

Delivering sales

Fresh approaches to email marketing are driving shoppers to open, click and buy.

BY KATIE EVANS



Driving sales via marketing emails isn't as easy as it used to be, says Cindy White, senior e-commerce marketing manager at home décor retailer Plow & Hearth LLC.

"You used to be able to email your customers as much as you wanted," White says. But that's no longer the case, she says. While the retailer has collected more than 1 million customer email addresses, it only sends marketing messages to several hundred thousand of those addresses, White says.

That's because Plow & Hearth must contend with major email service providers, including Google Inc.'s Gmail, which will send emails to spam if a customer hasn't engaged—such as opened or clicked within a message—with an email from a specific sender within a certain period of time. Much like Google's search engine results algorithm, the details surrounding what triggers a message to land in a spam folder are not made public and require a bit of trial and error on the retailer's end.

"We've found that if shoppers haven't opened an email from us in 12 months, it typically was going to spam," White says.

That meant Plow & Hearth, which also operates a few other sites, including children's toy site Magic Cabin, had a massive database of consumer email addresses it could no longer market to, and many of those consumers might be interested in the retailer's products, just not on a frequent basis. "We sell outdoor patio sets, for example. I'm not going to buy a patio set every few months," White says. "Just because I'm not opening every email doesn't mean I won't be interested in products down the line."

However, a new email technology from email marketing vendor 4Cite has helped the retailer win back inactive shoppers by sending emails to them when they are actively shopping online and more likely to open a message from Plow & Hearth with an enticing discount. The new email marketing technology, called Shopping Elsewhere Triggers, is helping the retailer add thousands of customers back to its email send list, while also driving sales, White says.

Getting email messages into consumers' inboxes is incredibly important to many retailers' bottom lines. After all, email is remarkably lucrative; 37.9% of retailers in Internet Retailer's

2017 Digital Marketing Survey said email offers them the best return on their digital marketing investments. But with email volumes continuing to rise, retailers like Plow & Hearth are finding they need to overhaul their approach to the channel to get shoppers to open their messages. That explains why many merchants are planning to invest in new capabilities, such as tools that can optimize the timing of email sends or those that can personalize emails on the fly, research finds. For example, 89% of marketing professionals listed email as one of their top three priorities for 2018, according to a late January study of 300 marketers from digital marketing vendor Yes Lifecycle Marketing. The survey also found that 45% of marketers ranked email as their top priority for 2018.

Plow & Hearth deployed the Shopping Elsewhere technology

in the fourth quarter of 2017. To set up the service, Plow & Hearth provided 4Cite with a list of email addresses of shoppers who had not opened one of its emails in the last year. It then created an email for this group of inactive customers, offering a 20%-off coupon code and free shipping for orders over \$65.

4Cite's Shopping Elsewhere Triggers technology can identify when an inactive Plow & Hearth customer is shopping online with another retailer via a system that uses tracking pixels placed on other retail sites. The technology is a cooperative model among 4Cite clients. However, companies can't target sites that are similar or competitive to one another, 4Cite CEO Bob Gaito says, which gives retailers like Plow & Hearth and others the comfort to participate.

That means that a dormant Plow & Hearth customer who begins browsing online for shoes might suddenly receive a Plow & Hearth email. "The simple act of shopping allows the email campaign to be successful," Gaito says. Once the system is triggered by the shopper's action, it sends the customer Plow & Hearth's promotional email, reaching her when she is in a shopping mindset.

With this service, a single email to one inactive customer isn't flagged for spam by email service providers because they view such emails' "extremely high" engagement rates or opens positively, Gaito says. The emails are sent



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Source: Internet Retailer 2017 Digital Marketing Survey

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CINDY WHITE, SENIOR E-COMMERCE MARKETING MANAGER, PLOW & HEARTH LLC

in real time and just a few at a time rather than in a massive blast, which affords the emails the opportunity to land in the inbox rather than the junk folder, 4Cite says.

The emails sent to inactive shoppers using the new program garnered a 16% open rate. Shoppers who were sent the emails spent 139% more money than the inactive shoppers who made a purchase by coming to Plow & Hearth via another channel, such as paid search or an affiliate but did not receive targeted emails. Additionally, shoppers who made a purchase within 30 days of receiving the specialized email had a significantly higher average order value than the merchant's average shopper, far above the \$65 threshold for free shipping included in the email offer, White says.

