

data axle

Unleash the Power of Acquisition Email:

Market Research



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Introduction

Email is one of the most reliable and profitable marketing channels, even as consumer behavior has proliferated across multiple channels and platforms. That's because today's consumers actually want to hear from brands via email. In fact, [a recent study](#) found that every generation—from Baby Boomers to Gen Z—prefer to communicate with brands over email.

In 2022, [more than 333 billion emails](#) are being sent every single day. From a brand perspective, a lot of this activity is focused on CRM email—that is, deepening relationships with existing customers. But what about acquisition? Given email marketing's proven ROI and consumers' widespread acceptance of brand messaging via email, every conversation about how to invest marketing dollars needs to consider new ways to expand the already well-established power of email as a foundational tactic.

Acquisition email provides a number of unique benefits within the context of brands' broader acquisition efforts. In addition to driving real performance in the form of new customer acquisitions, acquisition email's ability to be measured via matchback analysis enables marketers to understand exactly how the tactic fits into the larger omnichannel equation. At the same time, acquisition email has the power to drive incredible reach given the ubiquitous use of email across consumer segments.

In this paper, we will provide an overview of acquisition email and describe how marketers can best unleash its power to drive performance, transparency and scale within omnichannel acquisition programs. We'll also discuss the current state of acquisition email within the marketing industry, as illuminated by recent Data Axle research.

Scope

In this report, we'll explore the:

- Fundamentals of acquisition email and its role in omnichannel marketing
- Current state of acquisition email adoption among today's brands
- Common misconceptions regarding acquisition email and its capabilities
- Best practices for incorporating or expanding acquisition email's role in your broader acquisition program.

KEY FINDINGS

77%

of marketers believe that an acquisition campaign delivers higher ROI when it includes acquisition email.

28%

don't use acquisition email because they are unsure if it's compliant with consumer privacy laws and guidelines.

58%

of marketers would use acquisition email if their vendor could prove the emails are privacy-compliant.

