E-mail Marketing as a Relationship Strategy

The Four Steps to High Impact E-mail Marketing

Peppers&RogersGroup
a Carlson Marketing Group company

RIGHT NOW TECHNOLOGIES

E-mail Marketing as a Relationship Strategy

Marketers agree: Today's business landscape has dramatically changed. Faced with consumer frustration over spam, competitive e-marketing technologies and recent legislation, companies are struggling to establish the right mix, media and messaging to effectively connect with prospects and customers. For e-mail marketing in particular, new rules signify the end of marketers sitting on the fence, waiting until next quarter or next year to improve e-mail initiatives.

For years, many decision makers knew they *should* pay more attention to their e-mail campaigns to capture ongoing value. But the channel was too popular with customers, too easy to implement and comparatively inexpensive to merit drastic action. Companies were left on their own to determine to whom, where and when to send e-mail marketing campaigns, often relying on results from increased messaging volume or flashy creative. Organizations now realize these strategies no longer work.

Yet despite new challenges, e-mail marketing remains a highly powerful customer relationship medium. Viewing the current business environment as an opportunity, success relies on the ability to differentiate an e-mail marketing approach by designing it in the context of a customer-based business strategy. Today's companies *must* focus on creating clear, strategic decision criteria around their e-mail marketing efforts to ensure that they are not only effective, but also intelligently building the customer relationship.

FOUR STEPS
to High Impact E-mail Marketing

1. THINK customer experience
2. MAKE privacy protection a part of your brand promise
3. ENSURE recipients know you
4. MEASURE consumer impact

E-mail Marketing as a Relationship Strategy is a guide for combining leading customer relationship strategies with best practices within e-mail marketing. It begins with a look at the modern e-mail marketing landscape and an examination of its sharpest challenges. This is followed by "Four Steps to High Impact E-mail Marketing," designed to help decision makers surpass the challenges and achieve success. Throughout the report are examples of best-in-class e-mail marketing approaches, including a case study from Skechers USA, Inc.

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Tracking the Trends:
The Ongoing Promise of E-mail

The e-mail story is one of rapid global adoption and fast-emerging opportunities. Though it had existed for two decades in non-commercial forms, e-mail caught fire in the 1990s to become a universally accepted communication channel. The year 1995 marked the arrival of the electronic age as the quantity of e-mails sent outnumbered written postal letters.

Adoption, along with the inherent benefits of e-mail—low cost, rifle-shot messaging, greater efficiency, measurability and high response rates—enticed marketers to seize the commercial opportunities of the channel. Opportunities rose as e-mail became capable of reaching prospects and customers wherever, whenever and in whatever form the recipient preferred, from PC to wireless device, HTML or text format. Full of promise, e-mail marketing grew into a multi-billion dollar industry.

A changing e-mail landscape

That promise is still there, but marketers must address several challenges. The sheer volume of offers in the marketplace is one. The average U.S. consumer is hit by roughly one million marketing messages per year across communications media, or about 2,750 each day.[1] E-mail marketers must break through the din to compete for a share of the customer's attention.

Alternative e-marketing technologies are also impacting e-mail. For instance, RSS (Rich Site Summary or Really Simple Syndication) allows users to retrieve messages from companies that provide information "feeds." These feeds bypass e-mail filters that can prevent content from being delivered. Enabling pull instead of push technology, RSS allows users to subscribe only to messages they want. Experts estimate that RSS is a year away from mainstream use.

The projected growth of Internet Service Providers (ISPs) creating default settings to remove HTML ads from e-mail newsletters must also be considered. Microsoft Outlook 2003, for example, already operates this way. Unless users choose otherwise, any e-newsletters received will not display HTML graphics. Along with eliminating an eye-catching advertising medium, this will prohibit marketers from accurately measuring the receipt of HTML versions of their newsletters.

