

SUBSCRIBERS

FANS AND

FOLLOWERS™

ExactTarget®



DIGITAL MORNING **REPORT #1**



GRAB YOUR CUSTOMERS' ATTENTION

When your customers wake in the morning, are they reaching for smartphones to check Facebook®, updating their Twitter® status, or logging onto laptops to check email? If you're like most marketers, you probably don't know. But ExactTarget's new research suggests it's time that you do.

What your customers do first thing in the morning reveals not only their priorities and motivations, but tendencies that can tell you how and when to communicate with them. And what marketer doesn't want to know how to best communicate with their customers?

Our series of SUBSCRIBERS, FANS, and FOLLOWERS research reports will examine your customers' online motivations—

particularly as they relate to Email, Facebook, and Twitter—so you can better understand not just who to market to, but how, when, and where.

Digital Morning is the first in our series of reports that will help you understand the nuances of how consumers engage with brands through Email, Facebook, and Twitter. Believe it or not, your consumers' initial online activities provide a unique glimpse into their individual priorities and motivations, and these trends and tendencies will help you deliver marketing messages that are sure to get your customers' attention.



“Email is my main way of connecting with family to share certain personal information. I use Facebook for general photos and videos, and I use Twitter to see what others are up to.”

Gary, 41, Nashville, TN

EXECUTIVE SUMMARY

ExactTarget examined three ways consumers interact with brands online:

1 SUBSCRIBERS are identified as U.S. consumers who receive at least one permission-based email a day. 93% of online consumers are SUBSCRIBERS.

2 FANS are identified as U.S. consumers with a Facebook account who have become a fan of (i.e. “liked”) at least one company or brand on Facebook. 38% of online consumers are FANS.

3 FOLLOWERS are identified as U.S. consumers with a Twitter account who follow at least one company or brand on Twitter. 5% of online consumers are FOLLOWERS.

- People who check email first tend to be motivated to interact with brands online by deals, promotions, or new product information, regardless of whether they’re interacting with that brand on email or Facebook.
- People who initially check Facebook tend to become fans of brands for entertainment purposes or to show support—not to obtain deals—and are more likely to seek promotions primarily through email.



93% of U.S. online consumers are **SUBSCRIBERS**.

EXPANDING YOUR MARKETING REACH

If you're like most marketers, expanding your brand's reach is constantly top-of-mind. And to help you better understand the potential reaches of email, Facebook, and Twitter, we examined three modes by which online consumers interact with brands online:

SUBSCRIBERS: U.S. consumers who receive at least one permission-based email a day.

FANS: U.S. consumers with a Facebook account who have become a fan of (i.e. "liked") at least one company or brand on Facebook.

FOLLOWERS: U.S. consumers with a Twitter account who follow at least one company or brand on Twitter.

93% of U.S. online consumers are **SUBSCRIBERS**. This high statistic can be attributed to two factors. First, 88% of U.S.-based online consumers use email every day and 95% use it at least monthly. Second, since email is required for most online activities, it's become the

default way in which consumers provide companies permission to market to them.

