

One-To-One Website & Email Marketing

By Jason OConnor of Oak Web Works



Copyright 2005

One-To-One Website and Email Marketing

Jason OConnor

Copyright 2005

Part 1

Imagine that a woman of a third-world country who has spent her entire life in a tiny desert village were to walk the aisles of a major American supermarket today. My guess is she'd be overwhelmed. The reason is the ridiculous amount of brand choices we are confronted with every day. Ever look at the abundance of toothpaste choices, for example? How many different types of tarter control, whitening, minty flavors and baking soda do we really need? My head starts to spin if I allow myself a little time to try and decipher my best oral care strategy. I just want toothpaste, period.

Choices of where to spend our personal and company money are unbridled today. And advertisers and marketers are all frantically competing to grab a tiny piece of our attention.

“It is estimated that the average consumer sees more than one million marketing messages a year – about 3,000 a day.” (Seth Godin – Permission Marketing 1999).

This phenomenon can go by a few different names, all meaning the same thing; *mass marketing*, *interruption marketing*, or *spray and pray*. *Mass marketing* involves producing a message that is sent out to the masses, a one-to-many relationship. One message, lots and lots of people.

It can be called *interruption marketing* too. To understand why, think back to the television show you were immersed in last night. And then remember the sports car commercial that interrupted your show. Rather annoying, and only effective if you are sufficiently interrupted enough to make a conscious or even an unconscious note of the product and later take some kind of action such as buying it. And if you're not in the market for sports cars, then you tune it out, and that's if you didn't get up to grab a drink out of the fridge.

Billboards, TV commercials and print advertisements are all forms of *spray and pray*, another name for this same marketing method. It's where the advertiser fires out a finely-tuned communication hoping to reach lots of people. In other words, a marketer has a particular product he is trying to sell, so he sprays his message out there using various mediums, such as “Our product is the best choice . . .” and prays that a small fraction of the masses who see and hear his message is affected enough to buy his product.

The problem with all this is that as more and more products, brands, services and companies enter the fray, the competition for grabbing people's attention gets stiffer. People only have so much attention to give. And a person's attention, or time, is finite. This means that marketers are competing for a smaller fraction of each person's attention, rendering their efforts less effective over time.

Another problem is that it's a waste of time, effort and money to beautifully craft and finely tune a message, communication or image that is going to be wasted on a vast majority of the people who experience it. We've all become too desensitized to advertising. We have become masters at completely tuning out marketing messages. There's got to be a better way.

Thankfully, there is. If you look closely, you'll notice that the marketing landscape has dramatically changed in the last few years. The reason is that the transition from the Industrial Revolution to the Information Revolution has necessitated a parallel transition in marketing. The Industrial Revolution centered on mass producing a few products. So mass marketing worked. If there are only a few brands to choose from, then interruption marketing has a better chance. It's only when the choices start to grow exponentially that interruption marketing starts to suffer. Today, we no longer have only a few choices. Indeed, we have too many choices, often causing confusion, stress, and impatience. To cut through the clutter of mass choices, advertisement bombardments and spray and pray tactics, marketers can employ a secret weapon to set themselves apart from the competition, namely, one-to-one marketing.

And there is no better medium in existence today than the Internet to facilitate one-to-one marketing. Indeed, it's like a marriage made in heaven. There are two fantastic ways to take advantage of Internet technology to utilize one-to-one marketing strategies: websites and email. First we're going to look at one-to-one websites and the in the next article of this two part series we'll explore one-to-one email marketing.

One-to-one marketing websites are perceived as more valuable. They get and keep visitors more readily and they convert visitors into leads and sales more successfully. And keep in mind, one-to-one principles work for business to business (B2B) and business to consumer (B2C) equally well. Your audience may change, but these principles don't.

One-to-one marketing's definition is simple: *Treat different people differently*. One-to-one marketing is communications that are anticipated, relevant and personalized. Messages that are expected because they were in some way requested and are furthermore pertinent and individual succeed in handling diverse people distinctively.

In today's competitive marketplace, even a small advantage can make a big difference. Which message would you be more amenable to, a billboard in Times Square or a website that uses your first name, and offers content to you that's applicable to your unique lifestyle, preferences and interests? By making messages anticipated, relevant and

personal, the marketer is creating an advantage over old-school, 20th century, interruption marketers.

It's called one-to-one because each person (or group) has his or her own special message tailored specifically for them. Instead of a marketer sending out the same message to the masses (one-to-many), the marketer sends out a unique message to each person or group (one-to-one). One-to-one marketing is also called *permission marketing* because the consumer or business gives permission to the company to communicate with them. Therefore, it's anticipated.

