



## **How to Use Email Marketing to Increase Investor and Community Involvement**

**Introduction:** When done properly, a well designed and implemented plan of email correspondence can have many benefits for your organization. The Sage team has helped organizations achieve many diverse goals through sending regular pointed email correspondence to members, prospects, investors and other stakeholders as part of an overall marketing plan.



Emailing can help your organization achieve improved results in many areas of focus, including:

- Investor Relations
- Campaign Pledge Collection
- New Business Attraction Programs
- Workforce Recruitment Programs
- Community and Regional Marketing
- Fundraising Campaigns
- Economic Development Programs
- Event Attendance
- Image Enhancement
- Brand Awareness and Development
- Much more. . .

In this research project The Sage Labs Team tested a set of emailing common practices to determine which ones are most important in maximizing the return on effort.

### **Subject of this Research Journal:**

**If we test a set of mass emailing common practices will a subset of best practices emerge that prove to increase mass email effectiveness in all cases regardless of the individual goal of the emails being sent?**

## Research Parameters and Definitions:

In conducting this research we analyzed the effectiveness of 12,450 mass emails sent from organizations representing over a dozen different niche markets. A few common rules were applied:

1. As with most of our research, this series of tests was conducted with a multi-variable based testing model so that we could test several variables at once yet still isolate significant trends when necessary.
2. The emails used in testing could not be stand alone correspondence: The organizations must either show a history of sending mass email correspondence or have, at minimum, sent mass correspondence at least three times to the same list of email addresses over the previous 12 months.



3. While specific organizational goals differed, and as such the content of the correspondents was quite different, all organizations individually agreed (without being privy to the test parameters discussed with other organizations) that there existed four key objective measurements that were universally relevant. The four measurements tested are as follows:

- a. **Open Rate:** What percentage of recipients opened the email? This measurement was weighted as 35% of the overall score per variable because of the number of research partners who labeled it as “most relevant.”
- b. **Click-Thru Rate:** What percentage of recipients click on a link from the e-correspondents to anything else (this could include a website, special offer, contact us form, or specific material). This measurement was given a 35% weight in the analysis.
- c. **Referral Rate:** How many recipients forwarded the email to a friend? This measurement was given 15% weight in the analysis.
- d. **Unsubscribe:** How many recipients chose to unsubscribe from the distribution list. This measurement was given 15% weight in the analysis.
- e. **Conversion Rate:** How many recipients used a contact method and became a revenue producing lead after reading the correspondence? This item had a margin of error because of the definition of the words “revenue producing.” Many of the

organizations in our test group were using e-correspondence primarily to retain current membership and inform stakeholders of the progress of current projects. As such, producing revenue was not their primary goal. In all of these cases, these organizations were still willing to accept new revenue; some of them simply saw it as a secondary goal. This is why we chose to make conversion rate the least relevant of the five stats. This measurement was given a 10% weight in the weight in the results.

4. Since this research project was not focused on the quality of each organization's email lists, we excluded all "bounced" or "not-received" emails from our sample. This is particularly relevant to some specific findings. For example, we found that use of specific colors did not have a significant effect on any of the 5 key considerations of this study. However, previous research has shown that the use of the colors red and orange significantly increased the percentage of emails that were rejected as spam.

### Variables Researched (in random order)

The following 24 variables were tested as part of this research project.

1. Wording of Subject Line	13. Use of Video
2. Use of Color	14. Use of Audio
3. Use of Pictures	15. Use of Giveaways
4. Overall Style of Email	16. Providing Telephone Numbers
5. Font Considerations	17. Providing Mailing Address
6. Correlation with Other Marketing Efforts	18. Senders Email Address Display
7. Consistency Among Multiple Emails	19. Recipients Email Address Display
8. Use of Contact Us Option	20. Providing Text Only Copy
9. Use of Links in Email	21. Display Window Awareness
10. Tone of Email	22. Link To Privacy Policy
11. Length of Email	23. Email Timing
12. Internal Definition of Success	24. Length of Individual Articles

### Test Results:

Test results are presented below in order of importance. The relevance score is a measure of how frequently the particular variable appeared to be relevant to the success of the email. We also provided commentary for the top 10 most relevant items.

1. **Wording of Subject Line:** *98% relevant.* The wording of the email subject line showed to be very highly relevant to the success of the overall effort. We tested 20 different styles of phrasing and found a few common trends.

- a. Subject line with a specific objective (especially numerical) reference performed best. An example would be “XYZ Event Raised \$10K for Local Medical Center.”
  - b. Subject lines that refer to specific hot issues performed better. An example would be “Get Last Few Tickets to Yearly Chamber Event.”
  - c. Subject lines that teach also performed well. An example would be “How to Get Small Business Help from the Local Government.”
  - d. The worse performing were subjects such as “The Chamber of Commerce April Newsletter.” This specific headline received a 4.15% open rate.
2. **Display Window Awareness:** *92% relevant.* A significant number of recipients use some version of email client product (such as Microsoft Outlook) that allows the recipient to read the top third (depending on personal settings—top third is most common) of the email without having to open the entire email. The content on this visible top third is critical to the open rate. If this content includes a title and introductory information relevant to the reader it increases the likelihood of a full “open” significantly. When writing copy for the top of the email consider a few things:
- First, is the material relevant to the reader?
  - Second, is it easy to read and understand? Many people skim their “top third” very quickly, often in a few seconds. If the material is too wordy, or hard to understand they will just delete the email.
  - Third, when in doubt, start with a summary statement. The word “summary” is very powerful and often gets people to read material they would otherwise skip.
3. **Internal Definition of Success:** *91% relevant.* Organizations with a clear definition of success for each email they send achieve significantly better results. It seems that when an organization writes an email with specific goals in mind it has a significant overall effect on the product that they create. Before you start writing, figure out what your specific goal is for each mail piece. The more specific the better.
4. **Providing Telephone Numbers:** *89% relevant.* This is a clear cut result. Emails in which the sender has put their phone number within the content of the email receive a higher number of responses. This is a good example of why we conduct objective research. This result does not seem logical to many people. Theoretically, it seems easy for a reader to click on a website link and then click on the contact us page. In the case of phone numbers (and many other items), each time readers have to perform an additional