Arguably the greatest challenge facing e-mail marketers today is spam. Jupiter Research reports that the average U.S. online consumer received 3,920 unwanted commercial e-mail messages (UCE) in 2003.[2] This deluge has made the job of the legitimate marketer more complex. In a study conducted by the Pew Internet & American Life Project, 60% of respondent e-mail users say spam has reduced their e-mail use in a significant way and 52% of respondents say spam has made them less trusting of e-mail in general.[3]

> **Nucleus Research found that companies will experience $1,934 in lost productivity per employee in 2004 due to spam, which is over twice the 2003 level.[4]**

Spam has in turn driven regulation, most notably the CAN-SPAM Act, which went into effect on January 1, 2004. The act has helped to slow unscrupulous marketers by regulating the use of e-mail to solicit consumers. But CAN-SPAM and the e-mail message deluge has made the job of the legitimate marketer more complex. Compliance is costing companies valuable resources in the forms of time, money and personnel. New technologies such as filters and "blacklists" are making deliverability more difficult. As the legislation takes hold within the marketing departments of legitimate companies, spammers are skirting regulation and finding new ways around anti-spam technologies, such as "zombie spam" and "phishing."

Posing solutions

Some believe a "do-not-e-mail" registry is the answer. Although a registry was called for by CAN-SPAM, a June 2004 report by the Federal Trade Commission stated that a registry would not stop spam. In fact, concluded the FTC, the registry could lead to more UCE as spammers could use it to capture new e-mail addresses. Rather, emphasized FTC Chairman Timothy Muris, sender authentication systems are required for deterrence.

In line with the FTC's call, the push to solve spam has brought a series of authentication tools from the private sector aimed at separating the spammers from legitimate mailers. Companies are turning to open-proposed Internet standards such as Sender Policy Framework (SPF) to commercial solutions such as Microsoft Caller-ID (which is slated to merge into SPF to create "Sender-ID") and Yahoo!'s DomainKeys. By storing records in the Domain Name System (DNS), these tools identify whether a server is permitted to send e-mail for a particular domain. Recently, four top ISPs—Microsoft, America Online, Yahoo! and EarthLink joined forces to create common technical standards around authentication. Nevertheless, states the FTC, authentication solutions may take two years or more to take hold.

What is CAN-SPAM?

Controlling the Assault of Non-Solicited Pornography and Marketing Act, also known as CAN-SPAM, became effective Jan. 1, 2004. It has several provisions to clearly identify e-mail senders while giving recipients control over receiving future messages. Some specifics of the federal law include:

- Prohibits using misleading "from" or "subject" headers in e-mail messages.

- Requires marketers to identify their physical location by including their postal address in the text of the e-mail message.

- Requires an opt-out link in each message, which must also give recipients the option of telling senders to stop all segments of their marketing campaigns.

- Allows for suits to be brought by ISPs, state attorneys general and the federal government.

- Carries penalties of up to $250 per spammed e-mail message, with a cap of $2 million that can be tripled for aggravated violations. There is no cap on penalties for e-mail sent with false or deceptive headers.

- Defendants can also face up to five years in prison.

Meanwhile, compliance costs and the persistence of spam threaten to sap the productivity of legitimate marketers. Nucleus Research found that despite regulation and spam-blocking technologies, companies will experience $1,934 in lost productivity per employee in 2004 due to spam, more than twice the 2003 level.[4] Moreover, Jupiter Research revealed that the cost of erroneously blocked e-mail (messages sent to recipients who have given permission to receive it) will reach $419 million in 2008, up from $230 million in 2003.

E-MAIL ADVERTISING SPENDING IN THE U.S., 2000-2005 (IN MILLIONS)
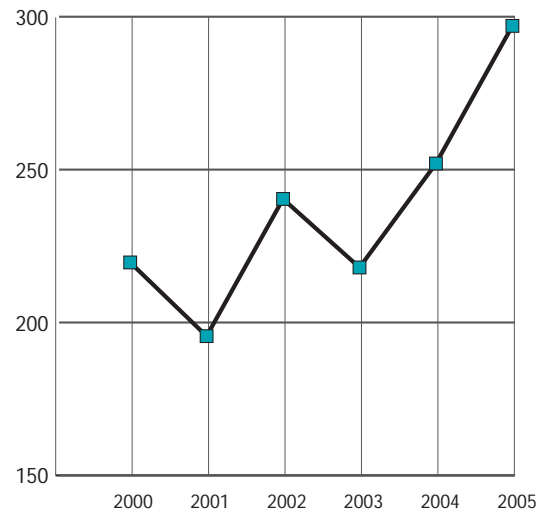
Source: eMarketer, April 2004

Despite growing constraints facing e-mail marketing, companies continue to increase spending on e-mail advertising, finding it a valuable customer relationship management tool.

