ExactTarget®

SUBSCRIBERS FANS AND FOLLOWERS™

THE 2012 CHANNEL PREFERENCE SURVEY

REPORT #14

SUBSCRIBERS, FANS, & FOLLOWERS

is an ongoing research series that sets aside theories and assumptions about consumer online preferences and focuses instead on solid data collected through a combination of focus groups and online surveys. These reports draw on the experience of real consumers as they interact with brands through email, Facebook, and Twitter. Check out our other recent publications:

THE SOCIAL BREAK-UP

Learn why consumers terminate online brand relationships.

MOBILE DEPENDENCE DAY

Understand the impact of smartphone dependence on purchasing behavior.

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Learn what consumers expect after they "Like" a company's Facebook page.

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Understand how UK consumers use email, Facebook, and Twitter.

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DEAR READERS,

Four years ago, the research team at ExactTarget embarked on a mission to discover how consumers' communications preferences were changing in the face of emerging mobile and social technologies. Our resulting *2008 Channel Preference Survey* documented the growing fragmentation of personal communications across multiple devices and set to rest any notion that direct mail or email were at death's door. In fact, we found that both were consumers' most preferred channels for marketing communications.

Flash forward to today's "Post-PC Era," and consumers are inundated with even more devices and direct communications channels than ever. While our ongoing research series, SUBSCRIBERS, FANS, & FOLLOWERS, has looked at what consumers want from brands through email, Facebook, and Twitter, we realized that it was time to revisit their broader marketing channel preferences to see whether they had changed since 2008 and, if so, what those changes mean to today's marketing professionals.

With that, we thank you for reading SUBSCRIBERS, FANS, & FOLLOWERS #14: *The 2012 Channel Preference Survey* and hope it will help you navigate the fragmented messaging channel landscape while also inspiring new strategies to serve today's empowered consumers.

Sincerely,

Jeffrey K. Rohrs

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“May you live in interesting times.” -Anonymous

INTRODUCTION

Of any audience today, marketers should appreciate the above quotation. Unless you know its origin, the duality of its meaning may escape notice. After all, who would want to live in boring times?

This is no ordinary quotation, however. This is the infamous “Chinese Curse”—a backhanded way to condemn your enemy to a period of great chaos and tumult. Welcome to 2012!

The “interesting” duality facing marketing professionals today stems from our “Post-PC Era” in which consumers are awash in technology (desktops, laptops, smartphones, and tablets) that facilitate unprecedented mobility and social connectivity. This sounds great until you consider the marketing implications. What was once one screen (the desktop) is now four screens—or five, thanks to Interactive TV. Yes, “interesting” means more work for already stretched marketing departments.

Post-PC devices have also accelerated the fragmentation of once-reliable direct marketing channels. Whereas not all that long ago, marketers only communicated with consumers directly by phone or mail, marketing communications are now a 24/7 affair in which consumers serve as gatekeepers to channels that can amplify their praise—and complaints—in unprecedented ways. Were *Mad Men’s* Don Draper alive today (and a real person, for that matter), he’d close his office door and never come out.

But we don’t have the luxury to shut our doors. We’re modern marketers, and we have no choice but to chart new courses through foreign, digital terrain without a map or an experienced guide. As we seek to maximize ROI, our best hope is to stay in tune with what consumers want since they hold the keys to our brands’ prosperity.

In these pages we share with you the findings of our *2012 Channel Preference Survey*—an in-depth examination and ranking of the direct messaging channels preferred by consumers for particular types of marketing activity. The channels evaluated include:

- Direct Mail
- Email
- Facebook
- LinkedIn
- Mobile Apps (Push Notifications)
- SMS (Text Messaging)
- Telephone
- Twitter

In order to assess if and where consumer use of these channels has changed over time, this report also includes some comparative data from our original *2008 Channel Preference Survey*. While four years wasn’t all that long ago, consider that back then the iPad, Google+, and Pinterest didn’t exist while Facebook was just crossing the 100 million user mark.

So what’s changed since 2008? Dig in and find out for yourself—we’re sure that you’ll find the research…*interesting*.

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OUR RESEARCH METHODOLOGY

The foundation for this 14th report in the SUBSCRIBERS, FANS, & FOLLOWERS series is our *2012 Channel Preference Survey*—our third study since 2008 on the topic of consumers' use of different channels for interpersonal communication and attitudes toward marketing communications. For this 2012 edition, a total of 1,481 respondents completed the survey between January 27, 2012, and February 1, 2012. Participants answered questions about overall internet usage, devices owned, personal communication habits, permission, and purchase-behavior related to marketing.

Data shared in this report was collected through MarketTools TrueSample™ panel of consumers. The sample was stratified by age across seven groups (15-17, 18-24, 25-34, 35-44, 45-54, 55-64, and 65+) to have a representative sample across each. Responses were then weighted by age and gender according to US Census Bureau population estimates and Pew Internet Project's online activity data to reflect the online US consumer population. For data concerning consumers 15-17 years of age, an invitation was first sent to parents with teen-aged children living in the home, requesting permission for their child's participation in the survey.

For more information about the methodology of all of our SUBSCRIBERS, FANS, & FOLLOWERS research, please visit www.ExactTarget.com/SFF

SECTION ONE

PRIMARY FINDINGS

As with our 2008 Channel Preference Survey, our 2012 data yielded a number of findings that could have a material impact on your marketing practices today. In Section One, we present our top six findings and the takeaways that may help shape your one-to-one marketing communication strategy.

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1. THE SIX FACTORS THAT DICTATE CHANNEL PREFERENCE

It's amazing to think that just a little over two decades ago, consumers had only two options to communicate across long distances—telephone and mail. In today's mobile, post-PC world, consumers have countless ways to communicate with each other—and they have similar options when it comes to communication with brands. The question is how do consumers determine the proper channel for their communication needs. The decision appears to boil down to six factors:

CONTENT

Is this a marketing message?

As we document throughout this report, consumers are much more selective about the channels through which they will allow marketing messages than they are with personal or professional communications. Consumers—while they may be huge FANS—don't necessarily want to be friends with brands. They still draw hard and fast lines about when and where marketing communications are appropriate.

IMMEDIACY

Do I need to send or receive this message right away?

Consumers often select a communication channel based on how quickly a message must be sent or received. SMS (text messaging), telephone, and instant messaging through social networks tend to be the channels consumers use most often when time is of the essence. If your message is imperative (from the consumers' perspective) and you have permission, these "urgent" channels will perform best. If not, you should consider moving communications to less urgent channels such as email or direct mail.

ACCESSIBILITY

Will I need to reference this message later?

The ability to easily archive and access messages at a later time influences consumer channel preferences. While smartphones and tablets replicate much of the desktop messaging experience, many consumers purposely "park" messages to take later action from their computers (which may have faster internet access, larger screens, full keyboards, etc.). Email remains a powerful channel for its ability to bridge the three-device environment of smartphone, tablet, and PC.

PRIVACY

Do I want the world to know about this message?

Privacy remains a hot button and source of confusion for many consumers. Where privacy is crucial, consumers gravitate toward channels with an established track record of protecting conversations (text messaging, telephone, and email). Where privacy is not a concern, consumers happily embrace social channels such as Facebook and Twitter that provide them with the public opportunity to share, vent, or engage. This isn't to say that consumers don't send direct messages through Facebook and Twitter, just that they proceed with greater caution as these channels are best known for their more public communications.

FORMALITY

Do I need to convey a level of professionalism with this message?

When a task such as job hunting calls for a degree of formality, consumers favor more established channels. Across all age groups we surveyed, job seekers indicated a clear preference for contact through the company's website first, followed by sending an email or making a phone call. Consumers tend to view marketing messages as formal communications; thus, when given a choice, they tend to prefer to receive them through more formal channels.

INITIATION

How did the conversation originate?

This final factor is the one that can trump all the others. If the consumer initiates communication with your brand, then the channel they choose may be deemed appropriate for response. Be advised, however—the nature of the conversation (if not laws regulating your industry) may necessitate that you move it from a public space (Twitter, for instance) to a private one (Twitter direct message or email) especially if the subject matter is of a sensitive nature.

2. PERSONAL COMMUNICATION PREFERENCES: THE MARKETER'S SIREN CALL

The sirens of Greek mythology were deceptively beautiful creatures whose enchanting voices caused even the most seasoned sailors to wreck their ships along the rocky shore. If we were to search for sirens in today's marketing ecosystem, we would surely find them circling the consumer preferences in chart 1.1 on page 9.

The sirens in this chart might lure the uninformed marketer into the false belief that *personal communication preferences* and *marketing communication preferences* are one and the same. But the fact is, we've found time and time again that personal communication habits are a misleading proxy for marketers looking for the best way to communicate with consumers.

This is because consumers don't truly consider brands to be their friends. Yes, they might love your products and services. They may even love the fact that social media allows them to interact with real, live human beings who work for your company. This does not mean, however, that they will automatically invite you into the same direct communication channels as they do their friends.

Take SMS (text messaging) for instance. It indexes as the most frequently used personal communication channel for people age 15 to 34 and second for those over the age of 35. Consumers love SMS for personal communications because it facilitates short, quick messaging in an environment relatively free of the distractions that clog other channels (advertising, spam, and messages from "friends" in extended social networks). **Whereas consumers may text with hundreds of friends, they are highly selective of the brands they will engage via SMS.** This is also true of other emerging channels such as Facebook, Twitter, and Google+, where the primary purpose of the channel is personal.

Consider chart 1.2 on page 9. We asked consumers which channel was preferable for marketing communications from brands whom they have given permission to send ongoing information. What leaps off the page is how different the preferred channels for communication with friends are from their preferred channels for permission-based marketing messages. Email and direct mail index much higher for direct marketing communications while text, telephone, and social networks drop dramatically.

