How has the great resignation impacted sales and prospecting data?
What’s up with email marketing?

It feels like a lot of things are up in the air these days, between the pandemic, economic crises, and “Great Resignation.” One thing that’s as rock-solid as ever, though, is email. In fact, over 70% of marketers say they’re getting more engagement with emails over the past 12-24 months.

The root of the issue is the out-of-date database. More than four in five marketers say that at least 20% of their email marketing database is out of date – and a quarter say it’s more than 40%. And, as the Great Resignation means that people move more frequently, this is percentage is likely to keep rising.

Email is the MVP when it comes to marketing: it goes right to the people it’s meant to, and it gets results. But marketers are missing out because their databases can’t keep up with the real world. In this report, we’ll break down why that is – and what businesses can do to fix it.

We hope you find this useful, and we want to say a sincere “thank you” to everyone who contributed.

- Aline Dian,
  Outbase Product Marketing Manager
How we got our results

To understand the role that email plays in today’s marketing mix and how organisations can achieve even better results, we spoke to 500 marketers and business professionals in May, 2022.

Approximately half of the respondents were marketers, and the other half were business owners and decision makers. Industries represented included technology, media, retail, automotive, healthcare, government and more.

We also got some expert input from Scott Logie, the Customer Engagement Director at REaD Group and Chair of the Customer Engagement Committee of the DMA.

Scott has worked in the Direct Marketing industry for over 20 years, both on the agency and client side but always with the same outlook: to put customer data first in any marketing decision. He is an engaging, innovative and creative thinker. A highly experienced data-based marketer, with a background in finance, Scott has spent lots of time with insurers, charities, automotive, FMCG, government and retail clients including many of the biggest brands in the country.

What’s holding marketers back?

Today, core pain points include engagement, personalisation, communication, customer retention, and brand awareness. Over the past 12-24 months, 69.4% of marketers have reported increased bounces for their email marketing campaigns. The reasons vary, but most likely, the recipient no longer has that email account, or it’s been deleted due to inactivity.

For this reason, marketers need to keep their mailing lists clean – otherwise, the bounce rate will rise, and email reputations will drop. A low sender reputation will place a campaign in the crosshairs of a spam filter, creating a vicious cycle of non-engagement. The benchmark for bounce rates is 2%. When this figure jumps to 5% or higher, it suggests a significant problem that needs resolving.

Left untreated, high bounce rates can spell trouble for email marketing campaigns – and that’s not to mention the money being wasted. For 45.5% of those surveyed, the increase in bounce backs had a significant impact on prospecting success, while 91% have noticed “some kind of impact.” And as we know, effective prospecting is a critical lead generation tactic for any growing company.

Data inaccuracy rates are one of the biggest causes of ineffective B2B sales outreach campaigns. As staff turnover accelerates as part of the Great Resignation, prospect databases are going to become outdated more quickly. When people change roles every two years, it only takes one year for 50% of a database to be out of date. If that two-year period reduces even further, databases will be decaying even faster.

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<thead>
<tr>
<th>The extent to which marketers have seen an increase in bounce rates in the past 12-24 months</th>
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<tbody>
<tr>
<td>Significant Increase</td>
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<td>Slight increase</td>
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<td>Neither increase or decrease</td>
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<td>Slight decrease</td>
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<td>Significant decrease</td>
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More like “out-of-date-a-base”

Follow most of today’s problems back and you’ll find a common source: bad data in the database. Most marketers, 82.8%, say that more than 20% of their database is out of date. Shockingly, over a quarter of marketers, 26%, say that number is over 40%. This really limits a campaign’s potential for success. Even as email reaches new highs, one in five messages – or more – may be going nowhere.

The world changes quickly these days, and databases often fall behind it. While trends like the Great Resignation mean that people are regularly shifting between organisations and roles, databases don’t reflect these changes. This isn’t for lack of trying on marketers’ part. Almost all of them, 89%, update their database at least quarterly, with 42% diligently reviewing the data monthly.

