Why email marketing

7 reasons why email marketing will help your business grow

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Introduction

Email is perhaps the oldest tool in the marketer's toolbox, and yet it continues to thrive year after year—even as new marketing fads explode. There's a simple reason for email's longevity: it simply works. Email marketing generates \$38 for every \$1 spent, delivering significantly higher ROI than other popular techniques like social, search, and paid advertising.

In this guide, we'll dive deeper into the power of email marketing and share seven reasons why it is a must-have in your digital marketing strategy.

Email has larger reach

With Facebook boasting over 1 billion active users and Twitter boasting 255 million, it's tempting to believe that social media is the most effective way to reach the masses. These are impressive numbers, but what isn't so frequently shared are the statistics on email usage. The total number of worldwide email accounts was 3.9 billion in 2013, and projected to reach 4.9 billion by 2017, according to Radicati.

While this might seem surprising at first, think about your own online behavior: When you sign up for a website (like an online store), you have to enter your email address to create the account. You even need an email address to create a Facebook or Twitter account. What's more, Facebook and Twitter use email to notify users of activity like when someone is tagged in a photo.

Email is the currency of the web, and anybody who is online has an active email address. So when it comes to connecting with your prospects and customers, there's no channel with a wider reach than email.

Email delivers your message

If marketers have to choose between adding a subscriber to their email list, or gaining a new Facebook fan, they should go for the email subscriber every time, says Forrester Research. There are two key reasons why:

First, 90% of email gets delivered to the intended recipient's inbox, whereas only 2% of your Facebook fans see your posts in their News Feed. This is because Facebook limits the number of times your posts appear in the News Feed in an attempt to drive brands towards their paid advertising options.

This is a big deal when it comes to getting your messages seen.

On Facebook, if you post an update to your 10,000 fans only about 200 of them will even have a chance of seeing it in their News Feed. Alternatively, if you send an email campaign to 10,000 subscribers at least 9,000 of them would receive it in their inbox.

This means your message is 45 times more likely to be seen using email than Facebook.

Secondly, your email subscribers have explicitly told you they want to hear from you when they signed up for your email list. There are strict laws and regulations around SPAM laws, so if you're emailing a prospect or customer, it is because they gave you permission to.

Now think about the ads in your Facebook
News Feed – did you ask those companies
to market to you? Probably not. More than
likely, you performed a Google search or
visited their website. That's decidedly different
than proactively signing up from an email
newsletter.

Email is the proven marketing channel to ensure your audience gets your message.

YOUR MESSAGE IS 45 TIMES MORE

LIKELY TO BE SEEN USING EMAIL

THAN FACEBOOK.

Email drives conversions

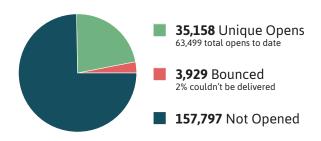
Most marketers are laser focused on driving conversions. Regardless of whether this is in the form of leads, sales, memberships, or a metric unique to your business strategy, the ultimate goal for marketers is to turn potential customers into paying customers.

And when it comes to conversions, there isn't a more powerful channel than email.

In fact, the average click-through rate of an email campaign is around 3% (of total recipients), whereas the average click-through rate from a tweet is around 0.5%.

This means you are 6x more likely to get someone to click-through to your website via email than you are from Twitter. As discussed earlier, your email subscribers have told you they want to hear from you – and this isn't typically the case with social. 4.24% of visitors from email marketing buy something as compared to 2.49% of visitors from search engines and 0.59% from social media, according to a survey conducted by Monetate.

What's more, email is highly measurable. Many leading email marketing platforms provide real-time access to metrics like opens, clicks, bounces, forwards, social shares, and more.



Additionally, those who integrate their email marketing into a CRM like Salesforce, can have visibility into how their email marketing impacts business opportunities and deals.

As a marketer focused on nurturing leads and driving conversions – as most marketers are – email marketing trumps all other communication channels for business.

Email has a higher ROI

Given email's unmatched ability to drive conversions, it would make sense that email is also the most effective marketing channel to drive ROI. Email marketing yields an average 3,800% return on investment for businesses and for every \$1 spent on email marketing, the average return on investment is \$38.

It's clear from these statistics that email is costeffective channel for marketers, but why does it outperform other channels so significantly when it comes to ROI? It comes down to delivering highly personalized and relevant messages. Unlike social networks where you send status updates to every follower regardless of their location, interests & purchase history, email allows you to be hyper-targeted with your communications.

The more data you have about your customers in your email marketing tool – including insights pulled in from integrated systems like your CRM, customer service solution, etc – the more targeted you can be.

