



**WHITE PAPER:**

**UNDERSTANDING E-MAIL MARKETING  
TECHNOLOGY**



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## WHY YOU NEED E-MAIL MARKETING—AND E-MAIL MARKETING TECHNOLOGY

Lest you still think that e-mail doesn't work as a marketing tool, let us assure you that it does. In fact, e-mail is the highest performing marketing tactic available today:

- E-mail marketing drives more conversions than any other marketing channel, including [search](#) and [social](#), [Monetate has found](#).
- E-mail is forty times more effective at acquiring new customers than Facebook or Twitter, [according to McKinsey](#).
- In terms of purchases, e-mail has the highest conversion rate—at 66 percent—when compared to social, [direct mail](#), and more, [found the Data and Marketing Association](#).
- E-mail marketing has a 4,400 percent [return on investment](#) for every dollar spent, [per Campaign Monitor](#).

We could go on, but... enough said.

You need e-mail marketing as part of your strategy and plan. And you need technology to help you implement it.

### Ready to Get Started?

Convinced? Want to jump right in?

Not so fast. There are several types of e-mail marketing technologies out there that can help you achieve your goals—and cause a lot of confusion.

Let's review traditional e-mail marketing, marketing automation, and customer relationship management (CRM) systems, which are often used for sales (and used to be called salesforce automation systems, or SFA).

Once you have an overview, you can better determine which technologies you need.



## MARKETING AUTOMATION VS. E-MAIL MARKETING

Marketing automation involves e-mail marketing, and e-mail marketing may involve marketing automation... but they aren't the same thing.

What's the difference? And which one do you need—or have?

### E-mail Marketing Defined

Marketers use [traditional e-mail marketing](#) as a [digital way](#) to do the same thing they've done for decades with [direct mail, newsletters, and catalogues](#): They set a schedule or calendar of items to go out to a specific list of people on a specific date and then use that plan to send the outlined materials on the defined timeline. In this case, [the transmission happens through e-mail](#).

For example, at FrogDog, [we've used traditional e-mail marketing](#) to send our contact database regular marketing tips and tricks. On our clients' behalves, [we've used traditional e-mail marketing to highlight new products, seasonal offerings, and sales items](#); to deliver news releases and updates; and to promote innovative thinking and perspective through [linking to thought-leadership](#) pieces.

Though marketing automation is a type of e-mail marketing, it is a separate type, and operates differently. Let's review how.

### What's Marketing Automation?

[Marketing automation](#) takes e-mail marketing up a notch (or, really, a few notches). Marketing automation uses marketer-created workflows with if-then branching, timelines, content, landing pages, forms, digital advertising, and more to send people information and material based on their actions and behaviors.

Marketing automation has value for companies that market to businesses and for companies that market to consumers. For an example of the former, let's look at Nordstrom.

When you make purchases at Nordstrom on-line or in the store with a loyalty card, you will begin to receive e-mail with items the company feels would entice a person who has bought what you've bought. How you interact with the e-mails Nordstrom sends—which e-mails you do and don't open, which products you do and don't click, and what you do and don't buy—will determine the types of e-mail Nordstrom sends you in the future, so that you receive ever more targeted content and promotional items. Further, using the number of days between which Nordstrom sent the e-mail and you open it, click it, or don't interact with it at all, Nordstrom will refine the frequency at which it sends you messages. After all, the more specific Nordstrom can get with what it sends you and how it sends it to you, the less likely Nordstrom is to annoy you and prompt you to opt out of its marketing—and the more likely you are to buy.

Marketers draw people into marketing automation through other channels than purchases. They [push out ads](#) and [social media teasers](#) that draw you to [custom landing pages](#) that request your e-mail address, they offer content that you need to fill out a form to receive, and beyond. Once you enter the system, as in the Nordstrom example, your behavior triggers different types of information and messages on different timelines.

## THE DIFFERENCE BETWEEN CRM AND E-MAIL MARKETING

So you've got the difference between e-mail marketing and marketing automation. But which one is your CRM?

Yes, you may have a CRM. No, that does not mean you have an e-mail marketing platform. And vice versa.

No, your e-mail marketing platform does not mean you're doing or have the capability to do marketing automation. (Vice versa applies here, too.)

And if you don't have a CRM, your e-mail marketing platform and your marketing automation platform won't effectively substitute for one.

### CRM Defined

As mentioned above, CRM stands for customer relationship management. The key difference between CRM and e-mail marketing and marketing automation platforms rests with the "relationship" component of the term.

E-mail marketing and marketing automation send segmented lists of contacts targeted e-mail messages. Everyone in each list receives the same message (with key identifiers, such as first names and company names, swapped out). These are broadcast platforms that enable your marketing efforts to reach contacts at scale and volume.

