



**Calhoun: The NPS Institutional Archive**  
**DSpace Repository**

---

Theses and Dissertations

1. Thesis and Dissertation Collection, all items

---

2007-12

# Email marketing for U.S. Army and Special Operations Forces (SOF) recruiting

McGrath, George F.

Monterey California. Naval Postgraduate School

---

<https://hdl.handle.net/10945/3097>

---

This publication is a work of the U.S. Government as defined in Title 17, United States Code, Section 101. Copyright protection is not available for this work in the United States.

*Downloaded from NPS Archive: Calhoun*



Calhoun is the Naval Postgraduate School's public access digital repository for research materials and institutional publications created by the NPS community. Calhoun is named for Professor of Mathematics Guy K. Calhoun, NPS's first appointed -- and published -- scholarly author.

**Dudley Knox Library / Naval Postgraduate School**  
**411 Dyer Road / 1 University Circle**  
**Monterey, California USA 93943**

<http://www.nps.edu/library>



**NAVAL  
POSTGRADUATE  
SCHOOL**

**MONTEREY, CALIFORNIA**

**THESIS**

**EMAIL MARKETING FOR U.S. ARMY AND  
SPECIAL OPERATIONS FORCES (SOF) RECRUITING**

by

George F. McGrath III

December 2007

Thesis Advisor:  
Second Reader:

Frank Giordano  
William Fox

**Approved for public release; distribution is unlimited**

THIS PAGE INTENTIONALLY LEFT BLANK

<b>REPORT DOCUMENTATION PAGE</b>			<i>Form Approved OMB No. 0704-0188</i>
Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188) Washington DC 20503.			
<b>1. AGENCY USE ONLY (Leave blank)</b>	<b>2. REPORT DATE</b> December 2007	<b>3. REPORT TYPE AND DATES COVERED</b> Master's Thesis	
<b>4. TITLE AND SUBTITLE</b> Email Marketing for U.S. Army and Special Operations Forces (SOF) Recruiting		<b>5. FUNDING NUMBERS</b>	
<b>6. AUTHOR(S)</b> George F. McGrath III		<b>8. PERFORMING ORGANIZATION REPORT NUMBER</b>	
<b>7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES)</b> Naval Postgraduate School Monterey, CA 93943-5000		<b>10. SPONSORING/MONITORING AGENCY REPORT NUMBER</b>	
<b>9. SPONSORING /MONITORING AGENCY NAME(S) AND ADDRESS(ES)</b> N/A		<b>11. SUPPLEMENTARY NOTES</b> The views expressed in this thesis are those of the author and do not reflect the official policy or position of the Department of Defense or the U.S. Government.	
<b>12a. DISTRIBUTION / AVAILABILITY STATEMENT</b> Approved for public release; distribution is unlimited		<b>12b. DISTRIBUTION CODE</b>	
<b>13. ABSTRACT (maximum 200 words)</b> United States Army and Special Operations Forces (SOF) Recruiters in the U.S. Army Recruiting Command (USAREC) currently use four prospecting strategies to recruit Future Soldiers. These include telephone, referral, face-to-face, and internet or email prospecting. The four prospecting strategies have proven to be effective, but email prospecting continues to remain the most under utilized. Ironically, email prospecting is the most efficient strategy, yet most recruiters either refuse to try it or they use it incorrectly. This study will demonstrate that U.S. Army and SOF Recruiters can use email as a legitimate marketing tactic and powerful tool. The introduction will include the purpose of this study, background information that led me to this topic, and my hypothesis. The second chapter discusses the four recruiting strategies that are being used by U.S. Army and SOF recruiters with a concentration on email prospecting. In the third chapter, I conduct two case studies on organizations that successfully used E-mail marketing to increase recruitment and production. I also conduct a case study on the Raleigh Recruiting Company and demonstrate how E-mail marketing was used to increase recruitment during Fiscal Year (FY) 2006. The fourth chapter, containing a model to demonstrate the efficiency of Email marketing/prospecting when compared to phone prospecting and I justify an estimated Return on Investment (ROE) if the Army were to outsource an Email Service Provider (ESP) to assist recruiters with their email prospecting efforts. The final portion of this chapter determines whether or not USAREC is properly aligned to execute an effective email marketing campaign. Chapter five concludes the study and chapter six contains references, an appendix, and a distribution list.			
<b>14. SUBJECT TERMS</b> Email marketing, CAN-SPAM, Email Service Provider, Lead Source Analysis, Email Brand Value, Deliverability, Testing, Tracking, Click-through, Customer Communication Management, Recruiting, Special Forces, U.S. Army		<b>15. NUMBER OF PAGES</b> 93	
		<b>16. PRICE CODE</b>	
<b>17. SECURITY CLASSIFICATION OF REPORT</b> Unclassified	<b>18. SECURITY CLASSIFICATION OF THIS PAGE</b> Unclassified	<b>19. SECURITY CLASSIFICATION OF ABSTRACT</b> Unclassified	<b>20. LIMITATION OF ABSTRACT</b> UU

THIS PAGE INTENTIONALLY LEFT BLANK

**Approved for public release; distribution is unlimited**

**EMAIL MARKETING FOR U.S. ARMY AND SPECIAL OPERATIONS  
FORCES (SOF) RECRUITING**

George F. McGrath III  
Major, United States Army  
B.A., James Madison University, 1995

Submitted in partial fulfillment of the  
requirements for the degree of

**MASTER OF SCIENCE IN DEFENSE ANALYSIS**

from the

**NAVAL POSTGRADUATE SCHOOL  
December 2007**

Author: George F. McGrath III

Approved by: Frank Giordano  
Thesis Advisor

William Fox  
Second Reader

Gordon H. McCormick  
Chairman, Department of Defense Analysis

THIS PAGE INTENTIONALLY LEFT BLANK

## **ABSTRACT**

United States Army and Special Operations Forces (SOF) Recruiters in the U.S. Army Recruiting Command (USAREC) currently use four prospecting strategies to recruit Future Soldiers. These include telephone, referral, face-to-face, and internet or email prospecting. The four prospecting strategies have proven to be effective, but email prospecting continues to remain the most under utilized. Ironically, email prospecting is the most efficient strategy, yet most recruiters either refuse to try it or they use it incorrectly. This study will demonstrate that U.S. Army and SOF Recruiters can use email as a legitimate marketing tactic and powerful tool. The introduction will include the purpose of this study, background information that led me to this topic, and my hypothesis. The second chapter will discuss the four recruiting strategies that are being used by U.S. Army and SOF recruiters with a concentration on email prospecting. In the third chapter, I will conduct two case studies on organizations that successfully used email marketing to increase recruitment and improve sales. I will also conduct a case study on the Raleigh Recruiting Company and demonstrate how email marketing was used to increase recruitment during Fiscal Year (FY) 2006. The fourth chapter containing a model to demonstrate the efficiency of Email marketing/prospecting when compared to phone prospecting and I justify an estimated Return on Investment (ROE) if the Army were to outsource an Email Service Provider (ESP) to assist recruiters with their email prospecting efforts. The final portion of this chapter will determine whether or not USAREC is properly aligned to execute an effective email marketing campaign and I provide additional email marketing strategies that can be used by the Army and SOF. Chapter V concludes the study and contains references, and the distribution list.

THIS PAGE INTENTIONALLY LEFT BLANK

# TABLE OF CONTENTS

<b>I.</b>	<b>INTRODUCTION .....</b>	<b>1</b>
<b>A.</b>	<b>PURPOSE.....</b>	<b>1</b>
<b>B.</b>	<b>BACKGROUND .....</b>	<b>1</b>
<b>C.</b>	<b>HYPOTHESIS.....</b>	<b>2</b>
<b>D.</b>	<b>THESIS OUTLINE.....</b>	<b>2</b>
<b>II.</b>	<b>PROSPECTING .....</b>	<b>7</b>
<b>A.</b>	<b>A DAY IN THE LIFE OF A RECRUITER .....</b>	<b>7</b>
<b>B.</b>	<b>PHONE PROSPECTING.....</b>	<b>8</b>
<b>C.</b>	<b>REFERRALS .....</b>	<b>9</b>
<b>D.</b>	<b>FACE TO FACE .....</b>	<b>9</b>
<b>E.</b>	<b>EMAIL PROSPECTING .....</b>	<b>10</b>
<b>F.</b>	<b>BENEFITS.....</b>	<b>11</b>
<b>G.</b>	<b>DISADVANTAGES.....</b>	<b>12</b>
<b>H.</b>	<b>THE LEGAL ENVIRONMENT .....</b>	<b>14</b>
<b>I.</b>	<b>CUSTOMER COMMUNICATION MANAGEMENT .....</b>	<b>18</b>
<b>J.</b>	<b>LIST BUILDING .....</b>	<b>20</b>
<b>1.</b>	<b>Organic Capture .....</b>	<b>21</b>
<b>a.</b>	<i>Phone Prospecting and Call-ins .....</i>	<i>21</i>
<b>b.</b>	<i>Referrals .....</i>	<i>21</i>
<b>c.</b>	<i>Face to Face .....</i>	<i>21</i>
<b>d.</b>	<i>Internet .....</i>	<i>22</i>
<b>2.</b>	<b>Paid Acquisition .....</b>	<b>22</b>
<b>K.</b>	<b>OPTIMIZATION STRATEGIES .....</b>	<b>23</b>
<b>1.</b>	<b>Targeting.....</b>	<b>23</b>
<b>2.</b>	<b>List Segmenting.....</b>	<b>23</b>
<b>3.</b>	<b>Testing.....</b>	<b>24</b>
<b>4.</b>	<b>Tracking.....</b>	<b>24</b>
<b>III.</b>	<b>CASE STUDIES .....</b>	<b>25</b>
<b>A.</b>	<b>CASE STUDY: RALEIGH RECRUITING COMPANY, US ARMY.....</b>	<b>25</b>
<b>1.</b>	<b>Introduction.....</b>	<b>25</b>
<b>2.</b>	<b>Challenge .....</b>	<b>26</b>
<b>3.</b>	<b>Strategies.....</b>	<b>29</b>
<b>a.</b>	<i>Targeting and List Segmentation .....</i>	<i>29</i>
<b>b.</b>	<i>Tracking and Testing .....</i>	<i>29</i>
<b>c.</b>	<i>Forwarding Leads to Recruiters.....</i>	<i>31</i>
<b>4.</b>	<b>Results .....</b>	<b>32</b>
<b>5.</b>	<b>Analysis .....</b>	<b>33</b>
<b>B.</b>	<b>CASE STUDY: DUCK9.....</b>	<b>33</b>
<b>1.</b>	<b>Introduction.....</b>	<b>33</b>
<b>2.</b>	<b>Challenge .....</b>	<b>33</b>
<b>3.</b>	<b>Strategy .....</b>	<b>34</b>

4.	Results .....	36
5.	Analysis .....	37
C.	CASE STUDY: EASTPOINT COMMUNITY CHURCH.....	37
1.	Introduction.....	37
2.	Challenge .....	38
3.	Strategies.....	38
a.	<i>Billboard</i> .....	38
b.	<i>Web Site</i> .....	39
c.	<i>Direct Mail and Email</i> .....	40
4.	Results .....	41
5.	Analysis .....	42
IV.	RECRUITMENT MODEL AND RECOMMENDATIONS.....	43
A.	INTRODUCTION.....	43
B.	PURPOSE.....	43
C.	ASSUMPTIONS.....	43
D.	SITUATION .....	45
E.	GRAPH OF THE EQUATION .....	46
F.	SOLUTION .....	47
G.	ANALYSIS .....	48
H.	RECOMMENDATIONS.....	50
1.	COA #1.....	50
2.	COA #2.....	51
I.	RETURN ON INVESTMENT.....	51
J.	SUMMARY .....	52
V.	CONCLUSION.....	55
	LIST OF REFERENCES.....	57
	APPENDIX. RECOMMENDED EMAIL MARKETING STRATEGIES FOR USAREC AND SORB.....	61
	INITIAL DISTRIBUTION LIST.....	73

## LIST OF ACROYNMS

**Black Lists.** List maintained by watchdog groups and corporations containing the addresses of email servers that are believed to be used to send Spam (Nussey, 2004, p. 318).

**Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (CAN-SPAM).** Federal legislation, passed in 2003, that regulates the use of email to send commercial messages (Nussey, 2004, p. 319).

**Click-through.** The action by which a recipient clicks on a link in a message and arrives at a Web page on the sender's Web site. Also called Response.

**Center of Influence (COI).** Influencers or leaders in the community that can assist the recruiter by providing referrals. COI's can be teachers, business owners, store managers, or church leaders. Recruiters should develop relationships with these influencers and educate them on the benefits of serving in the U.S. Army (USAREC Manuel 3-01, Nov. 2006, p. 4-7).

**Customer Communication Management (CCM).** A new strategy for email marketers, which moves email from a mass advertising tool to a customer relationship tool.

**Deliverability.** Issues (e.g., bounces and filters) that determine whether a message reaches its intended destination (Nussey, 2004, p. 320).

**Email Brand Value (EBV).** The measure of a company's brand as it relates to the customers who receive its email messages (Nussey, 2004, p. 321).

**Email Service Provider (ESP).** A company that provides services and technology to assist marketers with their email initiatives (Nussey, 2004, p. 321).

**Forward to a Friend (FTAF).** Also known as viral marketing. This is the action by which a recipient sends a message he or she has received to other people (Nussey, 2004, p. 321).

**Harvesting.** Scanning the internet to identify email addresses, and using them to create lists for spamming (Blumberg, 2005, p. 173).

**Internet Marketing Manager.** A job position that I am proposing for USAREC to create. These personnel will have marketing experience and be assigned to the Advertising and Public Affairs (APA) section of each battalion. This full time job will entail web design, list construction and segmentation, campaign generation for a variety

of military jobs, selective targeting campaigns, tracking email deliverability and response rates, forwarding leads to the appropriate recruiting station, and reporting statistics to USAREC leadership.

**Internet Protocol (IP) Address.** A unique set of numbers assigned to each computer on the internet that can be used to identify that computer (Nussey, 2004, p. 323).

**Internet Service Provider (ISP).** A company that provides access to the internet through connectivity services. Examples include AOL, Comcast, Earthlink, and Verizon (Blumberg, 2005, p. 173).

**Lead Source Analysis (LSA).** An automated form that USAREC used to determine the lead source of each enlistment (USAREC Manuel 3-01, April 2005, glossary-1).

**Life Cycle Automation.** A technique that enables marketers to automatically send a message at the most appropriate time for each recipient (Nussey, 2004, p. 323).

**List brokers.** Companies that provide advice, service, and sourcing around list rentals (Nussey, 2004, p. 323).

**List segmentation.** Dividing an email list into specific groups to increase the message relevancy to each group. Random segments can also be created to enable testing different message elements (Nussey, 2004, p. 326).

**Opens.** The act by which a recipient clicks on a message subject and her email client opens a window to display the message (Nussey, 2004, p. 324).

**Opt-in.** The act of adding one's name to a company's email list to receive messages (also called subscribe) (Nussey, 2004, p. 324).

**Opt-out.** The act of removing one's name from a company's email list (also called Unsubscribe or Remove) (Nussey, 2004, p. 324).

**Organic Capture.** Inspire people to provide their email addresses (Blumberg, 2005, p. 67).

**Paid Acquisition.** Promoting your newsletter program via online advertising, email list rental, select partnerships, and more (Blumberg, 2005, p. 67).

**Pass-alongs.** See viral (Nussey, 2004, p. 344).

**Relevancy.** The appropriateness of a message to its recipient (Nussey, 2004, p. 325).

**Sender.** A CAN-SPAM term defining the person (or persons) who initiates an email message, and whose product or service is promoted by that message (Nussey, 2004, p. 326).

**SPAM.** A term for unsolicited “junk” email (once referred to as Unsolicited Commercial Email (UCE) or Unsolicited Bulk Email (UBE)).

**Targeting.** Identifying an audience or group that contains likely prospects for a particular set of products and/or services, and then developing the offer and messages for that audience (MacPherson, 2001, p. 12).

**Testing.** A standard marketing technique, which helps senders identify the most effective elements of a campaign (Nussey, 2004, p. 326).

**Third party list.** A list of email addresses that are available for rental by marketers (Nussey, 2004, p. 327).

**Total Army Involvement in Recruiting (TAIR).** Personnel/ units that are provided by the U.S. Army to assist USAREC in demonstrating the various jobs that the U.S. Army has to offer. An example of TAIR teams could be Military Police, Special Forces, or Culinary Arts teams (USAREC Manuel 3-01, November 2006, p. 2-2).

**Tracking.** Technology which allows the marketer to track customer actions by placing a web beacon or web bug in messages that can invisibly detect customer actions such as opens, click-throughs, opt-ins, opt-outs, referrals, and who did not read the message (Nussey, 2004, p. 91-92).

**Viral.** When an individual forwards a message to friends, family, or co-workers (Nussey, 2004, p. 327).

**Web beacon.** A small, invisible image placed in an HTML email message that automatically tracks when the recipient opens the message (also called a Web bug) (Nussey, 2004, p. 327).

