best looking e-mail campaign and if it doesn't get delivered, all it is, is

just a good looking campaign."

Following some simple guidelines will help ensure that your customers don't mark your e-mails as spam, negatively affecting your reputation. At sign-up, assure customers that the information will be kept confidential and will not be sold or distributed to other vendors. Simplify the process and don't ask for any other information than you need. Lastly, tell them what they can expect to receive, and if possible, give them some options so they can control the frequency and content to meet their needs.

"I always try to look at e-mail as a one-to-one relationship with a customer," said Johnston at Volvo. "When you have a one-to-one communication, you want to communicate to the

interests of the customer."

"For a B-to-B marketer the best thing you can have is an excited segment that wants to receive your message," said Chiappetti. Utilize every point of customer contact as an e-mail-signup opportunity, she advises. This should include your website, social media pages, events, store locations and sales staff.

Looking Professional

Whether you use an e-mail marketing service such as Constant Contact or ExactTarget, or purchase e-mail software to manage your campaigns in-house, templates make the process relatively simple. Templates can be customized to meet both your content

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When considering these three options, the first step is to determine your frequency, list size and budget. According to Eric Groves, senior vice president of global market development at Constant Contact and author of "The Constant Contact Guide to E-mail Marketing," a larger e-mail list provides more opportunity for segmentation and advanced techniques such as behavioral messaging. "That's when you shift to an e-mail platform that is more complex from a data standpoint than Constant Contact," said Groves. In behavioral targeting, e-mail content could be based on what a subscriber was looking at on a website.

Other advanced tools, such as content syndication, may not be available through all vendors or software. Content syndication allows you to post content on the website, which is automatically picked up as soon as someone opens the e-mail. Volvo Construction Equipment has successfully employed this tool to promote used equipment. Equipment can be easily changed out and updated without having to redesign the newsletter

from scratch. "The best advice I have is to document your exact requirements," said Johnston, "and let those requirements determine the vendor you work with."

In-House

If you elect to manage e-mail marketing in-house, expect to pay between \$800 and \$1,200 for the software and then for installation of the software and setup, but remember that you will also have to manage your relationships with ISPs. In addition, even though a sales, marketing, or IT person can manage the e-mail blasts and/or software, they might need to outsource graphic design. The upside is you will avoid adding additional costs as you increase the size of your list.

E-mail Service Providers

Companies like Constant Contact (www.constantcontact.com), ExactTarget (www.exacttarget.com) and others provide easy-to-use services and a wealth of expertise. Constant Contact is focused on small businesses with pricing based on the number of contacts. Prices start at \$15 per month. ExactTarget offers a range of solutions for all sizes of businesses.

IT Consultant

An IT consultant such as Computing Technology Solutions (www.onlineCTS.com) can manage your e-mail marketing, as well as other IT needs. This one-stop-shop strategy may offer some advantages in terms of cost and convenience. They will also have in-house graphic designers to develop custom designs.

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and branding needs. E-mail editors are easy-to-use and do not require any technical knowledge.

However, what you do need to succeed in e-mail marketing is a willingness to learn the art of e-mail marketing and a willingness to keep up with the continuous challenges. For example, advances in e-mail clients such as Outlook, have changed the way e-mails are viewed. A preview pane allows a reader to view just a narrow strip of the e-mail without actually opening it, while a blocked-images feature prevents images from downloading unless the reader requests them. B-to-B e-mailers need to be especially wary because many of their customers use Outlook and Lotus Notes.

According to Stephens, too many images and colors can result in a decreased open rate. “You are going to get caught by more spam filters than you would if you had more text and a little fewer images,” said Stephens. Mobile devices will also have an impact on how e-mails are viewed, and marketers need to take steps to adjust their strategy accordingly.

Keeping these restrictions in mind, marketers need to design their e-mails so that their key message is visible in the preview pane, even if images are disabled. Headlines or “in this issue” teasers in this area can entice people to read further.

Experts also say “from” and “subject lines” are key to

getting your e-mail opened. In a study conducted by Lyris HQ, 60 percent of readers said they use these to decide whether they’ll scan the message in the preview pane or just delete it.

Personalization is important, because it’s another indication that the message isn’t spam. One trend Stephens has seen is the use of real names in the “from” line. Haddaway uses her name when sending the mails and thinks it encourages response. “I have quite a few customers respond to the subject matter in the blast, but sometimes it is totally off topic,” said Haddaway. But because we have reached out to them, they feel comfortable responding back and asking about what they are interested in.”

Metrolift’s e-mails are also personalized and the sender’s name is changed depending on the content of the message. For example, service tips would come from the service manager.

“When someone gets an e-mail they ask two questions, ‘Do I know you?’ and ‘Do I care?’” said Groves. “‘Do I know you?’ is the “from” line, and the “subject line” is all about ‘do I care?’”

