Top 3 Reasons to Use Multiple Email Service Providers

Boost performance and engagement

Professional email marketers demand performance, engagement, and high returns on their investments. Using just one provider limits success. By load balancing multiple service providers, all three of these elements are optimized, mistakes are minimized, and revenues soar.

Email marketing has evolved to be a lucrative but complex channel with many service providers competing for your business. The available options may seem overwhelming: you could select a full-service ESP like EmailVision or ExactTarget. You could opt for a cloud SMTP Relay Service like Dyn, Amazon SES or SendGrid. You could set up an on-premise SMTP solution like Power MTA or others. Each has pros and cons.

But let's take a step out of the email marketing (in)box: who said you have to choose just one?

The win-win proposition: using multiple service providers has some very compelling benefits, including:

- Boosting ROI
- Increasing flexibility
- Load balancing email marketing costs
- Improving delivery and performance

There are many questions that keep email marketers up at night:

- Is my list hygiene perfectly balanced for maintaining both great reputation and relevant leads?
- Is my client data complete enough so that subject and content are as perfectly matched as possible?
- Are my emails reaching my subscribers on the best day and at the best time?
- Are my emails reaching their inbox?
- Are my subscribers engaging with our emails?
- What's the ROI of my email marketing activity?

Choosing one service provider shouldn't be one of them. Simplify the process and get the best of both...correction: all... worlds. We have compiled this list of the top 3 reasons to use multiple services.

1 Increase ROI by Load Balancing Costs

Looking at an email service provider's pricing chart, one would be quick to assume that it is cheaper to send all mailings through one provider. After all, they give you breaks for quantity. But the truth is, this is not the most effective way to lower email costs. For professional email marketers, lowering costs is much more involved.

Recently, an online gaming company contacted us because as their company was growing, their email marketing costs were skyrocketing. In discussing their situation, we understood that they were using one of the best (and most expensive) ESPs for all of their emailing. They were getting great analytics and good response rates with this ESP, but wanted to lower costs.

Delving deeper, we found that their eCommerce accounting emails (receipts for small purchases) accounted for 41% of their email sends. Such correspondence did not need to be sent from the powerful ESP. Users who made a purchase are obviously already highly engaged and expecting the receipt.
We transferred these mailings to their on-premise mail server and saved thousands of dollars.

Then we further segmented their list into highly engaged users and marketing leads. The highly engaged users were blasted from a lower costing cloud SMTP Relay and the marketing leads remained at the powerful ESP. Email marketing expenses were reduced another 23%.

This example proves that email marketing costs are not just a function of quantity. Different types of recipients (leads, customers, highly engaged users) have different costs. Engaged users should be less expensive to email than fresh leads. Verified customers should be even less. Furthermore, different types of emails (transactional receipts, promotional campaigns, upsells, password recovery, etc.) have different costs. Using multiple service providers helps to load balance these costs and lower overall email marketing spend.

But lowering costs is only part (albeit a very important part – just ask your CFO) of the equation.

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Using multiple ESPs improves performance.

There is no perfectly accurate way to know how many of your emails reach the inbox. But this statistic is less important than the end result anyway. What is the desired outcome of your email? Is it leads? Registered Users? Sales?
All of these elements can and should be tracked! And using multiple ESPs can improve them all.

ESPs can have different deliverability to different segments. For example, a local Russian ESP may have higher deliverability to .ru domains and a Japanese service may do better within their country. But it goes beyond geography. Certain ESPs, typically top tier ones, will more consistently offer better deliverability to leading ISPs like Yahoo, Gmail, and AOL (as long as the marketer is also employing best of class email marketing practices). Some can offer expertise in certain verticals (e.g., online retail, gambling). So by best matching segments to ESPs, marketers can increase deliverability, email marketing performance and (best of all!) revenues.

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The Micro-Deliverability Concept

Micro-deliverability is a relatively new concept in email marketing. It involves drilling down into deliverability by domain or ISP by ESP and then segmenting your list to take advantage of the best deliverability and performance to each.

100% deliverability is theoretically possible, but difficult to accomplish on a consistent basis. The best ESPs have deliverability rates above 96%. But even ESPs with overall good deliverability have different deliverability rates to different ISPs.

In reality, each ESP's deliverability to each ISP fluctuates. By carefully tracking deliverability trends and having multiple providers in the email delivery arsenal, email marketers can boost the bottom line profitability by routing their segments through the ESPs that deliver the best performance for that segment.

Using more than one email delivery system can categorically optimize your email marketing performance.

3 Redundancy

You know why they call them "costly mistakes?"

