

eMail Marketing System Review Evalanche V3

Executive Summary

SC Networks has accurately reviewed and understood the forces driving the evolution of eMail Marketing. Its new Version 3 of the Evalanche ASP eMail Marketing system:

- focuses on the needs of two key groups: the eMail recipient and the Communications expert
- streamlines Newsletter production processes to save time, effort and costs.

For the Recipients of eMail Marketing Newsletters, Evalanche V3 offers the opportunity for increased relevance, which can only be a positive development for the eMail Marketing profession.

What is new in Evalanche V3?

There is much. Most significant is the way the system works. Evalanche V3 is the result of a fundamental re-think and re-design of the Evalanche ASP eMail Marketing system. It now marries a Content Management System (CMS) to already comprehensive eMail Marketing functionality.

The result is an eMail Marketing system that sets entirely new standards for effectiveness and efficiency for eMail Newsletters.

- This system puts internet publishing firmly in the hands of marketing communications specialists: writers, editors, PR practitioners, direct marketers and marcomms strategists.
- The reliance on IT skills for maintaining publishing deadlines is – for the moment at least - pretty much over. Html and javascript skills need no longer be a bottleneck.

The pendulum may swing back toward IT again at some point – but not for a long while.

Potential impact

For both Agencies (the primary target market) and in-house marketing communications departments (the secondary market), Evalanche V3 offers the opportunity to make significant reductions in the time and effort to implement an eMail marketing project or campaign.

In the short term, early adopters will probably see the savings in time and effort translate into speed of delivery (competitive advantage) and improved profits. In the medium term, as more agencies use it, the primary benefit will appear as improved levels of service to clients. For in-house departments, savings in time and effort will translate into budgetary savings and reduced reliance on the IT department.

Over the long term, other vendors will seek to release similar levels of functionality based on the new, underlying concept. This system may well trigger major changes in the eMail Newsletter sector. The new approach sets new standards that communications experts will undoubtedly want and that other vendors may be keen to copy.

Forces driving the eMail Marketing profession

Increased relevance of eMail communication is the best cure for falling click-through rates.

The falling click-through rates observed over recent months are the inevitable result of increasing competition for attention. The total volume of eMails sent is increasing, yet the Recipients perception is that the relevance of eMails is decreasing. Customised content is therefore one path to successful communication.

Recipients of marketing eMails are becoming more selective about what they read. Their response to being bombarded by eMail communication is to ignore most of it. Personalisation ("Dear Mr Sample") is now standard and alone is not enough to guarantee response rates. What Recipients want above all else is relevance.

Though these factors are well known, it appears that many eMail Marketers are not yet acting on this information. Many use wider, rather than narrower, target group definitions in an attempt to maintain response rates. In doing so, they simply make themselves unpopular with the very audience they seek to persuade.

The eMail recipient

To increase the relevance of the message for the recipient, the eMail Marketer must address two issues. The first is accurate target group definition; the second is the ability to customise content precisely according to the Recipients needs.

Evalanche V3 allows the eMail Marketer to define sub-groups of the subscriber list using (for example) personal preferences provided by the Recipient in their subscription profile. Subsets are defined via mouse clicks on pull-down menus. Even sophisticated definitions are possible by mouse click. The eMail Marketer combines choices with "and", "or", "not"; or uses brackets to group choices. Once defined, a subset can be labelled and saved for re-use – alone or in combination with other saved target groups.

The significant difference in Evalanche V3 is that a separate target group definition can be attached to each individual article in a Newsletter. As a result, the content of the Newsletter can easily be customised to the interests of the individual subscriber, thus providing a way to maximise relevance.

For eMail marketing professionals, this opens up a much-needed editorial strategy. Each issue of a Newsletter can be structured to address multiple aspects of the marketing communications strategy in parallel. The eMail Marketer can define some articles as "generic". These will be seen by all recipients of the Newsletter. In addition, they can define articles that will only be visible to specific sub-groups of subscribers. These additional articles can be written for clearly defined purposes such as: sales promotion, cross-selling or up-selling; to promote attendance at events; to deliver key PR messages; to explain technical benefits to experts, to explain financial benefits to business managers; and so on.