As mentioned earlier, the Web is the perfect vehicle for delivering one-to-one messages. But why do people visit a website in the first place? There are five main reasons:

- To learn via information and content
- To belong to a community
- To be interactive – polls, forums, interactive Flash movies that help teach, etc.
- To Buy
- To get free stuff – white papers, downloads, consultations

A website can be tailored to give a unique experience to each visitor based on their preferences and interests. There exists today Web technology that allows websites to “recognize” each visitor, go into their databases and pull up content that best suits each person, thereby treating different people differently.

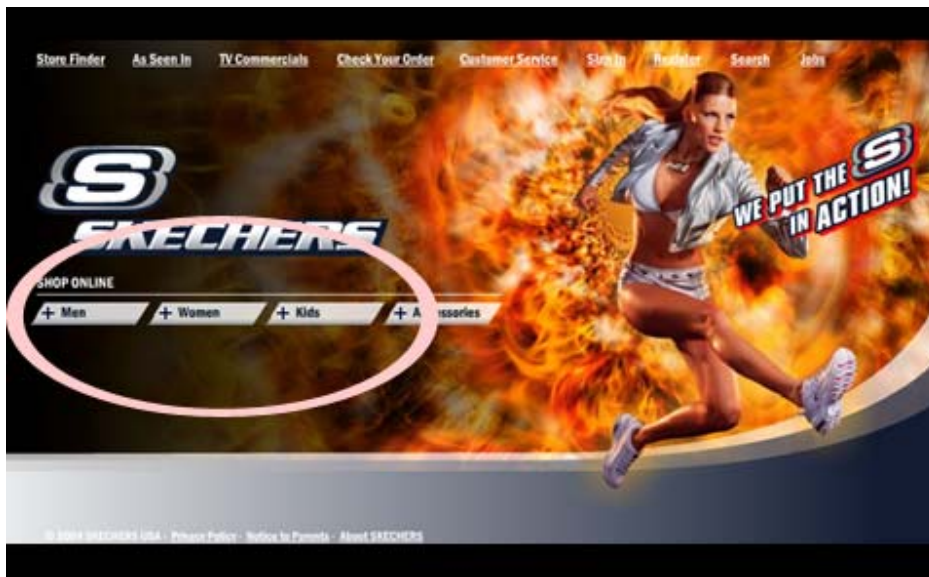
Here's a simple business to consumer example of one-to-one website marketing at work. Probably one of the best B2C Web companies in existence today is Amazon.com (<http://www.amazon.com>). And one big reason they are successful is because they practice one-to-one marketing. In order for a consumer to buy a book from Amazon, they are first required to fill out an *html* form that collects information so a profile of the person can be created. Each time that person re-visits the website, the site recognizes them and serves content tailored to their interests. How does the site know their interests in the first place? By taking note of the books or products that are viewed during each session and by taking note of previous purchases.

Give it a try. Go to Amazon.com, create a profile, and buy a book. Then revisit Amazon.com again at a later time and notice what books show up on the homepage. Chances are the books are totally different than the ones that show up when I go to Amazon.com. The books that show up for you will be related to the book you previously bought. Furthermore, because the site recognizes me, it actually greets me by name. Here's what my Amazon.com homepage looks like:



My unique one-to-one Amazon.com homepage

One-to-one communications via the Web are just as effective for business to business as well. For instance, Dell Computer's homepage (<http://www.dell.com>) is divided into four main sections for browsing products and services; Home & Home Office, Small Business, Medium & Large Businesses, and Government, Education & Healthcare. Depending on who you are will determine which section you enter. And obviously the content in each of these sections will differ. In fact, the marketing messages will be completely different. This is a perfect example of harnessing the power of the Web to treat different people differently. Another good example of this is the Skechers website (<http://www.skechers.com>). On their homepage, there are three big buttons in the middle of the page labeled, Men, Women and Kids.



One-to-one marketing website for B2C



One-to-one marketing website for B2B

What Dell and Skechers did was to group people into various buckets depending on their needs, and then developed a special message for each group. They created specific paths or tracks tailored to each group. The key is to determine in advance who your visitors are going to be, to determine who your audience will be. The next step is to break the audience into clusters along common lines. Examples of this are ‘men, women, and children’, or ‘new site visitors and repeat visitors’, or ‘people who have purchased from you before and new customers’. The ways to group your audience are endless. Then break your website up into sections that will contain a unique message for each or your clusters.