Vitamin and supplements retailer

Vitamin Shoppe Inc. also boosted revenue from its email marketing efforts after increasing its use of personalization within its emails about eight months ago.

Although Vitamin Shoppe ran triggered email campaigns aimed at shoppers who abandon their shopping carts or who browse an item but don't complete their purchase, the vast majority of its daily email campaigns were so-called "batch-and-blast" messages sent to its full email list to announce a sale or new product launch. Until last year, Vitamin Shoppe had no way of using those emails to show consumers products based on what they had already bought, searched for or added to their carts on Vitamin Shoppe's website.

That changed when the retailer began working with personalized email marketing firm Movable Ink last year to generate messages tailored to shoppers based on their buying or browsing behaviors. The service enables Vitamin Shoppe to send a single campaign that's automatically personalized to thousands of recipients based on the types of products they had either bought, searched for or added to their carts.

For example, in one test, Vitamin Shoppe ran an email campaign celebrating its 40th anniversary, but also offered a "Buy one, get one 50% off" deal and "\$10 birthday cash." But a section in the middle of that email displayed four products—each tailored to what customers had browsed but never purchased before—with the headline: "We saved these just for you."

That email with personalized product recommendations, tested against the same message but with a set of predetermined products not personalized for each customer, showed strong results: a 271% lift in click-through rate and an 8% lift in revenue.

Research supports investing in email personalization as Vitamin Shoppe has. Behavioral targeting delivers an 8% increase in email revenue, and 55% of consumer respondents report that they prefer emails that include relevant products or offers, according to The Relevancy Group's November 2017 report "The Value of Personalization." The research is based on a survey of 301 advertising and marketing executives and 478 consumers.

"Most retail marketers agree that creating personalized experiences is an important way to better engage consumers and ultimately drive sales, revenues and profits," says Justin Foster, co-founder and vice president of market development at email marketing firm Liveclicker, which helped author the report. "Yet, like so many other best practices we all know we should be doing, personalization has not been used to its full advantage yet."

Making use of its data on what consumers search for on its site was especially helpful for Vitamin Shoppe, as 65% of consumers who visit VitaminShoppe.com use the site search box, says Brandon Farraye, director of customer relationship management and retention at Vitamin Shoppe.

Vitamin Shoppe also has used Movable Ink's product recommendations technology to



89%

PERCENTAGE OF MARKETERS WHO LISTED EMAIL AS ONE OF THEIR TOP THREE PRIORITIES FOR 2018.

Source: Yes Lifecycle Marketing

present email recipients with items similar to those they've already purchased or browsed. And it promotes in-store shopping with a feature that shows consumers a map with the location of the store closest to her when she opens her email.

Retailers can gain more than direct sales by improving their email marketing technology. For example, 4Cite enabled Plow & Hearth to reengage with consumers who were no longer seeing its messages because they were being sent to spam.

"We quickly added thousands of people back into our active regular email file," White says. "My main goal was to get those opens so we could add these people back to our list."

It was easy to set up the new Shopping Elsewhere technology, White says. The main task was creating an engaging email to send to customers with an aggressive offer to get shoppers to open it. The other task included sending 4Cite its list of inactive email addresses, which took less than a minute. 4Cite can pull that list daily from Plow & Hearth as it updates with new customers and when others become active again. The retailer pays a flat monthly fee for 4Cite, White says, declining to be more specific.

Plow & Hearth also uses 4Cite to collect more emails via the lightbox it displays on its site when new customers first visit.

When a new shopper visits PlowandHearth.com, she will see the prompt to enter her email in exchange for a discount. If she initially opts to close the box, the email submission box and promotional offer—typically \$10 off—remains at the bottom of the page in case she changes her mind.

"I know I often just 'X' out of those boxes," White says. "But sometimes I wind up wanting to purchase later and want the discount but I can't find it again. So, I end up going to RetailMeNot and looking for a coupon code, which is exactly what we don't want. We want their email address. This offers a nice, easy way for them to find it again."

The new, persistent box led to a 10% lift in email captures compared to when Plow & Hearth didn't offer it, as well as a 20% increase in orders from new email sign ups.

Email has grown up. And the retailers leveraging new services that can bolster their email targeting, personalization, and reporting and analytics are reaping the benefits. ●

KATIE@VERTICALWEBMEDIA.COM | @KATIEEVANSIR
Additional reporting from Stefany Zaroban.