



Proving Your Worth with Metrics

Michael Kelly, Director of Business
Development, ClickMail Marketing

Why Michael is speaking today

- Active in the permission-based email industry for 12 years
- Speaker at numerous ESP User Conferences around the US, as well as at regional DMA and national ASM events



- ClickMail is proud to have been an authorized Silverpop Agency over the last 2 years

Resources/References:

- **MarketingSherpa** 2009 'Best Practices in Email Marketing Handbook' (released a few weeks ago, we played a (small) part)
 - Chapter 7 devoted to email reporting, metrics, and analysis
- ClickMail (and Silverpop) are sponsors of the **EEC** (Email Experience Council)
- **Email stat center** (www.emailstatcenter.com) and **Jupiter Research**
- Other sources are from input/feedback from our clients, anecdotal evidence, and our own experiential data

References:



~~\$497~~
\$397

ADVANCE COPY

Best Practices in Email Marketing Handbook



MarketingSherpa Email Marketing Handbook

MarketingSherpa

Best Practices in Email Marketing Handbook

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References (cont.):

- Email Experience Council: The State of Email Metrics & Bounce Management



- EmailStatCenter.com

The Leading Authority on Email Marketing Metrics
EMAILSTATCENTER.com

Proving Your Worth with Metrics

- Conflicting Metrics
- Other Ways to Measure Metrics
- Danger In Not Measuring The Right Metrics, and Accurately
- Why to Measure
- What to Measure
- What Not to Measure
- Recognize Trends You Can Act On
- Tools That Do The Job



Quick quiz: For an online/email marketer, the following is true: The top 2 challenges are...

A: Deliverability and relevance

B: Erosion of trust and competition in the inbox

Jupiter said A in 2007,

MarketingSherpa said B in 2008

Test Your
Knowledge

Conflicting Metrics

- Mailed Metrics
- Delivery Metrics
- Open Metrics
- Click Through Metrics

ESP vs. Mailer (marketer)



Conflicting Metrics

- The lack of consistency in calculating key performance metrics makes it impossible to establish industry benchmarks or to effectively compare results.



Conflicting Metrics: Mailed Metrics

- 83% calculate unique emails that are attempted
- 8% calculate all attempts, including repeat attempts



- When asked how the industry should calculate “mailed,” 86% of ESPs supported the “all unique attempted emails”

Conflicting Metrics: Delivery Metrics

- **ESPs:** 79% calculate all failures from total mailed
- **ESPs:** 21% calculate all hard bounces from total mailed
- **ESPs:** 0% calculate delivered to the inbox vs. spam folder

