



# **Email Marketing Best Practices:**

## **Getting the Right Information to the Right Person at the Right Time**

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## Introduction

*“E-mail marketing allows targeting and segmenting of prospects to inform, build relationships, establish brand loyalty, and reinforce trust.”*

*“...Only 75% of legitimate e-mail makes it to the inbox...”*

- Lyris Technologies, 2007

### ***Why has e-mail marketing risen to such prominence so quickly?***

Put simply, businesses engage in e-mail marketing because it works. In a December 2007 survey of internet marketers, e-mail marketing was selected as having one of the highest returns on investment (ROI), ranking just behind website Search Engine Optimization (SEO) and Behavioral Targeting (in which ads online are displayed to individual users based on their specific search and surfing histories).

As part of an overall real estate project marketing strategy, e-mail marketing is an easy way to communicate relevant information to prospects, homebuyers and brokers in an efficient and cost-effective manner. E-mail marketing allows targeting and segmenting of prospects to inform, build relationships, establish brand loyalty, and reinforce trust. Every e-mail campaign should also generate actionable data that can be used to drive sales.

As an e-mail marketer, you face many challenges to the continued growth and success of your e-mail programs. As anyone can see from their own overflowing inboxes, there is intense competition to get your message across, not just in having the e-mail opened by the prospect, but in having the e-mail delivered in the first place.

Getting the highest percentage of e-mail delivered, instead of bouncing back or getting blocked by an e-mail provider, is an ongoing challenge. A report in late 2007 stated that only 75% of legitimate e-mail makes it to the inbox. Ultimately, deliverability is the responsibility of the project marketing team. No e-mail service provider can guarantee delivery to the inbox. They can provide the infrastructure and guidance but it's up to marketers to follow best practices as there is no 'silver bullet' that will instantly increase your success.

This document provides suggestions for all aspects of e-mail marketing, from developing and tweaking your strategy, to your list, to developing content and ultimately hitting the send button, and through analyzing the data received after sending the e-mail.

Effective E-mail marketing helps you develop a more engaged and qualified prospect; that ultimately increases velocity and sales. From the start of an e-mail campaign to clicking the send button, following best practices improve results.

## Planning & Strategy

Most companies put considerable time and effort into planning for their sales launches and events, their media spend and direct mail campaigns; however, e-mail marketing plans are more spontaneous, with campaigns often not included on the marketing calendar. Because mass mail is easy and relatively inexpensive (create an e-mail, compile a list of recipients and send), there is often no strategy driving an e-mail campaign, and thus no method for measuring effectiveness or results.

Effective e-mail marketing is no different from any other marketing discipline—it begins with a plan, and that plan begins with a clear understanding of the goal for that campaign. Determine what opportunity you are trying to capitalize on. Are you inviting buyers to a launch event? Providing details on a limited-time sales promotion? Spotlighting new features or a new floor plan?

Once you have a goal in mind, the steps in developing the e-mail campaign's plan are self-explanatory:

**Review your past e-mail campaigns.** *Ask yourself the following questions:*

*“Effective e-mail marketing is no different from any other marketing discipline—it begins with a plan, and that plan begins with a clear understanding of the goal for that campaign.”*

- a. Are we exceeding the real estate industry average of 20% open/view rates? If not, why?
- b. What is the percentage of failed e-mail addresses vs. successful e-mail delivery?
- c. What percentage of registrants have opted out or selected “No e-mail” as a contact preference?
- d. Examine past e-mail templates – why did one have a higher view/open rate than another?

**Construct an e-mail marketing calendar.** *When planning a calendar consider:*

- a. Both internal and external events.
- b. Seasonality and your prospects’ characteristics.
- c. The schedules of other projects.
- d. E-mail frequency (e.g. towards the end of a project, purchasers may want to receive e-mail daily to provide updates and information regarding move-in, but daily e-mails to the Realtor/Broker community during a project launch may result in unsubscribes).
- e. Integrating the marketing strategy for all your projects.
  - i. Many registrants, including realtors/brokers may have signed up to receive information about multiple projects. As a result, some may receive several e-mails in a day.
  - ii. A single e-mail to investors and brokers could include information about multiple projects.

**Centralize your e-mail sending.**

Mass mail should be coordinated and managed by key individual(s) within your marketing team. This ensures that proper branding guidelines are followed and helps e-mail frequency controls, as well as improving message relevance to the registrant.

