

**Informative Marketing™ --
Equal Parts Technology, Publishing & Customer Respect**



the more you use it, the smarter you get.

Informative Marketing: Equal Parts Technology, Publishing & Customer Respect

Informative Marketing™ began as an opportunity to be met. In 2002, marketers were still struggling to leverage the digital environment as a marcom medium. Most viewed online marketing as a cheap alternative to direct mail. Customers, on the other hand, viewed emails and banners as unwelcome intrusions into their new personal space: the Internet. It's the combination of frustrated marketers and annoyed customers that left expectations unfulfilled and in doing so gave birth to the real opportunity – creating online communications that people actually wanted and that companies could rely on to build stronger, more fruitful customer relationships.

In the beginning

The first decision that led to the creation of Informative Marketing and its unique e-newsletter and microsite platform began as an observation. Customers behave differently online than in other communications environments. In addition to seeing it as an extension of their personal space, they're typically on a quest for information. Unless you're a 14-year-old IM'ing with your pals, and we assume most people reading this paper are not, users are online to do something or to find something out. This mission-oriented behavior is what caused the creators of Informative Marketing to realize that to be seen and eventually trusted by customers online meant that the content had to be informational, useful and above all, respectful of their time and intelligence. As a result, Informative Marketing takes a publishing, not a marketing approach, to content.

That's the reason why an e-newsletter is the foundation of every Informative Marketing program. IMN knew e-newsletters were the kind of vehicle that would garner a following online. Providing the content was well targeted and not an ad or brochure in disguise.

A Dialogue of Equals

Don't let the simple form of an e-newsletter fool you. Underneath the hood is a powerful set of tools and analytics that reinvent e-marketing into a whole new approach and in doing so, finally deliver what both customers and marketers have been waiting for (and promised) since the early days of the Internet. Meaningful, mutually beneficial exchanges between companies and customers, both B2B and B2C.

This is where Informative Marketing takes a hard left-hand turn from conventional newsletters. This is where the Marketing part of Informative Marketing comes in. It is not a one-way delivery channel of good information but the first true, two-way dialogue-building platform. Not only do customers get wanted and expected information, back-end analytics enable them to show marketers what they care about, what they don't care about and, in both cases, the reasons why.

The e-newsletter becomes a shared platform that, with each issue, lets both customers and companies learn more and more about each other. This in turn serves as the foundation for strong, long-lasting relationships between the two. Along the way, there are several more marketing benefits that prove that the return on respecting customers' online is measurable in more ways than one.

How it works

Time for a little more detail. Informative Marketing uses e-newsletters and companion micro-sites – delivered via email – to provide customers and prospects with information and messaging that they want and ask for. The e-newsletter hosts content and messaging while the microsite acts as a feedback collection point that shows marketers which articles the customer reads, spends the most time with, goes back to and even shares with colleagues or friends.

By studying patterns in readership, marketers can then prioritize the content for the next e-newsletter accordingly and version e-newsletters to support the different interests of different customers. As each new issue is created and distributed, the learning becomes richer and more useful. But providing customers with welcome information only scratches the surface of Informative Marketing's business benefits.

Built in research and analytics

This is where things really start getting interesting. Not only does Informative Marketing tell companies what their customers are interested in, it can provide a wealth of research that goes above and beyond content views.

For example, a survey tool can embed a poll in an e-newsletter that lets companies test the viability of a new product. A tracking mechanism can tell where in an e-newsletter viewers are most likely to click through to a transaction page and make a purchase. Trend analytics provide insight into which products or services are getting tired or which should be developed. List building, through pass-along and referrals, doesn't just become more accurate, it becomes automatic. Say goodbye to those third party vendors and their "If you throw enough you-know-what at a blanket something will stick" (a.k.a. spamming) approach. Bounce-management and delivery reports, two examples of Informative Marketing reporting metrics, enable marketers to continuously refine lists into the marketing equivalent of digital gold.

What began as an e-newsletter suddenly becomes a dynamic, multi-purpose tool that supplies the kind of customer-direct feedback that can impact both sales and marketing at virtually every step of the awareness-to-purchase process.

Case Study: PartyLite

Reviewing a case study makes it easier to visualize an IMN Informative Marketing program and how it can build and maintain customer-relationships. PartyLite® was chosen for its use of Informative Marketing to address a large and complicated challenge: How to make each customer feel like she is receiving a personalized e-newsletter sent by her own PartyLite representative.

PartyLite is the largest direct seller of candles and home accessories in North America, and has offices around the world. Since 1973, the company has fanned the flames of its success by developing highly personalized customer relationships. Consumers purchase PartyLite products at home parties, and stay in touch with the company through local consultants. In North America alone, PartyLite has approximately 40,000 consultants—including 33,000 in the U.S.

Extranet Data Kindles an Opportunity

About three years ago, PartyLite U.S. embraced a new opportunity to extend its direct selling model. The company established an extranet to enter customer orders. This provided a rich and untapped repository of customer data.

“We wanted to give our consultants fresh opportunities to stay in touch with their customers,” said Peggi Peaslee, manager, extranet services at PartyLite. The next logical step was to make customer e-newsletters available for their use.

Working with IMN, PartyLite launched its e-newsletter, Candle Connection—eventually offering the marketing resource to 3,000 consultants, who have been mailing 30,000-40,000 issues each month. In the fall of 2003, all 40,000 U.S. and Canadian consultants will have access to the e-newsletter that they can use to build relationships.