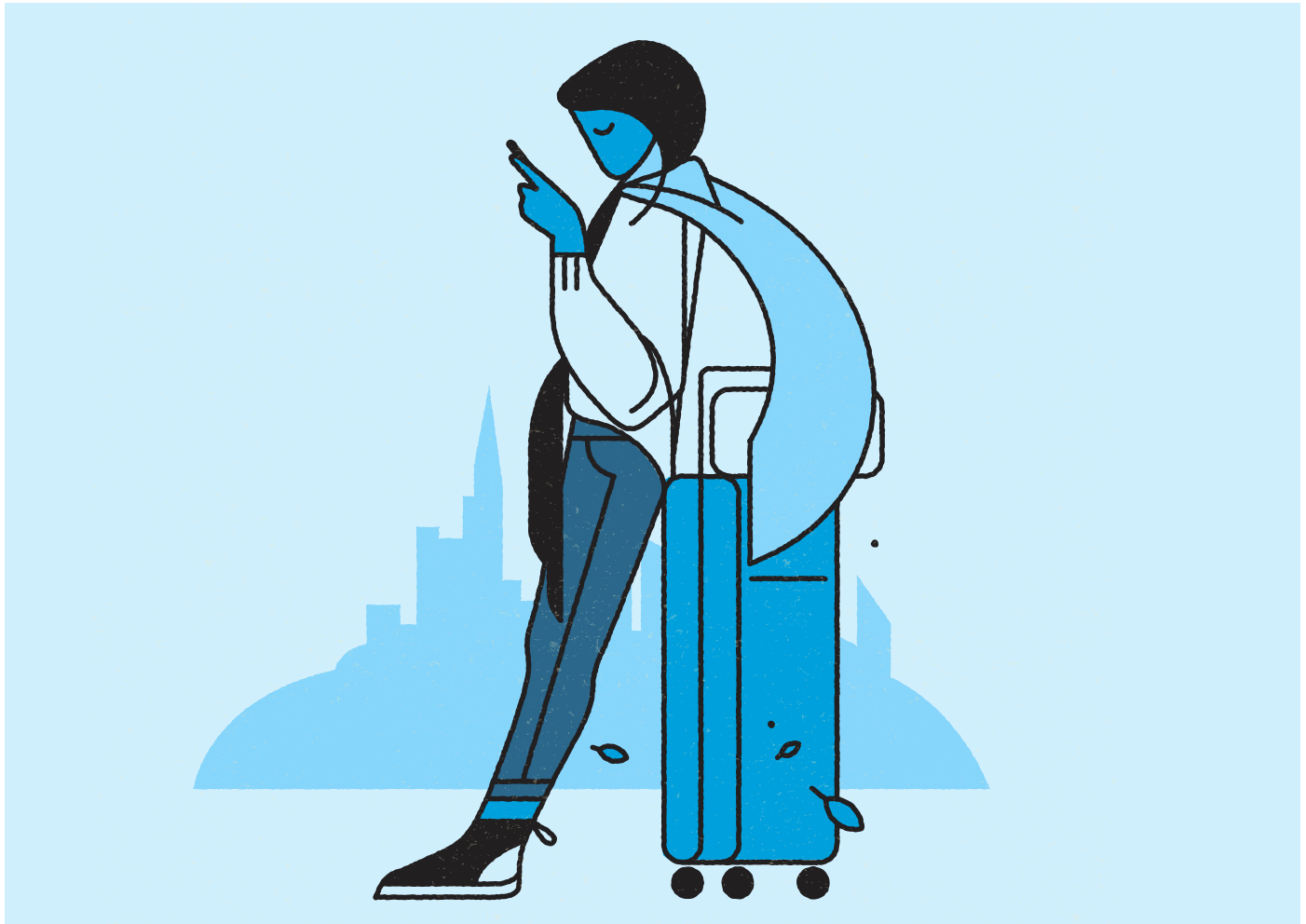


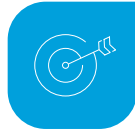
1 What Is Acquisition Email?

[Acquisition email](#), simply put, is the process of using email to reach prospects who are not yet subscribed to the brand's email marketing messages. Sometimes referred to as prospect email, acquisition email involves sending permission-based emails (i.e., to addresses provided by a partner that has permission to send third-party solicitations) to consumers with whom the brand doesn't have an existing relationship. Acquisition email must be sent via a third-party vendor who has secured the permissions to send the emails.

As marketers prepare for a future where third-party cookies will no longer contribute to their lead generation efforts, acquisition email is well poised to play a larger role than ever in the quest for new customers. That's because acquisition email represents an effective and compliant way to resolve many of brands' common acquisition pain points.

Many brands today are reaching a point of saturation in other acquisition channels, such as social media and paid search. At the same time, direct mail is becoming increasingly expensive due to rising costs in materials and postage. By bringing acquisition email to the forefront in acquisition programs, brands can extend their efforts to new prospects, break through digital noise that's prevalent in other channels, and offset some of the rising costs happening in traditional channels like direct mail.





Tips for Targeting with Acquisition Email

The goal of acquisition email is to reach prospective customers who are most likely to be interested in a brand's product or service. But how is this achieved?

Let's say your company sells luxury fashion. You might have a mailing list that you use to give certain preferred customers a sneak peek into new products and hot sales. The people on this list might differ in many ways, but you can draw some common threads: They tend to be between 20 and 40 years old, they share their homes with roommates or long-term partners, and many of them have yoga or Pilates studio memberships. It's these types of commonalities that can be used to build a targeted list of permissioned email addresses for new prospects who closely resemble your best customers.

So how do you make the most of your acquisition email sends? We recommend the following:

1. Ensure your message is specifically tailored to what you know about your custom audience segment.
2. Plan to send at least three messages to these audiences and ensure these messages build on one another in a smart way. Consider keeping the first message broad, using the second to deliver a sneak peek usually only reserved for customers and leveraging the third email to offer a discount for first-time buyers.
3. To get the best results, ensure the content and design of your acquisition emails are of the same quality as your traditional email marketing.

With the right list that's targeted to a passionate segment, acquisition email can enable you to reach out to someone you haven't met yet—but who would like to meet you.





2 Trends: The Current State of Acquisition Email

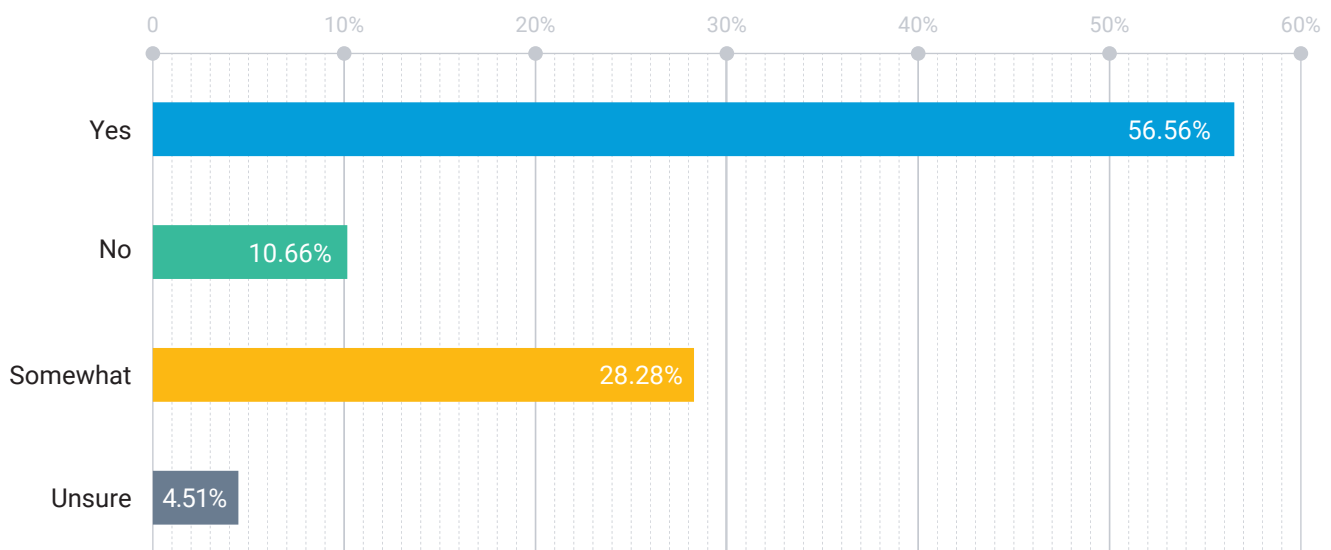
To foster growth, maintain a robust sales pipeline and ultimately deliver on a company's core KPIs, marketers must constantly be looking to nurture and acquire new customers. So why is email—a well-established channel, known for its incredible ROI—not always included in acquisition programs? What we've seen at Data Axle—and what was confirmed in our recent survey—is that [a lot of marketers simply aren't as familiar with acquisition email as an opportunity](#).