Creating opportunity

While these challenges are steep, they also offer opportunities. As the regulation dust settles, and anti-spam technology catches up with demand, savvy marketers can act on new strategies for using e-mail to augment customer relationships. And e-mail marketing shows no signs of slowing down. Jupiter Research projects e-mail marketing spending to reach $6.1 billion in 2008, tripling the 2003 number. By identifying customer-focused, e-mail marketing strategies, marketers will be in a strong position to capitalize on the next phase of e-mail opportunity, using e-mail as a powerful relationship tool.

CASE STUDY: Skechers USA, Inc.

Skechers USA, Inc. prides itself on its young, hip lifestyle brand. Known for its trendy footwear, including oxfords, sandals, sneakers and boots, the Manhattan Beach, Calif.-based company sells products in department, specialty and outlet stores in more than 100 countries and via the company's Web site. In 2004, e-mail marketing emerged as an increasingly critical component of the Skechers business model and brand promise by driving online sales as well as retail store traffic.

> **"E-mail marketing actually matches with the brand image we are creating in the marketplace."**
>
> **Geric Johnson, Vice President of Direct Marketing Skechers, USA, Inc.**

"E-mail marketing actually matches with the brand image we are creating in the marketplace," says Geric Johnson, the company's vice president of direct marketing. "That consumer is Internet savvy and into modern forms of communication. We felt a consumer would demand that a trusted and relevant lifestyle brand must be considered a legitimate source for apparel, so we want to interact with consumers in the ways they prefer."

Building the Skechers brand

For Skechers, simply having an informational Web site was not sufficient enough to differentiate the brand; e-mail marketing actually became a brand statement. "While we have always had some basic form of e-mail communication to consumers, it became critical to our new business model when we eliminated our catalog communication in the fall of 2001," explains Johnson. To continue growing business without the catalog, Skechers aggressively embraced e-mail marketing to drive consumers to purchase via the skechers.com Web site or at retail stores.

Yet, Skechers' existing e-mail applications and servers were not adequate to support this growth model, falling short of serving consumer expectations. "At the time, our in house e-mail server would not support anything but a text message, we had no campaign analytics other than a tracking vehicle that would allow Skechers to associate e-mail campaigns somewhat to an increase in sales," says Johnson. "I needed to know more information: How many consumers were receiving, clicking and opening the e-mails? What were they purchasing and what were their needs?"

Beyond standard capabilities; beyond standard results

Skechers concluded it was imperative to upgrade e-mail marketing to provide intelligence and improve communications with the consumer. The company chose RightNow Technologies' permission-based e-mail solution, RightNow Outbound. Skechers uses Outbound with RightNow Service to provide a consolidated view of all inbound and outbound consumer interactions.

Recognizing a need for a collaborative customer-focused application that would integrate Web service and outbound customer communications, Skechers began its journey. Johnson explains, "In 2003, we employed HTML, analytical tracking and testing. These services went beyond our existing in-house capabilities. In April 2004, we dispatched our first e-mail marketing campaign, sent to 600,000 individuals." The objective of the campaign was to drive traffic to Skechers' 125 retail stores as well as increase commerce through the site.

Johnson claims an impressive 25% open rate from the campaign. "In addition, the campaign was 25% more successful in terms of resulting sales increases than the best campaign we conducted with our in-house application," he says. Today, Skechers permission-based database of names consist of more than 800,000 consumers registered at Skechers.com or collected at the point-of-purchase in retail stores and submitted via product registration cards.

