

Quick guide to Email Segmentation

Benefits of Email Segmentation

1. Helps create stronger, more relevant email messages
2. Set a proper a mood, tone or expectation for a specific audience
3. Understand behaviors of different prospects or customers



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The advent of new digital marketing using e-mail has enabled marketers to maintain continuous quality dialogue with customers and prospects. Every forward-thinking company is using various innovative techniques to get the maximum mileage from the limited marketing budget. Among the various strategies used to narrow down targeting customers/prospects, is through segmentation of the customer database.

Email segmentation as core strategy lies in the identification of layers of buyers within a market sharing similar needs, customer behavior and buying strategy. The essential knowledge and identification of each customer from the universal database of the organization helps to reach them with quality offers.

Contrary to the general belief, email segmentation doesn't have to be complicated.

Major understanding of the customer should be as follows:

- What messages will be make them to react favorably to your product or service?
- Which all groups within your database are happy to get a discount offer, and how many will purchase when free shipping is offered?
- What portion of your target audience are 'early adopters', who need to be among the very first to hear about your new products?
- How often do they want to hear from you?



Recent survey (2007) from Internet Retailer shows the percentage of online retailers using segmentation in their customer database.

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Here are the popular divisions in which email segmentations are done:

By geography	By demography	By psychographics (divides market into groups based on)
City	Age	Lifestyle
State	Sex	Social class
Nation	Education	Personality traits
Distance from your store	Income level	
	Quantifiable customer characteristics	
By online behavior	By customer type	By purchase history
Customer's email use	Repeat buyer	Frequency of purchase
Past opens or click- through	Inactive	Recency of purchase
Web page visits and conversions	New customer	Monetary value
		Category of products/service purchased
		A customer's past experiences with your company.
		Recent action or an upcoming event such as a purchase or a subscription renewal

Finally, Segmentation is to be adopted keeping in mind your customers, your line of business and the available resources. In the end the efficacy of this exercise should be to acquire higher responses rates and maximum results to your email campaigns.