

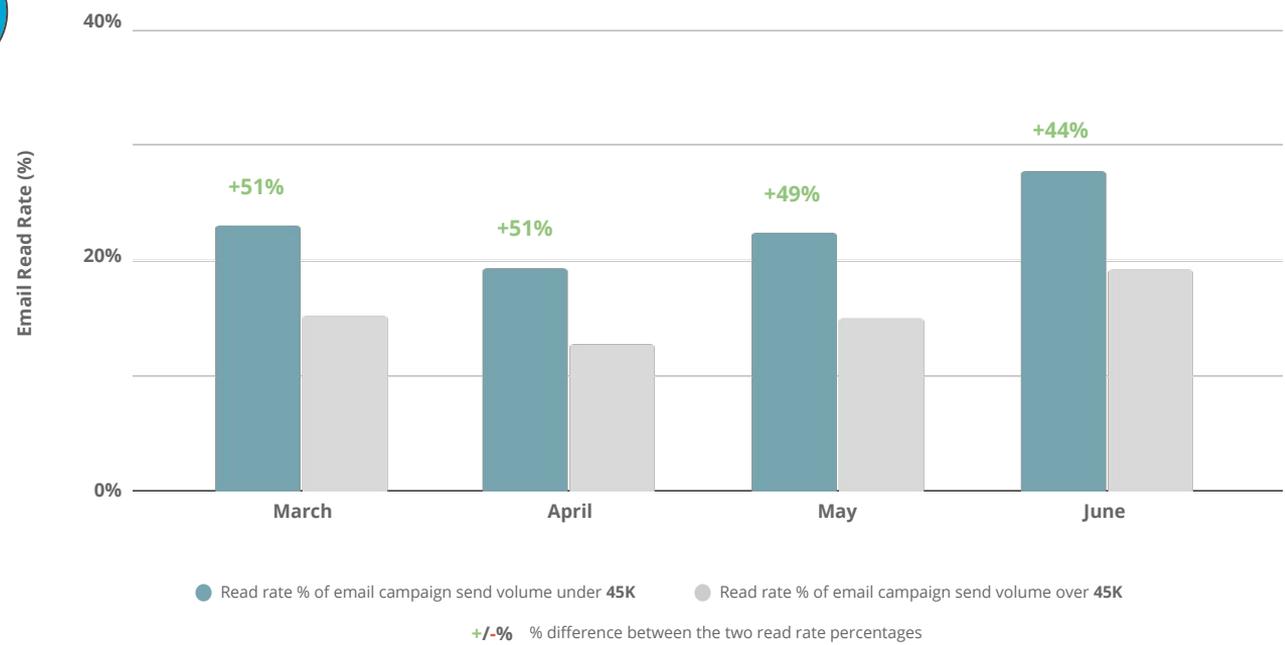


**Bluebird
Botanicals**

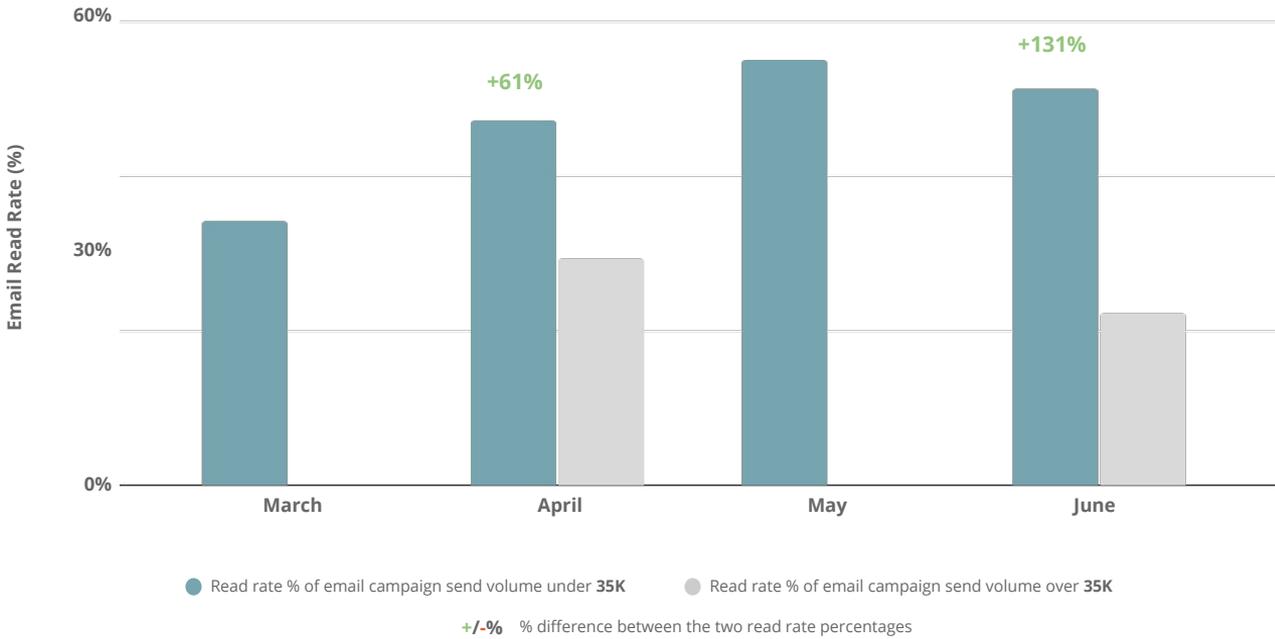
**How CBD Brands Increase Email
Deliverability and Sales With
Segmentation
Cannabis**

