

Transactional Email + Triggered Email

Add Them to Your Arsenal to Create an
Engagement Juggernaut

By Steve Dille, CMO, Message Systems



Two Great Email Techniques That Work Great Together

The Message Systems customer community is comprised of some of the world's largest and most sophisticated senders and receivers of email. With the debut of cloud email services, we're now working with lots of newer companies — developer-oriented startups and fast-growing e-businesses — many of which don't (yet) have the email domain expertise of our more established customers. But that's a major benefit of joining the Message Systems community — doing so presents many opportunities to learn from our experience helping our customers improve email performance.

In this guide, we'll take a deep dive into the attributes that characterize *transactional email* and *triggered email*, what distinguishes one from the other and how they can be combined with traditional marketing email to improve engagement. We'll also explore basic best practices — when it's appropriate to send one kind of email or the other, common mistakes to avoid and lots more.

You'll see how established and young startups alike are leveraging these best practices to keep users engaged and grow their member base. More than anything, you'll develop an understanding of why the brands with the most effective messaging strategies are the ones that embrace comprehensive email programs built on focused batch mailings, specialized triggered messaging and well crafted transactional communications. It is important that we first define transactional vs. triggered email and list a few of their defining characteristics.

Triggered Email

A triggered message is a direct response to a user request or action taken on a web property or app, or part of an automation flow: e.g. send new user email A when they sign up, email B after X days, and so on. The

content of those messages can be 100% commercial (marketing email) or they may be purely informational. It's not unusual for companies to send users informational emails that help them understand a brand or product without delivering a purely promotional call to action.

So why use triggered mail? Because of its very nature, triggered mail is more personalized, with content tailored to its recipient based on an action they've taken or a criteria they match like a birthday card or anniversary email if the data is available. And this has been proven to have higher success rates than bulk emails. A study from the Direct Marketing Association (DMA) found that triggered messages earn click through rates 119% higher than your average business email, while the Email Marketing Research Center found that Open rates and click-through-rates were twice as high for triggered emails compared to regular batch and blast or bulk emails.¹

What is Transactional Email?

Within the email community — the world of engineers, direct marketers and systems operations people whose day-to-day work focuses on email, mobile and social messaging — transactional messaging is sometimes thought of as the automation of customer service. At their simplest transactional messages are receipts, shipping notifications, opt-in confirmations—messages that substantiate or confirm that a transaction has occurred.

Transactional email has evolved quite a bit from a decade ago; at the time most transactional email was text based with limited branding — they were electronic versions of paper receipts. In 2003 the U.S. federal government provided a precise legal definition of a transactional message as part of the CAN-SPAM Act of 2003:

¹ <http://www.sproutcloud.com/resources/blog/triggered-email-marketing-%E2%80%93-stats-speak-themselves>

The primary purpose of an email is transactional or relationship if it consists only of content that:

1. Facilitates or confirms a commercial transaction that the recipient already has agreed to;
2. Gives warranty, recall, safety, or security information about a product or service;
3. Gives information about a change in terms or features or account balance information regarding a membership, subscription, account, loan or other ongoing commercial relationship;
4. Provides information about an employment relationship or employee benefits; or
5. Delivers goods or services as part of a transaction that the recipient already has agreed to.

The general rule of thumb within the email community is that a transactional message can have no more than 20% commercial content. While marketers are always looking to leverage every opportunity to touch their audience, it's important to keep in mind that if you cross that line — in other words, send a commercial message disguised as a transactional message and are deceptive about it, or over zealous in your receipts — you are in violation of CAN SPAM which can result in FTC fines.

To illustrate this difference, an email alert that an online purchase has been completed is a transactional message. An abandoned cart alert, meant to lure the recipient back to the website and in order to complete a purchase, is commercial in nature because it isn't confirming a

transaction, it is compelling someone to complete a transaction no differently than an email with a discount as part of a marketing campaign.

Because of this, retailers and other fast-moving companies view transactional email as a simple means to end: I need a way to confirm a new account sign-up, trigger a billing notification or confirm a password reset. But transactional email can be so much more.

