WHAT SHOULD LOCAL SMES CHOOSE:

EMAIL MARKETING OR MARKETING AUTOMATION?

CONTENT

INTRODUCTION:
DIGITAL MARKETING FOR SMES

In 2018, a pioneering batch of Singapore small and medium-sized enterprises (SMEs) leaped at the chance to learn and participate at Google's SME digital marketing course called Squared Online, where they learnt how to experiment and professionally utilize digital marketing techniques despite the lack of budget that bigger firms have; yet come out cream of the crop and compete equally with their bigger competitors.

Small business owners do not always have the time to grapple with digital marketing tasks fully, as their focus would be on generating maximum revenue and expanding the business stably for the first decade or so.

Often, many SME owners get lost and tangled up in the intricacies of digital marketing, as more and more tools, strategies and techniques surface year after year.

Small business owners lacking understanding of digital marketing, tend to focus on "vanity metrics", and most often, end up with failed marketing campaigns, as they are reporting and focusing on the wrong business aspects.

In this eBook, through the thorough exploration of **email marketing** and **marketing automation** tools, we aim to educate SME owners and digital marketing managers on the solutions to align their business bottom line with data-driven campaign goals. Only with a strong model of digital marketing and armed with the right tools, campaigns can be built to focus on measurable, effective metrics.

For sales and marketing campaigns to turn out a success, business have to be as data-driven as possible. They have to drill down to the metrics that are valuable to each business.

All techniques and processes can be automated and can be easily done with modern, sophisticated marketing tools that local SMEs should already be leveraging, like their many top-of-the-world international counterparts.

There are hundreds of marketing tools, most promising some variety of automation, email, personalization and analytical functionality. Which does your local business actually need?

EMAIL MARKETING VS MARKETING AUTOMATION

It is common to get really confused about the difference between email marketing and marketing automation.

Your company might be on board email marketing with a service provider, having scheduled a newsletter to go out every month or so. You have leads rolling in but having some trouble converting them into sales. Or worse case scenario-you don't even have email marketing going on.

Well, there's good news, here are some answers. A marketing automation system when tied to email marketing efforts is much more effective. You not only get leads, you have a full support system to nurture these leads into customers according to their needs, all automatically, not just when you have spare time on your schedule.

While both tools use email as the primary channel to engage your audience at first, email marketing software can only track the action taken by recipients of your email blasts.

Marketing automation software on the other hand can monitor every digital interaction your lead has with any part of your business.

It also compiles every single data into an activity history for your easy targeting.

WHAT IS EMAIL MARKETING AND WHY DOES MY BUSINESS NEED IT?

For instance, providing these potential customers with news updates about your company, upcoming events and/or special offers – and, of course, reminding them that your business exists and that maybe it's time for another visit.

If you think email marketing is a thing of the past and isn't valuable to your business, you may want to think again.There is also another misconception that email marketing is only for big businesses with big budgets- it isn't.

Email marketing is cost-efficient and helps businesses of all sizes maximise their marketing budget while boosting ROI with the qualified leads it brings in. You'd think the marketing channel with the highest ROI comes at a steep cost, but it's actually one of most inexpensive strategies you can implement.

Emailing is an inexpensive way to advertise your company and its products and/or services compared to many other types of marketing. It's also extremely easy to set up and track an email marketing campaign, making it a very accessible type of marketing for small businesses.

Newsletters can be sent to the email list you've built from the people who provided the necessary information on your website,

Email converts leads 3x more than social media. Why? Simply because it is more targeted than most marketing channels. You can customise messages targeted for various types of users at different stages of the buying funnel.

Compared to the other marketing channels, email still remains as the most effective channel to reach your target audience and business prospects and engaging them with relevant, strategic content and messaging to drive sales and revenue.

Here are the many ways you can (and should) use email:

- **Build Relationships**: Build connections through personalized engagement.
- **Brand Awareness**: Keep your company and your services top-of-mind for the moment when your prospects are ready to engage.
- **Content Promotion**: Use email to share relevant blog content or useful assets with your prospects.
- **Lead Generation**: Entice your subscribers to provide their personal information in exchange for an asset that they'd find valuable.
- **Product Marketing**: Promote your products and services.
- **Lead Nurturing**: Delight your customers with content that can help them succeed in their goals.