**Keep your ‘from’ name consistent.**

This is the basis of your relationship with the registrants – if they don’t recognize it, they may delete the message. It’s often said that a recipient will decide whether to delete the message by looking at the sender name, and whether to open the e-mail by the subject line.

## List Management & List Fatigue

*“It is estimated that 20-30% of e-mail addresses change each year.”*

Is your database getting old? If you’ve got registrants in your distribution list that date back a few years, how do you know if they are still interested in real estate? Perhaps they already made a purchase and aren’t interested in receiving information about other properties. Or they’ve moved away and are no longer interested in a particular region. This type of list churn is completely normal.

Not only do peoples’ needs change, but it’s estimated that 20-30% of e-mail addresses change each year. Many ISPs offer free e-mail accounts, making it easy for people to abandon or change their e-mail address, and nowadays people change jobs more frequently and corporate e-mail addresses change. It’s important to keep lists up-to-date and current as sending to bad addresses not only skews your results but it is used by e-mail providers to determine whether ongoing e-mail is delivered to the inbox or to the junk folder. ISPs refer to this as your “sender reputation.” If you constantly try to send e-mail to invalid domains or to recipients who don’t open your e-mail, or you send too frequently and registrants get frustrated and mark you as spam, this effects your reputation as a sender, and future e-mails may go to the junk folder.

A few years ago, content was the only gauge to determine whether an e-mail was junk or not. Now many ISPs and inbox providers base their decision either completely on reputation or on a combination of reputation and content. Therefore, it’s important to manage failed e-mails and determine whether the

registrant is still interested or should be removed from your mailing list. A telephone call from the sales agent or a postcard sent to them asking to confirm their interest by registering on the project website is helpful.

**Build your lists carefully.**

- a. Make it easy for your prospects to register. Ensure that the “Register Now” link is visible on all pages of your website.
- b. Capture all pertinent registrant information from walk-ins to the sales centers and ensure that sales agents are gathering all their information, especially their e-mail. One option that is gaining in popularity in Sales Centers is directing walk-in traffic to register at a kiosk.
- c. Utilize an opt-in process that is quick and easy. Confirming that your prospects want to join your lists through a double opt-in process can increase activity by 20 percent or more and greatly extends your retention rate.
- d. Bigger isn’t always better. A smaller, segmented and qualified list will bring higher results than a broader, unqualified list.
- e. Consider having registrants enter their e-mail address twice on the registration page to confirm accuracy.
- f. Ask your registrants what they want to receive. Categorize your mass e-mails into groups such as newsletters, press releases, new project notifications, or realtor/broker news and let your registrants choose what they would like to receive. Provide them with an ability to update their profile information.

**Clean your lists frequently.**

- a. Remove inactive subscribers to help you report more accurately on your campaign results. E-mail metrics are measured against the number of messages delivered. If 10,000 messages are delivered and 2,500 are opened, you have a 25% open rate. If you only send 8000 messages to active subscribers and 2,500 are opened, your open rate is 31%. If someone is going to delete your message, why should you send it to them in the first place? Use your other marketing channels to keep your brand in front of them and when the time is right and they are interested again, they will reactivate.
- b. Update your list each time you send an e-mail.
- c. Remove or update e-mail addresses that have failed.
- d. Remove distribution accounts such as sales@, or info@ on your e-mail lists. Many ISPs factor this into reputation. Including these types of e-mail addresses on your lists will likely create spam complaints.

*“If you constantly try to send e-mail to invalid domains registrants get frustrated and mark you as spam, this effects your reputation as a sender, and future e-mails may go to the junk folder.”*

## E-mail Creation

How an e-mail looks is as important as what it says, so you must do everything to ensure your e-mails are received in the intended format. If best practices for HTML design are not followed, your message may be misinterpreted as spam and e-mail providers could deliver your message to the junk mail folder or block it altogether.

**HTML Coding**

- a. Use image alt tags. Most ISPs, by default, block images. If you’ve titled the image, the recipient can at least read what the image is without seeing it.
- b. Validate the HTML code (ensure that links and code aren’t broken).

*“If best practices for HTML design are not followed, your message may be misinterpreted as spam and e-mail providers could deliver your message to the junk mail folder or block it altogether.”*

- c. Avoid the use of Cascading Style Sheets (CSS). It can cause incorrect rendering and some ISPs strip away the code.

