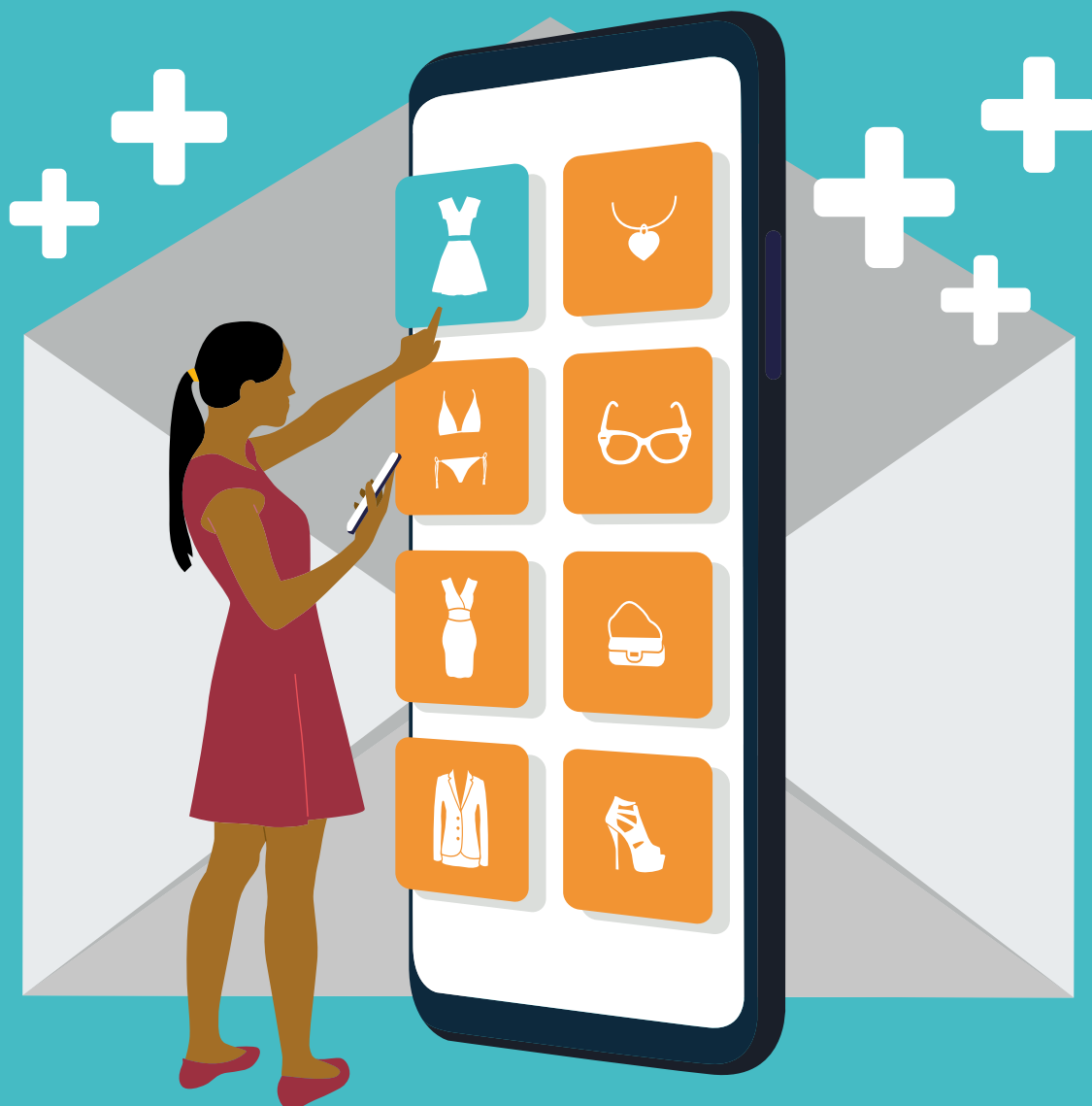# Monetizing your most-read emails

How to make your transactional emails convert

flowmailer

Every business needs transactional emails.

Whether you're in ecommerce, running a SaaS business, or even selling items in a brick-and-mortar store only.

Transactional emails help you run your business without having to print receipts, order confirmations, or reports.

But what if you could use these transactional emails to increase customer engagement, conversion, or even monetize content? Together with our friends at inboxAds, we wrote this whitepaper. Let's find out how to increase conversion with transactional emails.

Why you should care about transactional email conversion

Often, transactional email is "not my responsibility" or "done automatically by my CRM". Us marketers can make up all kinds of excuses to look away from transactional email. But in reality, we're just not yet seeing the opportunities that transactional emails have to offer.

So, when you're doing a lot of email marketing, but you've stopped caring or never cared about transactional emails, it's time to reconsider. To start off on the right foot, let's take a step back and explain what transactional emails are.

So, what are transactional emails?

There's no clear definition of the term "transactional email", but we've all seen them. These email messages have two types of triggers: 1) the recipient themself and 2) the connection that exists between the recipient and the brand. Some examples:

✔ **Order Updates**
including order confirmations, delivery confirmations, receipts, and many more examples of emails sent about an order/shipment.

