



STACKED MARKETER

ANNUAL REPORT 2020

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Key Data

Emails sent	3,366,573
Open rate	46.6%
Unsubscribe rate	0.1%
Subscribers on 1.1.2020	9,061
Subscribers on 31.12.2020	16,621
YoY growth	83.4%

Revenue	\$ 186,205
Operating expenses (COGS, SG&A)	\$ 144,042
Operating income (EBIT)	\$ 42,163
EBIT margin	22.64%

Average revenue per subscriber per month	\$ 1.15
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Explaining some of the numbers

Operating expenses include all expenses that have to do with running the newsletter business (team, tools, marketing, etc.).

Why EBIT? Because it shows the project operations better. This business is doable from anywhere and it's digital-only. We didn't want to include any Austrian-specific tax numbers that won't apply to anybody else.

Letter From The Crew

What is Stacked Marketer?

If you're reading this, there's a big chance you are already familiar with us... If you're new, here's the quick intro:

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Stacked Marketer is a marketing-focused newsletter with carefully curated news, trends, tech and actionable advice for the modern marketer... The marketer armed with a complete set of skills that makes them able to drive measurable key results, for small to big businesses.

.....

This is our second yearly report - we've done one for 2019 [that you can read here](#).

Why are you doing this report?



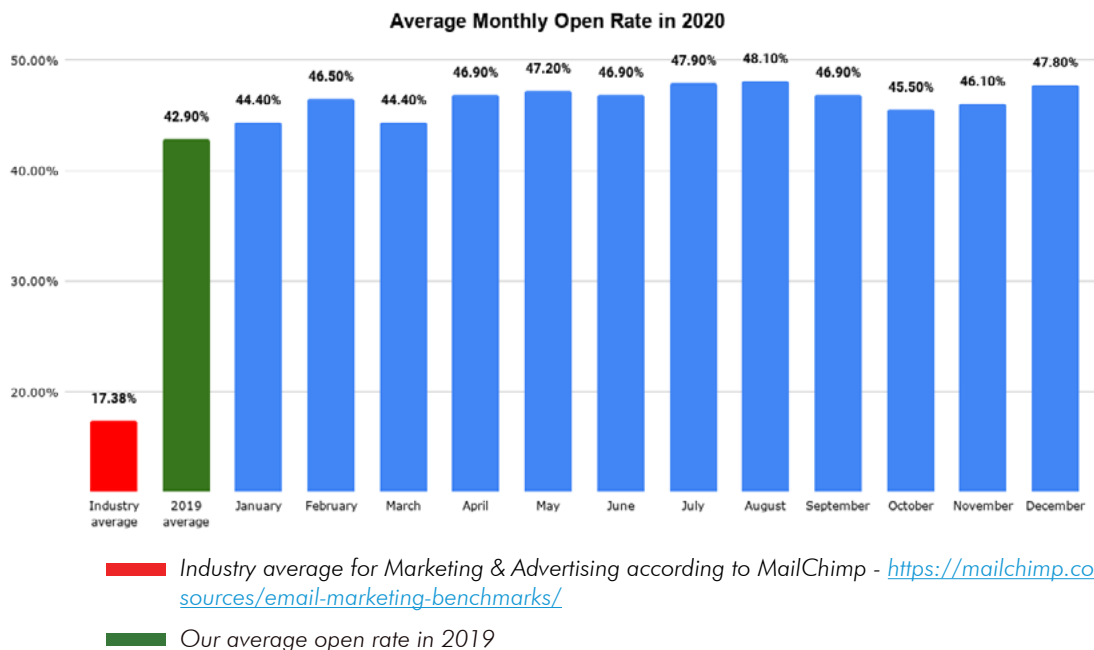
We are going to repeat ourselves... We have 4 reasons:

1. We want to set the tone for more transparency in an industry where there are plenty of snake-oil practices.
2. It keeps us accountable because we will not share only numbers, we will share some of our thoughts and plans for the future as well.
3. We wanted to show something of a live case study for a business that started from zero not so long ago and put real numbers out there, whether they are impressive or not.
4. We think many of you readers are very smart marketers and business people that will end up giving us priceless feedback. It's already been useful for last year's report and we will keep doing it.

How do we read our numbers?

Emails sent - The number of recipients over the year. It's the product of the subscribers times number of newsletters sent. In 2020, we sent slightly over 3.3M emails with an average of 12,000 subscribers across the year.