The secret to Skechers' success? "E-mail marketing communications are meaningful and relevant, from a content, new product or offer perspective," says Johnson. "We continue to make an effort to respond to what customers want and need. For us, e-mail marketing is a true competitive advantage."
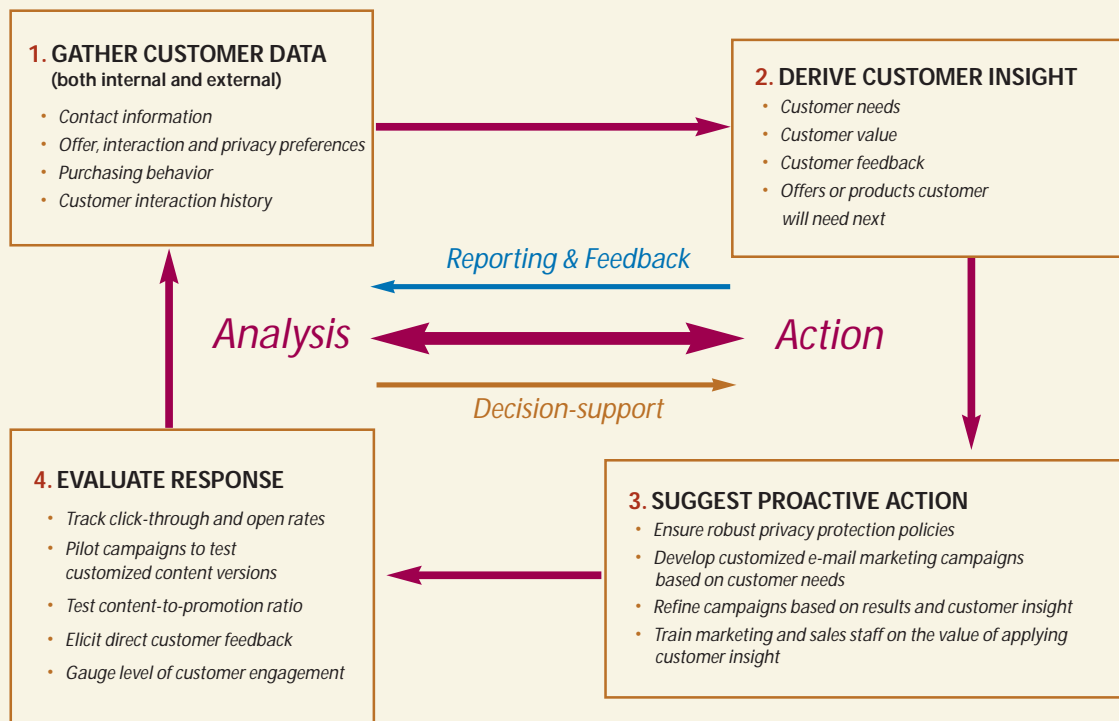
Key Steps to High Impact E-mail Marketing

Companies committed to profitably getting, keeping and growing customer relationships are moving beyond regulatory compliance and using e-mail more proactively. "E-mail marketing remains a very effective tool for cultivating profitable and loyal relationships," says Martha Rogers, Ph.D., founding partner, Peppers & Rogers Group. "It is imperative, however, that companies integrate e-mail marketing efforts within the context of an overall customer strategy that interacts with a customer how and when that customer prefers." The Four Steps to High-Impact E-mail Marketing" provides companies with actionable insight—from strategy and execution, to measurement and results—to raise e-mail campaigns to the relationship strategy level.

Step #1: Think Customer Experience

When used to improve the customer experience rather than strictly as a sales tool, e-mail becomes part of a larger relationship-building plan. In today's regulatory climate, e-mail marketing initiatives must be predicated upon knowing the customer base and communicating with those customers in a credible way that sustains their interest. Sending out a large number of campaigns without considering its impact on customer relationships, does not guarantee higher response rates. While it may produce a short-term lift, it will more likely alienate recipients and weaken the customer experience.

CUSTOMER INSIGHT DRIVES E-MAIL MARKETING ACTION

1. GATHER CUSTOMER DATA
(both internal and external)

- Contact information
- Offer, interaction and privacy preferences
- Purchasing behavior
- Customer interaction history

2. DERIVE CUSTOMER INSIGHT

- Customer needs
- Customer value
- Customer feedback
- Offers or products customer will need next

Reporting & Feedback

Analysis ⟷ *Action*

Decision-support

4. EVALUATE RESPONSE

- Track click-through and open rates
- Pilot campaigns to test customized content versions
- Test content-to-promotion ratio
- Elicit direct customer feedback
- Gauge level of customer engagement

3. SUGGEST PROACTIVE ACTION

- Ensure robust privacy protection policies
- Develop customized e-mail marketing campaigns based on customer needs
- Refine campaigns based on results and customer insight
- Train marketing and sales staff on the value of applying customer insight

High-impact e-mail marketing relies on leveraging customer insights throughout the e-mail marketing campaign lifecycle. By applying customer-focused approaches to e-mail marketing, companies can better generate the positive customer experiences driven by long-term, loyal relationships.