step (like clicking their mouse) the actual return decreases. With every additional step a percentage of readers lose interest and leave the newsletter. Often readers will skim a few sentences of the email and immediately call if they see a phone number within the email content.

5. **Correlation with other Marketing Efforts:** *88% relevant.* We actually thought this one would be even higher. Your email pieces must match all of your other marketing efforts. In specific tests we changed color schemes, fonts, logos, and even specific known phrases and saw a definite decrease in all four key categories. Branding creates emotional connections. When your email does not match the overall company brand image you confuse the reader at an emotional level and they are more apt to delete the email. In the case of the logo changes we tested, readers simply did not open the email at all after seeing the atypical logo pop-up in their box.
6. **Consistency Among Multiple Emails:** *85% relevant.* Similar to number 5, if an organization constantly changes their email style it will create diminishing returns. The most pervasive style switch is color. When we tested primary colors, even if the color we changed to was not far from the organization's typical colors, it greatly reduced open rate and increased unsubscribe rates.
7. **Email Timing:** *82% relevant.* The time that the email is sent is very relevant. Emails sent on Mondays were deleted without being opened much more than any other day. We believe this is because the average person received more email on Monday than any other day. The conversion rate on Mondays was also very low. If your potential readers are all in the same time zone then you want to send your emails at 10:00 a.m. on Tuesday, Wednesday, or Thursday. If you are sending across time zones, you want to go with 3:00 p.m. on Tuesday, Wednesday, or Thursday. *(Note: we have specific research results broken down in hour increments available by request.)*
8. **Sender's Email Address Display:** *82% relevant.* Send your emails from an actual person at your organization. When we tested, emails sent from a generic email address such as [info@distribution.com](mailto:info@distribution.com) were deleted without opening much more frequently. Additionally, emails sent from the organization's domain name with a generic prefix (such as [info@XYZ.com](mailto:info@XYZ.com) instead of [smays@XYZ.com](mailto:smays@XYZ.com)) are opened less frequently because the readers know they are receiving a mass mailing.
9. **Providing "Text Only" Version of Email:** *77% relevant.* Between 15-23% of email users have their email set to "text only." These readers can only see the words of your email; they can not see the pictures and graphics. If you fail to send a text friendly copy these readers will sometimes receive a jumbled version that is not easy to read.

**10. Use of “Contact Us” Option:** *76% relevant.* The existence of a “contact us” button showed to have no correlation in regard to any category except click-thru’s and conversion rate. We did extensive testing on different numbers of “contact us” links and their locations on the email. We recommend a “contact us” button leading to a three-field contact form (name, phone, and email only) at the bottom of your main content and at the bottom of any material that required the reader to click to another page. For example, if you show the beginning of a long article in your newsletter and the reader has to click to another page to read the full article, you should have a “contact us” link and a phone number at the bottom of the page that includes the full article. The most successful emails included multiple “contact us” buttons, multiple phone numbers, and at least one link to an email address.

- 11. Use of Non-Contact Links: *72% relevant*
- 12. Length of Email: *68% relevant*
- 13. Providing Mailing Address: *68% relevant*
- 14. Length of Individual Articles: *62% relevant*
- 15. Recipient’s Email Address Display: *57% relevant*
- 16. Use of Pictures: *56% relevant*
- 17. Font Considerations: *52% relevant*
- 18. Overall Style of Email: *44% relevant*
- 19. Tone of Email: *44% relevant*
- 20. Use of Color: *43% relevant*
- 21. Use of Audio: *29% relevant*
- 22. Link to Privacy Policy: *18% relevant*
- 23. Use of Giveaways: *17% relevant*
- 24. Use of Video: *7% relevant*

### **Want to Learn More About Effective Emailing?**

- To receive information about Sage Fundraising Solutions service offerings call us at (800) 517-4980 or email [info@sagefundraisingsolutionsllc.com](mailto:info@sagefundraisingsolutionsllc.com).
- Sage Labs Administrator Frank W. Bennett is available for appearances and lectures for nonprofit organizations. If you would like more information about his appearance schedule please contact [sagelabs@sagefundraisingllc.com](mailto:sagelabs@sagefundraisingllc.com).
- If you would like a full version of this article with descriptions of all 24 variables please email [fbennett@sagefundraisingllc.com](mailto:fbennett@sagefundraisingllc.com) with the subject line “Email 204.”

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Research Credits:

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