✔ **Request Fulfillment**
Emails that are sent to fulfill a request. i.e.: Password resets, two-factor authentication emails, and activation codes.

✔ **Alerts and Notifications**
Used to notify customers or users about mentions, changes in an account (password change / suspicious login attempts), or changes to company's policies.

✔ **(Behavioral) Events**
  Whenever something unusual occurs, the best thing is to be prepared.
  For example notifying a customer when a purchased item turns out to be
  out of stock.
✔ **Reporting**
  Periodically sent email. Think of energy suppliers sending monthly emails about
  energy consumption, or software providers emailing about your yearly activity.
✔ **Referrals and Invitations**
  Somewhat on the edge between transactional and marketing email, invitations
  and referred emails can be considered a notification email.

Transactional emails are crucial to your customers and therefore have higher
impact then your email marketing efforts. To prove that point, we've collected
some statistics of how transactional emails perform.

The better performing underdog

Statistics about the effectiveness of email marketing and transactional email
vary per article you read, but they all agree on one point: Transactional emails
outperform marketing emails in every aspect.

The **e-Village Email Benchmark** (2020) gave us these percentages:
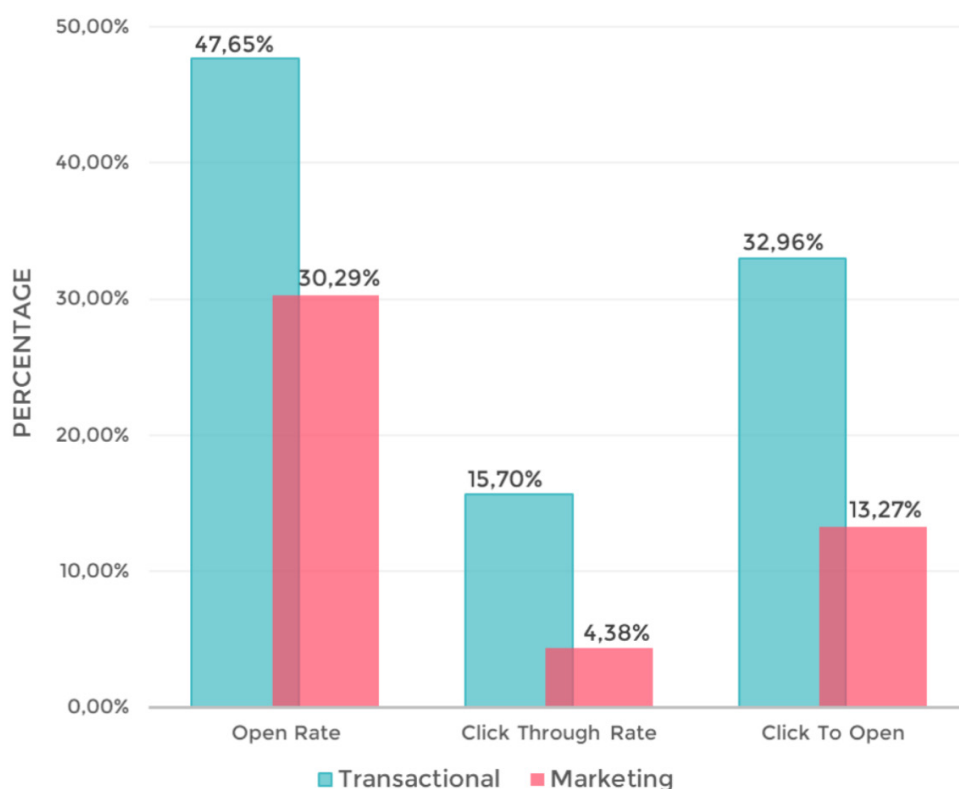
The graphic shows a significant difference between open rate, CTR, and CTO. Earlier studies report a way smaller difference, which indicates that marketers have found better ways to market their transactional emails.

The reason transactional email marketing often outperforms traditional email marketing goes beyond simple statistics. Let's dive into the four main advantages of transactional email.

The four biggest advantages of transactional email marketing

1. Customer is already engaged with your brand
People that are already engaged with your brand at the moment you send your email (i.e. right after an order) are more likely to read and click. Unlike marketing emails, transactional emails are often sent at the moment someone is already thinking of your brand.

2. You're not limited to "optimal sending times"
Where email marketing has a "proper sending time science", there's no rule that says "the perfect time to send an order confirmation at Tuesday 3:00 PM". Therefore, a transactional email has as much effect on Tuesday 3:00 PM as it has on Saturday 9:00 AM.

3. Packed with data & information
Transactional emails are often sent from platforms that have a lot of information about a particular recipient. This allows you to personalize emails based on information from various data platforms like CRMs, ERPs or DMPs.

4. Turn offline sales into online engagement
Every offline purchase, loyalty program, or delivery can be followed up with an email, every email can contain ways to increase customer engagement.

