

WHITEPAPER

Newsletter:

How Marketing Newsletters work and what matters most to make them successful.



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Newsletter: a brief history

Whoever talks about a newsletter today, they always speak about the email-newsletter. But the format itself is already over 100 years old and has changed several times since then. Early in the 19th century, Morse-codes made it possible to send messages over long distances in just a few minutes – and thanks to submarine cables even from continent to continent.

At the same time, messages and even objects were transmitted by compressed air. It is said that up to 10 million items a year were sent and delivered via pneumatic tube networks, mainly within cities. Similar systems are still in use today: For example in hospitals to transport medicines or documents quickly (and safely) from building to building.

Over the telex-network, which was set up parallel to the telephone-network from the 1930s onwards, messages could be sent to unique numbers (and of course received). Unlike faxes, telexes allowed text to be typed in (indirectly, via an input device called a teleprinter). Therefore, this technology was already close to today's email.

Email itself was born in 1971, but it took another 20 years before it was established as a mass medium. In the 1990s, free webmail providers such as Hotmail, GMX, and Bluewin in Switzerland ensured the meteoric rise of email as a practical, fast and inexpensive way of communication.

Since the early 2000s, the advantages of emails have been (and still are) mercilessly exploited: whether for sending mass advertising emails (called "spam" thanks to the British comedy group Monty Python), for fraud attempts (phishing, Nigeria Connection) or for advertising drugs (including Viagra).

Spiced canned ham: Thanks to Monty Python name sponsor for advertising mails (Photo: Mike Mozart/Flickr).



Nevertheless – or perhaps because of this – email as a marketing or content marketing instrument is currently experiencing a boom. Sounds strange? Maybe, but: Senders of serious messages were and are still forced to dramatically improve the quality of their mailings in order to stand out from the crowd and to have their emails be opened and read.

Emails in the 21st century

From a technical perspective, email has hardly changed since its invention until today. This is one of the reasons why it has been declared dead several times in the past years. From the point of view of its content, however, email has changed considerably. One could even rightly claim: It has been reinvented itself. Or to put it more pointedly: media companies

have reinvented it. Three examples of high-quality newsletters from the USA and two from the German-speaking world:

A whole newsletter just about bubble baths. You can't? It is possible, and entertaining too. (Photo: Qz.com).



- ★ **Quartz:** a model for almost all modern newsletters. The spin-off of the US magazine "The Atlantic" sends out a daily, monothematic newsletter, has around 700,000 subscribers and generates annual sales of around 30 million dollars with premium features. The ["Obsessions"](#) are varied, surprising, multimedia and brutally successful.
- ★ **MIT Technology Review:** The well-known magazine of the "Massachusetts Institute of Technology" offers a total of six newsletters. One of them, ["The Download"](#), provides the best overview of what you need to know about science and technology worldwide.
- ★ **Politico:** The best political newsletter comes from the house of the young US newspaper Politico. The ["Playbook"](#) provides a professional, journalistic summary of Washington's political events. The premium newsletter ["Politico Pro"](#) is aimed at companies, NGOs and public

authorities, reaches around 45,000 subscribers who pay at least 7,000 dollars annually for the service.

