

SEGMENTING ON THE SEA

IMPROVED TARGETING BOOSTS EXPEDIA CRUISESHIPCENTERS EMAIL ROI

Increased segmentation and targeting has helped Expedia CruiseShipCenters boost email open and clickthrough rates.

With the help of Lyris, the company is using behavioral data to optimize the effectiveness of more than 60 different email marketing campaigns—comprising 5.5 million opt-in emails—per month. Average email open rates have increased to over 35%, and clickthrough rates to nearly 10%.

“We wanted to find a way to get a better understanding of the data we were sitting on,” says Dave Mossop, manager of interactive marketing, Expedia CruiseShipCenters.

Expedia CruiseShipCenters was founded in 1987 and interacts with customers and prospects via 4,000 independent vacation consultants in more than 170 franchise locations throughout North America. Using Lyris’ open Application Program Interface (API), the company integrates its in-house CRM system with its email marketing database.

The company specializes in cruise vacations, which can be a more complex purchase than just booking a hotel or flight. “This is why customers may want to talk to someone, rather than just purchasing online,” says Mossop of the brick and mortar travel consultant approach.

Travel agents are supported by the company’s online presence, and email drives 80% of website traffic. Expedia CruiseShipCenters has worked with Lyris for over eight years, and has over one million email subscribers who typically sign up to receive for three or more newsletters per month, including editions focused on deals, specific locations or the travel industry.

Email lists are focused on areas of interest, such as destinations like Europe or the Caribbean, and the type of travel purchase they made in the past. Factors like whether they travel with children or if they pur-

chased during a sale influences the types of offers customers receive.

CruiseShipFlash, for example, is a last minute deals campaign personalized with the travel agent’s name, contact information and photo, as well as a link to the agent’s personal website.

Response rates have increased as the brand has increased segmentation and begun cherry-picking what offers customers receive. For example, an offer promoting new itineraries for luxury line Oceania Cruises went to 15,00 customers and resulted in an 18% clickthrough rate.

Thirty-percent of the brand’s email opens are on webmail, while 32% are via mobile and 48% are via desktop.

“Given our typical subscriber is 55+, mobile tends to be skewing lower than industry average, but it is a big enough segment (and growing) that we’re actively working to make our email campaigns mobile friendly,” says Mossop. “I suspect the bulk of these subscribers are more likely to read on an iPad/tablet, versus a smart phone, given the nature of what we’re selling though.”

The brand has worked to rebuild email templates overall, switching from more wordy offerings to postcard style offerings. “The entire goal is to turn the process on its head, tease the sale and get that person to see more details by taking them to our landing page, where we can tell the whole story,” he says. **-BETH NEGUS VIVEIROS**



TRIGGERED EMAIL VOLUME ON THE RISE

The use of triggered email messaging is up 73% year over year, with triggered messages yielding 70.5% higher open rates and 101.8% higher click rates, according to Epsilon’s Q4 2012 North America Email Trends and Benchmarks Report.

Triggered messages accounted for 5% of total email volume. For the report, benchmarks were compiled from over 360 million triggered emails sent by Epsilon in the fourth quarter of 2012. The campaigns were deployed as a result of triggers like welcome messages, abandoned shopping carts, thank yous or anniversaries.

For the third consecutive quarter, over half of the average brand’s opt-in email list had no activity, according to the report’s Email Activity Segmentation Evaluation. These metrics are compiled from over 710 million non-bounced and opted-in email addresses that were contacted from January 1, 2012 through December 31, 2013 across multiple industries and approximately 150 clients.

“In Q4 2012, 63% of the average email file was unengaged with marketers’ email programs,” said Judy Loschen, vice president of digital analytics, in a statement. “Marketers cannot assume that their task is complete after they receive an opt-in to their email program. Marketers must constantly work to engage each individual subscriber.”

During the 12 months reviewed in the report, 49.9% of an average email file had at least one open or click; 63.4% of new subscribers (addresses that have been on a marketer’s file for less than three months) in an average list had no opens or clicks. Approximately 28.3% of subscribers in an average email file had opened or clicked in the most recent three months.