A picture begins to emerge of a one-to-one marketing website. They differentiate their site visitors by grouping their audience into various groups based on commonalities. They offer different paths and site sections that are unique to each group. They provide a different experience for different visitors. They also offer ways in which any site visitor can communicate with the organization. This is most often achieved through html forms. By providing ways for visitors to teach you how to treat them, you are providing extra value. In other words, if all else is equal, and one site “knows” who I am because it asked me via an html form, thereby offering a customizable experience, and another site does not, guess which site I am more likely to visit?

A customizable experience can be achieved by allowing your site visitor to fill out a form to create a profile of themselves. We already touched upon this concept while exploring the Amazon.com site, but Yahoo (<http://www.yahoo.com>) offers the specific ability for site visitors to customize the page exactly how they want it. It is called MyYahoo and asked site visitors if they want to tailor their experience for subsequent visits. It asks them what types of information they want to see each time they log onto the site. The choices include world news, business news, stock reports, weather, sports information, and more.

Whether a website is as sophisticated as Amazon or Yahoo where it recognizes each individual person or a little less refined like Dell.com where it corrals groupings of similar people into specific paths and site sections geared towards their specific group needs, a one-one-one marketing website provides anticipated, relevant and personal information to each visitor. It's anticipated because the person going to the site has either previously filled out a profile or once clicking to a specific site section labeled for his or her interests, they are expecting to be treated differently than other site visitors. It's relevant and personal because it speaks to each person's varying needs, desires, functions, and preferences.

In conclusion, a website that is anticipated to be relevant and personal to site visitors is going to be more successful in gaining traffic, keeping visitors, creating repeat visitors, creating sales leads and ultimately sales. One-to-one marketing websites offer more value than other sites. Whether you're selling products or services, or whether you're selling to businesses or consumers, one-one-one principles give you the edge and move you from 20th century to 21st century marketing. Look for the second installment of this two-part article on one-to-one marketing where we'll discover how to really take advantage of these principles in developing one-to-one email marketing campaigns.

Part 2

As described in the first part of this two part series, interruption or mass marketing is fast becoming ineffective and wasteful. Gone are the days of limited Industrial Revolution brands that have little competition and offer few choices to the consumer. Likewise, our global market has opened the doors to seemingly limitless choices for business products and services. This is the result of the global Information Revolution we are currently in. Therefore, it has become necessary to adjust our marketing efforts to best suit this brave new world. Enter one-to-one marketing. If an organization employs legitimate one-to-one email marketing, they can successfully build their in-house email list, allowing them to develop relationships and on-going communications that will convert more leads into sales.

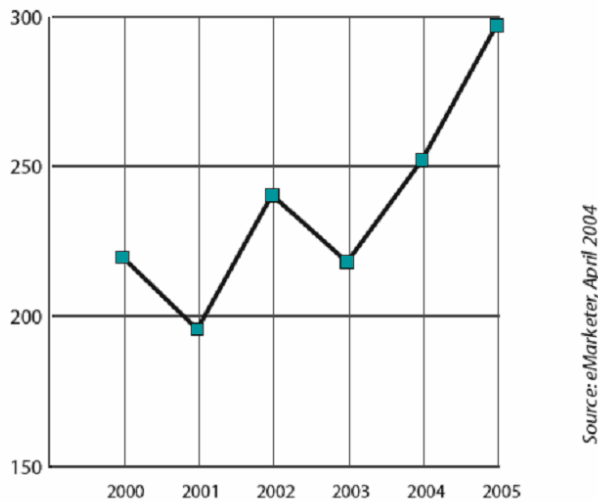
The first part of this series explored one-one-one marketing websites, what they are made up of, what they do, how they do it. We are now going to delve into the realm of proper, opt-in, permission-based, one-to-one email marketing. I know, that's a mouthful, but necessary nonetheless. The reason there are so many adjectives to describe the type of emailing I'm referring to is because of the sorry state of affairs we find ourselves in today, namely spam.

Everyone gets spam in their email inboxes, and it's unbelievably annoying. It's gotten so bad that there has actually been a federal law passed in an attempt to rein it in. The CAN-SPAM law became effective in January of 2004 and stands for 'Controlling the Assault of Non-Solicited Pornography and Marketing Act'. Some specifics of it include:

- Prohibits using misleading "from" or "subject" headers in e-mail messages.
- Requires marketers to identify their physical location by including their postal address in the text of the e-mail message.
- Requires an opt-out link in each message, which must also give recipients the option of telling senders to stop all segments of their marketing campaigns.