Open rate - How many of those 3.3M emails were opened. Our 2020 average is 46.6%. In 2019, our open rate was 42.9% on average and we set the goal to get closer to 45% this year... For 2021, we just aim to keep it around 45% or higher, depending on our subscriber growth rate.



We really aim for more and more unique openers every day, so our open rate is a secondary consideration. But it's what email marketers are used to discussing so we present this too.

Unsubscribe rate - How many unique recipients unsubscribe from our emails with each campaign. Similar to last year, we are at 0.10%. It's a number well below industry average but we are a bit disappointed we didn't manage to improve it. That said, ~33% of the unsubscribers are because they no longer work in the industry so it's difficult to retain them.

Revenue - Quite self-explanatory, it's all the income from newsletter sponsorships and partnerships.

Operating expenses - This includes a mix of tools that we use, teams salaries and certain T&A related expenses. The biggest investment is the team. We focused on

building a team that can create the type of content our readers expect from us day-in day-out, so that we can serve 1k, 10k or 100k subscribers in the future.

Given the business model, the operating expenses grow much slower than revenue because we have to do the same amount of work whether we have 100 or 100k active subscribers.

Average revenue per user per month - We look at how much revenue per subscriber we generated in 2020 on a month-to-month basis. The number is based on our revenue for the month divided by the subscriber number at the beginning of the month, when our media kit is renewed.

Our sponsorship packages are pre-sold, therefore we present our current subscriber numbers to sell advertising placements for the future. We connect our average revenue per subscriber to the day the sale was made and not the day the newsletter goes out.

2020 Goals vs Reality

Let's look at what we set as our main goals at the end of 2019 and what we actually achieved in 2020.

We had two very simple goals:

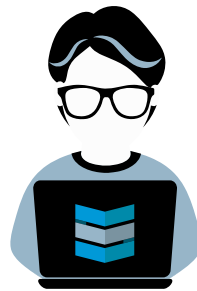
- \$250,000 in revenue.
- 20,000+ subscribers while maintaining a 40%+ open rate.



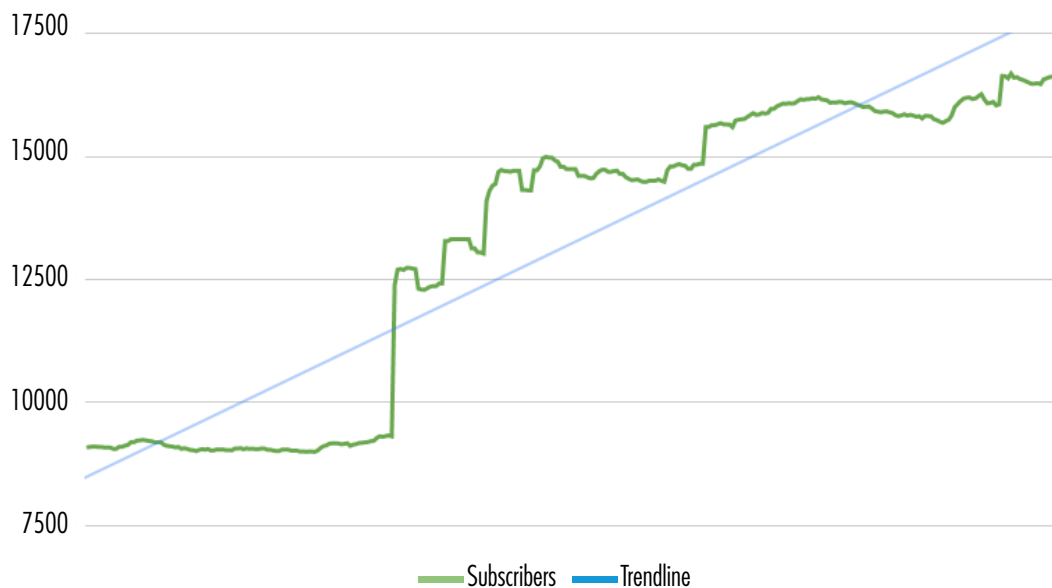
As you can see from our key data, we failed on both ends, but especially so on the revenue side.

When it comes to subscriber numbers, our goal was to be at 8,000 daily unique readers and we're actually just about there.

Our open rate improved significantly, so we don't need 20,000 subscribers to reach 8,000 daily readers. We've also already paid and planned two promotional activities for January 2021 because the partners involved didn't have available advertising slots for 2020, so we feel confident to say this was more or less achieved. **We didn't blow it out of the water but the progress was within our expectation.**



Subscriber Growth in 2020



On the revenue side, it's nowhere near. We underestimated how much our revenue per subscriber would decrease as we grow. In 2019, our average revenue per subscriber per month was \$1.87, while in 2020 it's only \$1.15.