One thing is clear: Marketers understand how important acquiring new customers is to their overall marketing strategy. In fact, 90% of the marketers we surveyed noted acquisition as a priority within their efforts. But how well are they achieving their goals in this area? Here's how your fellow marketers are viewing acquisition email within the context of their broader efforts:

According to our survey, only about half of marketers today (57%) say their current acquisition marketing efforts are enabling them to hit their goals.



Is your current acquisition marketing strategy enabling you to hit your goals/KPIS?

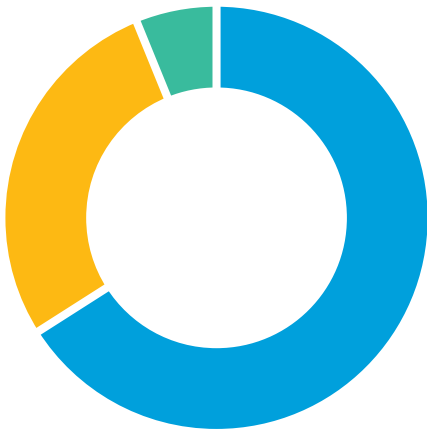




Meanwhile, 94% of marketers say they're using email marketing to engage with existing customers, with 28% saying it's not working well. By comparison, 86% of marketers are using email tactics to acquire new customers—with a full third (32%) of marketers saying it's not working well for them.



Does your company use email marketing to engage with your existing customers?



- 66%** Yes, and it's working well
- 27.9%** Yes, but it doesn't work well
- 6.1%** No, I didn't know that was an option



Does your company use email tactics to acquire new customers?



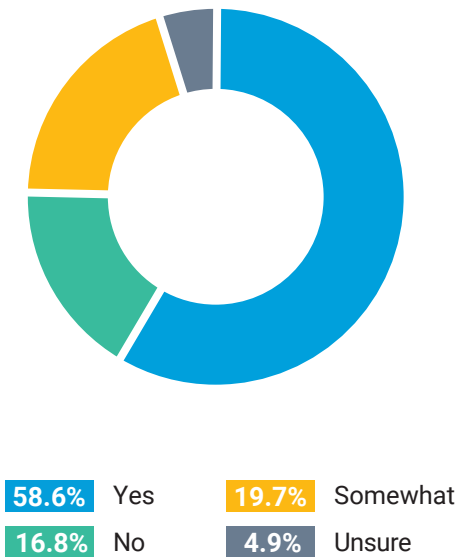
- 53.3%** Yes, and it's working well
- 32.4%** Yes, but it doesn't work well
- 14.3%** No, I didn't know that was an option



Only 59% of marketers say they are familiar with acquisition email as a way of emailing contacts who are not currently opted into their CRM system.



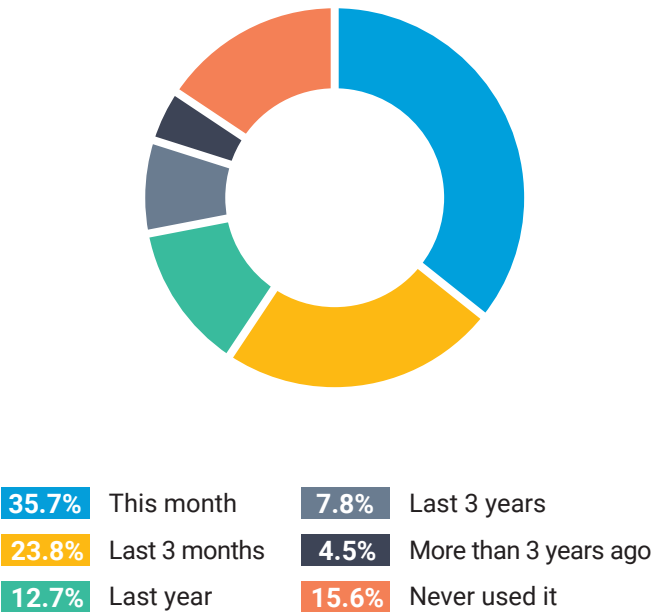
Are you familiar with “prospect email” or “acquisition email” - the ability to email contacts who are not currently opted in your CRM system?