Developing an in-house sales leads database is a major goal of any smart business. A house list of potential buyers' email addresses is a coveted possession. So, many companies have turned to email marketing.

**E-MAIL ADVERTISING SPENDING IN THE U.S., 2000-2005
(IN MILLIONS)**



Despite growing constraints facing e-mail marketing, companies continue to increase spending on e-mail advertising, finding it a valuable customer relationship management tool.

However, companies who use spam techniques generally fail. They risk being put on ISP blacklists and they certainly jeopardize their reputation. Therefore, it's imperative that the first thing any organization must consider when developing an email campaign is to avoid spam. The campaign needs to be CAN-SPAM compliant, and use double opt-in, rented email lists from subscription-based magazines or websites that are obtained from reputable email brokers. And for the email campaigns to be truly successful, one-one-one principles need to be utilized as well.

To avoid renting (or buying) an email list from an unscrupulous email broker, look for these red flags:

- Bulk email lists that claim to be opt-in or double opt-in but cannot explain where the email addresses actually came from

- If you see an opportunity to buy 15,000 email addresses for \$29.99, you should probably pass (a typical price for 15,000 email addresses from a reputable broker would be closer to \$3,000).
- If they actually offer to give you the list, watch out. If they are willing to give you the list for you to send out, then something's wrong. This shows that the broker doesn't care what happens to his email addresses, because for all he knows, you will repeatedly send emails to this list even if many on the list unsubscribe.

Here are two reputable email brokers that I've used in the past and that:

MetaResponse Group <http://www.metaresponse.com>

Net Creations <http://www.netcreations.com>

Before we look at the one-to-one principles, let's first explore what makes an effective text or html email message. Here's a list of best practices:

- There must be an incentive offered by you to the recipient that is of perceived value. Examples are white papers, free trial software, coupons, special offers, free articles, free merchandise, or contests.
- The subject line must be compelling, succinct, and relevant. It needs to be viewed as the equivalent of a newspaper headline. If the headline doesn't grab the reader, the rest won't be even looked at.
- The copy needs to be short, succinct and use a conversational tone. It shouldn't be more than a few small paragraphs and should require no scrolling.
- The copy should talk about what you can do for them (don't talk about yourself or your company, no one cares).
- It should be personalized, as in "Dear Jack". You wouldn't send your resume along with a cover letter that started "To Whom It May Concern", would you?
- It should not set off spam filters. You can test this by sending the email message to yourself at your company while your spam filters are turned on. You have to send it from outside the company to ensure that it's looked at by the filters however.
- There ought to be only one call to action. In other words, there should be only one hyperlink in the email message that brings the recipient to a page on your website that offers the incentive, *but first requiring that they fill out a short html form before they can get the incentive.*

Ninety percent of U.S. Web sites collect names and email addresses, according to the Progress & Freedom Foundation. Also, Fulcrum Analytics, formerly Cyber Dialogue, reports that 51 percent of users are willing to give out personal information to receive a personalized online experience. So don't worry about asking site visitors to fill out a form, especially if you're giving something free in return for their efforts.

There are four implementation steps to one-to-one email marketing. First you must identify the people, then differentiate them, then interact with them in some way (in this case with emails), and finally customize subsequent email messages based on what you've learned from previous communications.

The four implementation steps to one-to-one email marketing

Identify

Build a house list

Develop a qualification system – A leads, B leads, C leads, and D leads – and be sure to qualify each lead you get.

Differentiate

Determine the significant differences among the list of people. For example, by prospective customers and existing customers, by title, by geographical area, or by product interest, just to name a few.

Interact

Establish a dialog with your prospective and existing customers. Engage them using anticipated, relevant and personal emails.

Customize

Tailor your marketing messages, your subsequent emails in this case, based on what has been learned during the previous interactions. Each message or ‘conversation’ will be different, based on the specific preferences.

Let’s take a look at take a look at a specific B2B example of this. Let’s say Acme Corporation, a software company that sells business solutions, wants to build its in-house email list, generate new leads, and ultimately make more sales.

The first thing they do is determine who their potential customers are. They conclude that medium sized businesses in the health industry are ideal potential customers and would greatly benefit by using Acme’s software. They know that they are not trying to sell to companies, they are selling to people. So they narrow down their audience to IT managers. These people would be the most likely to make software purchasing decisions for their organizations.

