



# How to Choose an Email Service Provider



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Choosing an email service provider (ESP) may seem like an overwhelming task. There are so many providers with a wide range of services and numerous pricing options. Which is the best one for your organization? Here, we provide an overview of what you need to consider in determining which ESP is right for you.



## What Is an ESP and Why Do Organizations Need One?

An ESP is a company that provides a group of services — usually as a software-as-a-service capability — for managing email lists, sending emails, and providing relevant reporting and analytics relating to email campaigns sent.

Emails can be sent in many ways, but most professional email marketers use an ESP rather than their own servers for numerous reasons. First, an ESP takes care of creating, managing, monitoring, and updating the complex server setups that are needed to send emails. Second, an ESP provides a multitude of functionality to manage lists, prepare and edit emails, test emails, and integrate with any of a variety of external systems.

ESPs also have a dedicated team of professionals that focuses on maintaining strong relationships with recipient Internet service providers (e.g., Gmail, Yahoo!, Comcast, and others) and helps you address any deliverability issues that might arise. Most companies simply wouldn't obtain an adequate return on investment (ROI) if they were to create their own ESP and supporting server infrastructure.



## What Can an ESP Do for Your Organization?

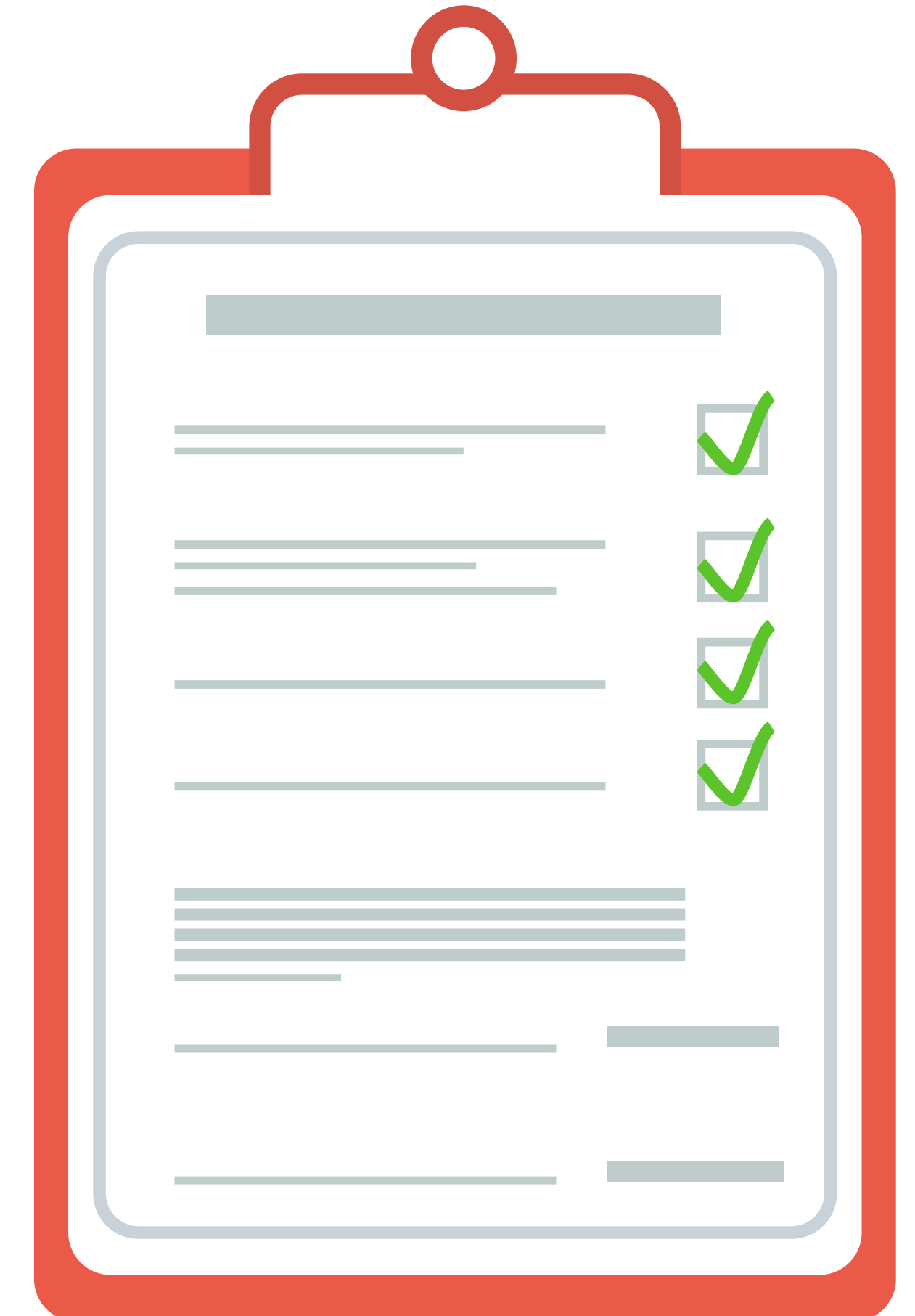
Besides sending out your email campaigns and newsletters to your database, other important services that ESPs provide include:

- Ensuring that your emails are legally compliant with CAN-SPAM Act regulations
- Authenticating that your emails are actually being sent from your organization
- Updating your email database based on unsubscribes, bounces, and spam complaints
- Ensuring that your server's Internet protocol (IP) address stays off blacklists
- Managing and segmenting your email list for targeted campaigns
- Keeping your email list secure from stealing or hacking
- Providing detailed metrics reports of your email campaigns
- Setting up email optimization tests
- Providing marketing strategy and creative consulting services.

# There Are Many Reasons Why Choosing the Right ESP Is So Important

The ESP you choose will have a major impact on so many parts of your email-marketing program. Here are just a few:

- **Deliverability** — Increased deliverability equals increased revenue and ROI. Even a small improvement in deliverability can add up to big bucks.
- **Engagement** — To drive engagement today, organizations need to be able to provide dynamic content and automated trigger emails; the right ESP will provide you with the necessary functionality to do this cost-effectively.
- **Reporting** — Reporting is critical to ongoing improvement; ESPs provide the key reports that you need to monitor and manage the effectiveness of your email campaigns.
- **List management** — ESPs provide the important role of hosting and securing your email list; some ESPs also provide the capability to store other relevant relational data (e.g., e-commerce transactional data) alongside your list.
- **Cross-channel marketing** — In addition to email, mobile and social media marketing are a must for organizations today. Many ESPs now provide the capability to manage and monitor sophisticated multi-channel digital campaigns.



# What Are the Criteria You Should Consider When Choosing an ESP?

Whether it's the first time you're in the market for an ESP or if you're thinking about upgrading your current ESP, there are a few things about which you initially need to think.

## 1. What are your organization's needs?

- How many email addresses are in your current database?
- How frequently do you email?
- Do you incorporate personalization and dynamic content?
- Do you use triggered/transactional emails (e.g., cart abandonment, order confirmation)?
- What types of segmentation do you use?

2. What are your organization's plans for future growth? Besides meeting your current email-marketing needs, an ESP can help you determine what more you can be doing and how to make it happen.

Once you've answered these questions, take a look at and compare various ESPs based on the following top criteria and primary considerations for each.



# 1. Deliverability and Authentication

You want to ensure that your emails get to your recipients' inboxes. If your emails are blocked by Internet service providers or spam filters, you're not only losing conversions, but you're also hurting your organization's email reputation.

## Important considerations about ESPs:

- Size of the deliverability team
- Reputation for deliverability
- Availability of real-time monitoring and alerts for domain blocking and blacklisting
- Use of shared versus dedicated IP address
- Reputation of IP address
- Support for, and cost of, authentication, such as Sender Policy Framework (SPF), DomainKeys, and DomainKeys Identified Mail (DKIM).



## 2. Usability

Your ESP could have a very powerful platform, but it won't be used effectively unless your staff finds the features easy to use.

### Important considerations about ESPs:

- Platform support, in terms of both the operating system and browser
- Ease of template and email creation
- Quantity of templates that are available out of the box and are mobile responsive
- Flexibility of email-creation editors
- Ease of navigation and reporting
- Required amount of training to get up and running on the platform.





### 3. Strength of Application Programming Interface (API) Capabilities

ESPs vary in terms of their platform's API. Take a close look at the ESP team's knowledge and hands-on experience with both the platform and your organization's back-end systems. Plus, ensure that your organization can easily and effectively use the platform.

#### Important considerations about ESPs:

- Ability to integrate with back-end systems, including customer relationship management (CRM), purchase systems, and shopping carts
- Ability to export email performance data for dashboards that are external to your organization's email system
- Availability of integrations for your specific internal systems and technologies, such as Salesforce.com and Microsoft CRM.