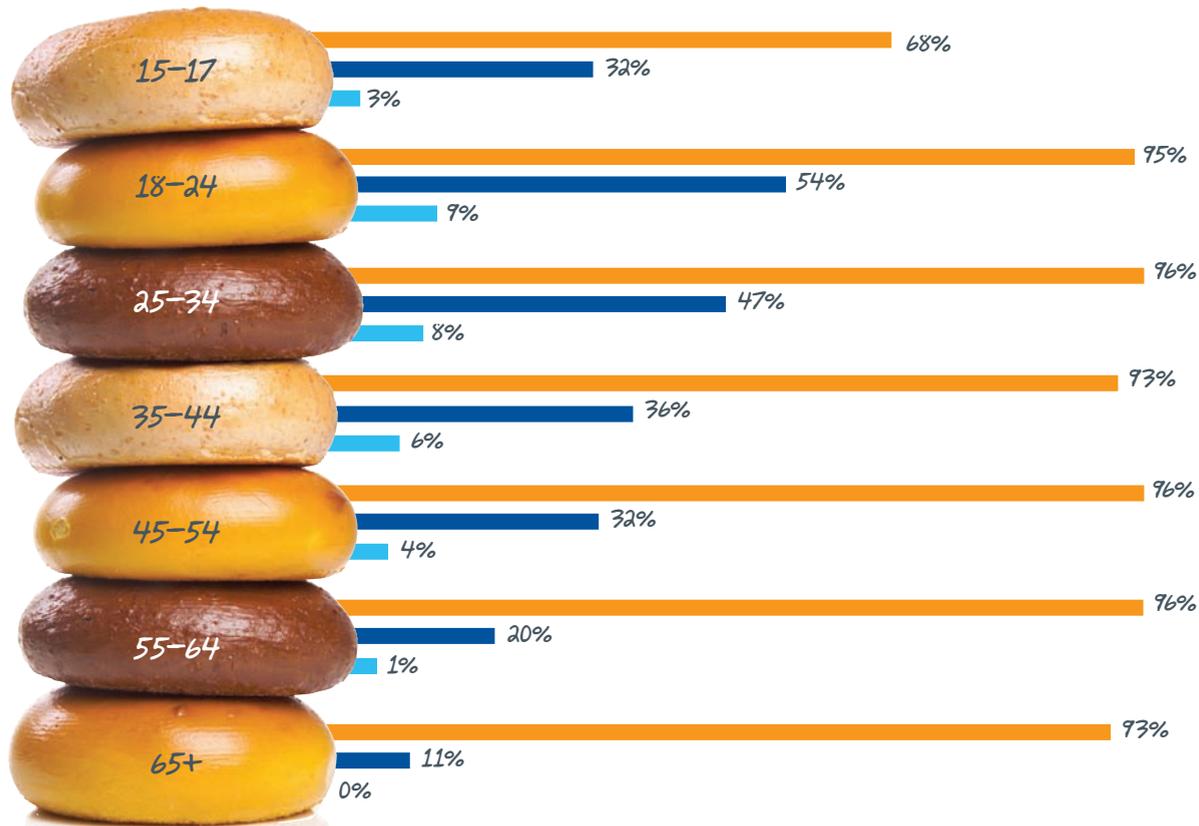
38% of U.S. online consumers are **FANS**. 42% of U.S. online consumers use Facebook at least once a day and, of these, 69% are a **FAN** of one or more companies. Another 20% of U.S. online consumers report using Facebook at least once a month, of which 36% are **FANS**. 32% of consumers have never created a Facebook account.

5% of U.S. online consumers are **FOLLOWERS**. 68% of daily Twitter users follow at least one brand, yet only 7% of U.S. consumers participate on Twitter with that frequency. Consumers tend to engage with more brands on Twitter than Facebook, relative to their number of friends—1 out of every 6 accounts followed on Twitter are brands or companies, compared to 1 out of every 16 on Facebook.

38% of U.S. online consumers are *FANS*. **5%** of U.S. online consumers are *FOLLOWERS*.

SUBSCRIBERS, FANS, AND FOLLOWERS (U.S. ONLINE CONSUMERS)

- EMAIL SUBSCRIBERS
- FACEBOOK FANS
- TWITTER FOLLOWERS



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Overall, **58%** of online consumers check email as their first online activity of the day, followed by a search engine or portal site (20%), and Facebook (11%).



WHERE YOUR CUSTOMERS START THEIR DAY (AND WHY IT MATTERS)

As mentioned earlier, the first thing your consumers do online in a typical day reveals a lot about their priorities. It not only sets the pace for the rest of their daily online activities, but highlights intrinsic motivators that drive their online interactions.

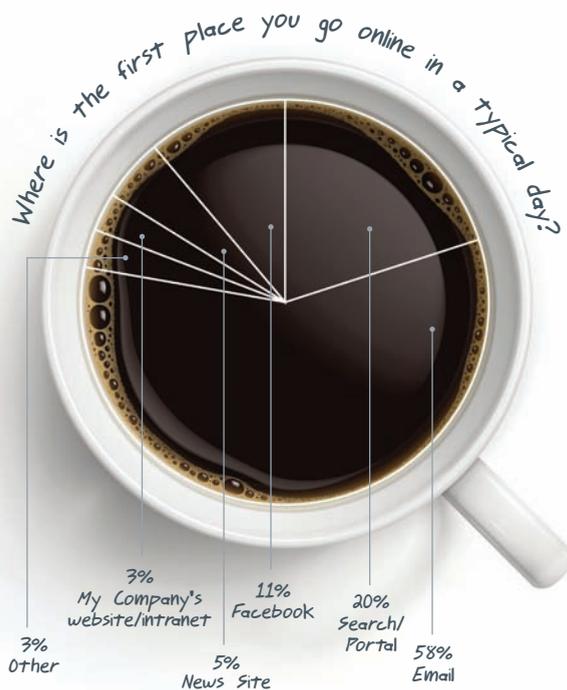
Our research shows that consumers who begin their day on email tend to check email more throughout the course of the day. They also tend to be more task-oriented online than people who start their day on Facebook or Twitter, and while they may still actively participate in those channels, this task-oriented approach influences how they interact with brands in social media. Regardless of whether they're interacting with a company on email, Facebook, or Twitter, **email-first individuals are more likely to approach online interactions with the goal of finding deals, promotions, or new product information.**