But not every transactional email can be used for marketing purposes. So, how can you decide what types of emails can and cannot have promotional messages? Let's find out.
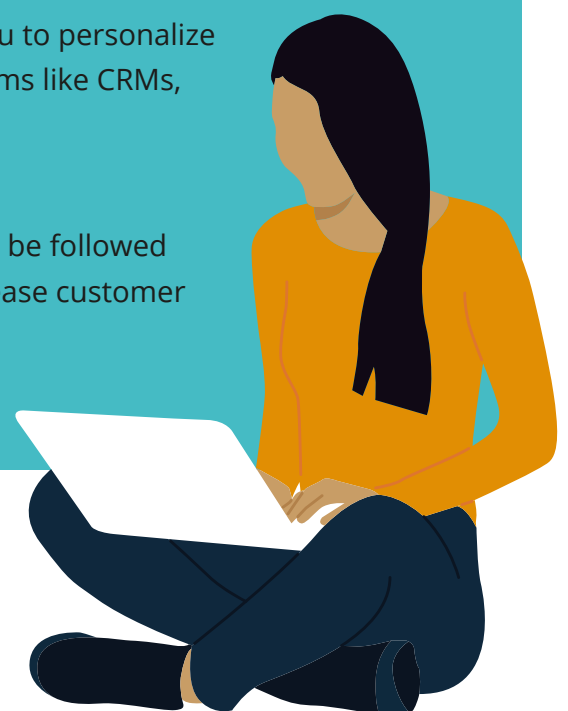
Chapter 2

# Deciding when to aim for conversion

When assessing the amount of transactional emails you're sending, you'll probably feel that not every email is suited for marketing purposes. And you're right. This chapter tells you when and when not to use transactional emails as a conversion cannon.

Using the customer journey as a guideline

The Customer Journey can help you pinpoint the moments your recipients appreciate transactional email marketing. The further they proceed in their journey, the more likely they will convert in transactional emails. If you do it right, that is.

Every business has its own Customer Journey, of course. They all consist of five phases, where awareness comes first (knowing you exist/a problem arises) and results in loyalty.

Transactional Email Marketing

Awareness Consideration Purchase Retention Loyalty
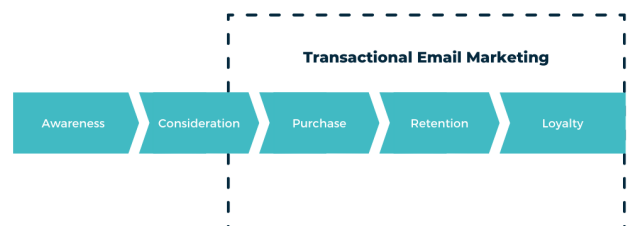
At what point your (future) customers will accept marketing messages in transactional emails depends on both your business and the stretch of the message. Overall, we'd advice to start with transactional email marketing from the point someone is in transit between consideration and purchase.

From there on, people are more likely to click your marketing messages in order confirmations, notifications, and more. But there are still times when marketing messages are not acceptable.

When not to aim for conversion

Transactional emails have two purposes: to inform and/or to fulfill a request. Order confirmations, monthly reports, notifications, they all aim to inform their recipient about an event or status. On the other hand, emails like two-factor authentication or password reset, are only used to do precisely that: confirm 2FA or reset a password.

It doesn't make sense to add marketing messages to emails that are sent to fulfill a request. Typically, these emails are opened, clicked, and never read again. Any promotional content would be out of place and could even land you in trash.
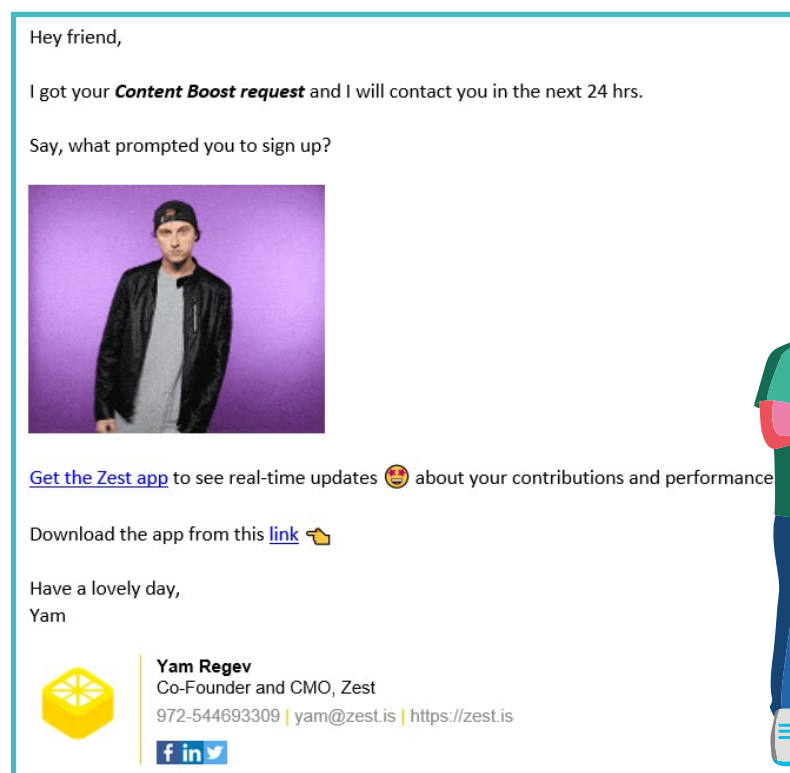
Transactional emails have two purposes: to inform and /or to fulfill a request