The lesson here for marketers is that **just because consumers embrace a channel for personal communications doesn't mean that they want to receive direct marketing messages from your brand via that channel.** In fact, marketers who attempt to force direct communications through such channels may find themselves blocked by mobile carriers (in the case of SMS) and the subject of far more "unlikes" and "unfollows" than "likes" and "follows on Facebook and Twitter, respectively. Absent an invitation from consumers to engage through social channels, marketers should focus their efforts on optimizing communication through channels where consumers *do* want to hear from them.

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1.1 CHANNELS USED MOST FREQUENTLY FOR PERSONAL WRITTEN COMMUNICATIONS (BY AGE GROUP)

	OVERALL	15-17	18-24	25-34	35-44	45-54	55-64	65 PLUS
Email	**45%**	10	16	39	45	55	77	91
Text messages	**36%**	64	55	44	34	30	14	4
Posting messages on Facebook	**12%**	15	15	16	17	7	5	0
Direct mail (letters, catalogs, postcards, etc.)	**2%**	1	3	1	2	2	2	3
Instant messaging	**2%**	4	4	4	2	1	1	0
Messaging app on a cell phone	**2%**	2	4	1	1	2	0	0
Posting messages on Google+	**1%**	2	2	1	0	0	0	0
Posting messages via personal websites or blogs	**1%**	1	1	1	0	0	0	0
Posting messages on Twitter	**0%**	1	0	2	0	0	0	0

Source: ExactTarget. 2012 Channel Preferences Survey, February 2012 • N = 1,481 US Online Consumers, age 15 and older *www.ExactTarget.com/SFF*

1.2 PREFERRED CHANNEL FOR PERMISSION-BASED PROMOTIONAL MESSAGES (BY AGE GROUP)

PROMOTIONAL MESSAGES FROM COMPANIES WHOM I HAVE GRANTED PERMISSION TO SEND ME ONGOING INFORMATION

	OVERALL	15-17	18-24	25-34	35-44	45-54	55-64	65 PLUS
Email	**77%**	66	74	75	81	79	81	79
Direct mail (letters, catalogs, postcards, etc.)	**9%**	6	6	6	9	10	14	14
Text messaging (SMS) on a cell phone	**5%**	10	5	7	4	6	1	0
Facebook	**4%**	8	7	3	4	3	1	0
Telephone	**2%**	0	5	3	2	1	1	2
Twitter	**1%**	4	1	1	0	0	0	0
Mobile App	**1%**	2	1	1	0	1	0	0
LinkedIn	**0%**	0	0	1	1	0	0	0

Source: ExactTarget. 2012 Channel Preferences Survey, February 2012 • N = 791 US Online Consumers, age 15 and older *www.ExactTarget.com/SFF*

3. EMAIL: CONSUMERS' PREFERRED DIRECT MARKETING CHANNEL

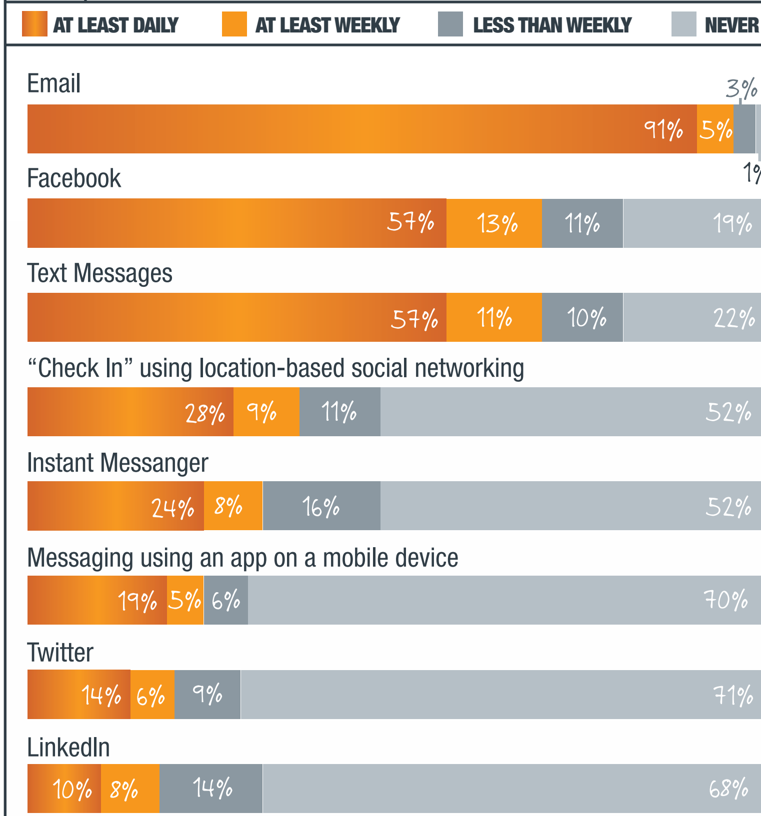
Were he alive today, Mark Twain would probably have a soft spot for email because, much like the author himself, recent reports of email's death have been greatly exaggerated. In fact, **email is not only alive—it's the number one direct channel in terms of daily use and consumer preference for both personal and marketing communications.** Email is thriving thanks in large part to the channel's familiarity, flexibility, and universality. A whole new generation of mobile smartphone and tablet users are also driving anywhere, anytime email usage. Indeed, when you dig into the data, any assertion that email is "dying" with consumers is laughable. Evolving—yes. Dying, absolutely not.

There is, however, one place where email channel preference has declined significantly. As chart 1.4 documents, consumers' preference for email as a *personal communications* channel has dropped 21% since 2008 while their preference for text messaging and social media have grown 20% and 10%, respectively. Overall, email still tops both text and social as the preferred channel for personal communications—45% for email to text's 36% and social's 13%—but email's decline points to the fact that personal communications are shifting toward text and social networks—especially for frequent, short-burst communications.

This shift would be worrisome to marketers were it not for the fact that consumers' preference to receive permission-based marketing through email has actually increased 5% since 2008. A staggering 77% of consumers told us that they prefer to receive permission-based marketing communications through email. This dwarfs both text messaging (5%) and social channels (6%) while further highlighting how email has become the principal channel that consumers use to manage interactions with brands.

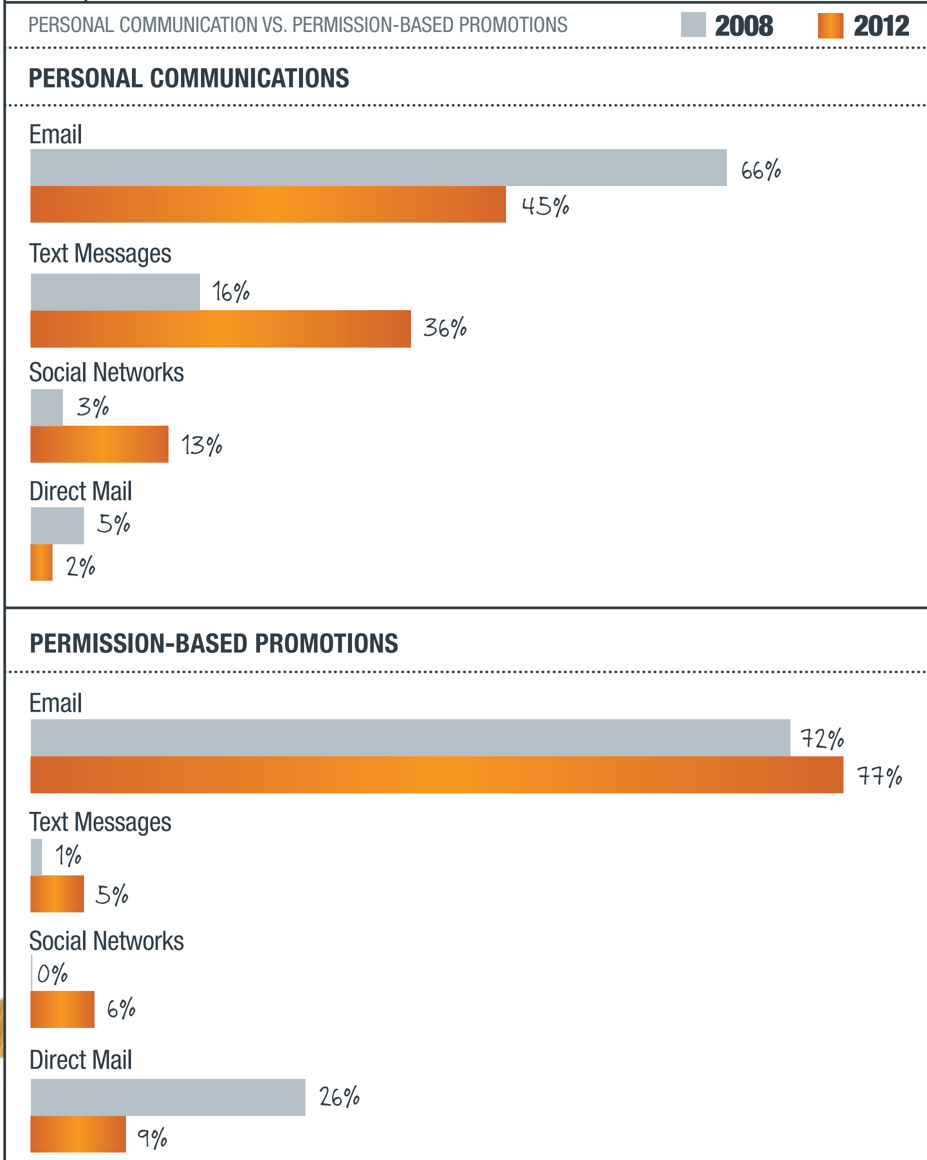
In fact, email is the top channel in terms of acceptability across all types of marketing message we asked about in the survey. From travel alerts and purchase receipts to promotional messages and polls, email is viewed as the most appropriate direct channel for brands to communicate with consumers. Looking across all messaging communications studied, we find 94% of consumers prefer at least one form of marketing communication come through email. The only exception is unsolicited, commercial messages that come from an unknown sender (i.e., SPAM). In short, if you're looking for a solid foundation for your direct marketing communications look no further than email—because it's where the vast majority of consumers are willing to engage brands.

