

# Email Prospecting in the Age of CASL



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*How to Continue Using Email to Grow Business  
in Today's Canadian Marketplace*

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# Welcome to “*Email Prospecting in the Age of CASL*” – a guide on how to best overcome Canada’s Anti-Spam Legislation and continue conducting email marketing in today’s Canadian marketplace.

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This special KnowHow™ Report will provide you with a basic background on Canada’s Anti-Spam Legislation (CASL), and how to successfully continue prospecting for new business in Canada via email:

1. The Bare Bones Basics of CASL
2. The Challenges of Building an In-house CASL-compliant Prospect List
3. Partnering With a Business List Company

Whether you are just entering the Canadian marketplace or a veteran in conducting business in Canada, understanding the nuances of CASL is important. This report will help you to recognize the implications that CASL has on your organization and what to look for when selecting a good and reputable business list company.

Email prospecting is not dead. Fresh leads and more sales can still be leveraged with email marketing.



## E-MAIL MARKETING

This white paper is not meant to be a comprehensive explanation of CASL, nor should it be construed as legal or business advice. To learn more about the legislation, visit the Government of Canada's CASL information site at: [www.fightspam.ca](http://www.fightspam.ca).

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## EXECUTIVE SUMMARY



### Did You **KNOW?**



*“Over half of businesses achieve more than **10%** of total sales through email marketing.”<sub>1</sub>*

Email is a fast, affordable way to reach new prospects. So it is no wonder that many small-to-mid-sized businesses rely on this channel to generate leads and grow sales. In fact, some businesses have built sizable in-house contact lists for this very purpose.

But that all changed July 1, 2014. That’s when Canada’s tough new anti-spam legislation, colloquially referred to as CASL (“Castle”), came into force. As a result, businesses have found that their ability to freely email prospects is now seriously stymied. For example, no longer can you simply email a new lead without first getting—and documenting—that person’s consent. And that is just one of many new restrictions.

Businesses have attempted to deal with this issue in various ways. For example, some have emailed their databases asking contacts to “confirm their consent”. The harsh reality is: few do. As a result, many robust in-house lists (once the lifeblood of prospecting efforts) are now decimated.

To make matters worse, CASL has many nuances and shifting interpretations that are not easy to grasp. This has left many questioning what they need to do to comply—

and worried about the hefty fines if they get it wrong.

This has become a tough situation for businesses, especially those that rely on email to connect with prospects, make offers, set appointments, and otherwise promote products and services. They need to email prospects to grow sales, yet the road is now riddled with obstacles and lurking enforcement.



### Important **FACT!**



*“**8%** of companies & agencies have an email marketing team. Most often email marketing efforts fall on the lap of one person as part of their wider range of job responsibilities.”<sub>2</sub>*

But there is a solution.

By working with a reputable business list company that is CASL-compliant, businesses can still leverage the fast, affordable reach of email to contact new prospects and generate fresh leads.

This paper will discuss email prospecting in the age of CASL, and provide insights into working with a good business list company—including selection criteria.



## SECTION 1: The Bare Bones Basics of CASL

CASL is the *Canadian Anti-Spam Legislation*. It covers not only email but also text messages, social media direct messages and, indeed, any type of commercial electronic message (CEM) sent to a Canadian electronic address that, according to the Act, “encourages participation in commercial activity, regardless of whether there is an expectation of profit.”

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### Did You **KNOW?**

*“50% of small business owners agree email marketing is effective at engaging existing customers and attracting new customers.”<sub>3</sub>*

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So CASL is not limited to sales pitches. Even your e-newsletter could be considered a CEM if it contains any links to offers or advertising.

So too are emails sent to those who visit your trade show booth and give you their business cards. It’s safe to say that most, if not all, email communications—especially to prospects—are covered under CASL. So you must know the rules.

The biggest shift in “the rules” involves consent.

Before CASL you could email prospects as long as you provided an obvious means of opting out or “unsubscribe”, and you followed other best practices. Not anymore. Now, with few exceptions, you must have the consent of the recipient in order to send that person a CEM. There are two types of consent, express and implied. And neither are as simple to determine as they may at first seem.

Do you have consent because a subscriber signed up for your email newsletter years ago? Only under certain conditions. Can you send special offers to someone your salesperson



met at a business event? Again, only under certain conditions.