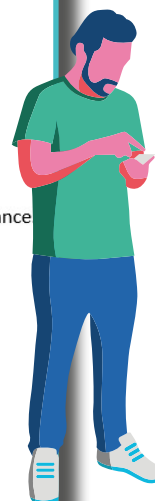## Excellent examples of email conversion

Most transactional emails do lend themselves for marketing purposes. Take these examples:

Zest's notification email

Zest lets you promote your new piece of content with their **community of marketers**. You can request a Content Boost, after which they send you the email below. The team uses this email to promote their own Zest app:


Hey friend,

I got your **Content Boost request** and I will contact you in the next 24 hrs.

Say, what prompted you to sign up?

Get the Zest app to see real-time updates 🤩 about your contributions and performance

Download the app from this link 👈

Have a lovely day,
Yam

Yam Regev
Co-Founder and CMO, Zest
972-544693309 | yam@zest.is | https://zest.is

Find more transactional email examples in our **Really Good Emails collection.**

Fabletics' UGC motivation

USA-based "athleisure" retailer Fabletics shows how to turn standard order confirmations into User Generated Content. UGC makes great promotional material, and people receiving the email already have what they need to compete: sporting goods.
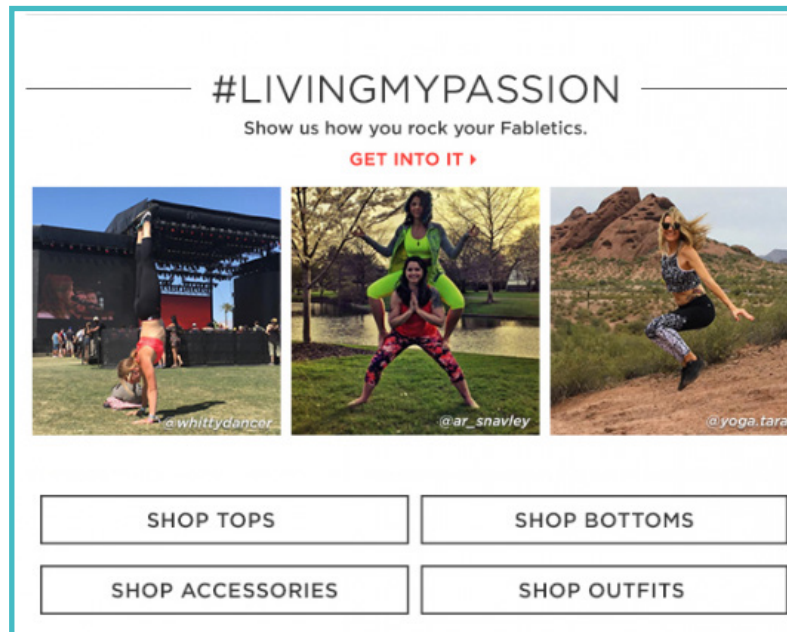
Indeed's Career Guide

Indeed, the job site, welcomes their new job seekers with a **welcome email** stuffed with tips and good reads on how to make the best of their search for a job.
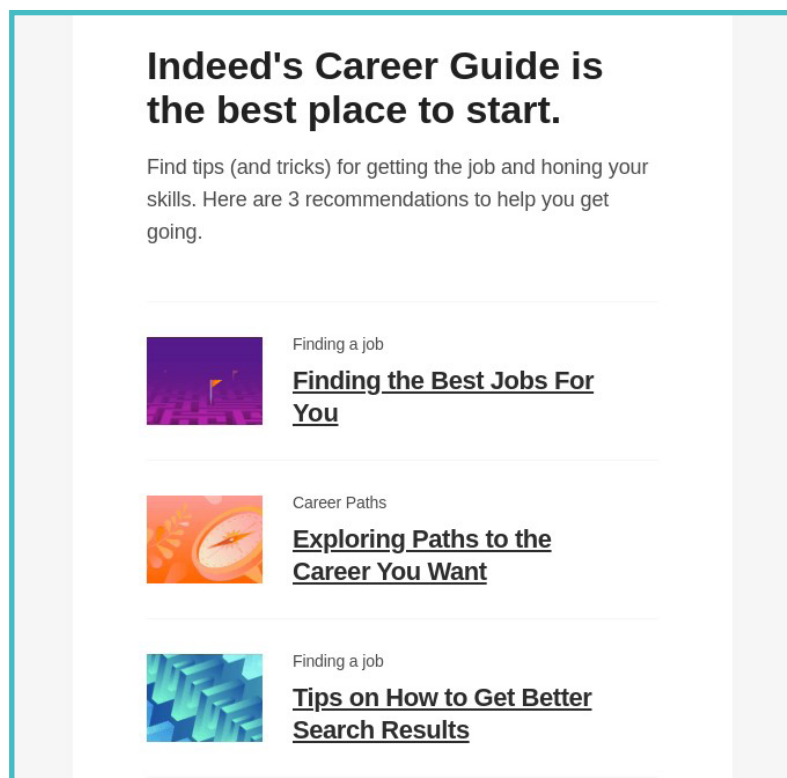
Start with compelling email design

The minute your recipient opens your email, their likelihood of them reading it until the end will depend upon not only your content, but also your email design.