1.3 HOW OFTEN DO YOU USE EACH OF THE FOLLOWING?



Source: ExactTarget 2012 Channel Preferences Survey, February 2012 www.ExactTarget.com/SFF
N = 1,481 US Online Consumers, age 15 and older

1.4 CHANGE IN PREFERENCES FROM 2008 TO 2012



Sources: ExactTarget. 2012 Channel Preferences Survey, February 2012, N = 1,481 US Online Consumers, age 15 and older
ExactTarget. 2008 Channel Preferences Survey, February 2008, N = 1,555 US Online Consumers, age 15 and older
In 2008, we asked about "Social Networking Sites" (e.g., Facebook, MySpace). In 2012, questions were asked about specific social networks. 2012 statistics for Facebook, Twitter and Google+ were aggregated for the purpose of comparison to 2008 statistics.
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BATCH AND BLAST IS DEAD: THE RELEVANCY IMPERATIVE

Despite the positive attitude consumers have toward email, many marketers have seen their overall email marketing response rates decline. **This performance doesn't indicate failure of the channel, but rather failure of their marketing communications to resonate in the inbox.**

Sophisticated interactive marketers continue to see strong response to email marketing messages even in the face of increased volume from other senders. This combination suggests there's an erosion of the "middle class" in email marketing—a growing disparity between email marketing "haves" who implement more automated, data-driven programs and "have-nots" who batch and blast. Even if the SUBSCRIBERS of these "have-nots" never see their competitors' emails, they are likely to grow dissatisfied with batch and blast programs because they see other companies in unrelated industries sending compelling, targeted messages.

The bottom line? Audience segmentation, data-driven insights, and personally relevant content are no longer "nice to haves" in email—they are "MUST haves" for any marketer who wishes to stand out in the inbox.

PROS & CONS OF DIRECT MAIL

It's an online world, but printed mail isn't dead. The fact that 65% of consumers have made a purchase as the result of a direct mail piece is a testament to the ongoing value of including it in your marketing mix. But brands that rely too heavily on this channel might quickly find themselves in a negative ROI situation. So, what's the best use of direct mail dollars?

Of all the available channels, direct mail is the only one where an unsolicited message isn't viewed as inappropriate by consumers. Using direct mail as a foot into the consumer's door—and then inviting them to connect via another channel—makes great sense. For example, a mailed postcard that promotes a text-to-win campaign is an excellent way to draw new audiences to your digital channels—where ROI is exponentially higher—and the cost to communicate is lower.

4. DIRECT MAIL LIVES! SMS ALERTS! SOCIAL EVOLVES!

Of all the channels we surveyed, perhaps none face as uncertain a future as direct mail. With mounting debts and the likely elimination of Saturday delivery on the horizon, the US Postal Service has direct marketers fearing the worst, but hoping for the best. Perhaps we can provide a bit of comfort.

While email has overtaken direct mail as the most acceptable channel for the full range of marketing communications, direct mail is a *very* close number two. In the face of always-on channels like email, SMS, and social networks, consumers appreciate direct mail's tangibility, flexibility, and once-a-day pace. It also remains the only channel where unsolicited messages (i.e. SPAM or junk mail) are acceptable to a majority of consumers—perhaps in large part because the production and mailing costs of direct mail force today's senders to be even more relevant and targeted than in the past.

As we examine chart 1.5 a bit further, we quickly see that the telephone and SMS (text messaging) channels index well for alert-based communications. This stands to reason since both phone and text hold a place of higher communication priority in most consumers' lives. If the phone rings, you answer it. If a text arrives, you can read it quickly. This is vastly different than email and social media updates which tend to get checked in batches. It's also proof that consumers are willing to let brands into channels usually reserved for personal communications when the stakes—or convenience factor—are high enough.

The final major insight we can draw from our acceptability research is that users of social networks—Facebook, Twitter, and LinkedIn, are largely on the fence about whether to open these channels to direct communications with marketers. This isn't to say that they won't "like" or "follow" your brand, just that these channels are evolving so fast that brands would be wise to wait for consumers to initiate contact before sending any direct messaging. Consumers clearly have distinct ways in which they want to receive marketing messages. Violating these preferences—by sending the wrong types of messages through channels consumers have not authorized—is likely to raise suspicion, reduce response, and reflect poorly on your brand. And that's not just true in social media—it's true in each of the channels we surveyed.

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1.5 PLEASE INDICATE THE LEVEL TO WHICH YOU FEEL IT WOULD BE ACCEPTABLE FOR MARKETERS TO SEND YOU DIFFERENT TYPES OF MESSAGES THROUGH EACH HIGHLIGHTED CHANNEL (1=COMPLETELY UNACCEPTABLE, 5=COMPLETELY ACCEPTABLE)

	MESSAGE TYPE ACCEPTABILITY	EMAIL	DIRECT MAIL	TELEPHONE	SMS	MOBILE APP	FACEBOOK	TWITTER	LINKEDIN
Confirmation, "Thank You," or purchase receipt for a transaction you initiated	**3.2**	4.5	4.2	3.1	3.3	3.0	2.6	2.3	2.3
Financial alerts (such as fraud detection) from your bank or financial institution	**3.2**	4.4	4.1	3.7	3.5	3.0	2.2	2.3	2.1
Travel alerts such as flight delays or cancellations from an airline	**3.1**	4.3	3.5	3.7	3.6	3.1	2.4	2.2	2.2
Delivery of tickets to event (sports, music, theater, etc.) you purchased	**3.0**	4.4	4.3	3.0	3.1	2.9	2.4	2.3	2.1
Regular status updates or statements on an account you maintain with a company	**2.9**	4.1	4.1	2.8	2.9	2.8	2.4	2.2	2.1
Promotional messages from companies whom you have ***granted permission*** to send you ongoing information	**2.9**	4.0	3.9	2.7	2.8	2.7	2.6	2.3	2.3
Customer service messages about general product or service questions	**2.7**	3.6	3.6	2.7	2.5	2.6	2.4	2.3	2.2
Polls, surveys, or questionnaires related to a company's products or services	**2.7**	3.6	3.7	2.6	2.4	2.6	2.4	2.2	2.2
Sweepstakes invitations from a company you know	**2.6**	3.3	3.4	2.4	2.3	2.5	2.4	2.2	2.2
Promotional messages from companies with whom you ***regularly conduct business,*** but have not asked for ongoing information	**2.3**	2.8	3.1	2.1	2.1	2.1	2.1	2.0	2.0
Promotional messages from a company with whom you have ***never interacted***	**2.0**	2.1	2.6	1.9	1.8	2.0	1.9	1.9	2.0
CHANNEL ACCEPTABILITY		**3.7**	**3.7**	**2.8**	**2.8**	**2.7**	**2.3**	**2.2**	**2.2**

In addition to asking consumers about which channels they PREFERRED companies use for sending them different types of messages, we asked how ACCEPTABLE it is for companies to send them these different messages through various channels. Consumers were asked to indicate how acceptable it would be for marketers to send them these messages through each channel based on a scale of one (1) to five (5), with 1 being completely unacceptable and 5 being completely acceptable. Green indicates message types and channels that consumers generally consider acceptable for marketing communications (based on one standard deviation above the overall mean), whereas red should serve as a warning (one standard deviation below the overall mean).

Source: ExactTarget 2012 Channel Preferences Survey, February 2012 • N =690 US Online Consumers, age 15 and older *www.ExactTarget.com/SFF*

5. TEENS: A NEW KIND OF NORMAL

Chances are that you don't wear the same kinds of clothing today as you did when you were a teenager. The channel preferences of consumers, much like wardrobes, evolve and mature with age. Without major life responsibilities—a job, a spouse, a mortgage—teens have lots of time on their hands to dress and communicate as they please.

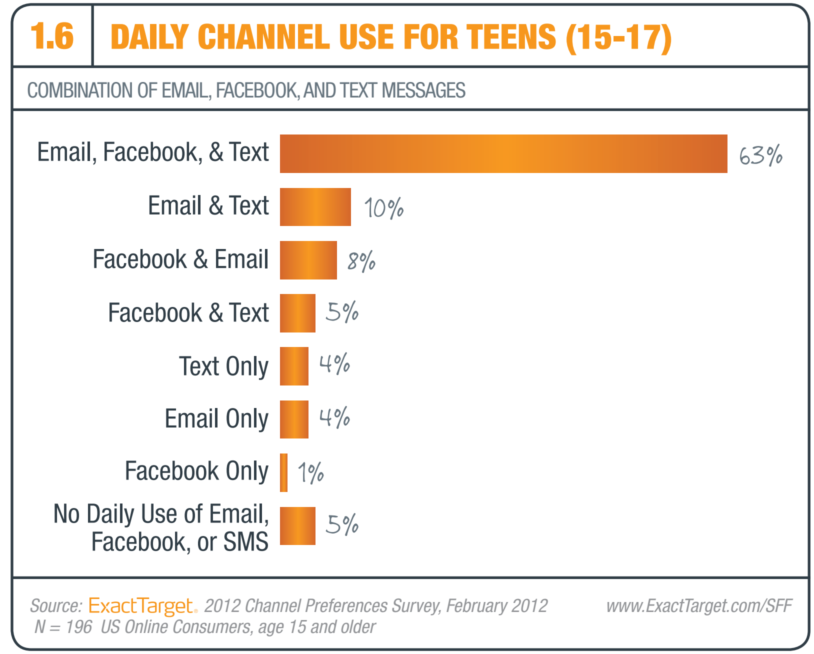
Teens are more likely than any other age group to use text messaging, Facebook, and Twitter. They are also more likely to communicate through a greater number of channels on a daily basis, picking the right channel based on speed, convenience, and privacy.