The ability to attach target group definitions to individual articles means that editors now have an incentive to write text that focuses on the needs and interests of specific groups. With optimised text, response rates can be expected to increase.

Although customisation of content appears to be a desirable goal in its own right, it carries a cost. Any increase in the volume of articles that need to be written also increases the amount of effort required for publication. The benefits of customised content must be carefully weighed against the costs to avoid diminishing returns.

The Communications expert

Evalanche V3 is an internet publishing environment that has been designed for the marketing communications specialist. The system significantly reduces the total time and effort needed to produce an eMail Newsletter.

SC-Networks has accurately identified that the production of a Newsletter typically involves two very different skill sets – marketing communications and internet design. Since few people have both skills, Newsletters are usually produced using a sequenced approach. First, an editor creates the content in line with the communications strategy. In a second step, internet designers publish the content as eMails, webpages, pdfs, etc.

Evalanche V3 not only simplifies production; it removes many technical processes entirely by automating them. It requires no knowledge of html, javascript or any of the technical tools that have so far been considered an essential part of the internet publishing process. As a result, valuable human resources are made free for other projects. To understand how this is possible, it will be necessary to explain how Evalanche V3 works.

All the technical definitions for publications are held in templates. It is possible to create different templates for eMail, Web viewing, print (Pdf) and RSS feed. These templates can be defined using a mouse-driven WYSIWYG interface without needing html or java script skills.

Articles are created as a set of components. For example: a title, a short text (the “teaser” that appears in the eMail version), the full-length text, the link from teaser to full-length article, a graphic, a link, etc. The texts of articles can be typed in on-screen, pasted, or loaded as a file. On-screen editing includes all the usual formatting facilities that an editor expects: font family, size, bold or italic, bullets, etc.

The set of components that make up a Newsletter article is stored in a content management system. This means that an article can easily be re-used in several different issues of a Newsletter, or used in different types of communication: in a Newsletter, a single-message email, a sales promotion, an on-line archive of case studies or press releases, etc.

To create a new issue of a Newsletter, the editor selects the Template and defines which articles from the CMS will be used. So far, so good. But the team at SC-Networks has taken the concept one stage further.

When the Newsletter article is saved, it is automatically and dynamically replicated in multiple formats without any additional manual work:

- multi-part eMail (html and text)
- web page
- optimised for print (Pdf)
- RSS feed.

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At the same time, each Individual article is automatically generated as:

- a separate web page
- a Pdf optimised for print.

All links between the Newsletter (both eMail and Web version) and the web pages containing full-length articles are generated automatically.

Graphics

SC Networks has also given careful thought to the issue of how graphics are used in eMail Marketing generally and especially in Newsletters.

Current practice requires that a separate file is manually sized and stored each time a graphic appears in different size format. To date, this cost – in time and effort – has been unavoidable.

In Evalanche V3, Graphics are loaded into the CMS just once. They are automatically replicated to the dimensions defined by the Newsletter template and the file size is optimised according to the delivery medium (eMail, pdf, RSS, etc).

The entire manual process of scaling and sizing graphics for Newsletters is removed: Evalanche V3 handles this automatically.

Saving time and effort

This Table illustrates the potential resource savings for a Newsletter over a year:

Automated Production Processes (post-Editorial)	Time (hrs)	Euro
Produce a Newsletter article as:		
• a separate web page		
• a Pdf optimised for print		
Resource per article		
Number of articles per Newsletter		
A = Total resource saving on articles		
Staff-hours to produce a complete Newsletter as:		
• a multi-part eMail		
• a web page		
• a Pdf optimised for print		
• RSS feed		
B = Sum of activities per Newsletter		
Graphics		
• to size a graphic for Html Newsletter		
C = Typical # graphics per Newsletter issue		
D = Number of Newsletter issues per year		
Total potential saving (A + B + C) x D =		

Target Markets

Evalanche V3 has been designed primarily for Agencies with multiple clients. Separate accounts can be set up for each client. The system can be used by the agency and/or client staff.

Campaigns, projects and contact data are rigorously separated within the database so that information about one client can not be seen by another. Agencies, which access the central Evalanche system benefit from immediate upgrades to the system.

