

# GROW YOUR CUSTOMER ENGAGEMENT

THE WHAT, WHY AND HOW  
OF TRIGGERED EMAILS

**By Jose Santa Ana**

Director of Product Marketing, Message Systems



## What's Customer Engagement?

Customer Engagement is exactly what it sounds like: it's when customers engage — with one another, with an organization or with a brand. The reasons for engagement can vary, ranging from consumer community interests to company-driven messages or offers, and the channels through which this engagement happens can be online or offline.

In this guide, we'll focus on customer engagement between a brand or business and its target audience. In creating a successful enterprise customer engagement effort, there are a few crucial guidelines to follow:

- Customer engagement should be approached programmatically to create two-way interactions between a brand and among its audience and stakeholders
- Successful customer engagement strategies put conversions into a longer-term strategic context
- With a programmatic approach, careful planning and the use of timely data can mitigate risk and increase the likelihood of success

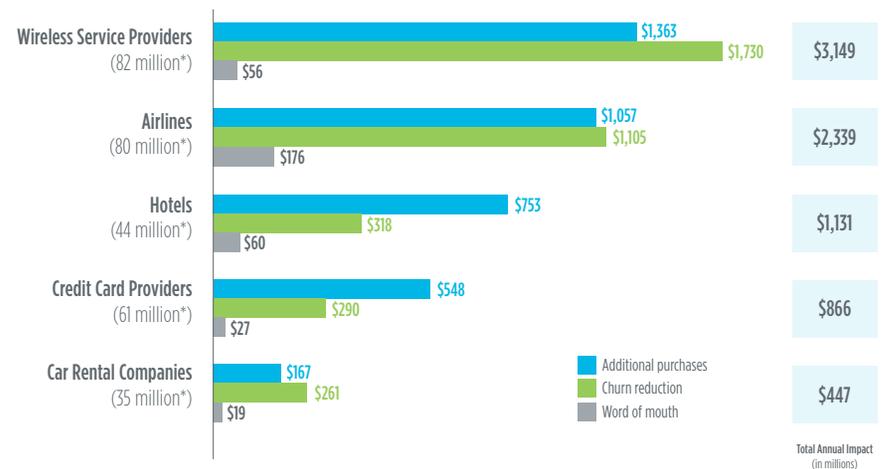
### THE BUSINESS IMPACT OF CUSTOMER ENGAGEMENT: MAXIMIZING VALUE

The real win for businesses that pursue customer engagement is in maximizing long-term consumer value. It's not just about selling today, or even tomorrow: enterprises that optimize engagement can drive bottom-line returns not only now but in the months and years to come by winning the hearts, minds and wallets of consumers. That's because as customers become truly engaged with a brand, their customer experience improves and loyalty increases.

Forrester Research has measured the very real correlation between improved customer experience and measured increases in loyalty. It's a corollary that can lead to huge returns via:

- Repeat purchases
- Retained revenue through lower churn
- New sales and expanded consumer base through referral and word-of-mouth

### Better Customer Experience Drives Millions In Revenue Benefit Across Industries



Base: US online adults (ages 18+) who have interacted with brands in the past 90 days (numbers have been rounded to the nearest whole number)

Source: North American Technographics Customer Experience Online Survey, Q4 2012 (US)  
 \*Average number of customers per company in each industry, based on internal and external Forrester Research

## BUSINESS IMPACT OF CUSTOMER ENGAGEMENT: MITIGATING RISK

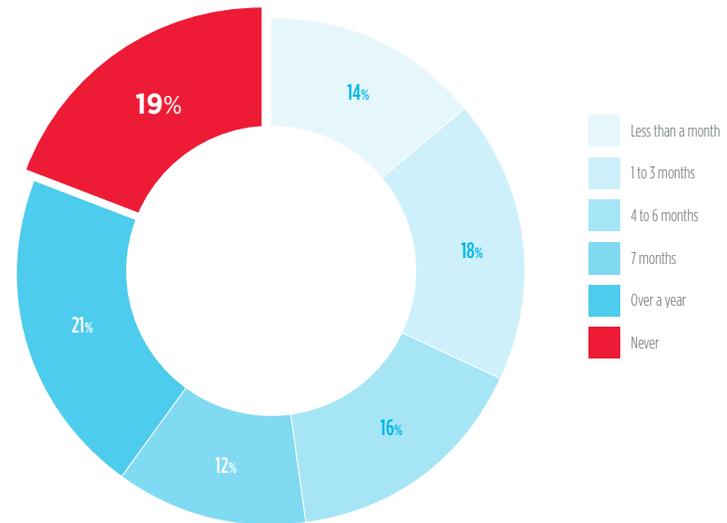
When it comes to the damage that can be done by unhappy customers, no business is bulletproof: if they're disappointed or displeased, your reputation and bottom line take the hit.