Best Practices for Improving Engagement Through Transactional Messages

Where businesses once based their customer messaging strategies on the common practice of sending non-personalized messages like bulk marketing email, offers or newsletters, today businesses must think in terms of ongoing conversations, so personalization, timeliness and contextuality are all more important than ever before. Transactional messages triggered by an event or a change in the nature of the relationship ("Flight 293 to San Francisco (SFO) has been delayed 15 minutes") are increasingly seen as a basic courtesy that businesses should engage in. When successfully personalized, these kinds of messages present an excellent opportunity to elevate the value that customer conversations bring to the bottom line.

As consumers increasingly use apps to carry on brand relationships or to access customer services, the nature of B2C interactions are changing. This is especially so with ongoing transactions where the business has good reason to message customers on multiple occasions between the time a purchase is initiated and when it is completed. For instance, when you buy tickets to a ballgame a month ahead of time, or when you buy clothes online that take a week to deliver. Customers nowadays expect to be kept informed during the interim.

A study by Gartner found that the average call into a call center costs a company between \$27-55 per call on average.² This is the cost to a company when, for instance, password resets don't arrive in a reasonable

² Determine the True Costs of Web Self-Service. Johan Jacobs. July 2012.
<http://www.mycustomer.com/topic/customer-experience/web-self-service-final-frontier-customer-service/156398>

amount of time and a frustrated customer picks up the phone. Companies that can effectively use transactional messaging to avoid these kinds of calls are doing more than just facilitating a password reset or saving money. They're locking in brand loyalty by keeping customers satisfied. This type of messaging is a form of brand stickiness, and it improves the brand experience by delivering content and awareness. And ultimately, it elevates the service or app's presence in the user's mind as providing timely value and useful information.

Transactional email used to be a "nice-to-have." Customers appreciated getting a confirmation email for their online purchases. Simple text reminders let cell phone subscribers stay on top of usage and billing. Today, relevant and timely messaging is now a "must have" — it is expected in all aspects of a customer's daily dealings. Developers building out an app or web service need to consider the full diversity of ways in which they can add value through triggered email and notifications.

Next we'll take a look at some of the ways today's companies use sophisticated mixes of transactional email, triggered email and straight-up marketing email to keep their users and customers engaged.

Lessons from the Best Practices Pros:

What Marketers Can Learn from the Email Techniques of LinkedIn

Let's break down how the "best practice pros" maximize their email programs with one Message Systems customer that understands how email is a critical connectivity tool. That shouldn't surprise us, because it's an enterprise built entirely on the premise of connectivity: LinkedIn.

Before we get into LinkedIn's email tactics, let's start by considering how the company makes revenue. LinkedIn charges employers to list job openings on its site, but that's simply one revenue stream of many. LinkedIn is also, of course, a social network that aggregates eyeballs, so bringing members back to the site regularly — to check on job openings, respond to connection requests or see who is viewing their profiles — translates into

multiple lines of revenue, including advertising, premium paid subscriptions and specialized services for recruiters and HR professionals.

LinkedIn also acts as a publisher of content on all matters regarding professional development and career advice. In fact, over the past year LinkedIn has transformed itself into a top publisher of long-form content for professionals. Its pre-eminent standing as one of the most effective customer engagement practitioners today earned it recognition as the top content marketer on the Internet.

To cultivate and sustain all these lines of business, alerting or reminding members that consequential things are happening for them on LinkedIn is key. And LinkedIn expertly deploys both transactional and bulk mailings to keep engagement rates high. So it's no exaggeration to say that email is absolutely fundamental to the success of LinkedIn. Anyone who's signed up with the world's largest professional network knows there's a diverse range of points of contact with the platform and the community that are driven through email.