An additional market for Evalanche V3 is in-house marketing communications departments. This will be the preferred solution for companies with strong internal policies on ownership of systems or location of customer data – policies that usually prohibit the outsourcing of eMail marketing services.

This is a secondary market in the sense that an internal installation of the Evalanche system on a dedicated server is necessary. These in-house departments will inevitably experience a delay of a few working days in the roll-out of new or additional functionality to their installation. However, this seems a minor issue given the potential for increased productivity.

System summary

Evalanche V3 is an ASP (application service provider) solution. The system resides as a single central installation to which customers (Agencies) and their clients have access.

The user interface is via web browser. All major web browsers are supported. The recommended browser is Firefox since this allows the user the highest level of interaction with the available functionality.

Pricing is by monthly fee calculated on the quantity of eMails and Internet traffic generated with a discount structure according to volume. Pricing information is available on application to SC Networks.

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The Basis of this Evaluation

The theoretical requirements of a complete eMail marketing system described below are based on the following concepts:

Dialog Marketing

- permission-based
- personalised
- customisation of content
- closed feedback loop

Business processes

- a database is an integrated component
- template-based
- business process mapping
- open to external systems

eMail Marketing in practice

eMail Marketing campaigns define, describe and implement a specific dialogue between the company and the contact.

As such, eMail Marketing offers companies a medium for "closed loop" communication which includes the ability to measure response rates. These results not only reveal the effectiveness of a campaign, they also enable companies to gain insights into customer needs that can be used to improve the planning for the next project.

Given this context, a significant advantage of eMail Marketing over traditional media (such as print, post, etc) is the speed of response. Because the responses come back within days rather than weeks, the impact of campaigns can be rapidly assessed. The results can be used to generate insights which are in turn used to improve the communications strategy.

eMail Marketing is unique in that offers companies a method for gaining a competitive advantage through faster adjustment of their marketing strategies to the needs and interests of the customer.

The basic components of eMail Marketing

At the simplest level, dialog marketing consists of three elements: offer, response and fulfilment. The relevance of the offer for the recipient is the key factor in the success of a campaign.

A classic example of the process flow looks like this:

- information offer - sent via email
- capture response - via web page
- simultaneously:
 - "thank you" - via web page and
 - fulfilment of the offer - via email

Increasingly, campaign designers expect to be able to define execution of each element in the dialog using a variety of media (such as email, web, SMS, Pdf, Fax, RSS, etc). In the above example, the fulfilment step could also be executed by web page, Pdf, SMS, etc.

Clearly, there is much more to eMail Marketing than just "sending out eMails". A complete system must be capable of handling the entire scope of the dialog; and do so across the full range of media. Full flexibility of media and processes is essential for "eMail Marketing".

An effective eMail Marketing system must therefore include all of the following functions:

- defining and sending outbound eMails
- defining and implementing the webpages or microsities which will capture the response
- a database for storing the contact data and capturing the responses
- analysis capabilities to allow effective segmentation and target group definition
- analysis capabilities to measure and report on the responses
- capabilities for optimising the contact database according to technical and/or business criteria

In practice, all these functions should be provided by a single system and via a consistent user interface.

eMail Marketing and automated multi-stage campaigns

In its sophisticated form, the marketing dialog with the customer contains branches. The Marketer uses the responses given by the contact during the dialog to determine what the next action will be. The follow-up actions should be pre-defined and occur automatically.

Simple practical examples of multi-stage campaigns are based on event or time conditions:

- "first come, first served" (event conditional)
 - The first (say) twenty respondents receive a positive confirmation
 - Response twenty-one (and later responses) receive the message "all places are booked; we have put you on the waiting list"
- "on time / too late" (time conditional)
 - Responses before the cut-off date receive a positive confirmation
 - Responses after the cut-off date receive the message "Sorry, this offer is now closed, but we will inform you of our next offer"

Sophisticated conditional responses are typically used in Lead Generation campaigns. Here, the process flows reflect a company's internal business rules and determine how further interaction with a customer is handled.

Decision boxes may access multiple response criteria stored in the database. For example: the "urgency of need" and the "potential value" can be used to evaluate a sales enquiry. These criteria can be combined to route leads to the appropriate team in the company:

- If urgency of need is high and sales value is high: then route the lead to the sales team
- If urgency is high, but value is low: then route the lead to the call centre
- If urgency is low: nurture the relationship using the current communications strategy.

