LRG Marketing Communications

2016 EMAIL MARKETING STUDY

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Physical Security Data Study

The LRG Marketing Communications' Email Marketing Study examines changing trends surrounding email marketing within the physical security industry. Based on a survey of more than 300 professionals in the security space, LRG's report reveals how security manufacturers and suppliers can engage their audience meaningfully in 2016 and beyond.
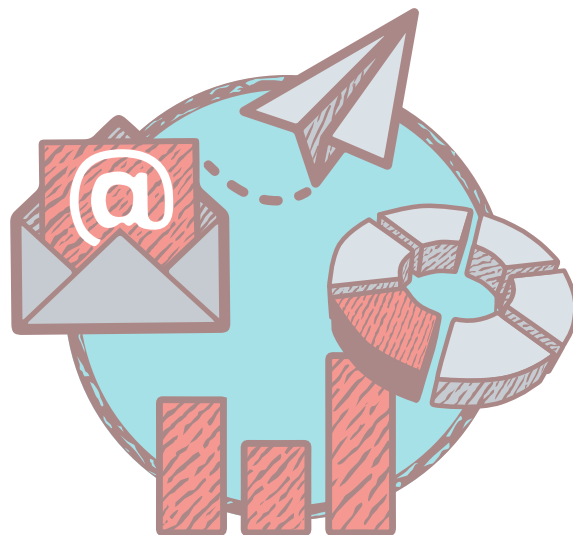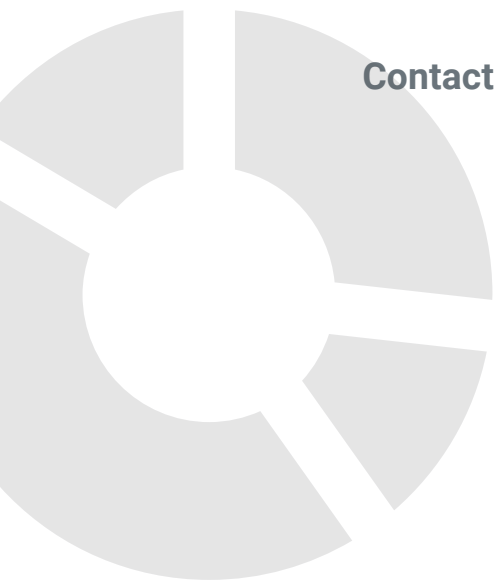
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Historically, the physical security industry has had some of the most loyal supplier-customer relationships of any B2B industry. Security manufacturers enjoyed relationships that lasted for decades as dealers, integrators, and end users eagerly awaited the latest and greatest technology for surveillance, access control, key management, and more.

Since the early 2000's, the demand for improved physical security solutions skyrocketed as businesses responded to the increased awareness of a variety of business hazards and the corresponding need to protect themselves against theft, terrorism and other security risks that if unchecked, could lead to crippling damage.

This need created an opportunity for a flood of new suppliers and manufacturers to enter the marketplace. As a result, an increasing number of buyers no longer have the brand affinity they once had.

Today, suppliers and manufacturers are using email marketing to nurture leads and keep customers updated on new releases. This study surveyed over 300 physical security professionals to examine the effectiveness of email marketing within the industry in 2016 and beyond. The findings address some of the biggest challenges faced by brands in physical security today:

- Security buyers are inundated by emails from brands almost on a daily basis and many are tuning out this messaging.
- Manufacturers face a threat of disruption from newer, more agile companies that are technologically advanced.
- Consumers are less interested in being sold to and instead want to be educated on the physical security space.
- Buying cycles are lengthening as security professionals are looking for fit rather than loyalty.
- An abundance of traditional and digital marketing channels makes it more difficult for brands to be heard.

Providers within the security industry need to understand these changes in the marketplace and update their tactics in order to compete in a saturated marketplace. This study examines how suppliers and manufacturers can break through the noise using email marketing.
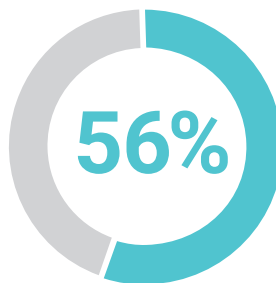
Surprisingly, security professionals do read industry emails, but the content contained in them falls short of their expectations.

44%
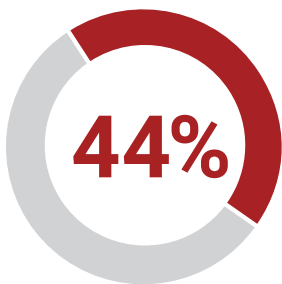
44 percent of security professionals want emails from their suppliers to contain industry news.

56%

Thought leadership is a key driver for generating peer-to-peer recommendations as 56 percent said they'd be more likely to suggest a brand they believed to be an industry expert.