By improving customer engagement, you're helping to minimize the number of unhappy customers, either by increasing feedback and loyalty-driving dialogues, pre-empting negatives, or through other means that help you mitigate the risks of customer dissatisfaction. And these risks are very, very real in an age of instantaneous social sharing and word-of-mouth:

- Customers are more easily disappointed than ever: 77% of customers have seen no improvement or worsened customer relationships with businesses in the past three years
- Customers have more options and are more critical: 25% will switch after a single negative experience
- Customers are more likely to criticize publicly: 30% will share a bad experience online with an average of 25 people

## Time It Takes to Regain Trust After a Negative Experience

(Thunderhead/Populus 2013 Survey)



## Drive Customer Engagement with Data-Driven Marketing

So what's a perfect tool for creating and maintaining Customer Engagement? It's data-driven marketing. The easy definition of data-driven marketing is that it's the process of collecting, analyzing and executing on insights from unstructured and multi-structured data integrated from across the enterprise, allowing both better audience segmentation and personalization of marketing messages to each specific customer.

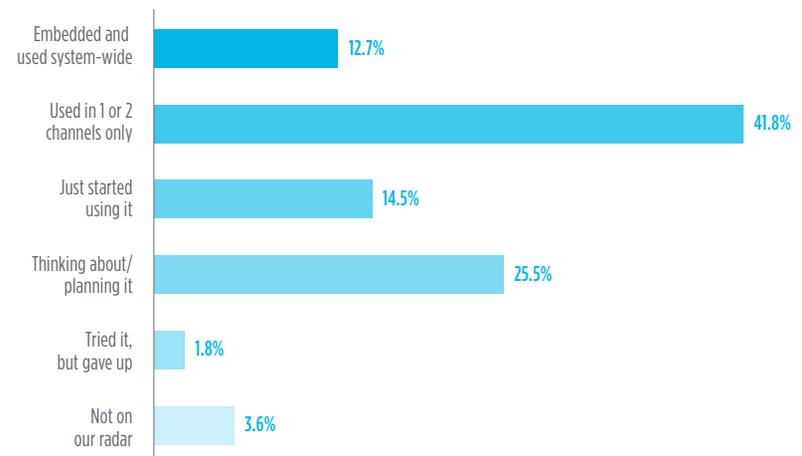
But it's absolutely *not* data-driven marketing if<sup>1</sup>:

- A customer marketing effort is happening in isolation — with pertinent data segregated, rather than integrated, in silos across your organization
- You're only using one tactic or channel to reach customers
- All of your customers are receiving the same message

## Smart Marketers Are Already Adopting Data-Driven Marketing

An online poll conducted on April 30, 2015 during a Message Systems webinar on data-driven marketing<sup>2</sup> showed that 70% of respondents say they're presently using data-driven marketing in some shape or form — from just beginning to adopt it to having it embedded and practiced enterprise-wide. So any company that's not yet considering a data-driven marketing strategy is already well behind the curve, and giving up ground to competitors each day.

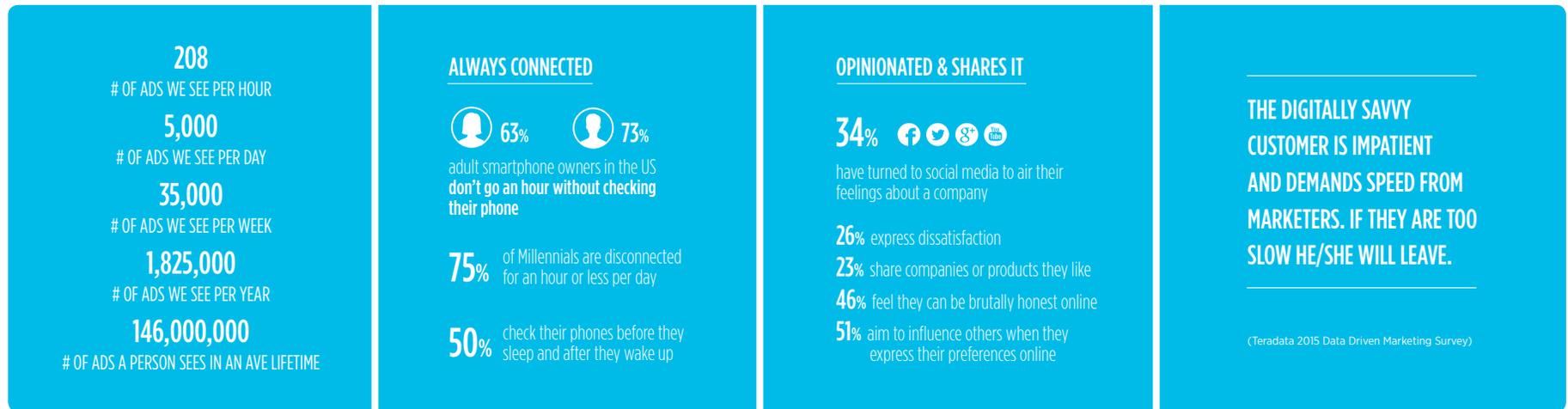
### What is the state of Data-Driven Marketing in your organization today?