Implementing sophisticated business process flows into an eMail Campaign therefore requires further functionality of an eMarketing system, such as:

- decision boxes for defining "if - then / else" conditions
- database fields for decision criteria
- the ability to evaluate multiple decision criteria in real time
- the ability to define multiple flows downstream of the decision box
- defining business processes and nominated contacts for routing of lead information
- integration with the CRM for high-level synchronisation of business processes.

Ideally, the interface will also provide an intuitive environment for modelling these flows.

The three stages of eMail Marketing

A company's use of eMail Marketing techniques typically occurs in three clearly defined stages:

- initial installation & implementation
- development & execution of individual campaigns
- ongoing & continual improvement of processes.

Each of these three business phases is characterised by distinct functional requirements for the eMail Marketing system.

Phase 1 - Initial design & implementation

In this first phase, the user organisation must typically:

- Define the Database
 - language format (e.g. 8859 West European, Unicode, etc)
 - fields (purpose, size, alpha, numeric, alphanumeric)
 - field presentation formats (pull-down, check box, free text, etc)
 - upload contact data
- Define the Users
 - Access authorisation and password
 - Access rights to the database (eg by defining segments)
 - Access rights to projects (eg hidden/visible)
 - Usage rights by type of functionality (eg view/read/write)
- Define Templates according to corporate design standards for each communications medium to be used
 - eMails
 - Web pages
 - Pdf
 - SMS
 - RSS
 - Fax
- Implement the Legal Requirements
 - Choice of opt-in method (simple, confirmed, double)
 - Choice of opt-out method (simple, confirmed, double)
 - Implement an Impressum statement
 - Implement a Data Privacy statement
- Define and implement the Profile Centre
 - Identify minimum and optional profile fields
 - Choose and implement the opt-in process
 - Choose and implement the opt-out process
 - Define Contact access to the profile centre (with/without password)
- Define corporate eMail Marketing policies such as
 - User access rights that are conditional upon training
 - standard reports
 - pre-populated fields in web forms

Phase 2 - Development & execution of individual campaigns

In this phase, the Marketer uses the eMarketing system to develop and execute an individual marketing campaign.

This phase itself consists of three sub-phases which mirror the overall process – initial design, development & execution, ongoing improvement:

- initial design
 - define the campaign objectives and success criteria
 - define the follow-up actions for the campaign (eg qualified lead -> to call center)
 - customise standard email and web templates for the specific campaign
 - definition of process flows
 - define the target group(s)
 - define the message
 - define data to be captured
 - define reports for success measurement (content, layout, timing, recipients)
- development & execution
 - create the target group(s)
 - create the messaging elements (email, web pages etc)
 - create the reports
 - define the execution time
 - execute the send-out (manually or automatic)
- ongoing improvement
 - evaluation of reports
 - interpret results and gain insights
 - use insights to improve campaign design & flow

Phase 3 - Continual improvement of operations

In this third phase – which usually runs in parallel with the campaigns in Phase 2 – key operational activities are monitored and optimised on a regular basis. The requirements here are usually company specific, however generic examples include:

- Operational monitoring
 - Net new registrations via the profile centre (opt-ins minus opt-outs)
 - Hard and soft bounce management
 - Production capacity and planning
 - Campaign effectiveness
- Operational optimisation – ongoing evaluation of methods in order to:
 - optimise database growth
 - optimise data quality (e.g. field completion rates)
 - optimise the selection of target groups
 - improve the relevance of messaging
 - maximise response rates

Evaluation of Evalanche V3

Evalanche V3 comes very close to the ideal of a complete eMail marketing system.

In addition to broad functionality in eMail Marketing, the strength of Evalanche V3 lies in Newsletter production. The innovative methods for handling articles and graphics automate and remove the technical aspects of eMail Newsletter production. The system will be especially welcomed by marketing communications experts who place high importance on Newsletters.

Evalanche V3 is particularly well suited to agencies and organisations who want to:

- increase the relevance of their communications via customised content
- reduce the technical staff resource needed to produce eMail campaigns.