It's a significant decrease but we don't have a clear answer as to why. Of course, we can assume it's a combination of obvious factors:

- **Audience type:** We reach a wider array of marketers than in 2019. This means we couldn't increase our pricing per sponsor as much as we thought. Instead, we just had more types of sponsors since we had enough relevant marketers for them.
- **Minimum spend/budget issue:** While we could charge a relatively high CPM when our readership was smaller, this was because booking a package with us was still "cheap" when compared to the marketing budget of our partners. As we grew, our minimum spend increased and budgets needed more approval. In other words, there are more internal sales done by marketing to finance to get approval to run ads with us...
- **Our sales process:** Maybe we need to reflect on this more because we're pretty certain this has the lowest (negative) impact on the result. We've explained before that all sponsors are also newsletter readers. Therefore, more readers equals more sponsors. This revenue is 100% inbound and word of mouth, no outbound. Perhaps, we do need an outbound strategy.
- **COVID-19:** Last on the list and hardest to quantify is the pandemic we hope to get rid off in 2021. We don't know how many sponsors ***did not follow up on plans to advertise with us*** because of COVID. We've heard in a few talks that "budgets are tight in COVID times". It also meant less conferences to meet in person with potential partners. Our assumption is that COVID did have a negative impact on the ad revenue for us ***but not enough to account for the difference between our goal and our achieved revenue***.

If we were to rank the factors, we'd say the minimum spend and audience type are most likely the most impactful.

COVID-19 is a wild card there, because it could even have been a positive impact, for all we know. It seems unlikely but there is one sponsor who specifically said they want to advertise with us because their business is doing well in COVID times...

We do consider our sales process the least likely to have an impact. Not because we think we're just so great at it, but because we haven't changed anything there compared to 2019. We'd say our sales process was a constant, not a variable.

What did we improve on compared to 2019?

Similar to 2019, we think content, consistency and reliability were certainly some of the things we've done well.

Aside from our usual newsletter content and curation, we managed to publish some interesting content of our own.



- [We published The Email Deliverability Guide](#). We think it's one of the most actionable and comprehensive guides out there, especially for anyone who doesn't set up and maintain their own email servers.
- We surveyed our readers and created a report about [How COVID-19 Affected The Online Marketing Industry](#) in April 2020.
- We gave some insights into [How We Think About Buying And Selling Newsletter Ads](#) because we saw too many misleading or incomplete stats out there from big name publishers.
- With this Q4 being unique, we surveyed our readers again and published a [Q4 Preparation Survey for E-Commerce Advertisers](#).
- Last but not least, we started our Poolside Chat With... interview series. Our first guest was [Nathan Latka - give it a read](#). More insights and advice you can act on right away in 5 minutes than in a 3 hours Tai Lopez webinar.

We have bigger plans for 2021 - you can read more about that in the 2021 Outlook section of this report.

Secondly, we wanted to improve our focus on the newsletter. We did. No side projects and the processes for the newsletter are improved in all regards compared to the same period last year.

We improved our internal processes and we also found an amazing new addition to The Crew.

Next on our list that we managed to improve is our referral system. The first improvement was done early, with more prizes, smaller steps to reach the next prize and a rotation of prizes in the newsletter.

The second improvement was switching from UpViral to SparkLoop, a referral system made specifically for newsletters.

We're quite happy with the transition. Everyone who signs up to our newsletter now automatically gets a referral link (for UpViral they had to separately opt-in for it) and we can easily run one-time giveaways for things like a MacBook Air or for Apple Watches

What could we have done better?

If you read our 2019 report, you probably remember that media buying was supposed to be a big focus in 2020. **It didn't work out for us.**

It's one of the main reasons we didn't reach 20,000 active subscribers.

Facebook Ads are a finicky bunch... Compared to 2019, the quality of subscribers from Facebook was absolutely abysmal. Regardless of the price we paid for the traffic, most subscribers coming from Facebook didn't open any emails.



This was not the case in 2019... A similar collection of ads and landing page had a similar conversion rate but either CPM was much higher or the quality of those who subscribed was absolutely awful.

Our conclusion here is to focus on tight knit communities that are relevant to us. Promotions done with good marketing communities or newsletters with a relevant audience yielded much better results.