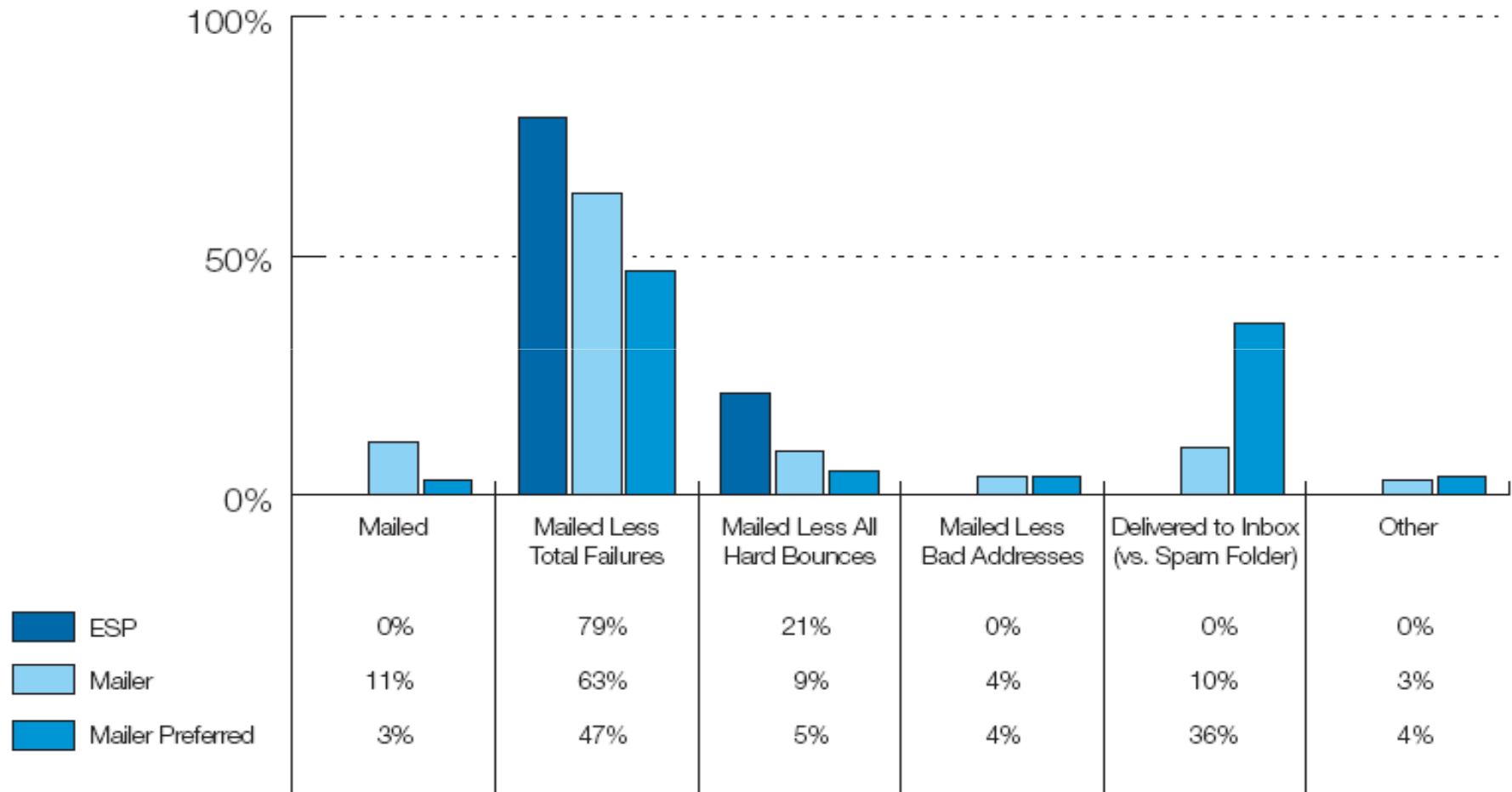
- **Mailers:** 63% calculate all failures from total mailed
- **Mailers:** 11% calculate total mailed
- **Mailers:** 10% calculate delivered to the inbox vs. spam folder.



Email Response Metrics

- Email marketing consultants consider an open rate of about 20% and a click-through rate of 4%-5% to be a highly effective email campaign.
- 18.7% don't know their open rates.
- 16.7% don't know their click-through rates.
- 23.3% don't know their conversion rates