Most experts recommend sending an e-mail at least once a month, but you need to review your analytics carefully to determine the best frequency for any given audience. Stephens believes monthly newsletters are getting old. When a client’s monthly newsletter showed diminishing returns, the company changed the frequency to quarterly and the returns increased three-fold.

Content

When asked what separates the leaders in e-mail marketing from the rest, experts agree it’s the content.

“It’s all about the quality of the content,” said Groves. “It’s all about sharing your expertise with your customers to help them recognize you as an expert. When you get that kind of communication going you are building a relationship with your customer base.”

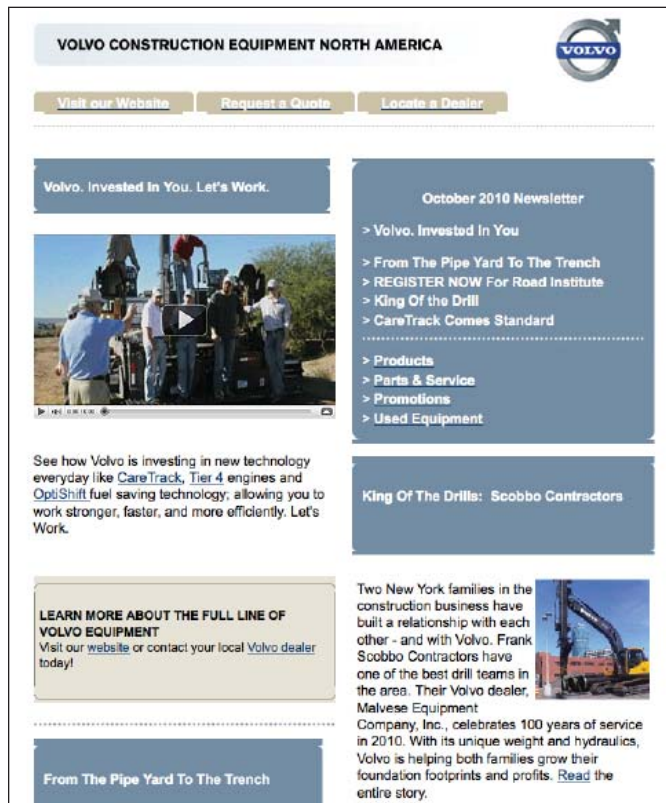
Too much information can be daunting when it comes to e-mail newsletters and promotions. “Recognize that the media is there to stimulate a reaction,” said Groves. “We like to say, ‘Be brief, be bright, be gone.’”

Valdez keeps the length less than a page and finds her customers respond well to visuals. “People don’t have time to read a lot, and even if we put all the detail on there, they will still call and ask questions,” said Valdez.

Johnston has similar advice. “Make the e-mail very concise and drive them to a Web page that has more information and links off of that.”

Video proved to be a great way to engage contractors for Milwaukee Electric Tool. Website traffic increased 30 percent after the company began to integrate videos in an ExactTarget-powered e-mail campaign – a trend that shows no sign of slowing in 2010.

Johnston also finds that customers respond to videos. “We see high traffic on the use of video in e-mail,” said Johnston. “So we put preference on the placement of the



Customers have responded positively to video included in Volvo Construction Equipment’s email newsletters.



video link in the e-mail layout.”

Chiappetti is diligent in monitoring both website and e-mail analytics to optimize results. “We are constantly changing,” said Chiappetti. In the last few years, the company’s e-mail content has evolved to become more product-focused, and photos have evolved from beauty shots to application photos and finally video.

“The biggest mistake marketers make is that they don’t listen,” said Chiappetti. “They don’t pay attention to analytics. It is a strong conversation that is going on in an e-mail. You are the salesperson’s voice without being the voice.”

Chiappetti believes video completes the experience for the e-mail recipient. “You have the audio, the visual and then someone may not be clear how to use something, and the video brings that all together.”

In *CED*’s informal survey last month, nearly nine of 10 construction equipment dealers are using e-mail

for promotional offers and sales, while less than a third are delivering educational content. If you are struggling with developing content, Groves suggests dealers write down interesting questions that customers ask, as well as who asked them, and put those in a folder. Then start answering those questions in the next e-mail newsletter. “It’s a great way to get a constant flow of really good content.”

When it comes to knowing when to send e-mails, diligence and testing pays off. Chiappetti did six months of testing before deciding that the time that delivered the best performance was 6:30 a.m. Constant Contact and other suppliers provide tools that allow you to see exactly when people are opening your e-mails.

Social Media and E-mail Marketing

More and more marketers are integrating social media into their e-mail newsletters, and this can be

an excellent way to grow your list. Constant Contact recently added social media tools that make this easy to do. “E-mail is the best way to get the message out to people,” said Groves, “and then you want to draw them to the community to have a dialogue, and that is what social media is all about.”

As dealers look to improve the profitability of their businesses, e-mail marketing offers an affordable way to communicate with customers. But to stand out in the customer’s Inbox, remember to apply the same customer focus to e-mail marketing as you do to other areas of your business. Think one-on-one to succeed. ■



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