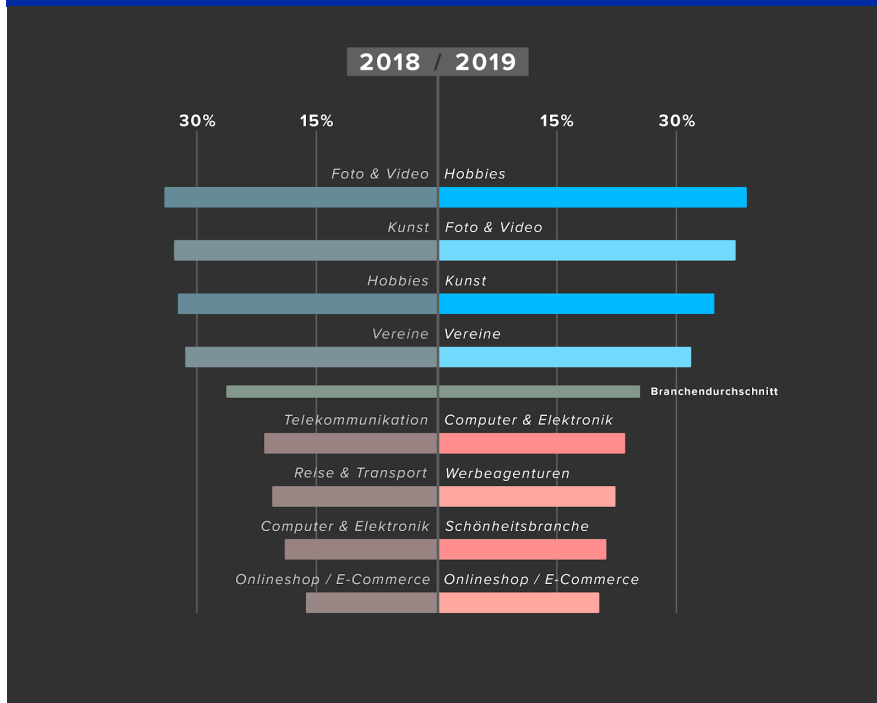
- ★ **Gabor Steingart:** The German media entrepreneur, former editor-in-chief and publisher of the Handelsblatt, publishes a "[Morning Briefing](#)" every working day since summer 2018 with a team of more than 20 people a journalistic reappraisal of the past day. It's a newsletter instead of a newspaper, free of charge so far.
- ★ **Tagesspiegel:** "[Checkpoint](#)" is one of the first, if not the first, paid newsletter in the German-speaking world. The Berliner Tagesspiegel offers the latest and most interesting news from Berlin's politics, economy and society for an annual fee of 60 euros from Monday to Saturday.

Part of the content marketing mix

The revival of newsletters has led to the fact, that this format must at least be considered by every company for its communication. On the side of the recipients, nobody says that he or she receives too few emails. But well-done newsletters are opened, read and sometimes even paid. And they help the sender, to reach its business goals.

This is proven on the one hand by the very good key performance indicators (KPI) of our customers' newsletters, and on the other hand by the average opening and click rates of B2B newsletters from various industries, which the service provider Newsletter2Go determined in a survey:

On average, B2B newsletters are opened by one in four recipients (Photo: newsletter2go.ch).



Newsletters aren't just read, but also clicked. Statistics differentiate between click-rate and click-through-rate (CTR). The former is calculated on the basis of the sent newsletters, the latter on the basis of the opened newsletters and is correspondingly higher:

Average KPI-numbers of B2B-Newsletters in 2019:
(Source: newsletter2go.ch).

KPI	Average value
Open rate	24.99%
Click-rate	4.25%
Click-Through-Rate	17.02%
Bounce rate	2.34%
Unsubscribe-Rate	0.34%

Regardless of industry, it is practically impossible to achieve or even exceed these values on other channels such as social media or Google. This applies both to paid advertising (e.g. Facebook- or Google-ads) and even more so to the (actually irrelevant) organic reach. According to the agency Wordstream, the average click-through rate is ...

- ❖ ... on Facebook-Ads 0,9%
- ❖ ... on Google-Ads 5,06%

The figures cannot be compared 1:1 with KPIs of a newsletter, as the channels have different objectives. While newsletters are primarily designed to provide information to contacts already known to the company, Facebook & Co. are primarily used to generate new leads. Nevertheless, the comparison of the values is justified: It shows why opening rates of less than 25 percent and click rates of less than 5 percent are considered good.

Nevertheless, it is not the case that newsletters can replace the operation of a Facebook page or the placement of Google ads. It is important to define individual goals for the channels used and combine them to contribute to the business or strategic corporate goals.

Factors of success

What must a successful newsletter be like, that it reaches the audience and pays off on the set company goals? In the following we list the seven most important success factors:

1. **Objectives and target group(s):** As mentioned above, objectives and the definition of the target group(s) are essential for success. This includes that the target group (and only the target group!) is represented in the "address book" or distribution list in accordance with the law (more on this in chapter 7 from p. 21). The more "uninterested people you serve, the worse are your KPIs. Regardless of the definition of the target group(s), it is important that each recipient feels personally and individually addressed. The following questions help to define the target group(s):
 - ❖ What is the main objective of the newsletter? (Just having a newsletter does not count)
 - ❖ Is the target group internal or external? B2B or end-customer business?
 - ❖ Does the newsletter aim to boost sales or strengthen confidence in the brand or company? Or to keep and increase knowledge within the company?
 - ❖ Is it important that the recipients are directed to your own website, or does that only play a minor role?
2. **Benefit:** Experience shows, that purely promotional newsletters, in which sales are the main focus, achieve very poor open rates. This is in stark contrast to emails with a high value for the recipients: Before senders of newsletters can ask something from a recipient (e.g. closing a deal, selling a product), they must offer the recipient something (e.g. free information, etc.).