<sup>1</sup> The Economist Group

<sup>2</sup> <https://www.messagesystems.com/resources/videos/using-data-driven-marketing-win-over-customers>

## You Need Data-Driven Marketing Too: Because The Landscape Has Changed



### 1 THE EXPLOSION OF MARKETING MESSAGES

There's been a radical increase in the number of competing ads and marketing messages consumers are bombarded with, from about 500 ads per day in the 1970s to 5,000+ today.

### 2 DIGITAL AND MOBILE DISRUPTION

Customers are always connected — anytime, anywhere — which creates both opportunity and pressure for marketers to reach them at the right time with relevant messaging.

### 3 GROWING CUSTOMER INVOLVEMENT

Customers are no longer passive participants, as they use social media, user reviews and other channels to express their views.

### 4 HIGHER EXPECTATIONS OF A CONSISTENT EXPERIENCE

Consumers demand individualized engagement, responsiveness and consistency from businesses at every stage in the selling and fulfillment cycle, over time and across channels.

## Triggered Emails Should Be The Cornerstone of Data-Driven Marketing

As we mentioned earlier, data-driven marketing should be integrated with data gathered from across the enterprise, and not implemented using just one tactic or channel. But every initiative needs a solid starting point, and data-driven marketing isn't any different. So what's your logical cornerstone for data-driven marketing implementation? Email.

Here's why: Email has the best ROI compared to other marketing channels.



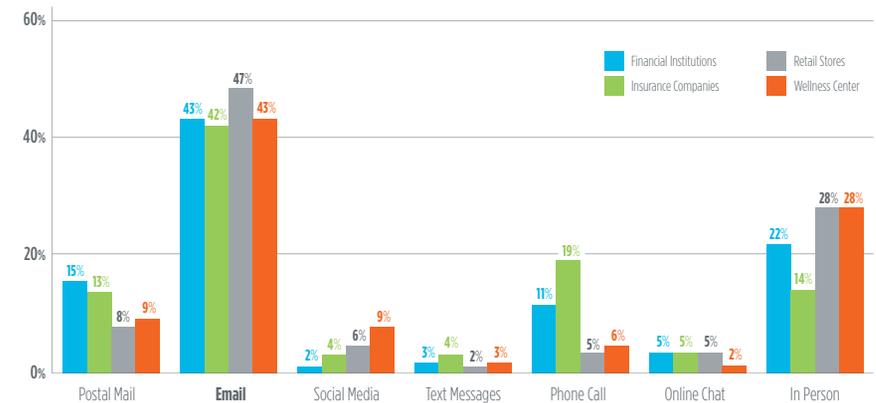
(DMA: 2011)

And it's gotten even better, with \$44.25 ROI for each \$1.00 spent in 2014<sup>3</sup>. And "...not only is email the most consistently highest revenue generating marketing channel, but it's only poised to increase in budget, scope, and importance... with users reporting an average of 222% ROI on their email programs ..."<sup>4</sup>

Furthermore, contrary to naysayers who label email as an old or outdated engagement channel, a recent study has shown that millennials choose email — by far! — as their preferred means of communicating with a brand, absolutely *trouncing* other channels, including social media and face-to-face contact.

