




EBOOK

10 Steps to Email Marketing Success for Community Financial Institutions



There's no denying the power of email marketing campaigns. Few online marketing activities offer a better ROI. They're quick and simple to execute and they're highly measurable, targeted and interactive.

But they are none of these, if not done properly. Without the right focus, preparation, research and tools, you are likely to miss out on the success that your competitors might already be enjoying.

So read on, and find out about the 10 key activities that can help you reshape and maximize the performance of all your email marketing programs.

Lists & Segmentation

Your campaign can't ever succeed without a solid, well targeted list of email addresses. Here's what to consider as you create and/or improve your email marketing contact list.

#1

Building Your Email List



Your customers are very protective of their personal information, and they are increasingly aware of its value. So getting email addresses from them can sometimes be a bit of a challenge.

The best, and typically the easiest place to do this, is when they are initially on-boarding with your institution – at the time of account opening. Failing that, you can ask for an email address when customers sign up for eStatements.

Post onboarding, the best way to get a valid email address from your customers is to offer valuable content or some other premium in exchange for their email address. This can be most easily done by making prominent content offers on your website, ideally on web pages that relate to products they are showing interest in (e.g. a free eBook on '10 Things to Think About When Renewing Your Mortgage'). People are more willing to give you something of value if they perceive that they are getting something of value in return.

The watchword is to never miss an opportunity to collect email addresses, including registration forms associated with all other marketing campaigns, at the teller wicket, at all other point-of-sale interactions or even during customer service calls.

#2 Segment Your List



This is probably the most important thing you need to get right if you want to really shine as a successful email marketer. Yet research shows that currently less than 18% of financial marketers focus the requisite amount of time and effort on list segmentation activities.

The reality is that your customers don't all share the same traits, needs and interests. Which means there is rarely if ever a successful 'one size fits all' email campaign. If you currently send out generic email campaigns that try to appeal to everyone, chances are they will appeal to almost no one.

By carefully defining target segments and then sending out emails that will resonate with these targets you will improve your email response rates by as much as 2-3 times. This is why common wisdom suggests that you spend up to 70% of campaign effort on building your target list and alignment of your message with this list and 30% on all the rest (design, content, offer, etc.) There are endless ways for you to segment your email list to more precisely define targets that are more likely to respond to your messages. Typically, your campaign goals themselves will help determine how you segment your list. For example, you

might consider segmenting addresses by branch location; demographics (age, sex, marital status, etc.); financial products owned/not owned; customer loyalty; and/or new customer acquisition, among other criteria. If you are in the market for an email marketing platform, be sure to choose one with automated list-segmentation tools that eliminate the burden of manually segmenting your list.

One other great way to build out target lists for email campaigns is to leverage the power of business analytics. Financial institutions are gathering more data on customer behavior and preferences than ever before. Contained within this data is a wealth of actionable information which can significantly improve effectiveness of your email programs.

Business analytics helps you slice and dice CRM or other data sources to identify trends in customer demographics and behavior that might be otherwise difficult to define. You can then use these findings to define carefully segmented customer lists in support of more precisely targeted campaigns.

#3

Keep Your List Fresh

doxim
TRANSFORMING CUSTOMER EXPERIENCE

REQUEST A DEMO

Communication Preferences
bbhatti@doxim.com [edit](#)

If this is not your email address, please ignore this page since the email associated with this page was most likely forwarded to you.

Uncheck the types of emails you do not want to receive:

- ☒ **Product Info**
Stay current on new products and/or product enhancements
- ☒ **Events**
Don't miss out on upcoming events; Webinars, Tradeshows and Conferences
- ☒ **Education, Thought Leadership & Blog**
Learn to grow your market share through effective customer engagement and all the latest & greatest from the blog
- ☒ **News**
Keep abreast of pertinent news releases and company updates
- ☒ **Promos & Offers**
We don't send out alot of promos, but when we do, you won't want to miss them
- ☒ **Survey**
Doxim's Annual Satisfaction Survey

Or check here to never receive any emails:
☐ Unsubscribe me from all mailing lists.

