

Click for sales: how Volvo Germany recruited test drivers by video email

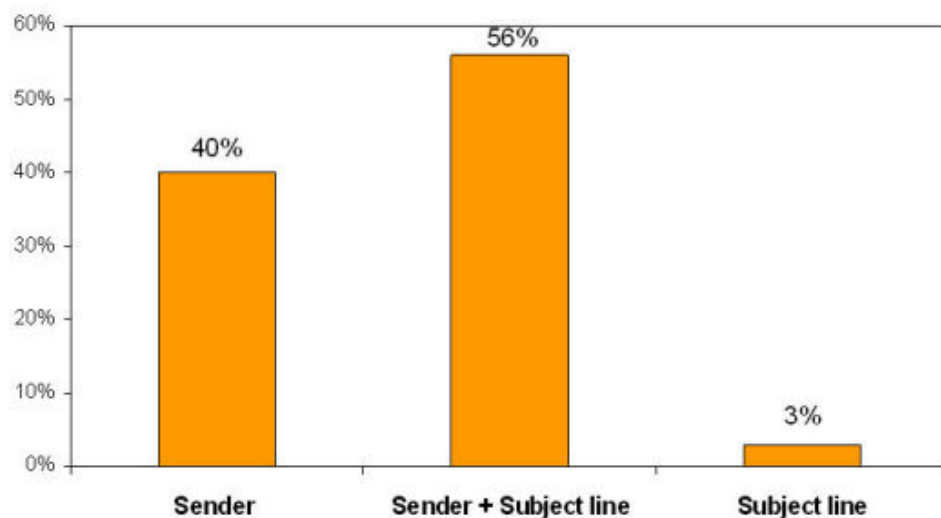
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According to the research firm Marketing Sherpa, even a small design improvement in a marketing email can improve its click rate by up to 28%. But this is only part of the equation: to maximize results, design has to work with optimization tools and techniques. Below, I outline some best practice rules for email design and deliverability - including in multinational marketing campaigns - and describe how Volvo Germany used these principles to achieve very high open and click rates.

How to design an effective marketing email

1) Personalize

First and foremost, recipients need a reason to open an email. Most people glance first at the sender and then the subject line (see Figure 1 below).



Source: Lucid Marketing and EmailLabs, Effective Tactics for Email Marketing to Moms, 05/2006

Figure 1: Email recipients first focus on the sender's identity

In 2007, the Email Sender and Provider Coalition also reported that 79% of its respondents said they hit the 'report spam' button when they did not recognize the sender. Fortunately, organizations can personalize communications to customers at several stages for little or no extra cost. The practice also affords an opportunity to build up knowledge of each customer and keep him or her happy at every stage of the lifecycle. Personalization and segmentation techniques include using a customer's name in the greeting, sending a birthday email or sending content based on their residence.

2) Introduce yourself

Consumers want to know who is communicating with them. Include your company name in the heading because mail from an anonymous source is far more likely to be classified as 'junk'. But ensure you don't waste words. If your brand or company name is already in the sender's address, you don't need to repeat it in your subject heading.

3) Emphasize the call to action

A subject heading may comprise only a few words, but if it can convey urgency, spark an immediate reaction and amplify the call to action, then you will notice improved results: for example, "Shirt Sale" palls in impact compared to "All shirts discounted - for another 12 hours!" Make the recipient curious, use teasers and hint at important announcements. A good approach is to ask questions, prompting interaction and a response. Anything that encourages the recipient to stop and think gives you more of their precious attention.

4) Use appropriate images

Personalization covers more than text. The examples below show how the click rate can increase with personalised images (see Figure 2).