Bluebird Botanicals, who has 95K email subscribers, typically sees a **+49%** difference* in read rates when they send out email campaigns in volumes just below half of their email list size.

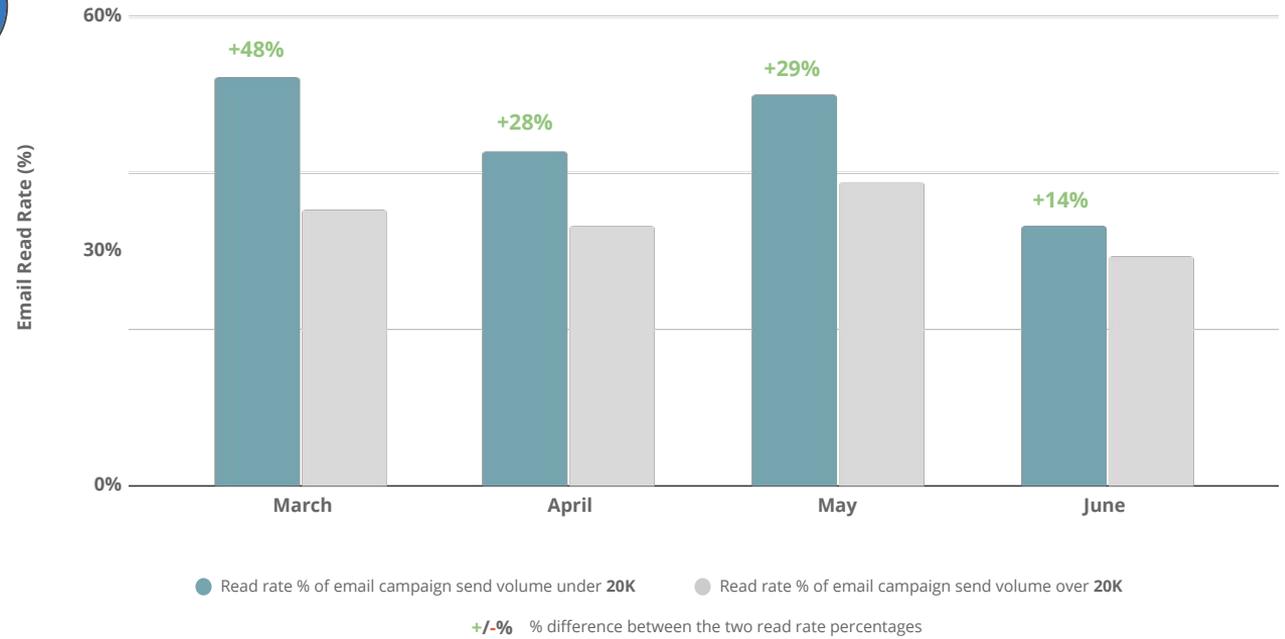
**Compared to email read rates that are sent out to their entire list.*



