An Experian Data Quality Email Advisory Note
Reaching the inbox: maximising the value from your email communications

Experian research reveals email remains the preferred communication channel for UK organisations, yet many are stuggling to maximise its potential.

Every email address your organisation has permission to hold is a business asset and just like any other asset it needs to be managed to bring you the best results. However, a growing number of emails are not reaching the intended inbox. When this happens the true cost can be far greater than the fractions of pennies it costs to send an email. In our survey, more than two-thirds of respondents said they'd had problems getting emails to the right people in the past year and a quarter told us they'd lost revenue as a result.

But the hidden cost of being unable to reach your customers inbox goes much further. As the volume of emails sent continues to grow, internet service providers (ISPs) are using more sophisticated methods of email filtering in order to protect their clients' mailboxes. Combine this with a rise in the number of spam traps and honey pots out there and the challenge for email marketers only increases.

Regulators are also getting tough on misfiring emails. Firms in financial services and utilities can face heavy penalties if they get their email communication with customers wrong.

To avoid these problems, businesses should always be sure that they are sending the right email to the correct, up to date address. Validating email addresses at the point they are captured or as a bulk cleanse of an old address list can help you ensure your contacts' information remains accurate over time.

Taking steps to improve the quality of your email contact data will not only improve your sender reputation with ISPs (critical to ensuring deliverability), but has lasting effects on your customer relationships and therefore your bottom line.

Even when an organisation employs the services of an email service provider (ESP) to look after campaign management and deliverability there are still a number of responsibilities that remain under the influence of the client, namely; content, subscriptions and list management.

This advisory note aims to give an understanding of the current state of email deliverability and it's true cost, how to overcome the challenge of poor inbox placement and the things to look out for when working with a supplier.
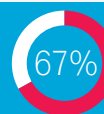
Did you know?

36% say email will be their MOST important communication channel this year **36%**

67% say they have had issues with email deliverability **67%**

22% say they have lost revenue as a result of poor email deliverability **22%**

Experian™
Data Quality

If our latest data quality research shows one thing, it's that email is here to stay. The number of organisations who name it as their top channel for marketing and customer communications actually rose from 34% last year to 36%. Even where a business uses social media as their principal commnuication channel, email is still used as the main supporting channel. Often as part of a wider multi-channel engagement. Businesses continue to recognise that the practical benefits of email, including low costs and high response rates, are hard to beat. At the same time, social media, the next most popular channel on 22%, has yet to realise its commercial potential.

You've got mail problems – where organisations are going wrong

Despite the continued importance of email, more than two thirds (67%) of those surveyed say they have had problems getting all their emails delivered to their customers and prospects during the past year. That's a large proportion of the market and should be a real concern to organisations using email communications.

A total of 28% say customer satisfaction has suffered, while 26% that they have been unable to communicate with customers. Looking to the bottom line, 25% say they have incurred extra costs as a result of emails not hitting target and 22% lost revenue.

But the upfront costs of emails not arriving seem low from the sender's perspective as often they do not consider the potential result of errors in an increasingly regulated online world.

When you consider the average sender reputation score in the UK is 51, this results in an average of 23% of emails reaching the inbox. Compare this with the US and Canada, who work in more heavily monitored markets, the average scores of 67 and 70

respectively boosts inbox placement up to 67%.

Reputation damage

More than 20% of respondents say they have suffered reputation damage from misfiring email. And that risk is intensifying as increasingly vigilant ISPs use more sophisticated filtering methods and setting spam traps and honey pots for emails to fall into.

Each email that an ISP has to process costs them money. While the cost of individual email might be tiny, when you multiply that by the millions of emails they process every day, coupled with the fact that email services are a pure overhead on which they derive little or no revenue, then you begin to understand the pressures that Internet Service provides face.

Too many bad email addresses in your list and you can find yourself blocked like a spammer. Indeed, if your bounce back rate is high, you could easily find an entire campaign is blocked in an instant, as happened in the high-profile case of one US retailer recently.

If you're in a regulated business, such as financial services, telecoms or utilities, there is also the risk of being penalised, as the regulators necessarily set ever-higher standards for how companies should communicate with their customers.