When it comes to marketing communication preferences, however, teens aren't that much different from the rest of us. In fact, teens also told us that they prefer email over other channels for most *marketing* communications.

How can this be? The fact is that teens are very savvy communicators. They may not use email to engage as *many* brands as their older counterparts, but when they do, they're interested in hearing from those brands in a private forum, where they can take action on their own time.

Furthermore, while the historical focus on teens has been how they use emerging channels like text and social media more than older consumers, the reality is that all age groups are increasing their use of these channels. In the period between 2008 and 2012, even consumers over the age of 45 have significantly increased their preference for using text and social media when communicating with friends.

While age is a significant indicator of channel preferences, the purpose of the message is an even more significant indicator of the channels consumers—even teens—are likely to leverage for marketing communications. Consider this the new "normal"—a fragmented landscape in which consumers are the gatekeepers to nearly every form of direct messaging available.



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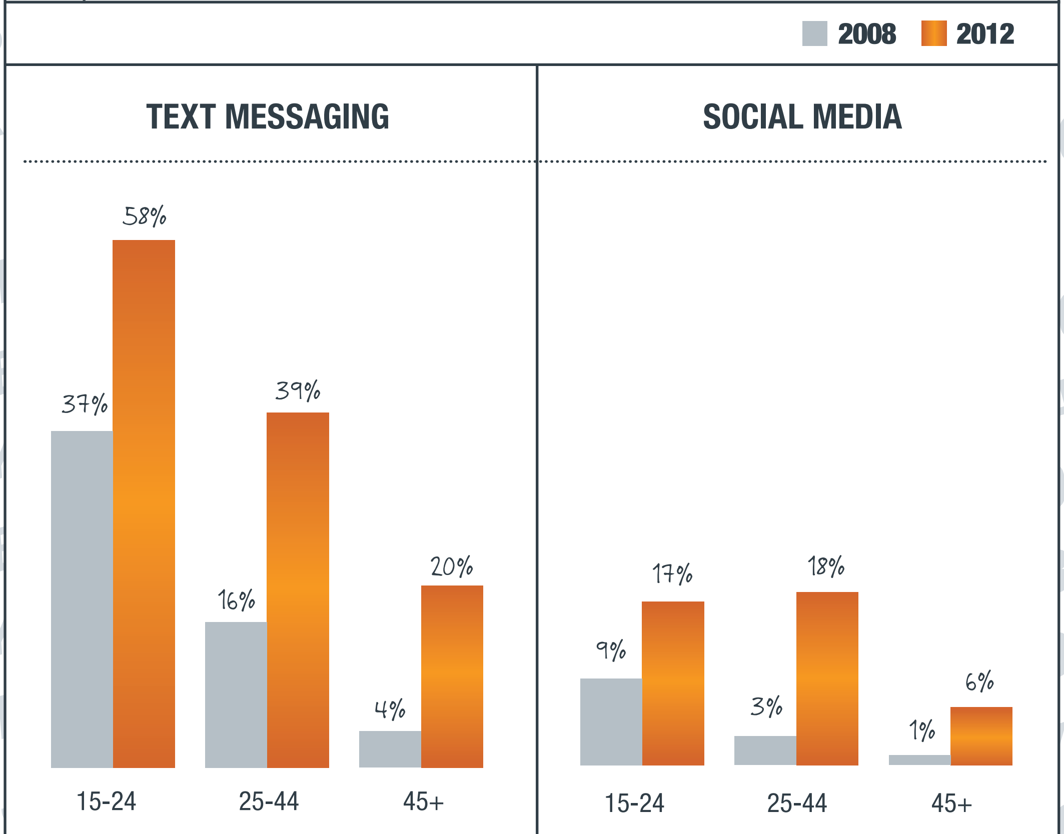
1.7 GROWTH OF TEXT AND SOCIAL MEDIA FOR COMMUNICATION WITH FRIENDS



Sources: ExactTarget. *2012 Channel Preferences Survey, February 2012, N = 1,481 US Online Consumers, age 15 and older*
ExactTarget. *2008 Channel Preferences Survey, February 2008, N = 1,555 US Online Consumers, age 15 and older*
In 2008, we asked about "Social Networking Sites" (e.g., Facebook, MySpace). In 2012, questions were asked about specific social networks. 2012 statistics for Facebook, Twitter, and LinkedIn were aggregated for the purpose of comparison to 2008 statistics.

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TEEN (15-17) CHANNEL PREFERENCE

84% *email at least once per day*

82% *text at least once per day*

78% *use Facebook at least once per day*

51% *check in using location-based services like Foursquare or Facebook Places at least once per day*

46% *chat via instant messaging at least once per day*

39% *use smartphone messaging apps like WhatsApp or Blackberry Messenger at least once per day*

32% *use Twitter at least once per day*

6. PURCHASE BEHAVIORS CROSS CHANNELS

In order to better understand how channel preference translates into action, we asked our survey respondents to identify the channels where marketing messages had actually inspired them to purchase. While email and direct mail topped the charts again, we saw telephone, Facebook, text messaging, mobile apps, and Twitter register significant purchase influence even though they may not be the *preferred marketing channels* of our respondents.

So what does this mean? First and foremost, it means that while consumers may have a *preferred channel* for marketing communications, they tend to use many more than one. Therefore, brands who receive permission to message consumers through multiple direct channels may dramatically increase their sales potential. At the very least, such cross-channel visibility certainly stands to increase brand recognition and campaign awareness.

The second conclusion we can draw is that the channels where consumers are most strict with marketers is also where they are apt to be most responsive. Consider SMS (text messaging). The SMS channel has two gatekeepers—the provider and the consumer. Spammers are shut down quickly at the provider level. And consumers tend to use the channel most often for short burst communications with friends and family. When they do subscribe to a company's SMS messaging, it signals a high degree of trust and interest. As a result, consumers may not broadly indicate a preference to receive marketing messages via SMS—but they are more inclined to act upon the messages from those companies they do let into this inner circle.

The last point to draw from this data is that marketing messages don't just come from marketers. The holy grail of marketing these days is to "go viral." The rising purchase influence of Facebook and Twitter likely includes the influence of such viral messaging, as well as some influence from the "Sponsored Stories" distributed through users' feeds. It bears watching whether the increased push to monetize users' "organic" message feeds with paid marketing messages will boost the purchase influence of Facebook and Twitter—or cause consumers to further restrict interaction with marketers on these services.

Another way to put this data into perspective is to examine how more traditional, mass media continues to influence purchase behavior.

As these numbers indicate, traditional mass media like print and television advertising continue to drive significant purchase behavior. In fact, our research shows that magazine ads influence more teens to purchase than a Facebook message (37% vs. 32%). So, while digital direct media may be in full bloom, their mass media counterparts still provide critical ways to reach consumers.

Our research into marketing-inspired purchase behavior illustrates that we live in a multi-channel world where brands that can execute campaigns across both mass and direct media will have a distinct advantage over their less coordinated competition. Today's consumers are cross-channel communicators, and they're ready to reward those brands that abide by the unique rules that govern each channel.

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1.8 HAVE YOU EVER MADE A PURCHASE AS A RESULT OF A MARKETING MESSAGE YOU RECEIVED THROUGH THE FOLLOWING CHANNELS

	OVERALL	15-17	18-24	25-34	35-44	45-54	55-64	65 PLUS
Email	**66%**	50	65	68	64	71	68	65
Direct mail (letters, catalogs, postcards, etc.)	**65%**	51	50	57	67	72	75	85
Telephone	**24%**	21	20	22	22	30	23	27
Facebook	**20%**	32	24	27	24	16	8	6
Text messaging (SMS) on a cell phone	**16%**	27	24	22	14	15	4	1
Mobile App	**10%**	22	14	17	11	6	2	1
Twitter	**6%**	16	11	10	5	2	1	0
Linkedin	**4%**	10	4	8	4	1	1	0

Source: ExactTarget 2012 Channel Preferences Survey, February 2012 • N = 1,481 US Online Consumers, age 15 and older *www.ExactTarget.com/SFF*

1.9 WHICH OF THE FOLLOWING HAVE INFLUENCED YOU TO PURCHASE A PRODUCT OR SERVICE IN THE PAST 12 MONTHS?

	OVERALL	15-17	18-24	25-34	35-44	45-54	55-64	65 PLUS
A commercial on television	**53%**	59	51	59	57	59	40	45
An advertisement in a newspaper	**32%**	28	15	23	31	43	46	47
An advertisement in a magazine	**30%**	37	24	26	28	38	31	32
An infomercial on television	**18%**	16	20	17	16	16	21	16
A banner or other advertisement on a website	**18%**	19	18	22	16	18	14	13
An advertisement on the radio	**16%**	12	12	18	15	22	14	11
An advertisement on a billboard	**8%**	9	11	12	5	7	5	3
A video advertisement on YouTube (commercial, ad played prior to start of your video, etc.)	**8%**	22	16	8	5	6	5	1

Source: ExactTarget 2012 Channel Preferences Survey, February 2012 • N = 1,481 US Online Consumers, age 15 and older *www.ExactTarget.com/SFF*

SECTION TWO

MARKETING SCENARIOS

In this section, we dig deeper into specific marketing communication scenarios to uncover how context impacts consumer preference. While some of the examples are industry-specific such as financial alerts, most are applicable to any marketer looking to prioritize their communications across the channels that consumers prefer.

