

TALLINN UNIVERSITY OF TECHNOLOGY

School of Business and Governance

Department of Business Administration

Silver Kuklase

**IMPACT OF PERSONALIZATION ON CUSTOMER
ENGAGEMENT IN DIRECT B2B E-MAIL MARKETING**

Master's thesis

Programme Management and Marketing, specialisation business processes management in
digital society

Supervisor: Iivi Riivits-Arkonsuo, PhD

Tallinn 2022

I hereby declare that I have compiled the thesis independently and all works, important standpoints and data by other authors have been properly referenced and the same paper has not been previously presented for grading. The document length is 12 014 words from the introduction to the end of conclusion.

Silver Kuklase

(signature, date)

Student code: 203902TATM

Student e-mail address: silver.kuklase@gmail.com

Supervisor: Iivi Riivits-Arkonsuo, PhD:

The paper conforms to requirements in force

.....

(signature, date)

Chairman of the Defence Committee:

Permitted to the defence

.....

(name, signature, date)

TABLE OF CONTENTS

ABSTRACT	4
INTRODUCTION	5
1. THEORETICAL BACKGROUND	8
1.1 Customer engagement	8
1.2 Marketing personalization	9
1.3 Personalization in e-mail marketing	12
1.4 Conceptual framework and hypotheses	14
2. RESEARCH METHODOLOGY	17
2.1. Philosophy	17
2.2. Creation of database and sample size	19
2.3. Experimental research design	20
3. RESULTS OF A/B EXPERIMENT	23
3.1. Descriptive statistics	23
3.2. Tests for hypothesis 1 (CTOR).....	24
3.3. Tests for hypothesis 2 (CTR)	25
3.4. Tests for hypothesis 3 (unique open rate).....	26
4. DISCUSSION.....	28
4.1 Interpretation	28
4.2 Managerial implications	30
4.3 Limitations and future research	30
4.4 Contribution.....	32
4.5 Conclusion.....	33
SUMMARY	35
LIST OF REFERENCES	41
APPENDICES	48
Appendix 1. Experiment Group E-mail A.....	48
Appendix 2. Experiment Group E-mail B	49
Appendix 3. Experiment Group E-mail A Spam Score.....	50
Appendix 4. Experiment Group E-mail B Spam Score.....	51
Appendix 5. Preview of landing page	52
Appendix 6. Non-exclusive licence.....	53

ABSTRACT

It is increasingly harder for marketers to slice through the clutter and engage potential customers via e-mail. Personalization has been a widespread tactic to remedy that, however not every business has collected enough data for it. The main purpose of this paper is to clarify if marketing personalization scraped from public sources increases customer engagement also in cold business-to-business e-mail marketing scenarios. To support this aim, theoretical framework is built by reviewing articles in customer engagement, marketing personalization, e-mail marketing, video marketing. Three hypothesis are developed, which are tested empirically by conducting e-mail field experiments using (A/B split) methodology in business-to-business oriented e-mail marketing campaigns. Study is measuring customer engagement in cold e-mails via specific metrics. Personalizing e-mail subject lines has a positive effect on e-mail open rates even in cold e-mail marketing scenarios. However experiment did not find increase in clicks to open rate (CTOR), thus general e-mail content performed better than personalized experiment. Nevertheless, using personalization in this experiment increased overall click-through-rate (CTR), mainly contributed to large increase in open rate by personalizing the e-mail subject line. This paper encourages marketers to use personalization in subject lines even if it is cold e-mail and has several suggestions for future marketing research. The paper contributes by investigating personalization in direct business-to-business e-mail marketing scenario, where current academic research has been very limited. Research potentially could help marketers plan their e-mail campaigns better and increase their customer engagement.

Keywords: direct B2B e-mail marketing, marketing personalization, customer engagement.

INTRODUCTION

Digital era has opened many opportunities for businesses to promote their products and services in new innovative ways. However, competition is tough, there is a lot of clutter in the internet and many marketers are fighting for consumers attention. To stay competitive, marketers are forced to use more and more technology like e-mail marketing, big data, software, mobile devices, paid advertising, analytics. Marketers have grasped how important it is to engage the customer and are constantly looking ways to improve their marketing strategy.

In 2021 author opened up a new service called Supportmeow.com, what offers maintenance and support for Wordpress websites. As a practioner of industry, researcher noted from public website source codes, that most of the sites have been left dormant and software modules outdated. It could be the reason of general laziness or fuzzy responsibility areas in the company where nobody is directly in charge of the task. Software what has been left outdated increases the number of vulnerabilitites on the website. This means that there are many websites what could potentially be hacked and taken over. However whenever the author has tried to contact these businesses via e-mail to let them know about the issue, the engagement from them in form of e-mail opens, clicks, replies has been quite low. In 2021, 45.1% of e-mail traffic was considered spam (Statista, 2022). This makes it important for the marketers to grab attention and slice through the clutter. One popular tactic that internet marketers use to remedy low customer engagement is by using marketing personalization, which involves making each e-mail targeted using information about the recipient. E-mail is still a widely use communication channel between businesses, thus constant research of e-mail techniques is of commercial interest. Academically the personalization in e-mails have been researched with mixed results. Studies (Sahni *et al.* 2016; Singh *et al.* 2019; Mogos, Acatrinei 2015; Phan, 2019; Goic *et al.* 2021) have found personalization to be effective in e-mail marketing. Studies (Kiselova 2019; Wattal *et al.* 2012; Trespalacios, Perkins 2016; Rizzo 2018) did not find significant increase in engagement. Those contradictions raise a research problem in which context the e-mail personalization effects work on customer engagement and this requires further academic investigation to fill in the knowledge gap. Personalization requires having lots of data precollected via sign up forms which is a luxury starting out businesses usually do not have. Those businesses need to rely on direct e-mail marketing, where personalization is

limited to available public data. In this context, e-mail personalization effect on increasing customer engagement research is very limited. Based on above, author raises a research question:

What is the relationship between personalization and customer engagement in cold e-mail marketing?

To answer this question, author conducted e-mail field experiments using a real life web support service called SupportMeow. Author developed the following hypothesis which help with the experiment:

Hypothesis 1. Personalized e-mail content has a positive effective on clicks to open (CTOR) rate than the general e-mail.

Hypothesis 2. Personalized e-mail from companies public website has a positive effect on click through rate (CTR) than generalised e-mail.

Hypothesis 3. Personalized e-mail subject line with company's website url has a positive effect on cold e-mail open rate.

Thesis consists of four main chapters. First chapter explores different literature on the areas of customer engagement, marketing personalization, video marketing and e-mail marketing. Theory is built on authors like Hollebeek, Van Doorn, Brodie, Koch, Benlian, Goldfarb, Tucker, Voorveld, Hartemo, as well other researchers in the field and their research. Based on previous literature hypothesis are developed and conceptual framework produced, which can be seen at the end of the first chapter.

The second chapter focuses on research methodology. The first part explains how (Saunders *et al.* 2009) is applied. Additionally explains process how 1 546 business e-mails were collected, cleaned and made suitable for the e-mail experiment out of 78 507 rows of U.S business data. Second part focuses more on experimental research design and is further described in detail. It will also describe how the experiment was set up and conducted.

The third chapter showcases the results of the study experiments. Firstly, all relevant descriptive statistics are shown and summarised. Second part will show how the hypothesis were tested using

SPSS and different online calculators to see if results are significant between experiment A and B. Several metrics are validated using two-proportion, Chi-square and Phi and Cramer's V tests.

The last chapter of the thesis is focused on discussion. Chapter consists of results interpretation, managerial implications, contribution, limitations and future research. Concluded propositions are also represented in the end of the chapter.

1. THEORETICAL BACKGROUND

The main purpose for this theoretical background is to set the baseline by looking what is already written on the topics and identify the missing links and gaps between different internet marketing areas. In the end of the chapter, conceptual framework is developed.

1.1 Customer engagement

In the last twelve years Customer Engagement (CE) has received significant attention from scholars. “CE reflects a customer’s motivationally driven, volitional investment of specific operand and operand resources into brand interactions in service systems.” (Hollebeek *et al.* 2019). Though the exact definition is still in debate, the main focus is on customer’s dynamics during or related to their interactions with brand-related objects (Hollebeek *et al.* 2021). Researchers have also worked on developing CE framework. Van Doorn *et al.* (2010) develops and discusses the concept of customer engagement behaviors, which is defined as the customers behavioral manifestation toward a brand or firm, beyond purchase, resulting from motivational drivers. Brodie *et al.* (2011) draws on relationship marketing theory and the service-dominant (S-D) logic and offers five fundamental propositions for future research. Vivek *et al.* (2012) argues that CE is composed of cognitive, emotional, behavioral, social elements and offer a model of CE, in which the participation and involvement of customers serve as antecedents of CE. Dessart *et al.* (2015) identifies three key engagement dimensions in consumer engagement in online brand communities (cognition, affect and behaviours) and integrates them into an online brand community framework. Pansari, Kumar (2017) developed a conceptual framework with antecedents (satisfaction, emotion) and consequences (tangible and intangible outcomes) of CE. Gupta *et al.* (2018) introduce the concept of global customer engagement into Pansari, Kumar (2017) framework to help firms design marketing strategies aligned with a country’s culture, economy to improve CE and enhance business performance. Hollebeek *et al.* (2019) revises Brodie *et al.* (2011) fundamental propositions of CE and apply those to customer relationship management. Hollebeek *et al.* (2020) explores customer brand engagement (CBE) during service lockdown where framework is created to conceptualize essential/non-essential service modes and explore the impact of these service modes on CBE.

Different studies have shown why businesses should focus on increasing customer engagement. Customer relationships have a positive significant effect on purchase intentions of the luxury fashion brands (Gautam, Sharma 2017, 884). Jaakkola, Alexander (2014) propose that customer engagement behavior has an affect to stakeholders perceptions, preferences, expectations or action toward the firm or its offerings. In casual restaurants fully engaged customers make 56% more visits than disengaged customers and in hospitality sector, customers who are fully engaged bring in 46% more annual revenue (Pansari, Kumar 2017). Engaged customers develop a more positive affective attitude, which leads to increased future loyalty and positive price perceptions (Bergel *et al.* 2019). Online Brand Community engagement directly favors participation in the community, willingness to co-create with the brand and word-of-mouth (Martínez-López *et al.* 2021). Service quality has a positive effect on customer engagement, which has a more favorable impact on brand experience and customer loyalty (Islam *et al.* 2019). Barhemmati, Ahmad (2015) study showed positive relationship between social networking customer engagement and their purchase behaviors. Highly engaged customers generally provide more positive reviews (Messner, 2020). Thus there are clear benefits why businesses should focus on customer engagement.

(Hollebeek *et al.* 2021) simplified customer engagement as interactions with brand objects or assets. That makes the most sense for online environments and thus in this study. Measuring customer emotions online could be tricky, but for example, registering the interactions as e-mail opens, views, clicks, time video plays, how long people stay on the website, will they reply to the e-mail is measurable for marketers. Translating customer engagement as concise actions taken by the visitor on the brand assets (e-mail, website), makes CE trackable, even if it is a bit more simplified solution which does not take into consideration of the person's emotions. Research on customer engagement is quite numerous like mentioned above, but there are areas where additional studies could add value to the CE domain. Especially targeted research how different marketing areas affect or are linked with the perceived CE. This could give marketers clearer picture and proven tools how to increase CE.

1.2 Marketing personalization

“The goal of web personalization is to deliver right content to the right person at the right time to maximize immediate and future opportunities” (Tam, Ho 2006, 867). Personalization is not particularly new, it has been frequently used and discussed in the marketing community. Wind,

Rangaswamy (2001) mentioned and explained the concept of personalization apart from customization as early as start of this century. (Meire *et al.* 2019) study concludes that marketers are able to influence customer engagement via marketer generated content. Scholars distinguish personalization as company-initiated automatic process, whereas customization is more user initiated (Salonen, Karjaluoto 2016). That means personalization can happen more on the company level without necessarily needing users input. Customers are already expecting some form of personalization in loyalty programs and it is seen as a key for the growth in loyalty industry (Colloquy, 2015). Making targeted personalised campaigns is relatively easy thanks to many tools available for marketers, for example like Facebook ads or Google ads platform what offer marketers many ways to personalize their target audience starting from search keywords to custom audiences and website retargeting. Consumers online activity history data is also available for marketers in some cases (Lambrech, Tucker 2013).