55%
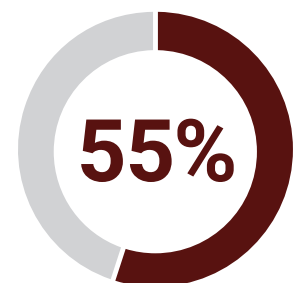
55 percent of physical security professionals say they will unsubscribe from an email marketing list if the content isn't relevant for their business.
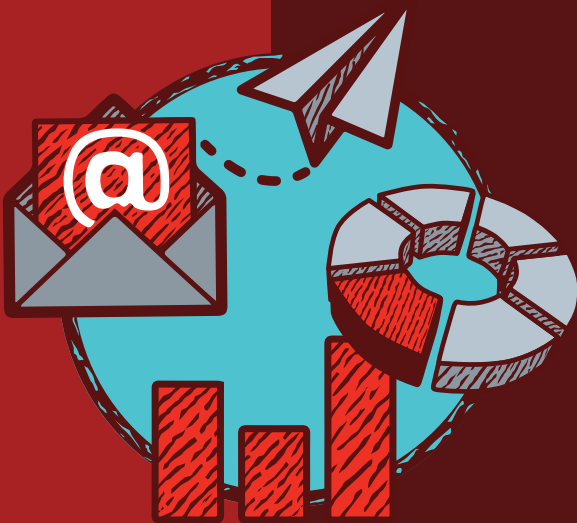
Three out of every five respondents say they'd be more willing to read emails if they contained content useful to their business.

Although PC is still the primary device for reading marketing emails, brands should start optimizing for mobile as one in every five security professionals open them on a mobile device.

Email Consumption Habits

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Email Consumption Habits

The LRG Marketing Communications 2016 Email Marketing Study shows that emails are a pivotal part in the decision-making process for physical security solutions. In fact, buyers are often willing to open marketing emails and actively seek compelling content when they do so. This survey also indicates that most security professionals consume email on a PC, but the industry is slowly becoming more mobile-oriented.

Mobile is gaining momentum

Historically, physical security professionals tend to be careful technology adopters. However, the industry is slowly moving towards reading and engaging with emails on mobile devices. In this study, 19 percent of security buyers reported reading marketing emails on a mobile device.

The survey reached executives, middle management, IT professionals and those in sales and marketing. As a whole, IT professionals are ahead when it comes to adopting technology as a little more than one in four survey respondents said they read email on a mobile device. Interestingly, sales and marketing are the smallest demographic that use a mobile device to read emails at just 14 percent.

Most security professionals who said they read on a mobile device are using their phones while just four percent are reading emails on a tablet. The only demographic that is moving toward tablet use is the IT department at nine percent.

Although mobile adoption for email is not a large segment in the physical security market yet, marketers should begin to get ahead of the trend now by optimizing emails to be read on a phone as the industry increases mobile use.
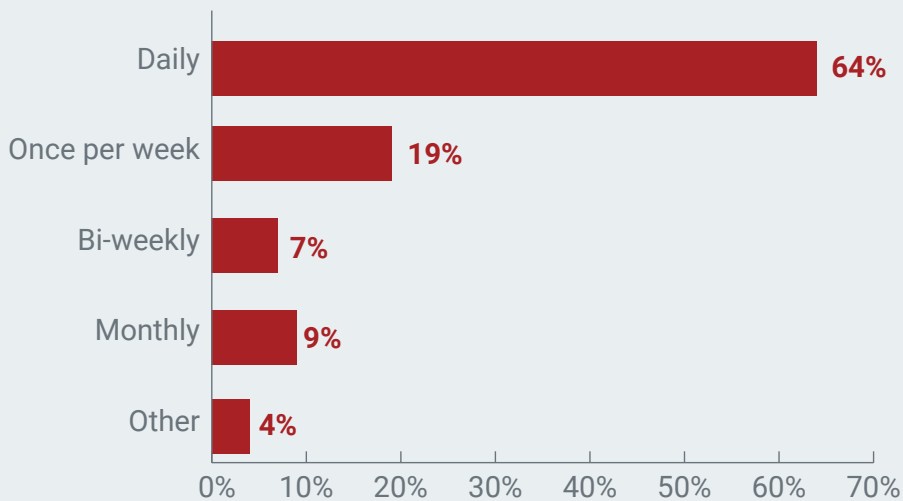
Where do you read emails most frequently?

4%

15%

81%

■ Desktop/Laptop Computer   ■ Smartphone   ■ Tablet
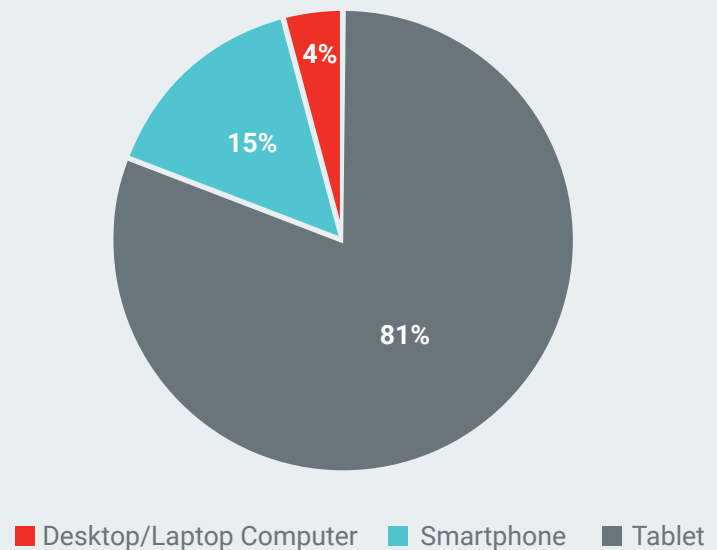
Email Consumption Habits

How often do you receive emails from a security supplier/manufacturer?