#### **E-mail Layout**

- a. Use tables in your HTML code for maximum control over placement of text, images and the width of the message.
- b. Keep HTML e-mails to no wider than 600 pixels.
- c. If you choose to use images in your mass mail, ensure there’s a good balance of text and images. Remember, images are often blocked. Ensure that the message can still be understood even if the images are not visible.
- d. Place the call to action above the fold, meaning in the top half of a monitor. Think about what your recipients will see in the preview window of their e-mail client.
- e. Use background colors in both the body and the table in order to ensure that the color shows up. Some e-mail clients will strip out the background color in the body, but the e-mail will render properly if the color is also in the table.
  - Outlook 2007 does not support background images in table cells but it does support background colors.
- f. Always link to a web version of the e-mail.

#### **E-mail Content**

- a. Choose your words carefully – both for the subject line and the body of the e-mail.
- b. Include your company name or project name in the subject line to create some familiarity when the recipient sees your e-mail.
- c. Avoid overuse of words in upper case.
- d. Don’t use excessive exclamation marks, question marks, or special characters.
- e. Avoid use of such words as “click here” or strings of words such as “limited time offer”.
- f. Focus on the subject line and the ‘from’ address – once you are in the inbox it is instant recognition and value – if the registrant doesn’t immediately recognize the WHO and the WHAT then your e-mail campaign might as well have not been sent.
- g. Avoid cutting and pasting text from Microsoft Word into your HTML Editor. Instead, cut and paste text from Word to Notepad and then into your editor. Format the text in your editor. This will avoid any unusual coding that can cause rendering issues.
- h. Try to add some personality to the e-mail text. People want to associate with those that seem real and sincere.
- i. Remember relevance. Use personalization and segmentation techniques to create messages that the recipient will find interesting and relevant to them.

Follow e-mail creation best practices so your audience remains engaged. For example, if branding is weak, links don’t work, subject lines aren’t interesting, or the format isn’t eye-catching, subscribers could begin to ignore your e-mail. If each and every message does not capture the attention of your subscribers and provide useful information to them, they will quickly stop listening to you and ignore the messages.

## **Sending E-mail**

According to a Jupiter Research study, the second most-cited reason (40%) that recipients unsubscribe from an e-mail list is because “e-mails are sent too often.” And 32% of recipients don’t trust the unsubscribe link, so many unsubscribe using the “report spam’ button.” This means that over-mailing to your recipient list can lead directly to an increase in spam complaints.

Sending a mass mail with an error happens; an important link could be broken, there could be a spelling mistake in the subject line, or perhaps an image doesn't load properly. Reducing these kinds of mistakes and errors improves the professionalism that you work so hard to achieve.

**Test your e-mail.**

- a. Send it to yourself as well as a test list of e-mails from various ISPs. Set up free accounts with Hotmail, Gmail, Yahoo, and other free mail services. You'll see what potentially could land in junk mail as well as how it renders with other e-mail services.
- b. Check how messages render in preview panes with images turned off. By default, most of your recipients will receive the e-mail with their images turned off. Ensure that the message can still be understood with images turned off.

**Always send from the same e-mail address using a project or corporate e-mail address.**

- a. Avoid using an e-mail address that has no relationship with your company.
- b. Ask to be put in the recipient's safe list.
- c. Always include a means to unsubscribe in the mass e-mail.

**Confirm that your sending domain has been authenticated.**

- a. E-mail authentication sets the stage for improved delivery and defines who can send e-mail for a specific domain.

**Keep it legal.**

- a. Ensure that you are following Can-Spam Compliance or any specific e-mail marketing regulations that are specific to your region.

**Observe careful e-mail frequency and timing.** *How often you e-mail your list plays a role in your reputation.*

- a. If you send e-mail too often, recipients are likely to hit the spam button to stop the deluge of messages. Don't over e-mail.
- b. On the other hand, if you send e-mail too infrequently, your registrants may forget about your project.
- c. Be consistent. If you are sending out a newsletter or a monthly project update, try to send at the same time each week or month.
- d. Don't be afraid to try sending on a day other than Tuesday, Wednesday and Thursday. Although these days have traditionally been favoured to send e-mail, try a test on weekends or on Fridays. Some have found that since Fridays are often quieter days, it can be a good time to send. Weekends can be positive too as this is when a registrant may have more time available to read your e-mail.
- e. Send at least once every 90 days to everyone on your list. E-mail addresses "churn" at an incredibly high rate. Sending regularly will keep your lists fresh and reduce the percentage of bounces each time.