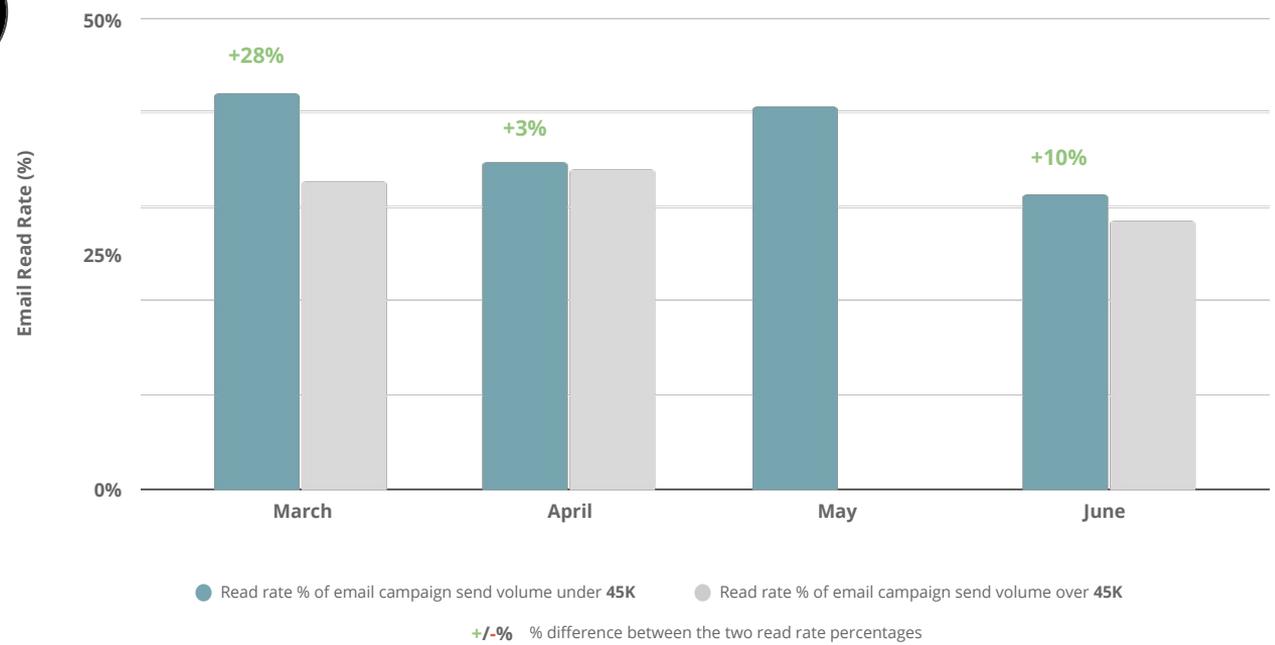
Similarly, Fab CBD rarely sends email campaign volumes over 35K, which is also below half of their total email list size (84K). These email campaigns also outperform the one-time, mass email blast campaigns.



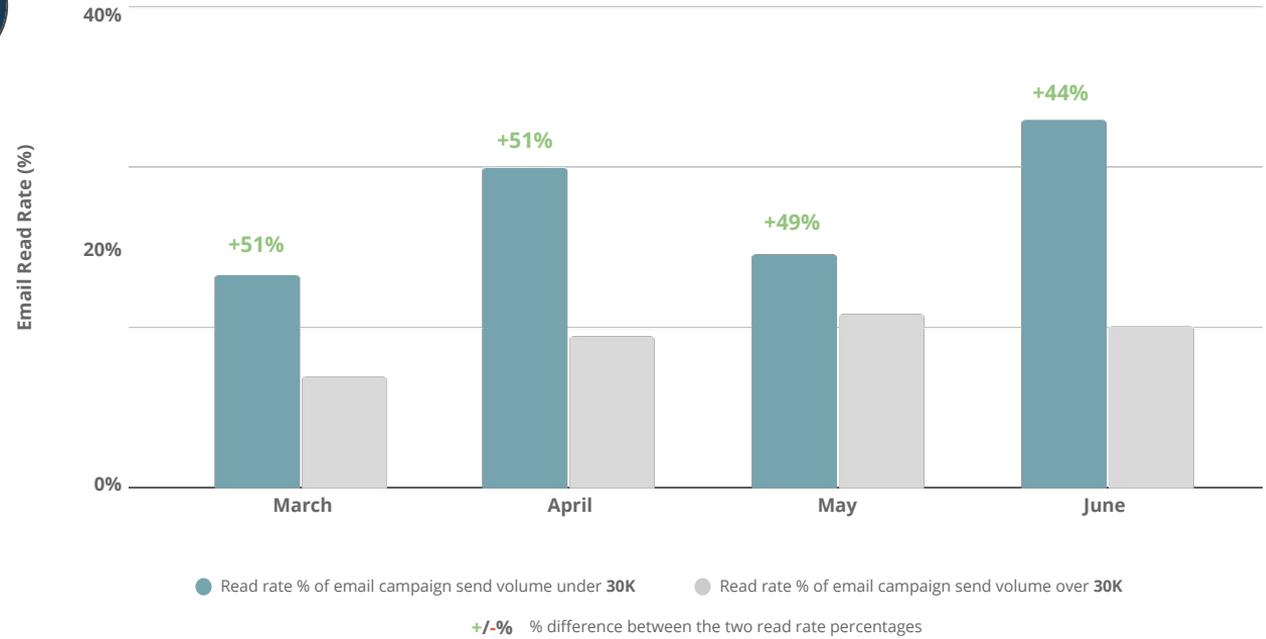
Elixinol, who has a list size of just over 40K, also sees a positive increase in read rates (+30% average) when they send email volumes of less than 20K.