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1. PERMISSION-BASED PROMOTIONAL MESSAGES

Thanks to the good work of Seth Godin, the email channel has always been linked with the concept of "permission marketing"—namely, that brands should first seek permission before sending customers email marketing messages. As you may have gathered already, the tenants of permission marketing now dictate the terms of engagement through an expansive set of direct channels, including SMS, Facebook, and Twitter. In each of these channels, any brand that sends marketing messages without permission is likely to find itself blocked, unliked, or unfollowed.

Even in the face of these new, permission-driven, direct communication channels, email still commands the lion's share of consumer preference for *permission-based communications*—even among the trend-making teens and finicky 65+ crowd.

Since this data reinforces much of what we've shared in the previous sections, here we explore a different angle, asking consumers where they look online when they want a deal from a company they know. Here too, email came out on top followed closely by the company website with search engines and Facebook rounding out the top four.

Let's be clear: If you're not making deals available via email, you are ignoring the largest, direct audience for this content. People prefer email over Facebook for deals because it's harder to miss deals in the inbox than it is in the waterfall of posts that is the News Feed. Use social networks to spread the word about your offers, and push consumers to your website for email subscription. At present, other approaches leave money on the table.

2.5 WHERE DO YOU LOOK ONLINE WHEN YOU WANT A DEAL FROM A COMPANY YOU KNOW?

	1ST CHOICE	2ND CHOICE
Email	44%	27%
Company website	43%	32%
Search engine (e.g. for coupon codes)	6%	15%
Facebook	4%	10%

Source: ExactTarget. 2012 Channel Preferences Survey, February 2012
N = 791 US Online Consumers, age 15 and older • www.ExactTarget.com/SFF

2.6 PREFERRED CHANNEL FOR PROMOTIONAL MESSAGES FROM COMPANIES WHOM I HAVE GRANTED PERMISSION TO SEND ME ONGOING INFORMATION

	OVERALL	15-17	18-24	25-34	35-44	45-54	55-64	65 PLUS
Email	**77%**	66	74	75	81	79	81	79
Direct mail (letters, catalogs, postcards, etc.)	**9%**	6	6	6	9	10	14	14
Text messaging (SMS) on a cell phone	**5%**	10	5	7	4	6	1	0
Facebook	**4%**	8	7	3	4	3	1	0
Telephone	**2%**	0	5	3	2	1	1	2
Twitter	**1%**	4	1	1	0	0	0	0
Mobile App	**1%**	2	1	1	0	1	0	0
LinkedIn	**0%**	0	0	1	1	0	0	0

Source: ExactTarget. 2012 Channel Preferences Survey, February 2012 • N = 1,481 US Online Consumers, age 15 and older *www.ExactTarget.com/SFF*

2. SHARING

In November 2008, Mark Zuckerberg took the stage at the Web 2.0 conference and made the following proclamation: *"I would expect that next year, people will share twice as much information as they share this year, and next year, they will be sharing twice as much as they did the year before."*

One can debate the merits of what has come to be known as "Zuckerberg's Law," but there's no question that sharing is now a fundamental component in every company's marketing plans. Implicit in this shift is the belief that consumers who share their experiences will ultimately help companies generate more and better business via a network effect. This got us thinking, so we asked consumers which channels they're currently using to share content with their friends and family.

That's right—email tops the sharing charts and even beats Facebook by 30 points. Of course, if you dig into the response by age, you see that teens prefer sharing information on Facebook over email—but the gap is surprisingly small (54% to 47%). This isn't just further proof that teens are using email, it's a clear indication that there are two types of sharing taking place—one Zuckerbergian (in the public sphere) and one more reserved (through private channels like email and telephone).

To put it another way, if your brand is emphasizing only that consumers share via social networks, you're reaching just the tip of the iceberg. Below the surface are the introverted, the private, and the cautious consumers who share content off your radar via email and word of mouth (telephone). These private sharers don't get as much press as the "likers" and "retweeters" precisely because their activities cannot be seen publicly and they are difficult, if not impossible, to track. Private communications, however, are extremely valuable to brands, as a friend's thoughtful personal endorsement will often realize a better response than one broadcast to thousands.

That said, the power and appeal of social networks to reach an exponentially larger audience cannot be denied. The audience of Facebook, Twitter, Google+, LinkedIn, and Pinterest all provide one-click sharing that is measurable, and we expect that the continued promotion of social sharing will help Zuckerberg's Law flourish—at least for the time being.

One final note on sharing—while social sharing may spread the word, the information may not be relevant to friend-of-a-friend recipients. As a result, brands should always encourage sharing via consumer-selected channels. Where you can make it easier to share via one-click buttons, do so—but always give the consumer the ability to personalize the message so they can increase its relevance to the audiences they reach.

2.2 WHAT CHANNELS ARE YOU CURRENTLY USING TO SHARE CONTENT WITH YOUR FRIENDS & FAMILY?

	OVERALL	15-17	18-24	25-34	35-44	45-54	55-64	65 PLUS
Send an email	**63%**	47	55	58	63	65	74	76
Post it on Facebook	**33%**	54	46	38	37	27	17	11
Call them on the phone	**29%**	21	28	33	19	35	34	27
Post it on my blog	**6%**	14	8	11	4	3	0	0
Post it on Twitter	**5%**	17	5	6	5	3	2	2
Post it to an online forum or discussion group	**4%**	12	5	5	4	3	1	0
Send them a letter	**3%**	8	6	3	2	3	2	4
Post it on another social network (Pinterest, Tumblr, Instagram, etc.)	**2%**	2	5	2	2	0	0	0
Post it on LinkedIn	**1%**	4	1	2	1	0	1	0
Post it on a coupon deal site (SlickDeals, RetailMeNot, etc.)	**1%**	2	1	1	2	1	0	0

Source: ExactTarget. 2012 Channel Preferences Survey, February 2012 • N = 1,481 US Online Consumers, age 15 and older www.ExactTarget.com/SFF

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THE INTEREST IN PINTEREST

Facebook has long maintained that posts with visual content—pictures and/or videos—receive more likes, comments, and shares than plain text. The rapid rise of Pinterest, a virtual "pinboard" where users can curate visual content from across the web, underscores just how powerful images are. In little over a year, Pinterest has become the fastest growing, independent social network with more than 17 million registered accounts as of March 2012 according to comScore.

The lesson of Pinterest for marketers is right there in its name—interest. To inspire consumers to share content, it must be of interest to them. Unless you're a daily deal site whose brand is built upon offers, **most marketers would be wise to build their sharing strategy around the creation of great content.** Breathtaking imagery, humorous comments, and videos that appeal to average consumers, and not just your C-Suite. That's the key to a great sharing strategy—inspiring consumers with content that is too good not to share.

3. FINANCIAL & TRAVEL ALERTS

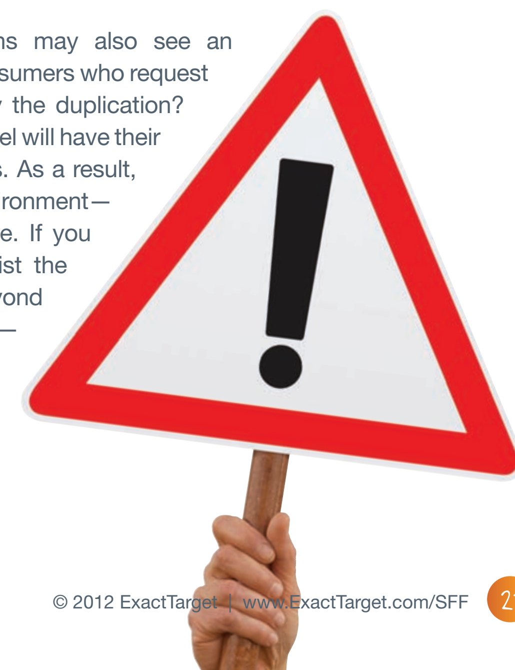
If your bank account has been compromised or your flight departure has changed, you'd want to know as soon as possible, right? It turns out that consumers agree, and they welcome alerts across multiple channels so long as time is of the essence (see charts 2.3 and 2.4 on the following page).

This position represents a significant change for consumers from our *2008 Channel Preference Survey*. Back then, consumers were generally negative toward any text messages from companies. Today, however, consumers have changed their tune:

- 15% of consumers would prefer to receive financial alerts via SMS over any other channel.
- 25% of consumers prefer to receive travel alerts via SMS over any other channel.

Of all the message types surveyed, financial and travel alerts are where companies should offer consumers the greatest variety of opt-in options. With consumer preference distributed across email, telephone, and SMS, brands that offer all three options will stand the greatest chance of pleasing their customers.

Brands tackling alert communications may also see an interesting phenomenon develop—consumers who request alerts through multiple channels. Why the duplication? Consumers may not know which channel will have their attention at the moment an alert posts. As a result, they do something rare in today's environment—invite companies to over-communicate. If you find your brand in that situation, resist the temptation to expand the content beyond the alert the consumer has requested—at least not without obtaining express permission beforehand.



