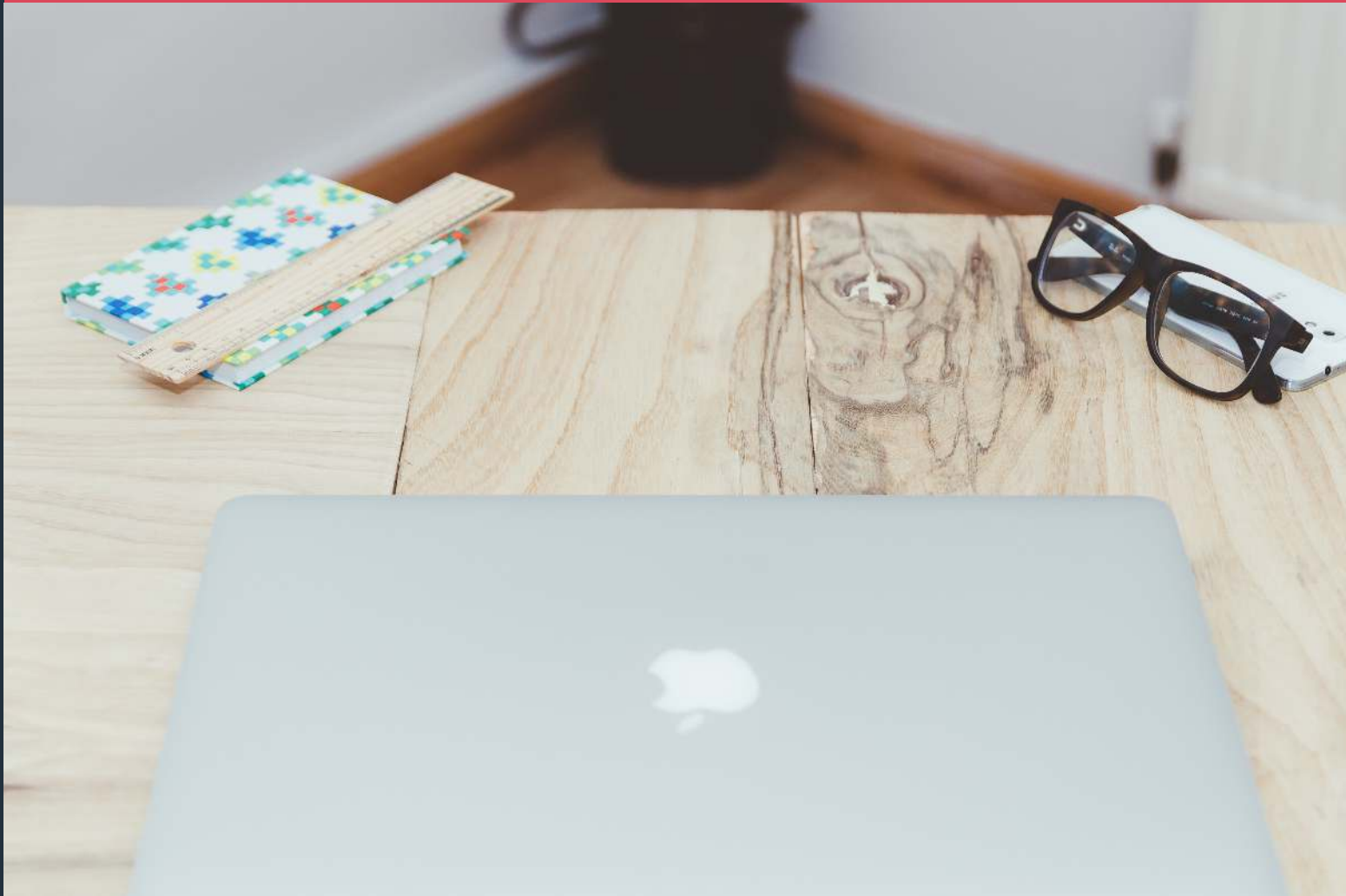


THE DEFINITIVE GUIDE TO CLIENT NEWSLETTERS

JANUARY 2017



An essential guide
for advisers

PRODUCED BY THE YARDSTICK AGENCY
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THE YARDSTICK AGENCY

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INTRODUCTION

As far as we know, there are no reliable statistics showing the frequency financial advisers send newsletters, and we're not about to make them up!

