

Incentivised email lists: common myths exposed

MYTHS

Myth 1

Incentivised campaigns are more expensive because the consumer also needs to be paid their incentive.

MYTH

It's true that part of your advertising dollar is going directly to the consumer when you run an incentivised campaign. But the issue you need to consider is this... without the incentive, the cost to reach those same consumers would be much higher.

You see, banner blindness and the proliferation of spam email has resulted in an online advertising attention deficit... many internet users are now "anti-advertising".

They actively ignore anything they see online that appears to be an advertisement, whether it be on a web site, or in an email. There are hundreds of ads, too much interruption, and users are starting to find it annoying.

At the same time, it is becoming much harder to reach some tech-savvy internet users via traditional media. Sometimes the only way to reach them would be via online methods, and to grab their attention via interruption advertising is becoming much more difficult.

We need to think of incentives in a different light. Incentives are a cost-effective way to reach those hard-to-reach online consumers, in the shortest period of time.

Think of incentives as an "attention catalyst". Consumers rarely go online to seek out advertising, unless there is some kind of catalyst. You need a catalyst to get a consumer's attention, and the traditional model of interruption advertising is becoming less and less effective in the online space. Incentivised advertising is the answer.

Myth 2

Consumers on an incentivised email list only read the ads because of the significant financial benefit.

MYTH

The incentive is all about breaking their anti-advertising mindset, it's about respecting their time and attention. The incentive is never meant to be a true financial benefit.

RewardsCentral gives consumers 5 points for reading an email, which equates to 5 cents. On average, most RewardsCentral members are receiving less than 15 incentivised emails per month. So you can hardly claim that 75 cents for reading 15 advertising emails in one month is a significant financial benefit.

Many RewardsCentral members love receiving the incentivised emails, not just because of the rewards they can earn, but because it's also a great way to stay up-to-date on the very latest products, services, and promotions. Additionally, the emails that members receive from RewardsCentral are tailored to their profile and interests. The small financial incentive they receive is more about showing respect for their time and attention.

If recipients were receiving \$2 for a simple click, then that would be a valid argument supporting the theory that consumers only click because of the financial benefit. But if we are only talking about 5 cents, then what's the real incentive for consumers to click?

Myth 3

Click-throughs on an incentivised email campaign are not real click-throughs. The recipients are only clicking to get reward points.

MYTH

The small incentive offered is only there to guarantee the advertiser 10 to 30 seconds of the consumer's precious time and attention.

The real deciding factor when it comes to the effectiveness of your campaign is your offer. If your offer is attractive, it's very simple, consumers will take up the offer, regardless of the incentives.

RewardsCentral has countless cases where advertisers have enjoyed exceptionally good results, and in each case, the offer is good, the creative is well designed, and the landing page is effective at converting visitors into leads or sales.

Yes, we do also have cases where an email advertising campaign has yielded unsatisfactory results, and in those cases it is easy to identify that the offer, the email creative, or the landing page is deficient.

Our job is to give you, the advertiser, a short span of undivided attention from our members. It is your job as the advertiser to take that attention and convert it into a lead or sale with good marketing.

With incentivised campaigns, we can help you get the attention of a large group of consumers, in a cost-effective manner, and in a very short period of time.

Myth 4

RewardsCentral users are not real consumers, they are not actually spending or buying online.

MYTH

If you visit the RewardsCentral web site, you will see just how much the program is centered on consumers buying online. Members cannot earn a decent amount of rewards unless they make purchases through the RewardsCentral online shopping section.

Millions of dollars in online transactions are initiated by members from the RewardsCentral web site each and every month. RewardsCentral is in fact one the largest and most active databases of true online shoppers in Australia.

The RewardsCentral database is made up of a huge cross-section of Australians. And those consumers know and trust the RewardsCentral brand. We can help you to engage those consumers.

Myth 5

RewardsCentral does not have any quality users.

MYTH

This is simply not true. Here's a recent case study for you to consider. In early March 2009, an online auction house devoted to used construction and earth moving equipment used RewardsCentral for an incentivised permission email campaign. The client attributed over \$2 million in sales to the email campaign, and all within 3 days. The client stated that the incentivised email was their best ever marketing campaign.

Consider also the size and breadth of the RewardsCentral database. As well as recruiting online, RewardsCentral recruits consumers from offline channels such as television, radio, and print media. Compare this to other email list providers that are only recruiting online.

Additionally, RewardsCentral has a program in place to attract real business owners, marketing executives and company managers as members, creating an opportunity for those advertisers seeking to conduct a Business to Business campaign. See the Corporate Advertising redemption option at

<http://www.permissioncorp.com/services/corporaterewards.asp>

Myth 6

There are several email list providers in Australia, and some are not incentivised. Any email list can deliver the same results.

MYTH

RewardsCentral's focus is not just email marketing. RewardsCentral employs close to 50 full time staff in Sydney, nearly half of whom are technical staff. RewardsCentral focuses on technology and the consumer experience.

With our focus on technology and the consumer experience, the RewardsCentral web site has become a diverse and varied online community and rewards platform that attracts a similarly diverse and varied range of members. Go ahead and visit the RewardsCentral web site and compare to other email list providers.

At the same time, RewardsCentral is committed to growing the database and always bringing in fresh consumers. To this end, RewardsCentral has spent over AU\$10 million in marketing dollars to build the consumer database.

So the biggest advantage for you when you choose RewardsCentral is the reach. Advertisers choose email marketing because of its incredible reach with minimal turn-around time. RewardsCentral can offer the largest reach compared to any other email list.

Myth 7

Search engine advertising is much more effective and important than email advertising.

MYTH

Email advertising and search engine advertising are two very different forms of advertising. Each has a different objective, and you need to understand this difference.

Search engine advertising is important, and we agree that it must be a part of your marketing mix. However, it's important for you to understand that search engine advertising is a passive, defensive form of advertising. You are paying money to acquire consumers that are already looking to buy. Search engine advertising has a good return on investment (ROI), and lower risk. However the down side to search engine advertising is the low volume; you simply won't be able to get a large volume of leads or sales in a short period of time.

Email advertising is an active, offensive form of advertising. You need to go on the attack get the attention of those consumers that aren't searching for you, that don't even know they need your product or service. Of course, it's harder to convert consumers who haven't already made the decision to buy. It's harder to convince consumers they need your new product or service.

The upside though is that you can go on the offensive to a large volume of consumers in the shortest period of time. If you are able to give those consumers a good reason to buy your product or service by making a good offer, then email advertising has the potential to generate a much better ROI than search engine advertising.

Also, email advertising can serve to develop brand awareness and equity in the market, which drives ongoing revenues and success.

The bottom line is that if you need a larger reach in a short period of time, you must take on board a higher risk. Incentivised permission email is a suitable product for you.

However if you can afford to wait, if you are happy with a steady, slow volume of sales, and if you prefer less risk, then search engine advertising is an ideal choice.



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