Effectively managing a customer's experience — an individual's total interactions with a brand—requires integration and relevance. Ideally, marketing, sales and service should operate from a central customer profile and use integrated business rules to manage customer interactions. From here, e-mail marketing campaigns would reflect an individual's most up-to-date preferences and relevant offers.

While personalization techniques have improved e-mail's relevancy for recipients, most campaigns have not moved beyond identifying the recipient by name and making an offer based on a transaction analysis. Raising the relevancy bar means customizing e-mail campaign content based on an individual's expressed needs. Understanding customer needs drives insight into why the customer buys, not just what she buys. E-mail can then become more relevant in terms of timeliness and targeted offers to the recipient.

When utilized properly, e-mail strengthens the customer experience and acts as a catalyst for ongoing customer interaction. In this way, e-mail marketing campaigns act not only as sales tools, but as building blocks of more profitable and lasting relationships.

Step #2:
Make Privacy Protection a Part of Your Brand Promise

The most valuable representatives of a firm's brand are the prospects and customers with whom a company interacts. A recent benchmark study conducted by the Ponemon Institute found that only 36% of major U.S. corporations view privacy as an important part of the company's brand image. When tied to privacy protection, brand can become synonymous with trust. As trust increases, customers will share more information with a company—information that competitors do not have.

Most companies know that permission marketing is a necessary and valuable first step, but additional practices are required to tie privacy protection to brand. Responsible Information Stewardship® (RIS) is a more comprehensive organizational approach to move beyond compliance and treat privacy, information security and data protection as an opportunity to build the trusted relationships that increase revenue, reduce costs and strengthen brand. RIS guidelines ensure that a company's information use and handling practices are aligned with both business goals and with the preferences of consumers, employees,

investors and business partners. The key practice elements of RIS are process management, education and training, monitoring, communications to employees and customers, and enforcement.

Given consumers' sensitivity to spam and today's regulatory environment, privacy protection and e-mail marketing initiatives must go hand in hand. Companies can use this advantage to uncover the needs of prospects and customers to create more productive e-mail campaigns. Specific marketing standards can be aligned with RIS principles to provide a framework from which to design e-mail marketing campaigns. These include:

- Refusing to share customer's information without first receiving express consent.
- Raising employee awareness of regulations around privacy protection as well as all company policies that go above and beyond compliance.
- Collecting the privacy preferences of individual customers and making those preferences available across the marketing department.
- Providing customers access to the information the company has about them.

Black & Decker builds wisely

To boost customer acquisition and retention, home improvement product manufacturer Black & Decker saw an opportunity to communicate directly with consumers, rather than only through its retail product distribution network. With its targeting and customization ability, high response rates and lower cost, Black & Decker chose e-mail to communicate its core brand values and build customer loyalty.

The company designed a phased e-mail marketing program that began with a database acquisition initiative, targeting relevant profile groups based on seven key questions about their 'do-it-yourself' habits and where they lived. The campaign resulted in click-through rates of 27%, with more than 90% of those users that clicked through completing the questionnaire. Users that opted into the e-mail subscription were then categorized according to their do-it-yourself expertise and a schedule of communications was customized for each target group.[5]

■ Posting a clear privacy protection policy regarding the use of information across channels, including e-mail.

■ Regularly auditing privacy policies against internal business processes in addition to market standards.

Opt-in as a way of life

With RIS principles in hand, the first step in creating any e-mail marketing strategy is building a responsive opt-in database. Enterprises that have been successful in building opt-in databases often rely on a combination of tactics. Best practices include:

■ Leveraging existing marketing programs to let prospects and customers know about the valuable information your company wants to share.

■ Avoiding buying lists that claim to be "opt-in." True permission-based lists are difficult and expensive to develop and maintain, therefore they are much too valuable to sell.

■ Including a link to your Web site's registration page within e-mail marketing communications.

■ Using other channels—trade shows, sales force, etc.—to direct people to your Web site's registration page.

■ Providing clear instructions to make it easy for individuals to opt-in as well as opt-out.

