



E-Marketing Best Practices Email Compilation Methods

Over the past six years, we have seen a monumental shift in Direct Marketers attitudes towards e-Marketing. Once considered the “troublemaker” of direct marketing channels, e-Marketing is now taking the lead in Multi-Channel marketing efforts. Why? When done correctly, e-Marketing can provide excellent, measurable and cost-efficient results for marketers. Additionally, e-Marketing can improve the ROI associated with direct marketing efforts.

We define “correctly” in several important ways. There are the legislative requirements (i.e., the CAN SPAM Act of 2003) as well as other keys to e-Marketing success. In this white paper, we will focus on the different methodologies in which email addresses are compiled. Our goal is to provide marketers with the knowledge to make good decisions when purchasing email data or partnering with an e-Marketing company. The method of compilation is important for many different reasons and is paramount to the success of your e-Marketing efforts. Here are three of the biggest reasons why you should be taking a hard look at how your e-Marketing partners compile their email files.

Reason 1: Hard Bounce Rates. If you purchase email addresses from a compiler that does not focus on quality and accuracy, you will experience a high percentage of hard bounces. Additionally, if you are using an email service provider to deliver your campaigns, they will be extremely unhappy with you. High percentages of hard bounces cause you to appear as though you are a spammer – when actually you’ve simply purchased bad data. The firm who compiled your data did not verify it for accuracy. Worse still, you’ve paid too much for your data – and this negatively impacts your marketing ROI.

Reason 2: Getting Blocked by Corporate Domains. Some B2B email providers return consumer email addresses on B2B lists as well (obviously *not* a best practice) – and you should be on the look-out for this. If the e-Marketing data provider that you use does not compile B2B email addresses in a quality manner and provide you with true business emails that are valid, your hard bounce rate will increase and corporate domains will begin to block your emails. As your hard bounce rate goes up, down goes your profitability.

Reason 3: No Validation or Verification Process is Performed. Many e-Marketing compilers do not validate their email data prior to delivery. Once again, the accuracy of your data is impacted if they do not validate the data before you deploy your campaign. Make certain that your provider validates the data.

Now, let's examine the different methods of email compilation.

Crowd-Sourcing: Crowd-Sourcing uses the philosophy of using the "crowd" to provide email data. Crowd-Sourcing was originally created as a way to get developer input to software applications. The idea was to harness the power of the "Crowd" to get the best ideas/concepts/methods, etc. to come up with the best application. It is the act of outsourcing tasks, traditionally performed by a person to a large group of people or community (a crowd), through an open call. However, both the term and its underlying business models have attracted both controversy and criticisms. Within the email compilation realm, the criticism has been that there is a lack of control over the data that is compiled because it is based upon human input – and in some cases, those humans providing the input are compensated to input the email addresses (via accumulating points to receive leads that they are seeking).

One of the leading email companies that utilize Crowd-Sourcing is Jigsaw. Jigsaw touts its method as a "unique Wikipedia-style crowd-sourcing model that delivers the world's most complete, accurate and up-to-date business contact and company data." Jigsaw argues that "by harnessing the power of many, our database is broader and deeper than any other data source." However, Jigsaw has faced criticism because as individuals set up their free account to access the database, they accumulate points by adding business contacts. Then, they can redeem these points to obtain access to additional records. This method is flawed due to the lack of a scientific approach to ensure that the data that is entered is accurate. If the individual entering the data is looking for additional contact information, they may be motivated to enter inaccurate data thinking that they'll get other contact records that they desire.

In testing against providers who utilize this model, we have found that this fear is well-founded. In test after test, Crowd-Sourced emails tend to be inactive, inaccurate, and lower-level (position-wise) in nature. Some of our clients have complained that many of the emails received from Crowd-Sourced providers are consumer-based emails – with an ISP address as opposed to a corporate domain. Even if the consumer email address is accurate, Marketers risk upsetting the potential client by sending them business emails at their personal email addresses.

Web-Crawling: A web-crawler is a relatively simple automated program, or script, that methodically scans or "crawls" through Internet pages to create an index of the data that it is seeking. There are many different uses for a web crawler. The most common use associated with web-crawling is in relation to search engines. Search engines use web crawlers to collect information from public web

pages. The primary purpose is to collect data so that when a person enters a search term into a search engine, the engine can quickly provide relevant web sites based upon the term (i.e., Google).