### Important **FACT!**

*“Almost half of subscribers are inactive on an email list”<sup>4</sup>*



### Let's take a look at the basics of express consent. It requires that a business:

- Clearly describe the type of emails that will be sent to the recipient. (Weekly e-newsletter, special sales offers, etc.)
- Clearly identify itself as the business seeking consent.
- Provide contact information. (Mailing address, telephone number, email address, etc.)
- Indicate that the recipient can unsubscribe anytime.

Once obtained, express consent lasts until the recipient unsubscribes or in some other manner says, “Stop”.

Express consent can be tricky. Randall Craig, author of *The Everything Guide To Starting An Online Business* and an expert in CASL, points out, “Express consent doesn’t necessarily mean consent to send any email on any topic. You have to clearly describe to the prospective subscriber what kinds of emails they are agreeing to receive.”

So although expressed consent lasts until the recipient opts out, it still has to

be managed closely.



### Did You **KNOW?**



*“Removing subscribers who have not engaged in over a year instantly increases your deliverability rate by **3 to 5%.**”<sup>5</sup>*

### Now let us look at implied consent.

Implied consent may seem like an easier hurdle to jump over, but it is actually more arduous. Here are some typical examples where implied consent exists under CASL rules:

- A person has made an enquiry about your products or services (perhaps by filling out a form on your website).
- A person has made a purchase or signed a contract to purchase.
- A person has given your salesperson her email address AND she has not stated that she does not wish to receive sales-oriented emails from your company AND the emails you do send are specifically related to her business or profession.

There are other circumstances in which implied consent may or may not exist as well.

### The Clock is Ticking

Implied consent does not last forever. It expires 24 months after the end of a

business contract or subscription. However, some implied consent, request for information, and refer to a friend, expire after 6 months. This adds yet another layer of complexity for businesses because they now need to track when consent occurs so as not to send emails after it ends. For many, this requires monitoring multiple systems—such as CRM and third-party email marketing services—as well as the individual contacts of salespeople.

Not an easy task.

the ability to prove the existence of consent in response to an enforcement action.”

That means you must have systems in place for gathering detailed consent data, such as the date consent was given, the type of emails consented to receive, and more. Unfortunately, this task cannot always be accomplished electronically. According to Craig, documenting consent may also require, “...saving event feedback forms, emails, lead forms, etc. And it means confirming verbal conversations in writing.”



### Important **FACT!**

*“Businesses are looking for deeper integration of email with other business functions. The most common barrier to integrating email with overall business strategies is disconnected systems and technology.”<sup>6</sup>*



## If You Can't Prove It, You Can't Send It

If obtaining consent is the circus hoop that businesses must now jump through, documenting consent is the flame that roars inside of it.

Regardless of the type of consent you secure, express or implied, you must be prepared to prove it if necessary. Shaun Brown, co-author of *A Complete Guide to e-Marketing Under Canada's Anti-Spam Legislation*, states, “Any person claiming to have consent bears the burden of proving it. Thus, even if you have consent, consider whether you would have



### Did You **KNOW?**

*“When asked what purpose email marketing serves, **78%** of respondents cited retention, **70%** cited engagement, and **68%** cited revenue generation.”<sup>7</sup>*



And what if you have salespeople and other staff who collect email addresses and email prospects on their own? You would have to be confident those employees are documenting consent correctly and complying with the other CASL regulations. On-going training would be required.

A small to mid-sized business does not have to consider these issues too closely before realizing how difficult it is to prospect in the age of CASL—all on its own.

## Big, Scary Fines

Some businesses may be tempted to ignore CASL or not be too concerned with it, especially if they feel they are ethical marketers. A business owner might think, “Hey, we’re not slimy spammers. CASL isn’t meant for us.” Some may even assume that a minor infraction is like jaywalking. If you get caught it’s not that big a deal.

So although CASL is meant to be a sledge hammer on obvious offenders, it sends an equally tough message to all businesses: stay compliant.



### Important **FACT!**



*“On average **69.9%** of all email traffic is SPAM.”*

*“**Canada ranks 14<sup>th</sup>** as a distribution source of SPAM.”<sub>8</sub>*

Think again. Although the government has stated that the legislation is for blatant spammers, there are hefty fines for non-compliance. All that would have to happen is someone to complain via the CASL hotline. If that business is not able to prove consent, it is exposed to the possibility of a hefty fine.

How hefty? The penalties as of July 1, 2014 are as follows:

- Up to \$10 million per violation for a company/organization.
- Up to \$1 million per violation for an individual (director/officer liability).

In addition, starting July 1, 2017, you can also be sued by CEM recipients who claim they did not consent to receiving emails from you.