The quarterly analysis is compiled from 7.3 billion emails sent by Epsilon in October, November and December 2012 across multiple industries and approximately 170 participating clients. **-BNV**



FINDING THE RIGHT TONE

WHO YOU ARE TARGETING WILL DETERMINE WHAT TYPE OF SUBJECT LINE WORKS BEST FOR YOUR BRAND



Fun or straightforward? Witty or serious? What a consumer expects from your brand will guide you towards the best subject lines for your messages, says Kara Trivunovic, vice president of marketing services, StrongMail.

"If you're in financial services, people don't want cute or funny, because you're talking about their money," she says. "But if you're talking about travel, that's more appropriate, because you want it to be fun."

In healthcare marketing, for example, whether to be direct or clever in a subject line depends greatly on the category and demographic, says Daniella Koren, founder and president of healthcare relationship marketing firm DKI.

"You should be relevant to what the reader signed up for. And you have to be tasteful and empathetic and supportive," Koren says. "But marketers do need to have a personality and not just deliver clinical information. Of course, if we're talking about acne to a young demographic, funny might work. But if we're talking about lung cancer—not so much."

The proof, of course, is in the numbers. Campaigns that marketers think are clever might not resonate with the audience. Trivunovic cites one re-engagement effort that gently poked the recipient with subject lines such as "We know you're there," and followed up with "Resistance is futile" when they didn't respond to the initial message. "I loved it," she says. "But when I talked with the marketer, I found out it didn't work."

For many marketers, a more straightforward, offer-oriented approach to subject lines is what works. However, a subject-line offer that seems good for the consumer may not necessarily have the best return for the sender. Return Path, for example, looked at the percentage-off offered in a subject line and found that, sometimes, less is better.

"We saw that the read rate for [subject lines promising] less than 25% off was good. But as the percentage-off increased, there was a decrease in read rate—offers of 25% or less got an average 25% read rate, but if it went up to 50%, the read rate was only 15%," says Tom Sather, director of professional services, Return Path.

Why the falloff? "It's hard to say, but spam filters have learned that as the discount gets higher, the possibility that [a message] could be spam goes up," he says. **-BETH NEGUS VIVEIROS**

REAL TIME

One of the great things about email marketing is that the data it yields can often be collected in real time to create segments. Anthony Wilkey, strategic client director at Emailvision, notes that this typically follows one of three basic patterns:

- **Real time/real time:** "In this scenario, a subscriber's real-time action elicits a real-time response. For example, Bob clicks the 'Find out more' link in the email, and an email with more information is sent. Strictly speaking, Bob is a segment of one, and the way that segment was determined was based on pre-established rules. As soon as the information email is sent, the segment, 'Bob,' no longer exists."
- **Real time/trigger:** "In this situation, a segment is developed based on real-time data; however, the response is not sent in real time. Instead, a trigger, or automated action, is set that will apply to the whole segment. For example, when Bob clicks 'Find out more,' he is automatically added to a segment for a preplanned follow-up. Each time someone new clicks 'Find out more,' that person will also become a member of that segment."
- **Real time/ad hoc:** "This is the most manual of our segmentation scenarios. In this case, the marketer could be watching his or her dashboard with real-time data with the intent of observing unexpected trends that can then be used to develop segments."

The latter approach isn't the most practical and is often taken when a company doesn't have a proper strategy in place. "In email marketing, it is generally more practical to automate your campaigns and monitor results, as opposed to monitoring results and then developing a reaction," Wilkey adds. **-JASON HAHN**

Did You Know...

A major surge in the number of rentable email addresses over the last 12 months has led to a 26% rise in overall email contact availability, according to Worldata's most recent price index.

"With more data sources overall in the email rental space, prices across the board of both business and consumer files are competing by lowering prices," said Ray Tesi, senior vice president of Worldata in a statement.

Permission-based international email remains the highest priced list rental category at \$404/M, a \$1/M increase from winter 2012. Permission-based consumer email remains the lowest-priced category, with an average list price of \$72/M. **-BNV**

