Why Traditional ESPs Aren’t Cutting It for Email Marketers

Results of an Adobe Study Conducted Across DMA Members
Why Traditional ESPs Aren’t Cutting It for Email Marketers

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Email marketing is the path to consumer engagement

In today’s consumer-focused world, the goal of marketing is to increase engagement with the consumer base in real time across multiple channels in ways that respond to ever-changing contexts.

In this environment, email marketing is the workhorse in a digital marketer’s toolbox. Email is the most effective path to integrated and cross-channel engagement marketing programs. A study from the Direct Marketing Association (DMA) found that email marketing yields the highest ROI for marketers: $39 for every dollar spent.

But are traditional email service providers (ESPs) able to take marketing to this next level of engagement?

Adobe surveyed more than 260 email marketers from the DMA membership base. We asked them how they’re using email programs now, what their challenges are with existing ESPs, and what their priorities are for the future.

Here’s an overview of what we learned.
Email marketers’ key challenges include:

• Limited email-only visibility versus a 360-degree view of consumer interactions with brands
• Inability to automate an entire email campaign with multiple touchpoints
• Inefficient connection with other tools that help marketers do their jobs

Email marketers’ top priorities for the future include the ability to:

• Have real-time integration with analytics tools
• Tap into their organization’s asset library to support consistent branding and more personalized content and messaging
• Act in real time based on customer behaviors

This paper outlines the survey results and offers a path forward for marketers who want to get more out of their email marketing efforts.

In November 2014, Adobe surveyed more than 260 digital marketers. The study represented high- and low-volume email marketers in a range of industries.
What are email marketers doing today?

According to our survey, the two top email marketing activities performed today are:

- **Coordinating email messages with offline channels.** For most marketers, this is a manual process, either for the email marketer or the professional services expert provided by the ESP, because traditional ESP technology was not designed to automate this task.

- **Carrying out advanced A/B or multivariate testing.** While this is an integral component to drive ROI, more can be done to help email marketers easily iterate on various messages that could resonate with their consumer base.

Surprisingly, the survey revealed that fewer than half the respondents said they regularly coordinate information from other digital channels into their email marketing programs, indicating a missed opportunity for most brands to stand out from the competition.

![Email Functions Currently Performed](chart.png)

Source: Adobe and DMA Study on Email Marketing, 2015
More can be done!

Traditional ESPs limit email marketers with siloed technologies, expensive services, and outdated interaction strategies. Gone are the days of list cutting. We found out that only a third of respondents are satisfied with their email marketing efforts, indicating that there’s a lot of room for improvement.

With two-thirds less than satisfied, there’s a huge opportunity for marketers to get the improved results they are seeking by removing themselves from the traditional ESP circuit.

To increase engagement, today’s email marketers need to send richer, more contextual emails, making email more valuable for the end consumer. Classic, one-off “batching and blasting” should be a thing of the past.

By engaging in more strategic email messaging, marketers can show added value to their chief marketing officers, as well as drive true consumer engagement, ultimately leading to real revenue increases.

Source: Adobe and DMA Study on Email Marketing, 2015
Main challenges to achieving more

We wanted to drill into email marketers’ key challenges, looking first at the role of email within their overall marketing strategies.

Sixty percent of our survey respondents said that email is part of a larger cross-channel strategy. However, only 36% said email is “the central means of communication for our cross-channel marketing strategy.” Given the high ROI email brings to marketers, this is a huge opportunity to grow engagement.

These marketers are on the right track, but they’re still missing the opportunity to evolve email marketing from being part of a disconnected cross-channel campaign to becoming the short path to a brand’s total engagement strategy.

Email is the best established digital marketing tactic around. A recent study from Gigaom found that email marketing is the best way for organizations to engage with consumers at all stages in the customer lifecycle.
While email has traditionally been one tool at the marketer’s disposal, for many brands it can and should be the main driver in an overall engagement marketing effort.

Our survey also identified these other top challenges.

- **Email-only visibility versus a 360-degree view of customer interactions with the brand.** To be more effective in the email channel, marketers need better tools for understanding consumers’ interactions with their brands across all channels, not just email.

- **Automating an entire email campaign with multiple touchpoints.** Email marketing is so much more than a one-off newsletter or an ad hoc promotion. For more personalized engagements with their consumers, email marketers want more options for automating campaigns with multiple and triggered touchpoints.

- **Inefficient coordination with other tools that help inform marketers’ jobs.** Email marketers need their email programs to integrate better with tools like analytics, testing, and asset management.

### Marketers’ Top Challenges

<table>
<thead>
<tr>
<th>Top Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email-only visibility vs. 360-degree view of customer interactions with brand</td>
<td>51%*</td>
</tr>
<tr>
<td>Ability to automate an entire email campaign with multiple touchpoints</td>
<td>41%</td>
</tr>
<tr>
<td>Inefficient connection with other tools that help inform your job (analytics, content, testing, and creative)</td>
<td>38%</td>
</tr>
</tbody>
</table>

*Percentage of respondents naming this as their No. 1 challenge

Source: Adobe and DMA Study on Email Marketing, 2015
Path to engagement email marketing

Our survey uncovered top priorities that email marketers expect to implement in the next 12 months, as well as additional activities that they think could have the most impact on their engagement marketing efforts.