"But," you may be saying, "I'm a marketer or an app developer, not a social network." Fear not. There are plenty of techniques LinkedIn uses that developers and marketers can adopt or emulate to drive results. Let's look at some, and then we'll see how they function as part of a holistic set of best practices:

TRANSACTIONAL EMAIL

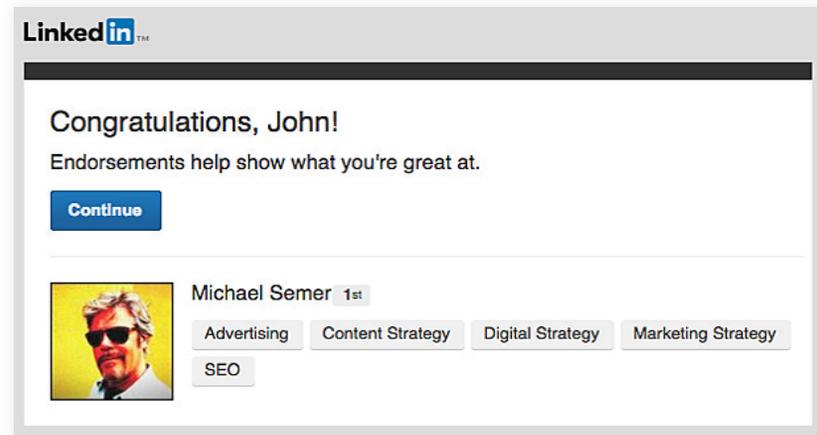
Congratulations!

Since LinkedIn is the modern medium for establishing your professional reputation and credentials, it's important to stay on top of endorsements. This notification, a transactional email essentially, alerts user John that he's been endorsed by Michael. Each email like this also reminds us LinkedIn is the place where our professional stature exists in the eyes of the public. Plus, it creates a positive emotional response: who doesn't like a compliment? So maybe I'll give one in return. Reactions and actions like invitations and endorsements are what drive the overall activity and growth of the LinkedIn community.

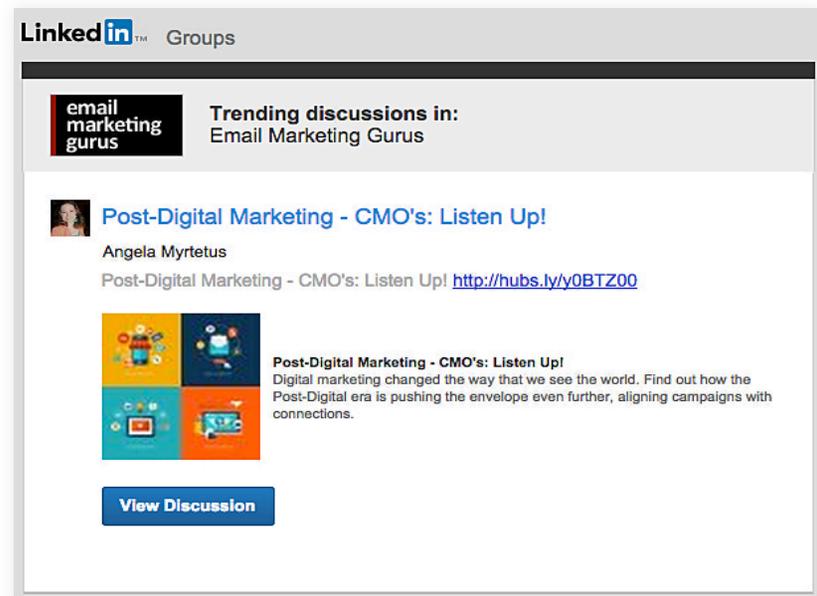
TRIGGERED MARKETING EMAIL

Trending discussions in: Email Marketing Gurus.

Emails from Linked Groups get triggered when members contribute new content or comment on recent articles. These are essentially marketing emails, but because the messages fit my personal profile, they drive that sense of the platform understanding me as an individual. I'll also receive Group emails about new postings by other members, and the occasional gentle exhortation to participate more actively in a Group where I'm joined up, but don't join in very often.



Personalized transactional emails like endorsement notifications drive engagement and increased site traffic.