However, based on conversations with advisers we suspect most fall into one of the following categories:

1. Already send a newsletter on a regular basis
2. Send newsletters sporadically
3. Don't send newsletters, but can see the benefit and would like to start doing so
4. Don't currently send a newsletter and have no plans to change.

If you are in one of the first three categories, producing a newsletter takes up valuable time and resources. It therefore must be as effective as possible.

Our aim with this guide is to help you do just that.

We hope you find it useful; if you have any questions or queries, please do not hesitate to get in touch by emailing phil@theyardstickagency.co.uk or by calling 0115 815 7770.

But before we get to the really good stuff, let's start the guide by asking a more fundamental question...

A handwritten signature in black ink on a light blue background. The signature is cursive and reads 'Phil'. Below the signature is a long, horizontal, slightly wavy line.

By Phil Bray, Founder,
The Yardstick Agency

Why should you send a newsletter?

An effective newsletter achieves several different things:

- Adds value to the recipient, and leaves them more informed, as you provide useful information relevant to their financial circumstances
- Positions you as the expert, who has valuable knowledge you are willing to share
- Gives the recipient a regular, light touch, with your brand

Furthermore, ad hoc newsletters, sent when appropriate, such as the day after the EU referendum result, show that you are on the ball, happy to provide your expert view and there to reassure potentially worried clients.

We recommend sending your newsletter to three different groups of people:

1. Clients

Your clients look to you, as their trusted adviser, to keep them informed of events and changes, which affect their finances. If they don't get the information from you, they will look elsewhere. Your newsletter also reminds clients of your brand, expertise and will help generate more recommendations.

2. Prospects

A prospect has not yet taken the leap to become a client. A well-written newsletter is a light touch way of adding value and keeping them informed. It also demonstrates your expertise and reminds them you are there to help when the time is right.

3. Introducers

Introductions from professional connections are vital to many advisers. However, these relationships require constant nurturing; your newsletter has a part to play in this process. It demonstrates your expertise to introducers, reminds them of the areas on which you advise and provides that all important touch point with your business.

Electronic or printed newsletter?

Over the past 15 years we've produced both types of newsletter.

For us there is a clear winner.

One can be very cost effective to put together, easily tailored to the interests of the reader and tracked to provide valuable management information. The other is far more expensive, has a rigid structure and is far harder to track; you can't even prove it's been delivered!

Yes, our preference is for electronic newsletters, almost every time. In our view, they have significant advantages:

- The cost of electronic newsletters is a fraction of sending 'hard copies'. This means you can publish more frequently, adding additional value to your clients
- There are many steps you can take to increase the chances of an email newsletter being read
- You can see which subjects are popular and which aren't, helping you to make future editions even more relevant
- You can confirm that the newsletter has been delivered and find out which recipients read which articles; making effective follow up so much easier
- The recipient can easily forward the newsletter on, increasing the readership

In our opinion electronic newsletters win hands down almost every time.

How often should newsletters be sent?

Frequency

We believe that advisers should, in an ideal world, send newsletters once a month with a one-off, special edition, following a Budget.

We've heard some advisers suggest that monthly is too often, because:

- Clients will feel that they are being bombarded
- There isn't enough to write about
- The time and effort to produce a monthly newsletter is too great

Let's take each of these in turn.

Your clients won't feel bombarded by a monthly newsletter providing it contains articles relevant to them. If you don't believe us, try it, we guarantee that the unsubscribe rate, the ultimate measure of dissatisfaction, will be incredibly low.

You are their adviser, they want to hear from you!

