

Data Enhancement

# Win Back Lost Customers with Email Append



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## INTRODUCTION

Customer turnover could be robbing your company of substantial profits. According to published reports, the average company in America today loses between 20 to 40 percent of its customers every year.

And the loss is costing companies dearly. Research has shown that when a company retains just 5 percent more of their best customers, profits can be boosted by 25 to 85 percent depending on the industry.

Obviously, the best way to win the war on customer turnover is to ensure customers never leave in the first place. But “churn” happens, and having a process for effectively recovering lost customers is vital to every company’s long-term profitability.

That’s where email append comes in. Email append is an easy, reliable way to add email customer email addresses to your customer database. By including email append in your company’s “win-back” initiative – you’ll leverage the two-way power of the email channel to cost-effectively communicate with lost customers – helping bring them back into the fold to improve your bottom line and future success.

*“The average company in America today loses between 20 to 40 percent of it’s customers every year.”*

### **Benefits of Using Email Append**

There are obviously many benefits to using email append – namely to expand the size of your email address list and deliver your message. But email append also can help you reconnect with customers who have fallen through the cracks. Building your email address database will also:

- » Increase the value of your home grown files.
- » Bolster your customer participation and retention rates.
- » Drive traffic to your website.
- » Reduce marketing communication expenses.
- » Maximize response rates.
- » Personalize communication efforts.
- » Easily measure the impact of your marketing campaigns.

## **What Exactly is Email Append?**

Email append is the process of bulking – or adding – email addresses to your postal customer database, which should already consist of names and postal delivery addresses.

Basically, the email address is obtained by matching those records from the marketer's database against a third-party database in order to produce a corresponding email address.

## **Types of Email Append**

There are two different types of email append: business and consumer. Business email append allows you to send email to specific contacts at a company, while consumer email append gives you opt-in email addresses of residents that are linked to the provided name and postal address – all of which are based on detailed information from a large network of vendors.

## **HOW EMAIL APPEND WORKS**

Business email appending matches your file against a profile of company email addresses. When a match is found for a specific contact at a company, a letter is emailed to that individual with the option to opt-out. This is the most important aspect of email marketing – sending the permission request. Research shows that less than one-fourth of one percent choose to opt-out.

***“Email addresses change at a rate of 30 percent or more on most lists each year.”***

The time frame to allow for businesses to respond to your permission request is usually five to seven business days. The appended email addresses – including opt-out emails for suppression – are collected and the file is returned to you for use in your campaign.

The consumer email append service matches your customer file against various databases. When a match is found, the email address is added to your file. After an email match is found for a corresponding physical address, a letter is emailed with the option to opt-out. After allowing five to seven business days for responses, final numbers will be calculated, excluding undeliverable and opt-out emails.

During the data collection process for the consumer append service, subscribers voluntarily disclose their personal information and have access to view a privacy policy, stating that their information could be shared with third parties that have customer relationships with the individual. Following the completion of the email append process, the enhanced file is returned to you. The email addresses appended were those matched and successfully deliverable.

## **Suppression**

Suppression prevents you from duplicate-emailing individuals or businesses who have already requested not to be emailed, or have unsubscribed from your email list. Resending emails to recipients who have

already received your first email, or individuals that have already notified you they don't want to receive emails, could also portray a negative image of your company – that you're either disorganized, too pushy or dishonest.

There is no cost to suppress your email list, so taking advantage of this service is critical to a successful email campaign.

## HOW TO CHOOSE A SERVICE PROVIDER

### *Selecting a Qualified Service Provider*

Selecting a qualified append service provider can make all the difference in the success of your email marketing efforts. With the right provider, you will have a stress-free experience that's cost-effective for the type of email campaign you are looking to launch. Here are five ways to choose the right email append provider for you:

1. Make sure they have proven experience in the field.
2. See how their customer service system works – if they're friendly, easily available and offer the best solutions for you with prompt service, you're in luck.
3. Research how long the turnaround process takes for receiving your appended email addresses. The

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normal turnaround is about two weeks, depending on the size of the file. If a file requires processing more than 1 million records, the turnaround could take more than two weeks.

4. Beware of service providers with extremely fast turnarounds of a day or two. This could indicate they are not performing the opt-out option, or they could be sending you a “raw” database of email addresses.
5. Make sure you select a service provider who does not charge you for bounced emails.

### *Costs Involved in Using Email Append*

Email append is sold on a per match basis. Pricing is different for consumer and business email append. For consumer email append, prices range from \$0.20 for up to 499,000 records processed, to \$0.15 for more than 1 million records processed. The minimum order size varies, but is approximately \$700.

For business email append, prices range from \$0.65 for up to 24,999 records processed, to \$0.49 for 100,000 records processed. However, if you are processing more than 200,000 records, you might want to ask your append provider how much it would cost.