Only 36% of marketers say they’ve leveraged acquisition email for their campaigns within the last month; 28% say they’ve either never used acquisition email or haven’t used it in more than a year.



Have you, or someone on your team that you work closely with, used acquisition email or prospect email to acquire new customers before? If so, when did you last use it?





3 Marketer Misconceptions about Acquisition Email

Today's marketers know the power of email to drive results, so why are some still not fully unleashing the power of email within the broader acquisition programs? Our survey uncovered the disconnect.

Misconception: "Email is best for retention. It's not possible to acquire new customers via email."



Yes, you can acquire new customers with email. This misconception seems to be simply a matter of awareness. As we noted in the previous section, not all marketers today are familiar with acquisition email's ability to reach contacts who are not yet opted into a brand's CRM system. While about 25% of marketers are unsure or only somewhat familiar with this capability, another 17% say they're entirely unaware. Furthermore, the fact that only 36% of marketers have used acquisition email within the last month would suggest that even among those who are familiar with the concept, there's still a lack of understanding as to what acquisition email is capable of as an always-on part of acquisition efforts.

In probing deeper into why some marketers haven't used acquisition email recently, we uncovered a wide array of misconceptions as to what is and isn't possible with this channel. Importantly, 23% of marketers indicated that they weren't aware that they could email contacts who are not in their CRMs.

Acquisition email can reach entirely new prospects in a compliant way. It helps to close the gaps in brand awareness and boost your lead gen by opening up a whole new segment of customers who, for whatever reason, have not yet encountered your messaging. It helps you go to customers, rather than hoping the customers will come to you. And when acquisition email is included in broader acquisition efforts, we see a direct improvement in ROI.



Why haven't you used acquisition email recently?



23.4%	I wasn't aware you could email contacts not in my CRM
27.9%	I have heard of this channel but didn't think it was compliant
24.1%	I had it before but didn't get good results
9%	It was too expensive
15.6%	It's not a channel that's top of mind



Misconception: “Acquisition email is not compliant with today’s privacy landscape and other regulations.”

Today’s data-driven marketers understand how important it is to maintain compliance with today’s ever-fluctuating consumer privacy regulations and policies. This diligence, unfortunately, has led some marketers to avoid acquisition email as a channel due to a misperception that the channel is not compliant with today’s regulations. In fact, more than a quarter (28%) of marketers surveyed said they had not used acquisition email recently because they didn’t believe it was compliant.



Do you think acquisition email is compliant with privacy laws and regulations?

When executed with the right partner, acquisition email can be 100% compliant with privacy regulations. To ensure this, you need to work with a vendor that has secured opt-ins from contacts to receive third-party solicitations. When this is the case, acquisition email efforts will be not only compliant with relevant regulations but also more likely to be successful because they are reaching consumers who have indicated a willingness to hear from brands in their inboxes.



53.3% Yes
32.4% No
14.3% It depends



Misconception: “Acquisition email operates as a standalone tactic and can’t be integrated into larger acquisition efforts.”

Part of a marketer’s perception of acquisition email has to do with how it’s being leveraged—whether as a standalone tactic or part of a larger acquisition campaign. According to our survey, a surprising 39% of marketers who are using acquisition email are employing it as the former—a tactic that exists on its own island vs. an integrated piece of a larger campaign that includes display, social media, paid search and other channels. This widespread use of acquisition email in isolation is a strong indicator as to why some marketers might not be seeing the desired results with their acquisition email efforts.

Acquisition email represents a powerful extension of a brand’s broader acquisition programs—programs that span multiple channels, both traditional and digital. With the right data and partnerships, brands can leverage acquisition email to strengthen and extend the effectiveness of acquisition efforts across all channels, not just email.



How do you leverage acquisition email?



39.2% As a standalone channel

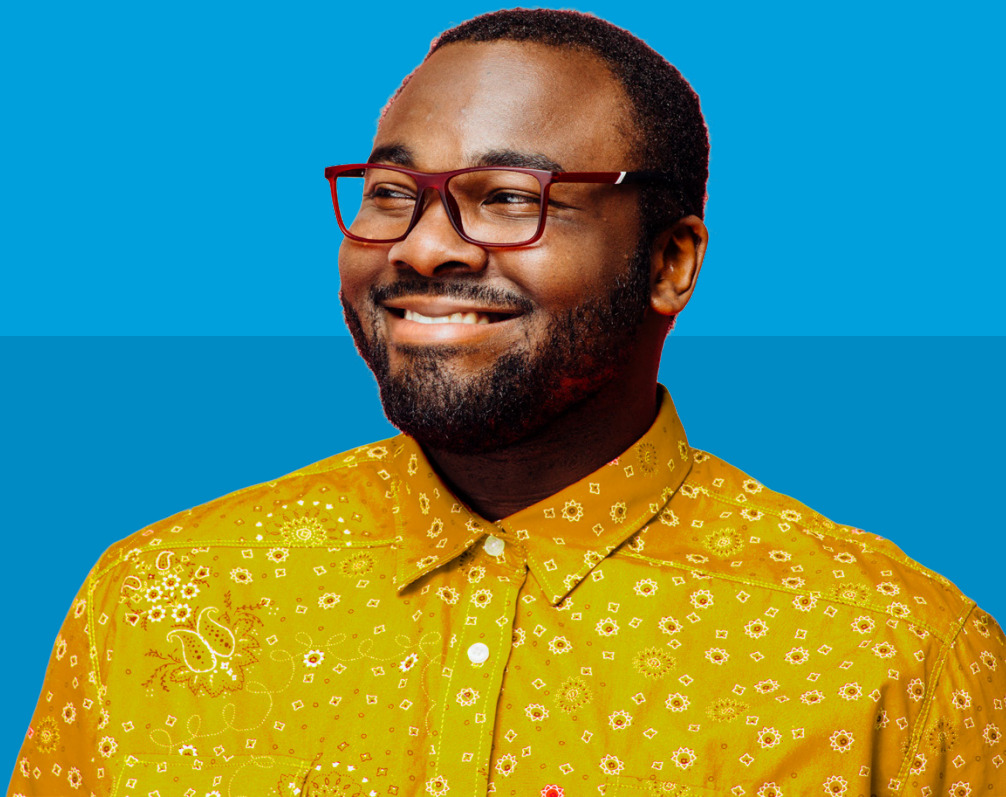
60.8% As part of a larger acquisition campaign—including display, social media, paid search or other paid channels