Email compilers who utilize this method scan the internet to gather publicly available business information from the internet, then sorts and sifts through that information to create contact records and email addresses. This approach utilizes some proprietary algorithms (specific -- based upon the compiler). One of the problems associated with web-crawling is that each crawler is only able to “crawl” only a fraction of the available web pages. Those who use this technique are consistently trying to ensure that their crawler is crawling on the most relevant pages – thus obtaining the freshest email and contact data to place in their database.

One of the leading compilers who utilize web-crawling is ZoomInfo. ZoomInfo touts its abilities as a company who “gathers publicly-available business information from the web, 24 hours-a-day, seven days-a-week, then intelligently sifts and compiles it into easy-to-search and easy-to-read profiles.” ZoomInfo and others who utilize this method believe that they are able to provide accurate contact data on people as they move around because the internet is the most “up-to-date” source on providing multiple details about a person – including their job title, contact details, and employment history.

The biggest pitfall of utilizing this method is that due to the sheer size of the internet, the data captured on any given day may be inaccurate. For example, if the web-crawler captures data from an old web page, it may mistakenly utilize that data as the most fresh – when it is, in fact, out-of-date. In testing against providers that utilize Web-Crawling, we have found that this problem is present, particularly in the areas of providing the freshest email addresses.

Outward Media does, however, use a version of this method as a tertiary approach to compiling data. We gather and verify information in the public domain mostly to allow us to see when people have changed positions or companies. Although we do gather information online, that information faces the scrutiny of our validation process – and is scrubbed and verified prior to adding any of it to our databases.

Modeled Approach: This is the main method that Outward Media uses to compile our email data. This approach to compiling business emails entails utilizing our proprietary process which, in simple terms, uses our comprehensive domain and pattern database from which to model business email addresses. As records are added to our database, we apply our **Domain Match Process** – matching company names from the B2B file to corporate domains and patterns that exist within the OMI domain matching database.

For those contact records that are associated to companies without a matched domain, these records enter OMI’s **Domain & Pattern Find Process**. Once we identify the correct domain and pattern, we append the email address, thus completing the contact record. Prior to delivering any file to our clients, we re-verify all email addresses pulled per the Client specifications for the greatest accuracy.

Some of the stringent processes utilized during our email verification process to ensure the highest level of accuracy possible are:

- All email addresses are flagged with indicators for promiscuous and dark domains in order to facilitate the process of weeding out false positive results.
- OMI consistently analyzes hard bounces to cleanse them from the database and replace with new, accurate data.

Conclusion

While there are several different email compilation approaches/philosophies available in the e-Marketing Services arena, we believe our Modeled Approach is the most accurate, logical and scientific approach to ensuring the accuracy of email addresses. From our perspective, email is an excellent channel to utilize in an Integrated Channel Marketing approach. Studies have found that most people (particularly SMB owners) prefer to be contacted via email. It is much less intrusive to their day, and they can choose to respond to the marketing message when it is most convenient for them.

We believe that by inserting email into your Multi-Channel Marketing approach, you will increase your response and conversion rates significantly. Additionally, due to the ease of tracking email campaigns, you will be armed with response rates very quickly after deploying email campaigns. As Marketers, this allows us to tweak our message for greater effectiveness on the fly, and conduct cost-efficient campaigns more often and with greater return on investment.

About OMI:

Outward Media, Inc. (OMI) opened its doors in 1998 as an interactive advertising and marketing firm. OMI is the brainchild of Paula Chiochi, who has been in the direct marketing industry for over 25 years. Under her direction, the company has evolved from a niche marketing firm emphasizing online advertising to a provider of email marketing data for companies seeking greater ROI from their marketing budgets.

OMI's clients include the Fortune 100 as well as mid-sized firms. Our long-term goal is to continue to innovate in the e-Marketing field. We are consistently building new products and updating our services that allow our customers to more strategically and effectively communicate with their customers, thus increasing their corporate profitability.

For more information on OMI, please email us at request@outwardmedia.com or call us at (310) 274-5312.