Anshari *et al.* (2019) research shows companies have become more aggressive in marketing using big data and personalization strategies. Marketers know that purchasing decisions do not always come from the rational mental processes, rather it is often an emotional consequence (Bielozorov *et al.* 2019). It is not necessarily always wrong to use emotion-focused decision making, it can be more accurate if the conscious mind is overloaded or the decision is complex (Mikels *et al.* 2011). A lot of products would not be bought, if people only used their rational mind. Thus author could say that personalization is a marketing tactic for the customer emotional mind, since many businesses can use it without really fundamentally changing their products or services.

There are many proven benefits of using personalization. Personalization in smartphone advertising shows that it has positive significant effect on cognitive, affective and economic factors if the customer has perception that advertisement is credible, trustworthy, enjoyable and not irritating (Kim, Han 2014). Just by using personalization tactic of calling a visitor by their name, participant was more likely to recommend a product to their friends (Koch, Benlian 2015). Personalized text ads, which are based on the context are more tolerated by the user, however making those ads obtrusive increases perceptions of manipulation (Goldfarb, Tucker 2011). Wentzel *et al.* (2010) study found out that when manipulative intent is quite noticeable, customer adapts more suspicious and analytical processing style response to the ads when not under high cognitive load. When personalization is successful in the mind of the customer, they are also less likely to avoid the ad (Baek, Morimoto 2012). Netflix considers personalization as one of its corner stones in the business, where well done personalization improves their recommendation

system and that increases overall engagement and hours spent with Netflix (Gomez-Uribe, Hunt 2015). Even if the personalization is just moderately accurate, it can influence consumer behavior towards the purchase intent (Summers *et al.* 2016). Personalization is proven and wide-spread tactic that marketers use.

Finding customers preferences could be tedious process which could potentially be helped with data mining (Chen *et al.* 2010). However, if companies do this with personal information they have collected without consent, it has negative effect of a sharp drop in click-through rates (Aguirre *et al.* 2015). Consumers are concerned about their privacy when personalization is very effective (Kim, Huh 2017). That means companies should be not covert in their collection of data and do personalization in a balanced way. Being very good at personalization can be scary experience for the customers. Target for example could understand who was pregnant based on customer purchase information and sent promotional offers congratulating for the baby (Duhigg, 2012). By consumer receiving personalized marketing messages, also the consumer unwillingness to give out information increases over time (Goldfarb, Tucker 2012).

In accordance with the Regulation (EU) 2016/679 European General Data Protection Regulation (GDPR) collecting, processing and sharing personal data without consent is not allowed and is applicable with GDPR fines. GDPR adds extra steps for marketers to ask for consent before collecting any personal data. Only 50% of websites show a cookie notice, thus not complying with the GDPR and even smaller percent have an opt-out option (Kampanos, Shahandashti 2021). Users tend to like privacy, but their attitudes are not a true reflection of their actual behaviour, since they are driven on independent factors of risk and trust (Alekh, 2017). Thus sometimes users could give their personal information away for the perceived value or benefits they would receive for it. It is more effective for marketers to build trust than reduce privacy risk concerns (Aguirre *et al.* 2015). Customers might not always have privacy risk concerns in their mind, but company telling that their information is safe could potentially remind that risk. People don't have confidence in their ability to effectively protect their online personal information and many people do not decline or delete cookies in their browser (Boerman *et al.* 2021). Potentially many people do not know how to protect their information, some also share it freely on social media. GDPR requires cookie notices on many websites which users need to accept before they can look at the content of the website. In theory, giving the control of accepting cookies is good for user, but it can get old fast if every website asks about them and rejecting cookies is a bigger annoyance with more clicks for the user. All these gimmicks make GDPR not as big of a problem for businesses and marketers

who wish to use personalization marketing strategies to increase customer engagement. GDPR only covers personal data about individuals and does not cover companies or other legal entities. That can help data mining to be very useful tool for business to business intelligence and gathering data for personalization marketing.

1.3 Personalization in e-mail marketing

Klauer, Zhao (2004) research thoroughly tested the theory of human memory having visual and spatial memory. Marketers know that visuals appeal customers, thus there are many produced marketing material which are focused on human's visual memory. Marketing for spatial memory could be quite hard to achieve in the internet, since computer infrastructure has been mostly visual and in 2D. Virtual reality has gained traction, but it is not yet a tool for average every day internet user for the mass spread of spatial memory marketing in the internet. In the meantime, companies need to find ways to showcase their products and services in a rather competing internet environment and standing out can be a challenge. People don't have necessarily shorter attention span, it is more to do by activities not being relevant, meaningful for them or business failure to communicate in a compelling way (Subramanian, 2018). Liimatainen (2020) e-mail marketing case study also concluded that customers are not opening e-mails mainly because the e-mails are not relevant or interesting. This naturally makes visual marketing important thing to consider for businesses as one way to engage with their audience. 83.3% of businesses have started or were interested of using video in their marketing efforts (Boman, Rajonkari 2017). Businesses though are just not increasingly thinking about it. Schwemmer, Ziewiecki (2018) research show the increasing use of product promotions in video portal Youtube. 58% of consumers are watching more video ads on social media than on TV (Animoto, 2022). Spiteri (2020) research investigates the impact of repetitive online video marketing on consumer behaviour and concludes that even though internet users are very against the interrupting video ads, in reality those marketing techniques might still leave an impact on the purchase cycle. (Coker *et al.* 2021) study suggests using story telling ads though over argumentative ads to increase customer engagement, since that also increases the spread of positive word of mouth. Research has been done about the benefits of using the medium of video to engage the customer in various areas. Liaukonyte *et al.* (2015) study found that TV advertising influences changes in online shopping. In e-commerce, having video on product pages can increase the average order value significantly (LiveClicker, 2015). Seeing videos about travel destinations increases word of mouth and through that customer engagement

to travel (Cheng, Wei 2020). Video can be used as a great videoconferencing tool for better supplier-customer engagement to form more successful collaborative relationships (Hardwick, Anderson 2019). (Animoto, 2022) survey results indicate that marketers shared 10% more videos on social media in 2021 than in 2019 and 94% of marketers said that paid video ads had a positive return on investment for their business. Video has been shown as effective tool to influence consumer behavior.

E-mail marketing has return on investment of \$36 for every dollar spent (Litmus, 2021). This makes it important channel for businesses and marketers to consider. There are different personalization tactics and e-mail strategies available for marketers. Research has been done about e-mail marketing personalization, however results have been mixed. Some researchers have proven benefits of personalization in e-mails. For example adding a person's name increases e-mail open rate by 20% and that also increased sales leads by 31% (Sahni *et al.* 2016). It also decreased the number of unsubscribes. (Singh *et al.* 2019) study found that user segmentation based on keywords or topics would increase e-mail open rate up to 18%. (Mogos, Acatrinei 2015) study found the correlation between having a catchy subject line and open rate. (Phan, 2019) found personalization to give extra performance in case study of a food service industry company. Personalized e-mails, what are triggered after cart abandonments increase conversions and revenue (Goic *et al.* 2021). Wattal *et al.* (2012) study found that personalized greetings have a negative impact unless it is highly engaged customer. Trespalacios, Perkins (2016) research did not notice any difference between the level of personalization neither the length of the invitation e-mail to complete a survey. Rizzo (2018) investigated if data and time personalization worked to increase customer engagement, but could not find any significant relationship in financial industry. Kiselova (2019) researched if behavior-based personalization has effect on CE, but did not find significantly higher engagement due to choice of engagement metrics. Voorveld *et al.* (2018) study shows that engagement is highly context specific where different online marketing channels have different experiences. Thus further academic research is needed to see if personalization and videos work in e-mail marketing channel as it does in social media.

Academic research combining personalization with cold e-mail marketing is almost non-existing and maybe with a good reason. The combination of those seem contradicting at first, personalization means that businesses needs to know something about recipient of the e-mail and using cold e-mail marketing firms reach out to prospects the first time without them not volunteering any marketing info to base the personalization e-mail. (QuickMail, 2021) mentions

that personalized cold e-mail marketing is nevertheless used by many Fortune 500s companies and successful agencies to get leads. Personalization in direct e-mail marketing can still be done by sending unique e-mails to companies by using their public website and social media info. This does not violate GDPR either, since the recipients are companies. Lutfil (2021) study investigated cold e-mail marketing effectiveness combined with localisation, however concluded that it was not very effective since companies did not reply. (QuickMail, 2021) mentions that cold e-mails fail mostly because they just are not compelling or personalized enough. Hartemo (2016) study stated that current e-mail marketing strategies need to be updated to be more effective. Yurchuk (2020) study mentions drip marketing of sending the same e-mails to a huge amount of contacts as inefficient and suggest sending targeted e-mails what are more personalized. One possible way to do that is to increase use of videos in e-mails. Though web development techniques have changed a lot, the creation of e-mail templates used for marketing have not changed a lot since late 90's (MailChimp, 2022). There has been very limited academic research about video use in e-mails. One reason might be technical limitation, not every popular e-mail client parses videos the right way. This problem can be solved by using moving pictures of the video or pictures made to look like a video. Since there is limited academic research about video use in e-mails, available info is made by e-mail marketing companies, which might be biased to sell their own services. According to (CampaignMonitor, 2019), adding video to subject lines improves e-mail open rate by 6% and click-through rate by 65%. (HippoVideo, 2019) claims that personalized video can improve click-through rates by 280%. There is no public access how those numbers are received, thus more academic unbiased research is needed to shed some light on the topic. Perhaps clear percentages depend on many factors, but giving marketers general clue if personalization and video works on increasing customer engagement can be valuable.

1.4 Conceptual framework and hypotheses

Hollebeek *et al.* (2021) simplified customer engagement as interactions with brand objects or assets. Author taking customer engagement as interactions between the brand and a customer helps to translate those interactions into clicks, replies, e-mail opens, views which can be clearly measured. Studies have shown increasing customer engagement has many benefits for the business (Gautam, Sharma 2017; Jaakkola, Alexander 2014; Pansari, Kumar 2017; Bergel *et al.* 2019; Martínez-López *et al.* 2021; Islam *et al.* 2019; Barhemmati, Ahmad 2015; Messner, 2020). There is a link between Brand Community engagement and Customer Happiness (Niedermeier *et al.*

2018). The higher level of happiness customer has, the more likely they are willing to give out their personal information (Cloarec *et al.* 2022). Personal information can be used by marketers to create more personalized campaigns. Studies (Colloquy, 2015; Kim, Han 2014; Koch, Benlian 2015; Goldfarb, Tucker 2011; Baek, Morimoto 2012; Gomez-Uribe, Hunt 2015; Summers *et al.* 2016) showing personalization in general as an effective marketing tool to have a positive significant effect on customer. Studies (Sahni *et al.* 2016; Singh *et al.* 2019; Mogos, Acatrinei 2015; Phan, 2019; Goic *et al.* 2021) have also looked personalizations benefits more detailed in the e-mail marketing area. Author assumes that these benefits are also applicable in the specific niche of cold e-mail marketing and based on that assumption the following hypothesis were developed:

Hypothesis 1. Personalized e-mail content has a positive effective on clicks to open (CTOR) rate than the general e-mail.

Hypothesis 2. Personalized e-mail from companies public website has a positive effect on click through rate (CTR) than generalised e-mail.

Hypothesis 3. Personalized e-mail subject line with company's website url has a positive effect on cold e-mail open rate.