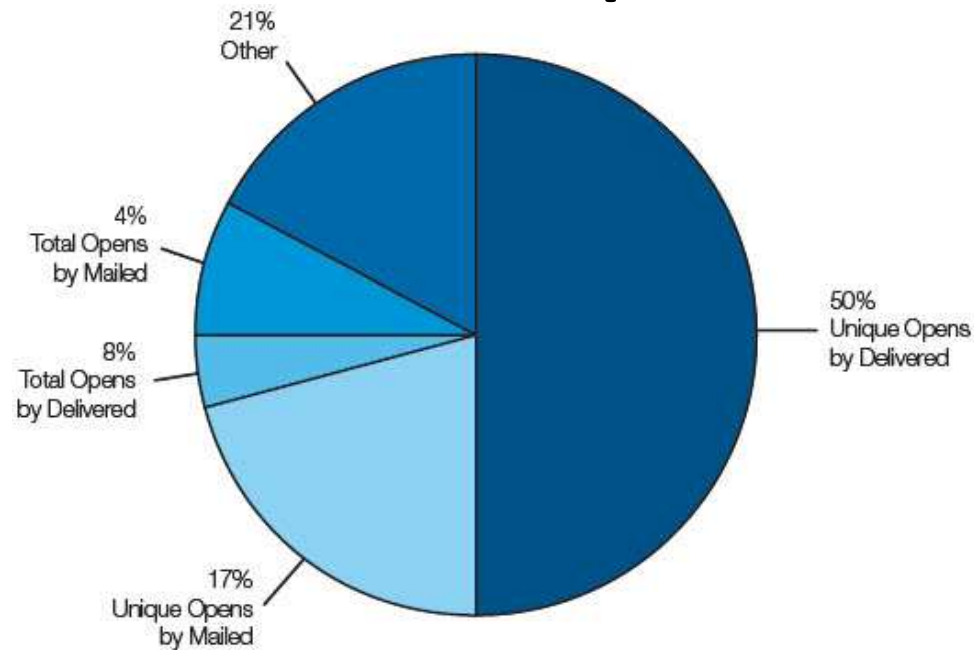
- Internet Retailer 2006



Source = EEC

Lack of Standardization: Open Metrics

- **ESPs:**



- **Mailers:** 73% calculating open rates by dividing opens by total delivered

Email - It's NOT just about clicks!

- The purpose of email marketing is to trigger an action – NOT only to get a click

Question – the very best element to optimize is...?

1. Subject line
2. Design elements
3. Messaging
4. Audience segmentation

a = the landing page!

- Remember – most of the time the objective is looking for a conversion, and guiding a prospect down that path



40/40/20 Rule

- For any campaign, 40% of the success will be from the messaging (copy, offer, urgency)
- 40% of the success depends on the audience (right segment, qualified, targeting)
- 20% will come from the creative (design, layout, imagery/graphics/rich-media, etc...)

Non-Click Responses to Email

- Higher brand awareness
- Non-email related purchases
- Email is forwarded
- Payment of a renewal or bill
- Inbound contact
- Visit retail location
- Visit website
- Showing up to an event

VICTORIA'S SECRET

CATALOGUE QUICK ORDER | FORWARD TO A FRIEND

bras panties sleep+lounge clothing shoes swim beauty sale+specials gift cards **PINK**

\$20 OFF ORDERS OF \$100+

\$30 off orders of \$150, \$75 off orders of \$250 Use offer code 09SPRING. Details below.



