

## Email Marketing as a Popular Type of Small Business Advertisement: A Short Review

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**Abstract:** Internet marketing, or online marketing is a developing and popular type of advertisement. Nowadays, many types of internet marketing are enhanced. One of the most popular types is email marketing. Email marketing is directly marketing a commercial message to a group of people using email. In this paper we aim to design a website for doing the email marketing. A short review is presented about all important tips and design priorities. Then the project of email marketing website is talked. Financial analysis and timeline for creating is presented in follow. Results of a questionnaire which is obtained from similar websites indicates the financial benefits of proposed system.

**Key words:** email marketing, internet marketing, advertisement, small business tips.

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### INTRODUCTION

The role of information has become more and more substantial in the economy recently, and information is regarded as an important resource since it is more difficult for companies to improve their market positions in the long term without having the appropriate amount of available information (Sasvari, 2013).

Internet marketing, or online marketing, refers to advertising and marketing efforts that use the Web and e-mail to drive direct sales via e-commerce as well as sales leads from Web sites or emails. Internet marketing and online advertising efforts are typically used in conjunction with traditional types of advertising like radio, television, newspapers and magazines (Khoshnampour and Nosrati 2011, Nosrati *et al.*, 2013).

Internet marketing can also be broken down into more specialized areas such as Web marketing, email marketing and social media marketing (Article "Internet marketing"):

- Web marketing includes e-commerce Web sites, affiliate marketing Web sites, promotional or informative Web sites, online advertising on search engines, and organic search engine results via search engine optimization (SEO)
- Email marketing involves both advertising and promotional marketing efforts via e-mail messages to current and prospective customers
- Social media marketing involves both advertising and marketing (including viral marketing) efforts via social networking sites like Facebook, Twitter, YouTube and Digg

Small business marketing requires strategic planning and setting realistic goals to help you expand your customer base and sell more products and services. Investing in online marketing strategies can help a small business achieve those goals, but as is the case with many small businesses owners, we often find ourselves with limited marketing budgets and knowledgeable staff to work with (US Interactive Marketing Forecast).

Email marketing is directly marketing a commercial message to a group of people using email. In its broadest sense, every email sent to a potential or current customer could be considered email marketing. It usually involves using email to send ads, request business, or solicit sales or donations, and is meant to build loyalty, trust, or brand awareness. Email marketing can be done to either cold lists or current customer database. Broadly, the term is usually used to refer to:

- Sending email messages with the purpose of enhancing the relationship of a merchant with its current or previous customers, to encourage customer loyalty and repeat business
- Sending email messages with the purpose of acquiring new customers or convincing current customers to purchase something immediately
- Adding advertisements to email messages sent by other companies to their customers

Researchers estimate that United States firms alone spent US \$1.51 billion on email marketing in 2011 and will grow to \$2.468 billion by 2016 (US Interactive Marketing Forecast, Article "Email marketing").

Email marketing (or e-mail marketing) is a popular form of small business marketing. It offers one of the best advertising returns for any small business. According to research by the Direct Marketing Association, in 2008, email marketing returned \$45.06 for every dollar spent on it -- but industry experts say that small businesses are slow to adopt email marketing practices. One contributing factor to low adoption rates by small businesses is due to time constraints. Small business owners are swamped and it can be a challenge to fit email marketing into an already full schedule. Another factor is that small business owners can be intimidated by the phrase "email marketing," and they mistakenly believe they need to be a marketing expert to run e-mail campaigns (Beal).

For e-commerce site owners, online marketing can be an intimidating part of running your online business. The phrase "e-mail marketing" itself is enough to send shivers down your spine — especially for small businesses that need to find in-house talent to handle the campaigns.

***Email Marketing Important Tips:***

***Pre-Determine the Triggers:***

Email marketing automation lets you set the time, frequency and other options for pre-determined triggers. Triggers commonly used on ecommerce websites include automatically emailing a welcome letter when a customer registers on-site or when a customer abandons a cart on your website.

"You can also use triggered email for lead nurturing," said Lowe. "If you offer a free download or 'test-drive' on your website, you can set the email system to send out an email a couple days after they tried the service."

Other useful email marketing triggers could include the submission of a quote or warranty form, a membership renewal, reminders that products or services are about to expire, or simply to remind dormant customers who have not logged in for period of time about your business. You can also use triggered emails to up-sell and cross-sell when a customer looks at specific products or makes a purchase on your site (Article "3 Trigger Email Marketing Tips for Ecommerce Marketers").

***Keep the Message Relevant and Personal:***

One reason triggered email marketing is so successful is that an automated email system lets you personalize the communication and make it very relevant to the customer.

"The main priority is to work on building customer relationships," said Lowe. "Use all the automation tools and customer information that is available to you and really personalize the email so the customer relates to the contents of your email marketing message."

Start this process by using a personalized subject line. If the customer abandoned a cart on your site, mention the product they added to the cart by name. If you have more than just an email address for this person, be sure to insert the customer's name and other personal details in to the email as well.

