



University of Wisconsin-Madison

**UW E-Business Consortium**

*"Helping Industry Gain Competitive Advantage Through E-Commerce and E-Business"*

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**Project Report**  
(Abridged Version)

# Personalized (One-to-One) E-Mail Marketing Strategy

## Project Sponsor

Lands' End

## Authors

Curtis Fahndrich  
Josh Lawrence  
Brent Newport  
Anthony Surya

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## Executive Summary

Our team worked with Lands' End to help develop a new personalized e-mail marketing strategy. The team performed a competitive analysis and analyzed industry email marketing best practices. These best practices were analyzed on several email attributes including: usability, marketing effectiveness, layout, and personalization. This analysis was then used to develop a specific implementation plan for Lands' End.

To perform the competitive analysis, the team used the third-party email intelligence platform, Email Analyst, to review emails from both apparel merchants such as Eddie Bauer, Gap and L.L. Bean and non-apparel merchants such as J.C. Penney, Kohl's, Sears and Williams Sonoma. Tools from various sources were used to analyze the competitors' email newsletters. Tools used include the EmailLabs Usability Rating Calculator, the Forrester Email Marketing Evaluation, the UW-EBC Email Marketing Assessment and the Email Layout Analysis.

The results of the EmailLabs Usability Rating Calculator suggest all the merchants, including Lands' End, can substantially improve their email newsletter usability. In fact, according to the EmailLabs Usability Rating Calculator scoring guidelines, none of the merchants earned a minimum passing score. Lands' End scored the highest compared to the other merchants but could still improve its score. To improve its newsletters' usability, our team suggests Lands' End consider several modifications, such as allowing subscribers to set their own email frequency and content and product personalization preferences and reducing the number of clicks required to change users' preferences and to complete the unsubscribe process.

The results of the Forrester Email Marketing Evaluation were more positive. Two companies (Gap and Eddie Bauer) received a passing score. In particular, we found that Eddie Bauer scored well in email usability, while Gap scored well in marketing effectiveness. Lands' End scored just below passing. To improve its Forrester score, Lands' End could modify several attributes of its existing email newsletter such as stating why the user received the email, making the email more readable, and creating a more effective subject line.

The UW-EBC Email Marketing Assessment (developed by the project team) evaluated quantitative and qualitative email characteristics not covered directly by EmailLabs or Forrester. In collaboration with Lands' End, the team developed 15 additional metrics to evaluate email marketing effectiveness. To develop a more effective email newsletter, Lands' End could increase the number of links within its email, limit number of discounted products, and emphasize the largest graphics with informative and promotional messaging.

The team performed a Layout Analysis to visually assess the email and determine the percentage of space utilized by different email elements. The objective of the Layout Analysis was to identify sections of the email that could be improved to provide a more visually appealing and enticing message. Based on this analysis, our team suggests Lands' End revise its email format to reduce the email's length and increase the amount of space dedicated to graphics.

The team reviewed industry best practices to develop a complete Personalization and Customization Assessment. The team consolidated personalization and customization

information into two main segments: profile/demographics (e.g., gender, age, preferences, personal interests, and geography) and behavioral/action-based characteristics (e.g., purchasing behavior, open/click-through rates and links and on-site behavior). To develop an effective personalized email program, the team suggests Lands' End implement a pilot personalized email program based on website browsing behavior. Lands' End could modify its existing email newsletter with personalized information rather than creating a new email process. As Lands' End develops its personalization expertise, it can implement a more costly personalized newsletter by integrating with its order management system.

Finally, the team formulated high-level implementation recommendations for Lands' End to beginning personalized email marketing campaigns. The multi-phase plan places highest priority on maximizing return on investments while minimizing risks that arise due to the uncertainty in the effectiveness of personalized email marketing.

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