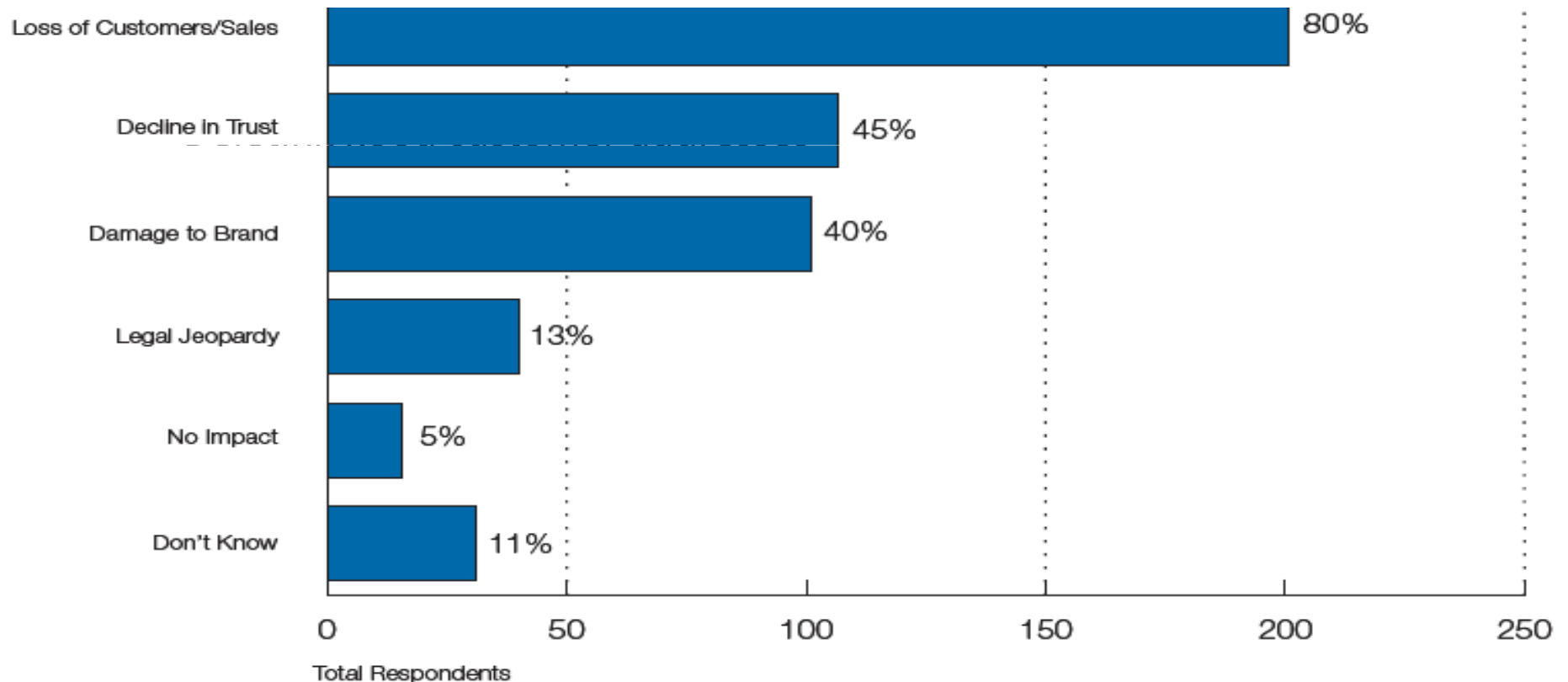
Danger in not measuring the right stuff or not measuring accurately

- Lost revenue opportunity
- What messaging works?
- Sales team will not know what to focus on
- Ability to do more with less



Despite the impact, 9% of Mailers don't know how many of their emails bounce for any reason, while 27% don't know the percentages of soft bounces and 23% don't know the percentages of hard bounces. Furthermore, 15% have bounce rates in excess of 10%.

The confusion around the number and types of bounces severely impacts a mailer's ability to properly address list management and practice issues. Furthermore, it exposes that risk that a mailer might only be made aware of issues after they reach a point of crises (drop in sales, blacklisting, etc.).



Why Measure?

- **Prove credibility**

- Justify marketing strategy
- Prove how email marketing is an integral part of the marketing plan

- **Justify budget**

- Email provides a far better ROI than any other marketing medium

- **Inform management**

- Creditability to show that marketing activities are working

- **Practical & Actionable**

- Know what works and what to improve



What to Measure

- Email Marketing Metrics
- Internal Benchmarks
- Trend Analysis
- Absolute Metrics