Misconception: “Acquisition email is too expensive.”

Cost is always a consideration for marketers when it comes to distributing their marketing investments. While marketers generally recognize email as one of the most cost-effective channels, 9% of marketers we surveyed said they hadn't used acquisition email because it was too expensive (see chart on page 8).

When compared to many other acquisition channels—particularly ones like direct mail, where postage and materials costs continue to skyrocket—acquisition email represents a vastly more affordable way of bringing scale to acquisition campaigns while bolstering results across all channels. By working with a trusted partner to target acquisition email campaigns wisely, marketers can cost-effectively extend their acquisition efforts in a way that delivers the ROI needed to meet and exceed goals.



Misconception: “Acquisition email is not effective.”

Right alongside cost comes the question of effectiveness. According to our survey, 24% of marketers say that they have used acquisition email before but did not achieve good results. Therein lies the obvious question: Is that because acquisition email is not as effective as they need it to be? Or is it because acquisition email is not being leveraged to its fullest potential?

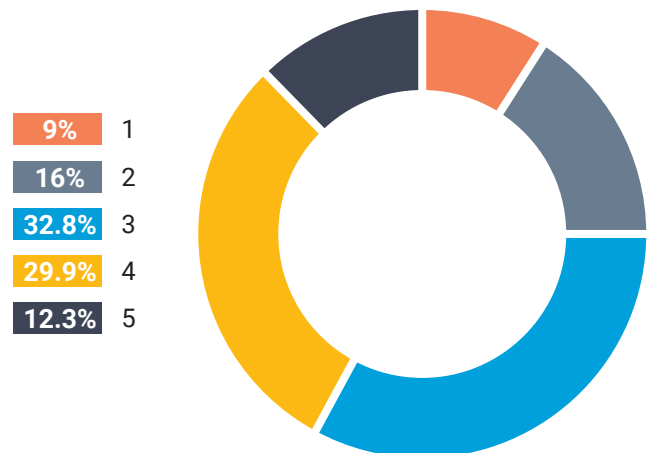
When we asked about marketers’ confidence in acquisition emails to drive results, three-quarters of them expressed average to high confidence that the channel could help them meet their KPIs.

This cautious confidence is understandable because, just like any other marketing tactic, the strength of an acquisition email program is predicated on many factors. When these factors are properly managed, acquisition email can be an incredibly effective part of a brand’s acquisition efforts.

Thankfully, these factors are well within the control of marketers who choose to invest in acquisition email. Let’s take a look at what you need to know to set your program up for success.



On a scale 1-5, with 1 being the lowest and 5 being the highest, if you could use acquisition email how confident are you it can drive results?





Acquisition Email and the Compliance Question

Marketers today are exceptionally aware of the need to maintain compliance not only within their own data collection practices, but also when it comes to their data partners and any vendors they work with to execute campaigns.

Because acquisition email requires brands to reach outside of their own CRM or MAP systems, compliance with all applicable data regulations is particularly top of mind for marketers when selecting a partner.

For the 28% of marketers who haven't used acquisition email recently due to compliance concerns, there's good news: acquisition email is not spam. It's not a black-hat tactic or a bad user experience. It is, in fact, 100% compliant with today's privacy regulations, so long as marketers work with reputable partners who ensure that the contacts used for acquisition campaigns have opted-in to receive third-party solicitations.

Although brands can technically take on acquisition email without a partner, we don't recommend it, especially because of the complexity of compliance and privacy laws. It's best to work with a vendor that has secured the permission to email new prospects on behalf of a third party. One of the benefits of working with an external partner in this capacity is that marketers can leverage their partners for the email sending and avoid using their own domains, which are typically also being used for retention email efforts. Using a different domain for acquisition efforts ensures that current retention emailing programs are unaffected by acquisition efforts.