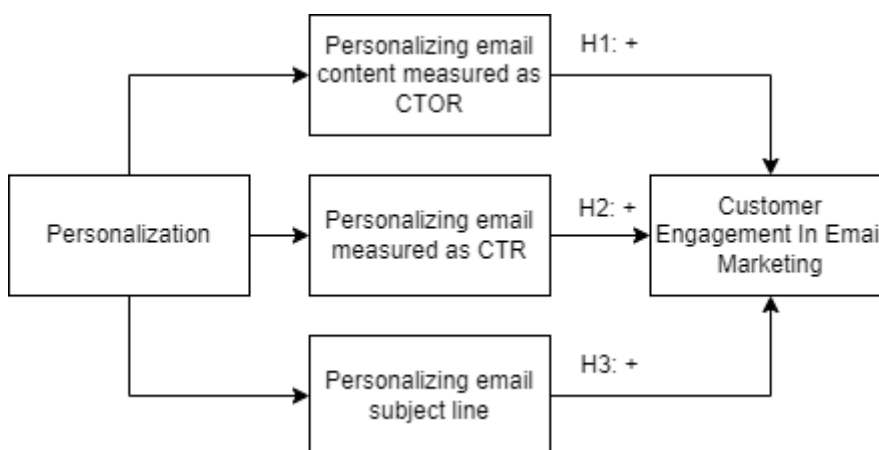


Figure 1. Conceptual framework

Figure 1 shows this study conceptual framework and links between personalization and customer engagement. There are different metric used by different e-mail marketers, thus in this study we measure personalization in 3 different metrics. Hypothesis 1 only measures personalized e-mail

content effectiveness vs a general e-mail content. Hypothesis 2 measures whole personalized e-mail versus general e-mail CTR. Hypothesis 3 will see if personalized e-mail subject lines have an impact on open rate. By treating all of those metrics as interactions done by the audience, author therefore can link it with customer engagement.

2. RESEARCH METHODOLOGY

The preceding chapters have introduced the present work and located the relevant research. The main purpose of this paper is to clarify if marketing personalization scraped from public sources has an effect on customer engagement also in direct business-to-business e-mail marketing scenarios. Personalization has been researched before with mixed results depending on the context, thus surfacing a need to investigate the phenomenon more in different scenarios.

In this chapter, the research philosophy, methodology and applied methods of the study are described. In addition it will also provide an understanding about sampling, data collection, data cleaning and how the experiment was conducted.

2.1. Philosophy

This research applies an onion model (Figure 2), by peeling from outer layer from right to inside left. These choices are done to represent the researcher philosophical approach, beliefs and assumptions giving research more of a context it was done in. First layer from the right is philosophy, which for this study is aimed at positivism. Positivism is characterised as where researcher tries to detach, be neutral and independent from what is being researched while trying to discover observable and measurable facts and regularities (Saunders *et al.* 2009). Even though this study is aimed at positivisim, table 1 shows author's research philosophy bias results according to the tool designed by the Saunders *et al* 2009., where interpretivism and pragmatism is also highly scored. Interpretivisim in this study is mostly due to the author's belief that personalization also works differently in various contexts and no general law can apply to every situation. Pragmatism bias for author's mindset comes from entrepreneurial community, where no good idea is worth anything without it's practicality and action, thus also the need for this research to be actionable for the businesses, which falls in line with pragmatism approach.

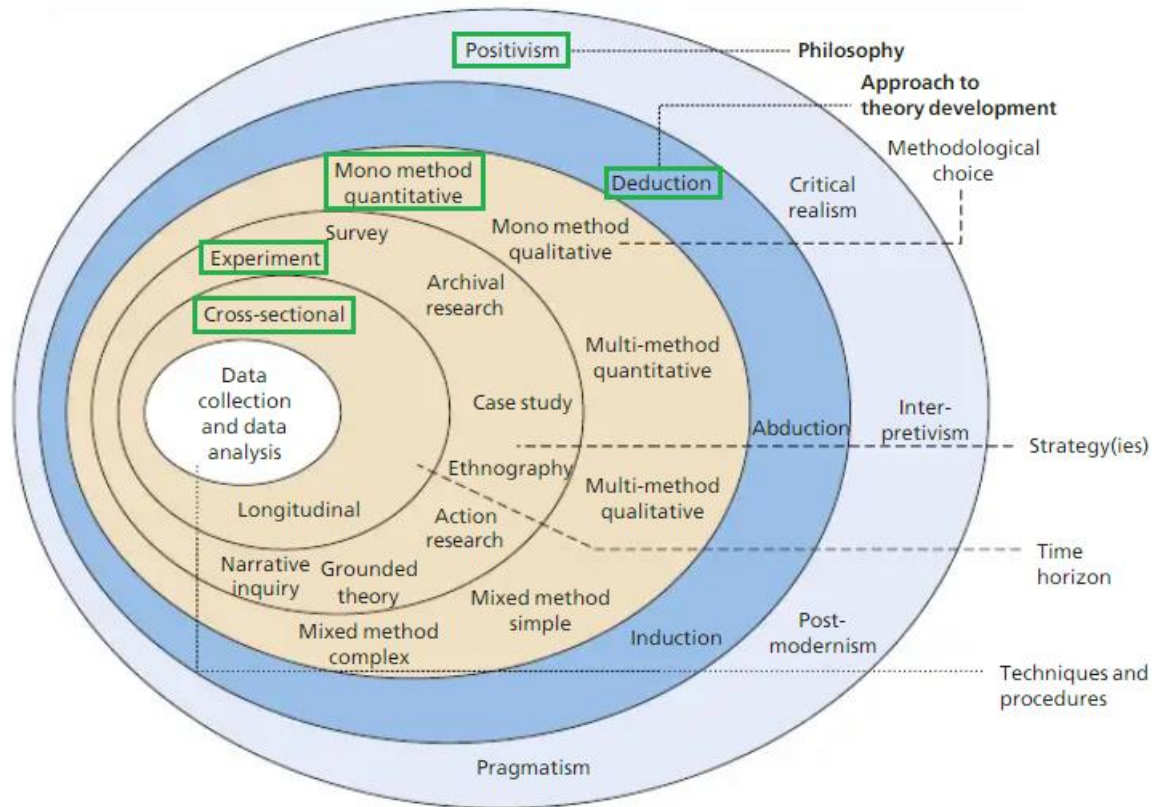


Figure 2. The research ‘onion’ model with additional marked author’s choices in green.

Source: Saunders *et al.* (2009, 124)

Table 1. Author’s research philosophy

Research Philosophy	Author’s Score
Positivism	+ 12
Critical Realism	+ 6
Interpretivism	+ 16
Poststructuralism / postmodernism	+ 7
Pragmatism	+ 15

Next layer in the onion is research approach, which in this study is deductive. Deductive approach can be generalized when researcher starts with theory, moves on to research question or hypothesis, which are then tested through the data collection (UK Dissertation Writers, 2019). For methodological choice, this research use quantitative methods. For research strategy experiment is used to measure audience actions, not the opinions of what they would do if for example surveys would be used instead. Time horizon for the research is cross-sectional, which means experiment data is collected only one time and not over a period of time.

2.2. Creation of database and sample size

Author assumes that there are no differences in cold e-mail marketing personalization between different countries. The reasoning of that assumption is that author does not see any academic value to compare personalization success rates in cold e-mail marketing between different countries if there is no general research done at all if personalization affects cold e-mail marketing. This is why author focuses on this study only on the U.S businesses. It made sense in this study, since author's website maintenance service SupportMeow.com already had a software solution and the website is focused on the U.S market which is involved in the study. Choosing that big of a market author also assumes that generalizations can be made, since USA is a big diverse country with many population groups, ethnicities, business income and geographical differences. There are 32.5 million businesses in the United States (U.S. Small Business Administration, 2021). Going through all of that data was not possible, author had to choose a keyword to limit the number of the businesses. At first author chose the keyword "construction" and all businesses related to that term were collected, however the first experiment failed due to issues with the e-mail delivery server config, where most of the e-mails sent out most likely ended up in the spam filter. That collected database was unusable at this point, since sending a new e-mail to same set of companies would already show skewed experiment results. Thus new data was collected with the keyword "real estate". Companies whose data was collected were from: New York, Los Angeles, Chicago, Houston, Philadelphia, Phoenix, San Antonio, San Diego, Dallas, San Jose, Austin, Indianapolis, Jacksonville, San Francisco, Columbus, Charlotte, Fort Worth, Detroit, El Paso, Memphis, Seattle, Denver, Washington, Boston, Nashville-Davidson, Baltimore, Oklahoma City, Louisville/Jefferson County, Portland, Las Vegas, Milwaukee, Albuquerque, Tucson, Fresno, Sacramento, Long Beach, Kansas City, Mesa.

For this study author created multiple javascript scraping scripts, which fetched data from the internet using programmable Chrome browser called puppeteer. First of author's script collected data from a business directory and saved it to Google sheets. Second script went to a listing page and scraped company name, website, e-mail and phone number. Not all companies had e-mail and website URL available. There was a total of 78 507 rows of data which were collected. Data for experiment was collected from 24 March 2022 to 30 March 2022. Next script scanned through all those rows of data and went to a business website and checked if it was running Wordpress and if yes, which version of it. 4 717 of the scanned sites used Wordpress. 418 duplicates were removed and 4 299 unique rows remained. Script also made a screenshot of a website as this could be later

used for personalization. Next author used Bulk E-mail Checker to verify the collected business e-mail addresses. That was necessary, since some addresses might not work for various reasons or are fake and sending e-mails to non-existent e-mails would damage the SendGrid e-mail delivery server reputation, whose servers were used to send out the e-mail experiment. 1 549 e-mail address validation failed for various reasons, for example there was e-mail delivery server misconfig, inbox was full or address no longer existed. 1 204 addresses came back with unknown status and thus author did not want to use that data on experiment either. Out of 4 299 rows of data, 1 546 e-mail addresses passed the e-mail verification test and were usable for the e-mail experiment. Out of the remaining e-mails, two lists were created with equal numbers, each had 773 businesses in each of them.

2.3. Experimental research design

The field experiment allowed the author to test hypothesis in the real world marketing scenario. Experimental research seeks to determine a relationship between two variables, the dependent variable what changes and the independent variable which does not (Harland 2011). In this research, author is looking if personalization (changing) variable has any effect on the customer engagement (independent) variable in cold e-mail marketing. Cold e-mail marketing meant that the campaign is sent out the first time without any prior interaction between two parties. Like mentioned above there are no clear agreed agreement on how one should measure customer engagement, thus in this study author measures this variable as clicks, opens and views.

For the purpose of conducting the experiment, author introduced two experimental groups. The first group (A) received an general e-mail without any personalization elements (see appendix 1). The second group (B) received an e-mail with personalization elements: their website url in the subject line and e-mail body. Also their website Wordpress version and a thumbnail of their screenshot of the website (see appendix 2). Both experiment recipients could click on the links of read more, on the video thumbnail or website image thumbnail which would open a landing page containing the video about Wordpress security. Landing page also has a frequently asked questions tab and a way for them to order a free security report if they fill in their details (see appendix 5). Each link was different in the e-mail by adding the url parameters, which could help later track on which e-mail the views came from.

Khan (2011) study described the importance of pretests to enhance the validity in marketing experiments. During the first experiment or now better described as a pretest with a difference set of data author saw the issues what differences in e-mail delivery server could do with the results. For the use of sending out the e-mail, author signed up and bought a plan to use SendGrids shared SMTP e-mail delivery server. Autor setting up it's own e-mail delivery server was not feasible, since it requires e-mail warm-up before other e-mail servers start to accept e-mails in an acceptable rate. Since the shared SMTP delivery server was used, other marketers also send out e-mail campaigns giving the delivery server some kind of reputation score. For us to accurately measure the e-mail delivery server reputation, mail-tester.com dummy address was added to both experiment groups for measuring. For experiment A, the mail score was 7 points out of 10 (appendix 3) and for experiment B, the score was 7.9 out of 10 (appendix 4). Due the technical limitations it was not possible to select the same delivery server, instead during experiment the e-mail delivery server was used what was assigned by the service provider Sendgrid.

Pretest was done on 24 March 2022. Experiment was dispatched on 30 March 2022. Both e-mails were sent out to experiment groups at the same time to avoid any time differences affecting results. E-mails were targeted to be sent out when most of the US mainland timezone would cover 9 AM to 5PM working time. Exact send out time was 10:28 PM (GMT +3). Total delivery time for both e-mails was 7 minutes.

E-mail campaigns themselves were created with self hosted marketing automation software called Mailwizz working on author's virtual private server. This e-mail infrastructure originally was set up by the author for another project, but it was a valuable asset also for this experiment. Mainly because popular e-mail marketing service providers have limitations on how data can be collected even if it is public company data. Hosted e-mail marketing infrastructure made handling public data more easier without restrictions. It also improved handling of data, since less data is needed to be shared with third parties.