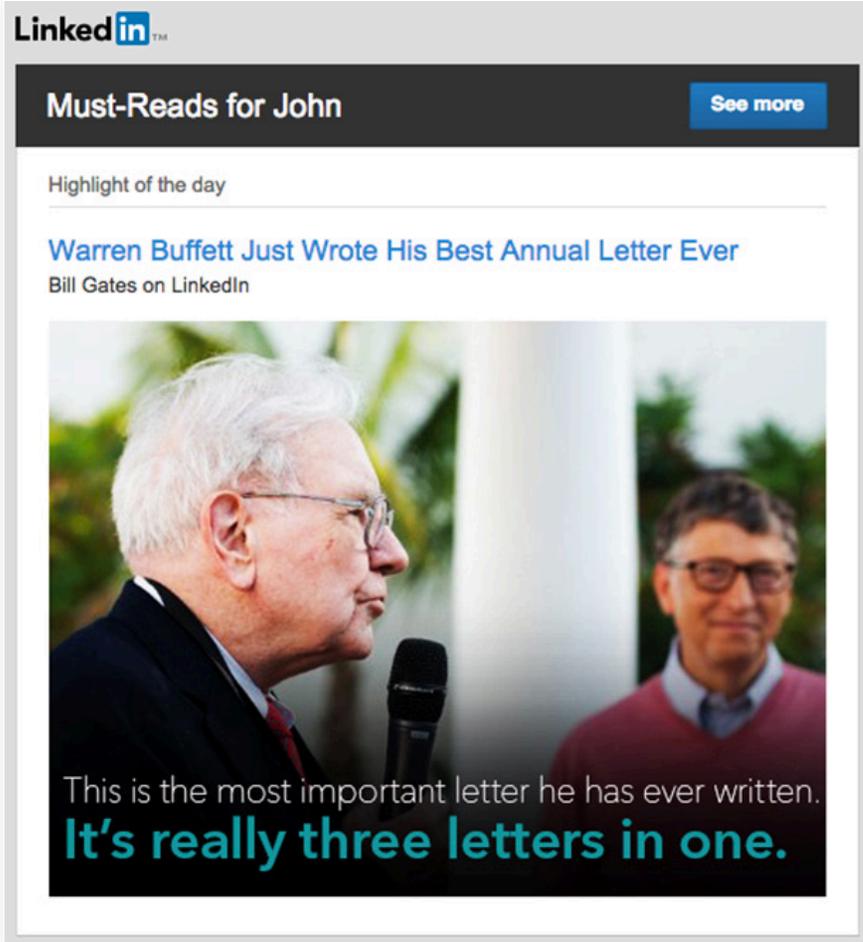
LinkedIn notifies members when there is new content or activity in the professional groups you subscribe to.

BULK MARKETING EMAIL

Influencers — Warren Buffet Just Wrote His Best Annual Letter Ever.

Provocative headlines like the one quoted above certainly help drive engagement. But the endgame is about getting more users on the site in an era when everyone from Tumblr to BuzzFeed wants to dominate user-generated content. Which is a big reason why LinkedIn has become a publishing juggernaut, not just by delivering career advice, workplace news and personalized content, but by also encouraging users to publish content via the platform and launching the LinkedIn Influencers program that features content from multiple industry thought leaders like Bill Gates, Meg Whitman and Richard Branson. The company also spent \$90 million to buy Pulse, a daily newsreader app, as part of that strategy: it's an app a lot of users access every day, and Pulse also helps them embrace mobile in a bigger way.

Publishing quality content, news and opinion to a mass audience on a regular schedule is a classic email marketing tactic to drive responses and clicks. More users means more participation in discussions, more contact requests, more outreach to new users...and, let's not forget, more users to address with ads and sponsored content. Marketers in more conventional industries can look for similar ways to use content to engage customers and drive sales. In the garden supply business? Send out timely articles with "here's what to do in your garden this month."



LinkedIn™

Must-Reads for John [See more](#)

Highlight of the day

Warren Buffett Just Wrote His Best Annual Letter Ever
Bill Gates on LinkedIn

This is the most important letter he has ever written.
It's really three letters in one.

Since acquiring mobile newsreader app Pulse in 2013, LinkedIn has become a publishing juggernaut and regularly publishes content from prominent thought leaders, like Bill Gates, in its LinkedIn Influencers series.



LinkedIn is the world's largest professional network with 250 million members in over 200 countries and territories around the globe. LinkedIn's mission is simple: connect the world's professionals to make them more productive and successful. When you join LinkedIn, you get access to people, jobs, news, updates, and insights that help you be great at what you do.