In most cases you want to remind the customer of what she was doing on your website. If she viewed your 'latest fashions' section, include images and relevant content from this category in the email. Insert direct products and page links that the customer visited for added relevancy (Article "3 Trigger Email Marketing Tips for Ecommerce Marketers").

***Follow-Up Immediately with a Good Tone:***

Follow-up immediately with the customer, but use a good customer service tone in the email. When you contact a customer immediately after a behavior trigger, you don't want to appear pushy or too sales-focused.

Lowe said that the first contact should be sent immediately following the customer action, then typically a second follow-up in the next day or two, depending on your business and the action. A third follow-up should be sent in a week. After the third follow-up, if you do not recover the customer then Lowe recommends that you abandon your recovery process for that person.

These automated trigger emails should remain focused on building a relationship over time. "When you follow-up right away the emails should be used to 'gently' remind the customer of the product or behavior," said Lowe. She also said that promotional discounts should not be offered in the first couple of emails, but you can provide incentives later in the follow-up cycle (Article "3 Trigger Email Marketing Tips for Ecommerce Marketers").

***Email Marketing Tips for Permission-Based Contact:***

A lot of emphasis is placed on email marketing content but how you create and manage the subscriber list is equally as important. You should only send an email to a customer who had granted you permission to do so. If you do not ask for permission, customers will likely tag your email as spam -- which will hurt your email marketing efforts and also damage your sender reputation. The same goes for customer requests to unsubscribe from your list: honors unsubscribe requests promptly. Using an automated email marketing system is crucial for properly managing customer subscriptions.

***Permission-based Email Marketing:***

One of the best ways to ensure you are sending email marketing to willing recipients is to use the double-opt in system. Double opt-in is the phrase used to mean an email marketing subscription system that requires a new subscriber to open a confirmation email and click the link in the email to confirm the subscription. For the marketer this type of subscription process will also ensure you have a valid subscriber list and proof that the customer requested to receive email communications from you.

***Make it Easy for Customers to Opt-Out of Your List:***

On the opposite side of the opt-in system is the opt-out process for customers who no longer want to receive your email marketing. It is extremely important for those investing in email marketing to fully read and understand CAN-SPAM laws regarding opt-out requests from customers. Not only is honoring these requests a big part of being a responsible business but it is also legally required. You need to ensure the action a customer takes to opt-out is a single step (e.g. reply to the email or a single click to an opt-out page on your website). Be sure to honor all unsubscribe requests quickly (Article "Top 3 Email Marketing Tips").

***Email Marketing Tips For Using a Customer Service Tone (Soft Sale):***

There are times when promotional and sales-focused emails are relevant but often you'll want to use a more gentle tone with customers. The phrase for this is soft sale.

***How to Use Soft Sale Statements:***

Instead of pitching an blatant sales message you use a gentle tone so the email marketing message reads like a customer service-oriented message. For example, asking the customer if he experienced a problem you can assist with is a great way to open the lines of communication with a customer who has not logged into his account or made a purchase for some time. It is also a positive tone to use when remarketing to a cart abandoner (Article "Top 3 Email Marketing Tips").

***Email Marketing Tips for Using a Strong Call-to-Action:***

The typical call-to-action (CTA) statement is the pitch that will encourage a customer to act immediately. In Internet and email marketing the call-to-action works because you can hyperlink your statement to a landing page on your website or to a customer's unprocessed shopping cart.

When you use a call-to-action you will obtain better results and higher conversions when using an automated system that will provide details about the customer's behavior. For example, if you know the customer abandoned a cart after trying to enter a coupon code you can send a coupon code that expires in 24 or 48-hours in the email.

You can also blend a soft sale and call-to-action in a single email. For example if a customer registered on-site and didn't return, you can ask if they need assistance or encountered a problem and still place a promotional call-to-action in that email that is a special offer for a first-time purchase (Article "Top 3 Email Marketing Tips").

***Project of Email Marketing Website Financial Analysis:***

Email marketing is the use of email communication to increase awareness, generate leads and build relationships with prospective and existing customers. In B2B (Nemat, 2011) marketing, email marketing is essential to building trust and maintaining an ongoing dialogue with your audience. Every campaign you send out offers the opportunity to:

- Listen to the ways your segment responds (by paying attention to open and click-through rates).
- Maintain relevancy in your conversations (by acknowledging recipients' profiles and interests).
- Engage with them in the most meaningful ways possible (by following up appropriately) (Article "B2B Email Marketing cheat sheet").