This experiment e-mails were Europe's GDPR complaint. However, by sending to U.S businesses, most importantly author needed to be also CAN-SPAM Act of 2003 complaint. This was achieved by adding unsubscribe option to the bottom of every e-mail. E-mail did not contain a false header. Message contained at least one sentence and e-mail message was not empty. Software made unsubscribe opt out available and requests were honored instantly and before 10 business days.

From address was accurate. Subscribers could access and see the sender company full physical address.

Landing page was made GDPR complaint by installing Complianz | GDPR/CCPA Cookie Consent plugin for Wordpress. Cookie policy and privacy policy pages were added. Plugin was configured that all visitors IP addresses go through the process of anonymization. Since website uses Google analytics, extra steps were taken to ensure compliancy. Google was not allowed to use any analytic data for other Google services. Google data processing amendment was accepted what enables lawful processing of required data for Google Analytics to work. Some of the processed companies in e-mail experiments were from the state of California. Author also reviewed California Consumer Privacy Act to make sure everything is also complaint according to that.

3. RESULTS OF A/B EXPERIMENT

This chapter presents results to the developed hypothesis derived from the theory. The theory is conceptualised with framework, which links personalization and customer engagement (Figure 1) with three measurable metrics. Hypothesis 1 measured click-to-open-rate between generalised and personalized e-mail experiment. Hypothesis 2 measured click-through-rate between generalised and personalized e-mail experiment. Hypothesis 3 measured e-mail open rate between general and personalized e-mail subject line.

It was found that personalized e-mail content generated less clicks in terms of CTOR than the general e-mail (H1). Overall, personalized e-mail still performed better in terms of CTR than the general one (H2). This was mainly contributed by much higher personalized e-mail open rate than it's general e-mail counterpart (H3). Further chapters will explain hypotheses results more in detail.

3.1. Descriptive statistics

Two campaigns were designed by the author using the e-mail marketing system built on MailWizz located at author's web server. This method is also called a controlled experiment or the A/B split test (Biloš *et al.*, 2016). The first campaign was called experiment A in which the e-mail had a general subject line, whereas the second campaign was called experiment B in which the subject line was personalized with the name of the receiver's business website address. The e-mail in experiment A (i.e. general e-mail) was sent to 719 businesses out of which 90 unique opens were recorded with the unique open rate of 12.894%. 8 unique clicks were reported, which makes it a click rate of 1.15%. Total of 21 e-mails bounced out of 719, thus 2.921% bounce rate was reported. Only 2 out of 719 businesses unsubscribed, thus 0.278% unsubscribe rate was recorded. 0% complaint rate was reported. Total open rate was recorded as 16.33% in generalized e-mail. Finally, the click-through-rate in general e-mail was 1.113%.

The e-mail in experiment B (with personalized e-mail with the recipients website name in the subject line and personalized e-mail content) was sent to 707 businesses out of which 174 opens were recorded therefore making it a 26.205% unique open rate. Similarly, a total of 13 unique clicks or 1.96% click rate was reported. Similarly, 43 bounces or 6.082% bounce rate was reported.

Furthermore, a total of 3 or 0.424% people unsubscribed and only one person or 0.141% people complained about the e-mail. The all opens rate for personalized e-mail was recorded as 104.52%. Such a large e-mail open percentage was mainly due to top 10 e-mail recipients opening the e-mail tens of times for some unknown reason, thus in analysis author focuses more on the unique opens. Finally, the click-through-rate in personalized e-mail was recorded as 1.839%. Table 2 comprised of the basic statistics.

Table 2. General A/B experiment statistics

Name	Generalized E-mail (Experiment A)	Personalized E-mail (Experiment B)
Processed	719	707
Sent with success	719	707
Sent success rate	100%	100%
Send error	0	0
Send error rate	0%	0%
Unique opens	90	174
Unique open rate	12.89%	26.21%
All opens	114	694
All opens rate	16.33%	104.52%
Bounced back	21	43
Bounce rate	2.92%	6.08%
Hard bounce	0	0
Hard bounce rate	0%	0%
Soft bounce	0%	0%
Soft bounce rate	0%	0%
Unsubscribe	2	3
Unsubscribe rate	.028%	.042%
Total urls for tracking	5	5
Unique clicks	8	12
Unique clicks rate	1.15%	1.81%
Clicks to opens rate	8.88%	7.47%
All clicks	32	27
All clicks rate	4.82%	3.87%

3.2. Tests for hypothesis 1 (CTOR)

For testing the proposed hypotheses, the same techniques as of Biloš et al., (2016) study was used. It was proposed in hypothesis H1 that the personalized e-mail CTOR would be more effective in customer engagement than the general e-mail. This proposition was measured through comparing the CTOR which indicates the effectiveness of e-mail content, design, and whether it attracts the

interest of the audience or not. The higher CTOR means better customer engagement. CTOR is measured by comparing the number of unique clicks to unique opens. Surprisingly, the results suggest that CTOR for the general e-mail (experiment A) was higher (8.889%) compared to the personalized e-mail (experiment B) which was recorded as 7.471%. Therefore, it is concluded that based on CTOR, hypothesis H1 is not supported. This result was further confirmed using the two-proportion test (i.e. z value) for statistical significance. The results confirms author initial assessment by recording a z value equal to 0.58 and $p = .562$ i.e. $p > 0.05$. This result is surprising in the sense that most of the literature around CTOR suggests that a more personalized e-mail content increases the CTOR (Sigurdsson et al., 2013), but in this direct e-mail marketing scenario it fell in line with (Kiselova 2019; Wattal et al. 2012; Trespalacios, Perkins 2016; Rizzo 2018) studies, where they did not see increase of engagement based on personalization.

3.3. Tests for hypothesis 2 (CTR)

Hypothesis 2 measured click-through-rate (CTR) between generalised (Experiment A) and personalized e-mail experiment (Experiment B). It was proposed that personalized e-mail from companies' public websites will have a stronger positive effect on click-through rate than the generalized e-mail. Click-through-rate is the measure of the number of people clicked on the hyperlink, an image, button, video thumbnail or any other click-to-action (CTA) in an e-mail. Difference between CTOR and CTR is that the latter takes to account all the e-mails sent out divided by the number of unique clicks done in the e-mail, while the former divides all opened e-mails with click through rate. The results supported this hypothesis and found that the click-through-rate for personalized e-mail was stronger (1.839%) than the generalized e-mail (i.e. 1.113%). Two-proportion test (i.e. z value calculation) was further performed to check the statistical significance of this hypothesis. The results suggest that the z value for this test was equal to -6.2116, and p-value less than 0.00001 i.e. significant at $p < 0.05$. This indicates that personalized e-mails get more clicks, but mainly due to them being opened more. The more email is opened, the higher chance people click on the links.

3.4. Tests for hypothesis 3 (unique open rate)

Hypothesis 3 measured the unique open rate between experiment A and B. Experiment A received an unique e-mail open rate of 12.89%, while the personalized experiment B received the value of 26.11%. The results were tested using the two-proportion test (i.e. the z distribution) for statistical significance. This technique is in line with the similar study conducted by (Biloš *et al.* 2016) who used the two-proportion test (z distribution value) for testing the significant difference between the two experiments. The results revealed a z value of -5.88, $p < 0.0001$ which suggest that difference between unique open rate for generalized e-mail (experiment A) and personalized e-mail (experiment B) is statistically significant.

Furthermore, the researcher tested hypothesis H3, that is personalized e-mail subject line with company's website url has a positive effect on cold e-mail open rate. This hypothesis was tested via Chi-Square test using SPSS where two categorical variables were formed from general and personalized e-mails having two possible values for each variable (open and not open). Table 3 comprises of the crosstabulation of these two variables. Main conclusion from crosstable is that personalized e-mail was opened 84 number of times more than the general one.

Table 3. Crosstabulation of general vs. personalized e-mail

		Personalized E-mail		Total
		Not Open	Open	
General e-mail	Not Open	533	84	617
	Open	0	90	90
Total		533	174	707

While looking at the Chi-square table (see Table 4), it can be inferred that the Chi-square value was recorded as 315.904, $df = 1$, and $p\text{-value} = 0.000$, which is highly significant. This suggests that there is a strong association between the personalized e-mail subject line and the recipient's open rate. Hence, H3 is supported by the results. The findings are in contradiction with the study conducted by (Biloš *et al.* 2016) who found no significant difference between the generic subject line and specific subject line in their experiment. They found in their subsequent experiments that a generic subject line is performing better. However, author of this experiment can safely say based on results that using businesses personalization element of the recipients own website address in the subject line increases the e-mail open rate.

Table 4. Chi-Square Tests

	Value	Df	Asymptotic Significance (2- sided)	Exact Sig. (2- sided)	Exact Sig. (1- sided)
Pearson Chi-Square	315.904 ^a	1	.000		
Continuity Correction ^b	311.265	1	.000		
Likelihood Ratio	298.035	1	.000		
Fisher's Exact Test				.000	.000
Linear-by-Linear Association	315.457	1	.000		
N of Valid Cases	707				

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 22.15.

b. Computed only for a 2x2 table

Table 5. Phi and Cramer's V tests

		Value	Approximate Significance
Nominal by Nominal	Phi	.668	.000
	Cramer's V	.668	.000
N of Valid Cases		707	

The same finding is further confirmed from Phi and Cramer's V test which were also run through SPSS while testing for Chi-square. Phi test measures the strength of association between the two nominal variables, whereas, Cramer's V is the relationship between two variables as a percentage of their highest possible variation (Field, 2013). These results are given in Table 5 which suggest that Phi = 0.668, p-value = 0.000.

4. DISCUSSION

This chapter recaps the results and discusses why they are important. It also discusses contribution, limitations experienced during the experiments, as well as offers suggestions for future research in this field. Further, practical implications are stated, what could potentially be valid for businesses.

4.1 Interpretation

Lutfil (2021) study concluded that cold e-mail strategy is ineffective in getting engagement from the audience. Using the simple framework (figure 1) produced in this study connecting personalization and customer engagement in cold e-mail marketing with measurable metrics, firstly there can be seen clear engagement from the audience in the form of e-mail opens and clicks. (QuickMail, 2021) also mentions cold e-mail marketing use by many Fortune 500 companies for lead generation. Even though there is clear engagement proved by this study, results most likely come to organizations with higher sent e-mail numbers to have any real business significance.

Author looks the findings in this chapter through the prism of the main research question. The primary research question is as follows:

What is the relationship between personalization and customer engagement in cold e-mail marketing?

Answering the research question can help organizations understand the dynamics between personalization and customer engagement in cold e-mail marketing, thus also improve their lead generation, e-mail marketing campaign effectiveness via increasing customer engagement. There is a link between Brand Community engagement and Customer Happiness (Niedermeier *et al.* 2018). The more organizations can increase the customer engagement, the more likely they can influence the audience to take the desired action. Looking the personalization effects on different e-mail marketing scenarios can help to use tool more knowingly, while also improving relevancy for the e-mail recipients.

First hypothesis measured personalized content effectiveness versus general e-mail. Author used personalized website video thumbnails in the e-mail content for that use. Even though author assumed higher engagement by businesses seeing screenshot of their own website and other personalized website security details, that was not a true assumption. In theory, author mentioned an example of excessive personalization. Company Target could understand who was pregnant based on customer purchase information and sent promotional offers congratulating for the baby (Duhigg, 2012). In this experiment case, business website with exact screenshot was mentioned with some potential outdated software security info, which might also feel to recipient as sensitive information. This perhaps could had generated a similar effect of over personalization. Also, in theory it is mentioned, that it is more effective for marketers to build trust than reduce privacy risk concerns (Aguirre *et al.* 2015). There were no prior e-mails sent before to the recipients for trust building. Combination of those factors in the experiment could had potentially affected the negative personalization effect on CTOR in the e-mail content. Companies seeing information about security and their website in that context (appendix 1), could had potentially triggered thought process that clicking any links in the e-mail is not safe. Thus, general e-mail content performed better in this study, the communication in that e-mail (appendix 2) was more neutral and potentially feeling more safer to click on. Results of this hypothesis confirm the need to see how personalization affects customer engagement in different scenarios and not conclude that it works in every case the same way. This also highlight the need for the organisations to first think about trust building with the audience. Personalization neither is a magic tool to get businesses to click on anything in the e-mail, rather it is suggested that more focus should be on making high quality e-mail communications.