## 4. Email Automation

Having the ability to develop automated emails that are generated based on the actions of your prospects and customers is essential for developing efficient and relevant one-to-one messaging. And this, in turn, will generate higher open, click-through, and conversion rates for your email-marketing efforts.

### Important considerations about ESPs:

- Ability to create both simple and complex nurturing programs, such as for welcome and abandonment-cart email campaigns
- Dynamic content abilities of automation editorial processes, such as personalizing email messages.

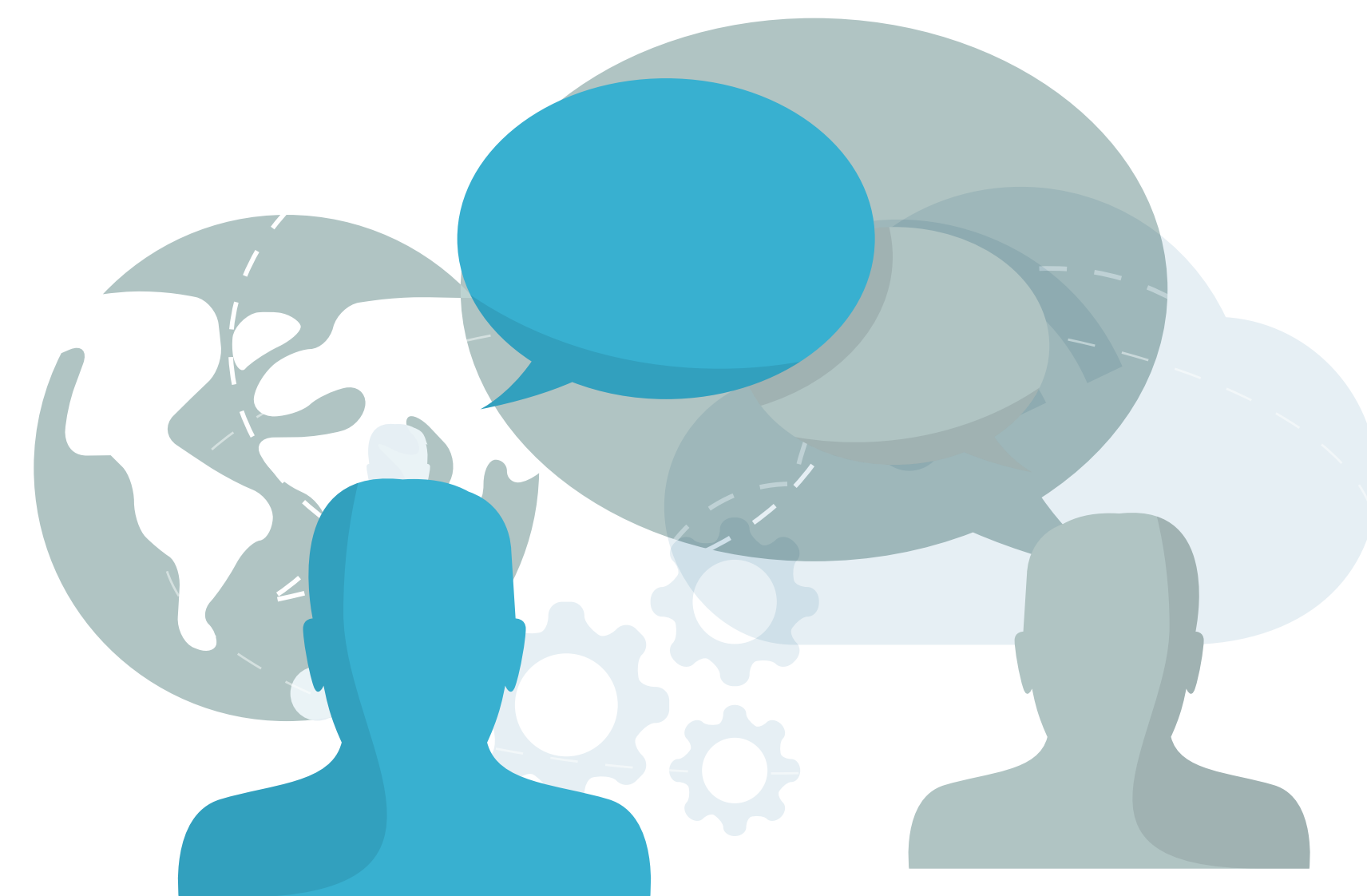


## 5. List Management

Because targeting your email messages to smaller subsets of your list results in more successful email-marketing campaigns, your ESP should enable you to segment your email list using various criteria.

