



## How to Measure e-Newsletter Results

There are definitive methods for tracking and measuring an e-newsletter's direct impact on the bottom line. All you need to do is:

- Establish your benchmark metrics
- Put the appropriate tracking mechanisms for measuring them in place
- Review and fine-tune to maximize your e-newsletter's value

Two benchmark metrics that go above and beyond basic delivery and open rates and help you determine your e-newsletter's success are lifetime customer ROI and the effectiveness of your e-newsletter in driving traffic to your website.

The first is an efficiency measurement demonstrating the cost of maintaining an ongoing customer relationship. The second lets you map your e-newsletter more directly to sales via your website.

### *Lifetime Customer ROI*

A recent analysis conducted by IBM specifically for the automotive industry, pegs individual lifetime customer value at well over \$100,000, and lifetime value per household at over \$300,000. This includes new vehicle sales to spouses and children as well as attendant service and aftermarket sales.

Make sure your e-newsletter content is fresh, relevant and meaningful. Go heavy on lifestyle content and light on the heavy sell. Deliver information on those topics that drive incremental sales (such as sales to other family members and service) but do it in an editorial versus a promotional way. For example, consider a lifestyle article on surviving a teenager's first six months behind the wheel or tips on how to winterize a vehicle for different driving conditions. The first pre-disposes the reader to buying their teen's first car from you; the second encourages a visit to your service bays.

Determine the value of your e-newsletters according to which articles and regular content sections recipients read. Content-tracking tools will help you continuously

fine-tune and tailor your subject matter so that you can deliver the kind of information customers want and value. That will keep your readership numbers high, stave off attrition and build loyalty in between vehicle purchases.

### *Mapping e-Newsletters to Website Activity*

Use an e-newsletter to drive both new buyer and repeat buyer traffic to your website. How do you know if an e-newsletter is driving website traffic?

An embedded link in your e-newsletter enables a reader to click directly through to your website. Be sure it's displayed in the same place on every page (the way the catalog companies display their 800#s). Then, install a tracking function that counts click-throughs from the e-newsletter to the website. Mapping the number of website visitors that came from your e-newsletter to the total number of site visitors will provide you with a percentage of web-fed sales driven by the e-newsletter.

The sophistication of your tracking will determine how granular, and ultimately how useful, the data will be. For example, some third-party e-newsletter service providers can show you on an article-by-article basis which content in your e-newsletter is compelling the most subscribers to click-through to your site. This can help you bring the content that is driving website traffic "above the fold" where it's more likely to be read by all recipients. E-newsletter services that offer high-levels of customized

content delivery can respond to individual subscribers with specific articles based on their previous reading behavior.

While you're measuring traffic to your website, don't overlook some basic ways to measure your e-newsletter's standalone effectiveness. Assign it a unique 800 number. Then when the phone bill comes, you'll know exactly how many readers responded to something they saw (an event or promotion) in the e-newsletter. And make sure there is a unique "respond by email" address such as e-newsletter@yourdealership.com so that you can separate direct inquiries from the e-newsletter from general website inquiries.

Whether you choose to measure your e-newsletter effectiveness in terms of driving down the cost of gaining lifetime customer value, or in terms of additional website traffic and sales, start by setting your own benchmark ROI. Then, as time goes on, you can start to deploy more sophisticated methods for getting more marketing value out of your e-newsletter investment. In fact, our third and last article in this series will show you how advanced, content-based tracking and reporting enables you to use an e-newsletter to surface "buy signals" and prioritize leads by determining where customers are in their vehicle-purchasing cycle.

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