Apart from your brand's personality, your email design should reflect your customers' demographics, style preferences, needs, and, most importantly, reassure them that you can tackle their pain points.

How can you do all that in a design? Use colors, patterns, and fonts that your target customers can relate to.

For example, Coca-Cola uses flowing scripts and bright red logos to tell customers that you'll get the energy your body craves when you drink a Coke. On the other hand, Regis Salons brands messaging about its nature-sourced olive oil shampoo with designs laced with green – informing its eco-conscious customers without a word about its products' organic source.

Coca-Cola   VS.   REGIS SALONS

But how does a brand discern what email design will appeal to its recipients? The same way you do for the content you write – with data.

Creating customer personas

Using data gleaned from social media, website analytics, and online behavior, you can paint a vivid picture of your recipients. Use that data to construct customer personas.

Customer personas put a human face on your recipients. Not only are they full of detail about the characteristics of each of your target customer segments, but they also give them an easy-to-remember name.

Take "Fred the Fitness Fanatic." Fitness-themed images and fonts can instantly capture your recipients' attention. So will logos that depict energy and good health.

Data-driven details like this are only half the story when it comes to design strategy. More subtle aspects can make your transactional emails not only more readable but more compelling as well.

The inverted pyramid

One such strategy uses an inverted pyramid structure when creating blocks for both the text and images in your email. For years, journalists have successfully used this tactic to report news stories. It works equally well for emails. Proper transactional email copy consists of:

Focus of the email

Important details

Side info
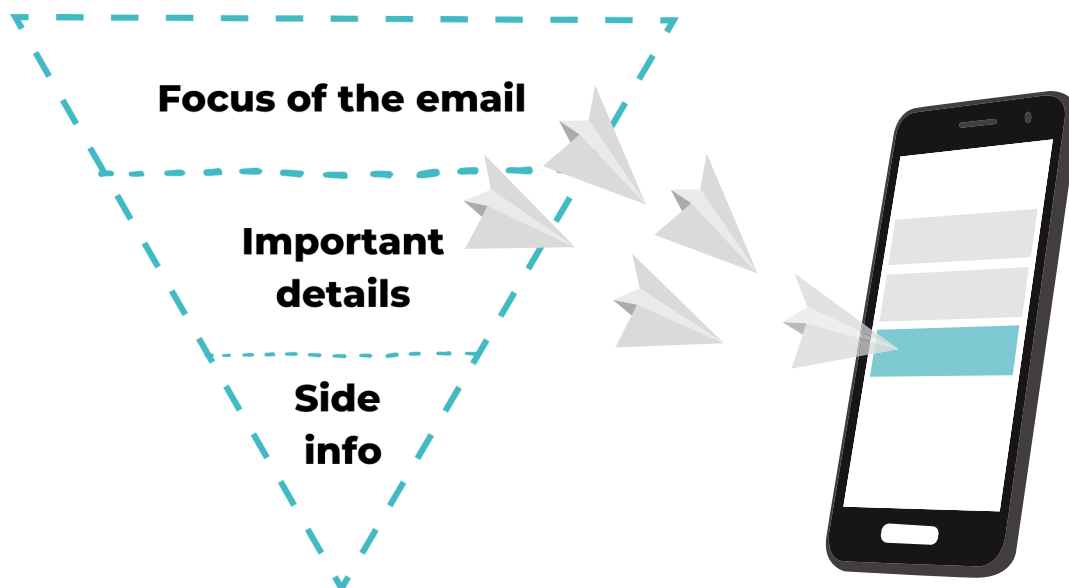
Start with the focus of the email

Why did you send this email in the first place? Highlight the most critical information you want to convey with a bold headline. Like a headline on a news story, use words and eye-catching fonts / images to get your recipients' attention.

The necessary action / information

Make your headline the **widest part** of your overall design, like the bottom of a pyramid. As you expand on your message, use smaller text and images, drawing your readers' eyes downward toward the call to action.

> Like a headline on a news story, use words and eye-catching fonts / images to get your recipients' attention.

Add side info

The final part of a transactional email is the side information that might be valuable to the receiver. Think of:

- ✔ Password reset emails saying: "Didn't ask for a new password? You can ignore this email."
- ✔ Welcome emails saying: "Follow us on these social media accounts"
- ✔ Order confirmations saying: "You might like these items too"
- ✔ Monthly report emails saying: "Want to make more of your subscription? Try this!"

This is the part where you can throw in a little engagement rocket as well. It's content that is relevant to but not necessary for the message. Read about how to increase engagement & conversions in chapter 5.

Choosing a platform for email personalization and design

Transactional email delivery platforms vary widely in what they offer. Look for a platform that can provide you with extensive design and personalization capabilities.