### Important considerations about ESPs:

- Flexibility to segment your email list based on such criteria as behavioral and demographic data
- Architecture for list management (e.g., flat, relational) and logistics of segmentation (e.g., SQL, Boolean).



## 6. Integration With Mobile and Social Media Channels

With the exploding popularity of tablets, smartphones, and social media sites, email is becoming more and more closely tied with other marketing channels. Your ESP should be able to help you manage your organization's presence on social sites and collect useful data. Plus, it should ensure that your subscribers have an optimal viewing experience, regardless of what device they are using at the time.

### Important considerations about ESPs:

- Social media platforms that are integrated with the ESP platform (e.g., Facebook, Twitter, LinkedIn, Pinterest, YouTube)
- Ability to share emails with social networks
- Availability of responsive-design HTML that automatically optimizes the email version based on the device opening the email
- Tools available for testing email rendering on various mobile devices.

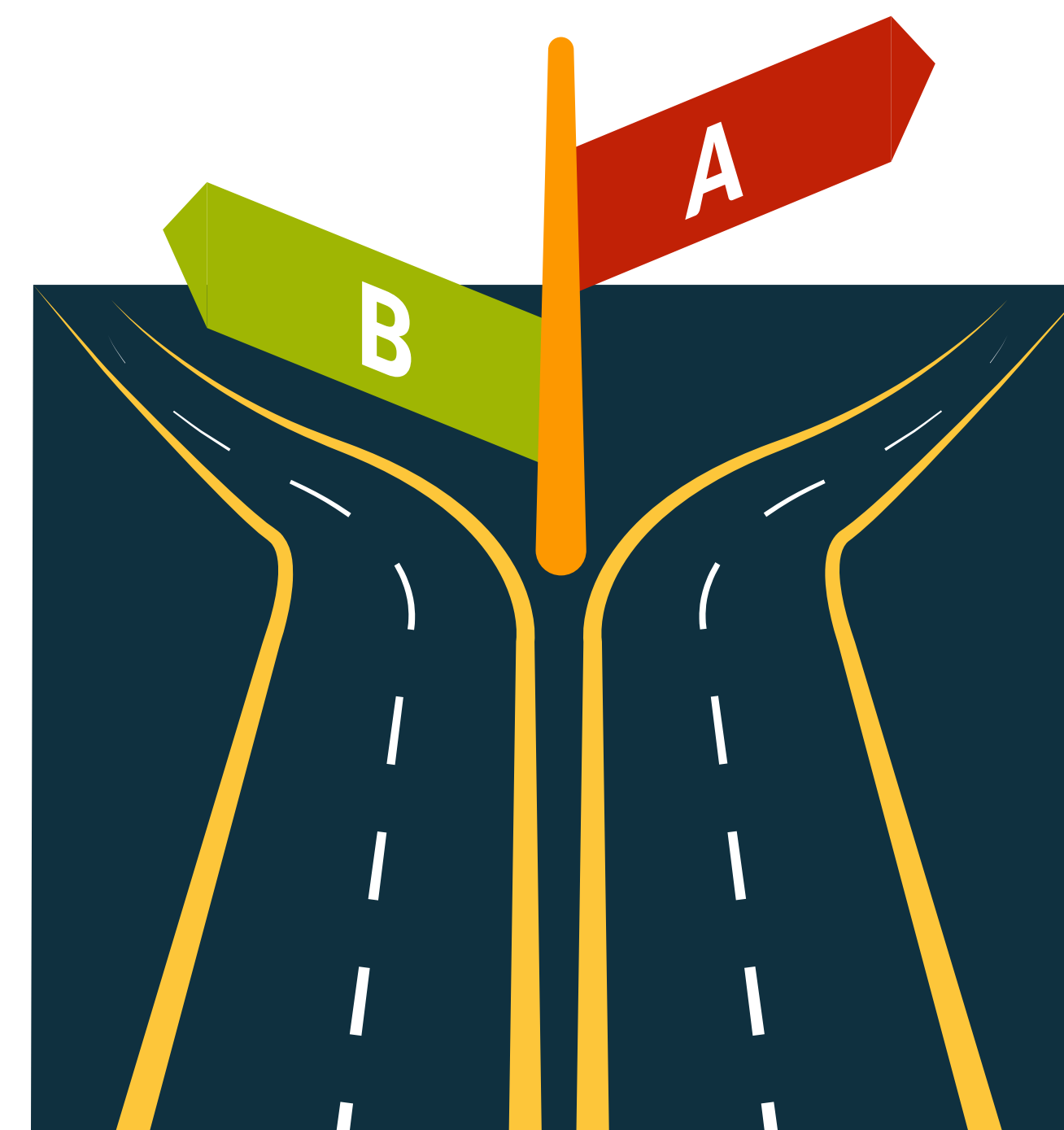


## 7. A/B Split Testing

When it comes to A/B split testing, ESPs have different levels of functionality. Finding an ESP that best fits your needs can have a huge impact on your ability to effectively optimize your email campaigns, increase engagement, and drive measurable performance results.

### Important considerations about ESPs:

- Reporting format for split tests
- Ease of exporting test results
- Ability to facilitate testing an email in the middle of a nurturing series (e.g., the second email in a 5-email sequence)
- Ability to automatically send the winning email to the rest of a list based on certain criteria.

