

E-mail Marketing Generates Sales, but Consumers Say They're Overloaded

By Arthur Zaczkiewicz at Women's Wear Daily March 17, 2016



E-mail marketing is a powerful — and moneymaking — endeavor as more than \$44 in revenue is returned for each dollar spent, according to the Direct Marketing Association.

But a new survey of consumers by First Insight Inc. reveals that one in four people open marketing campaign e-mails while just one of 20 e-mails received are deemed to be relevant.

Moreover, two-thirds of the more than 1,100 respondents

said they "feel that receiving six or more e-mails a week from retailers is too many" while 82 percent "feel that this constant bombardment with irrelevant offers means that the retailers they are loyal to don't understand them."



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As a result, First Insight recommends honing in on the shoppers who want to receive e-mails while grouping together types of consumers as a way to better focus e-mail marketing campaigns and make them more effective.

By way of context to the issue, consumers opt-in to get e-mails from two retailers on average. "One might assume that the customer would receive one e-mail a week from each retailer, but the reality is that between the two lists they have opted in to, they are receiving a whopping 13 e-mails a week," the researchers who conducted the survey said in their report.

Given the hefty return on investment of more than \$44, it's no wonder retailers are committed to e-mail marketing. If most marketing e-mails are irrelevant to consumers — and 40 percent of those polled "saying that

they would go out of their way to shop at a store that doesn't waste their time with irrelevant e-mail offers" — is there a better approach?

Jim Shea, chief commercial officer at First Insight, said he is "seeing a huge disconnect in the conversation that retailers think they are having with customers through e-mail marketing efforts."

"The communications are not only too frequent, but are basically meaningless to consumers," Shea said. "What consumers really want is for retailers to take the time to know them and make recommendations about clothing or products that are in line with their personal taste."

Shea suggested that approaching consumers in a more personalized way, or with a "lighter touch," in their e-mail marketing efforts "could inspire more purchases in the end." First Insight is positioning its InsightTargeting solution as a way to address personalization. The idea is for retailers to leverage data with other consumer sentiment information and preferences such as "customer personas" to create more focused campaigns.