Daily **64%**
Once per week **19%**
Bi-weekly **7%**
Monthly **9%**
Other **4%**

0% 10% 20% 30% 40% 50% 60% 70%

86%
of respondents open marketing emails daily

Buyers actively consume marketing emails

In conducting this survey, one of the initial assumptions was that marketing emails weren't being read. However, the results show this couldn't be further from the truth.

The results showed that 64 percent of respondents said they receive marketing emails daily, and an overwhelming majority of respondents open them (86 percent).

Not only are valuable buyers and potential prospects opening emails, they're actively looking to engage with your brand.

Only six percent said they delete emails without reading them while 78 percent actively look for some sort of content to click through. When diving a little deeper on why security professionals are willing to open an email, nearly half said they're looking for a new product release while 34 percent said it has to do with their interest in the company.

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Email Consumption Habits

What most accurately describes how you engage with emails from security suppliers/manufacturers?
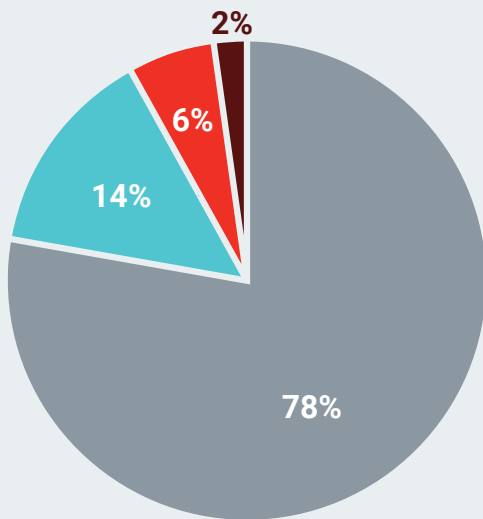
Look for interesting content to click-through	■
Mostly skim emails	■
Deletes emails right away	■
Click through every link	■

- 2%
- 6%
- 14%
- 78%

44%

will click-through if relevant industry news is provided in the email

Once they open the email, the study found that just over a third of respondents (37 percent) are looking for product information or special pricing. However, providing relevant industry news turned out to actually be the top reason for links to be clicked through at 44 percent.

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Email Consumption Habits

What are you most interested in receiving from company newsletters?

44%
Relevant industry news

38%
Product information or special offer

11%
Free resources to help me with my business

6%
Testimonials/case histories relevant to my business

2%
POVs from company execs

This is all great news for marketers in security as it proves that they are generally reaching an interested audience.

But, in order for marketing emails to truly make an impact, they need to have well-written copy and link to content that connects with readers in a meaningful way. Even when announcing new products, it's crucial for marketers in the security industry to think strategically on not only the product launch, but also the path within the buyers' journey they'll provide to show that product's value. Given that your audience is looking for something more from the emails they receive, enticing them with something they'll want to read will ultimately help your email marketing efforts.
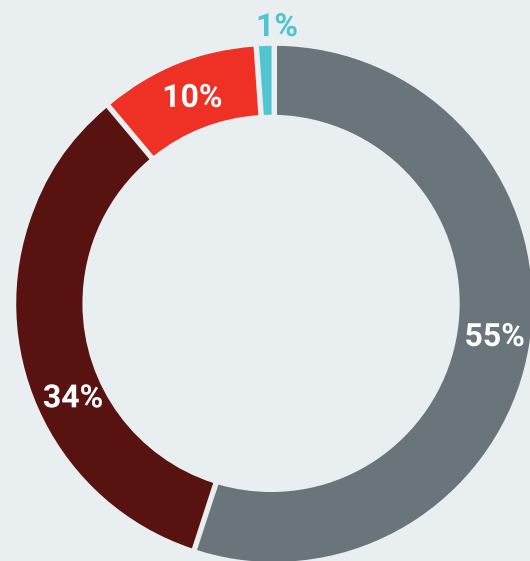
The Email Disconnect
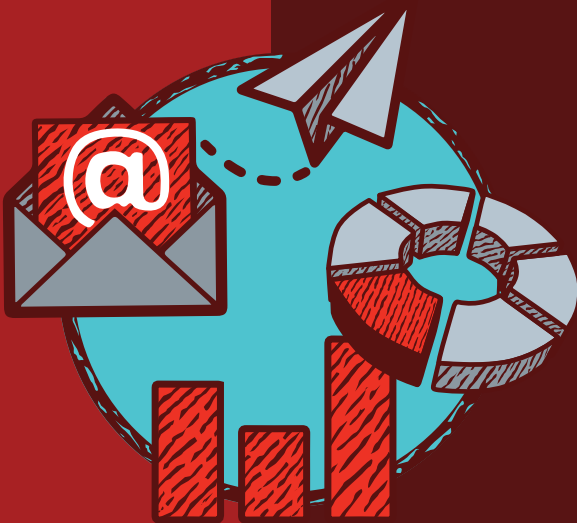
The Email Disconnect

While e-blasts continue to be an effective mode of marketing to professionals in physical security, there is a general disconnect between what marketers send and what the industry wants. Although our survey showed that many feel like they are bombarded by emails, the biggest complaint was the copy within marketing emails.

Marketers failing to provide relevant content

While the industry is certainly receptive to email marketing from security suppliers and manufacturers, there is a noticeable gap between the emails security professionals receive and their expectations.

The LRG Marketing Communications Email Marketing Study reveals that security professionals are too inundated with emails. 34 percent said they will often unsubscribe from an email list if it's considered too salesy. However, the most alarming cause for unsubscribes is that they don't see the relevance of the email to their company, with 55 percent of respondents describing that as the top reason for unsubscribing from email lists.

