

# **Excerpt from Everything You Wanted To Know About Opt-In Email Lists**

## **Overview**

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**Background** Opt-in email lists play a huge role in the effectiveness of email marketing campaigns – whether these campaigns are conducted in-house or outsourced to a service bureau.

According to XXX Research, an estimated 250 billion emails will be outsourced (sent by means of a service bureau) by the year 2002 .....

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**Objectives** The objective of this report is to provide information about opt-in lists:

- What is an opt-in list?
  - How/why do people join them?
  - Who buys them and how do they use them?
  - How effective are they/incentives for response?
  - Who supplies them?
  - How are they categorized/what types of lists exist?
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## **What's in a List?**

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**Definition of Opt-In Email Lists** Opt-in email lists are databases of individuals or businesses that have stated their interest in receiving information on topics of their choice. Opt-in email lists can also be described as databases used in one-to-one permission marketing campaigns. Opt-in email lists facilitate “e-messaging”, a personalized sales and service channel for interacting with large numbers of customers.

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**Information in an Opt-in Email List** At a minimum, opt-in lists contain an individual's name and email address. More sophisticated lists can include much more information, such as: individual customer likes and dislikes, detailed demographics, lifestyle interests, buying habits, etc. Most companies guarantee that their lists are “de-duped”.

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**Types of Lists** Outbound emails can be sent via two types of mailing lists: scheduled and dynamic....

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## Uses of Opt-In Email Lists

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**Who Uses Them?** Companies in a wide variety of industries use these lists. Many organizations with the requirement to send high volume communications and/or regular communications tend to use opt-in lists.....

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**Typical Uses of Opt-in Lists** Opt-in email lists provide organizations with a new alternative to:

- Drive online sales
- Reduce sales cycles
- Increase response rates
- Build brand awareness
- Communicate with customers
- Analyze real-time demographics
- Improve customer loyalty

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**What Types of Communications are Sent?** A wide variety of communications can be sent with opt-in email lists:

- Surveys
- Newsletters
- Product and service offerings.....

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## Response to Opt-in Email Campaigns

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**Response Effectiveness** Research conducted by XXX Research indicates that opt-in email may produce response rates of 10 – 15%.

XXX Research also cites that, in comparison, traditional direct mail may produce response rates of 1 – 2 % and email banner advertising produces response rates of 0.5% to 1%.

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**Incentives Used to Motivate Response** Most campaigns motivate recipients to respond by way of financial incentives and special offers. Here are some examples....

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## Comparison with Other Marketing Methods

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**Advantages and Benefits of Opt-in** Some advantages and benefits over traditional direct marketing and other types of interactive marketing are:

- Promote a “responsible online marketer” image
- Target mailings to specific subscribers who are "most likely to buy"...

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**Direct (Postal) Mail vs. Opt-in** Direct mail can take weeks or months to achieve and measure results. It costs more, takes longer, and can only be sent and received at certain times and limited number of days. With email, you write it, send it and analyze results immediately on a secure web site.....

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**Spam vs. Opt-in** Spam or bulk email is an inexpensive way to advertise a product or service, and it's possible to reach millions within hours. However, Spam mailings return very low response rates compared to direct email marketing in which all subscribers are opt-in.....

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**Search Engines vs. Opt-in** Search engines are the number one way to market a site, but opt-in email is closing in. A study done in July '98 by XXX showing what marketing methods were the most popular revealed search engines at 3.35 and opt-in at 3.34 on a 1 - 5 scale, (with 1 being the lowest 5 being the highest).

An effective search engine strategy is ....

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**Banner Campaigns vs. Opt-in** Banner campaigns are like billboards – because they have been around so long many people tend to ignore their existence. Banner advertising is also very expensive compared to opt-in email....

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