



**For E-Mail Marketers: Hosted Opt Out Solutions  
Compliant, Cost Effective and Easy to Manage**

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## **For E-Mail Marketers: Hosted Opt Out Solutions Compliant, Cost Effective and Easy to Manage**

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### **Introduction**

If you use e-mail marketing as a sales or communication vehicle you need to consider a hosted opt out solution to manage unsubscribe activity. “What is a hosted opt out solution?” you may ask. The answer is simple. A hosted opt out solution is a centralized information repository that is created for the collection of all unsubscribe or removal request activity from your e-mailing audience.

A hosted opt out solution is easy to implement, inexpensive to maintain and a boost to your organization’s efficiency. In the next few sections I will reveal to you, the benefits of a hosted opt out solution for your organization.

### **Benefits of a hosted opt out solution –**

**Compliance** – Clearly anyone who uses e-mail as a sales or lead generation tool has a general knowledge of the implications of being construed as a ‘junk mailer’ or spammer. Some of this knowledge may be first hand, as you may have actually been burned by an irate individual who categorized you as a spammer. Clearly, this risk of exposure is not something you want, or need. At any level it can be problematic. At one end of the spectrum this can be categorized as nuisance type griping from a handful of crank clients. This ‘noise’, while relatively minor from a business perspective, does still require your time and diligence to address it properly and to bring it to resolution. – At the other end of the spectrum lies the potential for a much more serious situation, that can have severe implications such as the imposition of punitive measures or blacklisting. If your organization becomes entangled in black listings and DNS blockages, it will have a very difficult and lengthy effort ahead in resolving these matters. In most cases I have witnessed, there is almost always some level of residual damage that can never be fully eradicated. A hosted opt out solution provides you with a simple way to insure that you are providing a consistent, easy to use mechanism for the purpose of immediate removal from your mailing list. It also shows a commitment on your organization’s part to adhere to e-mail best practices and that you exhibit ethical e-mail marketing activities.

**Accessibility** – If you have the responsibility of maintaining opt out files in your organization, you understand how big a challenge this can be. It can be daunting trying to keep the opt out files up to date and complete. Take, for example, an organization with offices in multiple locations. How do you keep track of and coordinate e-mailing opt out activity from the New York office and the San Francisco office? What process is in place to share this information? While geographic hurdles present an organizational challenge, it is just as difficult trying to coordinate across departments within your own office. You consistently face questions like:

- *When did that agency do our last blast and where is that list of opt outs from it?*
- *The Sales team did a promotion recently and collected their opt outs at an e-mail address, where did they all go?*
- *Marketing had an awareness campaign that went out through a service bureau last week, where are those unsubscribes?*
- *How current is all this?*
- *How do I put all these data points and lists together?*
- *How do I know I didn't miss one potential 'squeaky wheel'?*

The fact is you don't know if you missed one or two or several thousand names. That's where a centralized hosted opt out solution eliminates all this – there is only one file that resides in one place and it is up to the minute current.

With a hosted opt out solution, the San Francisco office, New York Office, sales, marketing, your agency, and any other department in your organization ALL benefit from a single sourced approach to opt out management.

**Ease of Use**– While hosted opt out solutions with centralized data repositories are beyond the technical capabilities of most sales or marketing organizations, they are available from full service direct marketing companies as well as some service providers. And while these solutions can be comprised of complex algorithms, they are very easy to implement and utilize once in place. Reiterating the accessibility aspect from the previous section, anyone that you grant access to can retrieve information on your ENTIRE opt out universe 24/7/365. You can also provide access to service bureaus that are doing e-mailings for your organization. And thus eliminate the time, cost and risk of data integrity associated with the traditional method of collecting and transferring opt out files.

**Costs** – The costs associated with this type of service typically have two or three components. There is usually a set up fee, which is a one time charge to create the centralized repository environment. There is also a monthly fee. This fee may be characterized as hosting fee or maintenance fee *or both*. There may also be a fee for the web tools that you use to access the database and to generate reports with. My experience indicates that these costs are easily justified for even the most infrequent of e-mail marketers. If you were to analyze the time and effort your organization expends in

this tedious process, and add to it the potential inherent business risk involved, a legitimate basis for a hosted opt out solution becomes readily apparent.

**Risks** – I have touched briefly upon risk in the context of costs, and usage up to this point. But it is important to detail it here a bit more. There are many types of risk associated with the practice of e-mail marketing. Some risks are very difficult to measure while others are quite apparent. The most significant of these risks is the potential liability that could present itself in the form of legal or financial penalties. This is no longer just a concern in the pursuit of ruthless back office spam houses from third world countries. The precedent has been set. Time and again, well known corporations have felt the sting of e-mail misuse both financially and in the court of public opinion. As a point of fact, much of this centers on poor list hygiene habits including a lack of maintaining an accurate opt out file. A less blatant, but equally devastating scenario can come from your organization being black listed. If you, like most everyone today, use e-mail as a major correspondence tool and e-mail marketing as a main sales and lead generation channel, you could literally be out of business over night. Blacklisting can be debilitating to an organization as it can choke off your ability to communicate with your clients, vendors and suppliers. Unfortunately, the threshold of proof is so low that it can literally be triggered by as few as one angry e-mail recipient who believed that he or she had opted out of your list. A hosted opt out solution goes a long way in mitigating these risks by putting all your data in one place and having it available in real time.

