

Email validate buyers guide

What every organisation should know about selecting an email validation supplier

An Experian guide

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Preface

Every email address you have permission to hold, and market to, is a business asset. Just as with any other asset, it needs to be properly managed to bring you the best results. A growing number of emails are not reaching their intended target, suggesting that companies may not yet see the importance of managing the quality of their email data. The cost of undeliverable emails can be far greater than the pennies it cost to send them. In a recent survey more than two-thirds of respondents* said they'd had problems getting emails to the right people in the past year and a quarter told us they'd lost revenue as a result. However, the real cost of being unable to reach your customer's inbox goes even further, affecting customer retention, campaign ROI and reputation. The key to managing this cost lies in the quality of your data

1. Summary

This buyers guide aims to give you all the information that you need to make an informed decision on your email validation vendor. It will cover the market challenges marketers face when it comes to bad email data, highlighting some of these in a customer case study with market leading performance marketing business, digitalbox.

We break down the top six product criteria that an organisation should look for in a validation product and the questions you should be asking your prospective vendors to ensure you get the best tools for your organisation.

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Speed and accuracy

Active validation and caching results

Greylisting and spamtraps

Accept-all address validation

Actionable response codes

Security and scalability

2. Market Challenges

Bad email data causes issues for marketers, we all understand that. It can play havoc with your carefully planned and meticulously created campaigns. Every now and then it's good to have a refresher on the dangers of bad data. Here we visit three of the main challenges marketers face.

Dirty data

More than 20%* of respondents to a recent survey say they have suffered reputation damage from misfiring emails. And that risk is intensifying as increasingly vigilant Internet Service Providers use more sophisticated filtering methods and setting spam traps and honey pots for emails to fall into.

Each email that an ISP has to process costs them money. While the cost of an individual email might be tiny, when you multiply that by the millions of emails they process every day, coupled with the fact that email services are a pure overhead on which they derive little or no revenue, then you begin to understand the pressures that ISP's face and their increasingly sophisticated methods of blocking and filtering messages away from the inbox of the customer.

Too many bad email addresses and legitimate marketers can find themselves blocked like a spammer. Indeed, if your bounce back rate is high, you could easily find an entire campaign is blocked in an instant.

List buying

A clear source of bad email addresses are purchased lists, which should be treated with caution. They may help you expand your customer base quickly but they can prove bad value if they import outdated or incorrect data into your database, which could in turn land you in a spam-trap or in trouble with the regulatory bodies. Always make sure that lists are thoroughly checked and cleaned before use. Additionally, you must take care to ensure that the data on a purchased list has the relevant permissions. Bearing in mind the current strict, and future stricter, data protection laws, you must ensure that the data you use has been

consented to for or the purpose that you are using it. This is extremely difficult to do when you are buying a list from a third party.

Data decay

Email data is fast decaying. You only have to consider that the average person changes email addresses up to twice a year to start to understand why. So you really can't be sure that any information more than six months old is still accurate.

Checking and cleaning your data will help you be confident that you are communicating with the right customers and prospects and sending them appropriate, timely messages, which in turn will help increase response rates.

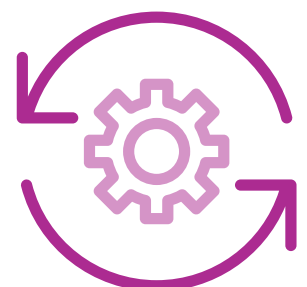
More than 20%* of respondents to a recent survey say they have suffered reputation damage from misfiring emails.

***Experian Data Quality Global Research 2014**

Case study

'digitalbox' is one of the UK's leading and fastest growing performance marketing operations, generating profitable consumer data through a mix of performance marketing solutions. Using a competitors email validation software they found that their validation checks failing because the vendor couldn't cope with traffic. As their email volumes rocketed from 50,000 unique addresses per month to 250,000, address accuracy plummeted and revenues remained flat. The company was in a paradoxical situation where business was growing, but with poor quality data validation, revenues remained flat. It represented a huge risk to services, profitability and reputation.

Now using email validation once again, digitalbox has seen virtually instantaneous improvement to its services.



3. Evaluating vendors

Investing in technology for any part of your organisation is a calculated risk. The tool will either do what is says and the time you invest buying and implementing it will more than pay off. On the other side of the coin however, is the possibility that it doesn't live up to your organisations expectations, and you are left with not only a gap in your budget but a bad taste in your mouth.

To help reduce the risk in your investment we have pulled together the important six product capabilities to address when looking for an email validation tool and the key questions you should expect any supplier to answer.

3.1 Speed and accuracy

3.2 Active validation and caching results

3.3 Greylisting and spamtraps

3.4 Accept-all address validation

3.5 Actionable response codes

3.6 Security and scalability

NB: Email validation should be conducted in total silence, with no visible contact with the owner of the email address. The issue of blank emails to validate addresses, which invariably end up in the junk and spam folders, is a serious violation of anti-spam laws. Any vendor who practices this mode of validation should be avoided.

3.1 Speed and accuracy

Solution speed is a critical factor that must be considered from the outset.

Essentially, it's the measure of how quickly validated results can be returned, either when requested as a real-time look-up or bulk file process. For example, if we consider email validation as part of a lead generation form for marketing purposes, the quicker the validation process, the less risk of form drop-off by the user. Plus, with validation in place and prompts to correct inaccurate email address entry, the

integrity of the information captured is stronger.

