

HOW DID HOTMAIL GET 12M SUBSCRIBERS IN 2 YEARS? VIA THE EMAIL SIGNATURE OF COURSE!

Anyone who is old enough to remember the 1990s knows that it was an exciting time for the Internet. Every day, new browsers, email providers, and search engines appeared out of nowhere. It was a time when most people received email through AOL, accessed the Internet using Netscape, and “searched” for information on a very rudimentary Yahoo! service. It was the Wild West, with untold possibilities. And in a few short years, the landscape would be entirely transformed. One company, Hotmail, would find that branded email signatures was the key to success.

Hotmail, Branded Email Signatures, and a \$400M Buyout

In the early days of the Internet, there was no Gmail. There was no Microsoft Outlook. For many, there was only AOL and the email service offered by their own Internet provider. Hotmail wanted to change that. It had a rather simple mission: provide free email to everyone, and make it accessible anywhere, from any browser. The question was: What was the best way to inform the public and gain followers?

Hotmail quickly happened upon an idea that in hindsight was both prescient and brilliant – branded email signatures. At the bottom of every outgoing email, Hotmail attached a simple message. It read: *“Get your free email at Hotmail”*. That was it. If people clicked on the link, they were directed to the Hotmail website where they could quickly and easily sign up for an account. It was a powerful call-to-action because it was succinct, offered a clear benefit, and made it easy to enact upon. How well did it work? Well, in just two years, Hotmail gained 12 million subscribers, spending just a half-million dollars in the process. And remember this was in mid 90’s so there was obviously a fraction of the internet users there is now. And in 1997, Microsoft purchased the company for *\$400 million!* Clearly, the investment paid off! A competitor to Hotmail is reported to have spent \$20 million over the same period of time to attract half as many new users.

Virality and the New Way of Marketing

This wildly successful tactic by Hotmail – using branded email signatures in all of its outgoing messages – was an early success in what we now call viral marketing. It relied on the principal of leveraging word of mouth, referrals, sharing, and mass distribution to build brand awareness and drive action. And it turned out to be incredibly lucrative and cost-effective. True, ultimately success will be based on results, but the process, marketing psychology, and technique has benefits that are rather self-evident.

Branded email signatures (and other viral marketing techniques) allow you to reach a large audience for little to no money. That’s what makes the tactic so appealing. Even a “failure” isn’t likely to actually cost you anything. In other words, there’s often little to no reason *not* to try it. This premise drives what we do at Xink. Each and every day, your company likely sends out thousands of individual emails. Even a small company may send in the range of a hundred or more email messages each day. Why not capitalize on this digital real estate? Branded email signatures allow you to promote not just your brand, but your company’s products and services as well.

Do Like Hotmail Did. Leverage Email to Your Advantage.

It can be said with some degree of authority that Hotmail birthed the email marketing industry. Being the first web-based email provider, it had a leg up on competitors that allowed it to reach millions of people in a very short amount of time. But ultimately, it was branded email signatures that allowed Hotmail to grow its user base, which eventually led to a buyout from Microsoft.