A CRM system—which may synchronize data with marketing automation and e-mail marketing systems to show which marketing pieces each contact has received and opened—helps sales teams and relationship managers keep tabs on their contacts. They can see when they last reached out to a contact, what they discussed, and can receive reminders and triggers to encourage them to reach out on a timeframe they've defined by their relationship to that individual contact.

Although most CRM systems provide template e-mail messages for users to employ as needed with contacts, and some allow users to send the same e-mail message to more than one contact at a time, CRM systems limit the number of people who can receive the same message at once, typically.

A CRM is a tool that allows companies to better own, oversee, and manage their relationships with their contacts; helps enable collaboration and reduce duplication of effort across employee teams who work with the same contacts; and gives leadership oversight of the work of salespeople and relationship managers.

Although CRM systems are important for quality sales efforts with existing contacts and customers, and although some have a level of automation built in, they do not substitute for e-mail marketing and marketing automation. They support your sales team, not your marketing function.

And as this paper is about marketing, let's get back to focusing on marketing automation and e-mail marketing. Up next on our agenda: Best practices for both.

## BEFORE YOU BUY: THE REALITIES OF MARKETING AUTOMATION

Just as you've guessed, [marketing automation is complicated](#).

Before you can even begin, you need to develop branching workflows using if-then logic, all of which need to be programmed into a marketing automation system (a type of software for which you'll need a subscription). And before you can program anything, you need to create all the ads, landing pages, [loyalty programs](#), and everything else you plan to use to draw people into the marketing automation program. Further—and still before you begin—you need to [create the e-mail messages](#) to program into the system to deliver your information, and these e-mail messages need to cover many bases over a reasonably lengthy period to give the system time and variables enough to run.

Once the marketing automation is running, you can't rest on your laurels. The machine needs care and feeding: Marketing automation requires new content, more e-mail messages, adjustments to the algorithm, and optimization and testing and tweaking [based on results](#) on an ongoing basis.

In exchange for all this work, marketing automation gets you better results, due to its use of highly targeted information and timelines. In addition, marketing automation gets you a huge amount of valuable data about your customers, from what they like and when they like it to the nuances of their buying behavior.

In contrast, traditional e-mail marketing is flexible. Rarely is any one traditional marketing e-mail tied to another e-mail or a chain of content or anything else. Also, it doesn't require nearly as much content—and certainly not as much at the outset—and it can be put together a little more “on the fly” than marketing automation can. Further, traditional e-mail marketing requires far less time up-front for set-up.

Yet traditional e-mail marketing doesn't give you [the same depth of data](#) as marketing automation—and it doesn't give you anywhere near the same results.

## How Businesses Use Marketing Automation

Business-to-business (B2B) and business-to-consumer (B2C) brands successfully use marketing automation, but they use it in very different ways.

For B2B-focused efforts, marketing automation often centers on lead generation and customer engagement by automating prospect interactions to better manage the customer-acquisition process. A B2B-focused brand would use marketing-automation tools like CRM integration, lead scoring, and e-mail marketing.

On the B2C side, marketing automation uses e-mail and social marketing, loyalty programs, and in-store data capture to build the brand, inculcate brand loyalty, encourage referrals and buzz, and develop relationships with consumers.

In B2B and B2C cases, marketing automation results in increased revenue, but the way to this end goal is specific and tailored to the way the brand's sales work.

Here are a few examples of companies successfully using marketing automation:

- **Microsoft:** Microsoft started using marketing automation in 2013 to sell its software to a consumer audience. Marketing automation helped the company build detailed customer segments, enabling more personalized communications.
- **Amazon:** Amazon is genius at marketing automation. It uses a number of automations to increase the amount of money people spend on its site, including sending product surveys that gauge customer satisfaction while adding user-generated content to the site, suggesting additional products based on user behavior, and providing updates on products customers have searched for or purchased in the past.
- **Siemens:** Siemens's PLM Software used marketing automation to streamline how it sent its content, which included case studies, analyst commentary, and product information, to its target audiences of large enterprise prospects as well as small and mid-sized companies. As the company used to do everything manually, including

responses, marketing automation made it much more efficient—which made a global campaign possible.

- **Skyline at Skybay:** Skyline at Skybay, a trade show and events company, employed a marketing automation system when it launched a new blog, landing pages, and enhanced SEO. The automation led to 158 percent increase in lead generation and a 726 percent increase in organic traffic.
- **The Hope Line:** To increase awareness among teens, The Hope Line, a faith-based nonprofit, saw a 119 percent increase in social media reach in the first 9 months and a 71 percent increase in website traffic in the first 6 months after deploying marketing automation.

