

EMAIL MARKETING: A COST-EFFECTIVE MARKETING METHOD**C.E. Khedkar and A.E. Khedkar**Dr D Y Patil School of Management, Lohegaon, Pune, MS, India
chetankhedkar22@gmail.com**ABSTRACT**

Email marketing is one of the most powerful tools of direct marketing. It establishes one-to-one communication between the business and its potential or existing customers. Email marketing becomes very relevant as there are roughly 4 bn email users and most of them check their emails at least once a day. Email marketing can be a promotional campaign for a new product or an informational email which provides updates on the brands. Email marketing helps businesses with conversions, improved brand awareness and increased brand loyalty. Accessibility of emails and affordability are the two key drivers for use of email marketing. It is one of the most profitable marketing channels and contributes significantly to the return on investments.

Keywords: Email marketing, subscribers, direct marketing, campaigns, promotion

Introduction

Email marketing is sending a commercial email message to 'email subscribers' — contacts who have joined to the email list and allowed permission to receive email communications. Email marketing is utilized to inform, drive sales, and build a community around the brand (for example with a bulletin). Present day email marketing has moved away from one-size-fits-all mass mailings and instead centers around consent, segmentation, and personalization (Sendinblue.com, 2020).

Types of marketing emails

- 1) Promotional emails: Email marketing campaigns are utilized to promote, regardless of whether it's to promote a special offer, new product release, a digital book, or a webinar. A campaign could consist of 3 – 10 emails sent more than several days or weeks.
- 2) Newsletters: A newsletter, as the name recommends, share news related to the business (new milestones reached, new product capabilities) or to feature a product use case. Sent according to a set timetable (weekly, fortnightly, monthly), newsletters help maintain a consistent connection with the subscribers.
- 3) Announcements: This type of the email is the perfect way to tell customers regarding company announcements, new releases, changes to the service, etc.

Literature Review

There is ample research on the topic of email marketing. Below are a few abstracts: Zhang et al. (2017) have posited that, in spite of the fact that email marketing is exceptionally profitable and generally utilized by advertisers, it has gotten restricted consideration in the marketing literature. The research has zeroed in on either customers' email reactions or the "average" effect of emails on purchases. In this article, the writers use information from a U.S. home improvement retailer to consider customers' email open and buy practices by utilizing a unified hidden Markov and Copula framework. As opposed to tried and true way of thinking, the authors find that email active customers are not really active in purchases, and the other way around. Besides, the number of emails sent by the retailer nonlinearly affects both the retailer's short-and long-haul profitability. Through a counterfactual report, the authors give a decision support system to control retailers in settling on optimal email contact decisions. This investigation shows that sending the right number of emails is fundamental for long haul profitability. According to Jeshurun (2018), email Marketing stays quite possibly the best approaches to advertise on the Internet! In any case, as the use of this technique is expanding, it is turning out to be progressively hard to dispatch a fruitful email campaign. Today there are numerous guidelines that structure different boundaries on this type of marketing. Direct

Email Marketing is the fastest choice for deals. Email is so adaptable and moderately simple to put together, as long as your database is in good shape. This is the fastest media to create new business avenues and push the sale. An investigation has been led utilizing Descriptive examination. The example configuration utilized in this overview is "Simple random sampling" with an example size of 200 respondents.

Hartemo (2016) has argued that, the reason for this paper is to explain why, when and how email marketing can be utilized to empower consumers and to give thoughts for future scholarly research. Systematic literature review considers 41 email marketing and 54 consumer empowerment articles distributed in assortment of academic journals somewhere in the range of 1998 and 2014. Email permits an active, interactive and personalized communication satisfying the inclinations of an empowered consumer. Email marketing can be utilized to empower consumers by sending messages dependent on permission, by making consumers active participants in the communication process and by making emails applicable for the beneficiaries. However, current email marketing methodologies should be refreshed to get the greatest advantage out of the channel.