Second hypothesis measured personalised e-mail effect on CTR versus a more general one. There was clear evidence of higher CTR on personalized e-mail. The main reason for this can be found in the third hypothesis, in which personalized e-mail subject line outperformed the general one substantially. Personalized e-mail was opened more than the general e-mail. Since more people saw the e-mail content, the more people clicked on the links, recording the higher CTR. CTR does not take into an account the e-mail opens, like the first hypothesis CTOR did. These results fall in line with (Sahni *et al.* 2016) study, where it was also recorded higher increase in e-mail open rate if personalization in the subject line was used. For organizations, it is wise to use personalization already in e-mail subject line to grab the e-mail recipient attention, even in cold direct e-mail marketing scenarios.

4.2 Managerial implications

This study suggest that e-mail is still a very useful marketing tool where personalization can increase the customer engagement significantly. It is especially useful in the task of catching the reader's attention. Businesses should note that if they are unable to catch e-mail recipient attention, it does not matter how well the e-mail content is written. Already subject line must be catching enough to get e-mail recipient to open the e-mail. Personalization based on this study is though not a magic tool to make e-mail recipients to act. It is just a piece of a puzzle in the engagement process. One way to get more leads for businesses is just accepting that most of the e-mail recipients are not going to act and simply sending out more e-mails or combining different marketing techniques like retargeting and follow-ups to potentially increase engagement even more.

Collecting data and building e-mail lists of businesses is quite technical work and it would require a good technical analytics person in the marketing team to do it on mass. Not all businesses have resources to do so. However, any sales employees who are writing e-mails by hand, study suggests them to use more of personalization tactics to engage the potential customers. There is a lot of public data on the web about specific company to personalize the sales e-mails even if no prior interaction has happened before. Using personalization elements in the e-mail virtually does not cost anything extra if the company already has the data or it is very easy to obtain it. However, overdoing the personalization might have adverse effects. Mostly e-mails get ignored if businesses fail to communicate in a compelling way (Subramanian, 2018). It could be implied that general focus should be still on creating high quality relevant communication for e-mail marketing campaigns.

4.3 Limitations and future research

Even though 78 507 rows of business data were collected, processed, analysed and cleaned, most of the public data was not usable for the research. Total of 1 546 sent out e-mails would yield significant e-mail open statistics, but interactions as clicks data were very limited. However low click-through-rate in the study is nothing out of ordinary. CampaignMonitor (2022) report

describes an average click-through-rate in e-mails to be 2.3%. Thus, for future studies it would be beneficial to collect even more initial data since author did not expect that so much collected data was not usable. However not filtering the data and not doing any e-mail clean-up would impact seriously the e-mail delivery server's reputation and delivery.

Another thing to keep in mind when reading this research is how e-mail open tracking works in e-mail delivery servers. Sendgrid (2022) documentation states a small transparent image is inserted into all e-mails for the purpose of e-mail tracking. This kind of tracking only works when e-mail recipient has images enabled on their e-mail client. Unfortunately, some older e-mail clients block images by default, making tracking less accurate as author would like. This is a common problem for all e-mail marketers to consider.

Even though e-mails were checked for spam score, and it was visually confirmed that the test e-mails of both experiments did not land in spam folder, author does not know every e-mail provider spam filter rule processes, neither it is public knowledge and most likely the spam rules change dynamically and periodically. Author could minimize this limitation only by avoiding spam e-mail trigger keywords, using good paid e-mail delivery servers, and checking spam score, which mentioned above were on appendix 3 and appendix 4. This is just to note that there may be some hidden factors at play on part of e-mail clients and delivery servers, what is not a public knowledge.

Customer engagement in this study were limited to interactions as clicks and opens. Further studies combining more methods than e-mail could be beneficial, for example calling after sending the e-mail. In that way it might be possible to also explore the customer engagement emotional side and engage in trust building. (Kim, Han 2014) study explored personalization in smartphone advertising context, where customer perception of trust was a major influencer. Further experiments using latest technology including eye-tracking and neuroimaging could further find interesting new discoveries in the field. This paper did not study the long-term effects of personalization, but it would be interesting to know if prolonged personalized e-mail sending would increase the engagement or decrease it. Mentioned studies above have found mixed results on the personalization benefits in e-mail marketing. Voorveld *et al.* (2018) study shows that engagement is highly context specific, where various online marketing channels have different experiences. E-mail marketing is not an exception to that, thus more clarification is needed to see how personalization works with different aspects of the e-mail.

4.4 Contribution

E-mail marketing, personalization and customer engagement is widely researched topic. However, even though cold direct e-mail marketing is widely used in everyday business-to-business scenario, it's academic research could perhaps be considered niche in a way. Most read research on e-mail marketing during writing this thesis focused on long collected opt-in e-mail lists or were done using partnerships with the companies who had legal right to send e-mail campaigns to those individual recipients. There are a lot of legal aspects involved with researching individual consumers and getting consent to process the personal data. It is not legal to send direct e-mail marketing campaigns to individuals without consent in many jurisdictions. This could be one of the reasons for the lack of academic research in anything to do with direct e-mail marketing. It is however legal to send marketing materials in business-to-business scenario in most countries. In fact, it is widely used tactic in Fortune 500 companies for lead generation (QuickMail, 2021). Those companies do not have incentive to share their lead generation strategies. Legal nuances aside, any academic research combining personalization with bulk cold e-mail marketing research also requires technical knowledge and skills in data mining, which are not accessible for all academic researchers. Arriving to main contribution of this thesis is that observing personalization effect on this very specific technical direct e-mail marketing field is not possible to all academic researchers. It involved a lot of technical skills, including knowledge about web scraping, creation of scripts, e-mail delivery servers, e-mail sending software, spam scores, landing page building and expertise in other technical fields. Simplified framework was also developed to connect personalization and customer engagement with e-mail metrics. This research could potentially have some value for the future researchers.

4.5 Conclusion

This chapter outlines the most important conclusions, assessments, proposals, and further research opportunities. The main aim of this paper is to clarify if marketing personalization scraped from public sources increases customer engagement also in cold business-to-business e-mail marketing scenarios, while also contributing to fill in the academic gap.

Overall, personalization also works in business-to-business direct e-mail marketing scenario in improving customer engagement. This is confirmed by three hypotheses performed in this study. First hypothesis, measures personalization effectiveness through the metric of CTOR in the context of personalized versus general e-mail. The results suggest that CTOR for the general e-mail (experiment A) was higher (8.889%) compared to the personalized e-mail (experiment B) which was recorded as 7.471%. This hypothesis was tested using the two-proportion test by recording a z value equal to 0.58 and $p = .562$, $p > 0.05$. Even though personalized e-mail content did not increase CTOR, the personalized e-mail was more successful in terms of CTR, which is supported by hypothesis 2, the click-through-rate for personalized e-mail was stronger (1.839%) than the generalized e-mail (1.113%). This was further tested with two-proportion test, where z value for this test was equal to -6.2116, and p-value less than 0.00001, that is significant at $p < 0,05$. Personalized e-mail subject line outperformed the general one quite significantly. General experiment A received an unique e-mail open rate of 12.89%, while the personalized experiment B received the value of 26.11%. Hypothesis 3 testing revealed the chi-square value of 315.904, $df = 1$, and p-value = 0.000. Chi-square value is recorded as 315.904, $df = 1$, and p-value = 0.000. Phi and Cramer's V test reveal the Phi of 0.668 with p-value of 0.000.

Here are the summarised propositions developed from discussion above:

- 1) Personalize the e-mail subject line to increase the e-mail open rate and customer engagement. Main personalization benefits in this study came just by grabbing e-mail receiver attention via a personalization element in the e-mail subject line. By e-mail recipient opening the e-mail, it increased the chance of taking desired action as well. If e-mail recipients are not opening the e-mail, further interaction is not likely to happen.

- 2) Engage in trust building. Even though this thesis investigated mainly the direct e-mail marketing scenario, author still suggests the use of collecting the lists from the company website for example as a long-term solution. Direct B2B e-mail marketing can work but marketers first need to get through that clutter of the spam e-mails and then start building the trust, which could be hard thing to do by using just e-mails.
- 3) Overdoing personalization in the e-mail content could have adverse effects. Marketers, including the author sometimes fail to see that their brand and intentions for the customer are shown through a very small window of opportunity. Even with best intentions and just because it is possible to do a lot of personalized marketing with data, it does not necessarily mean it is wise or it brings results as anticipated. As counterintuitive it is, sometimes doing less can bring more results. It can be especially true with marketing personalization.
- 4) Combining cold e-mail marketing with different marketing methods could potentially create synergy effect. This proposition is based on read research on different personalization benefits on different channels and author's own experience of calling businesses after sending out the e-mail.
- 5) Marketing can be context based and implementing an experimental approach to marketing has potential to find competitive advantage. Different channels work in independent ways which make feedback more important than universalities. Some marketing strategy or tactic might work in one channel, but not in another one. Experimental approach helps to test and find out quickly where to allocate resources.
- 6) Data mining can be very useful tool for getting insightful business data. However, after the data gathering, cleaning is essential as well to make any info actionable. Thus, it can be wise to gather more data, since during filtering process most of it could be discarded.
- 7) Generate relevant and meaningful e-mail communications. Personalization can increase the customer engagement, but good e-mail content should be prioritised. Personalization can be viewed as marketing multiplier, where combination of several marketing methods can produce higher customer engagement.

SUMMARY

This summary outlines the most vital points from the study. There is a lot of clutter e-mails in the internet and many marketers are fighting for customer's attention. Personalization has been a wide spread marketing tactic to increase the customer engagement. Research has been done on the field of internet marketing with mixed results. Research has found personalization benefits on customer engagement, but also no change or even disadvantages. This makes personalization needing more academic research, since it's benefits seems to be very context and marketing channel specific. Direct business-to-business e-mail marketing is widely used strategy for lead generation, however the personalization effects on this specific context have very limited research, thus this study aims to help to fill in this knowledge gap. Direct e-mail marketing differs from regular e-mail marketing by former being sent out to businesses without any interaction before. The main purpose of this paper is to clarify if marketing personalization scraped from public sources increases customer engagement also in direct e-mail marketing scenarios.

To solve the research aim, research question was raised what aimed to know the relationship between personalization and customer engagement in direct B2B marketing. Theoretical framework was built by reviewing articles in customer engagement, marketing personalization, e-mail marketing, video marketing. Theoretical framework linked the personalization with customer engagement through the use of three measurable hypotheses. Hypothesis 1 stated that personalized e-mail content has positive effective on clicks to open (CTOR) rate than the general e-mail. Hypothesis 2 stated that personalized e-mail from companies public website has positive effect on click through rate (CTR) than generalised e-mail. Hypothesis 3 stated that personalized e-mail subject line with company's website url has a positive effect on cold e-mail open rate. Theory was built on authors like Hollebeek, Van Doorn, Brodie, Koch, Benlian, Goldfarb, Tucker, Voorveld, Hartemo and other researchers in the marketing field.

Methodology in this thesis was developed using Saunders *et al.* 2009 onion model, which divides research into five layers. Research philosophy was aimed at positivism, but some aspects of

pragmatism and interpretivism is also applied. Theory was developed using deduction. Methodological choice was mono method quantitative. Main research strategy was to use experiment method in which two separate versions of e-mails were sent out using A/B method. Time horizon of the sent out experiment was cross-sectional, which means e-mails were sent out at the same time and only once to the recipients.

The results suggest for the first hypothesis that CTOR for the general e-mail content (experiment A) was higher (8.889%) compared to the personalized e-mail content (experiment B) which was recorded as 7.471%. Based on that hypothesis 1 is not supported. General e-mail content performed better in terms of CTOR than the personalized one. Hypothesis 2 was supported by the results, where CTR for personalized e-mail was higher (1.839%) than the generalized e-mail (1.113%). For hypothesis 3 experiment A received a unique e-mail open rate of 12.89%, while the personalized experiment B received the value of 26.11%. Hypothesis 3 was also supported.