For marketers who want to put their acquisition email compliance concerns to rest once and for all, it's important to talk to your partners. Make sure that all of their email addresses are permissioned-based and that they represent verifiable individuals. Furthermore, make sure your partners are well versed in all existing compliance needs—including **GDPR**, **DMA**, **CCPA**, **HIPAA**, **ISO** and **SISA**—and keep an eye out for new legislation that might be on its way.





4 Tips for Successful Acquisition Email Deployment

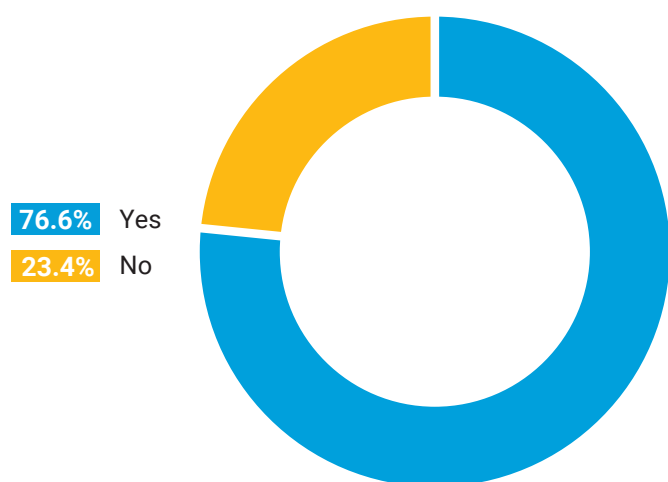
Acquisition email has the potential to be the core driver of a brand's acquisition efforts in the same way that CRM or MAP email drives retention programs. However, to maximize ROI and enable continual optimization, brands need to be thoughtful about how they partner and set up their programs. Let's take a look at a few key considerations for success.

1. Omnichannel Integration

According to Data Axle's recent survey, more than **three-quarters (77%)** of marketers believe that an acquisition campaign delivers higher ROI when it includes acquisition email. And indeed, proper integration into the omnichannel equation is one of the best ways for marketers to ensure their acquisition email budget is working hardest for them.



Do you believe when acquisition email is on an acquisition campaign it delivers a higher ROI?



During the ever-important process of generating brand awareness, consideration and then ultimately acquisition, it's important for marketers to reach consumers with relevant messages in the channels where they're most likely to welcome brand interactions. [As research has shown](#), email is the channel of choice for brand interactions among many consumers. But it shouldn't operate as an island. The more times a brand's message can touch a customer where they are in their journey, the further down the funnel they will progress toward ultimate conversion. When acquisition email is combined with other acquisition channels like direct mail, display, social media and others, campaign performance improves across the board.

Acquisition Pro Tip: Acquisition email is often more affordable than other forms of marketing and can drive powerful results when combined with other channels. In fact, when email is combined with other channels, such as display or social, we see an average 20% increase in engagement rates. Likewise, with Data Axle's data sets, we can help balance costs and boost ROI by doing a "match and deploy," in which we take a brand's targeted prospect list for direct mail and send email to those people as well.



2. Compliance

As we learned through our survey, compliance is of utmost importance to marketers when it comes to acquisition email. In fact, **58% of marketers** said that they would be open to using acquisition email if their vendor could provide proof its data is compliant. Indeed, this should be table stakes for any email deployment.

Here are the questions to ask:

- ✓ **Are all of your emails permissioned in a way that people have opted in to receive third-party offers and messages?**
- ✓ **Is your data obtained, stored and operationalized in a way that protects consumer privacy?**
- ✓ **Is your data compliant with GDPR, DMA, CCPA, HIPAA, ISO and SISA?**
- ✓ **How do you ensure the security of your data?**

If a vendor can't adequately answer and address all of the above questions, you should consider asking more questions—or looking elsewhere for a compliant partner.

3. Data Quality and Cleanliness

When it comes to powering an acquisition email program, not all data is created equal. When evaluating potential partners, marketers need to be asking the hard questions when it comes to data quality and cleanliness. These should include:

- ✓ **Where does your data come from and how is it validated?**
- ✓ **How is your data cleaned and how frequently is it refreshed?**
- ✓ **How is your data modeled?**



In screening data for quality and cleanliness, marketers should look for high-quality databases where all files are properly permissioned, have passed through a diligent hygiene process, and are being updated and refreshed on an ongoing basis. In addition, marketers should look for partners that offer the ability to extend the power of their data beyond the email channel through mechanisms like postal code, IP address and behavioral model overlays.

With good data, you can email customers directly when they need to hear from you most. Good data enables brands to send emails to prospective customers when they're looking to make a purchase and are most open to hearing from you about discounts, deals or vital information that can help them make their decision.

Acquisition Pro Tip: Marketers need to look for acquisition email partners that can deliver the reach they need. For example, Data Axle has access to more than 250 million emailable records.



4. Custom Audiences

When it comes to email, it pays to look beyond basic off-the-shelf audience options—and marketers know it. According to our research, **50% of marketers** would use acquisition email if their vendor could build targeted audiences for them.