Alternatively, consumers who initially log onto Facebook when starting their digital day are more likely to have socially-oriented motivations when interacting online. They tend to draw firmer boundaries around what they deem appropriate on social networks versus email. **These consumers feel Facebook is more appropriate for entertainment and showing support for brands, while email is more appropriate for deals and transactional messages.**

Where people begin their daily online activity also correlates to the number of brands a consumer is likely to engage with online. Consumers who check email first thing in the morning subscribe to more emails on average, while consumers who check Facebook as their first online activity are FANS of more companies.

In short, understanding where your customers begin their daily online activities is the key to successfully identifying where to deliver your marketing messages. This understanding will also help you determine the most appropriate tone for each channel, so your messages resonate with your audience.

Overall, 58% of online consumers say that their first online activity of the day is checking email, followed by checking a search engine or portal site (20%), and Facebook (11%). As expected, this varies across different demographic groups. Significant factors influencing where consumers are likely to start their digital day include age, gender, and income.



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COMPARING YOUR EMAIL-FIRST VS. FACEBOOK-FIRST CUSTOMERS

The motivations and priorities for consumers' online activities have a direct impact on both where and how your customers want to engage with you online. Since email-first and Facebook-first consumers represent two distinct groups and comprise more than 2/3 of all online consumers, let's further examine their motivations and tendencies.

EMAIL-FIRST CONSUMERS: Unlike their Facebook counterparts, online consumers who check email as their first daily online activity have more utilitarian motives when engaging with brands. They're usually seeking product or promotional information related to your brand, and are less interested in interacting with you socially or for entertainment purposes. But be careful not to assume they're anti-social or absent from the social media space. 39% of these consumers use Facebook daily, but their motivations for interacting with brands on Facebook closely mirror their motivations for interacting with brands through email.

Second, consumers in this group actively share information they find online with others. However, they're five times more likely to share with friends through email (65%) than they are to post to Facebook (13%) or Twitter (1%).

FACEBOOK-FIRST CONSUMERS: For this group of consumers, there's a distinction between how they want to engage with brands through email versus how they want to engage with brands on Facebook or Twitter. These consumers are social beings by nature. Drawn to the social aspects of the internet, they're more likely to engage with their favorite brands for the sake of being social—for entertainment purposes or to support a particular brand—than they are for deals or promotions. However, 84% of these consumers use email on a daily basis and their top motivations for subscribing to brands are similar to those of email-first consumers—promotions and deals.

Facebook-first consumers are more likely to share information they find online than their email-first counterparts, and are equally as likely to share this information through Facebook (40%) or Twitter (4%) as they are through email (43%).

“Right now, I think Facebook is the best place to find deals. A lot of companies are giving away freebies just to get you to become a FAN.”

Debra, 31, Boston, MA

“I become a FAN when I love a company's product and want to show support.”

Taylor, 23, Detroit, MI



IMPROVING YOUR SOCIAL MEDIA COMMUNICATIONS

Because 43% of all online consumers are either FANS or FOLLOWERS, you must understand not only where to establish a social media presence, but how to communicate with your consumers once you're there. And unlike email—where sending targeted messages based on segmentation is straight forward—sending highly-targeted messages in the social media space is not possible, nor ideal. Instead, marketers must create universal messages that resonate with a broad range of online personas.

So how can this be accomplished when email-first and Facebook-first users have different expectations for marketing messages on social networks? We've developed four tips to help you navigate these tricky conversations.