Useful newsletters ...

- ❖ ... **save time**. Relieve the recipients of the work of having to research a specific topic themselves and regularly serve the best links.
- ❖ ... **impart knowledge**. If you have the necessary expertise and competence on a topic, you can explain and clarify complex themes and enlighten your readers.
- ❖ ... **inspire and explain**. Those who reveal insights and learnings inspire others and give them fresh ideas. Talking not just about success, but also about things that haven't worked as desired, increases your credibility.

If senders offer a high utility value in their newsletters, they acquire a high degree of credibility and, depending on the topic, leadership of knowledge in the corresponding field. This creates trust and also increases attention for your products and services.

3. **Format:** To put it very simply, there are only a few newsletter formats: "product", "editorial" and "link collection". While an editorial newsletter invites to read, the latter encourages to click. The differences and similarities at a glance:



- ❖ **Similarities:** Every good newsletter is sent by a "personal" sender. This means: the communication does not come from a company or an anonymous marketing department, but from a person who appears with his face (photo) and name.
- ❖ **Editorial:** Takes up one or more topics and describes them. Further links can be set, but they are not as decisive as they only provide in-depth information. The essence is in the newsletter itself. Examples are the "Quartz Obsessions" or "Steingart's Morning Briefing" (see screenshot on the left).
- ❖ **Link-Digest:** The classic. After a short welcome, there are listed a number of articles. Each "digest" consisting title, picture, text and a link ("More info...", "Read more at..."). Link digests animate the recipients to click, they should open and read the recommended articles.
- ❖ **Product:** Sales-driven newsletters, whose main topic is your own products and services, will have a hard time in the future, as they provide too little value. Of course, there are other formats, but most of them are mixtures of the above.

4. **Language and content:** Practically for every newsletter, bad language, and bad style are deadly. To be convincing, you don't need linguistic brilliance, but at least flawless German (or any other Language) and a pleasantly readable style. If this is not delivered, the opening rate suffers and the recipients log off.

Very helpful (or a must) is also a content bracket or over-the-topic, to which the newsletter is consistently dedicated. This not only helps to build up the list of recipients but also ensures a good opening rate at all times. Keywords: expectation management and habituation effect. If the recipients know what to expect and when, the chances of opening your email increase.

5. **Frequency:** Two points are important when choosing the frequency and time of dispatch:

- ❖ **Regular dispatch:** The available resources and the objectives of the newsletter determine the dispatch rhythm. The more often, the more complex. But also: the less often, the more useless. It is important to find an optimal mix that suits both the sender and the recipient.
- ❖ **Constant dispatch time:** It is not possible to say in general terms what the correct dispatch time is. It depends on the objective, the target group and other, mostly individual factors (start time of campaigns, actions, etc.). More important than "Tuesday, 5 pm", "Thursday, 7.30 am" or "Sunday, 22 p.m." is to send constantly the same day and time. And of course to analyze your KPIs.

6. **Template:** The template, the technical framework of the newsletter, consists of the following three elements.

- ❖ **Headline:** The header contains at least the logo of the sender. In addition, elements such as menu, main image or sender persona can be placed. The former serves to direct recipients to specific areas of your website.

The header is the most important element of a newsletter.



- ❖ **Footer:** The footer must contain information about the sender: Company name, address and contact details (Imprint). An unsubscribe link is also required. It is not sufficient to place a link "Manage profile settings (or similar)" only. Tricks like matching the font color of the unsubscribe link to the background are not recommended. It is conceivable that certain email-clients may classify these messages as spam (or the recipients do).
- ❖ **Main part:** While the header and footer are static and remain the same for each dispatch, the main part, which consists of the actual content of the newsletter, changes with each dispatch. This can consist of any number of columns and sections:

When creating your newsletter template, make sure that it is suitable for mobile use (it must be responsive) and that it is displayed without errors on all possible email clients (Outlook, Gmail, iOS, Android, etc.). If it's incorrect, the unsubscribe rate inevitably increases. To test both, there are two possibilities:

- ❖ Some newsletter-tools and CRMs offer a test function to test your newsletter on the most important screen sizes and email clients.
- ❖ The website www.testi.at offers this service for a little fee. Use on 31 days costs the equivalent of CHF 15. This is usually sufficient to create and test a template.

