

# Web Appendix to “Personalization in Email Marketing: The Role of Non-Informative Advertising Content”

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## Effect of adding the recipient’s company name

Working with company C, we designed an experiment to determine whether varying other pieces of personalized content affects the outcomes. For our objective, it was important that the content we experimented with was related to the recipient, and not the product that is being sold. Therefore, in this experiment, we used the name of the company where the recipient works. This piece of content has no explicit information about the product. Recall that all the email ids used by company C are of the form “@company.com” (where company is the recipient’s employer). Therefore, conditional on getting an email, the recipients knew that the marketer is aware of the firms in which they work. So we believed that adding this piece of content to the email message for the treatment group would not change the total information content in the email.

A total of 99,341 emails were sent as a part of this experiment. Figure 1 shows the emails sent to the control and the treatment group. The emails were the same except the treatment email had five extra words that included the recipient’s company name. Note that this experiment is different from experiment 1 in that the subject line was the same across the treatment and control groups. The manipulation was in the body of the treatment group’s email. Also, the company name was just mentioned once in the email.

Table 1 shows the results from this experiment. Column 1 shows that adding the name of the company to the email message did not change the likelihood of the email being opened. This is expected, because at the time the consumer made the decision to open the email, the content seen by both the treatment and the control group was the same. For other measures – leads and unsubscribes – we found significant improvements in the treatment group relative to the control group. Column 2 shows that the leads almost doubled, increasing from 0.11% to 0.22% (p-val < 0.01) because of the experimental treatment. In absolute terms, this is an increase of 55 leads valued at \$5500 by the company, a consequential increase from the company’s perspective.<sup>1</sup> Column 3 shows that the chances of a recipient unsubscribing was lower in the treatment group. It decreased by about 6.7%, from 3.91% to 3.62% (p-val=0.02), which is 131 fewer unsubscribes because of the experimental treatment. Columns 4 and 5 show that leads and unsubscribes decreased even conditional on opening the emails. This is not surprising given that the effect of the experimental manipulation, if any, could only occur after the emails were opened. These findings corroborate the findings in the previous experiments. They show that the effects we document are not limited to including the name of the recipient.

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<sup>1</sup>Our collaborating firm has not yet implemented a system to include this information in their default emails. This is because, unlike the first name, incorporating the company name in the message requires cleaning and verification manually.

Table 1: Results from the experiment – Company C adding the recipient’s company-name in the body of the email.

	(1) Opens/Sent		(2) Leads/Sent		(3) Unsubscribes/Sent		(4) Leads/Open		(5) Unsubscribes/Open	
	Treatment	Control	Treatment	Control	Treatment	Control	Treatment	Control	Treatment	Control
Mean	10.79%	10.99%	0.22%	0.11%	3.62%	3.91%	2.08%	1.01%	33.56%	35.52%
Standard error	(0.14%)	(0.14%)	(0.02%)	(0.02%)	(0.08%)	(0.09%)	(0.19%)	(0.14%)	(0.64%)	(0.65%)
N	49,836	49,505	49,836	49,505	49,836	49,505	5,379	5,445	5,379	5,445
p-value	0.30	< 0.01	< 0.01	< 0.01	0.02	0.02	< 0.01	< 0.01	0.03	0.03
Effect size (Cohen’s D)	-0.006	0.03	0.03	0.03	-0.02	-0.02	0.09	0.09	-0.04	-0.04

Notes: The table presents results from the experiment conducted with company C in which the treatment group received the same emails as the control, except that the email text mentioned the recipient’s company name as shown in Figure 1. For each experimental group we report (a) averages across individuals, (b) standard errors (in parentheses), (c) p-value testing whether the means are equal across the two conditions and (d) the number of observations. Column (1) shows the open-rate (opens/sent). It shows that the open-rate across the two conditions is statistically indistinguishable. Column (2) compares the likelihood of a lead (lead/sent) across the two conditions and finds that the leads are higher in the treatment condition. Column (3) shows that the unsubscribe-rate (unsubscribes/sent) is lower in the treatment condition. Columns (4) and (5) compare leads and unsubscribes conditional on opens and show that conditional on opening the email, unsubscribes reduce and leads increase.

Table 2: Regression analysis: robustness to controls

	Open (0/1)	Lead (0/1)	Unsubscribe (0/1)	Lead/Open (0/1)	Unsub/Open (0/1)
	(1)	(2)	(3)	(4)	(5)
	Coef.	Coef.	Coef.	Coef.	Coef.
	(std err)	(std err)	(std err)	(std err)	(std err)
Condition with company name	-0.00212 (0.00196)	0.00113** (0.00026)	-0.00288** (0.00120)	0.00969** (0.00231)	-0.02207** (0.00893)
Intercept	0.1099** (0.0014)	0.0011** (0.0002)	0.0391** (0.0009)	0.0101** (0.0014)	0.3552** (0.0065)
City	Yes	Yes	Yes	Yes	Yes
Date	Yes	Yes	Yes	Yes	Yes
Course	Yes	Yes	Yes	Yes	Yes
N	99,341	99,341	99,341	10,824	10,824

Notes: \*:  $p < 0.1$ , \*\*:  $p < 0.05$ . The table shows results from the experiment using regression analysis, controlling for observable characteristics using fixed effects. Specifically, we control for the location of the recipient, the date when the email was sent, and the course being sold in the email. The independent variable is the experimental allocation of the user to a condition with the individual's name in the email. Each column analyzes a different dependent measure. Across columns we find results analogous to the findings from mean comparison presented in Table 1.

Figure 1: Example treatment and control emails.

### Control Email

Email id: [name@company.com](mailto:name@company.com)

Subject: %%Name%%, Learn Financial Modeling & Business Analytics from Industry Experts in Sydney

Dear %%Name%%

Greetings,

This e-mail is in regards to our upcoming Financial Modeling 4 Days Intense Classroom Training in Sydney this month. It is a program that **aims at adding significant value to professionals like you.**

This course will help you ...

### Treatment Email

Email id: [name@company.com](mailto:name@company.com)

Subject: %%Name%%, Learn Financial Modeling & Business Analytics from Industry Experts in Sydney

Dear %%Name%%

Greetings,

This e-mail is in regards to our upcoming Financial Modeling 4 Days Intense Classroom Training in Sydney this month. It is a program that **aims at adding significant value to professionals like you, working in companies like %%Company\_Name%%.**

This course will help you ...

Notes: The figure shows excerpts from the emails sent to the treatment and control conditions in the experiment with company C. The differences are highlighted in red and bold for the purpose of presentation. The recipients in the treatment condition see the name of their company in the email message. Recipients in the control condition do not see the name of their company.