5 WAYS TO GROW REVENUE
WITH BRANDED EMAIL HOSTING

How telcos, ISPs and hosting providers
can leverage branded email for profits

at mail

> "The reason we actively sign 10,000 new email customers a month is that customers actively using our email tend to churn less and spend three times more across our portfolio than other customers."
>
> **Large APAC telco, 2018**
>
> **(name available on request)**

Did You Know?

Consumers are obsessed with email.

Despite the rise of messaging platforms such as Facebook, WhatsApp, Instagram and Snapchat, consumers still spend 5.4 hours each day on email[1].

Customers of branded email tend to churn less and spend 3 times more.

This represents a unique opportunity for telcos, ISPs and hosting providers that want to strengthen customer loyalty, boost engagement, reduce churn and grow revenue.

[1] Adobe Consumer Report (2017)

Loyal customers are...

5ˣ
as likely to repurchase

5ˣ
as likely to forgive

4ˣ
as likely to refer

7ˣ
as likely to try a new offering

up to 7ˣ
more likely to buy than potential new customers

5 Ways to Grow Revenue with Branded Email Hosting

1. Upsell

Loyal email customers are typically the ones who pay for complementary products and/or additional features, such as:

- Domain names;
- Extra cloud storage;
- Premium antispam and antivirus;
- Email security gateway; and/or
- Ad-free email.

> "We see companies who have improved engagement increase cross-sell by 22%, drive up-sell revenue from 13% to 51%, and also increase order sizes from 5% to 85%."
>
> **R "Ray" Wang,**
>
> **Constellation Research, 2017**

2. Cross-Sell

With a captive email hosting audience, it's much easier to speak directly to your customers, to cross-sell:

- New services and tariff plans;
- Home phone/internet;
- Business phone/internet;
- Mobile phone plans;
- Bundled handsets;
- Website building and hosting;
- Website backup and security;
- SEO and marketing;
- SSL certificates; and
- More.

CASE STUDY

Tier 2 APAC telco

With
500,000
branded email customers

Generated
$1,000,000/year
in advertising revenue

3. Advertise

In-product advertising can drive revenue directly, as well as via third-party advertisers. It is an attractive option to providers that are under pressure to generate new revenue.

Popular licensing models include:
- Flat fee - typically modelled on Cost Per Thousand impressions (CPM); and
- Revenue sharing - which derisks the initial outlay, but potentially reduces the final returns.

Furthermore, email platforms that allow Class of Service (CoS) options enable you to segment your advertising (to turn on/off advertising to free/premium accounts).

4. Subscribe

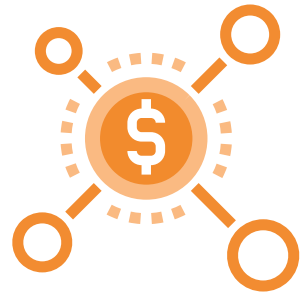Many customers will pay for their email subscription, to:

- Enjoy a superior email experience;
- Retain their online identity and data;
- Stay with a trusted provider; and/or
- Safeguard their privacy.

Today's customers are savvy. They have high expectations and are willing to pay for better experiences.

Not paying attention to this trend, runs the risk of dissatisfied customers swiping left to leave.

"86% of consumers will pay more for a better customer experience."

Oracle, Customer Experience

Impact Reporter, 2011

5. Reduce customer churn

When customers leave, providers lose in three ways:

- Immediate revenue;
- Future potential income; and
- New Customer Acquisition Costs (CAC).

That's why it's important to value the stickiness of email, and the contribution that email platforms make to customer retention and overall brand revenue.

Gavin Sanders, ISP Systems Engineer at Trustpower (a leading power, gas and broadband company in New Zealand), agrees:

"Email hosting is important to us because we know some of our power and gas customers would leave if we did not offer email."

For every
100,000
customers...

A 1.9%
customer churn

= $65,000
per month lost revenue

& $76,000
customer replacement costs

Sources: Aditya Kapoor (2017) and Financial Post (2017)

"Our premium email customers are also the ones who pay for SSL certificates, premium VPS hosting and so on. We estimate that these customers spend around three times more across our entire service."

Maddison Selleck,
Chief Business Development Officer

VentraIP (Australia's largest,
**privately-owned hosting provider), 2018**

Want to Learn More?

If you want to grow revenue, you need to stay close to your customers.

If you want to stay close to your customers, you need to stay close to their email.

Talk to us today about our modern, white label, email solutions, which can help you to strengthen customer loyalty, boost engagement, reduce churn and grow revenue.
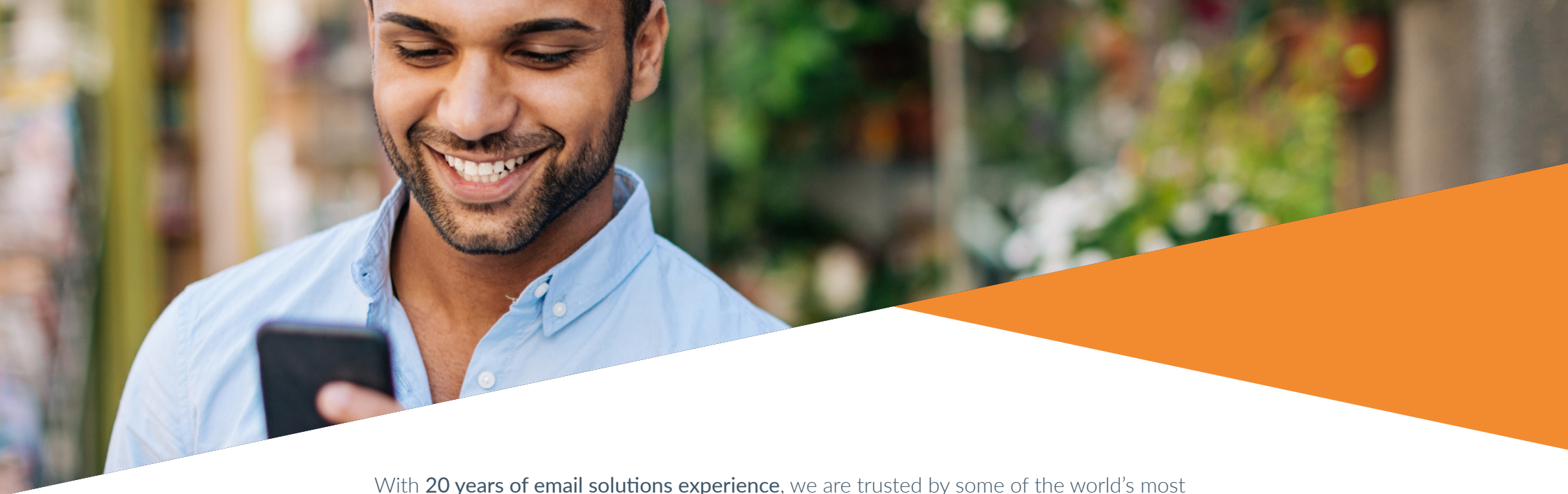
With **20 years of email solutions experience**, we are trusted by some of the world's most well-known telcos to deliver stable, secure and scalable customer email platforms.

Powering more than **170 million mailboxes** across more than 90 countries, we offer modern and monetisable platforms with 99.99% uptime and an impressive 99% customer satisfaction rating.

at mail™

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