We know some advisers struggle to find inspiration for news articles and blogs. But, with the right techniques it isn't hard to find relevant topics on a regular basis. We'd recommend keeping a list of topics you know your clients will be interested in. When the time comes to put pen to paper, revisit your topic list and decide what you will write about.

Ok, we have some sympathy for the final argument against a monthly newsletter.

Producing say four articles each month, having them proof read, checked by compliance, uploading to your website and building a newsletter all takes time. Something in short supply for most advisers. So, yes, we get this point. But, there are plenty of other options, including outsourcing the task.

Whether you choose to produce the content and newsletters in-house, or out-source the task, we know that the highly-engaged clients and returning prospects, which will result, makes the effort worthwhile.

Consistency

Before finally deciding how often you will send your newsletter, be 100% sure you can hit your publication deadlines.

Missing editions, publishing at the last minute or late, does not reflect well on your business.

Better to publish less frequently, but on time and with relevant content, rather than aim to high and fail to deliver.

Whatever you decide, set aside time in your diary to produce the newsletter and stick to it with the same resolve as you would keep a client meeting.

Consistency is vital.

Ad hoc newsletters

In addition to your monthly newsletter, we also recommend sending a special edition following each Budget, and, in the past Autumn Statement.

These editions should be produced and sent as soon as possible after the end of the speech, preferably on the same day. Any later and you run the risk of being seen as too slow off the mark.

Finally, we recommend sending ad-hoc newsletters when events necessitate greater client communication. In 2016 we believe three such events occurred; Brexit, the increase in interest rates (for the novelty factor, if nothing else) and the US election result. These are all events which made the headlines in both mainstream and personal finance press, and will no doubt have led to questions from your clients.

Producing such a newsletter, with a brief summary of events, plus your thoughts on how your clients should react, doesn't take long. But the benefit to your business in terms of client appreciation and loyalty is immeasurable.

Email marketing systems

We always recommend sending an electronic newsletter using a system specifically designed for the job.

Using Outlook, Gmail etc just won't cut it.

Why?

- Sending a large number of identical emails, at the same time, can lead your Internet Service Provider (ISP) to mark you down as sending spam. This could negatively affect your ability to send emails in the future and ultimately lead to your email address being blocked
- These issues may also spread to your website
- You will still need to get your newsletter designed and built, which will require specialist software
- You will get no management information to help you review the success of your campaign. You won't know who has opened it (unless you add a tedious read receipt), who has clicked which articles, and which were the most popular
- You can't give recipients the chance to unsubscribe

There are also many benefits to using an email marketing system:

- You will avoid the possibility of being seen by your ISP as a spammer, which will preserve the integrity of your domain
- Each system will have its own design suite, allowing you to create attractive looking newsletters. Many offer free templates too, which you can amend to reflect your branding
- You can build the newsletter at a time to suit you and schedule it to be sent on a future time and date
- The system should allow you to test out different variables, known as split tests, such as subject lines, to improve the effectiveness of your campaigns
- You will be able to include an unsubscribe button
- The management of your data will be easier. You will be able to see which emails are bouncing, who has read each article and of course, who has unsubscribed

- The management information is invaluable. Used correctly, it will allow you to track your newsletters and show what's working and what isn't
- Some systems, such as the one we use, has a re-send facility. This allows you to resend the same campaign a few days after the original, to those people who have not already opened it. In our experience this increases the open rate by 30 - 50%

Which systems should you consider?

We've researched all the most popular email marketing systems and our preference, when balancing cost and functionality is **Dotmailer**. Other popular systems include:

- **Mail Chimp**
- **Infusionsoft**
- **Mail Magic**
- **Campaign Monitor**

What makes an effective newsletter?

That's a tough question and the precise answer will differ from business to business. But there's probably some goals we all want to achieve from our newsletters:

- Informing the recipient of relevant financial news and your views
- Reminding existing clients of your expertise, whilst demonstrating the same to those who are yet to become a client
- Increased engagement
- Increasing the number of touches with your brand, to promote loyalty with existing clients and remind potential clients that you are here to help them when they are ready to get in touch

So how do you produce a newsletter to achieve these goals? That's exactly what the rest of this guide will look at. In a nutshell, it comes down to three things:

1. Content
2. Design
3. Improving engagement

Tracking success

All email marketing systems provide you with management information to help you analyse the success, or otherwise, of your newsletter.