The above findings complement the past research on e-mail personalization (Sahni et al. 2016; Singh et al. 2019; Mogos, Acatrinei 2015; Phan, 2019; Goic et al. 2021) by clearly demonstrating the significant effect of personalizing e-mail subject line to increase customer engagement even in direct marketing scenarios. This was contrary to (Biloš *et al.* 2016) e-mail study. However, in this experiment personalized e-mail content did not increase the CTOR, which means that general e-mail content is more effective than the personalized one. This H1 hypothesis was further confirmed using the two-proportion test (i.e. z value) by recording a z value equal to 0.58 and $p = .562$ i.e. $p > 0.05$. This hypothesis fell in line with (Kiselova 2019; Wattal et al. 2012; Trespalacios, Perkins 2016; Rizzo 2018) studies, where they did not see increase of engagement based on personalization. Similar phenomenon was observed in this study but this was only noted with the personalization effect on e-mail content. Even though personalized e-mail content was not more effective than the general one, overall personalized e-mail was still more successful in increasing e-mail CTR. This hypothesis 2 was tested by two-proportion test, where the z-value was equal to -6.2116 and p-value less than 0.00001. Personalized e-mail being more effective than general one is mainly due to the high increase in opens which were influenced by personalizing the e-mail subject line. This H3 was tested with Chi-Square test using SPSS, where value was recorded as 315.904, $df = 1$, and $p\text{-value} = 0.000$, which is highly significant.

Main conclusion of the study is that personalization works even in direct e-mail marketing environments, especially for grabbing audience initial attention via personalized subject line. However, over personalizing e-mail content can have adverse effects. Personalization is still a valid tool to create synergy effect if used with other marketing tactics. Experimental approach in marketing can help to improve processes and thus find more competitive advantages. This process can be aided with data mining and analytics tools what were used in this study. Since personalization is context specific, future research could potentially identify and explore other variables and combinations what were not tested in this thesis. In summary, personalization as a tool to create more relevancy to e-mail recipients also works in direct business-to-business e-mail marketing.

KOKKUVÕTE

E-kirjade maht internetis on ulatuslik ja paljud turundajad peavad võitlema potentsiaalsete klientide tähelepanu eest. Üks levinud turundustaktika on personaliseerimine, mis aitab suurendada kliendi kaasatust. Varasemad uuringud personaliseerimise tõhususest on saanud tulemusi nii selle eelistes, kui ka puudustest. Seetõttu võib nimetada personaliseerimist väga konteksti põhiseks ja keskkonna spetsiifiliseks, kus selle mõju tuleb uurida erinevates tingimustes. E-posti otseturundust kasutatakse tihti müügikontaktide saamiseks, kuid personaliseerimise mõju uuringud selles keskkonnas on väga limiteeritud. Antud uuring aitaski panustada personaliseerimise mõju uurimisele ettevõttelt-ettevõttele otseturunduse valdkonnas. E-posti otseturunduse erinevus tavalisest e-maili turundusest on eelkõige see, et ettevõtetega kontakteerutakse esimest korda ilma eelneva kokkupuuteta. Seega peaesmärk sellel uuringul on selgitada välja, kas personaliseerimisel on mõju kliendi kaasatusele, kui isikupärastamiseks kasutatakse avalike äri andmeid.

Magistritöö eesmärgi lahendamiseks püstitati uurimisküsimus, mis tahtis teada personaliseerimise ja kliendi kaasatuse omavahelist mõju ettevõttelt-ettevõttele e-posti otseturunduses. Selle lahendamiseks loodi teoreetiline raamistik, uurides kirjandust teemadel nagu kliendi kaasamine, turunduse personaliseerimine, samuti ka mis on enne tehtud e-posti ja video turunduses. Teoreetiline raamistik seostati kolme hüpoteesi ja mõõdikuga. Hüpotees 1 väitis, et personaliseeritud meilisisul on positiivne efekt CTOR määrale, kui üldisel meilisisul. Hüpotees 2 väitis, et personaliseeritud e-kirjal on positiivne efekt CTR määrale kui üldisel e-kirjal. Hüpotees 3 väitis, et personaliseeritud e-posti pealkirjal on positiivne efekt e-kirja avamise protsendil, kui üldisel e-kirja pealkirjal. Teooria ehitati üles, kasutades autoreid nagu Hollebeek, Van Doorn, Brodie, Koch, Benlian, Goldfarb, Tucker, Voorveld, Hartemo ja teised uurijad selles turundusvaldkonnas.

Magistritöö metodoloogia oli arendatud, kasutades Saunders *et al.* 2009 sibula mudelit, mis jagab uuringu erinevateks kihtideks. Uuringu filosoofiaks on eelkõige positivism, kuid mõneti on mõju ka pragmatismil ja interpretivismil. Teooria töötati välja kasutades deduktiivset lähenemist. Metoodiliseks valikuks oli kvantitatiivne meetod. Peamiseks uurimisstrateegiaks oli eksperiment, mille käigus saadeti välja A/B meetodil kaks erinevat e-kirjade versiooni. Ajahorisont oli lühike, kus eksperimendi kirjad saadeti välja samal ajal ja ainult üks kord.

Eksperimendi esimese hüpoteesi tulemused viitasid, et üldise e-kirja sisu (eksperiment A) CTOR oli kõrgem (8.889%) võrreldes isikupärastatud e-maili sisuga (eksperiment B), mille väärtuseks oli 7.471%. Sellele baseerudes ei saa võtta vastu esimest hüpoteesi. Üldise e-kirja sisu tõi rohkem tulemusi kui personaliseeritud eksperimendi variant. Teise hüpoteesi sai võtta vastu vastavalt tulemustele, kus CTR personaliseeritud e-kirjal oli suurem (1.839%) kui üldisel eksperimendi versioonil (1.113%). Kolmandas hüpoteesis üldise kirja eksperiment A unikaalne e-kirja avamise määr oli 12.89% ning personaliseeritud eksperiment B väärtuseks oli 26.11%. Sellest tulenevalt sai vastu võtta ka kolmanda hüpoteesi.

Ülaltoodud tulemused täiendavad eelnevaid e-maili personaliseerimise uuringuid (Sahni et al. 2016; Singh et al. 2019; Mogos, Acatrinei 2015; Phan, 2019; Goic et al. 2021) näidates positiivset seost e-kirja pealkirja isikupärastamise ja kliendi kaasamise vahel isegi otseturunduse tingimustes. See oli vastuolus (Biloš et al. 2016) e-posti turunduse uuringuga. Eksperimendis personaliseeritud e-kirja sisu ei suurendanud CTOR-i, mis tähendab, et üldine meilisisu oli efektiivsem, kui personaliseeritud kirjasisu. Hüpotees ühte testiti z-testiga, mille väärtuseks oli 0.58 ja p-väärtus .562 i.e. $p > 0.05$. See hüpotees kattus (Kiselova 2019; Wattal et al. 2012; Trespalacios, Perkins; Rizzo 2018) uuringutega, kus ei nähtud personaliseerimise mõju kliendi kaasatusele. Sarnast tulemust vaadeldi ka antud uuringus, kuid see kehtis ainult personaliseerimise efektile e-kirja sisus. Kuigi personaliseerimine ei andnud efekti e-kirja sisus, siiski personaliseeritud kirja CTR oli suurem kui üldisel kirjal. Teist hüpoteesi kinnitati z-testiga, mille väärtuseks tuli -6.2116 ja p-väärtuseks vähem kui 0.00001. Personaliseeritud kiri oli efektiivsem, sest seda avati rohkem isikupärastatud kirja pealkirja tõttu. Hüpotees kolme testiti Chi-ruut testiga tarkvaras SPSS, kus väärtuseks mõõdeti 315.904, $df = 1$ ja p-väärtus = 0.000.

Magistritöö peamise järeldusena võib välja tuua, et personaliseerimine töötab ka ettevõtetel-ettevõttele otseturunduse keskkonnas. Eriti efektiivne on see esmase tähelepanu saamiseks, e-kirja pealkirja personaliseerimine suurendab kirja avamise protsenti. E-kirjade sisu liigne personaliseerimine võib avaldada aga negatiivset mõju. Personaliseerimine on tänaseni hea tööriist sünergia tekitamiseks koostöös teiste turundustaktikatega. Eksperimentaalne lähenemine turunduses aitab täiustada protsesse ning leida konkurentsieeliseid. Seda protsessi saab kaasa aidata läbi andmete kaevandamise ja jälgides muutusi läbi analüüsi tööriistade, mida kasutati ka selle magistritöö eksperimentide läbiviimiseks. Personaliseerimine mõju on kontekstipõhiline, võimalikud tuleviku uuringud saaksid avastada veel teisigi muutujaid ning kombinatsioone seotud

isikupärastamisega, mida selles töös ei testitud. Kokkuvõtvalt on personaliseerimine toimiv tööriist kliendi kaasamise suurendamisele ka ettevõttelt-ettevõttele otseturunduses, mis suurendab e-maili kommunikatsiooni relevantsust.

LIST OF REFERENCES

- Aguirre, E., Mahr, D., Grewal, D., Ruyter K. D., Wetzels, M. (2015). Unraveling the Personalization Paradox: The Effect of Information Collection and Trust-Building Strategies on Online Advertisement Effectiveness. *Journal of Retailing*, 91, 34-49.
- Alekh S. (2017). Human Aspects and Perception of Privacy in Relation to Personalization. Seminar on Privacy and Big Data. Summer Semester 2017. Aachen University, Germany.
- Animoto. (2022). Video Insights for 2022. Retrieved from <https://animoto.com/video-marketing-trends>, 14 March 2022.
- Anshari, M., Almunawar, M. N., Lim, S. A., Al-Mudimigh A. (2019). Customer relationship management and big data enabled: Personalization & customization of services. *Applied Computing and Informatics*, 15 (2019) 94-101.
- Baek T. H., Morimoto M. (2012). Stay Away From Me. *Journal of Advertising*, 41:1, 59-76.
- Barhemmati N., Ahmad A. (2015). Effects of Social Network Marketing (SNM) on Consumer Purchase Behavior through Customer Engagement. *Journal of Advanced Management Science*, Vol.3, No. 4, 307-311.
- Bergel, M., Frank P., Brock C. (2019). The role of customer engagement facets on the formation of attitude, loyalty and price perception. *Journal of Services Marketing*, 33/7, 890-903.
- Bielozorov A., Bezbradica M., Helfert M. (2019). The Role of User Emotions for Content Personalization in e-Commerce: Literature Review. Retrieved from https://www.researchgate.net/publication/334371423_The_Role_of_User_Emotions_for_Content_Personalization_in_e-Commerce_Literature_Review, 3 March 2022
- Boerman S. C., Kruikemeier S., Borgesius F. J. Z. (2021). Exploring motivations for Online Privacy Protection Behavior: Insights From Panel Data. *Communication Research*, 48(7), 953-977.
- Brodie, R. J, Hollebeek, L. D, Juric B., Ilic A. (2011) Customer Engagement: Conceptual Domain, Fundamental Propositions, and Implications for Research. *Journal of Service Research*, 14(3), 252-271.
- CampaignMonitor. (2019). *How to Use Video in Your E-mail Marketing*. Retrieved from <https://www.campaignmonitor.com/resources/guides/video-in-e-mail/>, 26 February, 2022.