What's the most likely reason you'd unsubscribe from an email marketing list?

1%
10%
34%
55%

■ Not relevant for my business

■ Too many emails

■ Too salesy

■ Don't display well on my device

55%

of respondents unsubscribe because they don't see relevance to their business
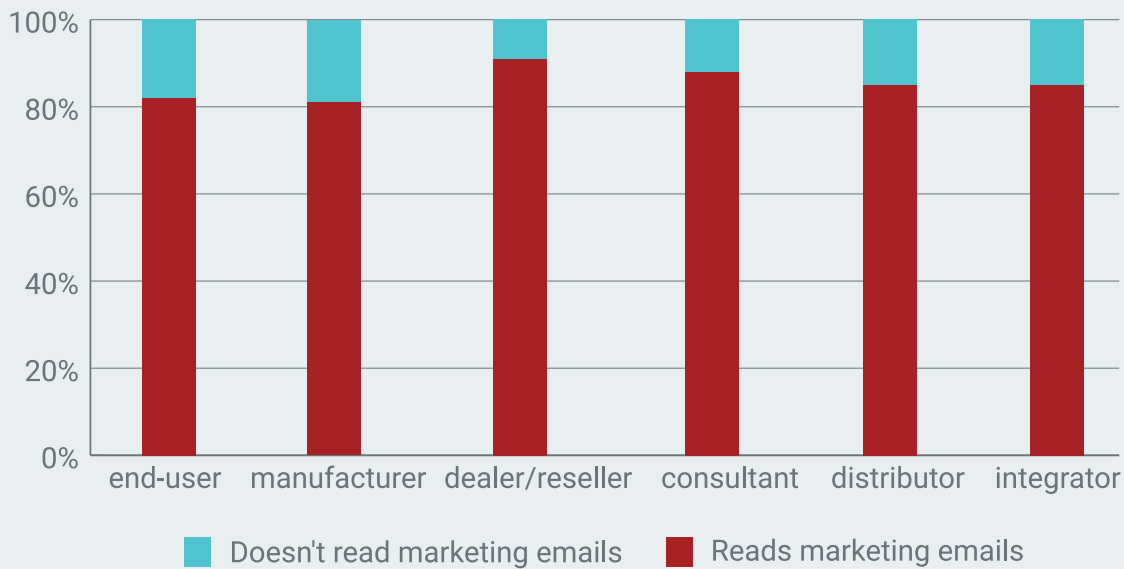
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The Email Disconnect

Dealers and resellers have a vested interest in reading marketing emails and when surveyed, opened them more than any other group at 91 percent. However, despite being the most interested in emails from the security industry, they expressed the most disappointment with the content. A whopping 70 percent of respondents said they unsubscribe from email lists when the content is considered not relevant for their business.

70%
of respondents said they unsubscribe from email lists when the content is considered not relevant for their business

Email Marketing Consumption Habits by Company Type

100%		
80%		
60%		
40%		
20%		
0%		

end-user   manufacturer   dealer/reseller   consultant   distributor   integrator

- ■ Doesn't read marketing emails
- ■ Reads marketing emails

The Email Disconnect

Reasons for Email Unsubscribers by Company Type

Legend:
- Not relevant for my business
- Too many emails
- Too salesy
- Doesn't display well on my device
- Too technical
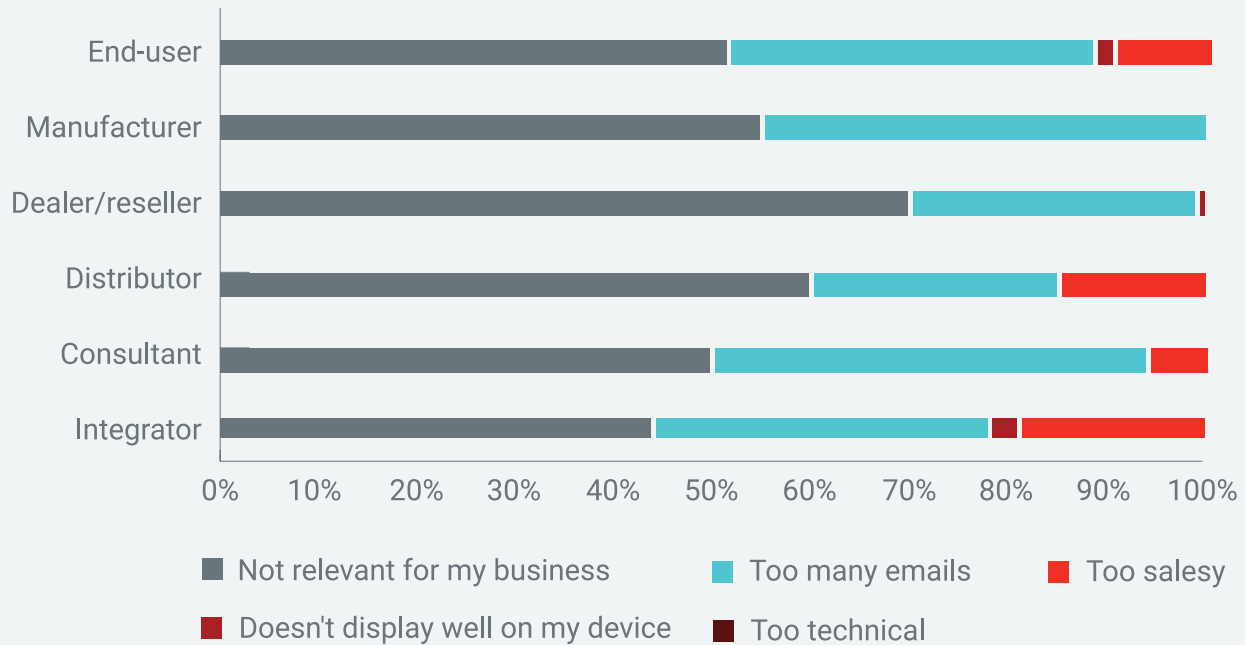
Considering dealers and resellers are ideal advocates for brands in the physical security space, marketers are wasting an opportunity to connect with a captive audience. Remember, when someone unsubscribes, it's the equivalent of tuning a brand out. As security professionals continue to be inundated with emails and feel less compelled to stay loyal, staying highly relevant in marketing communications is crucial to retaining customers and prospects.