Even though PureKana has a substantial list size of 133K, they favour sending out batches of emails of less than 45K per campaign. These emails, on average, yield a **+14%** increase in read rates over mass sent emails.

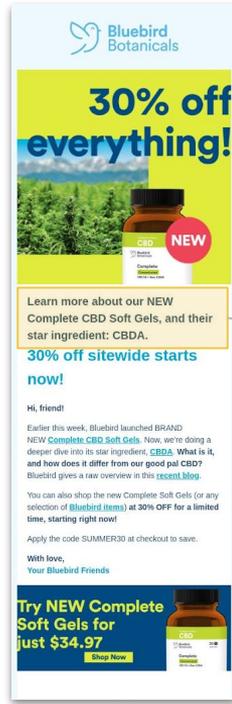


Caliva, unlike the other competitors, often sends out one-time email blasts to their 68K email list. However, when they do segment their list and send volumes of under 30K, their emails perform **+91%** better than the mass emails.

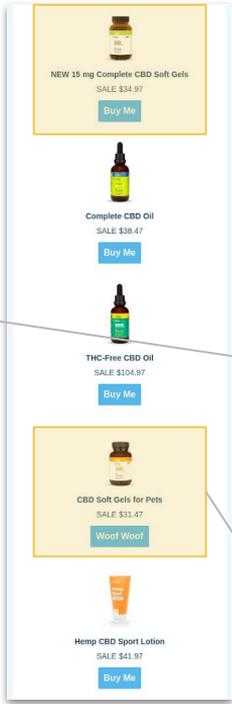


Segment audience groups by purchase behaviour or intent like Bluebird Botanicals did in their 30% off sitewide sale campaign.

Subject Line: Meet our new Soft Gel! Shop 30% off SITEWIDE today



Send Volume: 31K | Read Rate: 34%



Best Practices Employed:

Unique subject lines for different audience segments and/or using A/B testing on similar audience groups to determine best subject lines

Segmenting audience based on purchase behaviour/interests: for the email on the left, they could have potentially grouped an audience segment based on customers who have recent purchase history of soft gels or have left soft gel products in cart and sent them this email campaign.

Reordering and showcasing different products: in the left email, they've included 2 soft gel products in their lineup, whereas in the email on the right, they included more lotion products instead

Subject Line: Sun's out, sale's on: 30% off EVERYTHING!



Send Volume: 27K | Read Rate: 29%



Bluebird Botanicals List Size: 95K | Bluebird Botanicals Avg. Read Rate: 19%



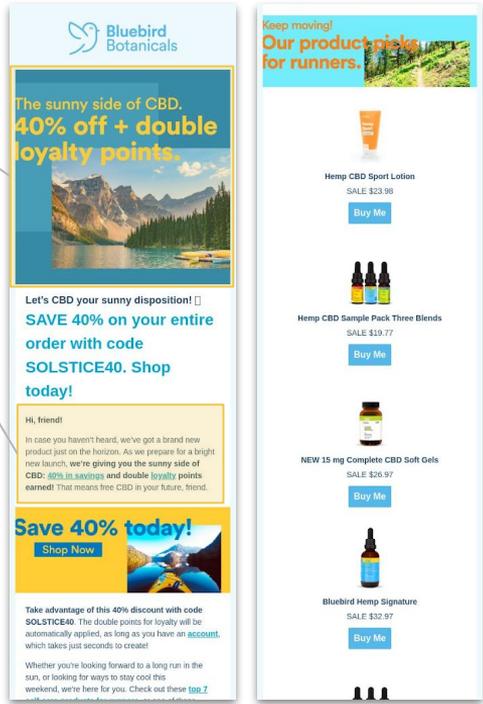
They also segmented their audience by loyalty type, targeting customers have an existing relationship with the brand via active accounts and are likely to be advocates.

