



Feature

Consider new methods to measure ROI on e-mail campaigns

By Judith Nemes

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These days, marketing managers have to justify every penny spent, so measuring their return on investment is more critical than ever. While tracking clicks and opens gives marketers some baseline information about response to their e-mail campaigns, those measuring sticks are no longer good enough, says Janet Rubio, chief insights officer at Engauge, a marketing services company that specializes in traditional, direct and digital marketing.

“Everyone is being pressured to do more with less,” said Rubio, who helps team members identify successful metrics at the outset of projects and measure success at the end. “The expectation now is that you can brand and sell at the same time in an e-mail campaign. Measuring that can be a big challenge.”

Rubio offers tips on measuring e-mail campaigns that go beyond clicks and opens:

1) Analyze a series of e-mail contacts, not isolated messages. One way to track the success of combined branding and selling is to analyze “contact streams,” or groupings of e-mails, over time instead of one-shot e-mails, Rubio said. More marketing managers are planning out series of e-mail contacts intended to engage subscribers in a dialogue that spans several months and hopefully results in sales, she said. By measuring the total value of what people bought over time—quarterly or annually—they’ll get a more realistic view of whether the branding/selling tactic is working, Rubio added.

Measure engagement through social networks and other new media. Did the e-mail campaign inspire a recipient to comment about it in a social network site, such as Facebook or one sponsored by your company’s Web site? Did they tweet about it on Twitter? Rubio noted there are tools used to scrape various social media sites to bring that data back so marketing managers can look at what’s being said. Industry blogs and competitor Web sites are good places to scour for feedback as well. “This is fairly new on the b-to-b side, but you can get a boatload of data that tells you what people are saying about your company,” Rubio said.

2) Measure referrals because they save companies money. The cost to acquire customers continues to skyrocket. “If you can get someone in your existing e-mail base to feel passionate enough to tell someone else, you’re using them to fuel your growth and cut overall acquisition expenses,” Rubio said. To measure that, marketers can track e-mail recipients who clicked on the button that forwards the e-mail to a friend. If the recipient interacts with someone on the company’s sales force, information from notes can be

gleaned to find out whether the client told associates about the company's brand or specific offers, she noted.

3) Make sure your e-mail list is active and engaged. It's still vital to know whether your subscribers are interested in what your company has to say. Watch the opt-out rates and keep them low, Rubio said. In addition, watch the percentage of your list that has actively engaged with you, even if it's just to open or click, she said. Compare that ratio with the percentage acquisition of new names. "Just because the file is growing doesn't mean that its fundamental 'health' is," she said. "You may be suffering from leaky bucket syndrome and need some new messages to engage those who are beginning to attrite."