## SECTION 2: The Challenge of Building an In-house CASL-Compliant Prospecting List

What would a small to mid-sized business need to do to create an in-house prospect list and email those people, legally and ethically?

Consider this example of a small manufacturer: Company X. It has a CRM system filled with customers and prospects, an outside provider of email marketing services, an in-house team that handles phone enquiries, and an outside sales force.

At a minimum, Company X would need the following systems and practices in place:

- An updated CRM system that adequately documents express and implied consent.
- A mechanism for being alerted when implied consent expires, so emails to those prospects will cease.
- A system, perhaps manual, for recording all consent information provided by

phone and via live interactions with sales staff.

- A system for keeping consent information updated across all databases—electronic or paper-based—in case a prospect is on more than one list.
- A means of integrating prospect information that may exist on third-party databases, such as an email marketing service provider.
- Ongoing training for sales and customer service staff, so they understand and follow CASL rules.
- Ongoing monitoring to ensure the format and content of emails stay CASL-compliant.

There may be other things Company X would need to do in respect to CASL as well.

Unfortunately, many businesses do not have the time, money and resources to put such systems and practices into place.

But some business list companies do. And

that's where the solution lies for those who want to continue to use email to reach new prospects, generate fresh leads, and grow sales.

## Important System Measures to Think About

*When Building an In-House CASL Compliant Email List*





## SECTION 3: Partnering with a Business List Company

A business list company provides data on businesses and other organizations for the purposes of sales, marketing and research. Some simply offer company names and addresses while others go deep; providing such rich insights as contact names, job titles, industry, sales volume and, yes, email addresses.


email. So when CASL came along, the best and most reputable of these invested heavily in learning the legislation and overhauling their databases, systems, and practices.

As a result, a few key business list companies are now able to provide clients with CASL-compliant email prospecting options.

Because a few respected business list companies have done the heavy-lifting to develop prospect lists that are CASL-compliant, they have become an invaluable resource for small to mid-sized businesses. Businesses now have a convenient way to stay in the email prospecting game, reach new prospects, and fill their sales pipeline.

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### Did You **KNOW?**

*“Companies that use an email service provider are more likely to be satisfied with their email marketing than companies who do not.”* 

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Obviously, business list companies have an interest in providing a safe, legal means for their clients to reach targeted prospects via

### Selecting a Business List Partner

Clearly, it is advantageous—if not vital—to partner with a reputable business list company to generate more leads and sales with

email. Like any industry, however, there are good players and not-so-good players. How do you select the best business list company for your needs?

The criteria is simple:

- Good reputation.
- CASL-compliant.
- Robust and growing list.

First, it is important to check that the business list company has been following the best practices of email marketing before CASL came into force. After all, if you deal with a company with a poor track record in this area, that bad reputation may rub off on your business. You

want to make sure they've been ethical, respected subscriber wishes, and received few (if any) complaints.

Second, you must confirm that the list company has actually become CASL-compliant. They should be highly knowledgeable on the legislation, and have upgraded their infrastructure, systems and practices accordingly.

Finally, you want to ensure they have the lists you need to connect you with the prospects you want. They should be committed to managing and growing their subscriber base so you have a partner that will continue to add value to your email prospecting efforts.





## Getting BIG Results for Clients

Article by Steve Slaunwhite

Vesna Moore, Director of Circulation and CASL Compliance Officer for the list company Annex-Newcom L.P., manages a subscriber database of more than 750,000 subscribers representing dozens of industries and business sectors. *“We’ve always been good corporate citizens when it came to the best practices of email marketing. We always send relevant information. We respect unsubscribe requests. We almost never get complaints.”*

For Moore and her team, CASL was a pain but also an opportunity. They spent untold hours consulting with lawyers to understand the legislation and invested even more time in making the necessary changes to ensure compliance. *“There was a lot of redesign and programming work done on the backend,”* says Moore. They also conducted staff training so that everyone is up-to-speed on the new standards.

However, Moore did not settle for mere compliance. She took the opportunity to up her company’s email marketing game in many areas. *“Since we were overhauling things anyway, we decided to make several improvements, both internally and from a customer experience standpoint.”*

One major improvement involved how customer preferences were managed. Due to its wide range of products, Annex-Newcom L.P. customers could be subscribed to multiple types of emails. This often required customer service and data entry to go through numerous screens in order to see all the subscriptions and make the appropriate changes. *“Now there is one single screen with one single view,”* says Vesna. *“We’ve also updated our preferences to help subscribers better understand what they’re unsubscribing to, and are creating a superior Online Preference Center so customers have better access to their accounts and improved ability to manage their preferences, products and contact information.”*

So Annex-Newcom L.P. is not just rock solid when it comes to CASL-compliance, they are also better at the services they provide to clients overall.