Types of converting content **for** transactional emails

It's time to explore transactional email marketing opportunities. What types are there? How do you start with them? This chapter dissects the following types of marketing content:

- ✔ Value-adding content
- ✔ Upselling
- ✔ Cross-selling
- ✔ Reader activation
- ✔ Feedback collection

Provide information that your new customer probably didn't read yet, but could very well find useful.

Value-adding content

Content is a very accessible form of marketing. Content that has value to i.e. an order, is valuable in a transactional email. Although it's not about the purchased product, it's definitely something recipients appreciate and engage with your emails through.

The key to relevant content is simple: provide information that your new customer probably didn't read yet, but could very well find useful.

Here's an example:

Just bought a pair of shoes? Read our care tips on how to keep them protected;
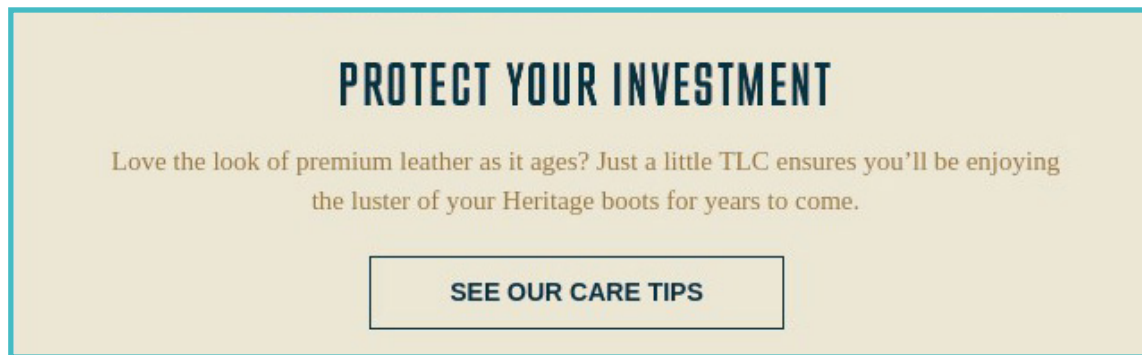
Though this isn't a transactional email, this snippet from **Red Wing Heritage** could be used in an order confirmation email perfectly

Or something like this:

- ✔ Going on a trip to Athens, Greece? Check out these car rental services;
- ✔ Booked tickets to the movies? Here's a list of our favorite restaurants nearby.

Cross-selling

Cross-selling is the promotion of a product or service that is complementary to the earlier purchase. Think of:

- ✔ Just booked a flight? Get $5,- off on a parking spot;
- ✔ Did your car just turn five years old? You might be interested in our roadside assistance service.

It's different from value-adding content, since it aims to sell more instead of increasing engagement with the brand. And statistics don't lie (this time), cross-selling does **increase conversion rates**. Proper cross-selling is promoting items a person hasn't seen yet or are at least different from the items they purchased. The best way to do that is through a **Recommendation Engine**.

Upselling

Contrary to cross-selling, upselling is about selling an improved version of a product or service. This happens when a customer has first tried a free version of a product or service, or

hasn't unlocked extra features yet. This example is from **Whereby's welcome email,** sneaking in content about the advantages of Whereby Pro:
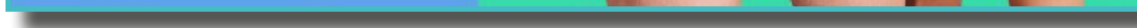

Reader activation

The single most cost-effective (email) marketing strategies involves using your current customers to spread the word about your brand. That's where reader activation through referral programs and User Generated Content kick in.

This referral example is from an order confirmation email by **MeUndies**:

Ask for feedback

Another way to engage your recipients with your emails is by asking them for feedback. How did you do? Was the email you've sent helpful to them? Asking feedback does not only increase engagement with your customers, it also helps you further improve your transactional email activities.

A well-known way to ask for feedback is through simple buttons that indicate if someone is happy or not with your service. We found this one in an email from Adidas:
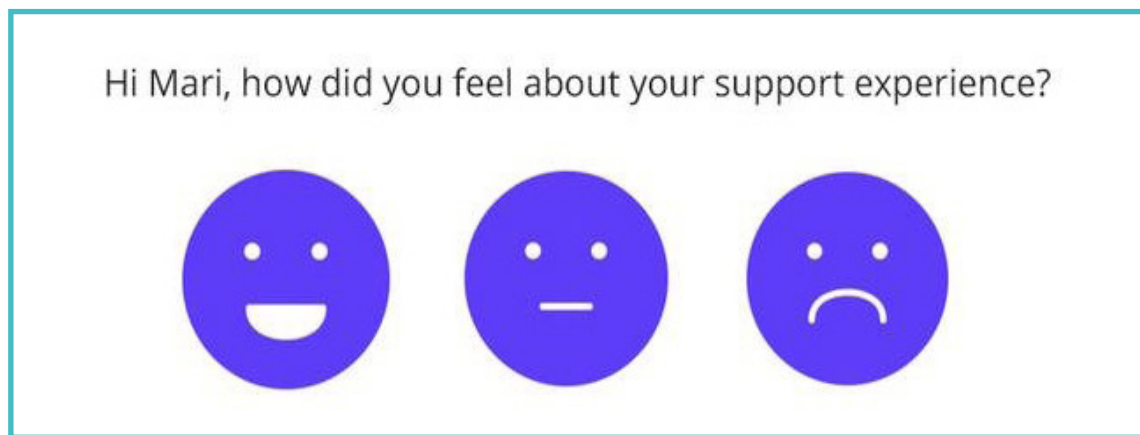
The email that did it all (basically)

In our search for perfect examples, we found an email by Fitbit that has pretty much all the components we listed in this chapter. It's called "**Cheers to the year"** and is a report on everything the user did while wearing the Fitbit.