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Code	Name of Metric	Source of Metric OR Formula	Definition
A	Campaign name & Issue	Marketing	NA
B	Subject Line	Marketing	NA
C	Date Sent	ESP or IT	Date of campaign
D	Time Sent	ESP or IT	Time email send starts
E	Gross Emails Sent*	ESP or IT	Initial number of emails you ESP attempted to send
F	Total Bounces	=Hard Bounces + Soft Bounces	# of emails reported as bounced
G	% Bounces	=Total Bounces/Gross Email Sends *100	Proportion of total emails that bounced when sent
H	Hard Bounce	ESP or IT	Email sent to an invalid, closed or non-existent email account
I	Soft Bounces	ESP or IT	Email sent to a live email address, but which is rejected before being delivered. Often, the problem is temporary – the server is down or the recipient’s mailbox is over quota. The email may be held at the recipient’s server and delivered later, or the sender’s email program may attempt to deliver it again.
J	Net Emails Sent*	=Gross Emails Sent – Hard Bounces – Soft Bounces	The actual number of emails valid for attempted delivery.
K	Net Emails Sent %	=Net Emails Sent/Gross Emails Sent *100	Proportion of list eligible for delivery
L	Unsubscribes	ESP or IT	To remove one’s email address from a specific list, either via an emailed command to the list server or by filling in a Web form.
M	Unsubscribe %	=Unsubs/Net Emails Sent *100	Proportion of attempted sends that chose to unsubscribe

What to Measure: Internal Benchmarks

Determine where to invest more money and time in improvement

You'll be able to see where your marketing dollars have maximum payoff after you start tracking internal benchmarks, usually within 6-9 months. For example, let's say that your newsletter open rates are quite variable, fluctuating by as much as 10 percentage points. But your click and conversion rates remain relatively stable. In that scenario, you would expend more time and money on increasing newsletter opt-ins and conversion and less time on achieving a higher open rate.

click rates.

Benchmarks

Av. Delivery Rate 93.6%

Av. Open Rate 19.8%

Av. Click-Through Rate 5.9%

-Epsilon Q308 Email Trends and Benchmark



What to Measure: Trend Analysis

Perhaps, most important, benchmark against your organization's major goals (and be aware that goals can change, even quarterly). Is your goal to penetrate the Fortune 500? Is it to be the top-mentioned website for gift purchases? Is your goal to double your customers' interaction with your brand? Develop a methodology for capturing and benchmarking how email is contributing to your organization's goals.



What to Measure: Absolute Metrics

- New campaign or technology
- Negative exceptions to trends



Negative exceptions to trends _____

Positive exceptions to trends _____

ve

You'll also want to flag very positive aberrant results as well. There may be a kernel of a powerful marketing tactic hidden in an unusually high metric. If you suspect that's the

In most cases, however, trend data is far more valuable. Knowing that a particular email pulled a certain CTR, for example, is less helpful than recognizing that it pulled a CTR that is 50% higher than the average CTR for similar emails.

your next earliest opportunity.

What Not to Measure: List Growth

- Avoid reporting solely on your list growth
- You have to prune your opt-in list
- Quality NOT Quantity



Table 7.01: How to Express an Opt-In Goal

DO	DON'T
"Grow qualified prospects by 40%. Of those qualified prospects, we'd like 50% to give us permission to send them email."	"Grow opt-in list by 20%"

Always focus your attention – and your management's attention – on gaining quality prospects; otherwise, you're wasting your organization's time and money.

Do provide management with reports that show how your email marketing program is satisfying your organization's major objectives, such as :

- Email's Impact on Customer-Driven Metrics
- brand awareness
- customer satisfaction
- penetration of your target marketplace
- prospect involvement
- increased sales

Note that none of the above metrics can be obtained from a typical ESP report. You will need to get that data using careful customer research. But it will be worth it when it's time to submit a new or increased email budget.

thing" holds true here. Management may draw false or inappropriate conclusions on this data.

Tools that do the job:

- Flash based 'widgets'
- Online 'reportals' that use API system calls to access data from ESPs (like Silverpop)



What you already may know:

- API's are highly effective at automating the launching of emails, and managing the flow of data between disparate platforms.

What we've found:

- API's are a fantastic tool to extract data to produce actionable reports.