## Mass Mail Reporting & Post E-mail Review

Part of effective e-mail marketing is to have a solid **follow-up strategy** in place for after an e-mail is sent:

- a. Will sales agents be following up with all those who opened the e-mail?
- b. Is there a plan to contact those registrants whose e-mail addresses bounced?
- c. Is there a follow-up e-mail ready to be sent to all those who opened the e-mail?

Monitor the results of an e-mail campaign, not only using e-mail metrics but also using business-related metrics. Some of the **delivery-related metrics** that should be reviewed:

- a. E-mail failures: Blocks, soft bounces, hard bounces, and invalid e-mails
- b. Unsubscribes/opt-outs
- c. Opt-in success

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- Jupiter Research Study

- d. View and success rates
- e. Referral rate

Examples of **business-related metrics**:

- a. Number of online registrations after the mass mail
- b. Web traffic
- c. Sales center walk-ins
- d. Attendance at a realtor/broker event

## Conclusion

Following these e-mail marketing best practices requires effort and concentration, but that will pay off quickly when you start to see increased open rates, higher retention rates and more engaged registrants. Best practices go beyond compliance with the CAN-Spam Act and other regional e-mail marketing acts—e-mail best practices are ultimately built around the same philosophy as all good marketing practices, which is to present the best information and call to action possible to buyers.

While no single tip will enable you to get a 100% return rate on completed sales, each one utilized as a group can help move you a long way toward reaching that goal.

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## E-mail Marketing Glossary

**Authentication protocols:** Protocols that help inbox providers avoid messages from anonymous bulk senders and messages from those who attempt to spoof the identity of legitimate senders. By allowing e-mail providers to verify the purported identity of senders, these protocols also serve as a first step in reputation systems.

**Blacklist:** The practice employed by ISPs of blocking an IP address or series of IP addresses to prevent the receipt of e-mail messages from a server that is suspected of transmitting SPAM. Many companies use blacklists to reject inbound e-mail, either at the server level or before it reaches the recipient's inbox.

**Block:** A refusal by an ISP or mail server to forward your e-mail message to the recipient. Many ISPs block e-mail from IP addresses or domains that have been reported to send spam or viruses, or have content that violates e-mail policy or spam filters.

**Bounce message:** A message sent back to an e-mail sender reporting the original message could not be delivered and why. Note: Not all bounced e-mails result in messages being sent back to the sender. Not all bounce messages are clear or accurate about the reason e-mail was bounced.

**Bounce handling:** The process of dealing with the e-mail that has bounced. Bounce handling is important for list maintenance, list integrity and delivery. Given the lack of consistency in bounce messaging formats, it's an inexact science at best.

**Bounce rate** (also known as **Return rate**): Number of hard/soft bounces divided by the number of e-mails sent. This is an inexact number because some systems do not report back to the sender clearly or accurately.

**Bulk folder** (also known as **Junk** or **Spam folder**): Where many e-mail clients send messages that appear to be from spammers, contain spam, or are from any sender who's not in the recipient's address book or contact list. Some clients allow the recipient to override the system's settings and direct that mail from a suspect sender be sent directly to the inbox. e.g., Yahoo! Mail gives recipients a button marked "Not Spam" on every message in the bulk folder.

**Challenge-response system:** An anti-spam program that requires a human being on the sender's end to respond to an e-mailed challenge message before their messages can be delivered to recipients. Senders who answer the challenge successfully are added to an authorization list. Bulk e-mail senders can work with challenge-response if they designate an employee to watch the sending address' mailbox and to reply to each challenge by hand.

**Churn:** How many subscribers leave a mailing list (or how many e-mail addresses go bad) over a certain length of time, usually expressed as a percentage of the whole list.

**Domain authentication:** The effort to equip messages with enough verifiable information so that recipients can recognize the nature of each incoming message automatically; the means for ISPs to establish the true identity of an e-mail sender.

**DomainKeys:** An anti-spam software application being developed by Yahoo and using a combination of public and private "keys" to authenticate the sender's domain and reduce the chance that a spammer or hacker will fake the domain sending address.

**Double opt-in** (also known as **Confirmed opt-in**): A process that requires new list joiners to take an action (such as clicking on an e-mailed link to a personal confirmation page) in order to confirm that they do want to be on the list.