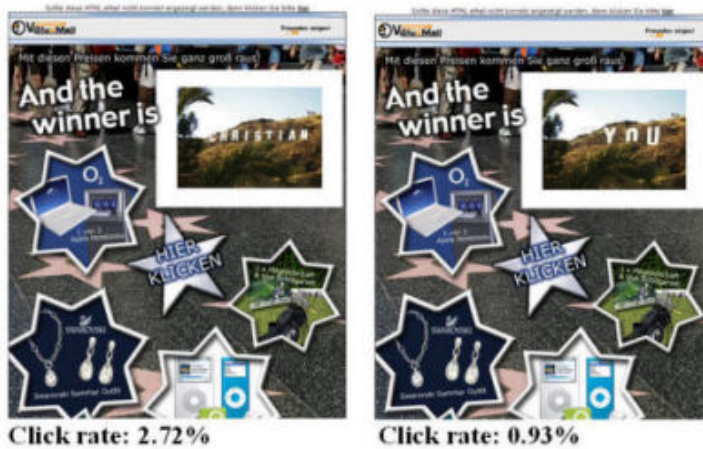


Figure 2: Individually tailored images can spur click rates

This leads me onto relevant images that can generate a higher performance. The predominant consideration is compatibility with HTML. Such templates provide the opportunity to create colours and graphics that add to the email's impact and provide valuable branding opportunities. However, the images need to be relevant to the content. Also remember that some email clients could automatically block images so make sure a text version is available and it is comprehensible without images. You also need to consider that some recipients won't always see the email in its entirety, but could initially view them in smaller preview panes. Take this into consideration and optimise your email design in regard to these properties.

In short, before you send it, test your design in a preview pane, full screen and with images turned on and off.

5) Make the most of your email

- Include multiple calls to action throughout the email - not just in the subject line.
- Where relevant, include a directory to act as a contents page and tell people what the email includes.
- Add an 'Add to address book' link; this is a perfect tool for lead generation.
- Leave plenty of ways to get in touch. What's the point of creating a great email if the recipient cannot follow a clear route-to-purchase?
- Keep editorial short but create links if recipient wants to read further.

Ensuring email delivery

Such design advice is, however, futile if it is not supplemented with a strategy to ensure email deliverability. It has become harder for legitimate marketers to reach audiences because ISPs have been increasing the number of emails deemed as spam. This is based on measurement methods that are similar to a 'credit-rating' based system.

By monitoring the number of bounced emails and 'this is spam' complaints they receive, ISPs can identify serial spammers from a particular domain and blacklist that address. Furthermore, they are clamping down by setting spam traps. These are strategically created emails and dormant addresses used to identify repetitive spammers. Knowing these email addresses would generate either no response or a 'hard bounce', the ISPs can catch those brands and their service providers which continually send communications to these 'duff' email addresses.

That is why companies such as ours employ staff to manage relationships with ISPs and freemail providers, and ensure we are on the whitelists of major free email groups. But we cannot do this work on our own and we liaise closely with clients to ensure high quality of list hygiene, removal of bounce or complaint addresses and clear opt-in and opt-out mechanisms.

Taking the approach cross borders

1) Think local

According to a recent study by Jupiter Research, non-UK European marketers often use a single team and strategy, segmenting lists by country only. This is a great start, but marketers also need to consider different dialects, currencies and language preferences. Some recipients may also prefer to receive emails in English rather a native language.

2) ESP Advantages

Utilising an email service provider (ESP) can localise your email communications more effectively. Email broadcasting tools, such as eCircle's eMessenger, enable brands to include dynamic content which can be matched with user/country preferences and to carry out highly targeted segmentation. Additionally, some ESPs can ensure relationships with ISPs internationally thus aiding deliverability.

3) Personalization

In some countries, personalization works well. In others, it can have the opposite effect with the message seeming too artificial or informal. Recipients may also have privacy concerns so try to limit the amount of personal information displayed.

4) Email format

How much content you display in your emails can effect how well your campaign performs from country to country. In the US, it is usual for articles to be accessed via a link in the email rather than displaying the whole thing. In other countries, the expectation is that the article will be displayed in full.

5) Test different content

Performance can vary by country. While this seems obvious, eCircle found that emails promoting sunny destinations worked particularly well in the UK and Germany, due to people's desire to escape to the sun, with average open rates on these emails of about 30%.

6) Send out time

Time zones must be considered, as must hours people work, national holidays and when people typically take time off work. For example, people in the UK typically take time off over August when children on holiday. In the US, school holidays vary from state to state, even city to city.