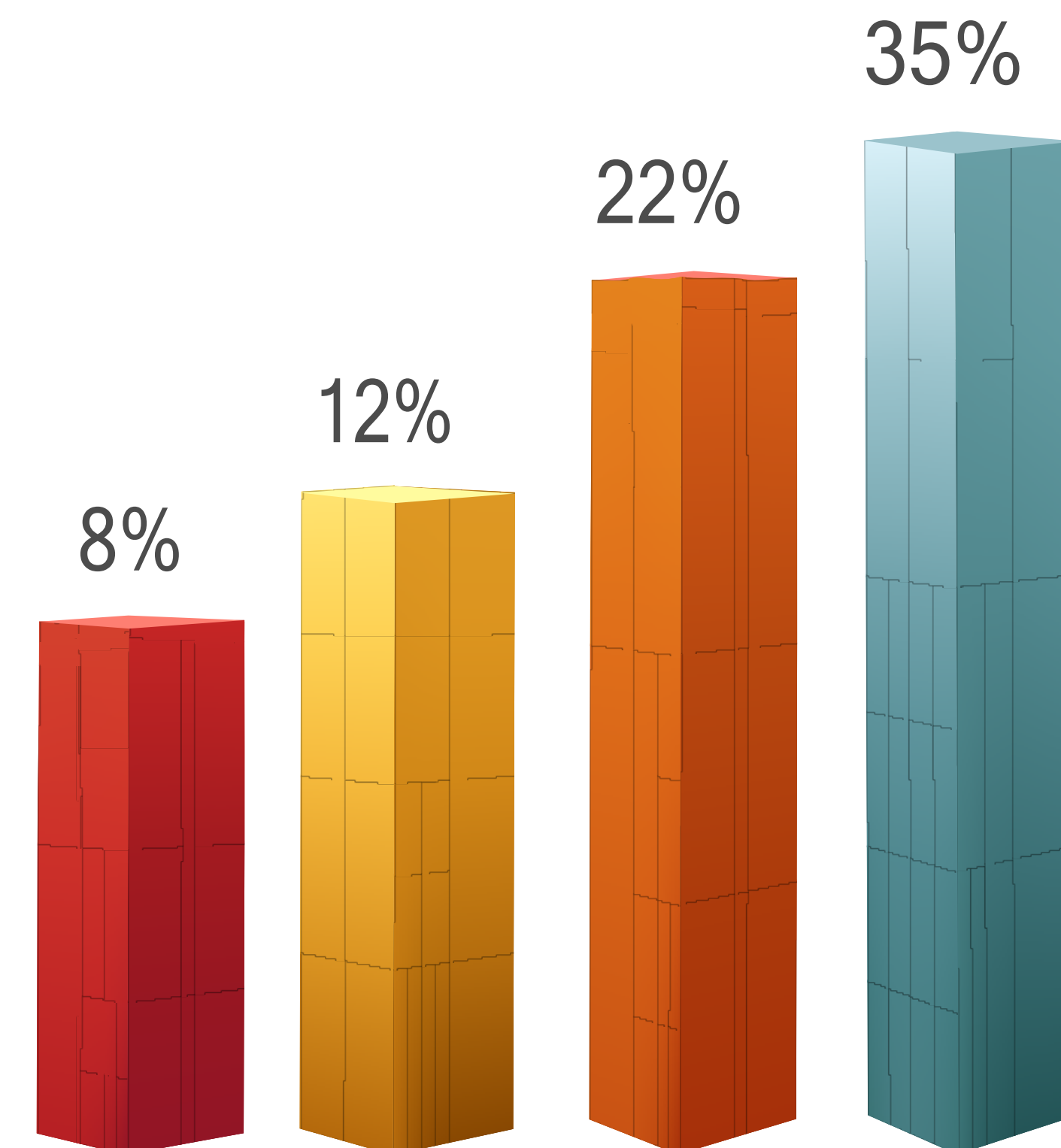


## 8. Reporting

Reporting tools are essential for measuring the effectiveness of your email-marketing campaigns and maximizing ROI. You want to be sure the reporting offered by an ESP is easy to use and understand — and insightful.

### Important considerations about ESPs:

- Format of data exports
- Availability of inactive user reporting
- Ability to export data for offline analysis
- Availability of multi-campaign analysis
- Ability to mask email addresses upon output
- Availability of integration with website analytics for full clickstream analysis
- Availability of usage reporting to organize internal billing.



## 9. Technical Infrastructure

As you evaluate an ESP's technical infrastructure, be sure that it fits your organization's current needs and is also scalable — i.e., it will meet your needs as they grow in the future.

### Important considerations about ESPs:

- Degree of operational redundancy, such as in the component, server, geography, and grid
- System reliability (e.g., uptime and unplanned downtime experienced in the last 2 years)
- Infrastructure for sending email, such as the outside limits of the quantity of emails that can be sent per day or per hour.



## 10. Customer Support

What kind of support can you expect from your ESP if your organization has a problem? This should be a major factor in choosing an ESP. One way to help you answer that question is by asking for references from current clients.

### Important considerations about ESPs:

- Hours of availability for live support
- Technical support team's depth of knowledge
- Accessibility to a knowledge base system that's easily searchable
- Availability of support specific to your setup
- Timeliness of response to support requests
- System for submitting support tickets, such as via email and/or phone.





# 11. Training

Ensuring that your staff is proficient on the new ESP platform as soon as possible is the best way to maximize your ROI. Plus, easy access to resources and ongoing education is also a key factor.

## Important considerations about ESPs:

- Budget needed for training both users and developers
- Costs for both initial and follow-up training
- Availability of training (e.g., live and/or online).



## 12. Security

An ESP's ability to provide data security to prevent such issues as online theft of information contained in customer databases should be a high priority in your ESP selection.