There are several key numbers you should measure:

Open rate

What is it? The percentage of people who opened your email.

How is it calculated? Divide the number of people who opened your email newsletter by the number who received it.

Higher or lower? The higher this is the better.

Click through rate (CTR)

What is it? The percentage of recipients who clicked a link in your newsletter.

How is it calculated? Divide the number of links clicked into the number of people who received your newsletter.

Higher or lower? The higher this number, the more engaged your recipients are.

Click to open rate (CTO)

What is it? This is different to CTR as it measures the percentage of people who have clicked a link after opening your email newsletter.

How is it calculated? Divide the number of links clicked into the number of people who opened the newsletter.

Higher or lower? Again, the higher the better. A low CTO indicates recipients are initially interested in your newsletter, perhaps due to a strong subject line, but something quickly caused their interest to wane.

Bounce rate

What is it? The percentage of emails which weren't delivered to the recipient.

How is it calculated? Divide the number of bounced emails into the total number sent.

Higher or lower? The lower the better; a high bounce rate could indicate your data is out of date or there is another issue, perhaps with the design or content that is causing emails to bounce.

Unsubscribe rate

What is it? The percentage of people who unsubscribed from your email.

How is it calculated? Divide the number of unsubscribe requests into the number of emails delivered.

Higher or lower? The lower the better; high numbers could indicate recipients do not get value from your newsletter or feel they are being spammed.

What should you be aiming for?

It's useful to compare the effectiveness of your email newsletters with those of other advisers. Although your starting point is, of course, the results you are currently achieving.

So much depends on the profile of the data you send your newsletter too.

If your newsletter is sent predominantly to existing clients, you should see higher levels of engagement compared to a database which has significant numbers of prospects included in it.

Based on newsletters we have run for several years, which are sent predominantly to existing clients, we suggest over time you should aim for the following results:

Open rate: 50%

Click through rate: 25 - 40%

Click to open rate: 50 - 70%

Bounce rate: <2%

Unsubscribe rate: Ideally 0%, but there will always be some people who want or need to unsubscribe

Please don't worry if your results are some way behind the targets given above. It takes time, patience and testing to build a really effective newsletter.

Newsletter content

High quality, relevant content, is crucial to building a successful newsletter.

How do we define success?

More of that later, but it must be seen in terms of reach; how many people open your newsletter, read it and forward it to others.

In other words, engagement; a term you will see used unapologetically liberally throughout this guide, simply because it's so damn important.

So, what makes good content?

- Most importantly, it must be relevant to the audience
- It must be Informative, useful and practical, giving the reader actions and next steps they can take
- Ideally it should also be witty, funny, entertaining; a reader is far more likely to get to the end of the article if they are informed and entertained
- It should be written for an online audience; we read differently online and this must be reflected in the writing style

Reading online

Let's look at writing for an online audience in a little more detail.

Although it may not be immediately obvious, we read differently online.

Research has shown:

- We only have time to read 20% - 28% of the content on a webpage
- Users therefore skim read until they find information relevant to them
- We generally read in an 'F' pattern, along the top first and down the side of a page

Your content should therefore:

- Use short sentences
- Try to use short words instead of longer alternatives
- Include bullet points to illustrate lists
- Use sub headings to break up the text
- Include the important points you want to make at the beginning of the article

Content production

The major hurdle most advisers have when it comes to producing newsletters is writing the content.

You essentially have three options:

1. Producing your own content in-house

Faced with a blank sheet of paper and a bad case of writer's block, producing your own articles can be daunting.

The reward though, if you get it right, can be huge.