Custom audiences have the ability to significantly up-level a brand's acquisition email efforts. To find the perfect audiences, partners should have access to fully cleansed and emailable B2B and B2C records based on both demographic and firmographic attributes.

Custom audiences provide you with the flexibility to create your audiences using additional data sources and customer parameters. You can target specific size businesses, a particular age range of people, or use specialty data sources—such as specialty business data attributes, consumer transactional data or donor data—to refine your targets.

Sophisticated email technology can then be leveraged to test combinations of different attributes to uncover the most effective lists possible.



5. Creative and Execution

Email targeting is important. But so is creative. That's why it's vital to prioritize the same level of design resources and support toward your acquisition email creative as you would to your traditional email marketing. In addition, as with traditional email campaigns, it makes sense to test your creative in a smaller send before pushing it out to your full list.

To achieve the greatest results with acquisition email, we recommend a campaign that includes at least three unique emails and switching up the subject line to see what truly captures the attention of your audience. Space them out over several weeks and allow for time for resends. As email is unique to each recipient, we also recommend two to three resends for each creative to make sure you're hitting inboxes at the recipient's most ideal time.

6. Measurement

Email marketing is tremendously valuable in and of itself. But one of the features that up-levels that value to marketers is that it is measurable. Acquisition email attribution can deliver person-level visibility that you simply can't get in other channels.



From delivery and open rates to click-throughs and other engagements, there are a number of metrics that marketers can capture from their campaigns. And when looking at broader acquisition efforts, matchback analysis is perhaps the most powerful form of measurement a brand can employ. With matchback analysis, marketers are able to look at a brand's conversion file and determine whether those who converted received and engaged with acquisition emails somewhere along their journey. This helps marketers understand not only how effective their acquisition email campaigns are, but also how they bolster interactions elsewhere.

Matchback analysis has the power to give insight into not only overall revenue, but also average order value, net new customers, reactivation (bringing lapsed customers back), and retention (house records). These insights enable customization based on clients' KPIs, which can dramatically lift overall revenue for brands.

Acquisition Email in Action

Leading national optometry practice successfully acquires new customers with Data Axle's email expertise

The Challenge

A leading national optometry practice with more than 600 offices around the country wanted to expand its prospect base within its markets. To do that, it needed to focus on acquisition

The Solution

Data Axle's Acquisition Email service was used to identify prospects who wear glasses or contacts and lived within 5 miles of each targeted location. Data Axle then worked with the client to run a campaign with three unique drops to more than 4 million prospects to test a combination of factors that would optimize engagement on its future emails. A series of email deployments to the prospects were then sent each month with the goal of driving new patients to the stores.

The Outcome

The campaign generated high email engagement for all three drops, and the optometry practice saw successful results in the following two years of the program.