### When You Don't Need Marketing Automation

Marketing automation allows businesses to create a standardized process to distribute their digital marketing. Typically, this includes e-mail, social media, content marketing, and the rest of the digital marketing tactical mix. Marketing automation gives businesses a system through which they can send potential and existing customers materials based on their wants, needs, and behaviors.

Marketing automation has become a prominent way for businesses of all kinds to enhance their lead generation, sales, and communication with their audiences. It can strongly support certain marketing strategies.

Of course, nothing is right for everyone.

If you have a small potential customer base, investing in marketing automation—the cost of the system and the time needed to maintain it and feed it new content—likely doesn't make sense. After all, your sales team may be able to reach out to your target client base on a personal basis regularly enough.

And speaking of the care-and-feeding aspects of marketing automation—they're extensive. If you can't handle the ongoing need for quality, useful content tailored to your audiences, including blog posts and articles, video, fresh and captivating imagery, examples and case

studies, infographics, and more, marketing automation doesn't fit your business reality—unless you bring in help. For more on that option, read the last section of this article or [contact FrogDog today for a free consultation.](#)

## Five Realities of Marketing Automation

### 1. No marketing strategy? No dice.

If you don't have [an overall marketing strategy](#) that tracks to your company's goals and indicates how each marketing effort ties into achieving those goals, you're wasting valuable time and money.

Marketing automation will never be worth the often extensive investment it requires if you have no overarching plan or program within which it will operate. Don't spend a bunch of time and money on a system and then decide how it fits into your strategy. Bad move.

### 2. Don't forget the warm fuzzies.

People like interacting with people. A machine can't do all the work, or eventually people lose interest. You need to ensure that [your sales and marketing teams are working together](#) to make human touch part of their sales and marketing processes.

In addition, no one person is exactly like any other one person. Marketing automation segments people according to their corporate functions and their seeming interest in one or another product or service. Yet, for example, all CFOs are not the same, and their interest in any given service may not be the same. Relying too heavily on assumptions or past experience can at best create prospect disinterest and at worst frustration.

### **3. “Set it and forget it?” Forget it.**

Remember infomercial icon Ron Popeil, of Ronco, whose commercials lauded how easy his kitchen inventions were to use? After demonstrating his rotisserie oven, for example, he'd exclaim, “You can just set it and forget it!” (Don't know what we're talking about? [Click here.](#))

Well, marketing automation is no Ronco kitchen appliance. You cannot just set it and forget it. Instead, you need to continually evaluate the marketing and sales processes around it and the content within it and continually make adjustments. This requires strategic marketing skills and the expertise to know how to make the right adjustments to the marketing automation process in response to the marketing metrics the system provides.

### **4. It doesn't stand alone.**

Ah, the quest for the silver bullet: The one marketing activity that eliminates the need for all others and generates heretofore unseen revenue.

It doesn't exist.

Marketing automation is fantastic, but it doesn't stand alone. Companies need to make it part of their ongoing, coordinated marketing efforts for it to truly succeed. The bright side? Marketing efforts that work together in a coordinated fashion generate far higher returns than any one tactic standing alone.

### **5. You need to feed the machine.**

Marketing automation requires [high-value content](#) that drives people to your Web site or encourages them to sign up for a webinar or in-person meeting. And that's typically just for the first touch. Subsequent messages to the contact require additional content tailored to his or her specific interest. Unless you have a lot of content that you can provide—or the ability to generate content—marketing automation won't give you the results you seek.



The term “marketing automation” brings to mind a sci-fi world in which most tasks are done by machines. It conjures a magical vision of buying software and systems that can simply take over the marketing and sales work for you.

Not so fast. Just as some prognosticators were sure that paper would be extinct long before now, this is a myth. Marketing automation is a valuable tool, but it doesn’t eliminate the need for marketing strategy and management by [humans with definite expertise.](#)

## SO... WHICH E-MAIL TECHNOLOGY DO I NEED?

Do you need platforms for e-mail marketing, marketing automation, and customer relationship management? Should you get one platform that covers all three? (They do exist.) Do you even need all three functions, regardless of how many platforms they require?

Some companies just need a CRM. Some need only e-mail marketing. Some need a CRM and e-mail marketing. Some need the trifecta: CRM, e-mail marketing, and marketing automation.

We wish we had one simple answer for you. Whether you need traditional e-mail marketing alone or need to add in marketing automation as well depends on your [marketing strategy](#), marketing [tactical mix](#), and [goals](#). (And if you know FrogDog, you've heard this mantra before.)

Want help? [Contact FrogDog today for a free consultation](#). We can help you set your goals, outline the strategy and plan to achieve them, and get the work done on your behalf.