Dialog Marketing	Evalanche V3	Comments
Permission-based Opt-in Management methods <ul style="list-style-type: none"> ▪ Simple ▪ Confirmed ▪ Double 	✓ ✓ ✓	Method provided Method provided Method provided
Personalised Personalisation of subject line <ul style="list-style-type: none"> ▪ By name ▪ By Contact data (business card) ▪ By Custom fields Personalisation of eMail content <ul style="list-style-type: none"> ▪ By name ▪ By Contact data (business card) ▪ By Custom fields Personalisation of Web pages <ul style="list-style-type: none"> ▪ By name ▪ By Contact data (business card) ▪ By Custom fields 	✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓	
Customisation of content Content of eMails <ul style="list-style-type: none"> ▪ Contact profile conditions ▪ Contact past behaviour conditions ▪ Event conditions ▪ Time conditions Content of web pages <ul style="list-style-type: none"> ▪ Contact profile conditions ▪ Contact past behaviour conditions ▪ Event conditions ▪ Time conditions 	✓ ✓ ✓ ✓ ✓ ✓	* * * *
Closed feedback loop Tracking of links <ul style="list-style-type: none"> ▪ in eMails ▪ in Web pages Reporting level <ul style="list-style-type: none"> ▪ At summary level (anonymous) ▪ At detail level (using personal data) Customisable Reporting formats <ul style="list-style-type: none"> ▪ Graphical ▪ Tabular Send reports via email <ul style="list-style-type: none"> ▪ Immediately ▪ Once - time defined by user ▪ Frequency - defined by user ▪ Duration until - defined by user 	✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓	Any / all Any / all *

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Business Processes		
Integrated database		
Upload to database		
<ul style="list-style-type: none"> ▪ Contact lists ✓ ▪ Graphics ✓ ▪ Text ✓ 		Method provided Method provided Direct & paste & upload
Database for holding Contact data		
<ul style="list-style-type: none"> ▪ Standard fields (business card) ✓ ▪ Custom fields for contacts ✓ ▪ Custom fields for user organisation ✓ 		Pre-defined User defined User defined
Facilities for defining Target Groups		
<ul style="list-style-type: none"> ▪ Standard fields (business card) ✓ ▪ Custom fields for contacts ✓ ▪ Custom fields for user organisation ✓ ▪ Contact behaviour (clicks) ✓ 		Pre-defined User defined User defined *
Download contact data		
<ul style="list-style-type: none"> ▪ Excel ✓ ▪ txt ✓ ▪ CSV ✓ 		
Template-based		
Create custom Templates for:		
<ul style="list-style-type: none"> ▪ eMails ✓ ▪ Web pages ✓ 		Model provided Model provided
Use Templates to create:		
<ul style="list-style-type: none"> ▪ eMails ✓ ▪ Web pages ✓ 		
Business process mapping		
<ul style="list-style-type: none"> ▪ Define single process flow ✓ ▪ Decision boxes and process branches ▪ Multiple process flows 		
Open to external systems		
Integration with CRM systems	✓	Possible: user to develop
<ul style="list-style-type: none"> ▪ SAP ▪ Siebel ▪ Pivotal ▪ MS Dynamics ▪ other 		

NB: an asterisk (*) identifies functionality which should only be used if the appropriate Data Privacy statement has been implemented.

About the Author

Andrew Sanderson is an independent consultant in eMail Marketing based in Heidelberg, Germany. The companies he has worked for include: Deutsche Investment Trust (Germany), Dun & Brdastreet (Germany), Pivotal Corporation (UK), Field Fisher Waterhous (UK).

As Director of global eMarketing at SAP he was responsible for implementing eMarketing projects on behalf of 85 SAP Marketing groups in over 37 countries. Between 2000 and 2005 the eMarketing team achieved a four-fold increase in the volume of eMail projects and doubled the individual productivity of eMarketing campaign managers.

Analysis of over 2,800 projects has given Mr Sanderson the opportunity to gain unique insights into the effectiveness of eMail Marketing techniques. He has presented these insights at numerous international conferences He has twice been awarded the Best Paper Presentation by attendees at the annual "Europe Direct" conference for eMarketers in the software and telecommunications industries.