“If you can't measure it, you can't improve it”

Case Study: SEMA

- SEMA -Specialty Equipment Market Association-
www.sema.org




- Flash-based dashboard that takes disparate data feeds and rolls them into a real-time reporting 'mash-up' module
- Mash-up: ESP & Experient
- Registration Emails Sent
- Data Collected at Experient for new registrator



Case Study: SEMA

- Query ESP via the API (every 2 hours) for new SEMA email campaigns sent
- Download all data from these campaigns
- Continue to download data from older campaigns (7 + days)
- Query Experient (every 2 hours) for new registration data
- Massage ESP and Experient Data to find the results we need and place them in a separate Database
- Create an XML document every hour with the results
- Allow the Flash dashboard to display the results if connecting from an allowable IP address

Case Study: SEMA - Flash-based dashboard



SEMA

Key Performance Indicators v1.0

▶ SHOWS ◀
EMAIL LINK PERFORMANCE
FIRECLICK
AVECTRA

AIW081

This data is current as of: 5:47:53pm

Refresh Data

	Previous Year	Current Year	% Change
New buyers this week:	2328	3346	142%
Current Total Buyers:	36540	46040	106%
Current Total International Buyers:	6653	8383	126%

Last email campaign sent: **2008-09-13**
Opens: **112**

New buyers from last email campaign: **16**
Click-throughs: **26**

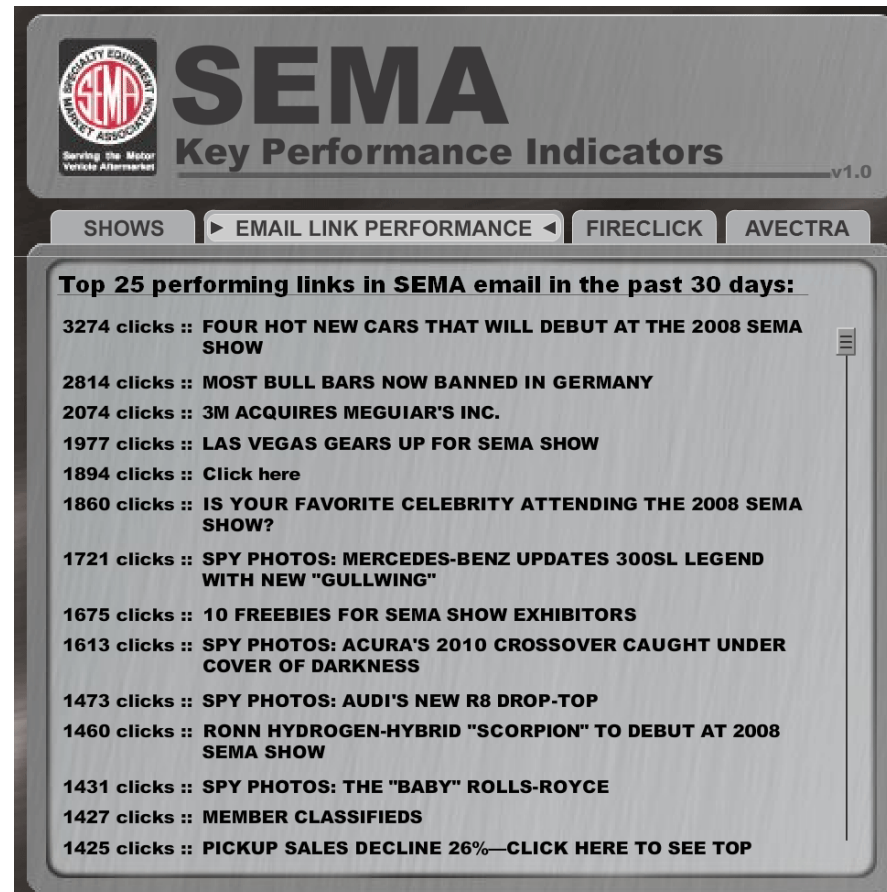
New buyers registered: **1890**
Alumni buyer count: **4254**

Top 5 Product Interests: **ACC, PPA, TW, EMM, TSE**

Top 5 Categories: **TRUCK, RACING, SPORT, BIO, CROSSOVER**

THIS KPI DASHBOARD WAS DESIGNED AND CREATED BY CLICKMAIL MARKETING. IF YOU WOULD LIKE ANY ADDITIONAL KPIS ADDED TO THIS DASHBOARD, PLEASE EMAIL: CAMERON@CLICKMAILMARKETING.COM