UPDATE EMAIL PREFERENCES

It's very tempting, once you have thousands of solid addresses in your email list, all nicely segmented, to sit back and congratulate yourself. But your campaigns will suffer over time if you rest on your laurels. If you don't put the same effort into adding managing, cleansing and updating your email list on an ongoing basis, you can fall victim to a number of ROI-eroding consequences:

Hard Bounces

eMail hard bounces (when an email proves to be undeliverable) occur for two main reasons:

1. The email address has been captured incorrectly in your CRM (typically because of a typo)
2. The email address is no longer valid, (e.g. because the customer has changed their email service provider)

In both cases, take time to address the issue. The value of having a correct customer email address that you can use to communicate with over time is not to be sniffed at. So a little work to ensure it's spelled correctly or to call the customer in question to get their new email address will be worth it over the long run.

Unsubscribes

Unsubscribes are unavoidable, but you can do a few things to minimize them.

Firstly, if you segment your list appropriately and do a good job of targeting the right message to the right audience, recipients are much less likely to unsubscribe as they will see value in the messages you are sending them. Controlling the volume of email you send to a given recipient will also help minimize unsubscribes.

Secondly, you can set up a preference center. You have to give your readers the option to unsubscribe from email but they may not want to stop receiving ALL messages from you. A preference center is a web page that the recipient is directed to when they click on the unsubscribe link at the bottom of your email. On this page they can select the subjects they would like to hear about, and deselect the ones they are no longer interested in.



Design & Content

Every email marketing campaign must have a goal. Whether you want to attract more traffic to your website, develop qualified leads or upsell customers using dedicated landing pages and specific offers, the goal is the guiding light for your campaign, and for the design and content of each message.

#4 The Subject Line



The subject line of your email is the first opportunity to demonstrate the alignment of your email content with your reader's needs.

It's the first hurdle between your readers and your message. If the subject line fails to compel a subscriber to open your email, then everything else you have done to develop your message, your campaign, your offer and your objective goes to waste. This is why many email marketing experts suggest that when writing email content, you spend at least 50% of your time writing the subject line.

Keep your subject lines short. In other words, get to the point because there are hundreds of messages competing for your readers' attention in their inbox. And make them engaging, either by posing a question, creating urgency and/or making it personalized.

Bear in mind, however, that a killer subject line sent to a poorly targeted audience will not yield great results. Whereas an average subject line sent to a very well-defined target audience will likely yield much better results.

#5

Email Layout & Content



The look (layout) and substance (content) of your email message must work hand-in-hand to increase the effectiveness of both. Readers generally scan email messages first, looking for relevant information, then drill down into anything they find interesting. So your layout and content must highlight the benefits; then deliver the details.

a. Content - Including words, images and video links, every bit of your content must help to move the reader from the subject line that got them to open the email, to the call-to-action that is the goal of your message. Remove extraneous elements, keep what's left to a minimum and break-up the content into "bite-sized" chunks to make it easier to consume. Most emails are initially scanned for no more than 8 seconds, so make sure your reader can understand the intent of your message in as little time as possible.

b. Layout - An appealing email layout complements the structure of your content. Use the layout to help organize the content and create "breathing" room, or white space, between sections. And remember, statistics show that more than 50% of emails are opened on mobile devices, mostly smartphones but also tablets. So it has now become an imperative that your email design and composition is fully 'responsive' so it displays correctly on any device your customer chooses to use – PC, laptop, tablet or smartphone.

c. Calls-to-Action - The main call-to-action (CTA) of your message is the focal point of your email design and content. Your CTA should be aligned with your overall campaign goals and trigger the reader to take a particular action after reading your email. The color, shape and placement of your CTA button, and the wording on it, should make it easy to spot and compelling to click. And don't be afraid to include it near the top as well as at the bottom of your email. Some readers will be sufficiently interested after reading the email headline, so there's no reason to make them look for the action button.

d. Social Sharing - Social media may or may not be part of your marketing or campaign plan but if it is, there is no denying the power of social to get email subscribers to share your message with their social communities. So consider including social sharing buttons as part of every email, as they can really extend the reach and penetration of your messages. And don't forget that, where appropriate, asking people to share the content can as much as double the likelihood of social sharing by a reader.

#6

Include An Unsubscribe Option



The average unsubscribe rate for financial services email marketing is around 0.7%. If yours is higher, think about whether you are targeting your messages as well as you can or whether your message frequency needs adjusting.

This may seem counterintuitive, but you must always include clear ways for your reader to unsubscribe from your list in every email message. As mentioned previously, adding a preference center will help minimize the number of email recipients that unsubscribe completely.

Be aware that if you don't include a clear and effective unsubscribe option in your emails, you will violate legislation governing email marketing, be it CAN-SPAM in the U.S. or CASL in Canada. To underline the importance of staying within the rules, the maximum penalty for businesses in contravention of CASL is \$10 million, and for CAN SPAM, it's \$16,000 per message that's in violation.