■ When an individual opts-in, request a limited number of demographic questions as well as a needs-based survey to gauge individuals' buying or usage motivations. Ask how frequently they want to receive e-mail marketing communications.

■ Processing both hard and soft bounces after each campaign to keep your opt-in list clean.

Step #3: Ensure Your Recipients Know You

It used to be that a marketer could create an e-mail campaign, personalize the message and press send, fairly confident that most messages would reach the intended recipients. Today, these tactics are not enough to drive impact. Given consumers' frustration with messaging and the rise of spam-filtering technology, increasing the odds of recipients receiving, opening and acting on your e-mails has never been more important.

According to Forrester Research on why U.S. online house-holds open marketing e-mails, 52% of survey respondents say they open e-mails because they recognize the sender.[6] Over time, a trusted and profitable customer relationship can then become a marketer's most effective ally in increasing e-mail campaign deliverability and response.

Key basic deliverability practices include creating a uniform "from" line to guarantee easy recipient recognition and identifying a process and platform to deliver e-mails in a consistent format. Working proactively with ISPs to follow white-listing policies and creating reverse name domain systems goes above basic requirements to ensure that what gets sent reaches the appropriate inbox.

> **According to a recent Forrester Research study, 52% of survey respondents say they open e-mails because they recognize the sender.[6]**

FACTORS THAT DRIVE U.S. ONLINE HOUSEHOLDS TO OPEN MARKETING E-MAILS, 2002 & 2003

(AS A % OF RESPONDENTS)

	2002	2003
Recognition and Relevance		
I recognize the sender:	50%	52%
E-mail from a company I agreed to get e-mail from:	52%	50%
E-mail about a product I'm interested in:	49%	40%
Something friends or family might like:	23%	26%
Delivery		
E-mail received at home:	24%	18%
E-mail received at work:	11%	18%
I get it first thing in the morning:	6%	6%
I get it during lunch or down time at work/school:	5%	4%
Subject Line		
The subject line includes a promotion:	21%	11%
If the subject line is personalized to include my name:	12%	9%
If the subject line is clever or amusing:	12%	8%
If the subject line contains the word "free":	13%	7%

Sender recognition and relevance, more than enticing subject lines or promotions, motivate customers to open e-mails from marketers.

Source: Forrester Research, March 2004

Step #4: Measure Impact

Consider this: While a 10% click-through rate is strong, what about the 90% who did not respond? Performance metrics such as open and click-through rates or direct revenue will remain valuable tools for measuring campaign effectiveness. But as e-mail is tied further to relationship strategy, marketers must ask new questions to gauge campaign effectiveness: How relevant was the campaign's content to recipients' needs? Was it targeted at prospects or customers offering the highest value? Did it enhance or dilute brand? Strengthen or weaken the customer experience?

Fresh qualitative measurement practices will help marketers answer these questions. Some suggested best practices include piloting and testing. Over time, the company can benchmark performance to ensure e-mail campaigns are meeting customer needs and providing a positive customer experience consistent with other channels.

> **By eliciting direct feedback, marketers can more confidently assess the impact of individual campaigns on valuable customers and refine future efforts accordingly.**

The best way to determine if campaigns are meeting customers' needs is to ask the customers directly. From there, refinement of future campaigns can take place. A first step is piloting the campaigns to gauge how well the customized content within the e-mails is matching up with recipients' needs and preferences. Testing the content-to-promotion ratio is another example. Did the e-mail contain too much of a hard sell? Did the content provide tangible value to the recipient in addition to the offer? Another valuable practice is creating feedback loops. Some firms regularly convene a test group of customers to act as an advisory board for their e-mail marketing strategy. By eliciting direct feedback, marketers can more confidently assess the impact of individual campaigns on valuable customers and refine future efforts.

In an increasingly pragmatic world, companies must understand how to assess the return on investment from managing the customer experience through e-mail marketing. These metrics will depend on a company's business model, organizational characteristics, the channel in which the customer is having the experience, etc. In some companies, these areas are already calculated. Collectively, however, they contribute to gauging the effectiveness of how a company is delivering against the customer experience in the context of product, people and process. The important thing is to set metrics and measure over time.

TheStreet.com: More than pressing 'send'

With 16 subscription-based e-mail products and one million e-mail subscribers, financial-services content provider TheStreet.com depends on content relevance and deliverability as a core component of its business model.

