Email Marketing Industry Census 2016

In association with Adestra
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# Contents

1. Executive Summary ................................................................. 5

2. Foreword by Adestra .............................................................. 8
   2.1. About Adestra ............................................................... 9

3. Methodology .............................................................................. 10
   3.1. Acknowledgements .......................................................... 10
   3.2. About Econsultancy ......................................................... 10

4. Findings ..................................................................................... 11
   4.1. Approach to email ............................................................ 11
       4.1.1. Approach to email marketing ....................................... 11
       4.1.2. Most important attributes of an email technology provider ........................................ 13
       4.1.3. How companies feel about their email provider .......... 15
       4.1.4. Email marketing practices .......................................... 17
   4.2. Email effectiveness ............................................................. 23
       4.2.1. Email campaign performance ..................................... 23
       4.2.2. Ranking of channels for return on investment .............. 24
       4.2.3. Proportion of sales from email marketing .................. 27
   4.3. Place in the organisation ...................................................... 28
       4.3.1. Proportion of marketing budget spent on email marketing ............................................... 28
       4.3.2. Annual spend on email marketing ............................... 30
       4.3.3. Responsibility for email marketing ............................... 32
       4.3.4. Time spent on email activities .................................... 35
   4.4. Mobile ................................................................................. 38
       4.4.1. Proportion of email campaigns opened on mobile devices .............................................. 38
       4.4.2. Strategy for optimising email for mobile ...................... 38
       4.4.3. Tactics used for mobile optimisation ............................ 41
       4.4.4. Barriers to success ....................................................... 43
   4.5. Personalisation .................................................................... 44
       4.5.1. Ability to provide personalised email campaigns .......... 44
       4.5.2. How email technology providers are used .................. 46
       4.5.3. What would email marketers like to improve? .............. 50
   4.6. Marketing automation ......................................................... 53
       4.6.1. Marketing automation capabilities ............................... 53
       4.6.2. Automation triggers .................................................... 55
4.6.3. Success with automation ..............................................................57  
4.6.4. Barriers to implementing marketing automation .......................59  
4.7. Improving email marketing for the future ........................................63  
4.7.1. Innovating with email .............................................................63  
4.7.2. Email marketing focus ............................................................65  
4.7.3. Data law changes .................................................................68  

5. Appendix ..........................................................................................70  
5.1. Respondent profiles ........................................................................70  
5.2. Additional data ................................................................................74  
5.2.1. Approach to email ......................................................................74  
5.2.2. Email effectiveness .....................................................................75  
5.2.3. Email budgets ............................................................................79  
5.2.4. Mobile .......................................................................................81  
5.2.5. Future of email ............................................................................86
1. Executive Summary

This is the tenth annual Email Marketing Industry Census, produced in partnership with Adestra. More than 1,100 respondents, mainly in-house marketers, took part in our online survey, carried out in February and March 2016. The report also contains insights from a number of email marketing experts.

With ten years of data to process, the census provides a unique opportunity to assess how email marketing has changed and where it may be going. This report takes a detailed look at the approaches taken and resources given to email marketing, covering the channel’s effectiveness, personalisation, marketing automation, optimisation for mobile and the future of email.

The research reveals the following key trends:

Email again delivers highest ROI ahead of SEO, but is not receiving the budget spend

Email’s reputation for generating return on investment remains undiminished in 2016. In this year’s report it comes out top for ROI (ahead of SEO), with three-quarters (73%, up from 66%) of companies agreeing that email offers ‘excellent’ to ‘good’ ROI. However, surprisingly, as a proportion of marketing budgets, investment in email as a channel remains low.

- On average, organisations are spending 15% of their marketing budgets on email, up from 13% in 2015. With the average proportion of sales attributed to the channel standing at 23%, marketers may not be taking full advantage of the potential benefits that email can bring – from driving revenues to building long-lasting relationships that go beyond the sale.

- Around one in three (28%) company respondents are restricting their spending on email to the smallest bracket, investing no more than £5,000 per year in the channel. Encouragingly, the proportion of those spending no more than £5,000 per year has decreased by 28% since last year, while the proportion of those allocating more than £10,000 has increased by 17%.

Delivering advanced segmentation continues to be a challenge

The increase in the availability and quality of data over recent years has meant that the use of personalisation and segmentation has become more widespread. This has also raised consumer expectations – audiences expect marketers to treat them as individuals and, just as importantly, remember them across devices.

- Underlining consumers’ predisposition towards more personalised messaging in general, the findings point to a direct link between personalisation and email ROI. Companies claiming to be proficient in personalisation are more than twice as likely to rate the performance of their email campaigns as ‘excellent’ or ‘good’ compared to those not doing personalisation.

- However, 79% of companies are still employing what they consider to be a ‘basic’ approach to email segmentation. This relates to the fact that half of marketers do not have the cross-channel data they require to ‘see the bigger picture’. A lack of technology integration is also by far the biggest barrier to personalisation.

- While only a third of companies use advanced segmentation strategies, this rate is up by 21% compared to last year’s figure. It’s clear that marketers are aware of their potential shortcomings and want to innovate – 61% of companies want to improve their approach to personalisation, with more than half (56%) dissatisfied with the current status quo.
Lack of resources impacting a clear strategy for mobile optimisation

The proliferation of smartphones and spread of 4G connectivity means consumers are increasingly mobile-first when engaging with email campaigns. Indeed, according to company and agency respondents, the average rate of email opens on mobile devices stands at 60% and 65% respectively.

- Despite growing consumption of email on the move, the majority (65%) of client-side marketers claim to have only a ‘moderate’ to ‘basic’ strategy for optimising email for such devices. By comparison, only a fifth (21%) agree that their approach is ‘very’ or ‘quite’ advanced.