- 1 Balance entertainment, information, and deals in social media.** Grabbing the attention of as many consumers as possible requires a delicate balance between messages that encourage brand interaction as well as opportunities to save.
- 2 Cross-promote programs.** Make sure that FANS and FOLLOWERS know they can receive additional deals through email. Try advertising email-only offers on Facebook

and Twitter, driving these consumers to opt-in for your email messages. You can also highlight Facebook and Twitter engagement opportunities—like participating in a contest—to SUBSCRIBERS via email.

- 3 Ensure promotional alignment across interactive channels.** Tone and content should be the primary differentiators in our channel strategies, not promotions. Avoid the trap of promoting exclusive offers that are channel specific—these offers initially attract more FANS and FOLLOWERS, but don't get consumers into channels that will keep them engaged over time.
- 4 Don't allow demographics to make you complacent.** Younger consumers tend to be more socially-motivated online, but young consumers who look and act like 'older-consumers' are present in these spaces as well. Make sure you meet the expectations of both socially-minded and utilitarian-minded personas by offering a blend of messages.

Remember—the activities of consumers online are embodied in several different personas. And if you can adjust your marketing messages to inspire the varying audiences that engage in these spaces, your customers—and your ROI—will thank you.

*Because **43%** of all online consumers are either FANS or FOLLOWERS, you must understand not only where to establish a social media presence, but how to communicate with your consumers once you're there.*

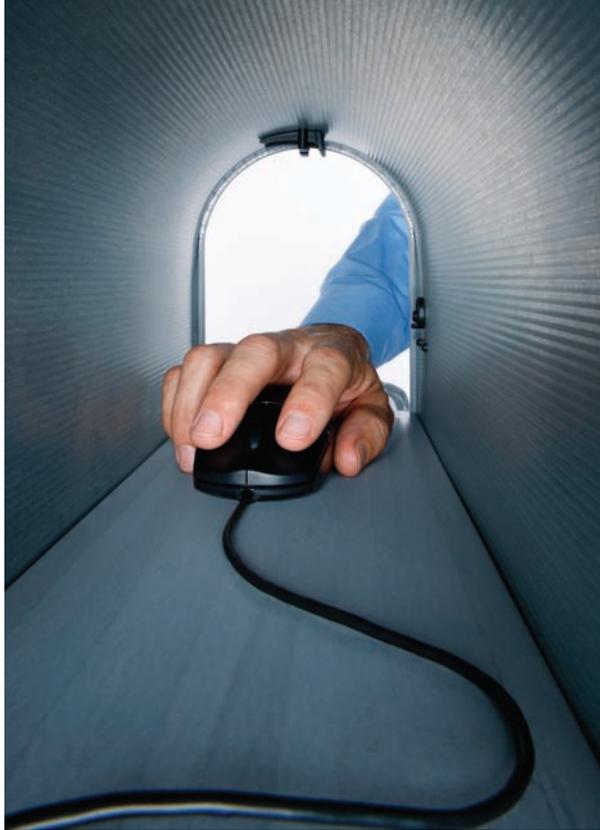
THE INSPIRATION FOR SUBSCRIBERS, FANS, AND FOLLOWERS

This study was inspired by our SUBSCRIBERS RULE! philosophy, which is built upon three simple interactive marketing tenets: a focus on serving the individual customer, honoring his or her communication preferences, and delivering timely, relevant content that will improve lives. To learn more about how we conducted our study, visit www.exacttarget.com/sff/about.



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In short, understanding where your customers begin their daily online activities is the key to successfully identifying where to deliver your marketing message.



WAIT—THERE'S MORE...

In part two of this research series, we'll continue to examine what all marketers need to know—the personas and tendencies of their email consumers. We'll focus on what makes email unique as a communication channel—from how many emails people receive on an average day and how many of those come from companies to what motivates consumers to subscribe and who subscribes most often to which brands.

To automatically sign up to receive each report as it's released, visit www.exacttarget.com/sff/download and select the opt-in button on the download form.



“When I wake up in the morning, I turn my computer on and immediately log into both my email accounts. They remain open ALL day.” Katie, 27, Orlando, FL

Now that you understand the importance of where your customers spend their digital mornings, you’re ready to develop a marketing strategy that will allow you to better communicate across all interactive channels.

Not only can ExactTarget power your Email, Facebook, and Twitter campaigns—we’ll provide a singular view of your consumers across all messaging mediums. The days of multiple providers and siloed communications are over.

Visit www.ExactTarget.com

to experience the future of interactive marketing firsthand.

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