Case Study: SEMA - Flash-based dashboard



Case Study: MDCH



- **MDC Holdings - Richmond American Homes -**
www.richmondamerican.com
 - Online 'reportal' that captures/manipulates ESP campaign data and produces customizable reports
 - Multi-tiered user access management
 - Allow for different report types
 - HTML / Excel / Emailed
 - Metrics (Region, Division & Audience)
 - Actual vs. Industry Performance



Case Study: MDCH

- Query ESP via the API for the last 99 Email Campaigns sent
- Collect the data and place in the web-portal database (CMM built middle-ware/connector)
- Uses stored procedures to process the data and write reports

Case Study: MDCH Reporting Dashboard



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MDCH Reporting Dashboard Web-Portal

One or more campaign code(s) are not recognized
Please update the campaign code.

List Averages

Audience	Campaign Type	Average Delivery Rate	Average Bounce Rate	Average Opt Out Rate	Average Open Rate	Average Click Rate	Actions
Consumer	National Campaign	97.84	2.16	0.34	22.63	46.80	View Edit Delete
Realtor	National Campaign	93.12	6.89	0.11	21.00	29.00	View Edit Delete
Consumer	E-newsletter	98.03	1.97	0.34	20.47	44.50	View Edit Delete
Realtor	E-newsletter	93.59	6.41	0.12	19.05	23.15	View Edit Delete
Consumer	National	97.84	2.16	0.35	22.63	46.80	View Edit Delete
Realtor	National	93.17	6.83	0.11	20.75	28.26	View Edit Delete
Consumer	Division	98.12	1.88	0.30	23.39	49.09	View Edit Delete
Realtor	Division	93.74	6.26	0.10	23.14	24.26	View Edit Delete
Consumer	QMI Alerts	98.03	1.97	0.28	21.62	48.80	View Edit Delete
Realtor	QMI Alerts	92.68	7.32	0.15	20.45	26.90	View Edit Delete
Consumer	Events	98.07	1.93	0.31	24.29	44.07	View Edit Delete
Realtor	Events	92.46	7.54	0.07	26.66	19.77	View Edit Delete
Consumer	General Community Information	98.17	1.83	0.31	24.24	50.39	View Edit Delete
Realtor	General Community Information	94.91	5.09	0.10	21.67	26.38	View Edit Delete
Consumer	Home Gallery	98.08	1.92	0.30	16.46	23.32	View Edit Delete
Realtor	Home Gallery	92.78	7.22	0.07	19.54	11.45	View Edit Delete
Realtor	Corporate	81.39	18.63	0.15	20.91	24.53	View Edit Delete
Consumer	Corporate	91.34	8.66	0.93	48.24	19.13	View Edit Delete
Employees	Corporate	99.58	0.42	0.03	39.86	58.04	View Edit Delete

[New Average](#)

Case Study: MDCH Reporting Dashboard



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MDCH Reporting Dashboard Web-Portal

One or more campaign code(s) are not recognized
Please update the campaign code.

Build Report

Start Date: September 1, 2008 | End Date: September 14, 2008 | Audience: All | Region/Division: All | Report Name: Dashboard

