# Web advertising: The role of e-mail marketing ☆

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## ARTICLE INFO

## ABSTRACT

This study examines a comprehensive range of executional elements in a sample of permission-based e-mail marketing campaigns. The sample comprised almost 1000 promotional e-mails sent over an 18-month period by twenty leading U.K. e-retailers. Content analyses of the e-mail campaigns reveal that different tactics of format, address, subject lines, hyperlinks and interactivity are applied to initially attract customers' attention and then encourage further interest. Interviews with nine of the twenty marketing executives who designed the campaigns pointed to managers' reasons for use of the tactical alternatives.

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## 1. Introduction

Permission-based e-mails sent to customers are a form of marketing that is on the increase (Cho and Khang, 2006; Gopal et al., 2006; Kim et al., 2006; Kim and McMillan, 2008). According to Pavlov et al. (2008), e-mail marketing campaigns produce approximately twice the return on investment of the other main forms of online marketing such as web banners and online directory adverts. Studies of e-mail marketing campaigns, however, are rare (see Cho and Khang, 2006).

The present study aims to fill an important gap in the literature by analyzing the executional tactics used in permission-based e-mail marketing campaigns designed by leading e-retailers in the United Kingdom. Executional tactics, such as the length, size, layout of an advert, are potentially very important, because in other contexts they have been shown to play the decisive role in attracting the recipients' attention (Rossiter, 1981).

The article is organized as follows. The next section outlines theory relating to permission-based e-mail marketing. This is followed by sections in which the research methods are explained and the findings of the study are presented. The final section points out the study's contribution and limitations, and makes suggestions for future research on e-mail marketing.

## 2. Permission-based e-mail marketing

E-mail marketing is an important medium of marketing communication especially for companies seeking to build and maintain closer relationships with customers (McCloskey, 2006, Chaffey et al., 2003). Widespread adoption of e-mail as a means of distributing promotional messages has the advantages of low set up and distribution costs, targeted distribution of promotions such as discounts and coupons, and affordability by small and medium-sized businesses (Moustakas et al., 2006).

Permission-based e-mails are in wide use because of widespread consumer complaints about unsolicited e-mails (known as "spam"). Now, in most cases, the recipient provides explicit consent to receive direct e-mails and, in some countries, this is a legal requirement (Worthy and Graham, 2002). The major incentive for consumers to "opt in" to a firm's e-mailing list is the prospect of receiving material that matches their interests (Grunert, 1996; Gengler and Thomas, 1995), as recipients are more likely to open and read such messages.

Previous studies of the Internet as a promotional medium are mostly about banner adverts and websites. Studies of online advertising rarely focus on e-mail campaigns (Cho and Khang, 2006). In particular, there is no published knowledge of the executional tactics that e-retailers employ in their e-mail campaigns. To help fill this gap in the literature, a study was initiated to both explore the ways in which executional tactics are used within permission-based e-mail marketing campaigns, and to understand the factors that affect the choice of tactics.

To organize the findings the present study applies Rossiter and Bellman's (2005) guidelines for executional tactics in print adverts, of which e-mail adverts are a related subcategory. These guideline tactics are supplemented by several other e-mail tactics, which the limited literature on this medium recommends. Table 1 lists the e-mail marketing executional tactics in this investigation. Note that, for example, the concept of the headline in traditional print advertising (Rossiter and Bellman, 2005) has been translated into two concepts for e-mail marketing, namely subject and headline. Another tactic transferred from print advertising is personalization (Pires et al., 2006) and a tactic transferred from cinema adverts and television