Opportunities for 2016 and Beyond
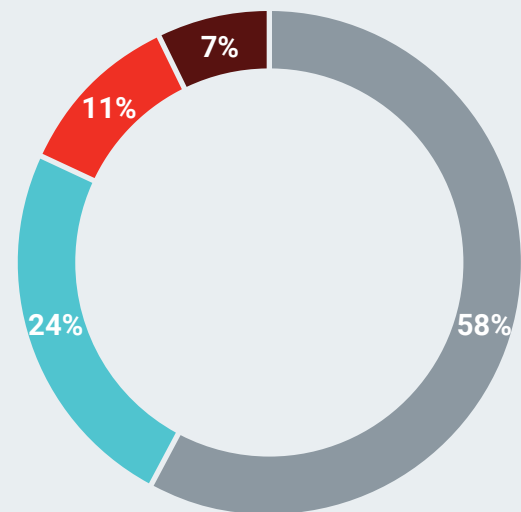
Opportunities for 2016 and Beyond

While email marketing as a whole doesn't meet the expectations of the security industry, the findings from the LRG Marketing Communications 2016 Email Marketing study found there to be tremendous untapped opportunities. The insights from the study reveal that security professionals would be extremely receptive to email marketing if it piques their interest.

Here were the three biggest takeaways from our data:

Security professionals want useful content

In order for marketers in physical security to effectively reach their audience, they need to link to useful and relevant content in their emails. Among the ways security suppliers could improve their email marketing, 58 percent of respondents want more useful content.

How can security vendors improve their emails?

7%

11%

24%

58%

■ **Provide more useful/relevant content**

■ **Provide an offer of value to my business**

■ **Make them more interesting or entertaining**
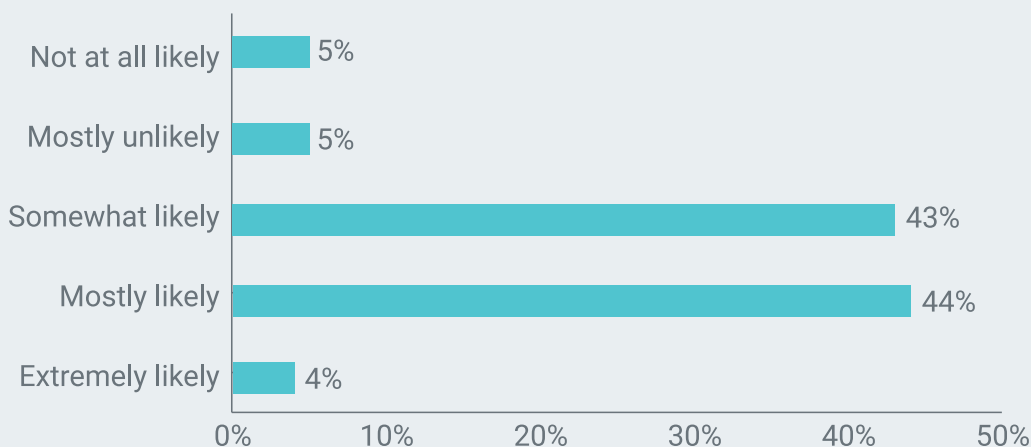
■ **Make the emails more personalized**

58%
of respondents want more useful content

Opportunities for 2016 and Beyond

How likely would you buy solutions from a security brand if you received quality content from them?

Category	Value
Not at all likely	5%
Mostly unlikely	5%
Somewhat likely	43%
Mostly likely	44%
Extremely likely	4%

48%

of all respondents said better and more informational content would increase the likelihood of their buying that company's product or solution

Providing useful content isn't just a nice-to-have, it's actually a game changer. Of those who want marketers to provide useful links in emails, over half (56 percent) said they'd either click through and read the content or share the email with peers.

Not only are email list subscribers more likely to engage with your brand, they're also more likely to be buyers. When asked how quality content would impact their willingness to buy solutions from a security vendor, the results were telling. 48 percent of all respondents said better and more informational content would increase the likelihood of their buying that company's product or solution.

Opportunities for 2016 and Beyond

Similar to all other B2B industries, security professionals seek more information at their fingertips for making an informed decision. Brands in the industry need to react appropriately and use content to guide their customers to making a purchase, or they will get beat by the competition.

Thought leadership is the gold standard

The physical security industry isn't just seeking more information, but actually wants to break standard practices entirely according to the survey results.