THIS PAGE INTENTIONALLY LEFT BLANK

## LIST OF FIGURES

Figure 1.	CAN-SPAM Requirements (from FTC Website, 2004).....	15
Figure 2.	Solomon Amendment (from Buckley, 2001, p. 11).....	16
Figure 3.	Student Recruiting Information (from Buckley, 2001, p. 12).....	17
Figure 4.	Institution Email Release Policy (from Buckley, 2001, p. 12).....	17
Figure 5.	Raleigh Company Email, Special Forces.....	28
Figure 6.	Customer Actions (from Emma Account, 2007, response data) .....	30
Figure 7.	Click Through Chart (from Emma Account, 2007, response data) .....	31
Figure 8.	Send-to-a-friend feature (from Emma Account, 2007, response data).....	31
Figure 9.	Student Text Message (from Chiang, 2007, slide 16) .....	35
Figure 10.	Student Newsletter (from Chiang, 2007, slide 10) .....	36
Figure 11.	Billboard (from <a href="http://www.marketingsherpa.com/cs/eastpoint/1.html">http://www.marketingsherpa.com/cs/eastpoint/1.html</a> ) ...	39
Figure 12.	(from <a href="http://www.eastpoint.org/engine.cfm?i=4">http://www.eastpoint.org/engine.cfm?i=4</a> ) .....	40
Figure 13.	Eastpoint Newsletter (from ECC Newsletter, April 2007) .....	41
Figure 14.	Graph of Equations .....	46

THIS PAGE INTENTIONALLY LEFT BLANK

## LIST OF TABLES

Table 1.	Priority of Contact Table .....	32
Table 2.	Cost vs. Time Table for Phone and Email .....	45
Table 3.	Optimal Mixed Strategy.....	48
Table 4.	Return on Investment for USAREC .....	52

THIS PAGE INTENTIONALLY LEFT BLANK

## ACKNOWLEDGMENTS

I would like to thank my family, friends, recruiters, and professors for their help in inspiring me to write this thesis. I was extremely fortunate to have the time and opportunity to write on a topic that can expand the U.S. Army's recruiting efforts. I also want to thank my peers and faculty at the Naval Postgraduate School for assisting me in my research.

First, I am grateful to Professor (BG, Ret.) Frank Giordano for challenging me in the classroom and providing mentorship. As my thesis advisor, General Giordano immediately recognized how email marketing could boost recruitment for the U.S. Army. My thesis would not be what it is today without his insights and direction.

I would also like to thank Professor (LTC, Ret.), William Fox for his leadership in the classroom and assisting me in developing a useful recruitment model. His insights were beneficial in helping me to devise new email marketing strategies for the U.S. Army.

Professor Gordon McCormick (Chairman, Department of Defense Analysis) and Professor (COL, Ret.), Peter Gustaitis assisted me with the presentation of this thesis. Thank you for your guidance and support.

I want to thank LTC Tom Christensen, LTC Jim Putman, and COL Kurt Fedors whom were all commanders of the Raleigh Recruiting Battalion from 2003 through 2007. These three leaders motivated me and gave me the flexibility to explore email marketing. I especially want to thank LTC Christensen for providing me with the resources needed to execute an email marketing campaign. This thesis would not exist without his support.

The recruiters of the Raleigh Recruiting Company motivated me to write this thesis. Their hard work and dedication to the U.S. Army inspired me to find a way to expand their market and generate new leads. Someday soon, all military recruiters will reap the benefits of email marketing. I will do whatever it takes to make this happen.

I want to thank Bill Nussey (CEO of Silverpop), Craig Henry, and Annie Kinnard (Emma), for taking their valuable time to introduce me to email marketing. The time that you selflessly volunteered will benefit this great country.

Finally, I would like to acknowledge the support of my family which was instrumental throughout this thesis. My wife and children have continually supported me through all of my military endeavors. Thank you for your love and patience. I want to thank my mother and father for further motivating me to write about email marketing. Furthermore, my sister provided assistance in editing my thesis. Thank you all for your support.

## **I. INTRODUCTION**

Leaders did what others weren't willing to do. Now they enjoy things that others do not.

-Dr. Tom Barrett

### **A. PURPOSE**

The purpose of this study is to demonstrate that U.S. Army and SOF Recruiters can use email as a legitimate marketing tactic and powerful tool. E-Mail marketing can be an efficient means to communicate and build strong relationships with a target market and can be used to strengthen the recruiters' current prospecting techniques. I will accomplish this by analyzing the Army's current prospecting techniques and by conducting three case studies on organizations that have used E-Mail Marketing to improve production and sales.

### **B. BACKGROUND**

From June 2003 to June 2006, I was stationed in Raleigh, North Carolina, as the U.S. Army Raleigh Recruiting Company Commander. During my three-year tour in recruiting, I analyzed the four different methods of prospecting (cold calls, referrals, face to face, and e-mail). Cold calling, referrals, and face to face prospecting were the three methods that my recruiters used most frequently. E-mailing potential applicants was rarely attempted even though my recruiters had thousands of college students' e-mail addresses in their possession. I found that recruiters were intimidated to send emails because they were not familiar with the legality and techniques behind email marketing. This lack of familiarity was the reason why recruiters never developed faith in emailing potential recruits. This motivated me to explore some of the rules and laws about e-mail marketing. During my second year in command, I learned different techniques to advertise through e-mail and spoke to a few business owners who achieved great success through e-mail marketing. By the end of my second year, I decided to launch an e-mail marketing campaign for my recruiting company. I instructed my recruiters to obtain lists

with e-mail addresses of students from all colleges within our area. As a result, we were able to obtain over 65,000 student e-mail addresses.

Once I had the e-mail addresses in my possession, I decided to hire a company/Email Service Provider (ESP) that specialized in e-mail marketing. This company, “Emma” was able to assist me in designing my e-mail marketing campaign and send e-mails for a small fee. By the end of the year, I had sent over 750,000 targeted e-mail newsletters to college students within my area of responsibility. As a result, ten enlistments resulted from this e-mail marketing campaign. Under the assumption that all 250 recruiting Companies within the U.S. Army Recruiting Command had their own e-mail marketing campaigns, then the model presented here shows that the Army would recruit roughly 2,300 more recruits each year.

### **C. HYPOTHESIS**

U.S. Army Recruiters can utilize e-mail marketing as a more efficient means of prospecting. E-mail marketing will not only assist recruiters with their current prospecting techniques, but can also be used to selectively target different markets and increase recruitment.

### **D. THESIS OUTLINE**

Before analyzing and proposing email marketing strategies for the U.S. Army, it is important to understand the prospecting strategies that are currently being used by Recruiters in USAREC and some of the basic fundamentals behind email marketing. To this end, Chapter II will provide a general overview on telephone, referral, and face-to-face prospecting. Following these three commonly used strategies, I will provide a more detailed overview on Internet/email prospecting since very few are aware of its benefits.

The number of people and businesses that use email to communicate continues to grow each year because email is private, time efficient, inexpensive, and convenient. Chapter II will analyze many of these benefits but will also discuss some of the disadvantages that can accompany email marketing if not properly managed. Organizations that refuse to follow the CAN-SPAM Act of 2003, are degrading their

company brand in the eyes of the customer and violating the law. This chapter will provide a brief overview of the legal environment that surrounds email marketing for U.S. Army recruiters. My purpose in outlining these laws is to instill confidence in USAREC so the command understands what gives the Army the right to email students and provide some boundaries. The most effective way for the U.S. Army to manage email marketing is to ensure that recruiters understand the CAN-SPAM Act, and to allow only select individuals to control the lists and send emails. Once control is established, the next step is to craft an email that provides relevant information to the prospect. Bill Nussey, the CEO of Silverpop, addresses this with a unique strategy called Customer Communication Management (CCM) which shifts the focus of email marketing from advertising to building and sustaining customer relationships (Nussey, 2004, p. 48). The final portion of the chapter will focus on some of the fundamentals of building a quality email list and analyze marketing strategies such as; targeting, list segmentation, testing, and tracking which should be used to optimize an email campaign.

Chapter III contains three case studies on organizations that have effectively used email marketing to improve production and recruitment. Although, given the opportunity to research well know businesses that have reaped enormous dividends from email marketing such as: Recreational Equipment Incorporated (REI); Hewlett Packard; and American Airlines, I chose to research organizations whose goals and markets are more similar to those of USAREC. The Raleigh Recruiting Company, Digital Underground Credit Knowledge (DUCK9), and Eastpoint Community Church are the three organizations that will be analyzed in this chapter.

The first case study is my personal account of the email marketing campaign I launched while commanding the Raleigh Recruiting Company, U.S. Army, during FY 2006. First, I instructed my recruiters to obtain lists with e-mail addresses of students from all colleges within our area of responsibility. After acquiring 65,000 e-mail addresses from various colleges and universities, I hired an email service provider (ESP) called “Emma” to assist in designing my e-mail marketing campaign and send e-mails for a small fee. By the end of the year, I had sent over 750,000 targeted e-mail newsletters to

college students within my area of responsibility. With very little effort, ten enlistments resulted from this e-mail marketing campaign.

The second case study analyzes Duck9 (Digital Underground Credit Knowledge), a Financial Service Marketer that has achieved success in marketing by integrating mobile and email marketing to reach out to college students (Chiang, 2007, slide 1). While attending college, Larry Chiang, the Founder and Chief Executive Officer (CEO) of DUCK9, noticed that students around him were having credit card difficulties. After some extensive research, he revealed that students were more likely to drop out of college due to credit card debt rather than academic disqualification. This motivated Chiang to spread his “good credit” message to thousands of college students (Email Summit Show Guide, 2007, p.25). Chiang’s strategy involved meeting college students who would give him permission to send them monthly text messages which reminded them to pay their credit card on time. He would also send the student a monthly email newsletter which provided advice on how to improve his or her credit score. As a result, the text messaging and email campaign drove students to the Duck 9 website and converted fifty percent of the subscribers to use the company’s services (DUCK9 Case Study, 2007, p. 2). Currently, DUCK9 has 500,000 subscribers and is expected to reach 1,000,000 by November 2007 (Chiang, 2007, personal interview).

The third case study analyzes East Point Community Church, a Christian Non-denominational Church located in Middletown, Delaware. During the winter of 2002, Pastor Tom Ward Jr. decided to use multi-channel marketing to boost his Sunday attendance (ECC Case Study, 2007, p. 1). With a desire to see change in his community, Tom decided to hire a creative team called Electricurrent to develop a strategic marketing campaign and advertising platform (Electricurrent homepage, 2007). The campaign included developing a top-notch website, a strategically placed billboard sign, direct mail, and email marketing to appeal to the targeted demographic of the church. The campaign proved to be successful in that attendance grew by 277% (ECC Case Study, 2007, p. 1).

Chapter IV presents a model to demonstrate the efficiency of email marketing and justifies an estimate that the Army could recruit roughly 2,300 more recruits each year with a nation-wide email campaign. The estimated cost for this nation-wide campaign is

less than \$600,000. After analyzing the results of the model, I will recommend that USAREC implement a mass email marketing campaign starting in FY 08. Two courses of action (COA) will be presented to assist USAREC in implementing the campaign. I will also recommend a minor realignment by adding an Internet Marketing Manager to each recruiting battalion to manage all email activities within the battalion. I am additionally recommending that USAREC outsource an ESP to assist with the email program. This minor change will assist the command by placing an emphasis on email prospecting and provide a mechanism which allows the command to oversee all email activity. The command will be able to generate automated reports that show the number of emails being sent, received, and all customer actions that have taken place within each battalion. The final portion of this thesis is an appendix which provides additional strategies to assist USAREC and the SORB with its email marketing endeavors.

I hope that by the end of this thesis the reader will have a new respect for email marketing. This thesis demonstrates that email marketing is a legitimate and low cost marketing tactic that is rarely used by U.S. Army and SOF recruiters. When properly used, email will not only increase recruitment for the U.S. Army by two to three percent, but it will also improve the quality of life for recruiters in USAREC by generating new leads. As the War on Terror creates challenges for recruiters, email marketing can help spread the message about incentives that the U.S. Army is currently offering to millions of young Americans. I can only hope that USAREC will choose to penetrate this untapped market.

THIS PAGE INTENTIONALLY LEFT BLANK

## **II. PROSPECTING**

### **A. A DAY IN THE LIFE OF A RECRUITER**

Before I describe the four prospecting strategies that are being used by recruiters in USAREC, it is important to understand a typical day in the life of a recruiter. Bear in mind that my description will not even come close to bringing the recruiter justice, but I will capture a few key activities. The most important ingredient to being a successful recruiter is having a strong work ethic. Recruiting is an extremely stressful assignment that requires hard work, the desire to excel, and requires one to work long hours. Recruiters with a weak work ethic will undoubtedly fail. The average work week for a recruiter entails working Monday through Friday from 8:00 a.m. until 9:00 p.m., and Saturdays from 8:00 a.m. until 4:00 p.m. During any given day a recruiter will start the morning updating his or her computer system. This allows the command to see what a recruiter is doing on a daily basis. Prior to leaving the office, the recruiter and his or her Station Commander will conduct an After Action Review (AAR) to outline the recruiter's activities for the day and personal goals. These morning activities can take anywhere from one to two hours to complete. The recruiter then spends the next three to five hours conducting face to face prospecting within his or her assigned zone. This involves recruiters "hitting the streets" with the ultimate goal of finding a potential future soldier. During this time a recruiter may also conduct a high school or college set-up and visit influencers (leaders in the community such as teachers, ministers, and business owners) who have provided referrals. Once the recruiter completes face to face prospecting, he or she will return to the recruiting station to conduct phone prospecting for approximately three hours. The recruiter calls high school and college students with the hopes of setting up an appointment for the following day. It is up to the recruiter to decide the best time to conduct appointments with future applicants and process them for enlistment. An average recruiter conducts three appointments a week and will enlist one to two people each month. An outstanding recruiter will conduct five to six appointments every week and enlist three to four people each month. Staying in contact and conducting physical training with Future Soldiers that have already enlisted are additional activities that need

to be built into the recruiter's plan. Because a recruiter's job can be monotonous and unrewarding, having a strong work ethic, being self-motivated, and operating independently with minimal supervision are essential elements for recruiters to achieve success.

There are four prospecting strategies that U.S. Army recruiters can use to find potential recruits. They are telephone, referral, face-to-face, and internet/email prospecting. Prospecting involves sharing the message about the Army and its mission with people in the community by every means available. Non-stop prospecting is the key to achieving success as a recruiter. The recruiter's goal is to find people who will agree to an Army interview/ appointment and eventually become a soldier (USAREC Manual 3-0, 2006, p. 4-5). "The key to successful selling has to be getting appointments, but most salespeople don't realize that. Sixty-five percent of success, I've learned, is finding people and telling them what you do" (Schiffman, 2003, p. 11). Recruiters must use a mix of prospecting strategies in order to achieve the best results. This chapter will provide a general overview on telephone, referral, and face-to-face prospecting. Following these three commonly used strategies, I will provide a more detailed overview on Internet/email prospecting since very few are aware of its benefits.

## **B. PHONE PROSPECTING**

Phone prospecting; also know as "cold calling," involves using the telephone to reach prospects. According to Stephan Schiffman, one of the top corporate sales trainers in America, "Cold calling is an economical technique that can be used to develop a solid base of prospects"(Schiffman, 2003, p. 1). USAREC Manual 3-01 states "the telephone (often referred to P1) is the single most efficient means for reaching the largest number of prospects in the shortest amount of time" (USAREC Manual 3-01, 2006, p. 4-1). Phone prospecting is usually a daily routine for Army recruiters and involves calling leads or prospects with the goal of making an appointment. Modern technology has introduced screening devices such as caller identification and the answering machine which has created challenges for recruiters. Even with the advent of these screening devices, phone prospecting remains an effective recruiting tool as long as the recruiter has a plan in place

(Ibid, p. 4-2). Phone prospecting is effective when the recruiter chooses prospects with care (Poe, 2000, p. 123). Prior to picking up the phone, a recruiter should formulate a pre-call plan which consists of constructing a list of targeted names. Blueprinting (having inside information about your leads), tracking your results, and timing each lead are helpful to establishing the pre-call plan. An average pre-call plan will result in a 20 to 25 percent contact rate for the leads attempted (USAREC Manual 3-01, 2006, p. 4-2).

### **C. REFERRALS**

Referral prospecting, also known as “networking,” involves asking people in the community to refer potential leads to the recruiter. Nearly every person in the community can provide referrals if they are motivated to consider possible leads within their “sphere of influence”. In Bob Burg’s *Endless Referrals* he discusses the power of networking in one’s sphere of influence. A person’s sphere of influence includes people that are in some way a part of their life either directly or indirectly. A person’s sphere of influence can include relatives, friends, the mail man, the plumber, teachers, or influencers in the community (Burg, 2006, p. 2-3). According to USAREC Manual 3-01, “When community members, Future Soldiers, COIs (Center of Influence), VIPs (Very Important Person), and others in your market are aware of your role as mentor, coach, and counselor, they will think of you as an asset and will refer others to you.” Since a friend has given the recruiter a stamp of approval, the prospect tends to feel more comfortable and will convert to an enlistment at a more frequent rate than other lead sources (USAREC Manual 3-01, p. 4-6). According to Burg, “ninety percent of executive placement jobs are filled through what is known as the “hidden job market”- jobs that are filled not through advertising but through private referrals” (Burg, 2006, p. 263).

### **D. FACE TO FACE**

Face to face prospecting involves walking around high-traffic areas where people are likely to be found. This can be prospecting at public squares, malls, schools, or community events and striking up conversations (either directly or indirectly) with people (Poe, 2000, p. 126). Face-to-face prospecting gives the recruiter an opportunity to

approach individuals with whom the recruiter might tell the Army story. The majority of a recruiter's mission accomplishment will likely come from face-to-face prospecting which has proven to be more efficient than phone prospecting. This time spent "hitting the streets" will allow the recruiter to develop a community network, COIs, VIPs, and other influencers. As these relationships are developed, the recruiter should see an increase in the amount of referrals provided by the community. While prospecting, the recruiter will identify high traffic areas and target strategic locations to post advertising such as posters and publicity items. Having a solid plan in place will help the recruiter to manage their time and generate more leads. If a recruiter decides to visit a local high school on a Friday, it would be helpful to know if school is in session on that day. It is not unusual to hear about a recruiter showing up to a high school with the intent to prospect and is surprised to find that the school was not in session due to a teacher workday. Knowing where to be at the best time is half the battle when conducting face-to-face prospecting.

