

Start spreading the newsletter

Cloud computing can make cheap, effective mass emails a snap.
Report: Caitlin Fitzsimmons

● There's no doubt email newsletters are an inexpensive way to keep in touch with customers, partners and assorted stakeholders. Based on US experience, for every \$1 a company spends on marketing emails in 2011, the return is \$40.56 – better than almost any other form of marketing.

Although statistics from the Direct Marketing Association in the US do suggest a long-term decline (return on equity in 2006 was \$52.23 and this is expected to fall to \$35.02 by 2016) for the time being, email newsletters remain an important part of the marketing mix. And the cheapest and most effective way to manage them is through cloud-based software.

Justin Barrie, co-founder and chief marketing officer at Perkler, a business that aggregates

customer loyalty discounts for consumers, emails a weekly newsletter to about 5000 people. The company managed this in-house for 18 months before switching to cloud-based service MailChimp two years ago.

"We used to construct and send emails in big batches from our own servers, then we signed up to use MailChimp – thank god," Barrie says. "We're a start-up, and with only three people in the office, we couldn't go home on a Thursday night if the email hadn't been sent."

Barrie says the process is now much simpler and the quality has also improved, both in terms of design and content.

Cloud-based email newsletter systems typically offer design templates and data analytics tools that provide information about the links being clicked on.

Perkler segments its database so people receive tailored emails based on their stated interests and location. Barrie says one unexpected benefit of the data analytics is that the business has been able to pin down people who open their newsletters on a smartphone.

Simon Hunter, a director at Melbourne-based digital marketing agency Dotpoint, has used MailChimp as well as competitors Campaign Monitor and iContact.

Hunter says all the systems are fine for

A QUICK GUIDE TO MAKING YOUR NEWSLETTERS WORK FOR YOU

DO shop around to get the right price for your needs. "It's like mobile phone plans – there are 10 different ways to slice it," says Dotpoint's Hunter.

DON'T assume the email will display correctly. Test.

DO choose software that is easy enough for everyone in the marketing department to use.

DON'T spam your customers. Check that subscriptions are strictly opt-in and the unsubscribe process is easy.

DO due diligence on security and consider whether to store the database separately.

DON'T forget – content is king.

managing subscriptions and the unsubscribe process, ensuring compliance with spam filters and providing data analytics tools.

He also found them all relatively easy to use, though he describes iContact as "not quite as intuitive" as the others. He adds that Campaign Monitor stands out because of its formatting.

Hunter says businesses with small mailing lists should consider MailChimp, which is free for up to 2000 subscribers and 12,000 emails a month. **EW**