## SECTION 4: Conclusion & Additional Resources



### Important **FACT!**



*“Email marketing remains critical to business, with **89%** of respondents declaring email to be ‘important’ or ‘very important’ to their organization.”<sup>10</sup>*

even for the most determined business, will take time and serious resources. However, by partnering with a good list company that is fully CASL-compliant, you can significantly enhance your email prospecting efforts and get better outcomes.

The result? More leads and sales.

### The Next Step

For many businesses, eliminating email from the prospecting mix is not an option. Email is just too mission-critical in the effort to reach prospects, generate leads and build sales. So a business must deal with the realities of CASL somehow.

As discussed in this paper, a business can build and manage its own CASL-compliant email list. But that is a grueling undertaking that,



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## Did You **KNOW?**

*“Direct mail has a better response rate than email – **25%** vs. **23%** – but direct mail costs about 100 times as much.”<sup>11</sup>*

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## Email Marketing Delivers

Email is still a preferred communication tool for many businesses, large, medium or small. And it's no surprise. Why?...

- It offers a wider reach at a relatively low cost.
- It's instantaneous – reaching audiences when and where they are at any time of the day.
- It's more interesting and engaging – allowing you to incorporate amazing graphics, videos, music, links, etc.
- It's highly measurable, covering a vast array of metrics.
- And, it offers a higher ROI.

## About Scott's Email Service

Scott's Directories is a division of Annex-Newcom L.P., and a leading business list and email marketing service enterprise in Canada.

As an added service prompted by the recent Canada Anti-Spam Legislation (CASL), Scott's Directories has enhanced their data processing methodologies and techniques to



offer their clients' access to CASL-compliant emails and best practices that exceed CRTC strict guidelines. These added services are designed to help organizations of all sizes to maintain brand presence, continue growing business, and achieve proper compliance from their email prospecting initiatives within the Canadian marketplace.

So whether you're looking to generate new leads, build your brand or increase web traffic... Scott's CASL-Compliant Email Marketing Service is the solution to achieving your business goals. From simple to complex, we'll handle your email campaigns from start to finish – saving you time, money and resources, while delivering superior email marketing results.

### We'll help you:



#### **TARGET Influential Audiences**

Select from over 9.6 million high-quality executive emails, spanning more than 200 vertical markets and 900 industries across North America.



#### **DESIGN Engaging Emails**

We'll work closely with you to build captivating HTML or text emails, e-newsletters, and triggered email drip

campaigns that help promote your brand and optimize conversion.



### **SEND Responsive Messages**

CASL & CAN-SPAM compliant, we'll broadcast your emails at the optimum dates and times to maximize delivery and open rates to ultimately improve your response rate.



### **MEASURE Campaign Results**

View your email's performance with our Post-Campaign Report that measures open rate, clicks, bounces, opt-outs and more to help improve your campaign strategy in order to reach your goal.



### **CONVERT More Leads**

We offer Site Retargeting as well as CRM-Ready Leads on the contacts who responded to your email message for follow-up marketing and sales effort.

Scott's Email Marketing Service is your most effective and affordable way to build brand awareness, generate new business, strengthen existing client relationships, and increase your web traffic.



**For more information:  
Call us at 1-800-408-9431**



## **About Scott's Directories**

Scott's Directories is a leading provider of high-value business data and innovative lead generating solutions for the North American B2B community. Established in 1957, Scott's has enabled organizations of all sizes – from local business to Fortune 100 companies – to affordably find, reach and effectively engage their most valuable audiences, fostering meaningful relationships that grow their business and revenue stream.

With cutting-edge technology, superior data research techniques and analytical methodologies, Scott's Directories delivers the complete spectrum of value-added business data, as well as direct and digital marketing solutions that mitigate risk and improve profitability.

At Scott's Directories, we don't just help you find and reach your target audience. We help you integrate and enhance your customer database, as well as effectively communicate with them.

### **Make Scott's Directories a Partner In Your Success**

#### **Scott's Directories Offers:**

- In-Depth Directories
- Custom Contact Lists
- Email Service
- Data Services
- Video Service
- Fax Marketing
- Advertising Opportunities
- Custom Publishing
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## Partners In Your Success

At Scott's Directories, we don't just help you find and reach your target audience. We help you integrate and enhance your customer database, as well as effectively communicate with them.

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