2.3 PREFERRED CHANNEL FOR FINANCIAL ALERTS

	OVERALL	15-17	18-24	25-34	35-44	45-54	55-64	65 PLUS
Email	**52%**	45	48	56	48	53	59	50
Telephone	**18%**	8	13	12	18	19	24	32
Text messaging (SMS) on a cell phone	**15%**	22	18	17	24	13	7	2
Direct mail (letters, catalogs, postcards, etc.)	**8%**	10	11	7	4	8	7	15
Facebook	**4%**	8	5	5	5	3	0	0
Mobile App	**1%**	2	2	0	1	1	0	0
Twitter	**0%**	0	1	0	0	0	0	0
LinkedIn	**0%**	0	0	1	0	0	0	0

Source: ExactTarget. 2012 Channel Preferences Survey, February 2012 • N = 1,481 US Online Consumers, age 15 and older *www.ExactTarget.com/SFF*

2.4 PREFERRED CHANNEL FOR TRAVEL ALERTS

	OVERALL	15-17	18-24	25-34	35-44	45-54	55-64	65 PLUS
Email	**43%**	40	43	42	44	40	47	40
Text messaging (SMS) on a cell phone	**25%**	25	34	26	31	26	14	8
Telephone	**18%**	10	11	20	10	17	27	42
Direct mail (letters, catalogs, postcards, etc.)	**3%**	7	3	2	4	3	2	2
Facebook	**3%**	6	5	6	2	4	0	0
Mobile App	**2%**	4	0	3	4	0	1	0
Twitter	**1%**	0	2	0	1	1	0	0
LinkedIn	**0%**	0	0	0	1	0	0	0

Source: ExactTarget. 2012 Channel Preferences Survey, February 2012 • N = 1,481 US Online Consumers, age 15 and older *www.ExactTarget.com/SFF*

4. CUSTOMER SERVICE INQUIRIES

While social media headlines tout the customer service aspects of both Twitter and Facebook, our research indicates that a majority of consumers prefer to deal with customer service issues privately through three channels—email, regular mail, and the telephone.

Email's dominance here may be surprising at first, but keep in mind that it's not only a private channel but also one that allows consumers to keep a digital paper trail of their complaints and correspondence.

Of all our messaging scenarios, customer service may have the greatest divide between old and young. Our older respondents are disproportionately inclined to write a letter of complaint or make a phone call whereas teenagers are taking to Facebook in relatively large numbers (12%). That latter trend may be of some concern to brands as Facebook has just enabled its users to direct message brands. As a result, if your brand maintains a page and interacts with consumers via Facebook, you would be well advised to monitor your "Messages" and "Messages: Other" folders religiously for complaints. While this adds another duty for social media teams, it will be well worth it if it keeps an angry, young customer from boiling over on your brand page.

Overall, consumers' preferences in this arena reinforce two key aspects of customer service—privacy and immediacy. A majority of consumers still view public complaints aired over social networks as inappropriate and even exhibitionistic—especially if the complaining party hasn't communicated through traditional customer service outlets (telephone, email, etc.). However, if the consumer has exhausted all other outlets and failed to receive immediate relief, prior SUBSCRIBERS, FANS, & FOLLOWERS focus groups have shared that they see Facebook and Twitter as "steam valves" where they can expose or "get even" for poor customer service.

One thing is for certain, if your brand finds itself inundated with customer service complaints via your social channels, the problem may be as much your customer service department's response time as it is your products and services. Either way, best to deal with the matter quickly and patiently because you never know who's watching—or sharing—these days.

2.1 PREFERRED CHANNEL FOR CUSTOMER SERVICE MESSAGES (GENERAL PRODUCT / SERVICE QUESTIONS)

	OVERALL	15-17	18-24	25-34	35-44	45-54	55-64	65 PLUS
Email	**76%**	69	73	76	82	81	73	76
Direct mail (letters, catalogs, postcards, etc.)	**10%**	4	8	9	4	8	19	17
Telephone	**4%**	4	7	3	3	5	4	6
Facebook	**4%**	12	7	5	4	1	1	0
Text messaging (SMS) on a cell phone	**2%**	4	0	3	3	3	1	0
Mobile App	**1%**	1	0	1	0	3	0	0
Twitter	**0%**	2	1	1	0	0	0	0
LinkedIn	**0%**	0	0	0	2	0	0	0

Source: ExactTarget. 2012 Channel Preferences Survey, February 2012 • N = 1,481 US Online Consumers, age 15 and older www.ExactTarget.com/SFF

5. PURCHASE RECEIPTS & TICKETS

Anyone who's ever dealt with a wallet full of business receipts likely shakes their head when they hear we're becoming a paperless society. While it's true that paperless solutions are a ways off for some transactions, consumers certainly told us that they are receptive to receiving both purchase receipts, order confirmations, and tickets via email when possible.

Seventy-seven percent (77%) of consumers today are open to receiving purchase-related communications via email. The next closest channels are barely in the picture—regular mail at 9%, Facebook at 5%, and text messaging at 4%. What's astounding is that outside of online transactions, very few retailers are even offering the ability for consumers to receive their receipts electronically. This is a huge missed opportunity as electronic receipts give brick-and-mortar retailers the opportunity to open a new line of communication—email—with their customers. While companies shouldn't assume this equates to permission to market via email, it at least provides an opportunity to ask and upsell in a limited fashion as part of the emailed transaction communications.

In the case of ticket delivery, email again tops all other channels; however, direct mail performs well across the board, and SMS shows signs of promise within the younger demographics. What's interesting about these results is that tickets are something consumers *must have* to gain entry to an event. The trust they therefore place in email, direct mail, and text messaging suggests both a familiarity and reliability that has yet to transfer to other channels.

77%

of consumers today are open to receiving purchase-related communications via email.

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2.7 PREFERRED CHANNEL FOR CONFIRMATION, "THANK YOU", OR PURCHASE RECEIPT

	OVERALL	15-17	18-24	25-34	35-44	45-54	55-64	65 PLUS
Email	**77%**	67	70	71	81	83	83	85
Direct mail (letters, catalogs, postcards, etc.)	**9%**	6	5	11	7	10	13	11
Facebook	**5%**	8	11	5	7	5	0	0
Text messaging (SMS) on a cell phone	**4%**	10	9	5	2	1	2	0
Telephone	**1%**	2	1	2	1	0	1	2
Twitter	**1%**	2	0	3	1	1	0	0
LinkedIn	**0%**	2	0	0	0	0	0	0
Mobile App	**0%**	0	0	2	0	0	0	0

Source: ExactTarget 2012 Channel Preferences Survey, February 2012 • N = 1,481 US Online Consumers, age 15 and older www.ExactTarget.com/SFF

2.8 PREFERRED CHANNEL FOR DELIVERY OF TICKETS TO AN EVENT PURCHASED ONLINE

	OVERALL	15-17	18-24	25-34	35-44	45-54	55-64	65 PLUS
Email	**60%**	49	59	56	70	65	62	40
Direct mail (letters, catalogs, postcards, etc.)	**20%**	16	22	19	13	17	22	38
Text messaging (SMS) on a cell phone	**6%**	12	6	9	5	5	4	2
Telephone	**4%**	2	2	3	3	5	3	6
Facebook	**4%**	8	8	5	4	2	0	0
Twitter	**1%**	4	0	3	1	1	0	0
Mobile App	**1%**	2	1	2	1	1	0	0
LinkedIn	**0%**	0	0	0	0	0	0	0

Source: ExactTarget 2012 Channel Preferences Survey, February 2012 • N = 1,481 US Online Consumers, age 15 and older www.ExactTarget.com/SFF

SECTION THREE

INDIVIDUAL CHANNEL ANALYSIS

In this third and final section, we analyze what consumer preferences mean for each marketing channel surveyed. Our intent is not to provide a be-all, end-all statement of each channel's marketing value but rather a snapshot of strengths and challenges as this moment in time.

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DIRECT MAIL STRENGTHS:

- IMPACT
- NOVELTY
- PROSPECTING
- RESPONSE
- TANGIBILITY
- TARGETING

DIRECT MAIL

"Response is one of the five keys of successful direct marketing. And if you have that, the other four don't matter."

-Dean Rieck, Copywriter

There's no question that direct mail has taken a significant hit in recent years. When we conducted our *2008 Channel Preferences Survey*, the majority of US online consumers considered direct mail the most appropriate channel for companies to use for nearly all types of marketing messages.

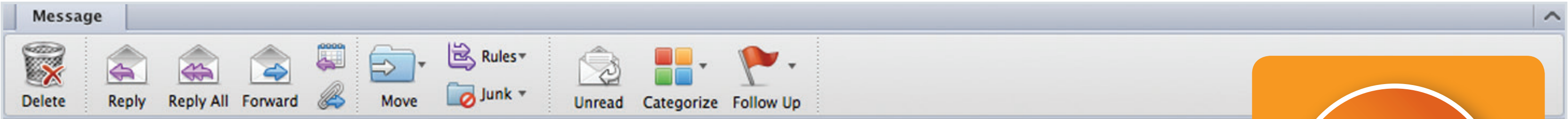
In the intervening years, the internet has become ubiquitous in the US thanks to the proliferation of Wi-Fi, 3G/4G, PCs, smartphones, and tablets. Email, IM, SMS—and most recently—social networks have trained entire generations to correspond instantly and electronically leaving the handwritten letter a quaint relic of the past. As for bills, they're moving online thanks to the cost-cutting efforts of financial institutions and other billers. The net effect has been to force the US Postal Service to consider cutting Saturday delivery—but that's just one of many cuts that will have to be made if mail service in the US is to survive as we know it.

