

## VIDEO 1: WHY CONTACTS AND LISTS ARE IMPORTANT

Hey there, I'm Isaac with HubSpot Academy. Welcome to the "Contact Management and Segmentation" class of the Email Marketing Certification course.

You're probably wondering, "Why am I learning about contacts and segmentation? I thought this was a course on email marketing?"

It's a fair question. Don't worry though, you're still in the right place. By the end of this class, you'll see quite clearly that a contact database is the FOUNDATION of a successful email strategy.

But don't just take it from me.

For the past three years, Econsultancy has asked marketers to identify the biggest barriers to running an effective email marketing program.

And for three years running, the top answer has been a Quality Email Database.

It's no surprise that integrating data from other software and the ability to segment their contacts rank as high barriers as well.

The consensus is clear: Without a well-managed, clean and up-to-date contact database, you can't build a successful email marketing program.

Think about it like this: When is the last time you saw someone driving while talking on their phone? Or even worse, texting while behind the wheel of their car? People don't even pay attention to the road anymore, even though it's illegal in many states to be on your phone while driving. So with their life on the line, people are breaking the law by ignoring what is going on right in front of their faces. It's a scary thought.

Now think about the emails you send: To expect people to read your emails simply because you spent a lot of time writing them is naive at best, and detrimental to your business at worst.

What is a marketer to do?

The answer, is context. Your leads and customers are people, and people want to be marketed to AS PEOPLE, not as a nameless, faceless number.

Inbound marketing is all about this marriage of context and content. When you divide your contacts into smaller groups based on similarities, you can tailor your message to be more relevant and engaging to the person receiving the email.

Lists, and the contact database that powers your list-building, is what gives context to the experiences that people have with your company. It's what allows you to organize and communicate with your contacts based on their common needs and priorities.

Simply put: Segmentation is what allows marketers to do relationship driven marketing that drives results.

Take a look at this data comparing segmented and unsegmented email campaigns. Increased engagement and decreased complaints across the board. What business wouldn't want that?

The segments, also known as lists, can be cut and combined in a number of different ways: Industry, Demographic Information, Company Size, Job Role, you name it. The world is your oyster.

Enter the contact database. The contact database is a place to keep track of all the people and companies that have a relationship with your business.

Any database of value should help you do 3 things:

- One, allow you to see the whole picture of every contact: It should show every touchpoint a contact has had with your company in one place.
- Two, help align Marketing and Sales: Your contact database should allow marketers to easily segment, score and communicate with leads. And it should be just as simple for your sales team to see and interpret how a contact has interacted with your brand.
- And lastly, a good contact database should integrate seamlessly with every other tool you use.

Here's how I like to think about it:

Your contact database is the nerve center for all of your marketing efforts. In a lot of ways it works like your brain, listening to inputs, interpreting them, and deciding how to react.

This database should record details and context about each contact in one central location - the contact record. It is the back-end "context" system that stores information about your contacts and allows you to use that data to improve the way you market, sell and delight.

The contact record will consolidate all of the different touch-points a contact has had with your brand, making it really easy to personalize your email marketing and align your business with the way that people shop and buy online.

As your contacts move through their path to purchase: finding your website, converting, and eventually becoming customers, you want to gather as much contact information as possible.

The more information you gather, the easier it will be to build the lists that are so important to delivering a contextualized, personalized email. And the easier it will be for your marketing and sales team to identify which contacts your business can successfully help and ultimately delight.

Now that you've learned the value of content management and segmentation, the next video will teach you how to create a successful segmentation strategy.

## VIDEO 2: HOW TO BUILD A SEGMENTATION STRATEGY

Before going into the best practices, there is one critical question you have to ask yourself about any contact you plan to email: DO YOU HAVE PERMISSION TO EMAIL THEM??

This will be covered in MUCH greater detail during the Deliverability class later in this course, but it's worth mentioning here: Don't send emails to purchased lists!

No email vendor of quality will allow you to send emails to purchased lists. These people haven't opt-ed into hearing from you. So sending them emails is SPAM.

Now that I've delivered that little PSA, let's talk about building a segmentation strategy.

There are three best practices to doing this well:

- First, make sure you have a contact database that is accurate and up-to-date
- Then, Determine your segmentation strategy
- And Lastly, Segment your contacts using both implicit and explicit data

Let's learn about the first best practice, building a good contact database. It's always important to start with a couple of definitions, just to make sure everyone is on the same page:

A **contact** is anybody your company communicates with in the course of doing business. This includes subscribers, leads and customers, but also might include partners, competitors, employees or anyone else your company is in contact with.

A **contact property** stores information about an individual contact. This includes information like their first name, last name, and email address, but also other information that's important for your company to know, like location, products or services of interest, when customers purchased, and much more.