### Important considerations about ESPs:

- Level of required security available (e.g., financial, Health Insurance Portability and Accountability Act [HIPAA], etc.)
- Use of firewalls
- Amount of physical security in place
- Password policies and encryption safeguards.



## 13. Implementation Support

The faster you're up and running on the new ESP's platform, the faster you'll be reaping its benefits. Be sure you find out how long the implementation process will take, what tasks need to be completed, and who will be responsible for completing those tasks — your organization's team or the ESP.

### Important considerations about ESPs:

- Support availability for migrating from your current ESP (of course, an agency such as FulcrumTech can assist with migration)
- Support availability and timing for API implementation
- Quality of technical resources.



## 14. Pricing

Although you don't want to choose an ESP based only on cost, you want to be sure you know exactly what you're getting for the investment.

### Important considerations about ESPs:

- Features and services included for the price
- Price of sending emails (e.g., cost per thousand or subscription rates)
- Features that are typically added on as well as associated costs (e.g., dedicated IP addresses, data storage, surveys, dynamic content, etc.).



# How Do You Make the Final ESP Selection?

Once you've assessed the attributes of several ESPs, what are the next steps to make that final selection?

1. Consider hiring a consultant to help. Many organizations find that a consultant makes the process faster, easier, and delivers the best results.
2. Narrow your list down to two or three ESPs and request a trial from each.
3. Compare the different ESPs' performance in such areas as delivery, open and bounce rates, etc.
4. Ask for recommendations from companies similar to yours.
5. Ask the ESPs for testimonials from current clients.

Selecting an ESP is one of the most important decisions that a marketer makes. Having used many ESPs with our clients and having helped numerous organizations make this decision over the last 12+ years, FulcrumTech has established a very systematic and thorough process to help you make a confident decision about your ESP and supporting technologies. And as a reseller of multiple ESPs and other tech tools, we likely can even save you some money!

Email us ([info@fulcrumtech.net](mailto:info@fulcrumtech.net)) or give us a call at 215-489-9336 today!



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