WHAT ABOUT MARKETING AUTOMATION?

By 2020, investment in marketing automation technology will rise doubly from where it's at now. It is the essential marketing tool of the 21st century allowing businesses, regardless their size, scale their campaigns and reach prospects more effectively based on smart data and information gathered and then targeting them accurately.

The result is having better qualifying leads and ROI is easily demonstrated.

Here are few definitions we gathered to paint a better picture:

Marketing automation refers to the software that exists with the goal of automating marketing actions. Many marketing departments have to automate repetitive tasks such as emails, social media, and other website actions. The technology of marketing automation makes these tasks easier. *(Hubspot, 2017)*

The purpose of automation is to allow your marketing and sales team to handle hundreds of potential leads and nurture them all personally without getting overwhelmed by the number. By doing this you can create the best leads that become returning customers. Automation raises the quality of the leads by allowing you to treat each one with a personalised touch, while not having to limit the number.
(Jdrgroup, 2018)

According to the Aberdeen Group, Best-in-Class marketers are 67% more likely to use a marketing automation platform, with 87% of top-performing firms using this technology. Overall, best-in-class marketers contribute more to the sales pipeline, with 57% of sales-accepted leads converted to the sales-qualified pipeline, and the company as a whole sees 14% overall growth in marketing revenue.

Marketing departments use automation software to reduce or even eliminate repetitive tasks including:

- Manual email campaign creation
- Contact management with list segmentation
- Multichannel communications with individually automated campaigns
- Personalise content to target customers across channels
- Website tracking
- Build and track mobile-ready landing pages
- Progressive profiling
- Reporting and attribution
- Lead scoring and management

| Outbound Marketing | Marketing Workflow | Nurture Campaigns | Social Marketing | Marketing ROI |

Marketing automation software technology is constantly evolving to drive better and better transactions hence helping business generate more revenue. Marketing automation platforms are now progressively helping shape the role of marketers as they are able to help them streamline tedious day to day tasks with more accuracy. **Marketers of today are hence able to change their focal point to crafting better strategies instead of these important, but repetitive and time-consuming tasks.**

WHAT IS THE DIFFERENCE?

Marketing automation and email marketing have very different pricing and complexities. From a capability standpoint, both platforms should allow you to create and send emails, including long term campaigns, segment email lists, conduct A/B testing and track metrics. But that's about all email marketing platforms can do.

Marketing automation platforms, on the other hand, allow for significantly more than that, including lead scoring, landing pages, website tracking, social and CRM tie-ins, event and webinar integrations and much more.

The differences become even more pronounced when you evaluate the two platforms from a results standpoint. An email marketing platform helps you conduct effective email marketing campaigns, which of course leads to several benefits around brand awareness and lead generation. But, again, that's it.

A marketing automation platform does that too, but it also goes above and beyond.

FEATURES COMPARISON

There are many differences between an email marketing and a marketing automation application. Email marketing is indeed profitable and necessary, but will only provide you the functionality to send mass blasts and track open rates, however, its functions are rather limited in today's progressive digital age and is not scalable. With marketing automation, you have access to powerful and effective lead nurturing features like multi-step campaigns, lead scoring, and analytics, which will make your email marketing campaigns much more strategic.

Take a look at this feature comparison:

FEATURE	EMAIL SERVICE PROVIDER	MARKETING AUTOMATION
Send Mass Emails	YES	YES
Track Open and Click Rates	YES	YES
Build Landing Pages	-	YES
Build Web Forms	YES	YES
Create Multi-Step Campaigns	-	YES
Integrates with Social Media, and More	-	YES
Score Leads	-	YES
Recycles and Nurture Leads	-	YES
Ensures only Qualified Leads go to Sales	-	YES
Measures Impact of Marketing Initiatives on Revenue	-	YES
Monitors Website Actions	-	YES
Provides IP Addresses Associated With Antonymous Website Traffic	-	YES

IS EMAIL MARKETING ENOUGH?

Email Marketing is Only One Ingredient in the Marketing Automation Recipe

This is a question widely discussed by marketing professionals in this day. The short answer is no. However, it depends on where your business is at right now. Though with marketing automation, you get all your email data plus much more, it is obviously pricier and more complex.