**Table 1**
Executional tactics in e-mail marketing messages.

| Executional factor | Prevalence of executional factor | Recommendation | Managers' comments |
|---|---|---|---|
| Length of e-mail | Page length is a dimension of all e-mails, but differences in length are found. The average length is 2.4 pages and only 18% are less than a page in length. | The message objective should determine its ideal length. Variant testing should be used to determine the length that is most effective for a specific type of message. | *Sales e-mails are short but new fashion e-mails tend to adopt a catalog approach as the more products in the e-mail the more opportunities to buy.* [#8] *If it's promotional it will be short but if it's a newsletter it will be longer.* [#4] *You've got to test it.* [#2] |
| Frequency and timing of e-mail | Frequency varies from 5% to 30% of volume of e-mail sent per quarter; 35% of e-mails show evidence of use of targeted timing. | Frequency of sending e-mails is an important part of building customer relationships: too many might irritate and too few could lose the recipient's interest. It is important to consider the timing of the e-mail delivery in terms of day of the week and the time of day when planning an e-mail campaign. | *Getting the frequency right is really important. It can be more important than the product or the subject line.* [#1] *Seasonal messages are important for us, especially Christmas and Easter.* [#14] |
| Illustrations | Over 90% of marketing e-mails use illustrations. These vary from a full-page illustration to many thumbnail shots of products. | Pictures help engage the readers and sustain attention. | *Nice pictures can help to make it more interesting.* [#19] |
| Subject line | 100% of marketing e-mails use a subject line. | Content of subject line is critical for grabbing attention. Use variant testing to determine which subject line is most effective. | *The strongest messages will be conveyed in the subject line. Once we have a final e-mail we will try to assess what will engage the customer most.* [#4] |
| Headline | Three-quarters of marketing e-mails have a distinct headline in addition to the subject line. | The e-mail headline should link to the subject line of the e-mail and to the body copy. | *If it's a sale we will lead with the word 'sale' in subject and e-mail headline. If it is product based it will be longer.* [#17] |
| Message content | In over 75% of the marketing e-mails, a clear link could be traced from subject line, through the headline, to the content. | The body copy of the e-mail should be aligned with its subject and headline. | *What is important is that everything should flow from the subject line, into the message headline and the creative copy.* [#1] |
| Brand logo | 99% of marketing e-mails have a brand logo prominent in the top-left hand corner. | Position the brand logo prominently. | *It's no secret that the top-left is important. The further an item is from the top-left the more it is likely to require scrolling, which requires the recipient to already have engaged.* [#2] |
| Hyperlinks | 99% of marketing e-mails contain at least one hyperlink to another web page. The number of links varies from 1 to over 50. | Complexity potentially influences attention; too many links might obscure the message. Number of links should be tailored to communication objectives. | *We keep our e-mails simple. We are a trading business (retailer using e-mails to sell online) not a content provider.* [#2] |
| Interactive features | While the e-mails analyzed contain some form of interactivity, 26 different types of interactive features are apparent. | Interactivity can lead to more information processing and increase user involvement, but there is potentially an optimum level of interactivity based on the nature of the message to be communicated. | *Interactive features in e-mails are very important.* [#19] *A good model is that e-mail delivers the web to the inbox' and ultimately gets more click-throughs.* [#8] |
| Animation | Only 2% of marketing e-mails use animation. | Animation has the potential to attract attention, but its effectiveness must be questioned given its rare use. | *We've tried animations but it didn't make a noticeable difference to click-throughs.* [#13] |
| Personalization | Just over a third, 35%, of marketing e-mails are personalized. | Personalization should improve click-through rates, but there is an appropriate level of personalization which is dependent upon the stage of the customer relationship and the personal data volunteered by the customer. | *[Personalization] is very important – we get far better response if the e-mail is personalized.* [#8] *It's important not to be more specific than the richness of the customer data permits.* [#1] |

adverts is animation (Wu et al., 2007). The interactive capacity of the Internet, though, is very large, hence the inclusion of interactive features in e-mail adverts (for interactivity in website adverts, see Sicilia et al., 2005; Wu, 2005).

## 3. Research method

A pilot study was undertaken to ensure that the set of tactics identified in Table 1 is reasonably complete. The output of four U.K. retailers' e-mail marketing campaigns was collected over a 1-year period (January through December, 2004) and the content of this sample, comprising 56 e-mails, was thoroughly analyzed. Marketing executives from all four companies were contacted to see whether they would be prepared to comment on the provisional findings. Representatives of two of the four companies agreed to be interviewed. They provide reasonable confirmation that the taxonomy of e-mail marketing executional tactics is complete.

For the main study, the study includes selecting twenty medium to very large U.K. retailers who were regularly running permission-based e-mail marketing campaigns. As can be seen from the summary of these retailers' backgrounds (see Table 2), the sample was chosen on the basis that it's representing a broad spectrum of online activities being undertaken within the U.K. (Doherty and Ellis-Chadwick,

2003). The researchers signed up to receive the promotional e-mails from each of these retailers over an 18-month period (October 2005 to March 2007). An electronic archive was set up to ensure that all the e-mails were stored in a consistent and secure manner. Over this period, these 20 retailers posted nearly 1000 separate e-mails, with the most active retailer sending 113 messages, which equates to one e-mail every 5 days, on average.

The researchers then content-analyzed the 957 promotional e-mails in terms of the executional tactics identified in Table 1. Afterwards, the researchers contacted the marketing directors of each of the twenty companies and asked whether they would be prepared to comment on the tactics they had employed. Marketing managers from nine companies agreed to be interviewed, either on the phone or by e-mail.

## 4. Results

Table 1 summarizes the executional tactics identified by this study. Note that this section does not address the detailed content of each e-mail message, as a sophisticated analysis of this material is beyond the scope of this paper. However, such additional analyses will be a rewarding avenue for future research.