Sahni et al. (2018), have opined that, in collaboration with three organizations selling a diverse set of products, we directed randomized field experiments in which experimentally tailored email ads were sent to millions of individuals. We discovered reliably that personalizing the emails by adding consumer specific information (e.g., recipient's name) profited the advertisers. In our primary examination, we found that adding the name of the message recipient to the email's title expanded the probability of the recipient opening it by 20% (from 9.05% to 10.80%), which meant an increment in sales leads by 31% (from 0.39% to 0.51%) and a decrease in the quantity of individuals unsubscribing from the email campaign by 17% (from 1.2% to 1.0%).

According to Bawm and Nath (2014), email marketing is broadcasting commercial messages to a gathering of individuals utilizing email. Right now, email marketing is

consistently conveying generally exceptional return on investment (ROI) in a marketing field. However, collecting subscriber information and sending the email only to interested consumers is a significant research issue in email marketing. This paper presents a conceptual model for an effective email marketing framework clustering and segmenting subscribers dependent on their activity all through a marketing campaign. The model consists of two fundamental components: Collecting subscriber activity data and Clustering and Segmenting subscribers. We played out a marketing test dependent on our model and examined subscriber activity data. Utilizing our model, the general presentation of subscriber activity was improved subsequent to conveying email campaigns to segmented groups of subscribers dependent on their individual interest.

Singh et al. (2019), Munz (2020), Winter et al. (2021) and Nobile and Kalbaska (2020), have advocated personalization to improve effectiveness of email campaigns.

Relevance of email marketing

The importance of the email marketing can be understood from the following facts.

- 1) There were 3.9 bn email users in 2019.
- 2) 80% of the Americans check their emails at least once a day.
- 3) More than 80% marketing professional believe that email marketing increases customer retention.

Benefits of email marketing

1. Conversions

When launching a sale or promotion, organizations can send an email marketing campaign to subscribers to drive sales. Other email marketing procedures known to increase conversion rates include: a) Emailing a discount or special offer (birthday/anniversary emails, welcome emails, re-engagement emails) and b) Abandoned cart emails (set off whenever a visitor abandons a cart at online store).

2. Brand awareness:

Great aspect about emails is that it reaches someone directly. It's one-to-one communication at its best. Moreover, individuals don't simply give anyone access to

their inbox nowadays. It's a curated space reserved for favorite brands and publications.

Showing up in someone's email inbox will help the brand stay top of psyche. A personalized marketing email is more impactful than a social media post where one can't be certain if someone has actually seen the marketing message.

One of the major advantages of email marketing is its scalability. This means that emails can be shipped off a large number of recipients for a relatively minimal expense (compared to other marketing channels).

3. Customer loyalty:

Email drives customer loyalty at each stage of the purchaser venture: lead nurturing, conversion, onboarding, retention.

Importance of email marketing

1) Accessibility: Email is accessible to all age groups. It makes the way for a wide range of audiences — even the least digitally savvy. Not everyone is that comfortable utilizing the internet. However, the vast majority do realize how to browse their email. This makes it the most mainstream form of marketing.

2) Affordability: Email marketing is amazingly savvy. Most email marketing tools and techniques offer a pricing package that is suitable for all budgets. Many email tools offer free plans with no commitment. These are best suited for first time email marketers who want

to get the feel of the software before purchasing.

Conclusion

Email marketing is a type of direct marketing where businesses send one-to-one messages to email subscribers. There are two main types of email marketing. One, it can pertain to promotional campaign or can be informational such as a newsletter. Promotional campaigns typically promote new product launches and informational campaigns help maintain constant touch with the customers. There are several reasons why email marketing is the preferred choice of marketing campaigns. World over there are almost 4 bn email users and a majority of them check their emails at least once a day. This provides a lot of accessible potential customers which can be targeted by the email campaigns. Email marketing offers several benefits such as sales conversions, increase brand awareness and improve brand loyalty. To achieve sales conversion, emails can offer discount or special offer and target special occasions such as birthdays. One of the major aspects, why email marketing is useful is scalability. The emails can be sent to a large number of recipients with a minimal cost. Ease of accessibility and affordability are thus the key drivers of email marketing. Email marketing is one of the most profitable direct marketing channels and enjoys significantly higher return on investments.

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