In other words, the pace of change today is simply too fast for marketers to keep their databases up to date – so what can they do?

<table>
<thead>
<tr>
<th>How often marketers update their database</th>
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<tr>
<td>Monthly 42%</td>
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<tr>
<td>Quarterly 47%</td>
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<tr>
<td>Annually 8.8%</td>
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<tr>
<td>Never 1.8%</td>
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<table>
<thead>
<tr>
<th>Proportion of database that marketers estimated was out of date</th>
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<tbody>
<tr>
<td>0%</td>
</tr>
<tr>
<td>Up to 20%</td>
</tr>
<tr>
<td>21-40%</td>
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<tr>
<td>41-60%</td>
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<td>Over 60%</td>
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Better databases

We’ve narrowed the problem down to bad data in databases, now it’s up to marketers to fix the issue once and for all. Here’s how.

Quality, not quantity

Marketers should dedicate time to determining exactly which people and businesses to target and ensuring they have accurate data on them. A relentless focus on data quality is critical. If a marketer is unsure of whether an entry for an individual or business is right, they should turn to social media, advises Scott Logie, database pro and ex-chair of the Direct Marketing Association. “People update LinkedIn quickly, and data can be extracted from what is basically an open source to help manage contacts,” he adds. Alternatively, they can turn to prospecting databases to do the heavy lifting.

One of the biggest mistakes that marketers make is equating a big database with higher chances of success. Says Scott: “I fear that many marketers still think that size is all that matters. Sorry, not true. Starting the right conversations with businesses that matter to you will generate way more income than a big, untidy, unclean database.”

The modern starting point has become “everyone, everywhere”.

Today’s customer targeting is an exercise of reducing list size, filtering and eliminating unresponsive market segments, and refining audiences to limit budget wastage and enable higher-value engagement sequences.

Keeping track of hot leads

In line with our data, Scott also reports that “both B2B and B2C response rates have increased” over the past few years. In addition to the effect of the pandemic, he attributes this to people being more open to their inboxes in the wake of lowering spam rates and cold emails following GDPR (the EU General Data Protection Regulation). “The result,” Scott finds, “is that the emails sent are more relevant and – hey, shock – get opened and read.”
A tidy database is a tidy mind

Another key issue is that database sorting is treated as a relatively infrequent recurring task rather than an ongoing one. While it’s great that 89% of marketers update their database quarterly or more frequently, this needs to be combined with continual small edits.

Scott says that the key to this is to use an integrated customer relationship management (CRM) solution: “I frequently see lists managed in an email platform where bounce-backs and undeliverables are held but that data is then not fed back to the main CRM. The next campaign then has the same problems!”

Instead, Scott suggests that marketers “make sure that your eCRM and CRM are integrated – it works. Modern database solutions can integrate with CRM software automatically, so there’s no excuse for splitting the data.”

In larger organisations, it’s often easy for one hand to lose track of what the other is doing. For example, marketers expect sales teams to keep their own lists up to date and clean, but communication often falls by the wayside. So, rather than relying on individuals or teams to do all the manual work, marketers should consider using an automated platform to keep the database up to date or build fresh data.

Expert wisdom on tidy databases

As a database expert, Scott Logie knows how to keep a database fresh and up to date. Here are his top three tips:

1. **Clean your database regularly and make sure it’s up to date** - even if you think you are on top of it, there will always be changes required. This is where the right tech paired with human expertise is required to drive optimum results. Use external data to validate entries and ensure they’re still correct.

2. **Integrate and educate** - ensure your eCRM and actual CRM are working together, and that people update as and when they know what changes have happened.