Its newsletter, "RealMoney," allows subscribers to view content according to a subscriber's investment style: Investor, Trader or Standard.

Additionally, the organization established a comprehensive set of approaches to ensure deliverability:

- Maintains relationships with key ISPs and follows white-listing policies.

- Insists that subscribers add TheStreet.com's "from" address to their address books.

- Sets up a reverse name domain system so ISPs can recognize the sender.

- Creates feedback loops with AOL, so if an AOL subscriber clicks on AOL's spam button, that subscriber is immediately removed from the list.

- Honors opt-out requests in three days.

- Has written CAN-SPAM requirements distributed to advertisers.[7]

Conclusion

The promise of e-mail marketing remains strong. To capitalize on this opportunity, marketers must adapt to a shifting e-mail landscape. New e-marketing technologies, consumer frustration over spam and regulation are forcing decision makers to re-evaluate how their e-mail campaigns are created, deployed and measured.

The solution is to fully incorporate e-mail into a customer relationship strategy. Similar to a call center, Web site, or direct mail campaign, e-mail is a tool for managing the customer experience and cultivating profitable relationships with individual customers. By crafting clear, strategic decision criteria around customer needs, marketers can ensure that e-mail campaigns are not only effective on a campaign-by-campaign basis, but also building a customer relationship.

Peppers & Rogers Group's "Four Steps to High Impact E-mail Marketing" detailed in this report provide the guidelines for making this a reality. To bring together e-mail marketing and relationship strategy, companies must: Think customer experience; Make privacy protection a part of their brand promise; Ensure their recipients know them; and measure impact. As marketers apply these guidelines to their company's e-mail practices and campaigns, the results will be higher campaign performance, stronger brand and an improved customer experience. ■

[1] John Hagel and Marc Singer, "Private Lives," McKinsey Quarterly 2000.
[2] Jupiter Research, March 18, 2004.
[3] Pew Internet & American Life Project, "Spam: How it is hurting e-mail and degrading life on the Internet," October 22, 2003.
[4] Nucleus Research, "Spam: The Serial ROI Killer", June 8, 2003. Based on a survey of employees at Fortune 500 companies.
[5] Marketing Week, February 26, 2004
[6] Forrester Research, "Factors that Drive U.S. Online Households to Open Marketing E-mails", 2002 & 2003 (as a % of respondents), March 2004.
[7] Direct, February 1, 2004.

RightNow Technologies

RightNow Technologies is the leading on demand CRM company focused on customer service and e-mail marketing. RightNow improves operational effectiveness with easy-to-implement technology, replicable best practices drawn from the industry's broadest base of successful implementations, and engagement terms that create accountability for delivering quantifiable results.

RightNow has delivered these benefits to more than 1,000 customers worldwide such as: Air New Zealand, Ben & Jerry's, Briggs and Stratton, British Airways, Cisco, Dolby Laboratories, Inc., Pioneer, Raymarine, Remington, Sanyo, Specialized Bicycles and more than 150 public sector clients including the Social Security Administration and the State of Florida.

Founded in 1997, RightNow has offices in Bozeman, Dallas, San Mateo, New Jersey, London, Sydney and Tokyo. RightNow's products are available in 13 languages worldwide.

For more information visit: www.rightnow.com

Peppers & Rogers Group

Peppers & Rogers Group is a management consulting firm, recognized as the world's leading authority on customer-based business strategy. Founded in 1993 by Don Peppers and Martha Rogers Ph.D., the firm is dedicated to helping companies grow the value of their business by growing the value of their customer base. With expertise that cuts across vertical industries, our partners, consultants and subject matter experts have a deep understanding of the most powerful value levers that drive business results. Our goal is to develop and execute strategies that create immediate return on investment and long-term customer value.

Led by 1to1® Magazine, Peppers & Rogers Group's independent media division reaches 250,000 readers weekly with the latest trends, insights and best practices driving customer strategy.

Peppers & Rogers Group is a Carlson Marketing Group Company, headquartered in Norwalk, Conn. The firm has a total of 14 offices on six continents.