If there's a silver lining to this dark cloud, it's that direct mail still works and consumers still want it! Consumers told us that direct mail was second only to email in terms of its acceptability across a wide range of marketing communications. Our survey also found that 65% of consumers report having made a purchase as the direct result of a catalog, postcard, or other piece of direct mail.

So, while the post office may be struggling, the fact remains that direct mail is a critical channel for marketers. It still opens some doors that digital channels can't—even among young consumers—principally because it's the only direct marketing channel where permission to send is not required. Indeed, direct mail's only gatekeeper is the cost to design, print, and ship.

Marketers should consider using direct mail to either draw consumers into a deeper relationship or to establish new relationships with prospects. Well-timed direct mail communications can be highly effective, especially when used in combination with other channels where your message can be reinforced more frequently at a lower cost.

EMAIL



Email Strengths

ExactTarget

To: Marketing

FORWARD WEB VERSION

"If you want to drive retention and repeat usage, there isn't a better way to do it than email."

–Fred Wilson, Managing Partner, Union Square Ventures & VC Blogger (www.AVC.com)

If there's one flashing headline from our *2012 Channel Preference Survey*, it's that **email is the channel consumers prefer over all others when it comes to a broad range of direct marketing communications.** Consider that email is:

- The most used channel for written, personal communications (45%)
- Checked daily by more users than any other channel (91%)
- The preferred channel for permission-based marketing communications (77%)
- The direct channel that influences the most purchases (66%)
- The preferred channel for financial (52%) and travel (43%) alerts
- Preferred even by teens over all other direct channels for permission-based, marketing communications (66%)

Email owes much of its success to its versatility. No other channel at present can deliver the broad range of messages—from promotions and newsletters to receipts and alerts—in a format that provides privacy and familiarity. Neither does any other direct channel command email's near universal adoption. In an age of ever-changing social interfaces, there's something to be said about email's simple, nearly unchanging inbox format that trains users to check each and every message—even on a smartphone.

If email has an Achilles' heel, it may be that it's not flashy enough in today's social-centric world to generate marketing headlines. Rest assured, however, when properly leveraged with the right mix of permission, customer data, and actionable intelligence, the ROI of email will make headlines within your marketing department.

EMAIL STRENGTHS:

- ALERTS
- COST
- COUPONS
- FLEXIBILITY
- LOYALTY COMMUNICATIONS
- MEASURABILITY
- NEWSLETTERS
- PROMOTIONS
- REENGAGEMENT MESSAGING
- RETENTION MARKETING
- ROI
- TRANSACTIONAL COMMUNICATIONS

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FACEBOOK

facebook Search Home

ExactTarget Timeline Now Highlights ✓ Liked

ExactTarget
23 hours ago via SocialEngage

> *"I would expect that next year, people will share twice as much information as they share this year, and next year, they will be sharing twice as much as they did the year before."* –Mark Zuckerberg

Like · Comment · Share

ExactTarget
Monday

As we detailed in our *Facebook X-Factors* research report (SUBSCRIBERS, FANS, & FOLLOWERS #5), the key to marketing on Facebook is *fun*. Survey after survey, Facebook is the only destination where consumers link "fun" and marketing" together in the same sentence. By engaging consumers in an entertaining fashion through simple posts, brands can humanize themselves in ways far beyond that of other marketing channels.

When it comes to one-to-one marketing however, consumers are split over whether they want direct marketing communications on Facebook or not. In SUBSCRIBERS, FANS, & FOLLOWERS #10, *The Meaning of Like,* we determined that nearly 40% of the consumers who click the "like" button on a company's Facebook page *do not* think that their action should give that company the right to market to them via their News Feed.

ExactTarget
Monday

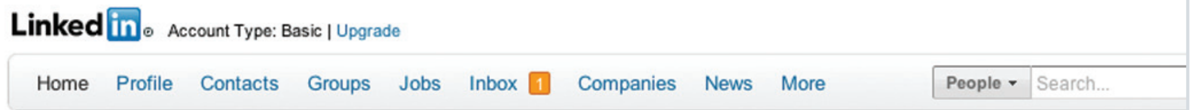
Our current research also underscores that Facebook has a lot of room to grow as a direct marketing channel—if it so chooses. It's impressive that messages on Facebook have inspired purchase activity from 20% of the consumers we surveyed. It's also astounding that 54% of 15-17 year-olds and 33% of all consumers now use Facebook to share information online. However, when one digs into critical messaging (alerts, transactions, customer service), Facebook barely registers with most consumers. Moreover, where privacy and control are an issue for consumers, Facebook indexes poorly.

While consumer attitudes are inconsistent about how prevalent brands should be on Facebook, this is not a reason for brands to shortchange their investment in the platform. First, some consumers really want to interact with brands on Facebook—in fact they *expect* to find brands engaging there. Second, Facebook is driving the sharing of brand-related content in ways that positively impact sales. So while it may not be a pure, one-to-one, direct marketing channel, Facebook is evolving in ways that will keep it high on marketers' priority lists the foreseeable future.

Like · Comment · Share 7

FACEBOOK STRENGTHS:

- ARTICLES
- BRANDING
- CONSUMER INTERACTION
- CONTESTS
- GAMES
- PICTURES
- POLLS
- SHARING
- VIDEO
- VIRAL PROMOTIONS



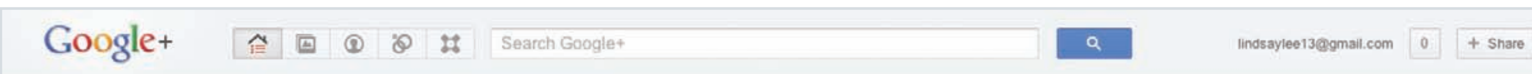
LINKEDIN STRENGTHS:

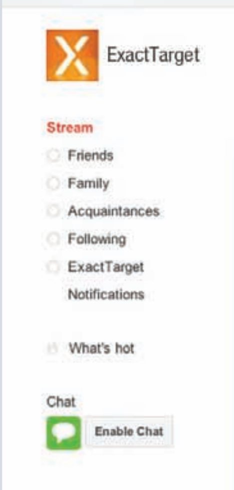
- PROFESSIONAL NETWORKING
- FORMAL COMMUNICATION

LINKEDIN

You may have noticed that we included LinkedIn as a direct messaging channel in our survey. While LinkedIn is clearly more of a B2B communications channel, we included it for two reasons. First, since it's a highly-trafficked social media site, we wanted another familiar point of reference that would allow us to look at how consumers view communication with brands across social media sites in general, not just Facebook and Twitter. Second, since we asked questions about a number of "formal" types of communication, we felt it was only appropriate to include the leading "professional" social network.

Based on our findings, it's clear that *consumers* aren't using LinkedIn as a place to receive direct marketing messages. This doesn't come as a surprise, nor does it suggest anything about the site's efficacy for B2B marketing communications. In fact, it makes us a bit more anxious to assemble our SUBSCRIBERS, FANS, & FOLLOWERS research team and dig into what communications do make LinkedIn tick. For now, however, our conclusion is that LinkedIn does not currently factor into the B2C direct marketing communication picture.





GOOGLE+

Hot on Google+

Eagle-eyed readers may have also noticed that Google+ was not included in our report. The fact is that we made every effort to include Google+, but despite our best attempts to distinguish Google+, the social network, from Google the search engine, survey responses indexed Google+ exponentially higher than its reported usage figures. Accordingly, we opted to remove Google+ from our report as the consumer responses were deemed unreliable.

As Google+ grows and better distinguishes its brand from Google Search, we hope to include them in future SUBSCRIBERS, FANS, & FOLLOWERS research reports. Until that time, we feel it's safe to treat Google+ much as you would Facebook—an environment that requires consumer permission to engage and holds the potential for viral sharing. Admittedly, we're curious to see whether Google's continued integration of Google+ into its other messaging channels—Gmail, Google Chat, and Android mobile devices—will deliver on the promise of the "social inbox."

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MOBILE APPS & PUSH NOTIFICATIONS

"The ability to talk to your players is vital, but you also have to educate your players what to expect from these communication channels."
-Vijay Thakkar, Zynga

MOBILE APP & PUSH NOTIFICATION STRENGTHS:

- **APP REENGAGEMENT**
- **GEO-TARGETED MESSAGING**
- **SOCIAL ALERTS**
- **TRANSACTIONAL MESSAGES**
- **UPDATE ALERTS**

Mobile apps are one of the newest communications channels available to marketers today. Since the launch of Apple's App Store in July 2008 and March 2012, consumers have downloaded 25 billion mobile apps on their iPhones, iPads, and other Apple devices. Another 10 billion apps have been downloaded from the Android app store by owners of phones running Google's Android operating system.

When a consumer downloads your branded application, it opens up new possibilities for engagement—not least of which is push notifications to the home screen of their mobile device. The allure of push notifications is that they require the user to take immediate action by opening the application; however, poorly executed push messages have the potential to alienate users such that they delete the message or turn of push notifications altogether.

While push notifications hold a great deal of potential, they are early in the adoption cycle. This is the primary reason app-based notifications failed to register as more than a blip within our survey. With time and the emergence of better mobile messaging analytics, we may see both consumers and marketers warm to new uses of push messaging. Until such time though, our recommendation is to limit your push notifications, if any, to only those communications which are crucial to the usefulness of your app and consistent with consumers' expectations.

For all other communications, seek to obtain customer email opt-ins during initial app registration. That way, you'll have a channel to communicate with your app users regardless of whether their push notifications are enabled.