3. **Be ruthless** - the size of the database doesn’t matter as much, but quality does. Don’t be afraid to delete data that isn’t working, as it’s no longer of any use. The fastest route to improving performance and reducing cost could often be to ditch the entire database and start afresh.
Take it to the next level with technology

To keep up with a real world that moves at a digital pace, marketers need to leverage tech. Where hundreds of millions of prospects are instantly available at negligible cost through sophisticated sales engagement platforms such as Outbase, the value of maintaining legacy marketing databases is observably trending to zero. It’s a tough change to embrace after decades of investment in sourcing and cleaning data, but liberating and transformative once the steps are taken.

The platform’s advanced filters and segmentation tools make it easy to drill down into that massive pile of data and dig out the diamonds – the people and businesses a marketer is looking for.

And, to ensure that the data is accurate, systems like Outbase automatically review each entry to verify that it corresponds to a real person. This leaves marketers with a laser-focused, relevant database that’s always up to date.

Going further on engagement

Great engagement is a big reason that email is so popular as a channel, and the pandemic has given it a major boost. Almost three quarters of marketers, 71.4%, noticed that email engagement has increased in the past two years.

However, this isn’t a reason to stop investing in engagement. If anything – as competition for clicks heats up – it’s a reason to increase investment. To stand out in the inbox, marketers are spending more on personalisation, high-quality content, and follow-ups.

Our research has found that the following tips generally make for the most engaging emails:

- **Keep it quick**: People are busy, so the most read emails are around 150-words long. Shorter paragraphs (four is a good target) are also easier to scan.
- **Skip the marketing speak**: Keep the writing simple and easy to read, regardless of the audience. There’s always jargon to cut.
- **Request just one thing**: Every email should include a simple, immediate call to action (CTA) – but including more than one hurts engagement.
- **Tailor the message**: Rather than sending blanket emails, tailor your engagement and offer based on customer data from your eCRM.
Persona grata

Even in an era of hyper-personalisation, the simple persona remains a marketing mainstay. However, like databases, they need to be kept current to be useful. When it comes to revising personas, businesses should consider:

**The data a business already has:** In many cases, most of the data that a business needs to identify what type of customer purchases from them and begin to determine the why is already in their database.

**Real-world research:** While combing through the data is a smart way to maximise effort, it doesn’t have the same impact as hearing from a real customer in their own words. Many businesses offer rewards as an incentive for customers to offer their thoughts in a survey.

**Renewing regularly:** Today, nobody needs a reminder that things can change in a snap – but businesses often leave their personas in place for years at a time. Change personas on a regular basis, and rework them if the business makes a major pivot.

Writing better emails

Marketers aren’t just competing on the targeting of their emails; they’re competing on content. Fortunately, tech can also help when it comes to writing more impactful emails. Tools like Outbase offer dozens of personalisation options, automated content quality review, and spam word detection across multiple email providers to help marketers send the perfect message every time.

For marketers who really want to make a great first impression, it’s worth considering professional prospect writers. With Outbase, our customers also have access to a host of professionally written templates, proven to connect to specific audiences with up to four times the response rate of an average email.
A lot has changed in the past few years, but email has managed to maintain its seat as the champion channel. Marketers have seen email ROI and engagement continue to increase. To make the most of this potential, marketers need to show their databases some love.

Today, four in five marketers have an out-of-date database, and it’s holding them back from achieving even better results. To take their email marketing to the next level, they need to keep their databases small and tightly focused and update them regularly.

Doing this manually will involve a bigger time commitment – but that’s not the only way. Instead, marketers can lean on powerful prospecting databases that have already done the hard work, sifting through them to find the perfect people and the best businesses to target.
About Outbase

Outbase is sales prospecting, solved. We’ve created a powerful, automated platform so you can start the right conversations, with the right people, in the right businesses – and send growth skyrocketing.

The powerful platform makes it simple to define your market and identify new prospects with access to over 230 million automatically updated entries on people and businesses – say goodbye to bloated, out-of-date databases.

And, once you’ve narrowed in on your target, Outbase has the tools you need to send emails that connect and build campaigns that fly – including access to teams of expert writers, CRM integration, effective compliance resources, automatic analysis, and so much more.

Ready to generate some leads? Try Outbase