You can find out more about CAN-SPAM regulations here:
<https://www.ftc.gov/tips-advice/business-center/guidance/can-spam-act-compliance-guide-business>

and CASL regulations here:
<http://fightspam.gc.ca/eic/site/030.nsf/eng/home>



Spam Warning!

Spam filters are public enemy #1 of email marketers. They are the largest hurdle to cross to ensure that you deliver legitimate messages to legitimate addresses. And nowadays they are extremely sophisticated. Gone are the days when avoiding certain key words in subject lines and body content was all you needed to worry about. Nowadays they leverage machine learning and natural language processing to look at all sorts of things that you can't easily control. One key thing they do review is your sender score. And one way you can influence this is to maintain a good delivery rate.

$$\text{Delivery Rate} = \frac{\text{\# emails delivered}}{\text{\# emails Sent}}$$

If you work hard to maintain a good delivery rate – north of 90% is a good target - you can go a long way to staying on the right side of the spam filters. One of the easiest ways to do this is to make sure you clean up your bounces and don't resend emails to customers that unsubscribe. Limiting the size of your individual sends can also help, as typical spammers don't do this. Sending to lists of 2,500 recipients or less will usually yield the best results.

A black and white photograph of a hand moving a black chess king piece on a chessboard. The piece is in sharp focus, while the background shows other pieces and the board in a soft blur.

Email Campaign Planning

Whether it's a single email message or a carefully planned multi-touch series, your email campaign represents a coordinated effort to reach a marketing goal. The following tactics will help you better plan and execute your campaigns.

#7

Create A Campaign Calendar



A campaign calendar provides a framework for the entire campaign. Without one, your email marketing becomes a loose-fitting, unfocused bunch of messages, each one fending for itself to get the attention of the reader.

In addition to coordinating your messages, a calendar helps you plan and execute content creation, set milestones and manage multi-step campaigns. Use calendars for your ongoing email campaigns, including those around sales cycles and seasonal events; and for specific campaigns, including the aforementioned multi-step (or multi-touch) programs, which are designed to build familiarity and trust in your message over time.

#8

Use Email Campaigns To Support or Lead Your Other Marketing Initiatives (Cross Channel Support)



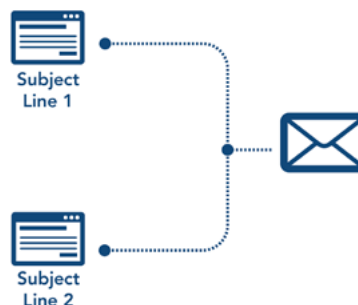
Email campaigns are not necessarily standalone marketing activities. From the basic integration of social media, blogs and other online marketing, to the more ambitious coordination with traditional media campaigns, direct-mail and in-branch promotions, email can lead the charge or be the supportive touch-point that moves your customer to action. Email can also be an integral part of the multi-step campaigns that you run on other online or offline channels.

#9

Split-Testing Your Messages



You can guess at what email message might work best or you can actually find out by executing some simple tests. Split-testing (also known as A/B testing) refers to sending a couple of versions of an email message to a test segment of your target list. The version that gets the best results shows you which elements are more effective. For example, if you have two ideas for subject lines, but you don't know which one will prove more effective, send one test email with one subject line to half your test segment, and another test email with the other subject line to the other half. The subject line with the higher open rate can then be selected for roll out across your entire target.



Once you have the best performing subject line you can then turn your attention to the email content itself, testing two or more variants to see which yields the highest click through rates.

Spilt-testing is one of the best ways, outside of smart list segmentation, to improve the performance of your campaigns. And in many cases your email tool will offer the ability to do split testing automatically.

Track & Analyze Your Campaign

You can't improve what you don't measure. Measuring the performance of your email campaign is so crucial, you are well advised to only choose an email marketing platform that has a full suite of tracking and reporting tools.