Most databases will also allow you to track companies and company properties.

A **company property** stores information about a group of contacts from a single company like the company's name, size, location and website url.

These pieces all come together to create your contact database.

A bit earlier you learned that your contact database is like the brain of your email marketing strategy. It listens to how your leads and customers are interacting with your brand across all of your channels, interprets that information, and decides how to react.

If you follow that analogy, the contact and company properties would be the collective knowledge and memory that is stored in your brain. Properties store information like website activity, email engagement, social media activity, form submissions, conversion information, and data from other integrated software. All of that information can then be surfaced in your emails, both to build your send lists and to personalize the content of the emails. Just like the brain, it's a far-reaching and powerful tool.



A good contact database, then, keeps track of two things:

- All of your business contacts, both individuals and companies
- How they have interacted with your company

But how do you build a first-class contact database?

First, keep it up-to-date. This will ensure that it continues to work for you and not against you.

There are four simple things you can do:

- First, upload all of your current business contacts. Kind of like going to the gym, software increases in value the more you use it. The sooner you enter your contacts into your database, the sooner you'll be able to see all the different ways they interact with your company in one place.
- Second, track your contacts as they move through their lifecycle of being a lead all the way to becoming a satisfied and engaged customer. Doing this will help you send better emails, and also allow you to analyze and optimize your sending.
- Next, if your company uses any other software, confirm that all of your systems are communicating with each-other. That way you can maintain consistency across all of your business platforms.
- The last step is really more of a plea: Please, please keep your data clean! Whatever it takes, make sure your business has a commitment to keeping the information you have accurate. Your contact database is so powerful, and is the back-end system that will make or break your email efforts. Your emails will be greatly improved if you use the information you know about your contacts. If the information you are working with is sub-par, your marketing and sales will be too.

The final part of building a great contact database is to capture the right information. Just like brains and snowflakes, no two businesses are alike. Think about which information will allow your marketers to send EXACTLY the right content to the right prospect at the right time?

In other words, how can they have a more personalized, contextualized conversation with your leads?

Always keep the big picture in mind - The information you have will dictate how you can segment. You can't segment using information you don't know.

And with that in mind, the next best practice is to determine your segmentation strategy.

It can't be overstated. Your ability to segment will be a key indicator of your inbound success. Like I mentioned before, list segmentation allows you to slice and dice your contact database into similar groups and create more contextualized, relevant marketing.

Let's look at a breakdown of how marketers typically segment their contacts.

Two themes jump out: Who somebody is, and where they are on the path to purchase are the most trusted ways to personalize your communication with a contact. These two core segmentation strategies as Buyer Personas and the Buyer's Journey.



You already know all about The Buyer's Journey from the last class, so let's look at Buyer Personas. Buyer Personas are so, so important to your inbound strategy, so it's no surprise that they've popped up again. Buyer personas are fictional, generalized representations of your ideal customers.

Personas help everyone at your company -- in marketing, sales, product, and services -- internalize the ideal customer you're trying to attract, and relate to them as real humans. Having a deep understanding of your buyer persona(s) is critical to driving content creation, product development, sales follow up, and really anything that relates to customer acquisition and retention.

So it's not too much of a leap to say that it should drive your email marketing strategy as well.

Beyond these two guideposts of segmentation, Buyer Personas and the Buyer's Journey, there are a few other rough "buckets" that marketers use to segment their contacts:

There's company-related segmentation, which uses information like company size, business model, and industry.

Or Role-related segmentation, using information like a recipient's department, seniority and function.

Behavior-related segmentation like conversion events, email opens and page views.

And lastly, marketing-intelligence related segmentation, which uses social media data, the original source through which the contact found your company and web analytic information.

Things can get really interesting when you decide to combine this information. With a strong contact database you can make decisions like: "I want to send an email to C-Level executives at software companies with more than 1000 people who have read my most recent blog post."

Or "I'd like to promote this webinar to people who downloaded content on similar topics"

Which do you think will get you better results, sending an email to everyone in your database or building a targeted list like the ones just mentioned?

The data is very clear on this topic: Engagement rates decrease as mailing size increases. More targeted segmentation of your email send list is one of, if not THE MOST IMPORTANT thing you can do to improve your email performance.

Our final best practice is to segment based off of implicit and explicit data.

It's probably best to start with some definitions.

**Explicit data** is information that is intentionally shared between a contact and a company. For example, think of the information that a contact fills out on a landing page or Contact Us form. Even if that information is gathered from somewhere like LinkedIn or

Twitter, it's data a person has willingly shared with the community at large. Here's where things get interesting. What prospects tell us about themselves is only the surface of what you can discover.

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**Implicit data** is information gathered from user behavior.