**Enhanced white list:** An example is AOL's enhanced white list for bulk e-mail senders who meet strict delivery standards, including less than one spam complaint for every 1,000 e-mail messages. E-mail senders on the enhanced white list can bypass AOL 9.0's automatic suppression of images and links.

**Hard bounce:** Message sent to an invalid, closed or nonexistent e-mail account. Hard bounces should be removed immediately. To avoid this pitfall, heed best practices like proper list hygiene to keep your list fresh and build a double opt-in mechanism into your registration process.

**ISP:** ISP stands for Internet Service Provider. An ISP provides access to the Internet for others via some connectivity service(s). Examples of ISPs include Shaw, TELUS, Earthlink, Mindspring, and WorldNet, to name a few.

**List fatigue:** A condition producing diminishing returns from a mailing list whose members have become disengaged and are inactive.

**List hygiene:** The act of maintaining a list so that hard bounces and unsubscribed names are removed from mailings. Some list owners also use an e-mail change-of-address service to update old or abandoned e-mail addresses (hopefully with a permission step baked in) as part of this process.

**List management:** How a mailing list is set up, administered and maintained. The list manager has daily responsibility over list operation including processing subscribes and unsubscribes, bounce management, list hygiene, etc.

**Opt-in:** A specific, pro-active request by an individual e-mail recipient to have their own e-mail address placed on a specific mailing list. Many list renters and buyers now require list owners to provide proof of opt-in, including the actual e-mail or IP address date and time the request was received.

**Opt-out:** A specific request to remove an e-mail address from a specific list or from all lists operated by a single owner. Also, the process of adding an e-mail address to lists without the address owner's pre-approval, forcing those who don't want to be on your list to actively unsubscribe.

**Segmentation:** The practice of dividing registrants into custom lists or groups based on profile information such as geographic location, product interest, rating, etc.

**Sender ID:** The informal name for a new anti-spam program combining two existing protocols: Sender Policy Framework and CallerID. SenderID authenticates e-mail senders and blocks e-mail forgeries and faked addresses.

**Sender Policy Framework (SPF):** A protocol used to eliminate e-mail forgeries. A line of code called an SPF record is placed in a sender's Domain Name Server (DNS) information. The incoming mail server can verify a sender by reading the SPF record before allowing a message through.

**Sender reputation:** E-mail delivery problems often stem from factors related to the reputation of the sender. A reputation score is determined by many variables, including the number of bounces, spam complaints, and the number of inactive subscribers.

**Soft bounce:** E-mail sent to an active (live) e-mail address but which is turned away before being delivered. Often, the problem is temporary -- the server is down, the recipient's mailbox is over quota, or an "out of office" reply. The e-mail might be held at the recipient's server and delivered later, or the sender's e-mail program may attempt to deliver it again. Soft-bounce reports are not always accurate because they don't report all soft bounces or the actual reason for the bounce.

**Spam:** Spam is any message, regardless of content, that is sent to multiple recipients who haven't specifically requested the message. Other common terms for spam include: Junk mail, unsolicited commercial e-mail (UCE), and unsolicited bulk e-mail (UBE). However, some e-mail recipients define spam as any e-mail they no longer want to receive, even if it comes from a mailing list they joined voluntarily.

**Spamcop:** A blacklist and IP-address database, formerly privately owned but now part of the e-mail vendor Ironport. Many ISPs check the IP addresses of incoming e-mail against Spamcop's records to determine whether the address has been blacklisted due to spam complaints.

**Throttling:** The practice of regulating how many e-mail messages a broadcaster sends to one ISP or mail server at a time. Some ISPs bounce e-mail if it receives too many messages from one sending address at a time.

**Unsubscribe:** To remove oneself from an e-mail list, either via an e-mailed command to the list server or by filling in a Web form.

**View rate:** The number of recipients included in a mass mailout that viewed the intended message.

**Web bug (also known as Web beacon):** A 1 pixel-by-1 pixel image tag added to an HTML message and used to track open rates by e-mail address. Opening the message, either in the preview pane or by clicking on it, activates the bug and sends a signal to the Web site, where special software tracks and records the signal as an open.

**White list:** A list of e-mail senders, most often by IP address, considered by the list compiler to exhibit exemplary sending behaviour and therefore to be worthy of preferential treatment in the recipient system, which allows e-mail messages to be delivered regardless of spam filters.