Question your vendor: How fast is your service, have you conducted a system speed test?

The accuracy of the results generated is an important element of an organisation's wider contact data quality strategy.

By validating large portions of their email addresses, organisations can improve their communications effectiveness, ensuring they are contacting customer with the right message at the right time.

Question your vendor: Can you perform an accuracy test on a segment of my data for free to show how robust your product is?

3.2 Active validation and caching results

There are 3 main stages to a robust email validation offering;

- 1. A syntax check** (Is the address correctly formed?)
- 2. A domain check** (Is the domain registered and licensed?)
- 3. Active validation** (Including SMPT and advanced 'accept all' validation processes.)

The active validation stage is critical. This process conducts active real-time checks against each ISP to determine the current status of the email address.

Question your vendor: Does your validation tool include syntax, domain and active validation checks against every ISP?

Many vendors will cache results of email validations performed in the past, then simply look up results against these previous checks when performing new validations. The inherent benefit of this method is the speed at which you can return a look-up, but of course, this is a risky strategy given that email addresses are constantly decaying and an email that may have been active previously may no longer be, and could potentially now be a trap.

Question your vendor: Does your validation tool cache results?

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3.3 Greylisting and spamtraps

Greylisting is a process employed by ISP's to 'test' suspected spam emails.

Emails that are suspected to be spam will be temporarily blocked from the intended inbox, with the sender being notified of this. Spammers are unlikely to try sending again, where as legitimate senders certainly will. Once the sender tries to send again after a certain time period (typically between 25 minutes and four hours) their email will be delivered. This process is also applied to SMTP checks that validation software uses to help validate an email address. If the validation tool is not programmed to deal with greylisting, you will find all email addresses that are governed by an ISP utilising greylisting unable to be validated.

Question your vendor: How does the tool deal with greylisting?

As with greylisting, spamtraps are a tool used by ISP's to catch out spammers and stop them reaching their users inboxes. They can be email addresses deliberately set up by the ISP's and sent out into the typical channels to see if they are picked up by spammers. They can also be legitimate but inactive accounts utilised by ISP's for the same purpose. By mailing to these accounts you may well find yourself blacklisted, meaning that all emails sent to their users will be blocked.

Question your vendor: Can your validation tool identify spamtraps and other invalid addresses?

3.4 Accept-all address validation

Some ISPs, such as Yahoo!, have an 'accept-all' address policy, where the returned response will always be valid. This clearly has implications for the organisation as they will receive valid response codes for inactive addresses and it will devalue trust in the results. You require a solution which conducts additional interrogation methodology to return accurate and valid responses, which may overwrite the initial response given by the ISP.

Question your vendor: How does the tool deal with 'accept-all' address such as @Yahoo!.com?

3.5 Actionable response codes

Simply put, email validation result codes should be simple to understand and easily actionable. This gives organisations the ability to make strong decisions with the data they hold or are collecting. For example, they may put a simple telemarketing exercise in place to further validate any addresses that are returned as 'unknown'.

Question your vendor: How many response codes does your validation tool return? Are they all clear and actionable? Will you be charged for unknown responses?

3.6 Security and scalability

When purchasing software, platform security should be high on your organisation's agenda. It is important to be confident that the solution will perform to the expected level but also that the solution is safe and secure and has the necessary ISO accreditations. The use of a secure data centre gives your organisation confidence that your data is secure and this approach will limit solution down-time.

Question your vendor: What are the deployment options for this tool? How can I access and monitor the tool?

Solution scalability is an important factor when choosing an email validation vendor due to the volume of contact information organisations now collect. The validation of emails is often time-based; either dependent on campaign delivery dates or regulatory pressure and therefore timely validation of large volumes is a critical requirement.

Question your vendor: What volume of records can your tool process and to what timescales?

3.7 How does your vendor measure up?

| Requirement | Score | | | | |
|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 01 | 02 | 03 | 04 | 05 |
| Speed and accuracy | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Active validation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Caching results | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Accept all validation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Actionable responses codes | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Security and scalability | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

4. Conclusion

Cutting corners on an email validation tool can cost you money, time and reputation. Before you make the decision to invest take the time to ensure you know what you want from validation software and that the vendor you chose can deliver it. By properly scoping out a provider beforehand you negate the risk of bad investment and continued poor data quality. Getting it right first time will mean that you can hit the ground running and move forward in delivering great campaigns to your customers, confident that they will receive them.

About Experian

Experian unlocks the power of data to create opportunities for consumers, businesses and society.

At life's big moments – from buying a home or car, to sending a child to college, to growing your business exponentially by connecting it with new customers – we empower consumers and our clients to manage their data with confidence so they can maximize every opportunity.

We gather, analyse and process data in ways others can't. We help individuals take financial control and access financial services, businesses make smarter decision and thrive, lenders lend more responsibly, and organisations prevent identity fraud and crime.

For more than 125 years, we've helped consumers and clients prosper, and economies and communities flourish – and we're not done. Our 17,000 people in 37 countries believe the possibilities for you, and our world, are growing. We're investing in new technologies, talented people and innovation so we can help create a better tomorrow.

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