Comparing and contrasting the two, you can see what each type of data looks like.

Examples of explicit data are Contact Information, Company information, form submission and survey responses. Implicit data includes social media engagement, email engagement, web analytic history and conversion data.

Both pieces of information are equally important to creating context with your email sending, and you should be using a contact database that allows you to store and segment using both implicit and explicit data.

So there you have it, the three best practices that will lay the foundation to email marketing success. In the next video you will see real examples of how to create a segmentation strategy that drives results.

## VIDEO 3: WHAT DOES A SUCCESSFUL SEGMENTATION STRATEGY LOOK LIKE?

The final video of this class will answer the question, "What does a successful segmentation strategy look like?" What lists are important to build to be an effective email marketer?

First and foremost, you should have separate lists for your subscribers, leads and customers. These are your lifecycle segments, and they will help you send the right person the right message at the right time.

They're valuable not just for deciding who to email, but for clarifying who NOT to email. For example, If you have an offer that should only go out to your leads, you'd want to actively suppress anyone who is a customer.

If you remember back to the last video, you learned that personas are the PRIMARY way that marketers segment their contact database. Personas give you a clear picture of who will be receiving your email, which make it easier to select your call-to-action, write great copy and create a compelling subject line.

Once you've created personas for your business, you should build lists for each persona. Many businesses accomplish this by asking specific questions on forms, or in person, to help them group their contacts into Personas. For example, a university might ask people if they are a:

- Student
- Prospective student
- Faculty-member



- or Alumni

Or a real-estate agency might ask a form submitter if they are a real estate agent or someone who is looking to purchase a home. Asking questions like this are a great shortcut to crafting personalized emails that will really resonate with your readers.

Another group of lists worth building are segments that track engagement with core offers. So when your leads download an ebook, attend a webinar, start a free trial or attend a trade show, you should build a segment based on that activity. Engagement with offers is a valuable indication of interest and a great opportunity to start a conversation with your lead. You can use these actions as triggers for lead nurturing workflows and automation sequences, which you will learn all about later in this course.

Next, think about how your business is organized. Every company is different, so there's a good chance you'll need to build some specific lists. For example, if you work at a larger company, your marketing and sales divisions might be divided by product type, location, company size, or vertical. In this instance, lists will become a necessity for organization as much as delivering the right content.

Also, think about business-specific information your company might want to gather. For example, A marketing agency could ask their leads "What is your biggest marketing challenge?" The answers to this question would be segmented into their own lists and sent very different content, even if the leads are of the same persona and in the same stage of the buyer's journey.

Or a travel agency might ask, "What is the budget for your next trip?" or "Where in the world do you want to go on vacation?"

It's up to you to decide what information will help you create a more personalized and contextualized experience for your email recipients.

Here's another great group of lists to create: lists based on engagement. Take a minute to think about the presence your company has online. Most likely, it involves a bunch of different assets and channels, like social media accounts, a website, a blog and of course, email marketing.

Segments that track how leads and customers have engaged with these channels across different assets can be very effective, both on their own and for further refinement of other lists. Some examples of engagement-based lists include:

- Everyone who has visited your blog in the last 90 days. Or even, everyone who has read a specific article.
- All leads who have visited your pricing page
- All leads who have opened an email in the last 30 days.
- All leads who found out about you through a specific source, like social media or organic search

It's worth noting that engagement works in the inverse as well. You can create segments of people who have NOT been engaged. This allows you to EXCLUDE people from emails sends, since you don't want to keep emailing folks who aren't interacting with your company.

Another great use-case for engagement lists is running re-engagement campaigns. Just because a contact hasn't been active in a while doesn't mean that they're gone forever. You can create a specific email offer of exceptional value or use an emotional appeal to try and entice those folks back into engaging with your company.

Lastly, every email marketer should build a few lists that will monitor the health of their contact database. These will ensure you're executing a healthy, successful, and most importantly, sustainable email marketing strategy.

These lists are so valuable because they're the primary indicators of something being off in your email marketing. They should be monitored regularly for warning signs.

The sustainability of your email marketing program should be a top priority for your business.. This course will strive to explain the why, how and what of maintaining a healthy email database, but in the mean-time, these are a few lists your should consider building.

- A list that tracks contacts who have unsubscribed
- A list that tracks people who marked contacts who have hard bounced
- A list that tracks all ineligible contacts.
- A list of contacts who have not opened an email in the last year.

As you move through this course, stay focused on the themes of deliverability and email list health. It's such an important part of doing email well, but not enough marketers give it proper attention.

So there you have it, the lists that every email marketer should have at their disposal to run an effective email program. There are undoubtedly others that your business will use to be successful, but these should be enough to get you off on the right foot.