While one in three (34 percent) respondents say they want more product information or special pricing, case histories (six percent) and point-of-views (one percent) from company execs are of little interest as email topics. Instead, physical security companies need to provide insights on the latest industry trends as 48 percent of respondents said they would most likely click through if there was a link to relevant news.

one in three respondents say they want more product information or special pricing

What types of links in marketing emails would most likely make you click through?
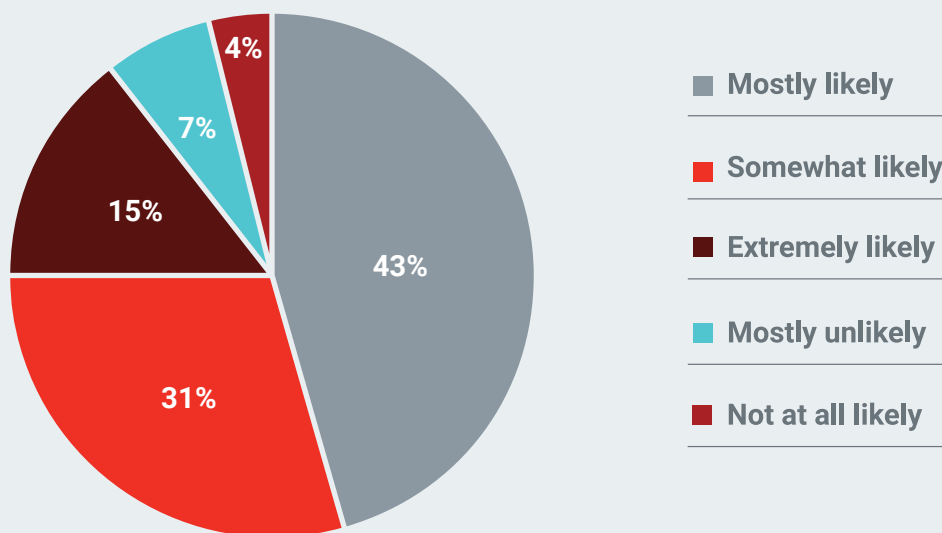
1%
6%
11%
48%
34%
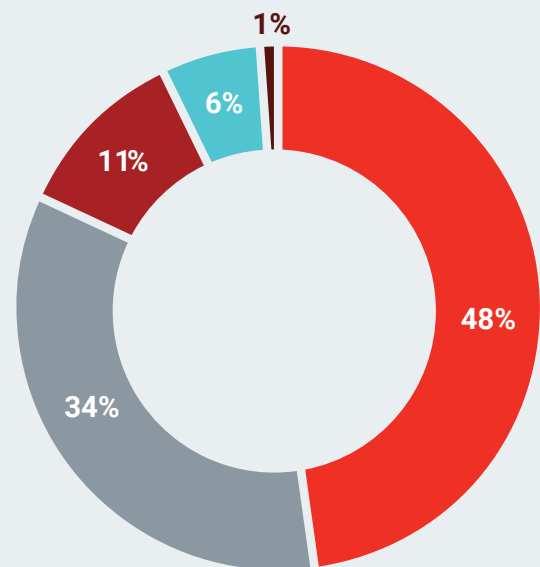
- **Relevant industry news**
- **Product information and special pricing**
- **Free resources to help me with my business**
- **Testimonials/case histories relevant to my business**
- **POVs from company execs**

Opportunities for 2016 and Beyond

How likely are you to recommend suppliers/manufacturers to a partner if you believe they are industry experts?

- 4%
- 7%
- 15%
- 43%
- 31%

- ■ Mostly likely
- ■ Somewhat likely
- ■ Extremely likely
- ■ Mostly unlikely
- ■ Not at all likely

Ultimately, providing thought leadership is a sure-fire way for security brands to receive peer recommendations. 58 percent of respondents said they would likely recommend a supplier to a partner if they believed the brand to be industry experts.

This represents a dramatic shift from industry practices as potential customers are now showing more interest in receiving emails with information about how broad industry trends will impact their business and less in case studies. Physical security brands will need to provide insights on new technology in order to get the most engagement from their email marketing efforts moving forward.