#10

Track The Top Four Email Marketing Metrics

Name	Sent Date	Sent	Delivered	Delivered Rate	Hard Bounces	Hard Bounces Rate	Opens	Open Rate	Clicks	Click Rate	Click to Open	Unsubscribes	Unsubscribe Rate
Mortgage Promo	1-Aug	474	469	98.95%	4	0.84%	87	18.55%	7	1.49%	8%	3	0.00%
Account Opening Welcome 1	10-Aug	831	801	96.39%	20	2.41%	139	17.35%	12	1.50%	9%	5	0.00%
Account Opening Welcome 2	24-Aug	1,298	1,255	96.69%	31	2.39%	220	17.53%	18	0.96%	5%	9	0.08%
Internal Average		868	842	97.34%	18	1.88%	149	17.81%	10	1.32%	7.38%	0.33	0.03%
Industry Average				91.00%		3.40%		19.10%		1.61%	9.41%		0.07%

The data you track for each email or campaign is really limited only by your email platform's reporting features and /or your interest in gathering and analyzing the metrics.

The basic metrics are most important. Not only should you measure and analyze them, you should develop specific ongoing programs to improve them. These are:

- Sent
- Delivered
- Bounces
- Opens
- Clicks

Using these raw metrics you can calculate the four key metrics you need to focus your time on to analyze and improve your campaigns:

Delivery Rate = # emails delivered/#emails sent
Hard Bounce Rate = # hard bounces/#emails sent
Open Rate = # emails opened/#emails delivered
Click-Through Rate = #email clicked/#emails delivered

a. Delivery Rate – Your delivery rate is the measure of how many email inboxes your message actually landed in. Calculated by dividing the number of emails delivered by the total number sent. A good delivery rate is important because your campaigns can only be effective if your emails get read and no-one will read them if they don't receive them. The industry average in financial services is 91% so that's a good starting point to aim for.



b. Hard Bounce Rate - When an email message does not get delivered, it is considered to have “bounced” because it was rejected by the recipients email server. While the reasons for bounces are many, including incorrect email addresses, non-existent addresses, full mailboxes and vacation/out-of-office replies, you should pay attention to them, especially the hard bounces, and regularly remove or clean up the email addresses to which your messages are consistently not delivered. Some email marketing platforms feature automated email bounce clean-up, which makes it simpler, faster and less frustrating to keep your bounce rates to a minimum, ideally under 5%.

c. Open Rate - Your campaign falls flat if your emails are not opened. While open rates differ from sector to sector, average open rates for financial services email campaigns are around 20%. If yours are not hitting or exceeding this number, the two areas to focus on would be your targeting – is the recipient interested in the topic, and the subject line – is it compelling and clear.

d. Click-Through Rate (CTR) - Once you get the recipient to open your email, the next goal is to get them to respond to your main call-to-action, or at least click on one of the links in the message. So not only should you track and analyze the click-through rate, but also the most popular links in your message. Again, CTRs can vary widely based on a number of factors, but financial service marketers should expect to achieve a CTR of over 1.5%. If yours are consistently lower than this, areas to analyze include the length and clarity of the email message, the value of the offer and the prominence and engagement of the CTA. In some cases a simple change to the labelling of the CTA button from “Submit” or “Find Out More” to “I Want to Reduce my Mortgage Rate Now” can have a very positive effect on your CTR.





Measure to Predefined Goals

As you build a database of campaign results and develop a “feel” for what works, you can set goals to help improve the performance of future campaigns. In addition to targets for each of your email metrics, including increased open rates and reduced bounce rates, you can use other results, like inbound phone inquiries or product sales, to develop goals that are outside the parameters of your email campaigns but directly impacted by these campaigns.

Conclusion

In financial services, your marketing activities must instill trust, get the customer focused and counteract traditional perceptions, all in a hyper-competitive marketplace. When you take advantage of everything email marketing has to offer, from its low cost and support for personalized and targeted messaging, to its ease of sharing, mobility and measurability, your email marketing campaigns can become one of the most impactful and profitable weapons in your marketing arsenal.



Doxim Email Marketing

Doxim Email Marketing is an all-in-one email solution that makes it easy to send great looking, personalized (HTML or text) and targeted emails to your customer base.

Trusted by more than 100 financial institutions, Doxim Email Marketing is custom built for organizations like yours, by people who know your industry.

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Doxim is a leading provider of SaaS-based customer communications and engagement software for banks, credit unions, and wealth management firms. Doxim's Customer Engagement Platform helps financial institutions transform their client experience, communicate effectively throughout the client lifecycle and improve cross-sell and upsell activities that drive increased wallet share. The platform addresses key digitization challenges, from automated account opening, through improved, personalized communications to anytime, anywhere content access, tailored to a client's channel preferences. This eliminates costly traditional paper-based, manual processes and enables cost-effective provision of an omni-channel experience that delights customers and improves their long-term loyalty. Find out more at www.doxim.com.