Division	Audience	Campaign Type	Email Cmpgns (#)	Emails Sent (#)	Emails Delv. (#)	Delivery RA (%)	Delivery Avg. (%)	Bounce RA (%)	Bounce Avg. (%)	Optout RA (%)	Optout Avg. (%)	Open RA (%)	Open Avg. (%)	Click RA (%)	Click Avg. (%)
Phoenix															
	Consumer	National	2	12697	12251	97.84	96.49	2.16	3.51	0.35	0.36	22.63	19.06	46.80	38.43
	Subtotal (Consumer)		2	12697	12251	97.84	96.49	2.16	3.51	0.35	0.36	22.63	19.06	46.80	38.43
	Realtor	National	2	6468	6007	93.17	92.87	6.83	7.13	0.11	0.11	20.75	20.41	28.26	20.00
	Subtotal (Realtor)		2	6468	6007	93.17	92.87	6.83	7.13	0.11	0.11	20.75	20.41	28.26	20.00
Total (Phoenix)			4	19165	18258	95.51	95.27	4.50	4.73	0.23	0.28	21.69	19.51	37.53	31.93
Tucson															
	Consumer	National	2	3921	3713	97.84	94.70	2.16	5.30	0.35	0.15	22.63	19.97	46.80	41.38
	Subtotal (Consumer)		2	3921	3713	97.84	94.70	2.16	5.30	0.35	0.15	22.63	19.97	46.80	41.38
	Realtor	National	2	2163	2042	93.17	94.41	6.83	5.59	0.11	0.00	20.75	22.75	28.26	28.05
	Subtotal (Realtor)		2	2163	2042	93.17	94.41	6.83	5.59	0.11	0.00	20.75	22.75	28.26	28.05
Total (Tucson)			4	6084	5755	95.51	94.59	4.50	5.41	0.23	0.10	21.69	20.96	37.53	36.24
Total (Arizona)			8	25249	24013	95.51	95.10	4.50	4.90	0.23	0.23	21.69	19.86	37.53	33.02
Sacramento															
	Consumer	Division	2	1527	1367	98.12	89.52	1.88	10.48	0.30	0.39	23.39	15.98	49.09	35.25
		National	1	1375	1238	97.84	90.04	2.16	9.96	0.35	0.15	22.63	16.29	46.80	39.73
	Subtotal (Consumer)		3	2902	2605	98.03	89.77	1.97	10.23	0.32	0.28	23.14	16.13	48.33	37.39
Total (Sacramento)			3	2902	2605	98.03	89.77	1.97	10.23	0.32	0.28	23.14	16.13	48.33	37.39
Bay Area															
	Consumer	Division	2	1987	1738	98.12	87.47	1.88	12.53	0.30	0.30	23.39	15.75	49.09	31.31

Case Study: MDCH Reporting Dashboard

Arizona
 Phoenix
 Tucson
 California

Division	Audience	Campaign Type	Email Cmpgns (#)	Emails Sent (#)	Emails Delv. (#)	Delivery RA (%)	Delivery Avg. (%)	Bounce RA (%)	Bounce Avg. (%)	Optout RA (%)	Optout Avg. (%)	Open RA (%)	Open Avg. (%)
Phoenix													
	Consumer	National	2	12697	12251	97.84	96.49	2.16	3.51	0.35	0.36	22.63	19.06
	Subtotal (Consumer)		2	12697	12251	97.84	96.49	2.16	3.51	0.35	0.36	22.63	19.06
	Realtor	National	2	6468	6007	93.17	92.87	6.83	7.13	0.11	0.11	20.75	20.41
	Subtotal (Realtor)		2	6468	6007	93.17	92.87	6.83	7.13	0.11	0.11	20.75	20.41
Total (Phoenix)			4	19165	18258	95.51	95.27	4.50	4.73	0.23	0.28	21.69	19.51
Tucson													
	Consumer	National	2	3921	3713	97.84	94.70	2.16	5.30	0.35	0.15	22.63	19.97
	Subtotal (Consumer)		2	3921	3713	97.84	94.70	2.16	5.30	0.35	0.15	22.63	19.97
	Realtor	National	2	2163	2042	93.17	94.41	6.83	5.59	0.11	0.00	20.75	22.75

Q&A

- Electronic copies of this presentation are available – Contact ClickMail Marketing at

- For a copy of the ClickMail White Paper “**You’ve made it to the inbox. Now what?**” visit:

<http://www.clickmailmarketing.com/resources/whitepapers.php>

- For more information contact:

sales@clickmailmarketing.com or 650-286-2110

Thank you!