Key Takeaways

We could have provided many more examples here. Note that LinkedIn also sends out bulk mailings based on certain triggers set off by individual profiles, creating many kinds of unique hybrid messages that are sent to recipients who share those same attributes. For instance, suggestions to join certain industry groups or notices on job openings. As a technique, it's similar to an email version of the way retailers like Amazon and eBay suggest items when you log onto their sites that may be of interest based on purchase history and your browsing trail. So what are the broader best practices in deploying email that LinkedIn observes? Overall, LinkedIn follows what we'd call a "Five C" formula:

- **Customization:** From the range of opt-in options to the tone, collegiality and user-centric focus of the copy in each email, LinkedIn makes each user feel the platform exists to serve their needs, and delivers real value.
- **Connection:** It's why LinkedIn exists, but it wouldn't be successful as a community without the spectrum of notifications, reminders and encouragements they push out to every member that makes them feel engaged and connected.
- **Content:** By incorporating engaging content into push notifications, and through mechanisms like Pulse, they make users feel they've got a wealth of information at their disposal.
- **Concision:** Note that every example we've cited is highly focused, with a single topic that urges a single action or transaction on the part of the user. Plus, the "snackable" brevity of messages and even actual content is where an increasingly mobile society is headed.
- **Constancy:** Users won't typically respond to every message they get from LinkedIn, but they'll engage with some. That's thanks to the frequency and rich breadth of electable touch points LinkedIn provides, all delivered via email.

How New Businesses Can Use These Techniques

For developers and startups that are just beginning to engage users through email and other forms of digital messaging, the example from LinkedIn may seem a bit like a bridge too far. You may be thinking “my app launched four weeks ago and we only have three hundreds users at this point!” Point taken. But consider that LinkedIn was a startup too not that long ago, and its founders needed to make serious decisions about email strategies very early on in their companies’ development. Finding ways to get subscribers to regularly engage with your app or web service early on is key to growth.

Netki, a startup in the Bitcoin space that securely solves the problem of unwieldy addresses, is using SparkPost built by Message Systems as its email platform, and is using similar engagement techniques. It’s a good example that no matter the size of your database, it’s crucial to think through how transactional emails can work to help establish your business.

Why Getting the Transactional and Marketing Mix Right Is Important for Companies of All Sizes

Whether you’re social media giant or bootstrapped startup, putting in place an effective mix of transactional and marketing email is vital to your success. If you’re a company in growth mode, a successful email engagement strategy is mission critical. Depending on the type of business you’re building, your mix of transactional and marketing email will similarly gravitate toward its own unique balance. A good rule of thumb while developing your email engagement strategy over time is: which mix of notifications and triggered offers will drive the highest engagement rates and bottom-line value for my organization, without alienating my customer base?

Then when you’ve determined that right mix, how do you execute on that? How do you ensure the right cadence and frequency of all marketing, triggered and transactional emails when they are coming from disparate

NETKI

Thanks for signing up with Netki's Wallet Name Service (WNS).

Your personalized Wallet Name:
wallet.justinnewton.bit
is now active!

You were charged **1.95 USD** for one year of service.

Please remember in order to validate your Wallet Name with ICANN (the global organization responsible for Domain/Wallet Names) you **MUST** open the email you receive from noreply@domainnameverification.net and follow the instructions within.

Did you know?

You can have up to 3 different wallet addresses linked to each of your personalized Wallet Names? With Netki's WNS you can have:

- 1 bitcoin wallet
- 1 dogecoin wallet
- 1 litecoin wallet

This allows you to use **wallet.justinnewton.bit** to receive funds in whichever digital currency addresses you link to it.

If you have more than one wallet per digital currency (EX: 2 bitcoin wallets) you can create another Wallet Name, such as: **wallet2** by going to the [Wallet Admin](#) section of our website.

If you need any further assistance, please email us at WalletInviteBeta@Netki.com.

Welcome aboard and thanks for helping us make bitcoin easier to use!

Dawn Newton
COO/Founder
Netki, Inc.

Follow us

g+ f t in

Simple transactional message copy confirms that you've successfully signed up for Netki's wallet name service.