Some important points in advertisement sent emails are listed below. It is highly appreciated to take care about them (Nosrati and Karimi, 2012):

1. Content of email (including the text, images, styles, title, etc.)
2. Purposive advertisement
3. The way of submission
4. The server you use for submitting emails

Content and purposive advertisement is depended on the customer, and it can't be changed by Email Submission System. But the way of submission is important. No one likes spasm. So, the way of submitting emails must be so that receiver services like Yahoo and Gmail are unable to detect the message as a spam. One way is using the name of people. In this way, two important advantages will be gained: 1) more attention of receiver of message and 2) ignorance of services for spam detection. Another way is changing the content of emails. Avoid of sending a large number (for example 10000) of similar emails; because it causes detecting your emails as spam. Also, try not to send a huge number of emails together. It will cause a high traffic and gets all bandwidth. You must take care of the host you use for uploading your email submission system. Some of hosts don't support the mass of emails. Choosing them may expose you to some problems like your account suspension for sending spam. So, it should be taken care to use hosts with mass emails sending servicing (Nosrati and Karimi, 2012).

Project of AESS has 5 phases. It is listed below (Nosrati *et al.*, 2012):

**A. Creating a Database of Contacts:**

All details about the contacts (the receivers of emails) that are needed must be stored in a database. It may contain the email address, name, professional, etc. of people. To collect such this information, 3 ways are suggested:

- Using an email finder robot to search in websites for email addresses
- Adding the records of contacts manually
- Adding a page to AESS website for subscribing for receiving advertisement emails

**B. Creating the AESS Website (Including Design and Code Writing):**

It can be done by yourself or by third party. Doing this phase by yourself has no cost for you. But if you want to do it through third party, you must consider the costs.

**C. Choosing Host and Domain:**

It is highly recommended to use appropriate hosts with mass email sending feature. Also, domain must be short and meaningful.

**D. Calculation of Costs and Charges:**

**E. Advertise in Order to Introduce our Service to Find Customers:**

**Creating the AESS Website with Costs Anticipation:**

The project operation requirements are listed below. Costs will be calculated according to them (Nosrati *et al.*, 2012).

- Email sending function
- Subscription for receiving emails function
- Emails finder robot
- Customers account design
- Administrator account design
- Content management system design

A quality need that is seen is the friendly GUI (graphical user interface). It includes the template and style design, graphics, messages, etc. A cost must be considered for this part separately.

Table 1 shows the calculated time and costs for the AESS website design phase.

**Table 1:** Required costs and time for AESS website design phase.

Operation and quality requires	Codes	Required time	Cost
Email sending function	300 lines	1 days	40 \$
Subscription for receiving emails function	500 lines	2 days	70 \$
Emails finder robot	500 lines	2 days	70 \$
Customers account design	1200 lines	4 days	160\$
Administrator account design	1500 lines	5 days	200 \$
Content management system design	1500 lines	5 days	200 \$
GUI	-	5 days	150 \$

About 2 weeks for possible delay must be added to required time. Also, the annual cost for renting host and domain must be added to whole. We consider it about 50 \$ per year.

Final cost will be 890 \$ for website design phase and 50 \$ for annual host and domain rental cost. This phase will be over in about 24 to 38 days.

**Table 2:** Common charges of some providers.

Service provider	Charge per email	Website
Ecapic	0.00212245 \$	http://www.ecapic.ir
Blackberry-ads	0.00187755 \$	http://www.blackberry-ads.com
Coms	0.00204082 \$	http://www.coms.ir
Pardis Tabligh	0.00179592 \$	http://www.pardistabligh.com
Other providers	0.00179592 \$ to 0.00244898	-

**Charges:**

Some email marketing service providers are got into investigation by us. They are active in email marketing for Persian products with Farsi language. Their common charges for advertisement email submission are listed in table 2 (Nosrati *et al.*, 2012).

According to Table 1, we suggest the charge of 0.00179592 \$ to 0.00187755 \$.

Our reason is:

1. Offering a low cost service.
2. Avoid of breaking the lower bound of charges among other sites.

**Anticipated Income:**

We designed a questionnaire about income in initial months of AESS and sent it to up mentioned providers. Among them, just Pardis Tabligh responded us. According to extracted information from questionnaire 300000 to 400000 emails in initial months are ordered by customers. It will earn 530 \$ to 800 \$ per month. In first two month, this earning may decrease to 50% of whole (Nosrati *et al.*, 2012).

**Conclusion:**

In this paper a review on email marketing as a popular type of online advertisement was presented. some basic concepts were talked in order to optimize the email marketing. Then we got different phases of AESS design. They were: creating a database of contacts, creating the AESS website (including design and code writing), choosing host and domain, calculation of costs and charges, advertise in order to introduce our service to find customers.

Costs were calculated based on requirements of system. Two aspects of costs that are financial cost and time requirement were calculated. Consequence that final cost will be 890 \$ for website design phase and 50 \$ for annual host and domain rental cost. This phase will be over in about 24 to 38 days.

Also, according to common charges of other sites, we offered a charge of 0.00179592 \$ to 0.00187755 \$, in order to provide a low cost service and avoid of breaking the lower bound of other sites.

Based on the offered charge, and regarding the questionnaire that is collected from other sites, monthly earning will be 530 \$ to 800 \$ in initial months. Consequently, it indicates that AESS will have a good economical benefit.

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