Think about all the data you have about your customers and prospects: location, purchase history, product preferences, lifetime spend, and so on. Now think about all the different ways you could use this information to send hyper-targeted, personalized email marketing campaigns. There really is no limit.

EMAIL MARKETING YIELDS AN AVERAGE

3,800% RETURN ON INVESTMENT

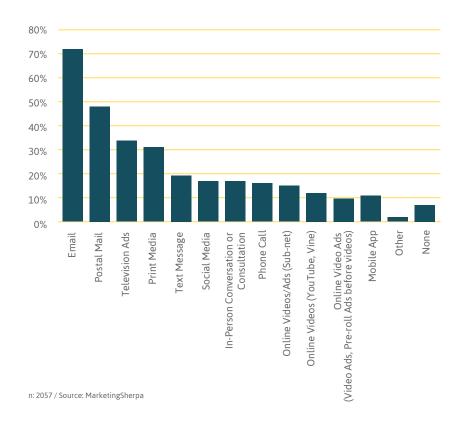
FOR BUSINESSES.

is the preferred communication channel

For many, social networks are a very personal form of communication used to keep up to date with friends & family. When people log in to their social media accounts, they are there to see photos and updates from people they know and care about.

Email on the contrary, is a much more professional medium and people expect to receive information about products and services through that channel.

In fact, studies show 72% people prefer to receive promotional content through email, compared to 17% who prefer social media.



Email is an open platform

Over the past few years, many brands have invested millions of dollars into buying large social followings in order to be able to communicate and engage with an audience.

But while businesses are investing in various social media platforms, Facebook has frequently updated its algorithm to reduce the amount of followers who will see a brand's post, unless those posts are paid advertisements. This has become so prevalent that 98% of brand followers will never see the posts in their News Feeds. Similarly, Twitter seems to be moving in a similar direction with the announcement it will introduce an algorithm-controlled feed as well.

The issue with channels like Facebook and Twitter is they are owned and controlled by third parties and marketers are at the mercy of changes they make to their platform. Email, on the other hand, isn't owned or controlled by any one particular entity. It's an open communication platform and there are a multitude of services that provide access to send and receive email.

The diverse array of companies involved in email marketing ensures that no one party can make changes that are going to have a widespread effect, and unlike Facebook or Twitter, if you invest the time and money into building a great email list it's an asset you will own and be able to leverage without the threat of someone limiting its effectiveness.

98% OF BRAND FOLLOWERS WILL

NEVER SEE POSTS ON FACEBOOK

NEWS FEED.

Email will be around forever

Remember MySpace? MyWhat?

The once-hot site was the largest social networking site in the world between 2005 and 2008, and in June 2006 surpassed Google as the most visited website in the United States. Yet where is MySpace now? All those users eventually moved on to other social networks, and the site is now the 1,500th most popular website in the United States.

Imagine if you'd invested significant amounts of time and money building an audience on a platform, only to find it a ghost town just a year or two later. The impact on your ability to reach and engage potential customers would be catastrophic.

Email on the contrary has a long history of stability. The first promotional email campaign was sent in 1978 to a total of 400 people, and email has been growing consistently since. Interestingly, the email space itself has evolved from a time where you needed a developer to build an email, to today where email marketing tools empower the modern marketer to create and send beautiful branded emails. This shift has put the power of business email into the hands of more people.

Building your email list, unlike building a social media following, is a stable long-term investment that will pay off for many years to come.

THE FIRST PROMOTION EMAIL

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What the experts say

Out of all the channels I tested as a marketer, email continually outperforms most of them. Not only does it have a high conversion rate, but as you build up your list you can continually monetize it by pitching multiple products.



NEIL PATEL / Cofounder, KISSmetrics & Crazy Egg



reader is, and hopefully in the future, my customer of some sort. If our goal is to drive sales or keep customers happy in some way, we first need to get them as part of our audience. If I have one regret as a business owner, it's not focusing on building our email list earlier in the process.

JOE PULIZZI / Founder, Content Marketing Institute

If you rely on Facebook or Twitter, you are at the mercy of them allowing you to talk to your customers. When you email it gets in your customers inboxes. Then it's up to you to make sure you are sending things your customers want to receive. Email is the most scalable way to make sales with new customers and build deeper relationship with deeper customers.



NOAH KAGAN / Founder, SumoMe



If you want your business to succeed, start building your email list on Day 1. Nothing else is as good at reaching your customers where they are, and nothing else is as effective at building personal relationships with customers.

DAN OSHINSKY / Director of Newsletters, Buzzfeed