The wallet name is a simple first, middle initial and last name — not a long string of digits.

Reminder that ICANN registration is an essential step for validating your Bitcoin wallet.

Here's where Netki adds value to the user experience. It's not just a Bitcoin wallet name service — you can link your single wallet name to other virtual currencies including Dogecoin and Litecoin.

More helpful information and contact details.

Personal touch from the founder.

Ensuring solid virality.

data sources and systems such as CRM, web/e-commerce back-ends, BI/predictive analytics, customer/loyalty warehouses, etc.?

We Can Help

Whether you're aiming to be the next smash Angry Birds-level app giant, or simply hoping to grow your business through smarter messaging strategies, there's a Message Systems email delivery solution right for you. Many of the biggest names in social networking and e-business built and scaled their email operations on Message Systems technologies, and now you can too. We're eager to help you get your business on track for greatness.

Ready to Learn More?

Collectively, Message Systems customers move over 2.5 trillion messages a year — more than 20 percent of the world's legitimate email. These companies choose Message Systems because our solutions outperform any cloud or on premises alternative, providing the flexibility, deliverability and control they need to drive the highest possible customer engagement for their business — regardless of how big or small they may be. With our four offerings, there's an email infrastructure solution that's right for you.

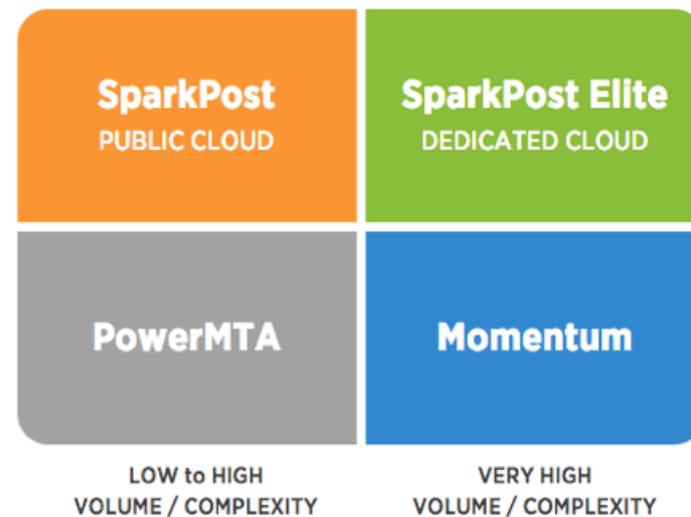
SparkPost is an email sending service for developers who need to easily and quickly incorporate email into their applications. It is generally for smaller businesses with monthly volumes up to ~20 million messages a month and who want pay-per-use pricing. Medium-to-large-sized businesses that prefer an on-premise solution can take advantage of Port25's low-cost and easy-to-use **PowerMTA** technology.

SparkPost Elite and **Momentum** are for businesses already delivering more than 20 million emails a month and who need a dedicated system, with complete control and customization capabilities. SparkPost Elite is for companies who want all the benefits of a dedicated world-class email infrastructure, but need a service hosted for them in the cloud; while

Momentum is that same email infrastructure installed on-premises, for those companies that need to own their own software.

All of our solutions offer unparalleled performance. And because many of Message Systems solutions use common APIs, it is easy to switch from one to another as your business grows and your needs change.

With the SparkPost, SparkPost Elite, PowerMTA and Momentum options available, one of them is sure to fit your needs for either transactional or marketing emails; whether you are a big sender, or just becoming one.



METHODOLOGY

Message Systems is the world's #1 email infrastructure provider. Collectively, Message Systems customers, including Facebook, LinkedIn, Twitter, Groupon, Salesforce, Marketo, Oracle, Comcast, Time Warner, AT&T, American Express and many other Fortune 500 brands, move over 3 trillion messages a year — more than 20 percent of the world's legitimate email. These prestigious companies choose Message Systems because our software outperforms any cloud or on-premises alternative, and provides the flexibility, deliverability and control they need to drive the highest possible customer engagement for their business. For more information, follow us on Twitter @MessageSystems or go to messagesystems.com.



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