Subject Line: CBD wellness mocktails + 40% off sitewide! 🍹



Send Volume: 43K | Read Rate: 33%

Subject Line: Earning free CBD has never been easier. 🌿🏃🏆



Send Volume: 41K | Read Rate: 42%

Best Practices Employed:

Different headline image and caption that still convey the key message; one includes the promo code while one emphasizes their double loyalty points offer

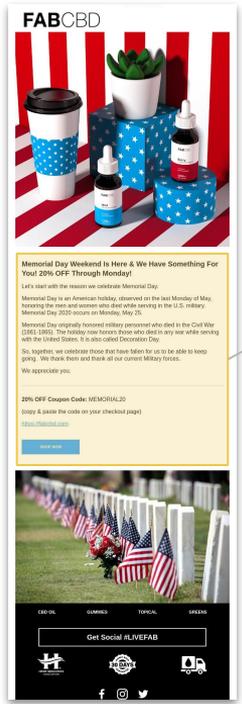
Giving bonus incentives for loyal customer segment: not only is Bluebird's offer double loyalty points for this segment, they also give mention of a brand new product that's coming soon. Consider offering this segment trials for new products, refer-a-friend discounts, and other exclusive perks to grow brand advocacy.

Direct traffic to blog posts that encourage customers to consider products outside of their range: Bluebird's [recipe blog](#) recommends several products in their oil lineup; this also increases the chance of customers visiting your website

Bluebird Botanicals List Size: 95K | Bluebird Botanicals Avg. Read Rate: 19%

Fab CBD segmented their audience by psychographics, namely those who are ratings-sensitive in their Memorial Day sale campaign.

Subject Line: **Memorial Day Weekend Sale! (20% OFF)**



Send Volume: 17K | Read Rate: 61%

- Email Marketing Best Practices:**
- Straightforward subject lines* that clearly communicates to reader what the email is about
- Concise email content to match subject line:* sometimes, it is best to keep emails short to keep customers focused on the key message
- Incorporating social proof into emails and sending to ratings-sensitive customer segment:* if you know you have customers who often shop by "best rated" or often leave reviews, add customer feedback snippets into your email campaigns to increase chances of conversion with this audience segment
- Continuing to repeat offer throughout email:* the offer is a call-to-action and increases opportunity for click-throughs

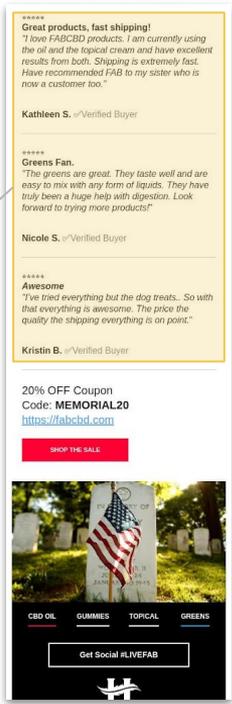
Fab CBD List Size: 84K

Fab CBD Avg. Read Rate: 39%

Subject Line: **Remember & Honor**



Send Volume: 20K | Read Rate: 67%



Using social proof is a frequent email marketing tactic used by Fab CBD. This tactic is also effective for other audience segments such as customers who have abandoned carts.

Subject Line: "I've done extensive research, and..."

FAB CBD

"This appears to be the best available."

Chews > Buy Now
Zingy Infused Cannabidiol
Naturally Occurring Terpenes
Natural Fruit Flavors

TOPICAL

Topical Cream > Buy Now
Full Spectrum Hemp Extract
600mg CBD + Powerful Botanicals
Naturally Occurring Terpenes
Calming & Functional Aroma

CBD Oil > Buy Now
Full Spectrum Hemp Extract
Naturally Occurring Terpenes

Send Volume: 17K | Read Rate: 61%

Email Marketing Best Practices:

Using direct quotes from customers as subject lines: to improve this, turn this newsletter into a recurring campaign and start off the subject with a title that gives more context to the content.