- CampaignMonitor. (2022). *Ultimate E-mail Marketing Benchmarks for 2022: By Industry and Day*. Retrieved from <https://www.campaignmonitor.com/resources/guides/e-mail-marketing-benchmarks/>, 11 March, 2022.
- Cheng, Y., Wei, W. (2020). Seeing destinations through vlogs: implications for leveraging customer engagement behavior to increase travel intention. *International Journal of Contemporary Hospitality Management*, Vol. 32 (10). 3227-3248
- Cloarec, J., Meyer-Waarden, L., Munzel, A. (2022). The personalization–privacy paradox at the nexus of social exchange and construal level theories. *Psychology & Marketing*, 2022:39, 647-661
- Coker K. K., Flight R. L., Baima, D, M. (2021). Video storytelling ads vs argumentative ads: how hooking viewers enhances consumer engagement. *Journal of Interactive Marketing*, Vol.15 no.4 2021, 607-622.
- Colloquy. Berry, J. (2015). The 2015 Loyalty Census: Big numbers, big hurdles. Retrieved from <https://www.petrosoftinc.com/wp-content/uploads/2018/03/2015-loyalty-census.pdf>, 8 March 2022.
- Dessart, L., Veloutsou C., Morgan-Thomas A. (2015). Consumer engagement in online brand communities: a social media perspective. *Journal of Product & Brand Management*, 24/1, 28-42.
- Duhigg, C. (2012). How Companies Learn Your Secrets. Retrieved from https://www.nytimes.com/2012/02/19/magazine/shopping-habits.html?pagewanted=1&_r=1&hp, 7 March 2022.
- Field, A. (2013). *Discovering Statistics Using IBM SPSS Statistics*. 4th Edition. California, USA: SAGE Publications Ltd.
- Gautam, V., Sharma V. (2017). The Mediating Role of Customer Relationship on the Social Media Marketing and Purchase Intention Relationship with Special Reference to Luxury Fashion Brands, *Journal of Promotion Management*, 23:6, 872-888.
- Global spam volume as percentage of total e-mail traffic from January 2014 to March 2021, by month*. Statista. Retrieved from <https://www.statista.com/statistics/420391/spam-e-mail-traffic-share/>, 15 March, 2022.
- Goic, M., Rojas, A., Saavedra, I. (2021). The Effectiveness of Triggered E-mail Marketing in Addressing Browse Abandonments. *Journal of Interactive Marketing*, 55, 118-145.
- Goldfarb, A., Tucker, C. (2011). Online Display Advertising: Targeting and Intrusiveness. *Marketing Science*, 30.3, 389-404.
- Goldfarb, A., Tucker, C. (2012). Shifts in privacy concerns. *The American Economic Review*, vol. 102 no. 3, 349-353.

- Gomez-Uribe, C. A., Hunt N. (2015). The Netflix Recommender System: Algorithms, Business Value, and Innovation, *ACM Transactions on Management Information Systems*, 6, 4 13:1-13:19.
- Gupta, S., Pansari, A., Kumar, V. (2018). Global customer engagement. *Journal of International Marketing*, 26(1), 4-29.
- Hardwick J., Anderson A. R. (2019). Supplier-customer engagement for collaborative innovation using video conferencing: A study of SMEs. *Industrial Marketing Management*, 80, 43-57.
- Hardy, L. (2021). Cold E-mail Marketing Effectiveness and Localisation in Esports. Retrieved from <https://www.theseus.fi/bitstream/handle/10024/512545/Cold%20E-mail%20Marketing%20Effectiveness%20and%20Localisation%20in%20Esports.pdf?sequence=2&isAllowed=y> , 10 March 2022.
- Harland, D. J. (2011). *STEM: Student research handbook*. USA. National Science Teachers Association.
- Hartemo, M. (2016). E-mail marketing in the era of the empowered consumer. *Journal of Research in Interactive Marketing*, vol. 10., 212-230.
- Hippovideo. Chilukuri, S. (2019, Apr 4). Personalized Video E-mails – Send Before You Finish Your Coffee. [Blog post]. Retrieved from <https://www.hippovideo.io/blog/personalized-video-e-mail-campaigns/>, 11 March 2022.
- Hollebeek, L. D., Kallos D., Shukla Y. (2021). Game on! How gamified loyalty programs boost customer engagement value. *International Journal of Information Management*, 61.
- Hollebeek, L. D., Smith D. L. G., Kasabov E., Hammedi W., Warlow A., Clark M. K. (2020). Customer brand engagement during service lockdown. *Journal of Services Marketing*, 35/2, 201-209.
- Hollebeek, L. D., Srivastava, R. K., Chen, T. (2019). S-D logic–informed customer engagement: integrative framework, revised fundamental propositions, and application to CRM. *Journal of the Academy of Marketing Science*, 47, 161-185.
- Islam, J. U., Hollebeek, L. D., Rahman, Z., Khan I., Rasool, A. (2019). Customer engagement in the service context: An empirical investigation of the construct, its antecedents and consequences. *Journal of Retailing and Consumer Services*, 50, 277-285.
- Jaakkola, E., Alexander, M. (2014). The role of Customer Engagement Behavior in Value Co-Creation: A Service System Perspective. *Journal of Service Research*, 17(3), 247-261.
- Kampanos G., Shahandashti S. F. (2021). Accept All: The Landscape of Cookie Banners in Greece and the UK. Retrieved from https://www.researchgate.net/publication/350853160_Accept_All_The_Landscape_of_Cookie_Banners_in_Greece_and_the_UK, 18 February 2022.

- Biloš, A., Turkalj, D., Kelic, I., (2016). Open-rate controlled experiment in e-mail marketing campaigns. *Market Trziste*, 28(1), 93-109.
- Khan, J. (2011). Validation in marketing experiments revisited. *Journal of Business Research*, 64 (2011), 687-692.
- Kim H., Huh J. (2017). Perceived Relevance and Privacy Concern Regarding Online Behavioral Advertising (OBA) and Their Role in Consumer Responses. *Journal of Current Issues & Research In Advertising*, Vol. 38, 92-105.
- Kim, Y. J, Han J. (2014). Why smartphone advertising attracts customers: A model of web advertising, flow and personalization. *Computers in Human Behavior*, 33, 256-269.
- Kiselova, H., (2019). Effective e-mail marketing: an empirical study of the impact of personalized communication on customer engagement and purchase decisions. Retrieved from <https://biopen.bi.no/bitstream/handle/11250/2622136/2287483.pdf?sequence=1> , 26 February 2022.
- Klauer KC., Zhao Z. (2004). Double dissociations in visual and spatial short-term memory. *Journal of Experimental Psychology: General*, 133(3), 355-381.
- Koch O. F., Benlian A. (2015). Promotional Tactics for Online Viral Marketing Campaigns: How Scarcity and Personalization Affect Seed Stage Referrals. *Journal of Interactive Marketing*, 32, 37-52.
- Lambrecht, A., Tucker C. (2013). "When Does Retargeting Work? Information Specificity in Online Advertising. *Journal of Marketing Research*, 50 (5): 561–76
- Liaukonyte, J., Teixeira, T., Wilbur, K. C. (2015). Television Advertising and Online Shopping. *Marketing Science* 34(3), 311-330.
- Liimatainen, P. (2020). How to improve customer engagement by E-mail Marketing. Retrieved from <https://www.theseus.fi/bitstream/handle/10024/337093/Thesis.final.version.pdf>, 9 March 2022.
- Litmus*. Moller, M. (2021, Sept 9). The ROI of E-mail Marketing [Infographic]. [Blog post]. Retrieved from <https://www.litmus.com/blog/infographic-the-roi-of-e-mail-marketing/>, 21 February 2022.
- Lutfil, H. (2021). Cold Email Marketing Effectiveness and Localisation in Esports. Retrieved from <https://www.theseus.fi/handle/10024/512545>, 9 May 2022.
- MailChimp. *E-mail Design Reference*. Retrieved from <https://templates.mailchimp.com/>, 26 February 2022.
- Martínez-López F. J., Aguilar-Illescas, R., Molinillo S., Anaya-Sánchez R., Coca-Stefaniak J. A., Esteban-Millat, I. (2021). The Role of Online Brand Community Engagement on the Consumer–Brand Relationship. *Sustainability* 2021, 13, 3679.

- Meire, M., Hewett, K., Ballings, M., Kumar, V., Dirk Van den Poel. (2019). The Role of Marketer-Generated Content in Customer Engagement Marketing. *Journal of Marketing*, Vol. 83(6), 21-42.
- Messner, W. (2020). Understanding the influence of culture on customer engagement and recommendation intentions. *Journal of Strategic Marketing*. DOI: 10.1080/0965254X.2020.1849363
- Mikels, J. A., Reed, A. E., Maglio, S. J., Kaplowitz L. J. Should I Go With My Gut? Investigating the Benefits of Emotion-Focused Decision Making. *Emotion*, Vol. 11, No. 4, 743-753.
- Mogos, R. I., Acatrinei, C. (2015). Designing e-mail marketing campaigns – a data mining approach based on consumer preferences. *Annales Universitatis Apulensis Series Oeconomica*, 17(1). 15-30.
- Niedermeier A., Albrecht L., Jahn B. (2019). “Happy Together”: Effects of Brand Community Engagement on Customer Happiness. *Journal of Relationship Marketing*, 18:1, 54-76.
- Pansari, A., Kumar, V. (2017). Customer engagement: the construct, antecedents, and consequences. *Journal of the Academy of Marketing Science*, 45(3), 294-311.
- Phan, Q. A. H. (2019). Personalization in e-mail marketing – Case study: Debic at FrieslandCampina. Retrieved from <https://www.theseus.fi/handle/10024/268113>, 11 March 2022.
- QuickMail. Chatelaine, J. (2021, Sept 30). Cold E-mail Personalization: The Complete Guide. [Blog post]. Retrieved from <https://quickmail.io/cold-e-mail-personalization-the-complete-guide#what-is-cold-e-mail-personalization>, 10 March 2022.
- Rizzo, A. (2018). The Relationship of Direct Mail Data and Time Personalization and Response within the Financial Services Industry. Retrieved from <https://www.proquest.com/openview/8b3042c3153045569b4f88404dff8b3f/1?pq-origsite=gscholar&cbl=18750>, 11 March 2022.
- Sahni, N. S., Wheeler, S. C., Chintagunta, P., (2016). Personalization in E-mail Marketing: The Role of Non-Informative Advertising Content. Retrieved from <https://web.archive.org/web/20190217105037id/http://pdfs.semanticscholar.org/04f8/87daf98f23dfd928879082e6825dfd538a2c.pdf>, 23 February 2022.
- Saunders, M., Lewis, P., Thornhill A. (2009). Understanding research philosophies and approaches. *Research methods for business students*, 2009. 4: p. 106-135.
- Salonen V., Karjaluoto H. (2016). Web personalization: The state of the art and future avenues for research and practice. *Telematics and Informatics*, 33, 1088-1104.
- Schwemmer C., Ziewiecki S. (2018). Social Media Sellout: The Increasing Role of Product Promotion on YouTube. *Social Media + Society*, July-September 2018, 1–20

- Sigurdsson, V., Menon, R. G. V., Sigurdarson, J. P., Kristjansson, J. S., & Foxall, G. R. (2013). A Test of the Behavioral Perspective Model in the Context of an E-Mail Marketing Experiment. *The Psychological Record*, 63, 295-308.
- Sendgrid*. (2022). Tracking settings | Twilio. Retrieved from <https://docs.sendgrid.com/ui/account-and-settings/tracking>, 8 April 2022.
- Simon, C., (2021). Inside the buyer's brain. *Standing out in the inbox: the neuroscience of selling with video e-mail*. Retrieved from <https://www.vidyard.com/brain-science-video-e-mail-study#comp-form> , 31 March 2022.
- Singh G., Singh, H., Shriwastav, S. (2019). Improving E-mail Marketing Campaign Success Rate Using Personalization. *Advances in Analytics and Applications, Springer proceedings in Business and Economics*, 77-83.
- Spiteri, D. (2020). An exploratory analysis of the impact of repetitive online video marketing stimuli on consumer behaviour. Retrieved from <https://www.um.edu.mt/library/oar/bitstream/123456789/73234/1/20MSMM012.pdf>, 3rd March 2022
- Subramanian K. R., (2018). Myth and Mystery of Shrinking Attention Span. *International Journal of Trend in Research and Development*. 5(3).
- Summers C. A., Smith R. W., Reczek R. W. (2016). An Audience of One: Behaviorally Targeted Ads as Implied Social Labels. *Journal of Consumer Research*, Vol. 43, 156-178.
- Trespalacios J. H., Perkins R. A. (2016). Effects of Personalization and Invitation E-mail Length on Web-Based Survey Response Rates. *TechTrends*, 60:330-335.
- UK Dissertation Writers*. (2019, Apr 26). Saunders Research Onion – A Step-By-Step Guide To Structuring Research Methodology Chapter For PhD And Master-Level Researchers. [Blog post]. Retrieved from <https://www.ukdissertationwriters.com/saunders-research-onion-guide-to-structuring-research-methodology/>, 29 April 2022.
- U.S Small Business Administration*. Small Business Profiles for the States. [Report]. Retrieved from <https://cdn.advocacy.sba.gov/wp-content/uploads/2021/08/30144808/2021-Small-Business-Profiles-For-The-States.pdf>, 3 April 2022.
- Van Doorn V., Lemon, K. N., Mittal, V., Nass, S., Pick, D., Pirner, P., Verhoef, P. C. (2010). Customer engagement: the construct, antecedents, and consequences. *Journal of the Academy of Marketing Science*, 45(3), 294-311.
- Video commerce report*. LiveClicker. Retrieved from <http://www.videocommerce.com/wp-content/uploads/2015/01/VideoCommerce2.pdf>, 28 February, 2022.
- Vivek S. D., Beatty, S. E., Morgan, R. M. (2012). Customer engagement: Exploring customer relationships beyond purchase. *Journal of marketing theory and practice*, 20(2), 122-146.