7) Foreign laws

When broadcasting email to different countries ensure you're compliant with regulations. Take note particularly of privacy regulations and use of personal details.

Case Study: Volvo Germany's "Find your Dream" campaign

The challenge:

- To generate interested prospects to test drive new Volvo Germany models
- To address target group specific car buyers through email commercials
- To increase response rates for the Volvo as well as model newsletters.

The solution:

- Creative Videomail campaigns with content relevant to the recipient and sharing the same "Find your Dream" theme as press and television advertising
- Screening of high quality addresses from eCircle databases targeting age and metropolitan areas
- Activity-oriented newsletter for the C30, V70 and S80 Volvo models.

The results:

- Above average response rates with consistently good click rates including an open rate of 82% for the C30 Newsletter and up to 60% click rates
- Branding effects, lead generation and customer retention through communications tailored to the recipients' interests.

Campaign details

By splitting its target audience into recipients of different car range-specific email communications, Volvo Germany achieved high response rates. In addition, the awareness of customers and prospects of the existence of Volvo's newsletter was high with up to eight out of ten recipients reading the newsletter on a regular basis.

Volvo used email to complement its existing marketing mix, not only its traditional dialogue marketing campaigns but also other online marketing methods. The common purpose was to increase response rates across all its advertising tools. Email was by far the cheapest medium, averaging at about 75% less than a print direct mail campaign.

According to Oliver Engling, Head of Advertising and CRM at Volvo Cars (Germany), Volvo customers and prospects gather information and research online and therefore the most natural means by which to communicate with them is by email. Mr. Engling said: "This is why continual communication with our customers is vital for us. We place a high value on close personal contact with them, which is best maintained via email or letter".

Regular email communication is specific to individual target audiences and oriented to a car range. As Volvo Germany's supplier, eCircle sent out three specialized newsletters to market the C30, V70 and S80 models, in addition to a general customer newsletter. With the

theme "Meet the Man of your Dreams", Volvo tested the concept of using the same campaign twice: once in a TV advert and again in a video email campaign which was sent to a third party list.

For the email medium, 100,000 email addresses from the specified target group (people aged 30+ and living in urban areas) were selected from eCircle's permission database. Video mail allows an email to be sent, in which - with the help of streaming - a video clip including sound is directly received in the recipient's email preview pane.

The objective of the campaign was to generate interest in test drives of the new Volvo models as well as to take advantage of associated branding effects. Open rates of 48% and click rates of up to 20% were frequently achieved. These rates were out-performed by the one-off newsletters which delivered opening rates of up to 82% and click through rates of up to 60%. As Engling says, "Relevance is the key to success".

Conclusion

Volvo Germany's case study suggests that, for communicating to specific interest audience groups, email is the way forward, particularly for automotive manufacturers with a broad range of car models targeted at different segments of society. Volvo's high response rates on its email marketing speak for themselves. Similar results have only been achieved by 6% of email marketing users according to a 2005 Marketing Sherpa, email marketing benchmark study.

One thing is clear: organizations which have thus far remained distant from the online marketing world need to engage with the medium. If your key objective is to win new customers or maintain existing ones, email marketing undoubtedly offers a range of tools which complement the marketing mix. With the help of professional broadcasting solutions, it is possible to carry out complex selection processes and personalization easily and cost-effectively.

About the author:



Volker Wiewer is Chief Executive Officer at eCircle, Europe's leading provider of software and services for digital direct marketing. Founding the company in 1999, it now is responsible for the transmission of 600 million emails per quarter, has over 830 systems running with eCircle's email marketing software eC-messenger and works with clients in each vertical sector. Before eCircle, Volker worked for Roland Berger & Partner International Management Consultants. There he acted as a consultant to companies developing and realising strategies for electronic commerce from 1997 onwards.

Volker is also the author of several articles and surveys about email/multi-channel marketing as well as one of the leading speakers at congresses relevant to the industry, such as the German Trade Fair for Mail Order Business, DIMA, CRM-expo, the International Tourism Trade Fair (ITB) and DMMK. He is also a lecturer at the Bavarian Academy for Advertising and Marketing.

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