For more information visit: www.1to1.com

Tools and Resources

The following list of Web sites, organizations and reports will help provides a wealth of information on trends and innovation on e-mail marketing, spam and related topics:

WEB SITES

Peppers & Rogers Group
www.1to1.com

eMarketer
www.emarketer.com

Forrester Research
www.forrester.com

Federal Trade Commission
www.ftc.gov

MarketingVox
www.marketingvox.com

ClickZ Network: Solutions for Marketers
www.clickz.com

Direct Marketing Association
www.the-dma.org

Association for Interactive Marketing
www.interactivehq.com

Marketing Sherpa
www.marketingsherpa.com

Iconocast
www.iconocast.com

Wired
www.wired.com

DM News
www.dmnews.com

Virtual Institute of Information
www.vii.org

ORGANIZATIONS

Association for Interactive Media (AIM)
1430 Broadway, 8th floor
New York, NY 10018
888-337-0008
www.interactivehq.org

Federal Trade Commission
600 Pennsylvania Avenue, N.W.,
Washington, D.C. 20580
202-326-2222
www.ftc.gov

Institute for Spam and Internet Public Policy
www.isipp.com

The Direct Marketing Association (DMA)
1120 Avenue of the Americas
New York, NY 10036
(212) 768-7277
www.the-dma.org

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October 2003, Pew Internet and American Life Project

"The Consumer Advertising Backlash."
May 2004, Forrester Research

"The State of E-mail Marketing 2004."
March 2004, Forrester Research

"E-mail Marketing: Challenges and Opportunities."
June 2004, emarketer

"Spam: The Serial ROI Killer."
June 2003, Nucleus Research

Glossary

Confirmed Opt-in A user has elected to receive e-mail newsletters or standalone commercial messages. A confirmation e-mail is sent, but the user is not required to take further action in order to be included on the list. The confirmation e-mail includes the opportunity to remove their subscription.

Customer Experience The totality of a customer's interactions with a brand's product, people and processes over time. A company's most important non-replicable asset is its customers, so cultivating that asset for results requires careful management, just as a firm would manage its capital investments. Effective Customer Experience Management (CEM) is based on four pillars: Facilitate consistent interactions; Integrate across channels; Create a relevant experience; Cultivate customer trust.

DNS (Domain Name System (or Service or Server)): an Internet service that translates domain names into IP addresses. Because domain names are alphabetic, they're easier to remember. The Internet however, is really based on IP addresses. Every time you use a domain name, therefore, a DNS service must translate the name into the corresponding IP address.

Double Opt-in A user has elected to receive e-mail newsletters or standalone commercial messages. A confirmation e-mail is sent to the user to which she must reply before the list owner may add them to the list.

HTML (HyperText Markup Language): the authoring language used to create documents on the World Wide Web. HTML defines the structure and layout of a Web document by using a variety of tags and attributes

Opt-in A user has actively elected to receive e-mail newsletters or standalone commercial messages by checking an opt-in box. No confirmation e-mail is sent and the user is not required to take further action to be included on the list.

Opt-out A user must request not to be included on an e-mail list at the point of collection or with subsequent communications.

Phishing Pronounced "fishing," the act of sending an e-mail to a user claiming falsely to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

Responsible Information Stewardship (RIS) The process of engendering trust and confidence in how an organization's leaders, employees and agents manage private, sensitive and confidential information. It involves the alignment of stakeholder information preferences—such as consumers, employees, shareholders and the general public—with business, data and technology management practices across the organization.

RSS (Rich Site Summary or Really Simple Syndication): an XML format for syndicating Web content. A Web site that wants to allow other sites to publish some of its content creates an RSS document and registers the document with an RSS publisher. A user that can read RSS-distributed content can use the content on a different site. Syndicated content includes such data as news feeds, events listings, news stories, headlines, project updates, excerpts from discussion forums or even corporate information.

Spam Unsolicited commercial electronic mail or junk newsgroup postings. Real spam is generally e-mail advertising for some product sent to a mailing list or newsgroup.

Spim Also spelled as spIM, spam over instant messaging (IM). Spim is perpetuated by bots that harvest IM screen names off of the Internet and simulate a human user by sending spam to the screen names via an instant message. The spim typically contains a link to a Web site that the spimmer is trying to market.

Unsolicited Commercial E-Mail (UCE) See 'spam.'

Source: Webopedia, Association for Interactive Marketing