They then create an incentive that they believe health industry IT managers would perceive as valuable. They develop (or buy) a white paper that teaches IT managers how to optimize their computer systems to run more efficiently, last longer, and to be more secure.

Acme then approaches a reputable email broker and gives them all this information. They ask the broker to suggest an email list they could rent that would target IT managers in the health industry who would be interested in optimizing their corporate computer systems.

The email broker will do some research and reply that they have just such a list and it comes from Health-IT World Magazine, for example.

Acme Corporation rents 5000 Health-IT World Magazine email addresses from the broker, creates an html message following the list of best practices above. In the email message, there is one call to action that says, “Click here to download your free white paper on optimizing corporate computer systems”.

Acme builds an html form on their website that will capture the people’s information when they click on the call to action in the email message. Each person will be required to fill out the form *before* they can download the white paper. Acme is trading with the people whom they are emailing, a free white paper for some personal information.

The html form asks each person for their contact information, including their email address (after all, since Acme is renting the list from the email broker, they don’t actually get to see the email addresses, so they need to ask for them). The form also asks a few questions to help them get to know each person better. This will allow Acme to differentiate them later. Let’s say they ask two questions in the form:

“What is your purchasing role at your organization?”

“What type of computer system/server do you run, UNIX or Microsoft?”

A certain percentage of the 5000 recipients will click on the call to action in Acme’s email message. This is because they will realize that a free white paper is something they could use and would like to read. But each of these people will first have to fill out the form before they could download the paper. Therefore, Acme will begin to develop an email house list, just by running this campaign.

More importantly, Acme will have specific answers to two relevant questions that they can use for future email campaigns. Let’s say 300 people out of the 5000 responded and filled out the form to download the white paper. Here are the answers and breakdowns:

<i>“What is your purchasing role at your organization?”</i>	<i>“What type of computer system/server do you run, UNIX or Microsoft?”</i>
150 people answered that they are the head of their IT departments and have total control over departmental purchases	150 answered UNIX
150 said they are simply engineers who can recommend software, but don’t have the authority to make final decisions	150 answered Microsoft

Acme begins to develop another email campaign. First they *Identify* to whom they are going to market. In this case they will be emailing the 300 people who filled out the form

in their previous email campaign. They then *Differentiate* this group by breaking them down into sub-groups. Since there are four different answers to the questions, they are going to create four different sub-groups, or clusters:

1. IT department heads who use UNIX
2. IT department heads who use Microsoft
3. Engineers who use UNIX
4. Engineers who use Microsoft

Acme constructs four different messages, tailored specifically to the four clusters above. Here's what the message might look like to cluster 3:

You recently downloaded a white paper from us and we wanted o thank you.

You may be interested in our Linux (flavor of UNIX) compatible software that is made specifically for engineers in your industry. Here are the features . . .

To download a free trial version, [go here](#).

And here's what the message might look like for cluster 2:

You recently downloaded a white paper from us and we wanted o thank you.

You may be interested to know that our software optimizes health companies' Microsoft computer systems and servers, often saving companies like yours 20% in annual IT budgets. Our software is very intuitive and easy to learn.

To download a free trial version, [go here](#).

Acme emails the 300 people, making sure that each recipient receives their unique message. In this way, Acme is *Interacting* with these potential customers. This time, the call to action in the email message is to click to download a free trial version, which acts as another incentive. Before the respondents can download the trial version however, they'll be asked to answer a few new questions, to help Acme get to know them even better. Based on the answers to these most recent questions, Acme can *Customize* yet another email campaign to the latest respondents.

What Acme has successfully accomplished is initiating and continuing a dialog, or relationship, with these people. The people opted in to receive emails regarding health industry IT information, and by filling out the form on the Acme website and again opting in, they anticipate future communications from Acme. For their part, Acme crafts relevant email messages that speak specifically to the people's needs and preferences, and always starts each message with the person's first name, making it personal. Eventually, Acme will build an impressive profile of each of the people in their house list. This will allow them to tailor future email messages even better, to truly help the

people they are communicating with. There is no doubt that this will increase Acme's sales. People are more likely to buy from organizations they know, trust and feel comfortable with. If they have been receiving anticipated, relevant and personal communications from Acme over a period of time, they will be much more comfortable of Acme.

One of the wonderful things about one-to-one email marketing is that very few companies are doing it today. Most multinational organizations, mid-sized and small businesses miss the boat completely. If you employ these strategies, both in your website and in your email marketing campaigns, you will most certainly have the edge over your competition.