#### **E. EMAIL PROSPECTING**

Email prospecting, also known as internet prospecting or email marketing, involves communicating with potential prospects by email messaging. Email is creating an enormous shift in the world of marketing. Everyday people are increasingly drawn to the internet to shop, communicate, and for entertainment purposes (Nussey, 2004, p.7). An estimated 83 percent of adults ranging in ages from (18-29) and 91 percent of college graduates use the internet (PEW survey, Dec 2006, 4.26.07). People prefer to use the internet because it is cost efficient, saves time, and is more convenient. This change has forced mass marketers to slowly give way to direct marketing and embrace the world of online marketing (Nussey, 2004, p. 7). Many companies today are unaware of this revolution or refuse to embrace it and continue to cold call. This is counter to the method in which their clients would prefer to be contacted. Voice mail, Caller I.D. and the "Do Not Call List" have created challenges for marketers that insist on cold calling. Email offers an alternative method to contacting prospects that is less invasive. According to Cor Molenaar, "Due to its intrusive character, voice mail is not a suitable medium for commercial messages. Because there is a high risk of annoying the receiver; the chance

of achieving any commercial success is limited. E-mail, too, is a form of delayed communication, but a far less intrusive one” (Molenaar, 2002, p. 59-60). An estimated 90 percent of all internet users send or receive email (Fox, DEC 2005, p.1). A recent PEW Internet and American Life Project Survey found that 54 percent of adults send or read email daily (PEW, Dec 2006, 1.11.07). This rapid growth in email activity has led forecasters to believe that it should continue to rise in the foreseeable future (Roberts, 2003, p. 211).

## **F. BENEFITS**

Email marketing has proved to satisfy customers when compared to traditional methods of being contacted. There are numerous other benefits that email marketing can offer. They include:

- When executed properly, email marketing can be a tool to help build and sustain relationships. Bill Nussey’s concept of Customer Communication Management addresses this paradox by encouraging marketers to shift email from a mass advertising tool to a customer relationship tool (Nussey, 2004, p. 48, 319).
- Email is more cost effective than traditional marketing methods, or even when compared with using Web sites to advertise. Traditional direct mail can cost as much a \$1 to \$2 a piece (Kinnard, 2002, p. xix) whereas email can cost less than \$0.01 per piece.
- Email enables marketers to spread a targeted message to an individual or hundreds of thousands of people in a matter of seconds. After receiving an email, a prospect can easily respond by simply clicking the reply button. If a customer receives a direct mail piece, they normally have to respond by either phone or mail (Kinnard, 2002, p. xxvii).
- Kinnard explains, “Email can replace the phone for customer interactions in a variety of situations. Encouraging this will reduce actual cost and cost spent on time for customer service” (Kinnard, 2002, p. xxvii).

- Email enables the marketer to customize the content and timing of each message which enhances the personalization and relevancy to the customer (Nussey, 2004, p. 18).
- It enables the sender to track customer actions by tracking results, analyzing metrics, and monitoring deliverability (Blumberg, 2005, p.2). Some of these features include the ability to see who received or opened the email, who opted-in or opted-out, and who clicked through to links on the email. A customized direct mail piece addressed to an individual by name, does not tell the marketer if the customer received or opened the package (Kinnard, 2002, p. xxvi).
- Marketers can use email to target select people based on their demographics. List segmentation, timing, and past customer actions are criteria that can be used to enhance targeting.
- It allows for a two way exchange between the sender and the customer. The message can be in the form of a letter, an electronic postcard, or a newsletter. Emails can include photographs, an HTML advertisement, or streaming video with sound (MacPherson, 2001, p. 4).

## **G. DISADVANTAGES**

Along with the benefits that email marketing can bring to an organization, a company's image can be tarnished when email is not managed properly. Some of the blowback associated with poorly managed email includes:

- Marketers that blast the same message to their entire list without targeting select groups will frustrate their customers and often be labeled as "Spammers". Irrelevant or unwanted email can have damaging effects on a company's brand value. It is imperative that marketers understand that every recipient has unique wants and needs (Nussey, 2004, p. 18).
- If marketers send the wrong message to the wrong customer enough times, the company is at risk of forfeiting the Email Brand Value (EBV) of the customer

forever. Bill Nussey describes Email Brand Value as “The measure of a company’s brand as it relates to the customers who receive its email messages” (Nussey, 2004, p. 61, 321).

- Companies will lose prospects or customers when they send emails that do not benefit the customer. Once a prospect receives too many irrelevant emails they will opt-out which permanently removes them from the senders list. Jim Sterne states, “your basic brand message, should not be what you think sounds best or looks great on a billboard; rather, it should be that which speaks to the hearts and minds of your prospective customers. Your message should not be about *you*, but about *them*” (Sterne, 2003, p. 23).
- Inevitably when a company’s production is slow, high-level managers will often want to increase revenue by doubling up on email campaigns. This is difficult to accomplish without resorting to spam like tactics. This tactic will generally cause an immediate spike in production, but will also lead to readers hitting the opt-out button in droves, costing the company in the long term (Blumberg, 2005, p. 26).
- When email messages appear to be SPAM, the receiver has the option of reporting the senders Internet Protocol (IP) Address to their Internet Service Provider (ISP). Once the ISP receives enough complaints, they can blacklist a company’s IP address, which will block future messages from reaching customer inboxes.

The above mentioned risks can be mitigated by properly controlling and managing an email marketing program. USAREC currently has recruiters sending email messages to college students. This places the “Army Brand” at extreme risk because there are numerous students receiving unwanted emails from more than one recruiter. The student has no way of opting out unless they respond to the email demanding to be removed from the recruiters list. USAREC is putting a tremendous amount of faith in their recruiters to assume that each recruiter is removing each student from their list as these emails trickle into inboxes. Based on my experience in USAREC, recruiters do not have time for this tedious task. Email marketing and list control needs to be in the hands of one responsible individual to protect the Army’s brand and provide recruiters with

more time to do what they are best at: “face to face prospecting”. This risk can also be mitigated if the U.S. Army were to hire an ESP. ESP’s are able to automatically remove students from a list who opt-out, guaranteeing that the student will never receive a future email from the U.S. Army.

I believe that while there are indeed risks associated with email marketing, they are by far outweighed by the benefits. Proper control and management are key elements associated with an email marketing strategy. Another crucial element involved in email marketing is to understand the legal environment.

## **H. THE LEGAL ENVIRONMENT**

To avoid being labeled as a “Spammer” it is important for the U.S. Army to understand laws that have been put into place for all commercial marketers. Although not considered a commercial marketer, the U.S. Army needs to make every effort to abide by the laws to protect its image. The CAN-SPAM Act of 2003 provides a set of laws to regulate email. “The CAN-SPAM Act of 2003 (Controlling the Assault of Non-Solicited Pornography and Marketing Act) establishes requirements for those who send commercial email, spells out penalties for spammers and companies whose products are advertised in spam if they violate the law, and gives consumers the right to ask emailers to stop spamming them” (Federal Trade Commission Web Site, April 2004).

The CAN-SPAM Act of 2003 was introduced by Senators Conrad R. Burns and Ron Wyden in April 2003. The Act was finalized by the Senate in November 2003 and by the House of Representatives in December 2003. On December 16, 2003, the CAN-SPAM Act was signed into law by President Bush (SPAM Laws Website, 2007). In January of 2004, Bill Nussey had a personal interview with Senator Burns. During the interview, Senator Burns explained the he had designed CAN-SPAM to make email a viable and safe place for marketers to do business. Senator Burns stated, “The idea behind CAN-SPAM was to get rid of scoundrels on the internet so that legitimate advertisers and businesspeople could use the medium safely” (Nussey, 2004, p. 99).

The Federal Trade Commission (FTC), the nation's consumer protection agency, is authorized to enforce the CAN-SPAM Act. CAN-SPAM also gives the Department of Justice (DOJ) the authority to enforce its criminal

sanctions. Other federal and state agencies can enforce the law against organizations under their jurisdiction, and companies that provide Internet access may sue violators, as well. (Federal Trade Commission Web Site, April 2004).

The CAN-SPAM Act of 2003 is a 21 page document that lays out the requirements and penalties for spammers and companies (CAN-SPAM Act, 2003). The FTC's Web Site provides a summary of the Act below:

**What the Law Requires**

Here's a rundown of the law's main provisions:

- **It bans false or misleading header information.** Your email's "From," "To," and routing information – including the originating domain name and email address – must be accurate and identify the person who initiated the email.
- **It prohibits deceptive subject lines.** The subject line cannot mislead the recipient about the contents or subject matter of the message.
- **It requires that your email give recipients an opt-out method.** You must provide a return email address or another Internet-based response mechanism that allows a recipient to ask you not to send future email messages to that email address, and you must honor the requests. You may create a "menu" of choices to allow a recipient to opt out of certain types of messages, but you must include the option to end any commercial messages from the sender.

Any opt-out mechanism you offer must be able to process opt-out requests for at least 30 days after you send your commercial email. When you receive an opt-out request, the law gives you 10 business days to stop sending email to the requestor's email address. You cannot help another entity send email to that address, or have another entity send email on your behalf to that address. Finally, it's illegal for you to sell or transfer the email addresses of people who choose not to receive your email, even in the form of a mailing list, unless you transfer the addresses so another entity can comply with the law.

- **It requires that commercial email be identified as an advertisement and include the sender's valid physical postal address.** Your message must contain clear and conspicuous notice that the message is an advertisement or solicitation and that the recipient can opt out of receiving more commercial email from you. It also must include your valid physical postal address.

Figure 1. CAN-SPAM Requirements (from FTC Website, 2004).

Marketers who fail to comply with the above laws can be fined up to \$11,000 for each violation. According to the FTC, "Deceptive commercial email also is subject to laws banning false or misleading advertising" (FTC Website, 2004). The FTC outlines additional fines for marketers who use other deceptive tactics such as: illegally acquiring email addresses through harvesting email addresses from Web sites and generating email addresses using a "dictionary attack" which involves "combining names, letters, or numbers into multiple permutations" (FTC Website, 2004). The law gives the DOJ the ability to seek criminal penalties, including imprisonment, for commercial emailers who use other deceptive tactics such as falsifying header information, using unauthorized

computers to send emails, misleading recipients about the origin of the message, falsifying the identity of the actual registrant, and falsely representing themselves as owners of multiple IP addresses (FTC Website, 2004).

It is important to note that CAN-SPAM mentions nothing about regulating the number of emails that a marketer can send and it does not outlaw unsolicited commercial email. The law simply attempts to regulate email. During my experience in USAREC, leaders were concerned that if a recruiter were to send more than twenty emails at a time that they were increasing their chances of being blocked by an ISP and labeled a Spammer. Recruiters need to understand that there is no regulation on the number of emails that they can send. Most importantly recruiters need to abide by the laws that are outlined in the CAN-SPAM Act. To avoid being reported as a spammer, recruiters need to include information about the Solomon Amendment which gives recruiters the right to contact students who attend colleges and universities that receive federal funding. The paragraph below provides some background on the Solomon Amendment:

### **The Law: A Background**

The Solomon Amendment, a federal law, mandates that institutions receiving certain federal agency funding must fulfill military recruitment requests for access to campus and for lists containing *student recruiting information*. If colleges do not comply, they may lose funds essential to their campus—so it is in their best interest to be knowledgeable about the law and develop a positive relationship with recruiters.

Figure 2. Solomon Amendment (from Buckley, 2001, p. 11)

The Solomon Amendment later clarifies the meaning of *student recruiting information* by providing the following requirements:

<b>Student Recruiting Information</b> (as defined by the Department of Defense in the October 23, 1998 Final Regulations)
Name
Address ( <i>Regulations do not stipulate local or permanent</i> ). <i>Clarify with recruiter.</i>
Telephone listing ( <i>Regulations do not stipulate local or permanent</i> ). <i>Clarify with recruiter.</i>
Age ( <i>or date of birth</i> )
Class level ( <i>Freshman, Sophomore, etc..</i> )
Academic major
Place of birth*
Degrees received*
Most recent educational institution attended*
<small>* This data element was introduced with the January 2000 Interim Rule, but conflicts with the data elements identified in the 1998 final regulations. The higher education and military communities await forthcoming action by federal agencies to reconcile the differences between data considered "student recruiting information" laid out in the final and interim regulations.</small>

Figure 3. Student Recruiting Information (from Buckley, 2001, p. 12)

Notice that *student recruiting information* mentions nothing about providing the student's email address. The amendment later states the following:

If an institution designates e-mail addresses as directory information under FERPA, and it is the institution's policy to release directory information to third parties, e-mail addresses may be provided to the military as part of the student list.

Figure 4. Institution Email Release Policy (from Buckley, 2001, p. 12)

The institution may, therefore, decide to release the email addresses to the recruiter. This is why U.S. Army recruiters need to maintain rapport with the university. It is up to the recruiters to explain to the administration the importance of providing email addresses. One of the biggest risks the U.S. Army's faces is college students reporting the Army's emails as SPAM to their local ISP. If an ISP receives enough complaints, it

has the ability to black list the U.S. Army. This could create unnecessary challenges for the Army's Email Service Provider by having to explain the Solomon Amendment to ISP's. Furthermore, if a school's administration were to receive multiple complaints by disgruntled students who oppose having their email addresses released, the administration would have the authority to cease providing email addresses to the recruiters.

My purpose in outlining these laws is to instill confidence in the recruiter so that he or she is comfortable with understanding what gives them the right to email students and provide some boundaries. The key to successful email marketing is to abide by the CAN-SPAM Act of 2003. Most importantly, provide the student with relevant information and the ability to OPT-OUT from receiving future emails from the U.S. Army. Once the student decides to OPT-OUT, recruiters are prohibited from sending future emails to that individual. The most effective way for the U.S. Army to manage email marketing is to ensure that recruiters understand the CAN-SPAM Act, and for only select individuals to control the lists and send emails.

## **I. CUSTOMER COMMUNICATION MANAGEMENT**

Now that some of the risks have been identified it is important to understand ways to mitigate those risks and satisfy the customer. Bill Nussey, the CEO of Silverpop, addresses this challenge by using a unique strategy that shifts the focus of email marketing from advertising to building and sustaining customer relationships (Nussey, 2004, p. 48). Jupiter Research has recognized Silverpop as one of the top five "large-enterprise-oriented ESPs" for four straight years. Of all ESP's evaluated by the firm, Silverpop was the only company to ever receive this recognition (Silverpop, 2007). Nussey states, "CCM is about moving your organization's email strategy back to where the medium started. It is about taking email away from its current status as a mass media promotional tool, and remaking it into a one-to-one relationship tool" (Nussey, 2004, p. 48-49). A company that abides by the principles of CCM will create email campaigns that are anticipated by the customer. When a company reaches the level to where its emails are anticipated by the customer, the company's Email Brand Value (EBV) will increase. The EBV is how the company's brand is perceived by the customer. EBV

comes down to the customers' attitude when they see the sender's company name in their "from" field. The customer may read the email, delete it, click-through to a provided link, or through the email in their trash bin (Nussey, 2004, p.61-62). Assessing these customer actions are almost impossible to do without advanced software or hiring an ESP. Nussey came up with a formula to "calculate" a company's email brand value. The goal of the formula is not to produce a number but to demonstrate how four components can work together to effect EBV. The formula is:

"EBV=existing brand (+/-) relevancy + content value – frequency"

**Existing brand:** The existing brand is the company's name that has already earned recognition from the Web site, advertisements, products, and other exposure. A company about to start an email campaign has the ability to get a head start if their name is well known and respected by customers and prospects (Nussey, 2004, p.62). I believe the Army is fortunate in that most Americans recognize the Army brand and understand that it has to recruit in order to exist. Since the brand is well known to most Americans, the Army can use this to their advantage by crafting relevant campaigns to leave a lasting impression on how the brand is perceived.

**Relevancy:** According to Nussey, relevancy is "the core tenet of CCM" and he considers it a central component to his EBV equation. "Relevancy is considered positive when the content of the message is highly applicable to the recipient. It is neutral when the content is aimed at a very wide group, which just happens to include the recipient. Relevancy becomes negative and begins to undermine your brand when the message content has absolutely no applicability to the recipient" (Nussey, 2004, p.62). Matt Blumberg discusses how a study conducted by Quris found that 80 percent of customers stop reading emails because they are deemed irrelevant. A technique to increase the relevancy of an email is to create a newsletter with content that can benefit the customer (Blumberg, 2005, p. 8).

**Content value:** Each recipient has different needs and desires therefore the content of the email has to be carefully crafted to meet these desires. The value of a campaign is determined by how much the recipient benefits from the content. "If the

value of your campaign is poorly targeted, the value to the entire audience is lower because only a few recipients benefit” (Nussey, 2004, p. 63). One of Blumberg’s secrets to quality content involves focusing on the interests of the reader. He states, “While every email effort you make is ultimately about your brand, always remember to connect your content directly to the reader’s lifestyle and interests. Readers need to be able to relate to your message and to easily see how it has a positive impact on their lives. If your content doesn’t suit their needs or help them achieve their personal or professional goals, then they simply won’t be interested” (Blumberg, 2005, p. 18-19).

**Frequency:** Frequency is not always negative, but generally, email recipients prefer to receive fewer, rather than more emails. “The goal in setting frequency is to squeeze the maximum benefit out of the minimum number of messages by making each message relevant. The lower the frequency, the more relevant each message must be” (Nussey, 2004, p. 63). One of the questions that many marketers ask is how many emails should be sent to a customer or prospect in a given year. Basically, how much is too much? During the 2007 Marketing Sherpa Email Summit, Anne Holland addressed the question. She explained that a recent Marketing Sherpa study found that an average of 24 emails per year was the ideal number to send the recipient (Holland, 2007). Conducting email surveys, testing campaigns, and analyzing customer actions are techniques that can be used to determine the ideal frequency for the U.S. Army.

## **J. LIST BUILDING**

Having a quality list of email addresses is essential to having a successful email program. There are different strategies to building a quality list of people who are willing to give you permission to send emails (Blumberg, 2005, p. 66). According to Blumberg, lists can be placed into two categories: Organic Capture and Paid Acquisition.

