

How to create an effective email dialogue with your customers

Over recent years, email has become a significant feature of the relationship between retailers and their customers. The most important questions to ask yourself when considering your email programmes are how can you reach your recipients at the right moment and how can you develop this relationship so that contacts become loyal customers? In this 'Ask the Experts' article Simon Bowker, Country Manager at Teradata Applications, gives advice on the best ways to optimise your email marketing program to help improve the relationships with your customers.

Initial contact

Before beginning an email marketing program, you need to think about the best tactics for converting prospects into customers. Too many companies still do not make the effort to differentiate between existing customers and news subscribers. In the first instance, companies should try to gain their new subscriber's confidence by communicating their brand and products and offering promotions. To qualify these new contacts, you should start by asking how often they would like to receive communication from you. This will help avoid potential future unsubscribes if the frequency of your campaigns is inconvenient to them. Be careful not to ask too many questions in the initial sign-up stage, you want to ensure that you build your subscribers confidence gradually and ensure they make their first purchase.

From prospects to customers

As soon as a subscriber has ordered for the first time online, it is important to maintain the developing relationship as the second purchase will validate a customer's loyalty. This is why cross-sell and up-sell campaigns are vital as the customer is more likely to commit to making further purchases. Regular purchasers are the ones who produce more history and therefore allow you to better customise the content of email communications based on their past purchase preference or behaviours. Featured offers on selected higher quality products (up-sell) or complementary product recommendation (cross-sell) will help you to offer them real added value and include a strong re-purchase. New clients or one-off purchasers need to be encouraged to make a repeat purchase. Specific offers such as free shipping, free products or discount vouchers for the next product purchased can be used to engage customers. Don't miss the opportunity to ask if your customer was satisfied with the products they purchased and the service provided to them. Measuring a customer's satisfaction also provides an indicator of the lifestyle stage and enables you to send the right personalised communication to best fit their needs in the future.



Matching email content to a customer's online behaviour

The use of personalisation in your email campaigns will help guarantee your emails are opened by your new subscribers. It is important to monitor your website for the order history of customers, abandoned baskets or frequently visited product pages. By observing these customer behaviours you will be able to send tailored messages to your mailing lists. Segmentation is very important in defining customer profiles and behaviours, by adjusting your email programme to the user behaviours it may mean that you are slightly limited in the number of send outs but you can ensure that you have less unsubscribe requests. A high number of unsubscribe requests can be linked to a high frequency of mail outs and messages that are not relevant for the recipients. When your database is segmented into distinct groups according to the different stages of the customer lifecycle, you will be able to send highly personalised campaigns to the right customer at the right time, delivering strong revenue for your company.

Re-engage lapsed customers

Ensuring a continuous dialogue with your customers is very important even if the customer is not purchasing or reacting to the emails you send them. As any good marketer knows the cost of retaining an existing customer is far less than the cost of acquiring a new one. However, it can be expensive and counterproductive to communicate to customers that are no longer interested in your offers. Lapsed or dormant customers can either be re-activated with personalised communications offering them a strong valuable incentive (i.e. discount vouchers, special deals) and you can monitor how they react. If the campaigns are not generating any valuable action or change in behaviour, then you can decide to exclude them from your list and concentrate on the more profitable business with active customers.

This article is a summary of Teradata's newsletter "Inside the Marketing Cloud". If this article was forwarded to you as a recommendation and you wish to receive further news from the email marketing sector yourself you can <u>subscribe here</u>.

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