An Experian Data Quality white paper





While many marketers spend significant time and effort optimizing content and debating the timing of each campaign, marketers also need to consider the accuracy of their subscriber list.

Getting email messages into to the inbox is essential. Without reaching the inbox, the message is lost and an opportunity for interaction is gone. While there are many factors that affect a sender's overall email deliverability, valid and accurate emails are an important component that marketers can control.

To improve the email database, it is important that marketers understand the current environment and what factors affect message delivery. From there, marketers can better communicate with their subscribers by ensuring the accuracy of their email addresses.

#### Factors that affect email deliverability

The delivery and inbox placement of an email depends on many factors, including bounce rates and processes, IP management, accreditation and much more. While an email service provider can help with many of these factors, marketers can leverage email address quality to reduce bounce rates and influence sender reputation. Improving these components can have a dramatic effect on deliverability.

#### Sender reputation

Sender reputation is the status of each domain with the Internet Service Providers (ISPs). ISPs, for example AOL, Hotmail and Gmail, actively screen and filter incoming mail to their users.

Increasingly, ISPs rely on a mailer's reputation to determine which messages get through to the users' inbox.

#### Sender reputation is based on:

Black lists	Several companies, like Spamhaus, create black lists for known spammers. These lists are based on spam trap hits and known complainers.
User feedback	The sender feedback users provide to their ISP, such as open rate, click rate and user complaints.
Sender engagement	The number of users who interact with the sender, often measured through open and click metrics.
Bounce rate	The number of messages that are returned as undeliverable divided by the number of emails sent.

A large part of improving sender reputation relates to email list quality. By having better email database practices, companies can eliminate known spam traps, reduce the likelihood a user will mark the message as spam, ensure users who subscribe receive emails, and increase the likelihood that subscribers will interact with messages.

A slightly poor reputation will cause some messages to go into the spam folder. As the reputation deteriorates further, messages may be partially or fully blocked.

Once a sender's reputation has been damaged, it takes time and effort to return to a positive relationship with the ISPs. Improving the email database allows marketers to improve sender reputation and deliverability.

Email is a valuable channel of communication for any marketer or business. It is faster and less expensive than traditional mail and many consumers prefer to receive messages through this channel.

#### 5 tips for improving your email database

Organizations can ensure emails are collected accurately and maintained over time by paying attention to email database hygiene.

#### 1. Diagnose the email database

The first step for marketers in improving the email database is to understand the current strengths and weaknesses of the email database and acquisition practices. Marketers should ask themselves: how accurate are the email addresses? Can the organization pinpoint an area that contributes to a high number of email errors?

Consider the following metrics:

Capture rate	Complaint rate
Penetration rate	Spam trap hits
Bounce rate	Existing invalid emails

After diagnosing the problems with the current email database, organizations can take action to improve email data quality. Compare results over time to identify any changes or problems.

#### 2. Validate existing emails

Organizations should leverage software tools to validate unknown and recently bounced emails within their database.

Experian Data Quality has found that more than 50 percent of flagged bad emails are due to minor syntax errors within the email address that can be easily fixed. Therefore, email verification can make a large impact on the current database.

Software tools will do a series of checks to see if there is a single '@' symbol and a period in the domain and ensure that the email uses an acceptable range of characters. By correcting email addresses with syntax and spelling errors, marketers can recover otherwise invalid emails. We then suggest a re-engagement or opt-in campaign to this segment. The focus is to win back some of the customers who may have opted in to email communications but, their messages were lost due to user error.

It is important to also confirm the email domain is valid, which is the portion of the email to the right of the '@' sign. While many domains exist, not all are able to accept email. The right verification tool will identify that the domain is valid and can accept messages.

Finally, email validation software can verify the mailbox exists within a given domain. For example, within the address sarah667@hotmail.com, is sarah667 a working account in Hotmail? Marketers can leverage software to 'ping' the mailbox by pretending to send an email without actually doing so. It can check for bounces and make sure the address will accept email.