## **1. Organic Capture**

Organic capture involves inspiring prospects to provide their email addresses. This is done most effectively when a company uses their organic assets to build the list. An organic list will be of considerably higher quality than a rented or purchased list (Blumberg, 2005, p.67). Techniques to building an organic list can include:

### **a. *Phone Prospecting and Call-ins*** (Blumberg, 2005, p. 74)

Emails can be requested anytime a prospect calls into a recruiting station to request information or if a recruiter calls the prospect. Once a dialog is established between the recruiter and the prospect, the recruiter should not hang up until he or she has requested the prospects email address. It is very common for people to call into recruiting stations to request information about opportunities. The person is normally not ready to join because they are still in the information gathering mode and sometimes intimidated. Email can enable the recruiter to slowly build a relationship with the prospect as their confidence is building.

### **b. *Referrals***

Viral Marketing or “referral marketing” is an efficient way to distribute a message to a wide audience and facilitate building a list (Blumberg, 2005, p. 74). This is beneficial because the customer is doing the work. Most ESP’s have the “Forward to a Friend (FTAF) feature on their emails. The FTAF feature is a link that the original recipient can click and forward the message to a friend or family member.

### **c. *Face to Face***

Asking for email addresses while conducting face-to-face prospecting is a technique that can be used by recruiters while prospecting in their local communities or conducting set-ups (Blumberg, 2005, p. 71). Assume that a prospect does not agree to an appointment with a recruiter. The recruiter can request the prospect’s

email address and offer to send them the U.S. Army's email newsletter. This provides a better alternative than simply walking away because the newsletter has the potential to generate future interest.

*d. Internet*

Using a Web Site home page to provide a link encouraging the prospect to sign up or opt-in to receive emails (Blumberg, 2005, p. 67). This link needs to stand out and be easy to use. A company should include their Web site address on every advertisement. Direct mail, billboards, posters, flyers, and commercials should all list the company's Web site and motivate people to sign up for an email newsletter.

**2. Paid Acquisition**

Paid Acquisition involves promoting a newsletter program via online advertising or renting/buying a list (Blumberg, 2005, p. 67). I will provide only a brief description of paid acquisition because my research has led me to believe that this would not be an effective alternative for the U.S. Army. I have addressed this question while attending email marketing conferences around the country. The majority of the representatives from different ESP's have explained that buying or renting lists from third party vendors will usually yield a low return on investment and often times frustrate the email recipients. My fear is that the Army would damage its EBV by using third party lists. Here is a breakdown on how this method of list building works: The Army would send their email message/campaign to the vendor. The vendor would then send the message to the lists that the Army has selected to rent (MacPherson, 2001, p. 51). Note that the vendor would send the list and not the purchaser. Any vendor that sends the purchaser the list is most likely not legitimate because the customer list would no longer be secure. If this were to occur, the purchaser would be privy to sell the same list to other buyers. Blumberg explains that there are some reputable vendors but, "Email list rental can, however, be a risky business. Many list brokers sell lists they have gathered by questionable practices. Some lists are outright stolen. If you mail to a spam list, even inadvertently, you will be seen as a spammer, which will destroy your credibility with customers, ISPs, and the email industry" (Blumberg, 2005, p. 83).

## **K. OPTIMIZATION STRATEGIES**

Measuring ROI is a standard technique to evaluate the overall effectiveness of an email campaign (Blumberg, 2005, p. 109). However, current technology can provide marketers with additional strategies to optimize their email program. Targeting, list segmentation, testing, and tracking are four strategies that are essential to an email program. These four strategies are interdependent of each other and flow together naturally when properly executed.

### **1. Targeting**

Kim MacPherson defines targeting as “Identifying an audience or group that contains likely prospects for a particular set of products and/or services, and then developing the offer and messages for that audience” (MacPherson, 2001, p. 12). Targeting select prospects rather than the entire list is the first step to sending relevant emails. Prospects can be targeted based on demographics, response history, interests, and customer actions. A good example of email targeting for Army recruiters would be to send an advertisement for “The U.S. Army Band” to college students that are enrolled in the music department or members of the school band. The next step in the targeting process would be to analyze the response data or student actions by sending a follow up email to those students that opened the email and clicked on a link to the Army Band Web site.

### **2. List Segmenting**

Nussey defines segmenting as “dividing an email list into specific groups to increase the message relevancy to each group” (Nussey, 2004, p. 326). This task goes hand in hand with targeting as each divided group or list would further enhance the overall relevancy of the message. An example of list segmenting could be dividing a college list by: male vs. female, year in school, major (if provided), and age. Once a list is segmented, an appropriate email could be sent to each list, which would increase relevancy and the potential for a positive response. To achieve the best results, list segmentation should be a continuous process. Another strategy to enhance the relevancy of a list is to test it (Nussey, 2004, p. 69).

### **3. Testing**

Testing is a technique to assist the sender in identifying the most effective elements of a campaign (Nussey, 2004, p. 326). Some of the different components that could be tested are subject line, content, images, links, and timing. A basic test of subject lines has even been known to improve customer response data (Blumberg, 2005, p. 111). A testing example would be to take a segmented list that has 10,000 names and to divide the list into two groups. Send the first group an email at 8:00 a.m. and send the same email to the second group at 8:00 p.m. The marketer could then test the results of the campaign by seeing which time offered a better response or click-through rate. This data would prove to be valuable when determining the optimal time to send the following email. This data could also be used on a more advanced level by using life cycle automation. Life cycle automation is a more recent advancement that automatically times each message so that each recipient gets the message when appropriate for them (Nussey, 2004, p. 294).

### **4. Tracking**

The majority of ESP's have the technology which allows the marketer to track customer actions. The ESP accomplishes this by automatically placing a web beacon or web bug in messages that can invisibly detect customer actions such as opens, click-throughs, opt-ins, opt-outs, referrals, and who did not read the message. Web beacons have raised privacy issues but there are no laws preventing ESPs from using them. The ability to track customer actions is a valuable asset for the marketer because it enables them to see whether or not customers are reading the emails. My case study on the Raleigh Recruiting Company in the following chapter provides a good example of tracking (Nussey, 2004, p. 91-91).

This chapter has analyzed the four prospecting strategies used by U.S. Army recruiters. I have provided a more thorough analysis on some of the pros and cons of email marketing, the legal environment, what it offers to the marketer, and how it can be used. In the next chapter I will analyze three organizations that have effectively used email to boost either production or recruitment.

### **III. CASE STUDIES**

This chapter will contain three case studies on organizations that have effectively used email marketing to improve production and recruitment. Although, given the opportunity to research well know businesses that have reaped enormous dividends from email marketing such as: REI; Hewlett Packard; and American Airlines, I chose to research organizations whose goals and markets are more similar to those of USAREC. The Raleigh Recruiting Company, DUCK9, and Eastpoint Community Church are the three case studies that will be analyzed in this chapter.

#### **A. CASE STUDY: RALEIGH RECRUITING COMPANY, US ARMY**

##### **1. Introduction**

From June 2003 to June 2006, I commanded the U.S. Army Raleigh Recruiting Company. Throughout this tour I noticed that most recruiters would stray away from email marketing even if they possessed thousands of college students' email addresses. I found that there were numerous reasons for recruiters not emailing these leads:

- a. Recruiters were originally taught to email 20 students per message to stay under the SPAM radar. This process took longer and yielded few responses.
- b. Microsoft Outlook does not enable the sender to properly track contacts.
- c. Email prospecting was not being enforced by the command. Email was considered great if you could acquire the addresses, but if the recruiter did not possess them, most leaders would not ask for an explanation.
- d. When attempting email prospecting, recruiters would send roughly three hundred emails over a three day period, which would generally yield negative responses. This initial attempt dissuaded the recruiter from further prospecting via email.
- e. Recruiters were not comfortable with or knowledgeable about email prospecting.

This motivated me to explore some of the laws and strategies of e-mail marketing. As I researched different companies that had success with email marketing, I realized that

the Army was missing out on a great recruiting tool. By the end of my second year I decided to launch an e-mail marketing campaign for my recruiting company. I instructed my recruiters to obtain lists with e-mail addresses of students from all colleges within our area. After acquiring 65,000 e-mail addresses from various colleges and universities, I decided to hire an ESP called “Emma” to assist me in designing my e-mail marketing campaign and send e-mails for a small fee. By the end of the year, I had sent over 750,000 targeted e-mail newsletters to college students within my area of responsibility. With very little effort, ten enlistments resulted from this e-mail marketing campaign.

## **2. Challenge**

The most challenging aspects of my email marketing campaign included acquiring the email addresses and designing both the visual elements and the body of the message to be delivered. The initial challenge involved directing my recruiters to request student lists from their assigned colleges and universities. I instructed my recruiters to ask each school administration to include student email addresses on the lists. Initially, only four of my sixteen colleges and universities released the requested email addresses. I was not satisfied with the result; therefore, I decided to personally contact the schools that would not release the email addresses. I was astonished to realize that by simply making the phone call, I was able to convince five more schools to release email addresses. Initially, a few of the schools were reluctant to release the email addresses. I explained when college students are given the choice to be contacted via phone or email, most prefer being contacted via email because it is less invasive and disruptive. I then explained that releasing the email addresses would benefit both the school and the U.S. Army. The school benefits because fewer students are being called while studying and the U.S. Army benefits because its recruiters are able to contact college students in a more efficient and private manner. Finally, I explained that college students who do not wish to receive further emails can simply opt-out at the bottom of the email, which would ensure that the student would no longer receive future emails from the U.S. Army. Another interesting lesson that I learned was that most of the school administrators claimed that the recruiter assigned to their school never initially requested the list with

email addresses. Ultimately, my recruiters claimed that they forgot to ask for the email addresses; however, I believe that some of my recruiters were intimidated to ask for this data out of fear of rejection.

The second challenge was trying to figure out an efficient manner in which to send the emails. Since I was not very knowledgeable on the CANSPAM laws, I contacted “Emma,” which was an ESP with a great reputation and knowledgeable staff. Emma was eager to get me up to speed on the CANSPAM Act of 2003 and explained how easy it was to start an email marketing campaign. After receiving approval from my chain of command to initiate the campaign, Emma assisted me in designing my stationery (the stationery that I would use in each email message). After taking a quick class on uploading the student lists, sending the messages, and managing the student response data, I launched my first campaign. Emma was able to get me started in a matter of minutes. The following is an example of one of the email campaigns that I used for recruiting Special Forces Soldiers.

**US ARMY & US ARMY RESERVE**



Mick McGrath,

I'm Major McGrath, the US Army Company Commander responsible for recruiting at the University of North Carolina at Chapel Hill. Did you know that male college students are now eligible to attend Special Forces Selection. To become part of the Army's Green Berets, you need to be mentally and physically tough, endure difficult training and face all challenges head-on. In addition to that, you must:

- Be a male, age 20-30 (Special Forces positions are not open to women)
- Be a U.S. citizen
- Be a high school diploma graduate
- Achieve a General Technical score of 110 or higher and a combat operation score of 98 on the Armed Services Vocational Aptitude Battery
- Qualify for a secret security clearance
- Qualify and volunteer for Airborne training
- Take Defense Language Aptitude Battery or Defense Language Proficiency Test
- Achieve a minimum of 60 points on each event and overall minimum score of 229 on the Army Physical Fitness Test

**BENEFITS**  
Besides being part of the worlds most highly trained force, other benefits include:

- Enlistment bonus of up to \$20,000
- Up to \$71,424 to further your education
- Camaraderie
- 30 days vacation
- Complete medical and dental care
- Specialized Army training
- Leadership skills

To learn more about the Green Berets e-mail me at [gfmccgrat@nps.edu](mailto:gfmccgrat@nps.edu) or call me at (831)747-4929. If you want to be removed from our e-mailing list, please click on OPT OUT at the bottom of this message. You can also click on [http://www.goarmy.com/special\\_forces/index.jsp](http://www.goarmy.com/special_forces/index.jsp) to learn more about becoming a Green Beret. To learn more about some of the other Army jobs, go to [www.goarmy.com](http://www.goarmy.com).

I received your contact information from the University. Under the "Solomon Amendment", colleges and universities must give Armed Forces recruiters access to their campuses and provide them with lists containing "student recruiting information". Army Recruiters have the right to contact you by mail, phone, or e-mail. If you desire to be removed from our e-mail list, please click on the OPT OUT link at the bottom of this page. To continue receiving our future e-mails, please click on the SIGN UP link at the bottom of the page. This will keep you informed throughout the year as our incentives change. Feel free to use the "send this to a friend" feature at the top of the page if you know someone who could use this information. Best of luck with your future endeavors!

George McGrath  
MAJ, SF  
Commanding




US Army Recruiting Company  
4030 Wake Forest Rd., Ste. 201 Raleigh, NC 27609  
[www.goarmy.com](http://www.goarmy.com)

This email was sent to [gfmccgrat@nps.edu](mailto:gfmccgrat@nps.edu). To ensure that you continue receiving our emails, please add us to your address book or safe list.

[manage](#) your preferences | [opt out](#) using TrueRemove®.  
Got this as a forward? [Sign up](#) to receive our future emails.



Figure 5. Raleigh Company Email, Special Forces

### **3. Strategies**

#### ***a. Targeting and List Segmentation***

Rather than blasting the same email to the entire school population, I decided to take a more targeted approach. I segmented my lists based on the data that I was given by the school. Kim MacPherson, the president of Inbox Interactive, Inc. states, “You can optimize your campaigns by individualizing and customizing messages, instead of sending in masse” (MacPherson, 2001, p. 151). An example of this was when I divided N.C. State’s list into freshmen, sophomores and juniors, seniors, and by gender. For example, it would be pointless to send an Officer Candidate School (OCS) email to freshmen because the job requires a four-year degree. Sending a Special Forces email to females would also be counterproductive because Special Forces positions are not open to females. I would generally send a U.S. Army Reserve email to freshmen because the reserves allow a student to stay in school, earn a paycheck from the Army, and receive tuition assistance. Toward the end of the second semester (March through May), I would send emails containing information on enlistment opportunities, sign on bonuses, and other incentives. This email was targeting seniors looking for loan repayment opportunities and freshmen through juniors that were dropping out of college and seeking employment options. The emails that I sent were personalized to each student by including his or her name at the top of the letter. This was an automated process.

#### ***b. Tracking and Testing***

After sending email campaigns to select students, my next step was to test the results by tracking the total number of successfully delivered emails, click-throughs, pass-alongs, open rates, and opt-in and opt-out rates. Testing your message can help identify customer actions such as click-through and open rates to provide greater insights when compared to offline marketing tests (Nussey, 2004, p. 286). Emma’s services were helpful by enabling me to easily track every email that I sent. My email newsletters were generally opened by 15-25 percent of the students who received the message. One to two percent of those who opened the message clicked through to the goarmy.com website. If I was unhappy with a click through rate or open rate, I would often change the subject line of the email or send the email at a different time of the day. Surprisingly,

these minor adjustments sometimes yielded greater open and click through rates. The following figure is an example of an actual Emma chart that allowed me to track customer actions after sending an email newsletter.

Overview	Opens (19)	Clicks (8)
Response as of 09:34pm*		
<b>the send-off</b> this information is tracked at the server level ?		
emails sent	39	0 bounced
emails received	39	100% of emails sent
<b>the response</b> this information is tracked at the recipient level ?		
people who opened the email	19	48.7% of emails rec'd
people who clicked through	8	42.1% of emails opened
people who forwarded the email using the send-to-a-friend feature	1	5.3% of emails opened
people who opted out of your list	3	7.7% of recipients
new people who signed up	0	
<b>campaign clicks</b> a link-by-link breakdown of who clicked what ?		
total clicks	12	
<a href="http://www.goamy.com/spec">http://www.goamy.com/spec</a>	6	50% of total clicks
<a href="http://www.goamy.com">www.goamy.com</a>	1	8.3% of total clicks
<a href="#">r_recruit_header.gif</a>	5	41.7% of total clicks

Figure 6. Customer Actions (from Emma Account, 2007, response data)

The chart shows the number of people who received, opened, clicked through, forwarded to a friend, and opted-in or out. Clicking any of these numbers allowed me to see the name, email, time of the action, and phone number of the individual if available. The next chart is an example of what would appear after clicking on the “Clicks (8)” tab (people who clicked through). Names and email addresses have been blocked out for security reasons.



Figure 7. Click Through Chart (from Emma Account, 2007, response data)

The following chart would appear after clicking the number “1” in figure 6 (people who forwarded the email using the send-to-a-friend feature).



Figure 8. Send-to-a-friend feature (from Emma Account, 2007, response data)

### c. Forwarding Leads to Recruiters

After analyzing the above data I would export the student response data to an Excel spreadsheet. Fortunately, Emma’s computer system allowed this process to be automated with the simple click of a button. Students that clicked through to the goarmy.com website, forwarded the message to a friend, or opted-in to receive future emails were considered to be hot leads. I would email the excel attachment to the appropriate recruiting station and instruct the commander to immediately assign recruiters to contact the leads via phone. This ability to quickly identify hot leads was of great value to my recruiters because it saved them time. Rather than calling random

names from a list of 24,000 students, recruiters were able to call targeted leads that showed recent interest in the U.S. Army.

Analyzing the student response data also was able to help my recruiters in their phone prospecting efforts. Depending on the action that the student had taken, I was able to assign a ranking or “priority of contact” to each student. For example, say I emailed 10,000 students at a local university. Assume 5,000 students opened the email and 5,000 deleted the email without reading it. Of the 5,000 students that opened the email 300 students clicked through to explore the goarmy.com website, 3 opted-in to receive future emails and 250 students opted-out to stop receiving future emails. The chart below is how I rank-ordered the students assuming that a 1 was the highest priority (first on the list to contact) and 5 was the lowest priority (the last on the list to contact).

<b><u>Priority of Contact</u></b>		
<u>Rank</u>	<u>Student Name</u>	<u>Action Taken</u>
1	3 Students	Opted-in to receive future emails
2	300 students	Clicked through to the goarmy.com site
3	4447 remaining students	Opened the email after reading the subject
4	5000 students	Deleted the email after reading the subject
5	250 students	Opted out from receiving future emails

Table 1. Priority of Contact Table

#### **4. Results**

Throughout the seven months of executing the campaign my allocated time for email marketing was extremely limited due to the numerous tasks that were required of me as a commander. Just a few minutes each month yielded my company 10 enlistments. All of the strategies mentioned above were performed on occasions only when time permitted. I rarely had time to forward the names of the people who “clicked through” to the goarmy.com web site. Imagine the return on investment if someone had the entire day to focus on email marketing. The Raleigh Company email marketing campaign generated leads and enlistments from a market that generally remains untapped.