### Preferred Method of Contact with Companies

*Four of 10 Millennials' preferred method of contact with companies is email*



<sup>3</sup> EmailExpert "10 Must Know Email Marketing Stats 2014"

<sup>4</sup> VentureBeat April 7, 2015 "Email Marketing, that digital workhorse, primed to grow in 2015"

## Batch-and-Blast Is a Thing Of The Past: Triggered Emails Drive Engagement

But you can't just continue to use old-school batch-and-blast email marketing. For your customers, individualized and predictive marketing is the new baseline expectation: 74% of consumers get frustrated when online content has nothing to do with their interests, according to the "2013 Online Personal Experience Study" by Janrain, and that applies to email, too.

Data-driven marketing allows email marketing messages to be triggered by each customer's individual context and behaviors. These triggered and tailored messages create relevance for your brand with your customers, and that instills and deepens engagement.

PERSONALIZATION → INDIVIDUALIZATION

*Not just "Dear Sir" to "Dear Steve",  
but individualized, relevant  
and timely content*

ASSUMPTIVE MARKETING → PREDICTIVE MARKETING

*Not just assuming needs and wants  
based on demographics, but  
predicting them based on  
behavioral data*

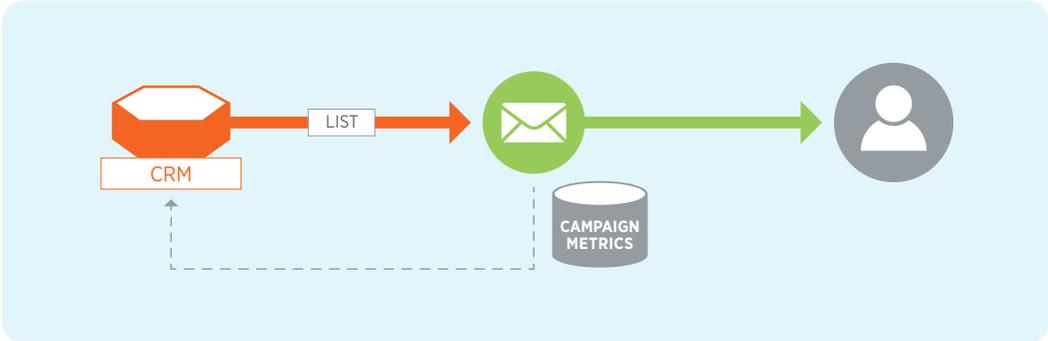
OLD-SCHOOL CAMPAIGNS → ONE-TO-ONE CONVERSATIONS

*Not just segmentation but  
timely, targeted messages*

# Old-School Standalone Email Marketing Versus Triggered Emails

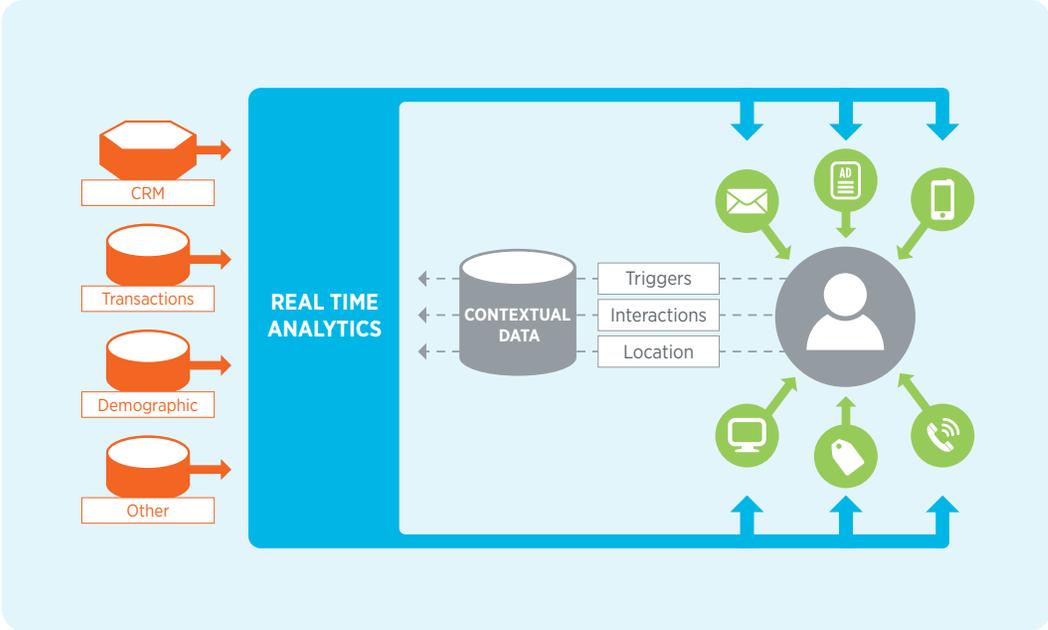
## FROM:

- Episodic batches, campaign-oriented
- Targeting through segments and lists



## TO:

- Real-time continuous engagement integrated with other touchpoints
- Targeting 1-to1 through behavior and contextual data



## Different Types of Triggered Emails Drive Contextualized Engagement

As a marketer, employing triggered emails allows the delivery of relevant messages and engagements across a variety of events and opportunities in the targeted customer's life. A few examples?