- Voorveld H. A. M., Guda van Noort, Muntinga D. G., Bronner, F. (2018). Engagement with Social Media and Social Media Advertising: The Differentiating Role of Platform Type. *Journal of Advertising*, 47(1), 38-54.
- Wattal, S., Telang R., Mukhopadhyay T., Boatwright P., (2012). What's in a "Name"? Impact of Use of Customer Information in E-Mail Advertisements. *Information Systems Research* 23, 679-697.
- Wentzel D., Tomczak T., Herrmann, A. (2010). The Moderating Effect of Manipulative Intent and Cognitive Resources on the Evaluation of Narrative Ads. *Psychology & Marketing*, 27 (5), 510-530.
- Wind J., Rangaswamy A. (2001). Customerization: The next revolution in mass customization. *Journal of Interactive Marketing*, 15, 13-32.

APPENDICES

Appendix 1. Experiment Group E-mail A

Hi!

I just wanted to let you know that we are offering a website report for your company.

If your website runs on Wordpress, it is very important to always keep the site updated and make sure there is a responsible person / company, who offers regular maintenance and check-up. Here is a handy video where we explain it more:



[Read More](#)

[Terms](#) [Privacy](#) [Unsubscribe](#)

Appendix 2. Experiment Group E-mail B

Hi!

Your business website <http://www.examplesite.com> runs on Wordpress and it is very important that site software and modules are updated periodically.

Your website Wordpress version: **WordPress 5.9.2**

Latest Wordpress software version: **5.9.2**

We explain more in this video why it is important to update your Wordpress software:



Sign In

Get Started

Is Your WordPress Website Maintained And Secure?

We Support And Secure Your WordPress Website

We make sure your WordPress website stays live, healthy, updated, backed up, and secure, so you can focus on growing your business instead of dealing with technical headaches.



Sign Up! First Month Is Free!

Or...

Book a Meeting! Let's meet and greet before

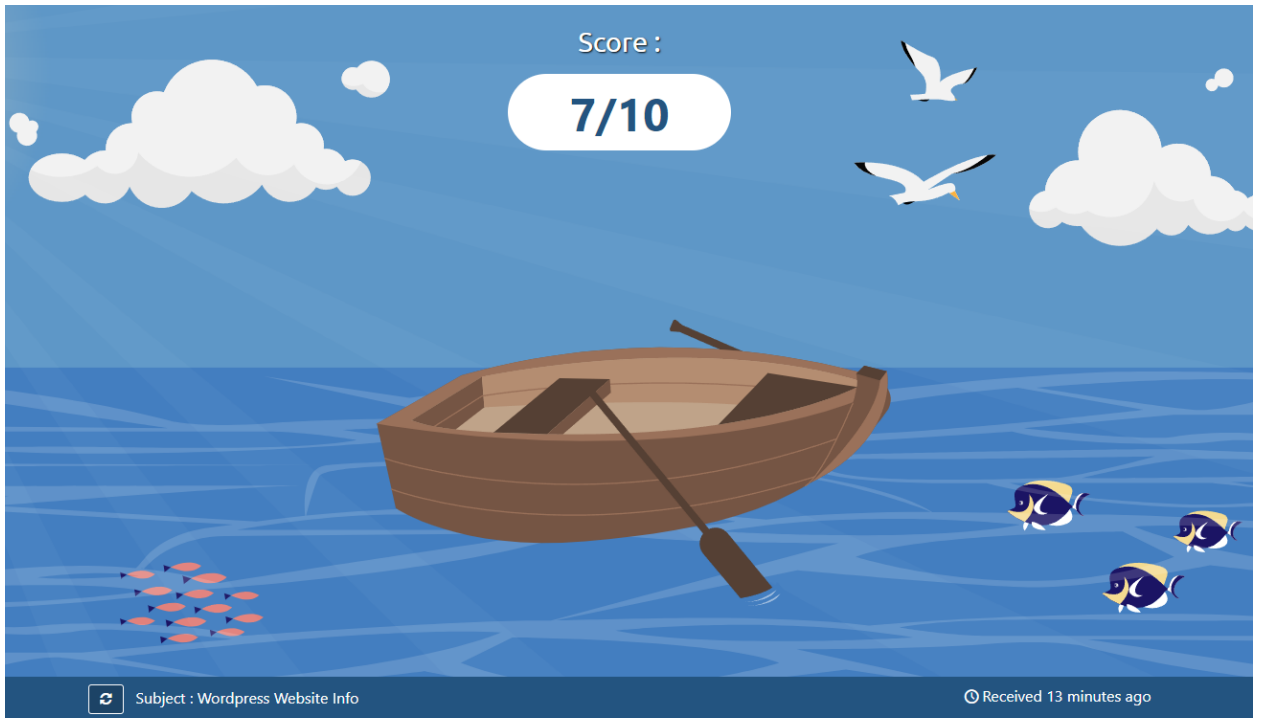
[Read More](#)

[Terms](#)

[Privacy](#)

[Unsubscribe](#)

Appendix 3. Experiment Group E-mail A Spam Score

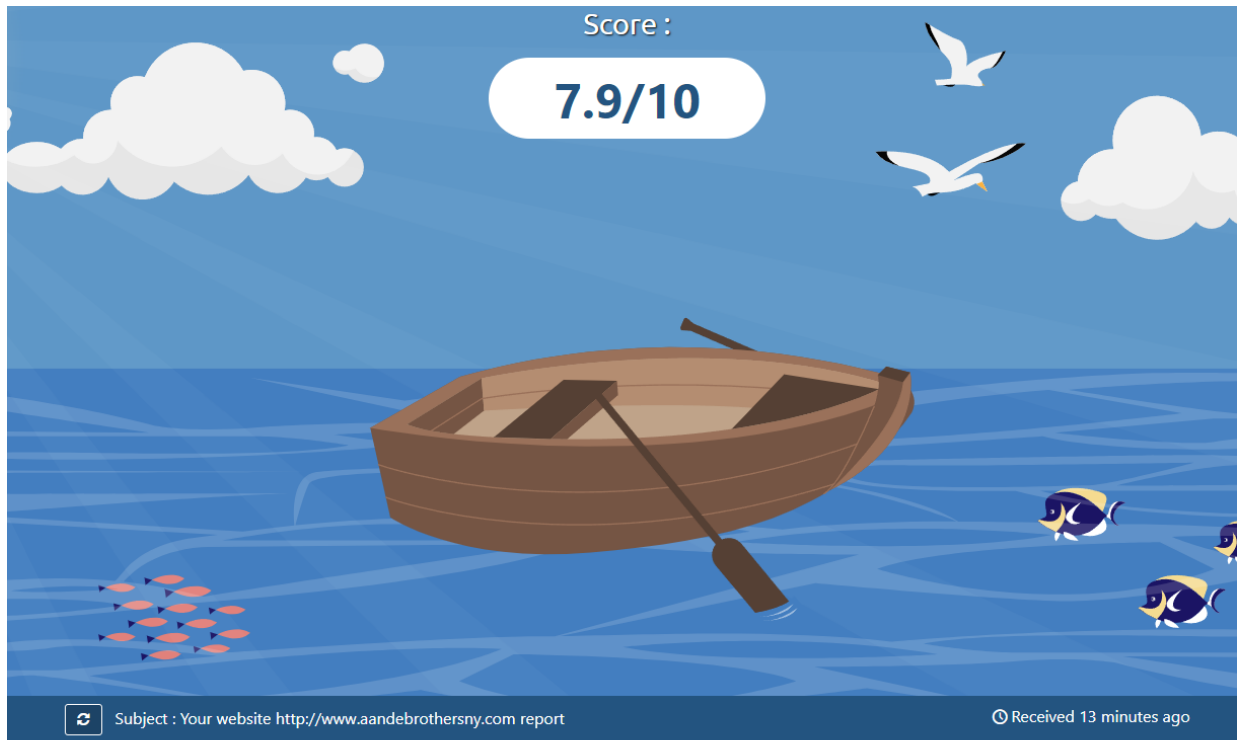


Click here to view your message	✓
SpamAssassin thinks you can improve	-1
You're not fully authenticated	✓
Your message is safe and well formatted	✓
You're listed in 3 blacklists	-2
No broken links	✓

Your lovely total: 7/10

<https://www.mail-tester.com/test-1aqcedpox>

Appendix 4. Experiment Group E-mail B Spam Score



✓ Click here to view your message	✓
✓ SpamAssassin thinks you can improve	-1.1
✓ You're not fully authenticated	✓
✓ Your message is safe and well formatted	✓
✓ You're listed in 2 blacklists	-1
✓ No broken links	✓

Your lovely total: 7.9/10

<https://www.mail-tester.com/test-79gh93k6v>

Appendix 5. Preview of landing page



Sign in

Get Started



My website is small, why would hackers target my website?

Their scripts are automated.

Hackers have built scripts to find common vulnerabilities by scanning lists of websites. They are not too picky on their target, rather the script will hack the site which has a common vulnerability.

They want to use your website to spread Malware

It is quite easy and cheap for a hacker to buy malware. Harder is to spread it. This where your website comes in as a convenient platform to infect your customers computers. A lot of website hacking occurs because unmaintained software. Once the website has been compromised, it causes a huge reputation loss for your company. Clean up is always messy too, since there could be infectious code hidden in real website files. Your site will be deindexed by Google as insecure website. Clean up and recovery takes time, while you lose valuable business.

They want your collected customer payment details

If you sell something on your site, it is a obvious target for a hacker. Even if you don't store any payment details on your site, there are still tools what can be installed to capture your customer's credit card details while they enter them.

Information of any kind can be valuable

For example e-mail and password used on your site, can most likely be also used on another site. People don't always have passwords. All kind of email lists and customer data can be sold if not to others, then maybe to customer itself.

Used for SEO spam

Source: <https://supportmeow.com/free-wordpress-security-report-for-your-website/>, author's website

Chat with us



Appendix 6. Non-exclusive licence

A non-exclusive licence for reproduction and publication of a graduation thesis¹¹

I Silver Kuklase (*author's name*)

1. Grant Tallinn University of Technology free licence (non-exclusive licence) for my thesis
Impact of personalization on customer engagement in direct B2B e-mail marketing

(title of the graduation thesis)

supervised by Iivi Riivits Arkonsuo,

(supervisor's name)

1.1 to be reproduced for the purposes of preservation and electronic publication of the graduation thesis, incl. to be entered in the digital collection of the library of Tallinn University of Technology until expiry of the term of copyright;

1.2 to be published via the web of Tallinn University of Technology, incl. to be entered in the digital collection of the library of Tallinn University of Technology until expiry of the term of copyright.

2. I am aware that the author also retains the rights specified in clause 1 of the non-exclusive licence.

3. I confirm that granting the non-exclusive licence does not infringe other persons' intellectual property rights, the rights arising from the Personal Data Protection Act or rights arising from other legislation.

09.05.2022 (date)

¹ The non-exclusive licence is not valid during the validity of access restriction indicated in the student's application for restriction on access to the graduation thesis that has been signed by the school's dean, except in case of the university's right to reproduce the thesis for preservation purposes only. If a graduation thesis is based on the joint creative activity of two or more persons and the co-author(s) has/have not granted, by the set deadline, the student defending his/her graduation thesis consent to reproduce and publish the graduation thesis in compliance with clauses 1.1 and 1.2 of the non-exclusive licence, the non-exclusive license shall not be valid for the period.