Many of the differences between email marketing and marketing automation stem from the complexities of the data each platform collects. Email marketing tools track a recipient's behavior within your email campaign, this might be good enough for your small business who has just on-boarded digital marketing.

The truth is that this will not be sufficient in the long run, especially when your business has expanded and have a matured and full sales team in force.

You'd want your sales team to have the best leads to work around with, and an email campaign alone does not give you sufficient data you need for an extremely personalised sales pitch or nurturing campaign.

Email marketing tools tell you if your prospect or customer opened your email, if they clicked a link within the email, which link and how many times. However you are not able to track what they did with your email from then onwards.

With marketing automation, a lead's behaviour can be tracked everywhere, all their interactions with your company on the web can be seen. Did they go to another page on your website after opening your email? Did they go to landing page on your site? Did the same lead download an eBook after? Having a start to end view of your lead's web interactions give you much needed clues on what they are highly interested in, which stage of the sales funnel they are at, whether it is too soon to sell them a sales pitch, or how to further nurture them to be ready to buy.

For a clear illustration, let's say two of your prospects receive the same email. One from an email marketing software another from a marketing automation one. The one from the marketing automation software can be tracked to see if the prospect clicked through and watches a product view, viewed your pricing page, etc. The one on the email marketing platform will be recorded clicking through your email, but the tracking journey ends there. Your 2nd email will thus not be as personalised as if you had more information on the prospect's actions.

Relevant communications help you move prospects along their journey, and ensure they only meet with a sales representative at the right buying stage, at the right **ti**me**,** with the right content.

If your business is already in need of a better lead nurturing and management system, or you're finding that an email system is insufficient to help track your leads through the various channels you are reaching out to them at, it's time for marketing automation.

HOW TO DECIDE WHICH SOLUTION YOUR BUSINESS SHOULD CHOOSE?

Now that you know the difference between email marketing and marketing automation, it's necessary to determine which tool is best for your business. Other than system functionality differences, there are other important considerations that can help you decide which is right for you.

Cost is perhaps the first thing you will notice between the two systems. Email marketing software or providers generally base their pricing on mailing size eg. how many contacts do you have in your email marketing listing to blast your newsletters, or how many emails you will need to be sending. This solution is relatively inexpensive.

Most small businesses who are making a switch from traditional advertising to digital marketing and want to start simply with sending email messages to their subscribers and customers, will want to start with using an email marketing platform.

In addition to being easier to setup and use, they are comparatively less expensive than a full-on marketing automation system.

While marketing automation is amazing, these systems naturally are more complex to onboard. You have to define your email triggers and a lot of effort has to be put to creating personalized, targeted messages, as its aplenty of functionalities allow.

Before choosing a marketing automation software, be sure it's the best choice based on your business needs, it will be most ideal if your software is a localized one, as it would know what suits your local industry and demographics best.

If yours is a business with a sales team and a longer buying cycle that makes lead nurturing critical to your sales success- marketing automation is the right choice for you.

It is important for every company to understand the key benefits of marketing automation before comparing various tools and deciding which resources you need. Some SMEs would perform better with integrated add-on**s** and support function while others have different criteria.

CONCLUSION

We hope we've cleared the air on the difference between the two solutions. Many businesses are still under the impression that marketing automation is just another term or vendor for email marketing. The two are not interchangeable though comprising certain similar touchpoints.

To avoid barking up the wrong tree, it's important to learn their different system features and uses and when to opt for one over the other.

ABOUT US

iFoundries

iFoundries has been a digital agency that empowers growing businesses with expertly-crafted digital strategies since 2005, with its headquarters in Singapore and regional teams in Malaysia and Vietnam.

iFoundries exists to grow businesses using innovative digital solutions. As a results-driven digital agency, we combine world-class digital marketing, design and web development talent with an unique integrated approach to help clients grow at scale and speed.

Knowing intimately the needs from servicing more than 500 clients has prompted us to develop our own software to fill the gaps we have found, unlike most software companies which focus on churning out features after features that customers may not need.

iMailCampaign

Find Out More About Our Marketing Automation Software:

https://www.imailcampaign.com

Other marketing automation software you can check out:
https://www.hubspot.com
https://www.infusionsoft.com
https://www.mailchimp.com