Good content, produced in-house, is more likely to be relevant to your target audience. After all, who knows them better than you? The style will of course also reflect your personality far better than if the task is outsourced.

However, we recognise that for many advisers, a suitability report is the furthest they want to take their writing career and producing articles on a regular basis is a step too far. Which is where the other two options come in.

2. Buying in unique content from external sources

As an alternative to writing articles in-house, the task could be outsourced to a professional copy writer.

The copywriter selection process can be tricky. Ideally, they should have personal finance experience and be used to writing for your target audience.

Having the copy written is only half the story though. The articles still need adding to your website and the newsletter must be built; tasks you could bring back in-house or contract out.

Bespoke content has several advantages; it won't be published elsewhere and the search engines will love you for it, but it can be expensive to produce.

3. Buying in a pre-packaged newsletter

This option has its critics as it won't produce articles uniquely for your business, but it has many advantages.

Firstly, it is without doubt the most cost-effective option and guarantees your clients, prospects and introducers receive a regular newsletter with minimal input from you.

Secondly, the publisher should allow you to choose the content from a range of articles, to ensure it matches with the interests of the target audience. This approach will add greater value to your clients.

Finally, it provides that all important touch point, at a fraction of the time and cost of the other options.

Newsletter design

The design of your newsletter will affect how the recipients engage with it; it may even affect whether they receive it.

The better the design, the more it will be read and passed on. Conversely, a poorly designed newsletter will soon end up in the deleted items folder, be unsubscribed from or, even worse, labelled spam.

So, what makes a well-designed newsletter?

Headlines with links to your website: We recommend including the headline of your article in the newsletter, plus a line or two of information to explain more to the reader, followed by a link through to your website, where the whole article can be read.

This method pushes visitors to your website, a percentage will then look elsewhere on your site once they have finished reading your article.

Ensure your email is responsive to mobile devices: 55% of emails are now opened on a mobile device, with the percentage rising year on year. (Source: Litmus' 2016 Email Analytics report)

Your newsletter must be as easy to read on a mobile phone and tablet as it is on a computer. The same of course applies to your website, where the articles will be held, otherwise you risk falling victim to a swift swipe and delete.

All bulk email systems produce management information, this will tell you the exact percentage of your newsletters which are opened on mobile devices.

Keep the design simple: The design of your newsletter must look as effective on a desktop, as it does on a tablet and a mobile phone.

More complex designs might look great on a desktop, but are less likely to convert well to mobile and tablet devices.

Keep the design simple, it is likely to look more effective across a range of devices.

Be careful how you use images: Carefully selected images will make your newsletter more aesthetically pleasing and improve the chances of it being read. But, large images increase the chance your email will end up in a spam folder. They may not even be displayed, as some people have images turned off.

Having said that, we still believe that the benefits of using small, well-selected images, outweigh the possible disadvantages.

Make calls to action prominent: Think carefully about the key actions you want the reader of your newsletter to take. There are probably two; to click and read a full article or pick up the phone with a question or enquiry.

Only include the most important calls to action, display them in the same style as you do on your website and make them easy to take.

Don't include too many links: Doing so will get the spam filters interested in your email, potentially confuse the recipient and reduce the effectiveness of your key calls to action.

Each article needs a link to your website, where the full piece can be read. You may also want to include a link to your homepage. But we wouldn't recommend including more than that.

Don't hide the unsubscribe link: We all want a large, and more importantly, engaged, database of newsletter recipients. But, if someone wants to unsubscribe you shouldn't make it hard for them.

There's no problem placing the unsubscribe link in the email footer, it's where people expect to find it and you never know, they may see something which catches their eye as they scroll to find it. But, don't hide the link in tiny font, coloured to blend into the background.

Failing to include an unsubscribe option is a cardinal sin. It annoys the recipient, makes your business look unprofessional and increases the chances of the spam filter pulling your email into its dark clutches.

Video: Whilst being a great way to engage with your audience and it's proven to increase the amount of time people spend on websites. Unfortunately, it doesn't work on email.