It might have been a different conclusion if our revenue per subscriber would not have decreased so much.

As is, we're confident in saying our Facebook ad spend was a big waste this year.

What is the outlook for 2021?

In order to plan our 2021, we took a step back and looked at what we think are our strengths and what are our weaknesses, in both growing subscribers and in growing revenue.

For subscriber growth: For better or worse, we couldn't figure out Facebook Ads. We say "better or worse" because this opened up our search for doing more partnerships with tight knit communities, which always provide highly engaged readership. **And we want readers, we are not email collectors.**



That's why we'll double-down on such partnerships in 2021. If you have an audience (blog, newsletter, community or anything else) that you think could be interested in reading Stacked Marketer, hit us up!

We're open to all sorts of deals: we can pay for advertising, we can do cross-promotions, a hybrid between the two or any other creative ideas you might have.

For revenue growth: This one is a bit more complicated and we'll try to briefly explain our thoughts. **Our strengths revolve around creating timely, engaging and entertaining content (all at the same time).**

We really enjoyed the reports, guides and interviews we've done sporadically in 2020.

We want to go deeper in 2021... Really deep! We're talking "How the hell do they know so much?!" deep.

We want to figure out what makes them tick... Who's them?

Brands and companies with outstanding (in one way or another) marketing and growth.

What we're doing is going a level deeper than The Email Deliverability Guide but with a focus on individual companies.

Think of investment reports but for marketing. Deep dives. For your favorite companies and brands out there, whose marketing you look up to and that you really want to understand (or maybe even replicate *wink wink*).

100+ pages dissecting their website, their ads, their emails (pre- and post-purchase), their SEO, other growth hacks and more.

All written by The Crew at Stacked Marketer.

This is the content we want to create in 2021. **But such deep dives are not easy to create... because if they would, everyone would do them already.**

So, after careful thought, we decided to launch this as a paid product.

We're calling it "Insights".

With Insights by Stacked Marketer you get (at least) one deep dive report about a hot brand a month.

We're not talking about a vague, out of context case study. We mean an audit resulting from 200+ hours of research.

We'll scour every corner of the Internet for insights on the company that are relevant for marketers and publish them in a comprehensive deep dive.

You don't just get the deep dives. They are all published in our private community where you also can:

- Discuss the deep dives with like minded marketers and The Crew who wrote it.
- **A live follow along for the Stacked Marketer business (think of this report, just updated often instead of once a year) from Manu, the founder of Stacked Marketer.**
- Nerd out on all things marketing on weekly video hangouts with The Crew and the community members.
- **Join monthly video hangouts to discuss the newly published deep dive. Like a marketer's book club!**
- Watch exclusive interviews and Q&As with some of our (and your) favorite marketers out there.
- **Access a collection of over 100+ (and ever growing) tips, guides, case studies and hacks for media buying, SEO, copywriting, email and more.**
- Browse our top swipe folders for funnels, e-commerce emails, SaaS ads, awesome copywriting and more.
- **Post jobs and business opportunities to take your next project where it deserves to be.**
- Read and comment on individual stories from all daily newsletters starting from 2021.



We're putting a lot of sweat into this and we're now in the pre-launch phase where we want to give you, the Stacked Marketer reader, the chance to check it out first, at the best price it will ever be.

To access all of the above, you can subscribe now for **\$29/month using the coupon code STACKED29** - a price you will keep for life as long as your subscription is active.

This price is only available until March 1st, 2021 for our one-week pre-launch.

For an extra-special deal, we're also offering a lifetime deal, limited to 20 founding members. Access Insights by Stacked Marketer *for life* for only \$399. Yes, it really is for the first 20 buyers only.

You will get lifetime access to all the content posted on the Insights platform plus a special FOUNDING MEMBER status and badge to stand out in the community.

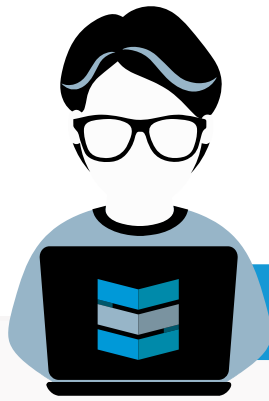
You will also take part in Founding Members-only meetings:

- We'll share our wins and losses when trying to grow Insights.
- You will have direct input into what direction we take Insights.
- You will vote on the next deep dives we will do.

[Check out Insights here!](#)

Phew, it was scary to put that out there... We're tingling with excitement for 2021.





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