7. Analytics

There is no benefit at all out of the most beautiful email with perfect content if it does not fit the target group. That is why it is important to check yourself regularly.

As described in the chapter "Part of the content marketing mix" on page 6, the most important measurements are opening rate, click-through rate and unsubscribe rate. Set target KPIs that you want to achieve and check that they are reached after each mailing.

Curated Newsletters

Many senders of marketing emails are convinced that good links are only good links if they point to their own website. This is not wrong, but it is very expensive because you always have to create enough content of your own. Those who do not have these resources, can use already existing content and curate it carefully.

Curating means making a selection and classifying it. For example

- ❖ ... garden centers could send out the best tips and tricks on topics such as urban gardening, horticulture, and ornamental plants.
- ❖ ... insurance service providers could send out articles on provision, premium reductions and upcoming changes in the law.
- ❖ ... travel providers could compile insider tips on their destinations.
- ❖ ... companies from every industry could find and select articles suitable for their target groups.

Curated content enables companies to communicate more cost-effectively and efficiently and also to address their target group(s) more personally and individually. To find out how Scope can help you find the right content and get it to your audience, please read the chapter "Upgrade your communication" on page 24.

Top 10: Newsletter with curated content

1. [MIT Technology Review](#): The well-known magazine of the "Massachusetts Institute of Technology" offers a total of six newsletters. One of them, "The Download", is one of the best overviews worldwide of what you need to know in the field of science and technology.
2. [Quartz Obsession](#): The mother of all curated newsletters. Varied, surprising, multimedia and brutally successful. The spin-off of the US magazine "The Atlantic" has around 700,000 newsletter subscribers and regularly generates revenues of 30 million dollars per year.
3. [C36](#): Even three years older than Quartz and, at least in German-speaking Switzerland, still read and appreciated. Daily ICT media review, which is at least refinanced by text ads.
4. [MyLittleParis](#): 2 million recipients find out what's going on in Paris (and meanwhile also in Lyon or Marseille, or with children, when getting married or while traveling). By 2014, the founder was already turning over 14 million Euros a year, partly through a weekly sponsored newsletter and partly by selling a subscription to beauty products.
5. [NYT What we're reading](#): If there is one thing the newspaper industry avoids normally as much as possible, it is to link to competitors. The New York Times does not follow this rule and regularly publishes its "Picks - The Best From Around the Web".

6. [Webrepublican](#): A Swiss agency called Webrepublic sends a newsletter to 1800 recipients every first Sunday of the month. According to its own information, the mailing reaches an average opening rate of currently 42 and a click rate of 20 percent. The recipe for success? Curated content.
7. [Tagesspiegel Checkpoint](#): One, if not the first, paid newsletter subscription in the German-speaking world is offered by the Berliner Tagesspiegel with its "Checkpoint". For 60 euros a year, the latest news from politics, business and society is available from Monday to Saturday.
8. [Politico Playbook](#): The best political newsletter comes from the house of the young (2007) US newspaper Politico. It provides a professional, journalistic summary of Washington political events with the best links to other US media. The premium newsletter "[Politico Pro](#)" is aimed at companies, NGOs and government agencies, reaches around 45,000 subscribers, who pay \$7,000 annually for the service.
9. [The Skimm](#): Aimed at young women, it promises more than one million recipients the content they need to make a successful start to their day. The newsletter delivers the best curated links tailored to the target group.
10. [Finimize](#): Thanks to Finimize, 400,000 recipients receive a curated overview of the financial markets and stock exchanges around the world.

Monetization of newsletters

In addition to their successful use in content marketing, newsletters can also contribute directly or indirectly to sales. Below are the three most common options:

Paid Newsletters are established in the English-speaking world since 1 to 2 years (Photo: thebrowser.com).



Choose a subscription plan

☒	Annual \$48/year
☐	Monthly \$5/month
☐	Friend of the Browser \$480/year
☐	None

✓	Subscriber-only posts and full archive
✓	Occasional public posts
✗	Choose an amount and be a Friend of the Browser

- ❖ **Advertising:** Newsletters with a large audience and good open rates are particularly attractive for ad placements. Ideally, the ads fit the newsletter's target group. Classic senders of ads-financed newsletters are media companies. But there is nothing to be said against advertising services, products or events in your newsletter.