The business email append percentage will vary, depending on the accuracy of the contact names and company data in your list. It's best to select a service provider who can clean your list prior to adding the email addresses. The more accurate and up-to-date the contact information is on your list, the higher the append rate. The typical append rate for business emails is 25 percent to 65 percent, especially if your vendor validates your database prior to adding the email addresses. Consumer databases have seen

match rates from 15 percent to 20 percent.

The success of your match rate depends on a host of variables, from the age of the data and postal address quality, to your industry and your customers' demographics.

## HOW TO OPTIMIZE YOUR RESULTS

### **“Bounce-Proof” Your List with List Hygiene**

Maintaining a crisp, clean and updated list is vital to the success of your email marketing efforts. A stale database of email addresses won't get you anywhere. In fact, you might see some of your emails returned or bounced back to you as a result of incorrect, inaccurate email addresses. According to published reports,

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There are two different types of returned email messages – soft and hard bounces. A soft bounce is an email message that is unable to be delivered to a valid recipient mailbox. A soft bounce gets as far as the recipient's mail server, but is bounced back before it actually reaches the addressee.

An email can soft bounce back to the sender because of several reasons – the recipient's email inbox is too full, the message is too large or their server is down. Another reason for the bounce back could be the recipient's firewall protection blocking the email.

A hard bounce is an email message that has been returned because the recipient's address is invalid – either because the domain name doesn't exist, the recipient is unknown or there is some type of network problem on the recipient's end.

So how should you bounce-proof your email list?

#### **1. Validate, correct and eliminate duplicates.**

The best solution is to utilize a data hygiene service provider who can identify and correct invalid email addresses in your list. At times, errors can occur from typos, entering the wrong domain name, formatting problems and misspellings. Most errors occur because the recipient no longer has that particular email address. Many individuals change their email addresses frequently; when they switch jobs, Internet-service providers or move. Some even change their emails to protect themselves from being spammed or receiving unsolicited messages.

Other errors come in the form of duplicate email addresses. Sending duplicates could ignite the ire of some recipients. No one likes to receive the same message multiple times from the same source. A qualified data hygiene service provider is well-equipped to detect and validate wrong and duplicate email addresses.

## 2. Email Change of Address (ECOA) Service.

Another solution is to utilize an ECOA service, which will help update and clean your database of email addresses. The service provides you with the current email addresses of those that are old and invalid, or of those who have changed their email addresses. ECOA also updates your list with your customer's preferred email address. Sending messages to your customer's preferred address will significantly bolster your response rates.

## EMAIL AND BEYOND

If you think you don't have enough information to do an email append – don't despair. There are some data hygiene service providers that can actually "fill in the blanks," with the information required to append that coveted email address. For example, if your customer database only contains an address and phone number, your service provider can append the name of your customer and then attach an email address with that particular name.

The same applies for businesses. Some service providers can identify business names and addresses based on their phone numbers; from there they can append an individual name and then an email address.

### **Taking Your Emails a Step Further**

After you have obtained email addresses on your prospective customers and have already sent out your messages, there's another approach you can take to identify and target your top business-to-business markets. Appending the 8-digit Standard Industrial Classification (SIC) codes to the business records in your database, will help you pinpoint your most responsive industry types and acquire additional leads with similar attributes to your best customers. All of these data enhancements should help you achieve your marketing goals and increase response rates.

## CASE STUDY

### **The databank, Inc.**

Minneapolis, Minnesota-based thedatabank inc. offers web-based software applications for database management to nonprofits and political organizations. The firm uses Melissa Data's Consumer Email Append to help its clients bulk up their consumer lists with email addresses. The company has been a client of Melissa Data since 1997.

"Basically, Email Append is an add-on service for our clients," states Chris Hanson, thedatabank's CEO. "We have a database management and communications software that our clients use to manage their marketing service. One of the main tools in the system is email marketing. Being able to append email addresses to their list has been very helpful to them. They do the appends to increase the number of people they can communicate with via email."

Hanson says they're happy and pleased with Melissa Data's customer service.

## CONCLUSION

The average company in the U.S. today loses between 20 to 40 percent of its customers every year – potentially robbing companies of substantial profits. That’s why developing a strategy to counter that effect is vital, as the marketing costs of acquiring new customers continue to rise. By including email append in your company’s “win back” initiative, you can easily add verified customer email addresses to your database and reestablish communication with them. Email append is the best way to win the war on customer turnover – and ensure that your customers never leave in the first place. Nevertheless, harnessing the power of all direct marketing mediums – email, phone and traditional mail – will help improve your bottom line and maximize your return on investment.

### **About Melissa Data Corp.**

Melissa Data is an active DMA member, as well as a member of the DMA’s List and Database Council. For over 23 years the company has been a leading provider of data quality solutions with emphasis on address and phone verification, postal encoding and data enhancements. A powerful line of software, databases, components and services afford customers the flexibility to achieve quality U.S., Canadian and international contact information using almost any language, platform and media for point-of-entry or batch applications. For additional information, visit [www.MelissaData.com](http://www.MelissaData.com) or call 1-800-MELISSA.