58%

of respondents said they would likely recommend a supplier to a partner if they believed the brand to be industry experts
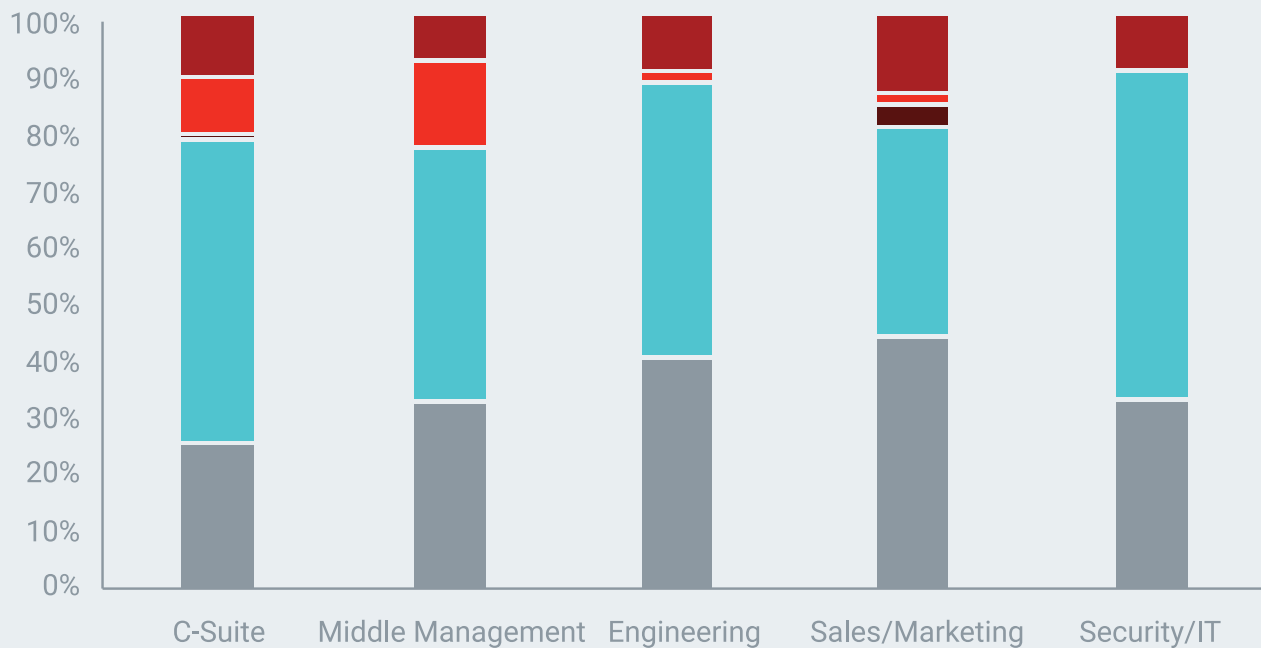
Opportunities for 2016 and Beyond

One size doesn't fit all

Email marketing in general has changed in recent years. One of the biggest changes is that email subscribers want content that's specifically tailored to them and the study shows that the security market is no different.

This is evident when responses are broken down by job level. For instance, we found that 44 percent of sales and marketing professionals are looking for more product information in marketing emails. However, just 25 percent of those with C-Suite titles said that would get them to click through email links.
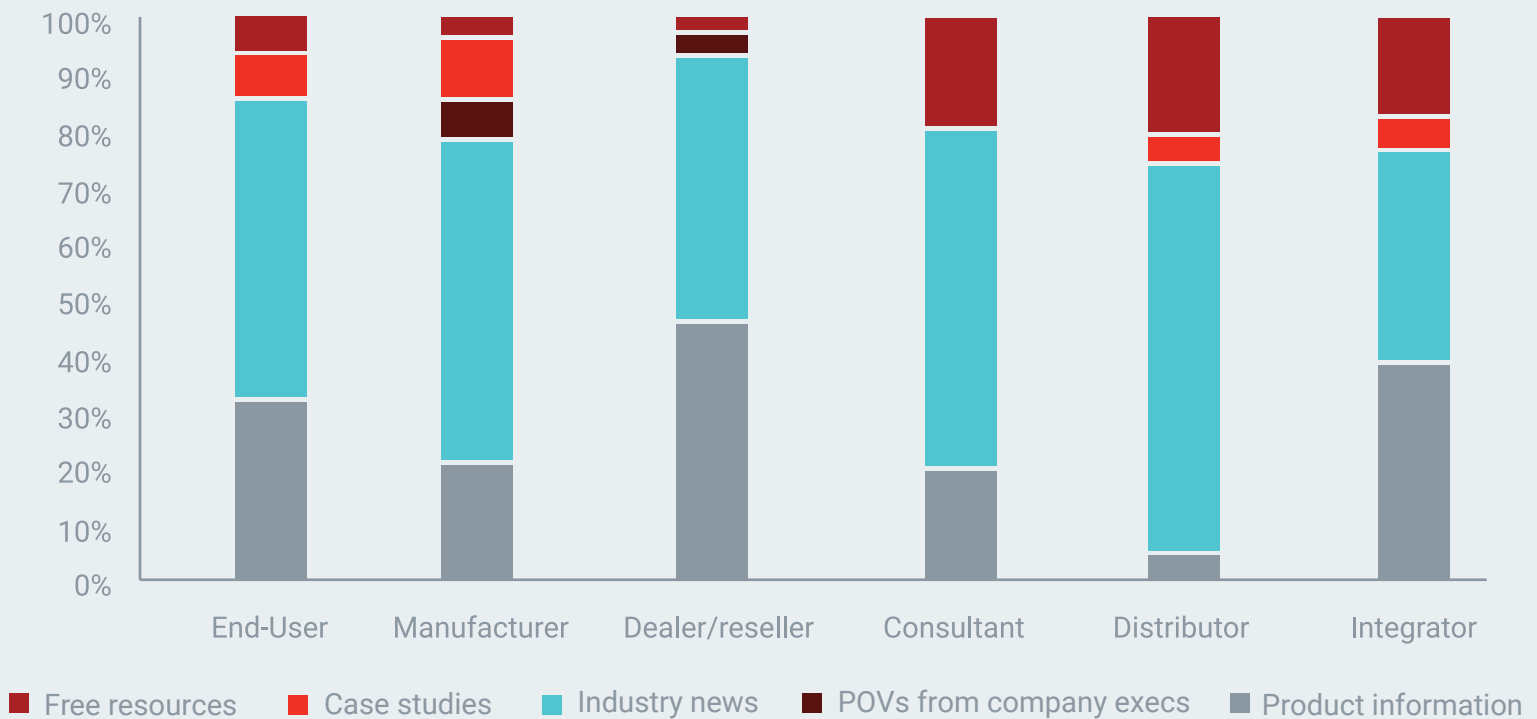
Types of Links Wanted in Emails by Job Type