If you want to include a video clip in your newsletter or email campaign, add a suitable graphic to make the call to action (to play the video) obvious and then link it to wherever it is hosted, for example You Tube, Vimeo etc.

Allow 'view in browser': Despite your best efforts and careful design, your newsletter may still not appear correctly to the recipient. By including a prominent 'Display in browser' link, the recipient will still be able to see your beautifully crafted newsletter and take the key calls to action.

Think carefully about the text you include; not all recipients will understand how this works. We would suggest including wording such as: "Not displaying correctly? Click here to view this email as a webpage."

Include alt text in your images: If your recipient has images turned off, the images in your newsletter will not display. However, if you have added alt text, a description of the image will.

This is particularly important with calls to action as we explain later in this guide.

Improving engagement

Open rates

Getting the recipient to open your newsletter, and engage with it, is fundamental to its success.

Several factors will affect your open rate, most crucial of all being your subject line.

Subject lines

Our inboxes are usually pretty full these days, with emails competing to be opened and read. Your subject line is your chance to stand out.

We would recommend personalising your subject line to include the recipient's name. This is proven to attract their attention, increases open rates and is very easy to do.

The subject line must be creative, relevant, generate interest and perhaps witty; it has to catch the eye and motivate the recipient to open the email.

Having said that, avoid being too creative and annoying the recipient.

For example, we recently received an email with the subject line: "Website down?". Unsurprisingly, we immediately opened the email. You would probably have done the same thing.

What did we find? A sales message from a local marketing agency.

What did we do? Immediately click unsubscribe.

This is a great example of winning the battle, to get the email opened, but losing the war, to get us to engage.

Test your subject lines

We recommend running split-tests to see which subject lines produce the most effective results.

Most email marketing systems allow you to test different metrics, including the subject line. For example, we send our test to 10% of our database 24 hours before we plan to send the newsletter. The most effective subject line is then used to send the campaign to the remaining 90% of the database.

You can also test other factors which will impact on your open rate, for example the time you send the newsletter.

Learn from your test results, tweaking with each edition and continue this process of refinement until you hit on the optimum mix for your newsletter.

Make sure the recipient knows who the email is from

Unsurprisingly, we are more likely to open an email if we know who it is from. Most email marketing systems include a 'from' field. It is important this is populated with a name the recipient will recognise.

Again, test different options; send it from your brand, an individual within the business, or both, and see which generates the best open rates.

Include pre-header text

This is the short description which follows the subject line and appears in some email systems. Completed well, it can be a very effective additional tool to persuade the recipient to open your email.

Segment your data

By segmenting your data and then tailoring your newsletters, including the subject line, you will increase the likelihood of your message resonating with them; increasing engagement.

The more you link your content to their interests; the higher engagement levels will be.

Personalise your newsletters

Including the recipient's name will increase engagement, especially the open rate.

Names, as well as other personal information, can be included in subject lines and in the main body text.

Again, the better the personalisation, the higher the engagement levels will be.

Your email has no chance of being read, or calls to action taken, if it ends up in a spam folder. Each spam filter has a different algorithm, meaning your email may get through one, but be caught by another.

Avoid the spam filters

There are a range of steps you can take to help avoid the clutches of the dreaded spam filter, including:

- Carefully written subject lines; avoid anything which could be interpreted as 'salesy' or 'spammy' such as writing in CAPITALS or including exclamation marks!
- Effective subject lines will increase the chances of your email being opened. The greater the frequency that a recipient opens your email, the lower the chance future communications will be labelled as spam. Conversely, if your email is deleted without being opened, this sends a signal to the filters that you may be sending spam
- Including an unsubscribe link
- Minimising the number of links you include
- Getting your recipients to add you to their trusted sending list
- Be consistent with your design and formatting
- Make it clear that the newsletter is coming from a sender the recipient will recognise, this will help avoid them labelling at spam, which will adversely affect all future emails you send
- Avoid using Flash or Javascript
- Don't send attachments