Cancel OK

SMS STRENGTHS:

- ALERTS
- EVENT INTERACTIONS
- EVENT MESSAGING
- IN-STORE PROMOTIONS
- MOBILE OPT-INS
- PERSONAL MESSAGES
- USER-INITIATED COMMUNICATIONS

SMS (TEXT MESSAGING)

"People's mobile number may be the most guarded number they have after their Social Security number."

-Jeff Lee, Distributive Networks

Text messages are short, quick, and very personal. Consumers who invite marketers into the walled garden of SMS do so much more selectively than any other channel. As a result, senders who fail to deliver relevant, useful text messages are quickly greeted with a "STOP" reply.

As we've discussed, the SMS channel is particularly adept at delivering unobtrusive alert messaging. In fact, this is the one type of messaging that indexed high enough to be considered appropriate by a majority of consumers. That's not to say, however, that you can simply assume that consumers who provide their mobile numbers want to receive text messages from you. You must be absolutely certain to get their express permission and follow all of the rules set by the carriers. Failure to do so could result in blacklisting that prevents you from sending any text messages to consumers.

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TELEPHONE

“Don’t call us, we’ll call you.” *-Anonymous*

First implemented in 2004, the National Do Not Call Registry struck a huge blow to the telemarketing industry by allowing consumers to opt out of telephonic solicitations. Virtually overnight, millions of consumers added their phone numbers to the Do Not Call List, and telemarketing firms shuttered their doors. Today, the Do Not Call List stands as a stark reminder of what can happen when marketers ignore consumer preferences.

While B2C telemarketing has shrunk considerably, consumers still do prefer the phone under certain circumstances. For instance, 37% of US online consumers told us that they’ll call a company when they have an issue with its product or service. A sizeable percentage also prefer to receive financial and travel alerts by phone. The last place we saw significant phone usage from consumers was when they wanted to share a marketing message with others. Nearly 30% of consumers told us they use the phone for such word of mouth marketing.

So while the phone isn’t “dead” to marketers, its use has drastically transformed over the past decade from a wild west, anything-goes telemarketing channel to a more reserved space best used for urgent, customer service, and peer-to-peer communications.

TELEPHONE STRENGTHS:

- ALERTS
- CUSTOMER SERVICE
- INBOUND COMMUNICATIONS
- SHARING (CONSUMER TO CONSUMER)

TWITTER

TWITTER STRENGTHS:

- BREAKING NEWS
- COMPANY UPDATES
- INFLUENCER OUTREACH
- INSIDER INFORMATION
- LAST-RESORT CUSTOMER SERVICE
- PRODUCT UPDATES
- SHARE-WORTHY CONTENT
- VIRAL PROMOTIONS

"What happens on Twitter doesn't stay on Twitter"

–SUBSCRIBERS, FANS, & FOLLOWERS #4: Twitter X-Factors

Fast approaching the 500 million user mark, no one can argue that Twitter is a phenomenon built 140 characters at a time. Consumers love using it to share timely information, make snarky observations, and even help citizens topple ruthless regimes. For all its versatility however, Twitter did not register as one of the preferred marketing communication channels in our 2012 survey. This isn't too surprising since Twitter is more of an information stream where consumers tune in at-will, as opposed to a channel like email where they must check and manage every message in some fashion.

The Twitter results get very interesting when one compares these three data points in the two youngest age groups.

3.1 TWITTER USAGE AMONG 15-24 YEAR OLDS

	15-17	18-24
% Who Prefer Permission-Based Marketing Messages Via Twitter	4%	1%
% Who Share Via Twitter	17%	5%
% Who Purchased Because of a Message on Twitter	16%	11%

This chart illustrates that it's quite likely that sharing on Twitter (retweeting) is driving a significant amount of purchase behavior—far greater than what the permission-based engagement level with brands on Twitter might indicate. While this warrants further exploration, it certainly underscores why brands should continue to build their FOLLOWER base—Twitter users are sharing and acting on marketing-related messages through the service.

Another reason to leverage Twitter comes from our *Twitter X-Factors* research report (SUBSCRIBERS, FANS, & FOLLOWERS #4). Daily Twitter users tend to create content on the web at a rate of two to six times that of everyone else online. Your active FOLLOWERS are more likely to be bloggers, reviewers, commenters, and creators. Harness their power and what happens on Twitter will have a positive impact for your SEO efforts, your brand visibility, and your bottom line.

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CONCLUSION

Marketing is in the midst of a sea change. New devices, social networks, and mobile technologies have fragmented consumer communication channels in ways that would have boggled the mind just a decade ago. The new, "post-PC" reality is here, however, and the marketer's challenge is finding a way to stitch together a cross-channel communication strategy that "makes the numbers" without alienating consumers.

The good news is that consumers have a clear preference for an established, direct marketing channel with a proven track record—email. To some, this may come as a surprise, but consumers have stated their preference clearly in our 2012 survey. Email is the most-preferred channel for direct, one-to-one marketing communications with consumers.

We found additional good news in the growth of mobile and social channels to positively impact sales and facilitate specific types of brand/customer conversations, such as customer service-related inquiries. However, if there's a bold headline to this report, it's that marketers should not confuse personal communication preferences with marketing communication preference. In fact, there's probably no clearer path to angering consumers than filling channels that they reserve for personal conversations—such as SMS, Facebook, and the telephone—with unwanted marketing messages.

Consumers may love talking to friends and family through numerous channels, but their engagement with marketers is much more selective. Marketers who ignore the strong gatekeeper function that consumers play in mobile and social channels will quickly find themselves blocked, blacklisted, or banned. On the other hand, those who respect consumer preferences will soon find themselves able to reach consumers in new and more relevant ways across a greater number of channels. That's not only smart marketing—it's a distinct competitive advantage in today's ever-changing marketing landscape.

"...those who respect consumer preferences will soon find themselves able to reach consumers in new and more relevant ways across a greater number of channels."

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SPEED. Ensure your communications are as relevant as they are timely. Automate advanced, sequenced programs and deliver personalized cross-channel messages from a single, intuitive console.

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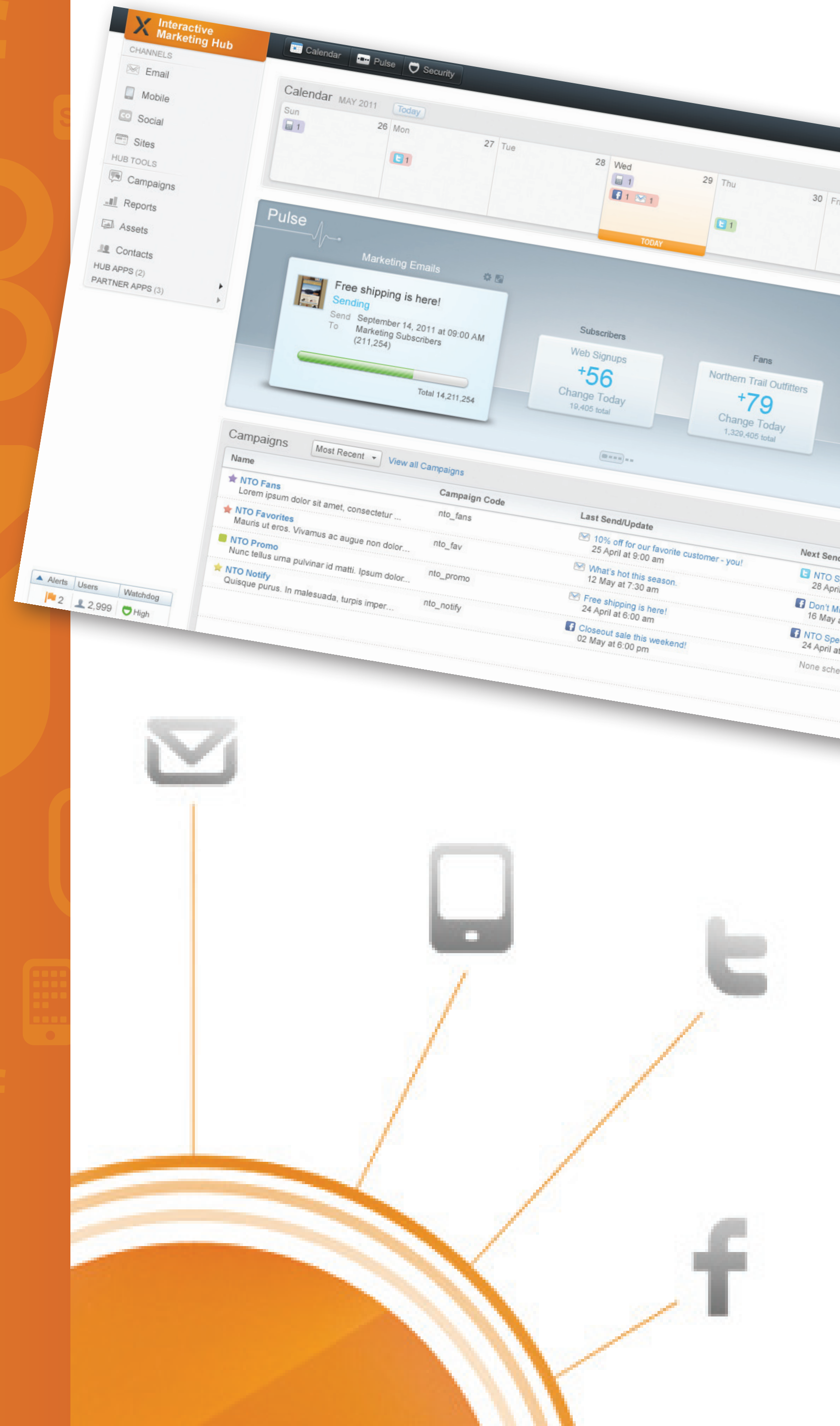

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