Priorities

These findings are about setting aside traditional email programming and building cohesive engagement with consumers. Email marketers see the path to this via tight integration across marketing channels, marketing functions within an organization, and the tools used to increase marketing effectiveness.

The findings also suggest that traditional ESPs are not meeting organizations' needs, perhaps because a seamless connection between the ESP and the other solutions that are embedded and required within most marketing organizations doesn’t exist.

Marketers' Priorities for the Next 12 Months

- **44%**: Real-time integration with your organization's analytics tool
- **45%**: Tap into a single view of your content library to drive individualized/personalized content and messaging
- **44%**: Act in real time on an individual’s behaviors

Source: Adobe and DMA Study on Email Marketing, 2015
Let’s look more closely at each priority.

**Priority 1: Real-time integration with an organization’s analytics tool**

Marketers need to know where customers have been. They need to see customers’ browser behavior and visualize results, themes, and anomalies. And they need to do it in real time.

Email marketers know that seamless integration with analytics tools can unlock tremendous value for their email programs. This integration can help marketers build out more relevant and contextual messaging. It can enable customers to receive personalized, targeted messages within hours or minutes of a prior activity, rather than the next day.

These are just two examples of the benefits of tightly integrating analytics with email.
Priority 2: Tap into a single view of an organization’s content library to drive individualized, personalized content and messaging

As if it were not a big enough challenge to constantly create new and exciting content, email marketers feel the added pain of coordinating that content across other brand touchpoints to maintain high standards of brand consistency.

Context may be king, but making sure you have the right content is the only way to produce personalized contextual emails that encourage rich brand engagement.

To maximize this engagement, marketers need fast and easy access to creative, written digital assets, and other content resources.

Integrating email programs with digital asset management tools allows marketers to tap into a centralized content library and greatly increase their efficiency. This translates into less lost time, faster real-time responses to consumer behavior, and better quality messages.

All this supports the end goal of integrated, cohesive engagement marketing.

Enhancing email campaigns with digital asset management tools

A major American sports franchise wanted to ramp up its email marketing program with the goal of improving ticket sales.

Using state-of-the-art digital asset and campaign management tools, the team expanded its capacity to manage and reuse content across its email, web, and mobile channels and adapt to real-time usage to get the right content to the right user at the right time.

The result? A significant lift in customer engagement and sold-out games.
Priority 3: Act in real time on an individual’s behaviors

Email marketers can achieve rich engagement with their consumers in many ways. As our study highlights, one of the priorities for email marketers in this quest is to act and react in real time.

Contextual email means using data about a consumer’s location, behavior, interests, and activities and then sending personalized and targeted messages to drive new behaviors or interactions. Actions can be anything from downloading a new app to going to the store to make a purchase.

Contextual email marketing requires a 360-degree view of consumers. With access to an actual database of consumer data—not just piecemeal lists—marketers are not only able to consume this information but also target and adjust messaging in real time.

New technology supports customizable workflows that interact dynamically with consumers based on live preferences and actions. The most cutting-edge solutions allow marketers to deliver email content that changes even while the email is in a consumer’s inbox or at the time of opening.
High-impact strategies

We wrapped up our survey by asking marketers which potential strategies they felt could have the most impact on their email marketing efforts.

Their answers illustrate that email marketers want to be more strategic in their company’s overall marketing and sales programs.

Simply adding more tactics and sending more emails doesn't necessarily enhance an email marketing program. In fact, it has the potential to annoy the consumer and trigger unsubscribes.

Email marketers want to increase consumers’ engagement with their emails. The strategies highlighted in the figure point to that fact. By implementing some of these strategies, marketers can better personalize their communications, increase engagement, and drive real revenue by increasing customer lifetime value.

Source: Adobe and DMA Study on Email Marketing, 2015
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Summary

Adobe’s survey illustrates ways that traditional ESPs are not meeting marketers’ need to increase engagement with their consumer base.

Email marketers need complete views of consumers and their behaviors. They want to respond to those consumers in real time with messaging that’s relevant, timely, personalized, and based on robust, cross-channel analytics.

Email marketers want to be more strategic, think of the bigger picture, and be change leaders when it comes to engagement marketing, but they need modern technology and strategies to break out of their current cycle.

To achieve these goals, they must avoid the trap of evaluating and using the same old service providers. Instead, they need to harness the right mix of data, tools, and real-time interaction strategies that empower them to act effectively on the priorities they’ve identified. In this way, email marketing can truly become the engine that powers an enterprise’s total engagement marketing program.
Adobe Campaign

Adobe Campaign provides best-in-class campaign, offer, and personalization management capabilities for sophisticated automation and execution of marketing programs across all channels—digital and traditional. Adobe Campaign addresses a key challenge for marketers: how to build and extend relationships with their customer base to drive top-line revenue growth and ROI. Adobe Campaign is used by approximately 600 of the world’s leading brands. Marketers finally have a complete, integrated solution for all their marketing efforts.

Analytics, social, media optimization, targeting, web experience management, and now cross-channel campaign management with Adobe Campaign. Adobe Marketing Cloud does it all.

Learn more at www.adobe.com/campaign.

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