Legend: ■ Free resources ■ Case studies ■ Industry news ■ POVs from company execs ■ Product information

X-axis: C-Suite, Middle Management, Engineering, Sales/Marketing, Security/IT

Opportunities for 2016 and Beyond

Types of Links Wanted in Emails by Company Type

Legend: Free resources · Case studies · Industry news · POVs from company execs · Product information

Categories: End-User · Manufacturer · Dealer/reseller · Consultant · Distributor · Integrator
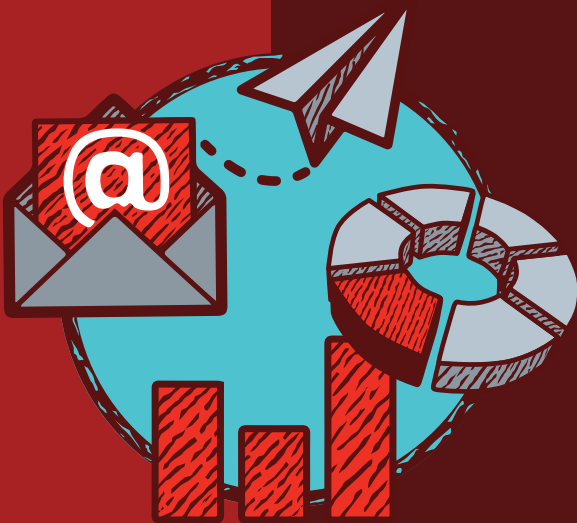
The findings show similar discrepancies when we broke the data down by company type. For instance, dealers and resellers are more responsive (45 percent) to product information than manufacturers (21 percent) or consultants (20 percent).

In order for security brands to adequately target their audience, it is imperative to collect more information at sign-up. Sending the same message to all audiences will cause some subscribers to disengage – and others to remove themselves from the email list. By collecting more information at signup, including the type of business and job function, it becomes possible to segregate the list and tailor messages to each audience.

Recommendations

Recommendations

As email marketing becomes more sophisticated, the security industry needs to adapt as well. Marketers will need to work to find the sweet spot within their email lists and ensure the right message hits the right audience. Based on the findings of the LRG Marketing Communications 2016 Email Marketing Study, here are the key takeaways for email marketing in the physical security industry for 2016 and beyond.

Write content with insights on broad industry trends

Security professionals have a shrinking tolerance for self-serving content. Rather than making emails about their brand, suppliers should use the platform to educate their audience on technology or news that will have an impact on them. Physical security brands can go a step further by blogging regularly or writing whitepapers on specific pain points within the industry.

Inform customers of new products with proper context

While product launches are an important aspect of email marketing, the data suggests that how they are pushed needs to change. Flesh out product pages with detailed descriptions that are keyword-rich and optimized for SEO. Complement them with demo videos and use cases that fit a variety of buyer personas. Including links to more in-depth information will ultimately lead to a higher click-through rate.
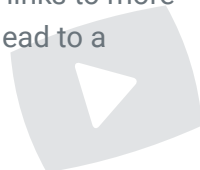
Segment email lists and tailor content to each audience

Physical security companies need to become more data-oriented and learn who makes up their email lists. Marketers should then analyze data from emails sent to those segments and determine best practices to get the most engagement. For instance, IT, marketing and C-Suite will all have different reasons for opening emails so brands should always keep their audience in mind when creating an e-blast. Segmenting can be done through most email marketing programs and can be simplified even further with a marketing automation system.

Prepare for the mobile revolution

Mobile is slowly but surely becoming a mainstream consumption habit for physical security professionals. Marketers can prepare by using simple text in their emails rather than HTML to improve the UX for mobile email users. In the next five years, we predict that most physical security professionals will be reading emails on a mobile device.

It's about quality, not quantity

This should be obvious, but it's worth repeating. Although your audience is inundated by emails from competitors, this is a case where less is more. It's better to send fewer high-quality and engaging emails than it is to blast your audience several times per week.

Methodology

Methodology

T he LRG Marketing Communications 2016 Email Marketing Study surveyed more than 300 physical security professionals across the U.S. on their email consumption habits and preferences for communication. The survey analyzed how security pros read emails from suppliers and manufacturers, in addition to their preferences for how email marketing within the industry can improve in the future. To see the breakdown of demographics surveyed, please view the chart at the bottom of this section.

LRG works with a variety of physical security companies, and similar research is available for clients.

The physical security industry is changing its marketing at a fast pace. Read our **case studies** and view our client list to see how we can help you stand out.

To learn more about how LRG Marketing Communication's unique approach to integrated marketing achieves unprecedented results, visit us at **lrgmarketing.com** or view our page on **physical security**.

Company Demographics

integrators	33%
dealers/resellers	26%
end-users	19%
manufacturers	9%
consultants	5%
distributors	4%
other	3%

Job Title Demographics

c-suite	24%
middle management	19%
sales/marketing	19%
security/IT	18%
engineering	13%
other	7%

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Contact Us

Want to know what the findings of the LRG Marketing Communications 2016 Email Marketing Study mean for your brand? Learn how to improve your email marketing and contact us at **info@lrgmarketing.com.**