Chapter 5

How to Create Content That Converts

Creating transactional email content that converts recipients to take further action takes both research and creativity. Keep in mind that it's always meant to provide value to your receivers. In this chapter, we're exploring how to always provide value.

Gathering and using data

The more data you collect on your customers, the better you can serve their needs. Content and website analytics, combined with your customer data, can build a picture of your customers.

Using this data, you can create content that suits their specific needs, wants, and pain points, by i.e.:

✔ Doing a "next best offer" recommendation;
✔ Suggesting further reading;
✔ Giving away a free download.

Be concise. People today have short attention spans, particularly when they're scanning through a full inbox

Writing quality calls to action

To have a compelling call to action, you need to draw your recipients in from the very first word. As you describe the value they'll receive, use actionable language that makes taking the desired action irresistible.

Be concise. People today have short attention spans, particularly when they're scanning through a full inbox. Use bullet points and subheadings so that readers in a hurry can still get the gist of your email. When you get to the 'take action' button, use language that appeals to the receiver. For example, if your company sells marketing software, you could use "Boost My Business." If your organization publishes news stories, 'Get Informed' would be a great choice.
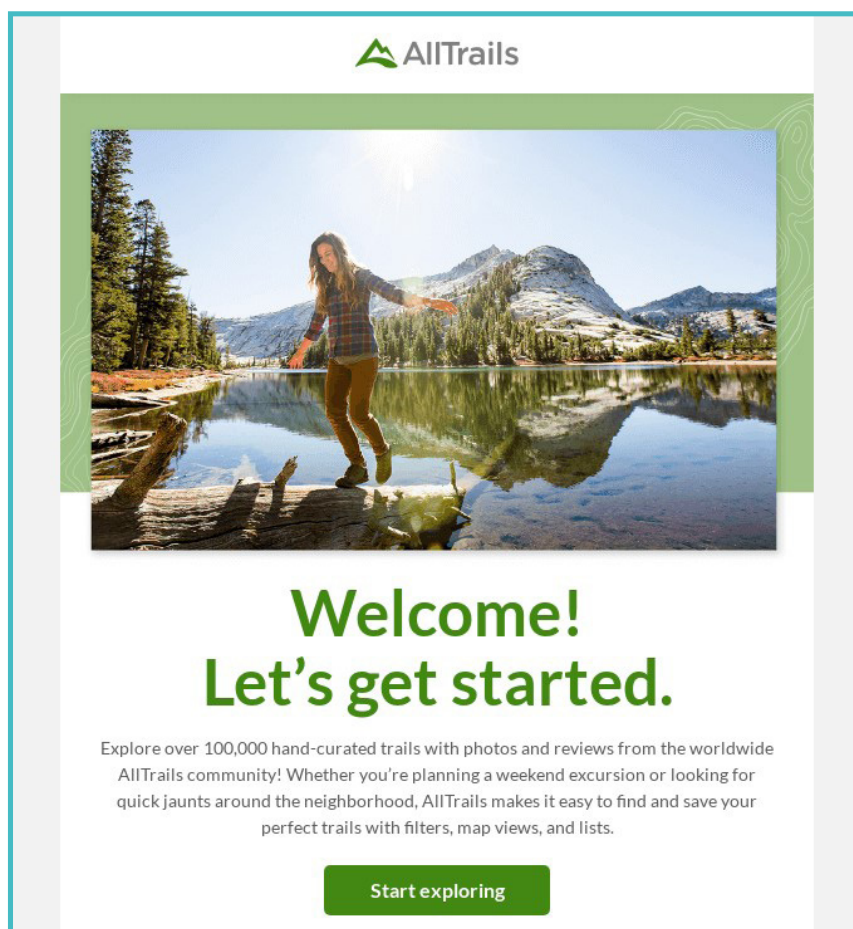
Programmatic email monetization

If you plan to include ads in your transactional emails, using the right ads for each customer segment is essential for success. Native ads (ads that appear like related stories) don't distract the reader from your main message, but instead offer extra information about topics that will interest your receivers. Our friends at **inboxAds** are experts in Programmatic Email Monetization.

Use programmatic native ads for greater relevance

Programmatic (dynamic) native ads can add relevance to your emails, making yours the one receivers **star as "important,"** sending them to the top of their inbox.

When you segment your email recipients by interests, demographics, and pain points, you can show them ads in email newsletters relevant to their needs. Since AI is able to choose the most relevant ad for your receiver, it's highly scalable.

Build subscriber trust with your expertise through content that helps them solve problems

The advantage of native ads is that they appear as related articles about topics that your recipients are interested in. They help them find advice, products, and services they need without the hassle of a Google search. These ads don't intrude, but rather **add value**.