Additionally, email marketing helped my company increase its number of college student contacts and assisted recruiters by identifying potential phone prospects.

## **5. Analysis**

There are numerous strategies that USAREC can learn from the Raleigh Company case study. These strategies will be expanded upon in the following chapter. The key point to take away from this case study is that USAREC needs to start a nationwide email campaign of its own. Email marketing is a low cost strategy that can yield high results with minimal effort. Recommendations for a nationwide email marketing campaign will also be discussed in the following chapter.

## **B. CASE STUDY: DUCK9**

### **1. Introduction**

Duck9 (Digital Underground Credit Knowledge) is a Financial Service Marketer that has achieved success in marketing by integrating mobile and email marketing to reach out to college students (Chiang, 2007, slide 1). I chose to do a case study on DUCK9 because it is one of the very few companies that actively prospects in the college market by using these advancements in technology. Larry Chiang, Founder and Chief Executive Officer (CEO) of DUCK9, started his company in 2004. While attending the University of Illinois, Chiang noticed that students around him were having credit card difficulties. After some extensive research, he revealed that students were more likely to drop out of college due to credit card debt rather than academic disqualification. Chiang also noted that over one third of college drop outs cited credit card debt as their primary reason. This motivated Chiang to spread his “good credit” message to thousands of college students (Email Summit Show Guide, 2007, p.25).

### **2. Challenge**

Larry Chiang’s goal is to educate college students on the importance of paying attention to their credit ratings and Fair Isaac and Company (FICO) scores. He and his company explain how borrowing and bill paying behavior can affect the students’ future. According to Chiang in a recent Marketing Sherpa case study, “less than 10 percent of students even know what a credit score is” (Marketing Sherpa, DUCK9 Case Study). DUCK9 depends on borrower and lenders with good credit. Unfortunately, good credit is

something that most college students are lacking. One of DUCK9's goals is to mentor each student on a strategy to raise their FICO score to 750. (Chiang, 2007, website). In order to educate college students to being debt free, Chiang needed a system to collect student data and contact information. Once this data was collected Chiang would attempt to convince his prospects to interact with DUCK9 as primary source for credit-related information, products, and services (Marketing Sherpa, DUCK9 Case Study).

### **3. Strategy**

Chiang and his team would connect with college students across the United States by hosting credit seminars. These seminars would be part of a new student orientation or hosted by campus clubs, fraternities and sororities (Marketing Sherpa, DUCK9 Case Study). While speaking at the events, Chiang focused on educating students about how to protect themselves from falling into credit card debt by providing real world examples. Chiang and his team would offer free pizza at their booth to any students who would provide their contact information and personal information about their current creditors. Other incentives included entering a contest to win free food, downloadable music, or an interest-free loan. Prior to the student leaving the booth, Chiang would send a text message to the student's cell phone. This allowed the student to see an example text message from the company and ensured that the student provided the correct contact information. Following the initial registration DUCK9 would send a monthly text message reminding the student to pay his or her credit card bill on time (Marketing Sherpa, DUCK9 Case Study). Figure 1 shows an example of the company's text messages.

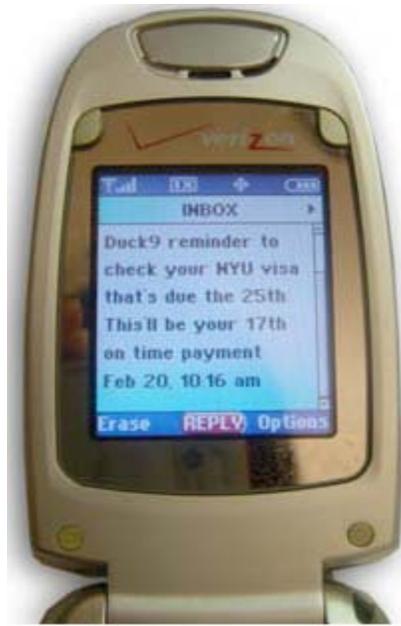


Figure 9. Student Text Message (from Chiang, 2007, slide 16)

The text message was very short and did not include marketing messages. The goal was to establish and build trust with the student.

Along with the text messaging, DUCK9 integrated an email marketing campaign into their strategy. This strategy involved sending a newsletter to the student's email address. Some of the newsletter topics included "steps to take to avoid identity theft" or "5 Sophomore Mistakes". According to the Marketing Sherpa Case Study for DUCK9, "They labeled each email as one in a five-part series but started new subscribers with message #2 of five. The idea was to make students feel like they may have missed something and want to come to the Website to find the first installment of the series after they've read a few others" (Marketing Sherpa, DUCK9 Case Study). During my interview with Larry Chiang he stated, "This strategy not only drove students to our website, but they would often call our office to inquire if they missed out on the first email" (Chiang, 2007, personal interview). When students called the DUCK9 office, it afforded employees the opportunity to further develop the relationship and increase sales. Figure 2 shows an example of a Student newsletter.

**\*\* Subj: "Duck9 at University of Kansas. Newsletter 3 of 5 -Ducking9s \*\***

"Hoja Veen!"

This is Jennifer. This is newsletter three of five. I'm excited about some of the questions that have been coming in. Remember you can e-mail me any time you have a question of your own.

Frequently asked question #1) what does Duck9 stand for? Duck9 stands for digital underground credit knowledge. It also means ducking nines. Nines on your credit report mean catastrophic charge-off.

#2) Does applying for credit cards hurt your credit score. I know a lot of you out there see FREE stuff that's given out its and it's tempting to apply for those credit cards. Remember, the credit card company usually wins in the end. Trying to get a free pizza? Or the Amazon certificates? Statistically you ARE going to get screwed.

From a FICO score standpoint, applying for credit cards doesn't significantly impact your credit score. There is an impact if you're applying in the near future for a car loan, home equity or mortgage

The underground credit knowledge is ability to hack into your FICO and add information to it. <http://www.duck9.com/fico-750-plan.htm>

Tsai Jian for now!

Jennifer

p.s. If you are in a student group and want us to present the Duck9 seminar e-mail me

[Jennifer@duck9.com](mailto:Jennifer@duck9.com)

Figure 10. Student Newsletter (from Chiang, 2007, slide 10)

As the student gradually became more trusting in DUCK9 and its employees, they would take more time to visit the website and register for additional services.

#### **4. Results**

According to Chiang, the results of his seminars, text messaging, and email campaigns have worked much better than anticipated. Since 2004, DUCK9 has signed up more than 500,000 subscribers for their text message reminder service. Fifty percent of these subscribers have converted to registered users on the DUCK9 site as a result of the company's email marketing campaigns (Marketing Sherpa, DUCK9 Case Study). Chiang explained that student referrals to his company have increased significantly and he expects to reach 1,000,000 subscribers by November 2007 (Chiang, 2007, personal interview). According to Chiang, he invests approximately three to five dollars in each

student when you take into account prizes, pizzas, and other minor fees (Chiang, 2007, slide 11). During my interview with Chiang, he stated, “we have a fifty percent chance of netting twenty dollars after 90 days” (Chiang, 2007, personal interview).

## **5. Analysis**

U.S. Army recruiters could learn some effective strategies from DUCK9. First, Chiang and his team took risks by investing money in the college students and building a trusting relationship rather than trying to make an immediate sale. This strategy was effective because the team was able to increase its own sales and help college students stay out of debt. Similarly, the U.S. Army could use email marketing to build relationships with college students by sending them a newsletter. The newsletter does not always need to contain recruitment information. It could include interesting news articles related to the U.S. Army, coupons for local restaurants, a link to sign up for a free “Army hat,” or articles on students that have served in Iraq. Students should anticipate this newsletter and benefit from it. Second, DUCK9 collected “contact information” from the students by serving free pizza at a booth. Generally, U.S. Army recruiters have the schools list which contains the student contact information. If the school does not release the email addresses of its students, recruiters could gather this data at a table set-up or by using the same strategy as DUCK9.

## **C. CASE STUDY: EASTPOINT COMMUNITY CHURCH**

### **1. Introduction**

East Point Community Church is a Christian Non-denominational Church located in Middletown, Delaware. During the winter of 2002, Pastor Tom Ward Jr. decided to use multi-channel marketing to boost his Sunday attendance (Marketing Sherpa, ECC Case Study). With a desire to see change in his community, Tom decided to hire a creative team called Electricurrent to develop a strategic marketing campaign and advertising platform (Electricurrent Web site, 2007). The campaign included developing a top-notch website, a strategically placed billboard sign, direct mail, and email marketing to appeal to the targeted demographic of the church. The campaign proved to be successful in that attendance grew by 277% (Marketing Sherpa, ECC Case Study).

## **2. Challenge**

Many of the people that live in Middletown have attended church at some point in their lives but have had either a negative experience or lost interest at some point. Tom wanted to reach out to this segment of the population and offer them a unique spiritual experience. Electriccurrent quoted Tom stating, “If people came to Eastpoint, they would see the difference and passion that we have for Christ” (Electriccurrent Web site, 2007). Tom did not want to be misinterpreted as a recruiter and wanted to avoid the hard sell approach (Marketing Sherpa, ECC Case Study).

## **3. Strategies**

### ***a. Billboard***

Tom and Electriccurrent worked hard to create Eastpoint’s new website, but he needed a way to drive people to the site and then to the church. Tom and his staff decided to set up a billboard on a nearby highway that would ultimately drive people to his church’s new website. The billboard cost one thousand dollars per month and had an image of a television remote control and a phrase that stated, “Before you turn Church off...www.eastpoint.org”. The billboard did not even include the Eastpoint’s street address. A Marketing Sherpa Case Study quoted Tom saying, “We knew that the billboard and website had the potential to, at the very least, start a soft dialogue with these people,” Ward says. “We actually wanted them to go to the website and realize, “Oh, that church was only a stone’s throw away from that billboard’ ” (Marketing Sherpa, ECC Case Study). Below is an image of the churches billboard:



Figure 11. Billboard (from <http://www.marketingsherpa.com/cs/eastpoint/1.html>)

***b. Web Site***

As people visited Eastpoint’s website, the landing page enabled the user to explore recent news and events that had occurred within the church. Users had the ability to read the church’s ministry goals and standpoint on religion. The site also contained podcasts of recent church sermons, (enabling visitors to watch services via the internet) a blog, and a church calendar of recent events. Most importantly, the landing page contained a “newsletter sign-up” section that stated, “Join the Eastpoint mailing list and keep yourself up to date on the latest news and events” (ECC website, 2007). The sign-up section simply asked for the users’ first name, last name, and email address. Figure 12 shows an image of the landing page that is found when visiting Eastpoint’s website ([www.eastpoint.org](http://www.eastpoint.org)):

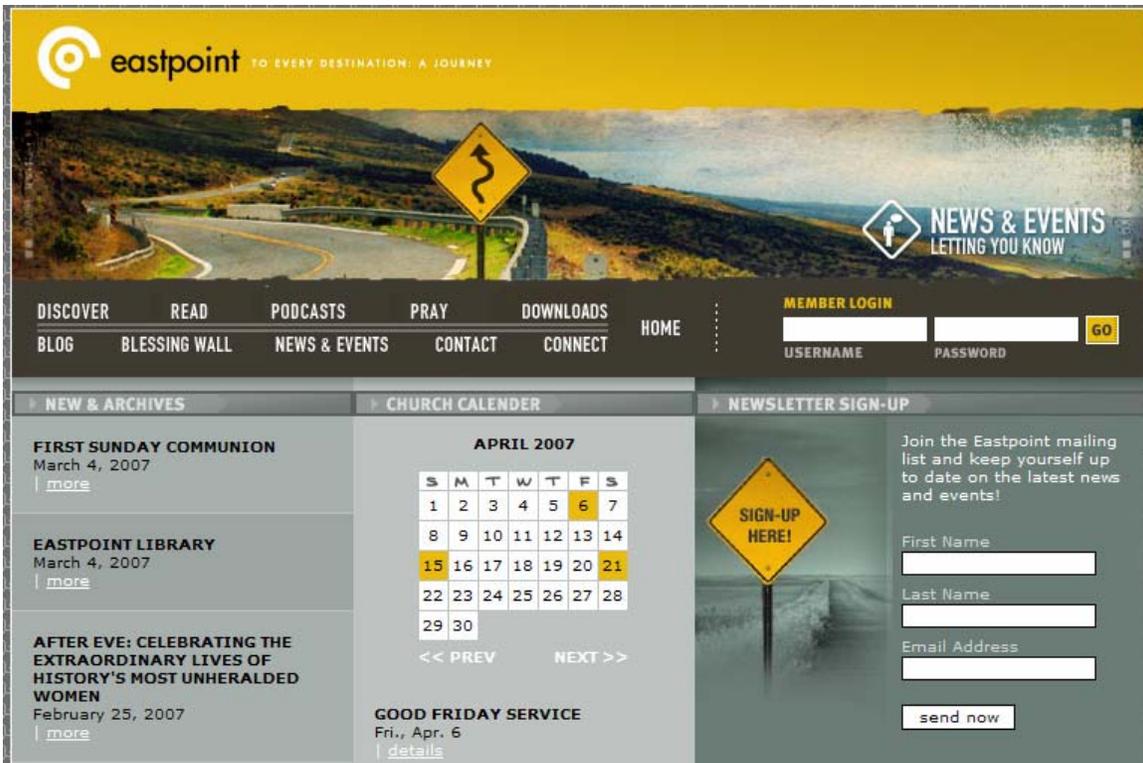


Figure 12. (from <http://www.eastpoint.org/engine.cfm?i=4>)

*c. Direct Mail and Email*

The third strategy involved sending a post card via the postal service and an email to people who signed up to receive the Eastpoint’s newsletter. Tom and his team sent the postcards to 47,270 households that were in close proximity to the church. The postcard campaign was used to drive people to visit the church’s website. (Marketing Sherpa, ECC Case Study). The second half of the mail strategy included sending emails targeted to only those who signed up or opted-in to receive the church newsletter. The church website was impressive in that the newsletter sign-up section was simple and obvious to the visitor. The sign-up section was in the top half of the webpage or “above the fold” making it easy for the visitor to see. According to Matt Blumberg, author of Sign Me Up, states, “Start with the home page. A prompt link encouraging the reader to sign up should be in the top half of the screen as well as in multiple locations throughout the page. If visitors have to scroll or search to find the sign-up form, you will earn a much lower capture rate” (Blumberg, 2005, p. 67). The purpose of the church’s email newsletter was to promote and invite both new members and current members to attend

church events and functions. The below figure is an example of one of the newsletters that I received from Eastpoint Community Church:

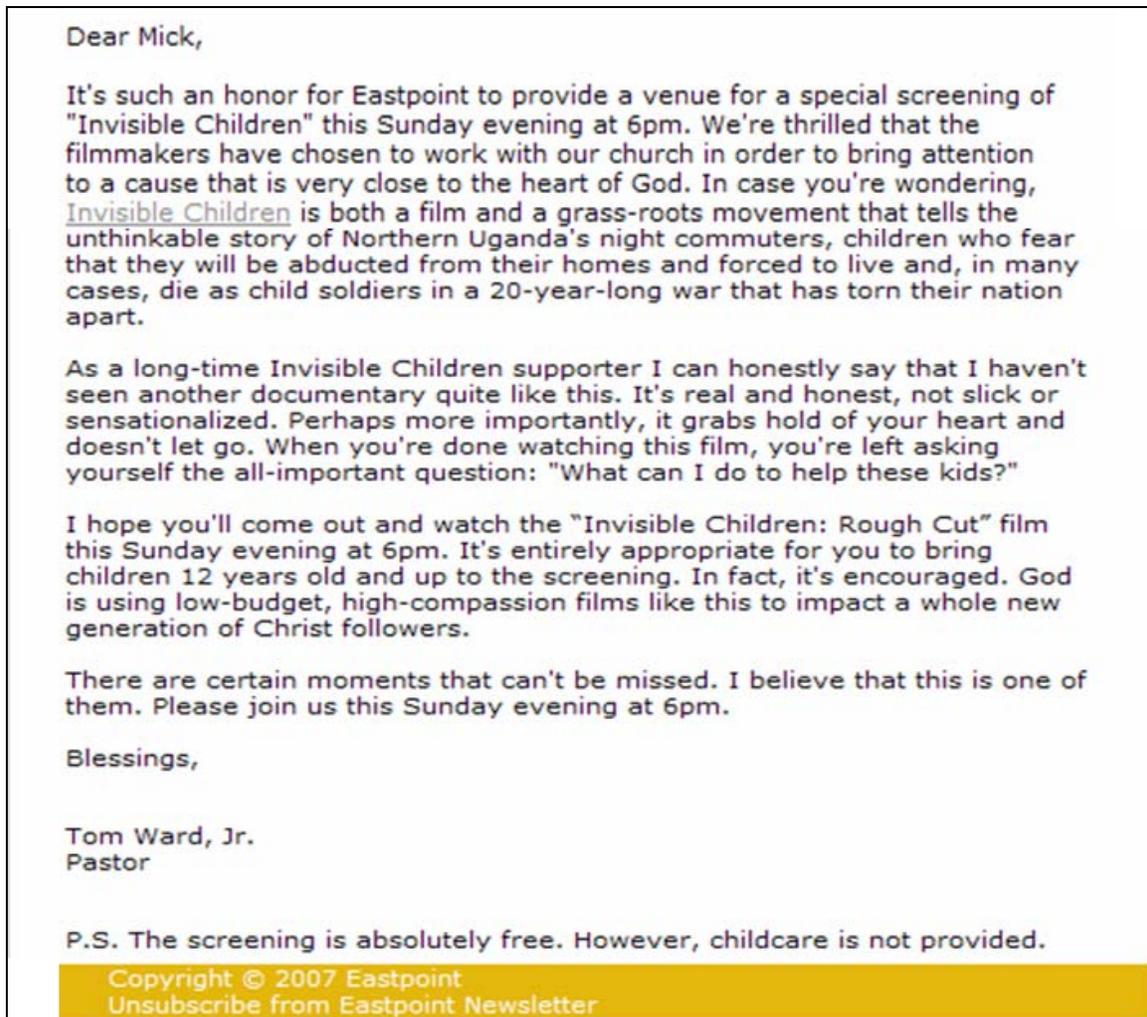


Figure 13. Eastpoint Newsletter (from ECC Newsletter, April 2007)

This was the first email that I received from the church after signing up for the newsletter. Notice the unique strategy that the church uses. Rather than welcoming me to the church, they treat me as if I'm already part of the church or a member of their team. During the month of April 2007, I received two emails inviting me to attend events that the church was hosting.