Errors are expensive.

Properly managing multiple ESPs minimizes errors.

Minimizing errors maximizes dollars (and minimizes headaches).

As any IT expert will tell you, redundancy is your friend. Though it is not common, ESP outages do occur. And as Mr. Murphy (as made famous by his law) will tell you, they seem to happen at the most inopportune times. An ESP outage at the highest peak time, when you most need to deliver, will cost you. Using multiple ESPs provides email marketers with peace of mind, when that email campaign just must get out on time.

Even more common than an all-out outage, is a temporary drop in delivery and performance to certain segments. If your go-to provider is having an issue delivering to Yahoo addresses, do you simply want to forfeit your Yahoo leads? Probably not! If you have multiple ESPs ready for operation, you can immediately fill the gap and make sure all of your leads receive your correspondence.

Redundancy helps you cover your bases and eliminate costly mistakes.

> " Minimizing errors maximized dollars "

Conclusion

Using Multiple Service Providers Increases ROI

We have outlined the top 3 reasons to use multiple ESPs. Lowering costs, increasing performance, and minimizing costly mistakes through redundancy. These three factors weigh very heavily on your bottom-line ROI and can boost it hundreds of percentage points. Email marketing is an intense channel that can be very profitable when it is done right. To maximize returns from your email activities by reaching and engaging your leads and customers, use multiple email delivery vendors. This method adds the ability to load balance your email marketing costs, improves performance and increases your ROI.

Give it a try – we would be happy to help!

About Ongage

Ongage is the maker of OngageConnect™ the world's first email marketing front-end platform that connects to multiple email service providers and SMTP relays.

By harnessing the strength of multiple email sending systems, Ongage enables users to easily optimize email deliverability, inbox placement, and email marketing performance.

One Email Platform

One World
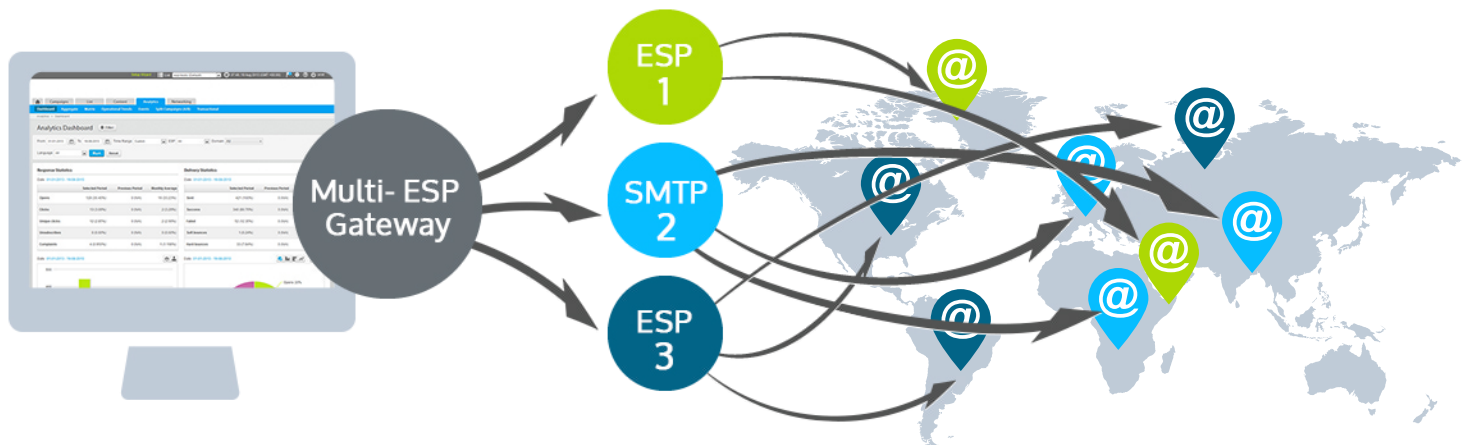
Seamlessly route emails via multiple vendors via one convenient front-end

Ongage lets you easily test, select and simultaneously work with several email sending vendors that best meet your business needs and budget, thus enabling you to load balance your email marketing costs, delivery and performance.

Ongage aggregates all of your activity with multiple Email Service Providers (including full-featured ESPs, SaaS SMTP Relays, and on-premise SMTP solutions) in one easy-to-understand dashboard that puts all of the relevant information at your fingertips so you can easily optimize, deliver, gauge, and profit from your email marketing activities.

Any Questions?

Contact us today for more information or to start a 14-day free trial

www.ongage.com | 1-866-593-2980 | info@ongage.com