**Measurement and Analytics** – You might not immediately see the potential value in the analysis of unsubscribe activity. Is there really any? After all, these people who unsubscribe are no longer part of your audience. They, for whatever reason no longer want to receive mailings from you, right? No, WRONG. There is a wealth of information that can be gleaned from client opt out activity. Identifying which campaign caused the action can go a long way in telling you something about your message or creative content. A gripe about ‘too many e-mails’ will alert you to the fact that you may need to adjust your number of touches or frequency. A ‘No longer of interest to me’ –or I am no longer in that job may indicate that you need to refresh or data append your file to get it current. This derivative client information contains valuable pieces of data that you can collect from the unsubscribe process. This information will prove invaluable in your analysis of your overall marketing strategy and budget.

**Credibility** – You cannot underestimate the positive public image an organization enjoys when it puts forth a well constructed e-mail correspondence that includes a non-deceptive subject, a credible offer, and an easy to follow opt out message. Simply put, your organization is more likely to be perceived as a legitimate and compliant e-mail marketer when you include a simple link to an opt out form. An adherence to e-mail best practices will also make it much easier for you in the event that you do end up blacklisted at one point or another. By showing the ‘powers that be’ that you are diligent in the maintenance of your file and that you have a proactive approach to opt out management, you will put yourself in a much more favorable light in defending your position as a legitimate e-mail marketer.

## Finding an appropriate Service Provider –

Once armed with a working knowledge of a hosted opt out solution, your next task is to find a service provider that will help you implement and host your program. This is a critical part of the project to be sure as all service providers are not created equal. In fact, working with the right service provider is crucial to the success of any hosted opt out program. When your organization makes the decision to go with a hosted opt out solution, please be sure to consider these facts:

1. Remember, ultimately your reputation is on the line. Be sure to work with a reputable and scrupulous service provider who has a true practice area, industry experience and a business model in the hosting of unsubscribe activity.
2. Consider whether or not your service provider is willing to share the risk. After all, you are taking measures to ensure the integrity of your e-mail activity and at the same time mitigate risk and exposure. In the event of an incident, is your service provider willing to share the responsibility, risk and potentially the blame?
3. Tool sets and scalability. Your first step into a hosted opt out solution will typically be to get the process of management of opt out activity from e-mailings 'off of your plate'. In time however, it is very likely that you may want to do more than simply collect opt outs from e-mailings. You may also want to extend a link to this service from your website, landing pages or other online marketing programs. For this, you will need a service provider who will be flexible to the changes in the information flow that supports your business. You also may want to derive information and analytical details from the collected data. For that you'll need a provider who can provide you with reports or a reporting interface. You may want to refine or edit the content of the opt out landing page to reflect changes in your branding, logo or company themes. Please make sure that this can be done *inexpensively*. Finally you may want to survey or ask basic questions of your audience as they leave your list. This is custom programming that may be beyond the capabilities of some basic service bureaus, so make sure that your provider can accommodate this as well.
4. Multiple levels of security for various user types. You may have many different types of individuals (such as a service bureau, a direct marketer, internal clients, etc.) that will require some level of access to the opt out file. Make sure that your service provider can offer multiple levels of security.
5. Get started as soon as you can. This is the quickest and easiest way to take time, cost and risk out of your e-mail marketing activities.

The diagram below is an illustration of a well planned hosted opt out solution. Most every point of online client contact is tied to the central repository for collection. The

dark blue rectangle represents the interface that allows you to access, report on and manipulate the data.



Hosted Opt Out Environment

## Conclusion -

For an e-mail marketer, a hosted opt out solution is one of the most significant things that can be implemented to ensure the integrity of your organization's e-mail list.

### Compliance

A hosted opt out solution provides your organization with a means to ensure that you are implementing e-mail best practices and staying in compliance with current e-mail marketing standards. Risk of black list exposure, client attrition, spam complaints and legal and financial activity are greatly reduced.

### Cost Effective

A hosted opt out solution will help your organization eliminate the resources, time and cost demands associated with maintaining opt out data internally. By outsourcing the 'back and forth, hassle and general frustration associated with file handling and transfer you will free up resources for more productive activities in your organization.

### Easy to Manage

By keeping all of your e-mailing unsubscribe activity in one place, you can easy access or grant access to it 24 hours a day, 7 days a week, 365 days a year. As the collection of the unsubscribe information is constant and always on, this information is always current and real time.

To learn more about hosted opt out solutions, please contact the author at: [mtrombeta@meritdirect.com](mailto:mtrombeta@meritdirect.com).

## Author Biography -

Mark Trombetta heads up the Solutions Group at MeritDirect, an interactive services consultancy specializing in e-mail solutions, web based commerce tools, data enhancement and management, analytics and creative services. Mark's 20+ years of information technology and consulting make him a valuable resource in the fast paced, ever changing environment that is online direct marketing. Mark holds a Masters of Business Administration from the University of Connecticut in Finance and Global Business and a Bachelor of Science degree from Pace University in Computer Science and Mathematics. He can be reached at MeritDirect headquarters in White Plains, NY at 914.368.1032 and by e-mail at [mtrombetta@meritdirect.com](mailto:mtrombetta@meritdirect.com)

## About MeritDirect -

MeritDirect is a recognized leader in the B2B and B2C direct marketing industry, offering marketers integrated marketing solutions with an array of products and services. Mailers and list owners achieve a superior return on their marketing investment through MeritDirect's list brokerage, list management, customer list enhancement and optimization, marketing databases and interactive services. MeritDirect operates within a culture of continuous improvement, striving for leading edge processes and technologies that ultimately guide clients to the "Higher Ground" of improved response rates and lower costs in less time.