#### 4. Results

Since the Eastpoint Community Church advertisement campaign started, church attendance has increased by 277 percent. Website traffic increased by 73 percent during

the first month and has continued to increase since. Seventy-eight percent of the newly joined members explained that their first exposure to the church was through the website. Marketing Sherpa quoted Tom saying, “The overwhelming majority of the people who are becoming Eastpoint Church Community members are coming as a result of finding our website and taking interest in it, Ward says. “We had to make more room because of all of the people joining” (Marketing Sherpa, ECC Case Study).

## **5. Analysis**

USAREC should note several key points from the Eastpoint Community Church advertising campaign. Tom and his staff made every possible effort to drive their targeted market to the church’s website. The high-caliber website then enticed visitors to sign up for the church’s email newsletter which then enticed them to visit the church. Likewise, the U.S. Army does an outstanding job promoting the “goarmy.com” website. Although, when a potential recruit visits the site, he or she is given limited choices such as: request an information packet; locate a recruiter; ask a question; chat with a recruiter; and learn how to join. The Army’s website takes a direct recruiting approach and mentions nothing about sending the potential recruit a newsletter. Successful businesses from around the world are just now starting to see the value in building relationships with the customer. An Army newsletter could be used to build relationships with potential recruits. Generally when people visit the Army’s website they are attempting to educate themselves about incentives and job opportunities and often are not ready to enlist. A consistent newsletter could educate leads on the benefits of serving in the U.S. Army by sharing success stories from enlisted soldiers, which in time, would likely lead to dialogue with local recruiters. Last I would note that Eastpoint’s newsletter made me feel like a member from the very first email. Rather than trying to sell me on their church, the message in the newsletter treated me as if they had known me for years. The newsletter was simply informing me of an upcoming church event. The Army could capitalize on this strategy by speaking to new leads as if they were already part of the Army team. This strategy would encourage prospects to explore enlistment opportunities by emailing/calling an Army recruiter without overwhelming pressure to do so.

## **IV. RECRUITMENT MODEL AND RECOMMENDATIONS**

### **A. INTRODUCTION**

In this chapter, I will construct a model to demonstrate the efficiency of email marketing and I will justify an estimate that the Army could recruit roughly 2,300 more recruits each year. The data used to create this model was based off the work ethic and Lead Source Analysis (LSA) of the Raleigh Recruiting Company for FY 2006. After analyzing the results of the model, I will determine whether or not USAREC is properly aligned to execute an effective email marketing campaign. Finally, I will provide additional email marketing strategies that would be helpful to USAREC when executing an email campaign.

### **B. PURPOSE**

There are two reasons for this model: 1) To demonstrate the efficiency of email marketing/prospecting when compared to phone prospecting. 2) To justify an estimated Return on Investment (ROE) if the Army were to outsource an Email Marketing Service (EMS) to assist recruiters with their email prospecting efforts.

### **C. ASSUMPTIONS**

The following assumptions were made in order to compile the data needed to complete the model:

1. Of the four prospecting techniques used by U.S. Army recruiters, I will analyze only phone and email prospecting. In my opinion, these two prospecting techniques are not being executed properly by recruiters and they are in need of improvement. Additionally, these two techniques allow recruiters to contact a large volume of college students in a limited amount of time. Prospecting via face to face and referrals will not be included into this model because they were the dominant recruiting strategies and proved to be effective for the Raleigh Recruiting Company during FY 06

(Lead Source Analysis, 2006). My assumption is that phone and email prospecting are the two techniques that need the most improvement.

2. The average phone lead takes about 60 minutes to generate by an average recruiter.

3. Fifty percent of Non-Commissioned Officers (NCO's) in the Raleigh Recruiting Company were E-6's and 50 percent were E-7's. After researching the base pay, Basic Allowance for Housing, Variable Housing Allowance and Recruiter Pay, the combined estimated weekly pay was \$44,959 per week for the company's recruiters. When the above figure and monthly bills are taken into account such as: phone, office space rent, government vehicle services, fuel, office supplies, COI events and Future Soldier events, the company's estimated weekly budget was approximately \$60,000.

4. An email campaign takes approximately one minute for a recruiter to send. On an average one lead was generated per campaign sent. The assumption is that it takes a recruiter one minute to generate one email lead.

5. The Raleigh Recruiting Company spent \$2600 on their email campaign, which lasted eight months. During this time, 70 leads were generated through email. The assumption is that each email lead cost \$37 (Emma records, 2006).

6. Based on the average recruiter salary, phone bills, and office supplies, the average Raleigh Company phone lead cost approximately \$10 per lead.

7. Raleigh Company recruiters averaged eight hours of phone prospecting per week. The assumption is that the company's 40 recruiters averaged 19,200 minutes of phone prospecting per week.

8. The Raleigh Recruiting Company's data provides a good model for this problem. Since FY 03, the Company's overall production has consistently ranked itself in the top 30 percent of USAREC.

9. Recruiters will be able to gather email addresses on only 50 percent of the college students that are enrolled in the United States. Some colleges do not have student email addresses while others are unwilling to release the addresses.

10. The average salary of a person with three to five years of marketing experience would be approximately \$70,000 a year.

**D. SITUATION**

This model will determine the optimal mix of prospecting strategies that a recruiter should use in a given week. The two prospecting strategies being analyzed are phone prospecting and email prospecting. The data analyzed is the Lead Source Analysis data from the Raleigh Recruiting Company United States Army Recruiting Command (USAREC) from FY 06. On an average each phone lead yielded .016 enlistments. Each email lead yielded .142 enlistments. The 40 recruiters assigned to the Raleigh Recruiting Company prospected a combined total of 19,200 minutes per week via phone and email. The company’s weekly budget is \$60,000. The following model will be solved using a linear program and will interpret the optimal mix of leads that need to be achieved per week for recruiters to maximize profit/enlistments.

	<b>PHONE (X<sub>1</sub>)</b>	<b>EMAIL (X<sub>2</sub>)</b>
<b>PROSPECTING TIME (Minutes)</b>	60 minutes per lead	1 minute per lead
<b>BUDGET (Dollars)</b>	\$10 per lead	\$37 per lead

Table 2. Cost vs. Time Table for Phone and Email

The formula used in this model is:  $Y=CX$

The Decision Variables are listed below:

$X_1$ = Phone Leads

$X_2$ = Email Leads

Maximize Objective Function=  $.016X_1 + .142X_2$  (lead to enlistment conversion data- Raleigh Company- FY 06)

Subject to the following constraints:

Prospecting minutes:  $60X_1 + 1X_2 < 19,200$  min.

Budget dollars:  $10X_1 + 37X_2 < \$60,000$

$X_1, X_2 \geq 0$

### E. GRAPH OF THE EQUATION

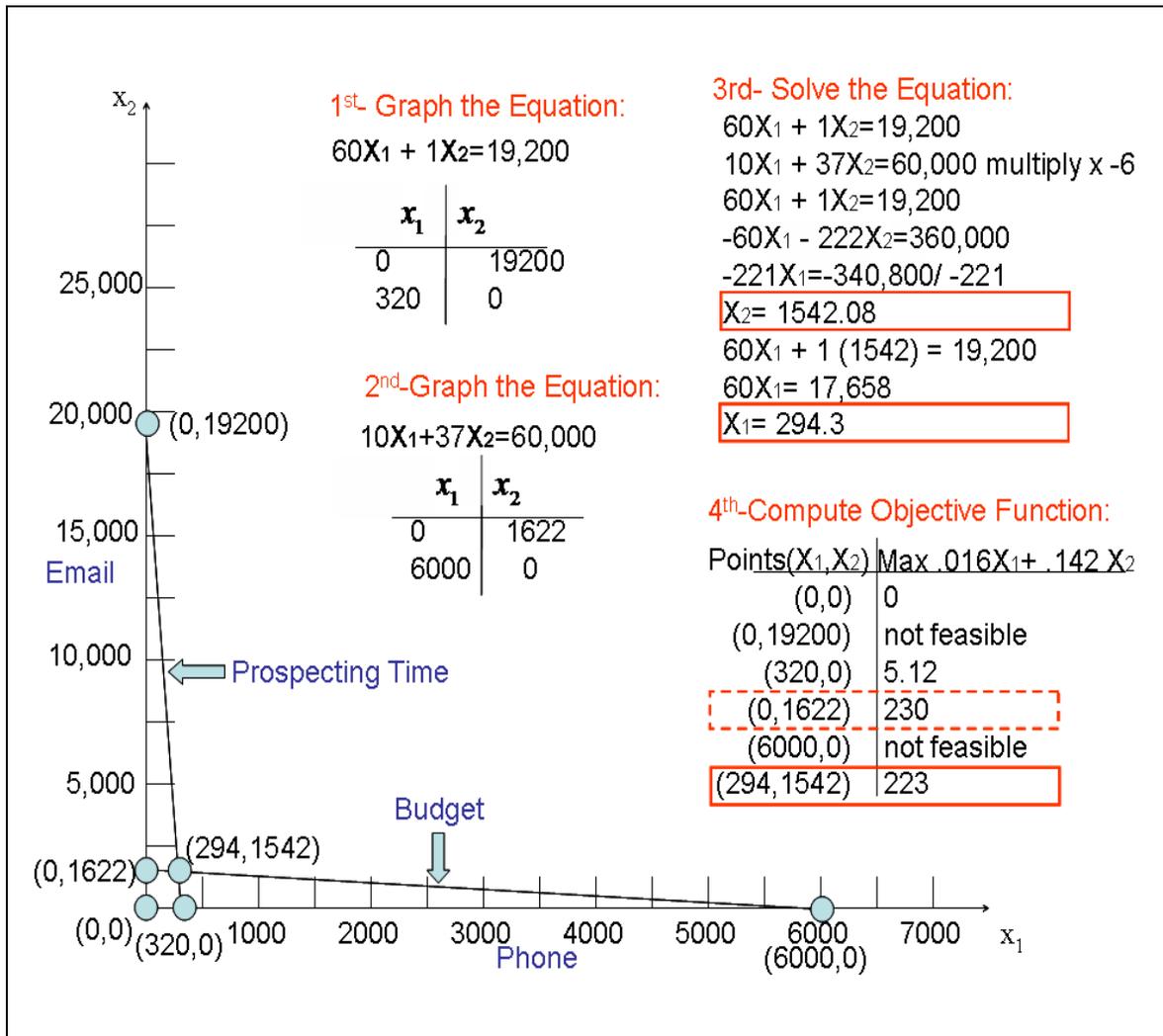


Figure 14. Graph of Equations

## F. SOLUTION

The model clearly demonstrates that the company's most efficient strategy would be to achieve 0 phone leads and 1,622 email leads. This combination would yield the company 230 enlistments. This course of action recommends that recruiters completely stop phone prospecting. When executed successfully, phone prospecting can yield leads for Army recruiters. Therefore; it would be unrealistic to recommend that USAREC eliminate all phone prospecting efforts. Rather than further analyzing an unrealistic course of action, I will analyze the second best course of action which demonstrates that in any given week, the company must achieve 294 phone leads and 1542 email leads for the optimal mix to maximize profit/enlistments. According to the Raleigh Company lead to enlistment conversion data; this combination would yield the company 223 enlistments. Phone prospecting would yield the company 4.7 enlistments and email prospecting would yield the company 218 enlistments. When broken down to the individual recruiter level, each recruiter would need to achieve 7.35 phone leads and 38.55 email leads. The approximate time that it takes a recruiter to achieve one phone lead is 60 minutes. The approximate time for a recruiter to achieve one email lead is one minute. Therefore, a recruiter would need to spend seven hours each week prospecting via phone to achieve seven phone leads and 39 minutes prospecting via email to achieve 39 email leads. The company's weekly budget is \$60,000. The total cost to be spent on phone prospecting would be \$2940 per week. The total cost to be spent on email prospecting would be \$57,054 per week. When broken down to the individual recruiter level, the budget would be \$73.50 per recruiter per week for phone prospecting and \$1,426 per recruiter per week for email prospecting. The table below shows the optimal mixed strategies, payoffs, and resources needed to execute the campaign.

### Optimal Mixed Strategy

	Number of Company Leads per week	Number of Company enlistments per week	Number of leads per recruiter per week	Number of enlistments per recruiter per week	Total amount of time prospecting per recruiter	Total cost per recruiter per week
Email	1542	218	38.55	5.45	39 minutes	\$1,426.00
Phone	294	4.7	7.35	0.1175	7 hours	\$73.50

Table 3. Optimal Mixed Strategy

#### G. ANALYSIS

The recruitment model in this paper significantly favors email prospecting over phone prospecting. Therefore it would be appropriate to say that email prospecting is more efficient than phone prospecting. I am defining *efficient* as “performing or functioning in the best possible manner with the least waste of time and effort” (<http://www.dictionary.com>). The solution showed that an individual recruiter would need to prospect via phone for seven hours in order to achieve seven phone leads. Based on my experience in recruiting, I believe that this would be a realistic goal for an average to above average recruiter to conduct in a week; however, according to the Raleigh Company Lead Source Analysis Report for FY 06, a recruiter would need to generate 62 of these leads in order to achieve one enlistment, which would take approximately 62 hours. This prospecting technique is known by recruiters to be inefficient, but, recruiters will continue to conduct untargeted cold-calls from an enormous list of students because they are told to do so. One of the reasons for this high lead to enlistment conversion data stems from the student agreeing to an appointment after being caught off guard over the phone. For example, the student was not expecting the phone call and most likely desired to get off the phone as quickly as possible. Since the student was talking to an Army recruiter that was serving his or her country, the student likely felt obligated to demonstrate respect, and in turn, agreed to an appointment to please the recruiter. In these cases the students are generally no shows. Another weakness in phone prospecting is the inaccuracy of the student list. Most of the students’ phone numbers are either

wrong, disconnected, or the numbers are actually the home phone numbers of the parents. A new government survey found that more than 25 percent of young adults have only a cell phone and no land line (Skinner, 2007). This trend affects recruiters because most of the phone numbers that the colleges provide contain land line numbers. These issues explain why it takes a good recruiter at least one hour to generate a lead over the phone.

The solution also demonstrated that an individual recruiter would need to prospect via email for 39 minutes in order to achieve 39 email leads in a week. Unfortunately, these numbers are unrealistic. The Raleigh Company did not have enough student email addresses to achieve 39 leads in a week. According to the conversion data, the list of email addresses would have to be approximately 120 times larger than the original list to achieve 39 leads per recruiter in a week. The lesson to be learned from the model is that email marketing is indeed more efficient than phone prospecting. This model further leads one to believe that phone prospecting is ineffective. Most recruiters dislike phone prospecting because they know that the opportunity to generate an enlistment is rare. However, the recruiters will continue to prospect via phone because it is the way they were taught, and they will continue to follow the orders of their superiors. This model demonstrates that the more email addresses a recruiter can gather, the better his chances are of generating more leads and enlistments. To achieve efficiency recruiters will focus more time on gathering email addresses at functions rather than having the prospect fill out a lead card with name, address, and phone number. The recruiter will probably never have time to call the 50 to 100 prospects that came to the booth to get a free pen. Additionally, recruiters should convince every school in their area of responsibility to provide student email addresses on their lists. Most schools will provide this data if someone makes the request. Once the email addresses are gathered, a unit can begin their email campaign. When using an ESP, a recruiter can track his or her campaign by seeing who opened or deleted the message. The sender also has the ability to see who clicked through to the provided links. If a U.S. Army Reserve campaign is sent to 40,000 college students, a recruiter has the ability to see the names, email addresses, and phone numbers of the students that clicked through to the goarmy.com web site. In turn, the recruiter can cold call these prospects in a more efficient manner. The recruiter should call these

prospects because they have shown some type of interest in the U.S. Army by going to the web site. Therefore, email marketing will not only increase enlistments and contacts when prospecting via email, but it could significantly assist recruiters with their phone prospecting by providing hot leads to target.

## **H. RECOMMENDATIONS**

My recommendation is that USAREC implement a mass email marketing campaign starting in FY 08. Based on the research and training that I have completed and my experience with email marketing, I am proposing two courses of action (COA) for the command.

### **1. COA #1**

The command hires 42 civilian personnel who have experience in marketing. These civilians will be the internet marketing managers for each battalion. They will be assigned to the Advertising and Public Affairs (APA) section of each battalion and this will be their only duty. My previous battalion assigned this job as an additional duty to one of the representatives in the APA office and the email program suffered. This full-time job will entail web design, list construction and segmentation, campaign generation for a variety of military jobs, selective targeting campaigns, tracking email deliverability and response rates, forwarding leads to the appropriate recruiting station, and reporting statistics to the Battalion Commander. The internet marketing manager will provide these duties for all of the battalions' recruiting stations. The average recruiting battalion has between 30-50 recruiting stations; therefore, the manager will be fully engaged. USAREC will hire an Internet Marketing Manager who has actual experience in email marketing. This person will oversee all internet marketing managers in the command. His or her job will entail approving campaigns prior to being sent, establishing policy standards, staying up-to-date on CAN-SPAM laws, and setting up email marketing conferences to ensure all managers are trained. The USAREC manager will also oversee all email activity and report results to the Commanding General, USAREC. Rather than paying millions of dollars for the computer equipment and ten to 20 personnel who would be needed to run the program in house, the command will hire an ESP. This will save the

command money and stress by not having to purchase the equipment, office space, and hire additional personnel. Most major businesses outsource their email marketing program because the cost is considerably inexpensive. ESP's can also protect the U.S. Army because they are consistently up to date on CAN-SPAM laws. The ESP's cannot afford to harm their reputation with the ISP's.