Provide screenshots of real customer feedback: improve this by showing reviewed product and having a link to shop product

Target Cart Abandonment audiences: this is the audience that had items in cart but never checked out; give them the extra nudge by showing them glowing reviews and reminding them of their item in cart

Target Frequent Buyer audiences: for customers who frequently purchase the same type of products, use social proof to recommend other products that could compliment their original purchases

Subject Line: "I'm ordering it the second time already."

FAB CBD

What did customers have to say last week?!

***** 06/08/2020
WOW!
"It's a really very good offer, I'm ordering it the second time already."
Ann Stone, Verified Buyer

*****06/23/2020
LOVE FAB!
"Not only do they provide great products I use the oils, chews & Superfood, they also give back to the community."
Carol N., Verified Buyer

***** 06/21/2020
This is almost perfect!
"I really like this products ingredients and what it should do in the body. The product itself is very good and I really do like it very much. It is well worth the price."
Charlene H., Verified Buyer

SHOP ALL

CBD OIL > Buy Now
Full Spectrum Hemp Extract
Naturally Occurring Terpenes
Fractionated Coconut Oil (MCT Oil)
3 Strengths - 9 Natural Flavors

Send Volume: 20K | Read Rate: 67%

Fab CBD List Size: 84K

Fab CBD Avg. Read Rate: 39%

Takeaways

Key Findings

Brands who segment their emails see higher email campaign performance when they segment versus sending mass email blasts:

As a whole, email campaigns that are sent to a select group of customers have outperformed their mass counterparts in terms of read rates.

When segmenting, brands tend to send out batches of emails that are just below 50% of their total email list size:

Aside from PureKana, who sends volumes of just over 30% of their subscriber list, most brands aim for the 50% mark.

For each marketing campaign, competitors send out at least 2 unique emails to different audience segments:

Bluebird Botanicals typically sends out two email campaigns for the same marketing campaign, with each email containing enough similarities to convey the same message, but enough differences to be tailored to each audience group.

What Brands Should Be Thinking About

Send out small-batch emails rather than one-time email blasts:

Segmented emails perform better and help in reducing potential spam flags, leading to more emails being read and more emails landing in inboxes.

Aim for batch sizes around 50% or below of your email list size and start employing tactics like A/B testing or sending out surveys:

50% is a good number to start at and is a great way to start segmenting. Consider A/B testing your email with this split to get a feel for what elements of your email works and doesn't work. Send out surveys or create quizzes on your website to start collecting useful information about your audience.

Keep the overlying message the same, but have enough differences within the email content so that it feels tailored to the audience:

For example, with Bluebird Botanicals' 40% off sale, they made sure their header image conveyed the 40% claim, but while one had a double loyalty point offer, the other led off with the title of their featured blog post. Understand what your audience is interested in and use it to supplement your main message to maximize conversion and read rates.

Takeaways

Key Findings

Using social proof is a favoured tactic for Fab CBD while Bluebirds Botanicals uses a range of segments for their audience: Bluebirds Botanicals seems to use segments from purchase behaviour to loyalty type to types of blog content visited to segment their audience. Fab CBD, on the other hand, prefers to target certain customers with highlights from customer reviews.

What Brands Should Be Thinking About

Other than demographics and geographics, consider segmenting your audience by psychographics, such as:

- **By purchase behaviour or interest:** If you notice a certain group of customers who are consistently buying the same types of products, group them into a segment and send them special offers or updates about upcoming products that fit their interests
- **By loyalty type or brand advocacy:** Give loyal, long-standing members of your brand extra incentives, be it exclusive discounts, free trials, product samples. Consider turning these loyal members into brand advocates by creating refer-a-friend programs so that one loyal member becomes 2 members, so on and so forth
- **By shopping behaviour (cart abandonment):** For customers who leave items in cart without purchasing, target them with email reminders about the products, offer them free shipping and other incentives, or, compile product reviews from customers to minimize fear of post-purchase dissonance

This tactic also includes monitoring the amount of money a typical customer spends, segmenting out high-ticket price purchases versus the norm. Pay attention to customers who abandon cart or customers who bought something once 6 months ago and never came back.