- ❖ **Paid newsletter:** In the German-speaking world, paid newsletters are still a rare phenomenon. The best known is "Tagesspiegel Checkpoint". In the USA, Politico and "The Browser", among others, offer corresponding models. Many US paid newsletters are offered on the platform Substack, which was founded especially for this purpose. The twelve most successful authors earn an average of 125,000 dollars per year.

- ❖ **Paid content:** Placing links in the newsletter pointing to content that is "hidden" behind a paywall is an indirect way of monetization. Alternatively, it is possible to provide the content for free if the readers register in order to qualify their leads.

Address management and maintenance

The database with the addresses of the recipients is the Achilles' heel of every newsletter sender: every company is vulnerable there. The following tips will help you to keep your addresses under control and to be legally on the safe side.

GDPR: The General Data Protection Regulation is in force since mid-2018 and regulates the processing of personal data in the European Union. It is binding for Switzerland when local companies communicate with people living in the EU (which de facto every website does or at least cannot exclude). For the dispatch of newsletters this means concretely:

- ❖ Senders of a newsletter must be able to prove (on request) which customer data is stored where for what purpose and how they handle it.
- ❖ Recipients must actively agree to receive the newsletter ("double opt-in"), be able to unsubscribe at any time and access the company's data protection declaration.
- ❖ Senders are responsible for the security of customer data and should only work with trustworthy providers. A server located in an EU country is also an advantage.
- ❖ If a recipient unsubscribes, all data of the corresponding contact should be deleted unless the data is subject to retention by law.

Number of addresses and growth: As in many other areas, the pure size of the address database is not decisive. It is much more important to have the right contacts stored instead of “just a lot”. Here’s what helps to get there:

- ❖ **Regular cleaning up:** A small percentage of all newsletters are usually undeliverable. This is because the recipients have deleted their email-addresses, their mailboxes are full or their providers reject the message for certain reasons. These are the so-called soft or hard bounces. After three or four unsuccessful delivery attempts, it makes no sense to continue serving these addresses. The same applies to recipients who never open your newsletter. Exclude them from the mailing. This improves your address list and your KPIs.

- ❖ **Contact acquisition:** In order to grow steadily your recipient list, raffles or discounts and vouchers as a reward are not a good idea. If a new recipient jumps at it, he or she is not interested in your content, but in raffles or discounts. It is better to regularly refer to the newsletter in blog posts and to offer a call-to-action for registration in the newsletter itself if it is often forwarded.

Tools and costs

Standard software supports the dispatch of newsletters. Here are possible tools (there are hundreds more) at a glance:

- ❖ **[Mailchimp](#):** Largest and best-known supplier.
The sending of up to 10'000 emails per month to a maximum of 2000 contacts is free of charge, those who need more pay at least 10 dollars per month. As an American provider, the GDPR compatibility of Mailchimp is not given with a strict interpretation, because the servers (and accordingly the address storage) are located in America.
- ❖ **[Mailjet](#):** The European answer to Mailchimp. As a French provider, Mailjet offers full GDPR-support and 6000 free emails per month. If you have more recipients, you pay at least \$8.50 per month.
- ❖ **CRM:** Alternatively, customer relationship management systems such as Hubspot, Salesforce, and others can be considered. These can not only send emails but also offer contact management and marketing automation. With these tools, the shipping costs are already included in the corresponding packages. But due to the mentioned additional functions, the use of a CRM is much more expensive.

Upgrade your communication

We help you to reach your target group in a resource-saving way. Thanks to the Scope Content Suite, you can find relevant articles and publish them seamlessly through your existing channels.

With our support, you define topics, search terms and relevant sources such as blogs, social media channels or other newsletters. Our software continuously searches thousands of sources and always delivers up-to-date articles that fit best to your target groups.

You select the most suitable articles and write a commentary on why this text is worth reading, or you provide a classification or additional explanation. If you lack resources, we also provide curation-as-a-service.

If you want to send out a newsletter, you can compile it in our editor by simply drag-and-drop elements like title, text or article-list. If required, combine your own content with the curated content.

No matter what communication channels (web, social media, email, blog, RSS) you use: Scope relies on consistent "white-labeling" and integrates into your existing environment under your brand.

Get to know Scope (without any obligation)

We would be happy to present Scope to you in a personal demo and demonstrate how you can profitably use curated content in your communication. Book an appointment without obligation and free of charge directly at www.thescope.com/demo. Alternatively, you can reach us at the coordinates below.

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