## **2. COA #2**

USAREC does not hire the 42 internet marketing managers and uses experienced 79R's (Full time recruiters) to send the campaigns. Each battalion will have an experienced recruiter assigned to the battalion who will assume the role of internet marketing manager. They can be trained on the job by the ESP and will be responsible for all of the above mentioned duties. The USAREC internet marketing manager will need to be a person who has email marketing experience from a reputable ESP. He or she will have the same duties as listed above. I believe that this COA will be less effective because I am convinced that the 79R overtime will inherit additional duties which would take him further away from his job.

## **I. RETURN ON INVESTMENT**

Currently there are 17.6 million students enrolled in colleges across the United States (U.S. Census Bureau, 2007, p.1). I believe that recruiters can gather 50 percent of the email addresses of college students assigned to their area of operations. This will not occur unless the command enforces this from the top down. Assuming the entire command is able to collect the email addresses of 8.8 million college students (freshmen through seniors and two-year college students), they will need to send each student approximately 20 targeted email campaigns and newsletters throughout the year. If 8.8 million college students are targeted 20 times during the year, the total amount of emails sent command-wide will be 176 million. At an estimated cost of .0034 cents per email, the total cost for the 176 million emails would be approximately \$598,400. Based on the Raleigh Recruiting Company Lead Source Analysis Report for FY 06, every 75,000 emails sent would generate one enlistment. When using this conversion data, 176 million emails would generate 2,346 enlistments throughout the year. Considering the total cost

of the USAREC email campaign, each recruit would cost approximately \$255.00. When the total cost of the salaries of the 42 internet marketing managers is added in, the estimated cost per enlistment would be \$1,508.26. This figure was derived from my assumption that the average yearly salary for the internet marketing managers would be \$70,000 a year. When you add their estimated salaries to the total cost of the email campaign, the estimated total cost would be \$3,538,400.00. The below table shows the estimated return on investment per year if USAREC out sources an email marketing campaign through an ESP.

### Return of Investment

	Number of emails sent per year to each student	Number of emails sent per year command wide	Total cost per email	Total cost for 176 million emails	Estimated number of total enlistments per year	Total cost per enlistment
Email	20	176 Million	.0034 cents	\$598,400	2346	\$255.00

Table 4. Return on Investment for USAREC

### J. SUMMARY

In summary, I developed a model to demonstrate the efficiency of recruiting via email. The linear program model significantly favored email prospecting when compared to phone prospecting. Based on my experience in recruiting, I realize that we can not rely solely on email to generate leads based on the limited number of existing college students. Recruiters need to spend the majority of their time prospecting face to face and attempting to get referrals, which happen to be the two dominant recruiting strategies in USAREC. Phone prospecting should be done only to contact leads that have shown interest first and the remainder of the list second. Having a recruiter call people randomly is much less efficient. **I suggest removing e-mail prospecting completely from the duty list of the recruiter.** (It is not necessary for recruiters to send out emails when technology allows this to be completed by one individual I.E., the internet

marketing manager). By outsourcing this simple and low cost strategy, the command could ensure that email prospecting is operational, freeing more time for the recruiter to prospect in the manner for which they are most productive. Most importantly, this would allow the command to generate more leads for its recruiters and facilitate phone prospecting by prioritizing students on each school list.

While I was assigned as the Raleigh Recruiting Company Commander, my allocated time for email marketing was extremely limited due to the numerous tasks that were required of me as a Commander. Just a few minutes each month yielded my company ten enlistments. I rarely had time to forward names of people who clicked through to the goarmy.com web site to my recruiters. The return on investment could be much larger if someone had the entire day to focus on email marketing. Therefore, my estimated return on investment (2,346 enlistments) should be considered the minimum. I expect the numbers to be much higher if COA #1 is executed. As USAREC develops new ways of gathering email addresses by penetrating new markets (high school set-ups, COI events, sporting events, fairs, TAIR and U.S. Army Accessions Support Brigade assets, and concerts) the return on investment will continue to rise. The appendix of this thesis will include additional recommended email marketing strategies that I believe will enhance a USAREC/SORB email marketing campaign.

THIS PAGE INTENTIONALLY LEFT BLANK

## V. CONCLUSION

This thesis has provided an overview of Email marketing, a prospecting technique that is rarely used by U.S. Army and SOF recruiters. This low cost and efficient technique will not only increase recruitment for the U.S. Army by two to three percent, but it will also improve the quality of life for recruiters in USAREC by generating new leads. Currently, recruiters use four prospecting strategies to recruit Future Soldiers. They are telephone, referral, face-to-face, and email prospecting. The four prospecting strategies are effective, but email prospecting (the most efficient strategy), remains either under utilized or improperly executed. This study has demonstrated that U.S. Army and SOF Recruiters can use email as a legitimate marketing tactic and powerful tool.

The introduction of this paper provided background information that led me to this topic, and my hypothesis. The second chapter discussed the four recruiting strategies that are being used by U.S. Army and SOF recruiters with a concentration on email prospecting. There are some important points to take away from this chapter. First, that email marketing has benefits that can be used as a force multiplier for the U.S. Army. USAREC will be blind to these benefits until it recognizes email marketing as a legitimate marketing tactic and powerful tool. The second point is that USAREC should understand the legal constraints involved with email. Legitimate email marketers need to follow the CAN-SPAM Act of 2003 and adhere to these guidelines. Failure to do so can have a negative effect on an organization's reputation. The third point is that USAREC should craft all emails in a manner that follows Nussey's theory of Customer Communication Management by providing relevant and useful information to prospects. Additionally, the process of creating and sending emails should be managed and controlled by select individuals.

The third chapter contains three case studies on organizations that have effectively used email marketing to boost recruitment and production. USAREC can use these studies to devise new tactics on how to drive prospects to the goarmy.com web site, acquire new email addresses, and how to send a relevant newsletter. The case study on

the Raleigh Recruiting Company contains value to USAREC by demonstrating that email marketing has already reaped great benefits from one of its own companies by increasing recruitment.

The fourth chapter contains recommended email marketing strategies for USAREC when the command decides to implement a nationwide email campaign. The chapter contained a model and return on investment to demonstrate the efficiency of Email marketing/prospecting when compared to phone prospecting. The final portion of this chapter provided a recommended realignment for USAREC by adding an Internet Marketing Manager to each recruiting battalion to manage all email activities within the battalion. In addition, I recommended that USAREC outsource an ESP to assist with the email program. This minor change will assist the command by placing an emphasis on email prospecting and provide a mechanism which allows the command to oversee all email activity. The command will be able to generate automated reports that show the number of emails being sent, received, and all customer actions that have taken place within each battalion. A nation-wide email marketing campaign can generate roughly 2300 enlistments costing less than \$600,000 per year. The final portion of this chapter provided additional strategies to assist USAREC with its email marketing endeavors.

During my three years of command in USAREC, I took note of many leaders who recommended new recruitment strategies to their subordinates, but I rarely saw leaders who had the confidence or expertise to generate new leads for their recruiters by expanding their markets. Email marketing provides USAREC leaders with an opportunity to assist the recruiter with very little effort.

USAREC currently has the ability to use four prospecting techniques but chooses to use only three. Considering that the U.S. Army continues to struggle in achieving its recruiting goals, one would assume that USAREC is using all available assets to “make mission”. I thoroughly believe that email marketing is the catalyst that will push recruitment into a new era. The only question remaining is not if this will happen, but when it will happen, and on whose watch?

## LIST OF REFERENCES

- Assistant Chief of Staff G-3. (April 2005). Recruiting Station Operations. USAREC Manual 3-01. Fort Knox, KY.
- Barrett, T. (1998). *Dare to Dream and Work to Win*. USA. Business/Life Management, Inc.
- Battalion Mission Achievement Matrix. (FY 2006). *Raleigh Recruiting Battalion*. Raleigh, NC.
- Battalion Mission Achievement Matrix. (FY 2007). *Raleigh Recruiting Battalion*. Raleigh, NC.
- Blumberg, M., Forman, T., and Miller, S. (2005). *Sign Me Up!* Lincoln, NE. iUniverse.
- Buckley, B., Baker, E., Gourley, J., (2001). A Guide for Recruiters and Student Records Managers. *The Solomon Amendment*. Washington, D.C.
- Burg, Bob. (2006). *Endless Referrals (Third Edition)*. New York, NY. McGraw-Hill Books.
- Chiang, L. (March 6, 2007). Personal Interview. Miami, FL.
- Chiang, L. (March 6, 2007). Integrating Mobile & Email Marketing. [Slides]. Marketing Sherpa Email Summit, 2007. Miami, FL.
- Chiang, L. (2007). How Duck9 works. Retrieved from DUCK9 website on April 5, 2007 from <http://www.duck9.com/how-it-works.htm>
- Coburn, Matthew. (February 4, 2007). Personal Interview. Monterey, CA.
- Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003, also known as the CAN-SPAM Act of 2003, Pub. L. 108-187, Dec. 16, 2003, 117 Stat. 2699 (codified as amended in scattered sections of 15 U.S.C., 18 U.S.C., 28 U.S.C., and 47 U.S.C.)
- Dictionary.com
- Eastpoint Community Church Web Site. (April 2007). [www.eastpoint.org](http://www.eastpoint.org)
- Electricurrent. (April, 2007). East Point Community Church Case Study. "Transforming Church". Retrieved on April 8, 2007 from: <http://www.electricurrent.com/homepage3.cfm>

- Email Labs (2007). *A Collection of Articles on E-Mail Marketing*.
- Email Summit (2007). Official Show Guide. Marketing Sherpa Inc. Miami, FL.
- Emma Account, Raleigh Recruiting Company (2005-2006) Account records of Raleigh Recruiting Company Email Campaigns
- Federal Trade Commission. (April 2004). *The Can-SPAM Act: Requirements for Commercial E-mailers*.
- Fox, S. (December 20, 2005). Generations Online. *Pew Internet and American Life Project*.
- Headquarters, USAREC. (November 2006). *The Recruiter Handbook*. USAREC Manual 3-01. Fort Knox, KY.
- Headquarters, USAREC. (October 2006). *Recruiting Operations*. USAREC Manual 3-0. Fort Knox, KY.
- Holland, A. (March 4, 2007). *Marketing Sherpa Email Summit 2007*. Email Boot Camp Slides. Miami, FL.
- Holland, A. (March 5, 2007). *Marketing Sherpa Email Summit 2007*. [Lecture] Miami, FL.
- Kinnard, S. (2002). *Marketing With E-mail*. Canada: Maximum Press.
- Lead Source Analysis Report. (FY 2006). *Raleigh Recruiting Company*. Raleigh, NC.
- MacPherson, K. (2001). *Permission Based E-Mail Marketing That Works!* Chicago, IL: Dearborn Trade.
- Marketing Sherpa. (February 22, 2007). DUCK9 Case Study. "How Text Messaging Helps Financial Services Marketer Target College Students." Marketing Sherpa Case Study number CS740. Retrieved on April 5, 2007 from [http://www.marketingsherpa.com/article\\_print.html?id=29877](http://www.marketingsherpa.com/article_print.html?id=29877)
- Marketing Sherpa. (April 2007). Eastpoint Community Church Case Study. "How Billboard-Web 2.0 Combo Grew Church Community 277%." Retrieved on April 8, 2007 from [http://www.marketingsherpa.com/article\\_print.html?id=29924](http://www.marketingsherpa.com/article_print.html?id=29924)
- Marketing Sherpa. (2007). *Marketing Wisdom for 2007*. [Report]. Warren, RI.
- McGrath, G. (June 2005). *School Plan 2005-2006 for the Raleigh Recruiting Company*. Paper presented to the Raleigh Recruiting Company, Raleigh, NC.

- Miller, R. (2007). Millennial Consumers. *Consumer Behavior*. United States.
- Molenaar, C. (2002). *The Future of Marketing*. Great Britain: Pearson Education Publications.
- Nussey, B. (April 25, 2007). Adtech Conference. "Performance Marketing Track" (Slides). San Francisco, CA
- Nussey, B. (2004). *The Quiet Revolution in Email Marketing*. Lincoln, NE: iUniverse, Inc.
- Nussey, B., Naide, A. (November 16, 2004). Building Customer Loyalty via Email Channel. [Slides]. Atlanta, GA.
- Nussey, B. (May 22, 2006). *Lifecycle Email Marketing*. Slides presented at the 2006 EBPC Summit.
- Nussey, B. (April 25, 2007). *Performance Marketing Track*. Slides presented at the 2007 Ad tech, San Francisco, CA.
- P4 Prospecting- Mail Merge (slides). (December 10, 2004). *United States Army Recruiting Command*. Fort Knox, KY.
- PEW Internet and American Life Project. (December 2006). Demographics of Internet Users. Retrieved May 4, 2007, from [http://www.pewinternet.org/trends/user\\_Demo\\_4.26.07.htm](http://www.pewinternet.org/trends/user_Demo_4.26.07.htm)
- PEW Internet and American Life Project. (December, 2006). Daily Internet Activities. Retrieved on May 4, 2007, from [http://www.pewinternet.org/trends/Daily\\_internet\\_activities\\_1.11.07.htm](http://www.pewinternet.org/trends/Daily_internet_activities_1.11.07.htm)
- Poe, Richard. (2000). *The Wave 4 Way to Building Your Downline*. New York, NY. Three Rivers Press.
- Roberts, M. (2003). *Internet Marketing: Integrating Online and Offline Strategies*. New York, NY: McGraw-Hill/Irwin.
- Schiffman, Stephan. (2003). *Cold Calling Techniques*. Avon, MA: Adams Media.
- Silverpop. (2006). *Email Creative That Works*. Atlanta, GA: Silverpop.
- Silverpop, (August 22, 2007). <http://www.silverpop.com/about/index.html>

- Skinner, Jane (May 14, 2007). *Fox News*. News report. New York.
- SPAM Laws.com. Retrieved on May 4, 2007, from <http://www.spamlaws.com/federal/summ108.shtml#s877>
- Special Operations Recruiting Battalion Web Site. <http://www.bragg.army.mil/sorb/>, retrieved on August 12, 2007.
- Sterne, J. (2003). *Advanced Email Marketing*. Emeryville, CA: Lyris Technologies, Inc.
- Tribus, B., (November 15, 2006). Army uses technology to reach potential recruits. *Army News Service*. Retrieved February 12, 2007, from <http://www.army.mil/news/2006/11/14/617-army-uses-technology-to-reach-potential-recruits>
- U.S. Air Force Web Site. (2007). <http://www.airforce.com>, retrieved on June 15, 2007.
- U.S. Army Recruiting Command goals. (2007). *United States Army Recruiting Command G5*. Retrieved February 12, 2007, from <http://www.usarec.army.mil/hq/apa/goals.htm>
- U.S. Army Web Site. (2007) <http://www.goarmy.com>, retrieved on June 15, 2007.
- U.S. Census Bureau (2006). Back to School 2006-2007. CB06-FF.11-2. Retrieved on March 12, 2007 from [http://www.census.gov/Press-Release/www/releases/archives/facts\\_for\\_features\\_special\\_editions/007108.html](http://www.census.gov/Press-Release/www/releases/archives/facts_for_features_special_editions/007108.html)
- U.S. Marines Web Site (2007). <http://www.marines.com>, retrieved on June 15, 2007.
- U.S. Navy Web Site (2007). <http://www.navy.com>, retrieved on June 15, 2007.
- Vasquez, Jose. (April 2007). Memorandum for Commander, Special Operations Recruiting Battalion, Fort Bragg, NC 28310. "Officer Year Group 2004 After Action Review/Officer Year Group 2005 Plan of Action." Fort Bragg, NC.
- Ward, Tom (April 2006). Eastpoint Community Church Newsletter. Email.

## **APPENDIX. RECOMMENDED EMAIL MARKETING STRATEGIES FOR USAREC AND SORB**

### **1. List Building Strategies**

The first step in designing an email marketing campaign is to build a database of email addresses. I recommend that the battalion email marketing managers focus their initial efforts on building lists from three markets including college, high school, and volume.

#### **a. College**

College is the most important, yet unpenetrated, market that the Army has. College students generally have an ideal level of education and age that the Army needs. The Solomon Amendment requires federally funded colleges and universities to provide recruiters with “student contact information,” and recruiters should make every possible effort to acquire this information. Since schools are not required to release student email addresses, recruiters and the battalion internet marketing managers need to influence the schools to release the addresses. My experience in dealing with college administrations has taught me that this can be accomplished through “the hearts and minds approach”. An occasional visit to the administrators who release the list and presenting these administrators an “Army Strong” coffee mug are basic rapport building techniques that could be used. Ensuring that the schools understand that the Army can help their students stay in school is a key ingredient for the recruiter. As I explained in the Raleigh Company case study, many schools will release student email addresses if a recruiter simply asks for them. I have also found that private colleges, seminaries, and technical schools will also release email addresses to recruiters. USAREC requires recruiters to contact 100 percent of two-year college students along with freshmen and seniors from four-year colleges by the end of the school year (McGrath, 2005, p. 2-3). Recruiters should not, however, limit themselves to these requirements. If the school is willing to release all student emails then they should be gladly accepted. Sophomores, juniors, and graduate school students are all eligible Army candidates. When a recruiter asks the school for the list of only freshmen and seniors, they are actually creating more work for

the school because the person providing the list has to take the time to delete all the sophomores, juniors, and graduate students from their main data base.

**b. High School**

High schools are not required to provide email addresses of their students and I do not envision this happening in the near future. Most high schools do not have the personal email addresses of their students. Army recruiters can collect the email addresses of any high school student if the student releases it. Collecting the email addresses can be done most efficiently at high school set-ups. As students approach the recruiting table, the recruiter can ask the student if they are interested in learning about enlistment opportunities/incentives or receiving the Army newsletter. As an incentive for providing their email address, the recruiter can present the student with an “Army Strong” pencil, pen, bumper sticker, or key chain.

