

## Why It Pays to Be Direct with B2B Email

In too many business-to-business (B2B) marketing communications programs, email gets little respect. Email is taken for granted because it is used for mundane communications inside the organization and for workaday contact with customers, vendors and suppliers outside.

Nevertheless, it pays to take a fresh look at email's strategic value as a direct B2B marketing communications tool. From a strategic perspective, email marketing is the most cost-effective and quantifiable way to market products and services. As such, it has the potential to be one of the most cost-efficient B2B customer acquisition and retention tools. So much so that research shows in the difficult business climate of 2009, two digital marketing media—social media and email—actually saw budgets increase. This rate of investment over conventional media continues today.

As a digital marketing tool, email is more than a message in a mailbox. It is a direct communications medium that plays multiple roles by:

- Integrating with the overall marketing communications program to attract, interact and engage customers.
- Enhancing website value and fulfillment.
- Providing point-of-contact for affiliate websites, PR, social media (blogs, micro-blogs, Facebook, etc.).
- Enabling outbound messaging and generating demand.
- Delivering offers that acquire new customers and providing value-added information that builds relationships.

And now with the rapid growth of digital marketing strategies and technologies, it is worth taking a fresh look at how email functions in today's B2B digital marketing environment.

### **Identifying the goal: Capturing or cultivating?**

B2B email marketing has two basic goals: to invite a response (customer acquisition) and to cultivate an ongoing relationship (customer retention).

*Response email* involves sending a promotional message that encourages the recipient to take action (buy something, sign-up for something, etc.). To generate action, an incentive is usually involved, such as an announcement of a time-limited offer or discount.

With *retention email*, instead of encouraging immediate action, you create opportunities to build a relationship by providing something of value. For example, the email could be a regular e-newsletter that informs, entertains or otherwise benefits the readers. It might contain a call to action, but that is not the main point.

Both response and retention approaches presume that a process has been put in place to build and manage a qualified mailing list. Ideally, such a process is the result of a marketing communications plan that strategically integrates all of a company's online and offline assets.

In the past, B2B marketers often didn't take the trouble to integrate email into the marketing communications plan. A list of email addresses from trade shows, trade magazines or compiled sources was rented. Then those names would be bombarded with an offer.

But today's inboxes are guarded by a sophisticated array of email filtering software that bounces undesirable messages. Then there is the psychological filter of recipients who delete unwanted emails first and ask questions later.

Bombarding email recipients with unwanted email not only creates a negative impression for your brand. It potentially runs afoul of the CAN-SPAM Act of 2003, which authorizes a \$16,000 penalty per violation for each separate email that doesn't conform to the legislation's requirements.

In contrast, integrating email into a strategic digital marketing plan transforms email from an annoyance to a communications medium that can foster mutually rewarding business relationships for years.

Study after study shows that the more an organization knows about their email recipients, and the more targeted and relevant the email message, the better the results in the short and long term.

Given ongoing developments in digital marketing communications, it's important to understand the best strategic position and tactical usage of email to take full advantage of today's new possibilities. To provide that understanding, Godfrey has developed a series of white papers that delve into four areas:

**PART 1. List creation:** You'll see why today it's more valuable to use all online and offline touch points as list-building opportunities instead of renting email addresses from unidentified sources.

**PART 2. Segmentation and cultivation:** You'll learn why an obsession with managing big email lists can be a disadvantage in the increasingly personalized, one-on-one digital communications environment.

**PART 3. Evaluating the value of testing:** Find out how to make sure your direct email program is paying off by using simple, scientifically valid testing techniques to determine what's working and what's not.

**PART 4. Deliverability and open-rate:** Engaging the relationship. Find out how to overcome the two big hurdles in a B2B email campaign: delivering the message to the inbox and engaging the recipient to open and respond.

Our next Godfrey *Why It Pays to Be Direct with B2B Email* white paper will explore how to use online and offline touch points to build an email list—an effective alternative to merely renting email addresses. Please visit [www.godfrey.com](http://www.godfrey.com) for your copy of each new white paper in this series.

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