**Trigger:** An internal event

**Engagement:** Shopping cart abandonment can trigger a remarketing email with a limited-time discount offer for the specific item being browsed/entered into cart

**Trigger:** An external event

**Engagement:** When a customer comes within 300 feet of a store, send geo-specific offers based on location (provided by a mobile app)

**Trigger:** An external event matching explicit data/preferences provided by the customer

**Engagement:** When a 2-bedroom, single-family home, with a fireplace, below \$300,000 in a specific ZIP becomes available, we alert them via email

**Trigger:** Individualized trigger(s) based on implicit data on wants/needs

**Engagement:** Predictive models build propensity scores (propensity to churn, propensity to upsell) – and when a customer's behavior generates a score above a certain threshold, you shoot off a relevant email, e.g. retain or upsell

The image shows a screenshot of an email from an airline. At the top left is the airline logo with a green airplane icon and the word "AIRLINE". At the top right, it says "book your trip to Hong Kong # XXXXX514". The main content area has a dark blue background on the left with the text "Hong Kong is waiting for you" and a green button that says "Search flights >". To the right is a photograph of a blue suitcase, a white luggage tag, and a passport. The luggage tag has the name "Sta Ana / Jose" and "Hong Kong". Below the photo, the text reads "Find the lowest fare, guaranteed." followed by "Hong Kong is wondering where you are –return to [airin.com](http://airin.com) to book our guaranteed lowest fare, and start traveling. If there's something you still need to iron out, use FareLock<sup>SM</sup> to hold your fare and complete your purchase later." Below this is another green button that says "Search flights >". At the bottom, there is a section for "FareLock" with the text "Use FareLock to hold your fare for up to a week." and "Only available through us, FareLock<sup>SM</sup> holds your itinerary for your choice of either 72 hours or seven days." and a green button that says "Learn more >".

Remarketing email triggered by trip abandonment, with opportunity for cross-sell revenue from FareLock product.

## The Results Are In: Triggered Emails Are Amazingly Effective

---

*“ Triggered messages earn clickthrough rates 119% higher than your average business email. ”*

-DMA

---

*“ Marketers that do triggered marketing right will see their marketing messages receive, at minimum, five times the response rate of non-targeted push messages. ”*

-Gartner

---

*“ Open rates and click-through-rates were twice as high for triggered emails compared to regular batch and blast emails. ”*

-Email Marketing Research Center

## Summary: The Big (Data) Picture

The formula this presents is pretty linear:

**Triggered Email → Data-Driven Marketing = Customer Engagement**

- The digital age, social media and the introduction of mobile platforms have driven a sea-change in both how marketers are able to engage customers, and in what demands those customers have for marketers. For both sides, the dialogue has become ever more increasingly individual, one-to-one, and responsive.
- Data-driven marketing empowers marketers to pursue those deeper engagements; but to build an effective ground-up strategy, it's advisable to build on a strong cornerstone: a marketing tool that has already enabled one-to-one contact with customers for most companies.
- That channel is email, but not the email marketing of years past: batch-and-blast has given way to individually-targeted and tailored email by leveraging customer data in all its forms, for dramatic impact on engagement and revenue.
- Creating and deepening Customer Engagement is a competitive necessity for today's marketers, and implementing data driven marketing via triggered email is an expeditious and proven-effective path to meeting that challenge.

## ABOUT SPARKPOST

SparkPost is built by Message Systems, the world's #1 email infrastructure provider. Customers including Facebook, LinkedIn, Twitter, Groupon, Salesforce, Marketo, Pinterest and Comcast send over 3 trillion messages a year, over 25% of the world's legitimate email. These companies choose us to provide the deliverability, speed and insight they need to drive customer engagement for their business. Follow us on Twitter [@SparkPost](#) or go to [sparkpost.com](#).

→ **Contact us** to learn how Sparkpost can help you quickly generate and send highly personalized, relevant and contextually aware messages—and start growing your customer engagement today.