- Spell check your email. Not only will this improve the professionalism of your publication, it will also help to avoid getting marked as spam as some filters use spelling as part of their algorithm
- Don't use large images, keep the size to a minimum whilst remembering to check the quality of the image
- Send a plain text version of your newsletter as well as the usual html version. Most email marketing systems make it easy to do this and it will increase the chances of your getting through and being read, when the recipient has images turned off. It will also help to demonstrate your legitimacy to the spam filters
- Give the recipient a real address to reply to should they wish to do so. Sending from noreply@ just looks disinterested and will do you no favours with spam filters

We would recommend regularly testing your newsletter with a spam checker, which most email systems provide access to. Doing so will alert you to anything in your email which is likely to interest the spam filters. You can then make changes and preserve the reputation of your IP address.

Find the most effective time to send

Finding the optimum time to send your email campaign will take a good deal of work, but is certainly worth the effort.

The most effective combination of day and time will be different for B2B and B2C campaigns.

Again, testing has a huge part to play to identify the most effective time to send.

Once you hit upon the right answer stick to it, become consistent and known by your recipient for sending on that date / time. Over time they will come to expect your email, and if the content is good enough, look forward to it.

CTR rates

There's a saying in golf; drive for show, putt for dough.

In other words, all your good work is wasted if you can't putt the ball into the hole; for golfers millions of pounds rest on their ability to do this and it sorts the true champions from the also-rans.

The same is true with email marketing, getting the recipient to open your email is only half the story, you need them to take your call to action.

Content

Want recipients to take your calls to action? You need to invest time and effort in well written, engaging, educational and preferably entertaining copy.

You have to write for an online audience too.

We read online differently to a book or a newspaper. Content is consumed far more quickly and scan read. That means keeping your content, short, concise and to the point.

Use plenty of negative space (white space) and add bullet points, which are easier to read.

Where you are not using bullet points keep sentences short, ideally below 25 words and paragraphs a maximum of three or four sentences.

Calls to action

There will be an action you want every recipient of your email to take; it may be to get in touch, register for a webinar or seminar, or simply to read an article.

Calls to action should be visually outstanding and action led, for example: 'Read more', 'Discover more', 'Register', or 'Download'.

Calls to action are precious and should be used sparingly and reserved for the actions you really want your target to take. Less is definitely more.

The calls to action buttons themselves should have a different colour, and perhaps even font, to those you have used elsewhere and be consistent with your website. Don't use your 'call to action colour' anywhere else in your newsletter.

Even the size of your call to action is important. It isn't easy to tap on a small image, that's why those annoying pop ups have a ludicrously small 'X' to close them. We would recommend making your call to action at least 40 px in width and height.

Everything you do should make it easy for the recipient to take your call to action.

Add alt text to calls to action

Well designed calls to action are important and will often be in the form of an image.

So far so good, but if your recipient has images turned off, they won't get to see your call to action.

By adding alt text to each image when you build your newsletter they will at least still see a text version of your call to action, even if they can't see the image.

CONCLUSION

A well-produced newsletter achieves three key goals:

1. It adds value to the recipient and helps to keep them informed
2. It positions you as an expert, who has valuable knowledge you are willing to share
3. It gives the recipient a regular, light touch, with your brand

Of course, writing, building and sending a newsletter takes time, commitment and money. We firmly believe the payoff is worth the effort, leading to more informed and engaged clients, whilst helping to remind prospects and introducers that you are there for them.

If you choose to produce your newsletter in-house, we hope this guide will help you produce something which is effective and will help you engage more regularly with clients, prospects and introducers.

If you like the idea of producing a newsletter, but feel daunted by the work involved, and would like to hear more about the solutions we offer advisers, we would be delighted to hear from you.

Please do get in touch by calling us on 0115 815 7770 or by emailing hi@theyardstickagency.co.uk

A handwritten signature in black ink on a light blue background. The signature is cursive and reads 'Phil'. Below the signature is a thick, horizontal black line.

By Phil Bray, Founder
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