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Did you know?

67% had problems delivering email

Managing your email data – facing the challenge head on

So where does bad email data come from and how can it be filtered out? Part of the answer lies at source. The most popular channels for collecting email addresses are websites, used by 58% of organisations, followed by call centres, used by 43%. These also happen to be the two sources named by respondents as responsible for generating the dirtiest data.

This suggests that a lot more attention needs to be applied to making sure information is correct at the point of capture. Whilst web-capture is in the hands of the consumer, call centre and in-store data capture can be more effectively managed. This takes both technology and education of the personnel working in those environments.

Fix
Real-time email validation processes implemented at every touch point with your customer can ensure that email data entering your organisation is correct and valid first time and really improve your opportunity to generate additional revenue from that consume following successful customer on boarding.

Valuing quality over quantity

Another source of bad email addresses are purchased lists, which should be treated with caution. They may help you expand your customer base quickly but they can prove bad value if they import outdated or incorrect data into your database, which could in turn land you in a spam trap or in trouble with the regulatory bodies. Always make sure that lists are thoroughly checked and cleaned before use. Additionally, you must take care to ensure that the data on a purchased list has the relevant permissions. Bearing in mind the current strict, and future stricter, data protection laws, you must ensure that the data you use has been consented- and consented or the purpose that you are using it. This is extremely difficult to do when you are buying a list from a third party.

Fix
List buying although frowned upon is still a valid way to widen your customer pool for a marketer. You must however ensure that the data you have brought it trusted before you risk send bulk mailings to it and find yourself black listed. This can be done by a bulk validation exercise. Returning active and correct email address that can be used with confidence and a greater chance of campaign success.

Keeping up to date

Email data is fast decaying. You only have to consider that the average person changes email addresses up to twice a year to start to understand why. So you really can't be sure that any information more than six months old is still accurate.

Checking and cleaning your data will help you be confident that you are communicating with the right customers and prospects and sending them appropriate, timely messages, which in turn will help increase response rates.

Fix
Implementing a process of regular bulk legacy email validation will ensure that your contact data will be up to date and trust worthy continuously.

Did you know?

As a result of inaccurate emailing, the following was observed...

28% say that customer service suffered as a result

22% lost revenue

21% had reputation problems

Become a trusted sender

Email is not going away. Despite the buzz around social media and the promises made for big data, email remains the most popular channel in 2014. However the costs and risks associated with bad email data are increasing.

This leaves marketers with two main challenges: how to stay out of the traps, and how to deliver to the right inboxes. Thankfully, the same solutions apply to both. The best way to stop your ISP blocking emails is to make sure that email addresses are correct when you first capture them and to keep checking data to clear dead and dormant addresses from your list.

By doing this, you can be confident that your emails are going to the right people at the correct address. This will not only keep you out of the junk folder but help customers both old and new to trust you as a reliable source of information. Being a trusted sender can be just as important to your brand as the number of likes your campaign video gets on Facebook – and much more likely to drive high response rates.

Doing the groundwork

However, this won't happen overnight. You need to do the work to get there. Ensure you're your strategy focuses on the right places. Make sure that you implement effective processes to make sure everywhere that you collect data, it's done well. That means at your website, at call centres, on the phone and when you buy it in. And don't just expect data to look after itself. Adopt robust systems, such as real-time validation, to ensure your data does not go out of date. Above all, you need the right management approach, one that takes data quality seriously and embeds it in the culture as an everyday part of your business.

For more information on how you can improve your use of email, contact Experian Data Quality.

About Experian Data Quality

Experian Data Quality has built up exceptional market coverage assisting customers with their unique data quality challenges. We provide a comprehensive toolkit for data quality projects combining our market leading software with a vast scope of reference data assets and services. Our mission is to put our customers in a position to make the right decisions from accurate and reliable data. The size and scope of data management projects varies considerably but the common factor in all ventures is unlocking operational efficiency and improving customer engagement. We see the potential of data. Whether it's in enabling ambulances to be sent to the exact location of an emergency or attributing charitable donations to the people who need it the most - data accuracy makes all the difference to service provision.

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