Though the newsletters are produced at and sent from PartyLite’s Plymouth, MA office, each appears to come from an individual consultant, and goes to her “exclusive” customers. PartyLite inserts all custom fields—including consultants’ names, phone

numbers, and e-mail addresses—in the body copy. The result? PartyLite maintains its strategy of branding its company through its personal representatives.

Candle Connection conveys images of beauty, warmth and family living through its elegant design and engaging photos—drawing customers further into the content. Each issue contains 6-8 articles on hostess specials (rewards for hosting PartyLite events), entertainment and decorating tips, guest specials (purchasing incentives), and other timely messages.

Customers genuinely look forward to receiving the newsletters, according to Peaslee, and many read them instantly. Each achieves a 60-plus percent open rate, and nearly 100% of those who open an issue continue to click through to read the sales consultants specials. About 85-90% click to the entertainment and decorating tips and information on guest specials, and approximately 70-80% read other “timely messages”. Fewer than 1% opt out each month.

Integrating with Sales and Marketing

Using IMN’s Informative Marketing data analysis capabilities, PartyLite and its consultants adapt their communications, marketing and sales strategies. In addition to monitoring open rates and click-throughs, PartyLite can study page views, delivery rates, and navigation patterns according to several variables (by day of the week, week of the month, issue date, article content, etc.) This gives them a wealth of decision-making information as they tweak e-marketing and sales strategies.

“For instance, we have learned to send newsletters close to the weekend, when our customers have more time to read them,” said Peaslee. “That’s when they will open them almost instantly. We also e-mail them toward the end of the month now after feedback analytics told us that that’s when incentives for customers to become consultants seem to be most effective.”

Consultants often study the data before making follow-up customer calls. “Cold calls are tough for many consultants, but IMN and Informative Marketing make calling more natural,” Peaslee said. For instance, if a consultant knows that a customer has read an article on guest specials, there is a good chance that she’ll welcome a related call to attend a party.

Soon, PartyLite expects to delve further into IMN Informative Marketing reporting tools to fine tune results—adapting layouts according to readership behaviors. The company also plans to use customer segmentation features to expand its regional outreach. Recently, individual consultants from one state e-mailed 4,000 e-newsletters announcing a special meeting for prospective consultants. The invitation resulted in a gathering of 100 prospects—further expanding sales opportunities.

PartyLite has always had a fervor for success, and the emergence of electronic communications has caused it to burn brighter than ever. Thanks to IMN’s Informative Marketing strategy, the company is forging ahead—lighting the path for deeper customer relationships.

Two Basic Tenets for Success

As you can see, PartyLite takes full advantage of Informative Marketing’s functionality and toolset. However, the ongoing success of this program and others starts with the sending company’s ability to stick to two critical tenets:

- Proof of Relationship
- Content Integrity

Proof of Relationship concerns subscriber development. It will always be a key practice for strong customer relationship-building but it’s particularly important right now, given the current concerns about spam.

In simple terms, Proof of Relationship means there has been some form of previous connection between the recipient and the sending company.

It could be a business card collected at a convention, an email address provided in an online questionnaire, or one gathered when a customer made an offline or online purchase. Every prospect or customer on every Informative Marketing list should pass a Proof of Relationship test in order to be included and avoid spamming. Taking these measures ensures that any and all recipients of Informative Marketing will be familiar with the sender and therefore welcome the e-newsletters.

Content Integrity is the second critical practice for it ensures that the type of articles and messages included in the e-newsletter are useful, meaningful and wanted by subscribers. The real discussion point here is customer trust and how to keep it. Nothing will betray that trust faster than sending out content that is irrelevant and transparently self-serving. This is a form of spam, even though it's unintended.

Maintaining Content Integrity is a matter of establishing, and never wavering from, certain content guidelines. For starters, content needs to be sliced and diced according to what specific audience groups are interested in (as reported by Informative Marketing's tracking and analysis tools.) Next, the ratio of information to promotion (offers and specials) in every e-newsletter should be 80/20. This keeps it from becoming a large ad. All content should be written in an explanatory voice (like a newspaper article) and should never be "hard-sell" in tone.

Maintaining Content Integrity is not always easy for marketing directors who want to go directly to the pitch. Keeping people's natural decision process – awareness, interest, desire, purchase – in mind will keep priorities straight.

Not a moment too soon

Informative Marketing comes at a time when marketers are looking for new and more effective alternatives to conventional practices that haven't worked online. Basic business benefits: increased ROI, longer-lasting client relationships, rich learning and simple implementation make for a powerful combination of Reasons to Consider. But these are commonly used buzz words and phrases. What makes them exponentially more meaningful is that Informative Marketing delivers them all across the board because it does the one thing better than anyone else: Giving customers what they need, and want.

IMN has pioneered Informative Marketing, an approach that is based on the continuous measurement of responses to content and offers for an improved return on investment (ROI). The company's e-marketing services include e-newsletters, e-marketing campaigns and e-mailed blogs. IMN is based in Waltham, MA. More information can be found at www.IMNINC.com or by calling 781-890-4700.

Journalists who would like more information should contact Dawn Ringel, Warner Communications, at 781-449-8456 or dawn@warnerpr.com.

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