By the Numbers

38%

preliminary file match results

\$68k

campaign cost

\$479k

patient spend

4.4m

total emails delivered

14.42%

average total click/open rate

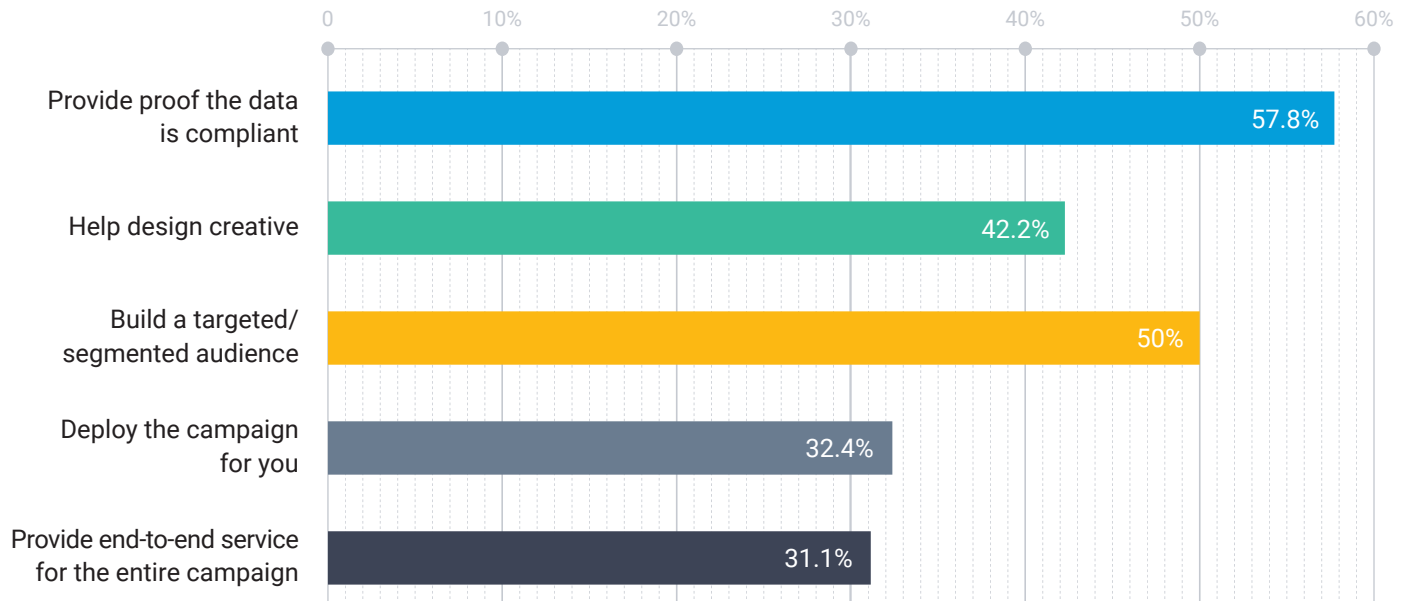


5 The Data Axle Difference in Acquisition Email

When it comes to acquisition email, the partner you choose to work with makes all the difference. According to our research, a significant portion of marketers are only interested in using acquisition email if the partner they work with can ensure data compliance, build targeted audiences, help design creative, deploy campaigns on their behalf and provide end-to-end service throughout the entire campaign.



Would you be open to using acquisition email if the vendor you were working with could (select all that apply):





At Data Axle, we understand these needs and prioritize them within our product and service offerings. We're committed to helping brands succeed with their acquisition email efforts, but we don't stop there. We want to help ensure acquisition email is playing its optimal role in the broader marketing mix and delivering the transparency and measurability needed to drive constant improvement.

Here's how we set ourselves apart:

Omnichannel Integration

The power of Data Axle's data extends well beyond email channels to encompass the full scope of marketers' omnichannel efforts. In fact, every consumer email in our database contains a full postal address for each record that is linked to the IP address of every single permission-based record. In other words, Data Axle knows how to leverage acquisition email as a part of your omnichannel campaign and can provide you with strategic guidance on everything from strategy to audience development, creative and execution. And the effort is worth it. As mentioned earlier, when email is combined with other channels, such as display or social, we see an average 20% increase in engagement rates.

Data Quality and Cleanliness

Data Axle sets the gold standard when it comes to maintaining data quality and cleanliness. Each and every Data Axle record must pass through our hygiene process, which includes both email and traditional postal hygiene, along with an overlay of Data Axle's proprietary behavioral models. Our processes and protocols have been refined and enhanced throughout our decades-long history of delivering quality data to drive results for brands.

Compliance

Our acquisition email offering is 100% compliant with privacy regulations because the contacts used for acquisition campaigns have opted-in to receive third-party solicitations. In addition to being compliant with current regulations and guidelines (GDPR, CCPA, HIPAA, ISO, SISA and others), Data Axle is also constantly keeping an eye on legislative developments to ensure our solutions adapt alongside new privacy regulations.





Custom Audiences

Data Axle's acquisition email can be sent to a variety of target audiences, including your current prospect list, your deanonymized website visitors or a custom-designed, modeled audience. Thanks to Data Axle's data science team, we can take your current audience profile and find traits and patterns that will uncover those who are most likely to be a customer.

Creative and Execution

At Data Axle, our services include not only a review of creative best practices that can guide clients' internal teams, but also access to a design team that can support the creation of email HTML and ensure messages are on-brand, memorable and likely to inspire action. We've won countless awards for our email creative work and are eager to leverage our experience for your brand's benefit.

Measurement

Data Axle has a full analytics team to assist in evaluating performance to make ongoing campaign optimizations based on the data. At Data Axle, we emphasize the importance of matchback analysis in helping brands see if and when newly converted customers encountered a brand's acquisition email campaign during their journey—even if it wasn't the email itself that drove the final action.

Over the last 20 years, Data Axle has partnered with over 2,000 brands who can speak to our track record of deploying campaigns that drive results. In fact, Data Axle sends over 1.5 billion acquisition emails every year with an average delivery rate of 97%. Our team draws on a vast well of knowledge to confidently lead a campaign that is privacy-compliant and successful.





Methodology

For this research report, Data Axle fielded a survey with 244 marketers tasked with customer acquisition and retention efforts across both B2C and B2B brands. The survey, conducted through SurveyMonkey in August 2022, uncovered marketers' common misconceptions regarding acquisition email while illuminating the vast opportunities for brands across all industries to up-level their acquisition efforts with this proven tactic.

Conclusion

Especially in times of economic uncertainty, marketers need to be making the most out of every dollar spent, particularly when it comes to new customer acquisition. As a channel, email has proven itself as an immensely powerful and infinitely measurable investment time and time again. However, as Data Axle's research revealed, it's still a significantly underused, undervalued and misunderstood piece of the omnichannel acquisition marketing picture.

Now is the time for marketers to unlock new growth and improved results within their acquisition efforts, and the biggest opportunity to do so lies within one of the most well-established channels of all. By working with reputable partners and taking steps to ensure acquisition email campaigns are driven by quality data, integrated into the broader omnichannel picture, powered by compliant and custom audiences, and set up for proper cross-channel measurement, marketers can drive dramatic improvements in their acquisition marketing ROI—not just in the email channel, but across all consumer touch points.



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