**c. Volume**

Email addresses that are acquired from any market outside of the high school and college markets will fall under the “volume list”. This should eventually become the largest list that the recruiters own. The volume email addresses will be acquired from recruiting events/set-ups in the local community, call-ins, walk-ins, referrals, face to face prospecting, and email opt-in leads from the goarmy.com landing page. Another technique for gathering email addresses would be if USAREC could convince the Selective Service to ask for email address from 18 year-old males as they register for the Selective Service. This would involve adding an additional block on the survey, requesting the individual’s email address (Coburn, 2007). It would be optional for the male to provide his email address. At the end of each month, the Selective Service could forward this data to the USAREC internet marketing manager. The internet marketing manager could then forward the emails to the appropriate battalion depending on zip code. Every recruiter would have to change their mindset when prospecting. Not only would recruiters ask prospects for a name and phone number, but they would also request an email address. These email addresses would be recorded in the recruiter’s planning guide just as an appointment is recorded. The leadership would have to come up with a system to consolidate these email addresses and forward them to the email marketing manager. Overtime this list will most certainly grow. After a few

campaigns are sent to the volume list, the email marketing manager will improve the quality of the list by segmentation. Those who opt-out or refuse to open the email over a certain period of time will be removed from the volume list.

**d. Phone Prospecting/ Call-ins/ Walk-ins**

While phone prospecting, recruiters can gather email addresses. Even if the prospect appears disinterested in an appointment, the recruiter can ask them if they are interested in receiving the Army's newsletter. Rather than hanging up with the disinterested prospect, the recruiter could further explain how the Army newsletter could further educate them on life in the Army. If the prospect agrees to provide his email address to the recruiter, he is agreeing to a potential long-term relationship that has the ability to strengthen as he becomes more educated about the U.S. Army. This same strategy could be used for call-ins and walk-ins. Anyone who is willing to provide their email address is increasing their chance of enlisting in the future.

**e. Referrals**

It is important for USAREC to design an email marketing campaign that influences the prospect to provide referrals. Most prospects that receive our emails will not initially be interested in joining the Army. However, the prospect may have a friend or family member who has shown an interest in joining. Most ESP's have the FTAF feature which is a link that allows the original recipient to click and forward the message to someone that they know; this results in the expansion of a quality list.

**f. Face to Face**

While conducting face to face prospecting, recruiters should ask for email addresses. Unfortunately, the majority of prospects that a recruiter approaches will not be interested in an appointment. That said, the prospect may be willing to release his or her email address which could generate future interest as previously explained. Another way that recruiters could facilitate their face to face prospecting on college campuses is to approach students about the emails that they are receiving. For example, assume that an Army email newsletter was recently sent to a college. When prospecting on the college campus, the recruiter could establish an initial dialog with the students by asking them if they are receiving emails from the U.S. Army. From my experience, most students will state, "yes, but I have not taken the time to read them" or "yes, but I am not interested in

joining.” This initial contact provides the recruiter with an opportunity to motivate the student to read the next email. Recruiters need to explain that the emails contain valuable information such as: ways to help pay for college, win a contest, acquire free gear, receive coupons, or learn what the U.S. Army is doing in Iraq and Afghanistan. The recruiter could also motivate the student to click on the link to the goarmy.com web site to learn more about the Army and conclude by motivating the student to help the recruiter by forwarding or referring the email to someone who may be interested. There are several challenges associated with starting conversation with a random individual, and this email topic will add one more tool to assist the recruiter.

**g. Internet**

The U.S. Army’s current web site, <http://www.goarmy.com> is captivating and easy for a prospect to find. However, I believe that a few minor changes could enhance the Army’s ability to generate leads. When a prospect visits the Army’s current site, they can request an information packet, locate a recruiter, ask a question, chat with a recruiter and learn how to join. This direct approach is effective because it filters out anyone who is not serious about joining. A few months ago I went to the goarmy.com web site and requested an information packet. After providing some basic information, I received a blanket email three days later asking me to answer a list of 43 questions. It was obvious that the Army was attempting to pre-qualify me prior to forwarding my contact information to a recruiter. It is unlikely that many people would take the time to fill out such a long list of questions unless they were considerably interested in joining and in turn, this filters out the majority of prospects that visit the Army’s website. My suggestion is to take those valuable leads that refuse to spend considerable time answering questions and invite them to sign up to receive email from the Army. This unobtrusive approach would enable the prospect to receive valuable information from the Army such as a newsletter or enlistment incentives and current bonuses. The web site’s landing page should request this information from the prospect by asking him to “sign up for the Army email newsletter” or “sign up to hear about current incentives and bonuses.” This request should ask for minimal information from the prospect such as first name, last name, email address, and zip code. This email registration offer should be placed on every page of the web site. Once the information is provided, the appropriate battalion

(depending on the zip code) could send this prospect an email. The battalion internet marketing manager would be able to send the email as if it came from the recruiting station closest to the prospect's zip code. The U.S. Army should make every effort to drive people to visit the goarmy.com web site and encourage visitors to register for the newsletter. This request needs to be attention grabbing. A recent Silverpop study found that 29 percent of retailers failed to place an opt-in request on their home page, further demonstrating that a large percentage of retailers are not embracing email marketing (Nussey, 2007, notes). The U.S. Army (U.S. Army Web Site, 2007) and the U.S. Marine Corps (U.S. Marine Corps Web Site, 2007) are currently the only two services in the Department of Defense that do not advertise an email newsletter on their home page. The U.S. Air Force (U.S. Air Force Web Site, 2007) has an e-newsletter sign-up on the top right of their home page and the U.S. Navy (U.S. Navy Web Site, 2007) has a "sign-up for email" section at the bottom of their home page. In my opinion, the U.S. Air Force is the only service to truly embrace email marketing. Their e-newsletter request is located in the optimal position (top right/above the fold) and their newsletter is well designed and mirrors the Air Force home page. The U.S. Navy also advertises email sign-up but it is difficult to find. On a more positive note, the U.S. Navy makes it easy for the customer to sign up for email because they request only that the prospect provide an email address.

## **2. Campaign Design Strategies**

Email campaigns must be captivating to generate responses from the audience. One of the first things that an email recipient will read is the subject line of the email. If the subject line doesn't grab his or her attention, there is a chance that the email will be deleted without being read. Studies have found that subject lines with less than 35 characters are most effective (Holland, 2007, slides). A Silverpop study found that disinterested prospects spent only eight seconds reading the message before they hit delete (Nussey, 2007, ad tech). A separate study showed that people spent an average of 15 to 20 seconds reading the message before clicking on a link (Holland, 2007, slides). Marketers have only a small snapshot of time to grab the prospect's attention. These statistics demonstrate the importance of having a well-designed email. Colors, photographs, and video clips enhance the design of an email, but they must be relevant to the message. Furthermore, emails should be read through a preview pane prior to

dissemination as many people preview their emails in this manner. Thus, it is important to ensure that the beginning of the email is captivating (Holland, 2007, slides).

### **3. Targeting Strategies**

The first step toward sending relevant emails involves targeting select prospects rather than the entire list. Prospects can be targeted based on demographics, response history, interests, and customer actions. USAREC should make every effort to selectively target the right audience, which will increase the number of people who read the emails and assist in capturing new leads (MacPherson, 2001, p. 4). For example, a targeting strategy would be to send a Ranger (11B) or Special Forces (18X) email to males on a college list. Prospects could be further targeted by sending the same message to members of the football or wrestling team if this information is available. Another example of targeting would be to segment a college list by names that appear to be Arabic. These prospects would be prime candidates to receive an email on the Arabic Linguist Program (09L). As the email recipients open the email or click on links within the message, Life Cycle Automation (LCA) can be used to send a triggered message to an even more targeted audience. These “triggered messages are sent one at a time in response to a single action” (Nussey, 2004, p. 80). For example, when a recipient clicks-through to the goarmy.com website, he may devote the majority of his time exploring different jobs. Assume that he would spend the majority of his time exploring how to become a Green Beret. This event could trigger a timed/automatic and personalized response with the appropriate campaign. The prospect would receive an invitation from a local recruiter to become a Green Beret as a result of spending the majority of his time exploring the Special Forces page. LCA has proven to improve results that are four to eight times better than that of static campaigns (Nussey, 2004, p. 79).

When the U.S. Army sends a targeted message to a college or university, the sender will immediately notice a high volume of responses from students with prior military service. In my experience, these responses normally explain that they have already served their country and are currently using the Montgomery G.I. Bill. It is important for the recruiter to keep in contact with these students with prior service experience; they are proud of their service and could provide referrals if asked. Additionally, prior service students are

great candidates to speak at a COI event for the college. A college COI event can be strengthened when one of its own students can present his or her Army story.

#### **4. List Segmentation Strategies**

USAREC can increase response rates by segmenting lists and communicating with prospects based on interests, response data, and timing. List segmentation works in conjunction with targeting because the ultimate goal is to divide a list to individualize and customize a message (MacPherson, 2001, p. 150-151). Attempts should be made to segment lists prior to sending a campaign and then again after the campaign has been sent. Below are a few recommendations for list segmentation:

**a.** Segmenting a college list by zip code, gender, grade, major (if provided), and any additional information that the school chooses to provide. Some minor research can enable the recruiter to target students that are involved in clubs or sports. Most of this information can be found in school yearbooks or on the school web site. An example of this would be to send a Warrant Officer Flight Training (WOFT) email to students involved with the Aviators Club. Once the names are gathered of the students enrolled in the club, the recruiter could cross reference the names with the provided school list and copy the students' email addresses. This same technique could be used with any club or sport. Football players, wrestlers, or students involved in the parachuting club would be ideal candidates for the Special Forces or Ranger email. Students in the nursing program would receive an email on becoming an Army nurse. All seniors should receive a letter about the Officer Candidate School Program. The Arabic Linguist letter would be sent to the Arabic Club or Muslim Student Union.

**b.** Once the list has been segmented and the emails have been sent, the sender should continue to segment his or her lists based on customer response data. Customers that develop a trend of not reading the Army's emails should be removed from the list. This will increase the quality of the list, save the Army money, and reduce the chance of bothering the student. Prospects that clicked-through to a link should immediately be sent a follow-up email based on the sites that were visited. This follow up email should be automated, personalized, and relevant to the prospect's interests.

## **5. Testing Strategies**

Silverpop's "Email Creative That Works" study provides an example of how testing is essential to improving a company's email program. Silverpop analyzed 612 emails sent by 430 companies. Open and click rates were then evaluated to identify the creative elements that worked best. As a result, Silverpop noted; "messages that included the company name or brand in the subject line had significantly higher open rates-as much as 12 percentage point increase." The same study found that "text-style links averaged nearly a 3 percentage point greater click rate than image-style links" (Silverpop, 2006, p. 2-3). The Army could also use testing to identify which campaigns produce the highest results. The following are examples of additional testing strategies:

### **a. Subject Lines**

Testing a subject line of an email is one of the easiest testing strategies. An example of this would be to send a Special Forces Recruitment letter to a list of 9,000 email addresses and divide the list into three separate parts prior to the launch. All three lists would send the same email but each would have different subject lines. The first group of 3,000 would have a subject line stating, "Become a Green Beret". The second group of 3,000 would have a subject line stating, "Special Forces Recruiting". The third group of 3,000 would have a subject line stating, "U.S. Army Special Operations Forces". After the three lists have been sent, the sender would determine which subject line received the most opens and clicks.

### **b. Content**

Testing the content of an email is another effective strategy to increase customer responses. Changing the content of the email would involve changing the visual elements and body of the message to be delivered. For example, the Army could send an email to a University. Fifty percent of the emails would be designed with text only and no images. The second half of the emails would contain images and text. After a few days, the sender would then determine which content style produced the most favorable customer actions.

### **c. Deliverability**

ISP's and Outlook are now blocking images when an email recipient opens an email. The ISP usually produces a message stating, "click here to download images". The email recipient has to manually click on the message to see the images.

This could create a problem if the recipient has limited time or lacks trust in the source of the email. Emails need to be developed by placing most of the data/text “above the fold” or in the top-half of the email. Tests have proven that the customer will usually read the portion of the email that they can see, even if they do not download the images. Therefore, it is essential to display the key points of the message in the top-half of the email to yield the optimal responses. Another technique to improve deliverability is to check the email’s SPAM score prior to hitting send. This can be done only through an ESP. There are certain words that will make a SPAM score higher, increasing the chances of being blocked by an ISP (Nussey, 2007, Adtech). This feature will inform the sender about certain words that need to be changed to reduce the SPAM score.

#### **6. Tracking Strategies**

The ability to track customer actions is one of the greatest aspects of email marketing through an ESP. Tracking customer actions will determine whether a campaign is successful or not. The majority of ESP’s will allow the sender to see who opened, clicked through, referred the email to a friend, and subscribed or unsubscribed. When this data is properly analyzed, the sender should be able to determine if there are any deliverability or content/design issues. On one occasion I sent an email to an entire university and not a single message was opened. Fortunately, my ESP was able to handle the problem in a timely manner. It turned out that the university had blocked my emails because the server did not recognize my Internet Protocol address. My emails were no longer blocked once I was white-listed on the school’s server. By simply tracking customer actions, I was able to discover and overcome a major deliverability issue. Additionally, tracking can be used to facilitate the recruiter when contacting leads. Some of these strategies will be listed in the following paragraph.

#### **7. Lead Contact Strategies**

Email marketing will generate a variety of leads when a campaign is properly crafted. Walk-ins and call-ins will result when the recruiting station address and phone number is included on the email message. Some email recipients would rather call or walk-in rather than respond to an email. However, most will respond to the email if they are interested. These leads should be a recruiter’s top priority and should be contacted

immediately. The tracking strategies mentioned above should be used to contact leads based on the customer's actions. Here are examples of contact strategies that have proven to be effective:

a. The Army can track the time that each prospect opens an email. This valuable data can be used to assist recruiters while phone prospecting. Assume that an email was sent to a school and 100 students opened the email on Monday at 5:00 p.m. Rather than having recruiters randomly call students from a large list, it would be more effective to call the 100 students the following Monday at 5:00 p.m. This will increase the recruiter's chance of making phone contact (Marketing Sherpa, 2007, p. 13).

b. The Army can assign prospects a value or ranking based on the prospect's response data. The Battalion's email marketing manager can use an automated process to compile this data and forward the leads to the appropriate recruiting station. See table 1 (Priority of Contact Table) for an example of how to rank order prospects based on tracking customer actions.

c. Leads that have clicked through to explore the goarmy.com web site should be contacted immediately. This can be either an automated process or can be done manually by a recruiter. The content of the email should be tailored to the desires of the person exploring the web site. If the individual was exploring the Army Band page, then the follow-up email should be crafted to entice the individual to learn more about Army Band opportunities by contacting a recruiter.

#### **8. Additional strategies for SORB**

The majority of the above mentioned email marketing strategies can be used by recruiters assigned to the SORB or any units with a special mission. The SORB has already taken the initiative to execute an email marketing campaign which has assisted with recruitment (Vasquez, 2007, p. 3). Unfortunately, they have no way of measuring the number of leads, responses, opens, click-throughs, and conversions because they are not using an ESP. Their current strategy involves sending emails (via Microsoft Outlook) to the AKO accounts of soldiers and officers who are eligible to be recruited. I recommend that the SORB continue to send relevant emails to the appropriate year groups, but outsource an ESP to assist with email prospecting. This will improve the efficiency of their email prospecting and enable the sender to view customer actions.

An email marketing campaign will further assist the SORB recruiters by contacting those officers and soldiers that are deployed overseas. The Global War on Terrorism has created challenges for SORB recruiters as 25-50 percent of our forces are continually deployed.

Additionally, I believe that the SORB would benefit by sending a monthly email newsletter to soldiers and officers who are eligible for recruitment. I would also include the email addresses of junior soldiers and officers that are not yet eligible for recruitment. Junior soldiers and officers are prime candidates for a newsletter as they contemplate their Army future. For example, the company responsible for Civil Affairs recruiting could create an educational newsletter that would explain the mission of Civil Affairs, the requirements needed for selection, and success stories of ongoing CA efforts in the Global War on Terrorism. Providing this educational material could plant seeds in the minds of these junior soldiers and officers and reap dividends for future recruitment. I recall as a junior Captain, having to select my future career field. Most of the available jobs were completely foreign to me. Most junior captains face the same challenge. A newsletter can help educate junior soldiers and officers and assist them with future life decisions.

Another strategy that the SORB can use is to send an immediate email to new prospects. For example, if a Special Forces recruiter has plans to conduct a set-up or presentation for the 82<sup>nd</sup> Airborne Division, he would send out an initial email to the installation coinciding with the upcoming presentation. During the presentation, the recruiter would acquire the contact information, to include email addresses, from any potential prospects. The following day, the recruiter would send an email to all prospects, thanking them for their attendance at the presentation. All email messages would have a link, directing the prospect to explore the SORB or appropriate web site.

Finally, I recommend that the SORB add a section to its homepage inspiring prospects to sign up for the SORB email newsletter (SORB Web site, August 2007). This will clearly identify new leads to recruiters and enable the recruiters to establish an ongoing dialog with the prospects. This section of the homepage should ask for the prospect's first name, last name, unit, and email address. Additionally, I recommend that

one person within the battalion should control the email program. Major Vasquez, a Company Commander in the SORB, stated, “It is essential that battalion controls the leads versus the companies. This will prevent multiple emails sent to the same officer” (Vasquez, 2007, p. 3).

## **INITIAL DISTRIBUTION LIST**

1. Defense Technical Information Center  
Ft. Belvoir, Virginia
2. United States Army Recruiting Command  
Ft. Knox, Kentucky
3. Dudley Knox Library  
Naval Postgraduate School  
Monterey, California
4. United States Army Special Operations Recruiting Battalion  
Ft. Bragg, North Carolina
5. United States Army Accessions Command  
Ft. Knox, Kentucky