Build subscriber trust with your expertise through informative content that helps them solve problems in their businesses or personal lives. Combined with dynamic, native ads, you'll build confidence in your business as one that can meet their needs.

Make sure your emails hit the inbox

One of the most critical questions you need to ask **prospective providers** is about deliverability. If your emails end up in your receivers' spam folders instead of their inbox – or don't get delivered at the right time – it ruins the reputation you've worked so hard to build.

The importance of email deliverability

If you've ever searched through your spam folder for a missed email from a company you've bought something or requested information from, you know the frustration it can bring. That's the exact opposite effect you want your transactional emails to elicit from receivers.

Equip yourself by learning more about the importance of email deliverability so that you can ask prospective providers detailed, informed questions. Start by learning the difference between email delivery and deliverability.

The difference between delivery and deliverability
Email delivery is simply **the process** that takes place between clicking "send" and the time your email arrives in your receiver's email account. Deliverability on the other hand depends on where your email arrives – in your receiver's inbox or their spam folder.

To maximize your deliverability, you need a provider that helps you maintain a great reputation, minimizes bounces, and uses industry-leading authentication methods to clarify your reputation as a sender.

The effect of poor deliverability

With poor deliverability, you're likely to experience higher complaint rates, angry customers, fewer conversions, and customer churn. These **four major factors** impact your deliverability rate:

- ✔ Your reputation;
- ✔ Your provider's ability to authenticate your emails;
- ✔ Your infrastructure;
- ✔ Your emails' design and content.

Learn how to improve your email deliverability to avoid negative customer experiences

Improving your email deliverability

A crucial factor in email deliverability is your domain reputation. In short, domain reputation is your credibility towards receiving email servers. Domain reputation is based on behaviour shown by your IP addresses and the known complaint rate of your domain.

> To maximize your deliverability, you need to maintain a great reputation and minimize bounces

Managing your domain reputation is a difficult part to manage, since you're not always in full control. The IP addresses your service provider uses can be influenced by multiple factors, i.e. a lot of freemium accounts used for SPAM. Their reputation influences yours. We've got two tips to help you improve your domain reputation:

- ✔ Get started with SPF, DKIM and DMARC
- ✔ Choose a specialised platform

Getting started with SPF, DKIM, and DMARC
Email without proper authentication is vulnerable to spoofing, so over the years the email field has developed standards for authentication: **SPF, DKIM, and DMARC**. These help you protect your domain and increase your reputation towards inbox providers.

Think of an email as a regular letter:

- SPF protects the envelope from spoofing – making sure it's really you.
- DKIM protects the actual letter with a digital signature only you should have.
- DMARC makes sure that if either SPF or DKIM is not actually you, the email is rejected by the inbox provider (Gmail, Outlook)

Email without proper authentication is vulnerable to spoofing

Choosing a specialized platform
We told you how hard it is to manage your domain reputation, so why not let someone do it for you? There are a lot of **transactional email delivery services** that focus on delivering your emails to your customers inboxes.

Nuances for transactional email marketing

The fact that it's so hard to maintain a proper domain reputation, also has to do with the fact that you can't just send everything to everyone on the planet. An email address is someone's "property" and some consider their inbox holy. There's a few ground rules when you're sending promotional content.

Legislations for promotional content in emails
First of all, bear in mind the different legislations around the world and the way nations protect customer privacy. USA's CAN-SPAM allows more than the GDPR (European Union) does. Countries like Brazil are following the EU's example and created their **own LGPD**. All these legislations are not only rules, they also resemble a recipient's expectation.

The golden rule: don't be irrelevant
Though relevance is a somewhat stretchable concept, it's clear that your marketing message should not be randomly added to your transactional emails. Give it a thought and consider what would fit best and would be perceived as relevant to the consumer. This does not only convert better, but will also keep your name off email blacklists.

Wrap up

With this whitepaper, you're now able to create compelling transactional emails that convert. Whether you're still exploring your opportunities or going all in on upsell, with our six steps we've covered the whole process of transactional email marketing. Keep in mind that a transactional email is never 'perfect' and that you'll need to test what you're sending. Happy sending!

Ioana Dulcu is the head of brand and product marketing at inboxAds. She has over 15 years of proven experience in corporate communications, marketing planning, brand strategy, public relations, and digital marketing. In recent years, she has helped a number of tech startups in developing their marketing and communication strategies.

With years of experience in the email (marketing) industry, Tom Blijleven writes about various topics within the industry, covering both marketing as transactional email. In his role as marketer at Flowmailer, he specializes in email deliverability and transactional email best practices.

INBOX ADS

flowmailer

The email delivery platform you can rely on

Everyone can send email. But making sure every email hits the inbox time and time again is craftmanship.

At Flowmailer, we specialize in delivering email.

We're making sure that your important emails hit your customer's inbox. Not once, not twice. Every single time.

Create your own flow – your way of engaging customers. Every message delivered to the inbox is adding to a positive customer experience, and it's all happening in your flow. That's how communication should work. No hassle. With result.

Don't go mainstream, you're in control.
Welcome to the Flow.

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