### Experian Data Quality found 50 percent of flagged

bad emails are due to minor syntax errors.

Email is the most important Communication channel for 2013.

#### 3. Validate new emails

The same validation techniques used on existing emails should be used on emails as they are being acquired, whether that is at the point of sale, in customer service or through co-registration. There are several methods organizations can use to achieve real time insight.

First, businesses can validate emails at the point of capture. This is the best method for validation and will check the email address instantly, before the consumer engagement ends.

Second, organizations can use an automated batch process to frequently submit email lists for review. These are automatically done on a regular basis, perhaps nightly, before submitting emails into a central database. This is best for those organizations that may not want to add additional software to their data collection processes.

Finally, a batch process can be utilized to validate emails on a regular basis. This is best for companies with occasional projects that do not have a sense of urgency. It is the same process as validating existing emails, just done before a campaign or at specific intervals.

#### 4. Continue to manage bounced emails and opt-in subscribers

Email marketers can also take steps around reducing bounced emails and ensuring subscribers opt-in to receive messages.

Organizations should review bounced emails on a regular basis. Each time an email list is sent, the bounce rate is calculated, a determining factor in sender reputation. If an email has a hard bounce, it should be removed from the list and verified with the customer. This will prevent the same bad email from damaging sender reputation multiple times. Organizations can speak with their email service provider to better understand how to manage these emails.

In addition, organizations should only use email addresses for individuals who have opted-in to receive messages. Those individuals are more likely to provide positive user feedback and engage with messages.

When building out a database, it is common for companies to append or purchase email addresses. However, it's not considered best practice for organizations to engage in appends or purchase lists as they rarely engage the customer through a legitimate opt-in methods. Companies that partake in these practices should take caution and carry out their own validation and opt-in campaign before incorporating the new email addresses into their active mailing lists. Contact data goes stale on a regular basis. On average

### 2 percent of contact data goes bad each month.

Organizations can ensure emails are collected accurately and maintained over time by paying attention to their email database hygiene.

Not delivering emails leads to a lot of wasted revenue.

### 88 percent

of marketers have no idea how much money they lose through non-delivery.

(Based on Experian Data Quality 2013 research and Return Path 2012)

#### 5. Train staff

Most new emails are collected either online or by staff at the point of sale or in a call center. Organizations should train staff on the importance of email addresses and how they are used across the organization.

Also, put practical processes in place for email collection. It is important to keep in mind that not all customers want to provide an email. While requiring staff to enter an email is one way to make sure they collect the information, staff members may enter a fake email address rather than collecting the actual customer email. This unfortunately leads to an inaccurate email database.

Putting verification processes in place can prevent these emails from being added to the database and help ensure a positive email reputation.

#### Conclusion

Email database management is an essential component to email marketing success. By improving the email collection process and validating emails, you can improve your sender reputation, and therefore, email deliverability.

A cleaner email database will ensure messages are delivered to the recipient and ultimately improve marketing results.

#### About Experian Data Quality

Experian Data Quality is a global leader in providing data quality software and services to organizations of all sizes. We help our clients to proactively manage the quality of their data through world-class validation, matching, enrichment and profiling capabilities. With flexible software-as-a-service and on-premise deployment models, Experian Data Quality software allows organizations around the world to truly connect with their customers by delivering intelligent interactions, every time.

Established in 1990 with offices throughout the United States, Europe and Asia Pacific, Experian Data Quality has more than 13,500 clients worldwide in retail, finance, education, insurance, government, healthcare and other sectors. For more information, visit http://www.qas.com.

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Poor data quality plays a role in email deliverability. On average, organizations feel

#### 25 percent of their data is inaccurate.

Many organizations have issues with deliverability. Last year,

### almost 20 percent

of commercial emails in North America never reached the desired inbox.

(Based on Experian Data Quality 2013 research and Return Path 2012)

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### Intelligent interactions.



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