- Strategy increasingly means understanding where email fits in the overall customer journey – how different messages and channels can drive customer actions and email’s role in the overall process. That means using signals and data sent by consumers to enable marketers to respond with timely, helpful messages.

Tactics used for mobile optimisation and increasing complexity

On mobile, simplicity is key – from switching to single-column designs to allow for simpler resizing to hiding content that might not be necessary in a mobile view. This is evident in the tactics used by marketers to optimise email for mobile, with 62% of company respondents creating responsive templates, up by ten percentage points from last year.

- Progressive brands are raising consumer expectations by using contextual cues – from taking into account sunny days (e.g. to promote a retailer’s BBQ range) to targeting loyalty card members who are in proximity to a given store (and who are on the mailing list). This will only increase the complexity of optimising email for mobile going forward.

- This increased complexity contrasts with the (still) limited amount of time spent on mobile optimisation – 82% company respondents spend two hours or less, while nearly a third (28%) aren’t doing any mobile optimisation at all. This relates to a lack of resources, seen as the main barrier to email optimisation success by 28% companies and 25% of agencies.

More work to be done to achieve success in implementing automated email programmes

It would appear that companies have seen some improvement in terms of their email providers’ marketing automation capabilities, with a six percentage point shift since 2014 from those classifying these capabilities as ‘non-existent’ to ‘advanced’. Most of this rise, however, has occurred since 2015.

- The proportion of company respondents deeming the implementation of their automated email marketing programmes as ‘very successful’ remains unchanged on the low figure of 7% recorded in 2015. As was the case in 2015, more than half (55%) said this has been ‘quite successful’, with a substantial 38% not seeing any success at all on this front.

- Looking at what triggers companies are using, less than a quarter of client-side respondents are sending automated emails based on abandoned baskets, date notifications and timed content programmes through sales cycle.

- When it comes to implementing marketing automation, the main challenges faced by client-side marketers are finding time to make it happen, lack of resources and integrating data.
Use of third-party email systems increases significantly

The proportion of companies using an application service provider / hosted service has increased to its highest level since 2010 (53%). At the same time, there has been a 46% decrease in the use of in-house systems compared to last year.

- One of the most important attributes organisations are looking for in their email technology provider is around marketing automation capability. This reflects the shift towards email as part of an integrated strategic approach to marketing communications.

- Over half (56%) of companies now rate their email campaign performance as either ‘excellent’ or ‘good’, in comparison to just two-fifths (41%) the previous year.

Focus for the future

EU data protection reforms are becoming a near reality – email marketers will need to deal with the new requirements, from ‘explicit consent’ to the ‘right to be forgotten’. With only a third of companies agreeing their practices are already compliant with EU law changes, remodelling workflows and processes to accommodate these changes is still work in progress for the majority.

Email providers continue to empower consumers to manage the flow of emails hitting their inbox. In response, marketers are focused on creating ever-more engaging experiences in 2016 – 66% of companies intend to innovate through more creative uses of behavioural triggers, while more than half are planning to use more dynamic elements such as GIFs, video and countdown clocks.

When looking ahead to the biggest changes to email marketing in five years, personalisation, relevant data and content are the most prominent themes. Having a dataset which is suitable to be used and manipulated on multiple platforms will increasingly become a hygiene factor for organisations that are focused on what email will look like in the future.
2. Foreword by Adestra

It’s remarkable to be able to look at the past ten years since the first Email Industry Census and see how digital marketing has matured, bringing email marketing into its centre. This is evident looking at the return on investment changes since 2008. With email’s ROI rising from 66% to 73%, it has shown a spectacular growth compared to other channels in the marketing mix.

It’s not just email marketing technology that has evolved in the past ten years, but also the mindset of marketers. The last decade has shown an increased integration between the technologies and channels used, shifting away from broadcasting singular messages across all possible channels to carrying out better segmentation and increasingly sophisticated personalisation. We’ve also seen a move towards focusing on business benefits and customer-driven marketing.

Among all this change, email stands out as the channel that has constantly delivered the highest or second highest return on investment, highlighting it as the channel with true measurable results, rather than a passing trend. In contrast, the allure of ‘trendy’ channels like social media have started to fade, with the 2016 Census showing this as the only decrease in focus by both client-side and agency respondents.

Marketers are recognising this increasing ROI by increasing their overall spend on email, but there is still a frustrating disconnect with the proportion of marketing mix spend they afford to email. This has remained fairly constant, even though the proportion of sales attributed to the channel has grown by five percentage points since 2012.

In fact, this 2016 Census points out that companies investing at least a fifth of their marketing budgets on email are eight times more likely to see sales attributable to it in excess of 50%. And it’s not just sales that email marketing contributes to. The last decade has seen the cost of acquisition and customer retention going down and an increase in loyalty as marketers have shifted from a batch-and-blast approach to a more segmented, one-to-one approach, investing in customer relationships. As this shift continues we hope this brings with it the necessary shift in proportional spend.

It’s exciting to see that 83% of companies are using basic segmentation, and even more encouraging that three in five marketers cited this as an area they would like to improve. Marketers are practicing ‘incremental innovation’ by starting small and growing into ever more complex strategies, and the benefits will not be slow to show.

As we look to the future, particularly with expected data regulations coming from the EU, marketers will need to pay closer attention to their data management and acquisition practices. Currently, the report reveals that 53% of companies are yet to become compliant, so we expect a more forensic approach to data being taken by marketers in the coming year.

It is fantastic to see that marketers have a positive outlook to the future of the industry, and exciting times as they look to improve their use of behavioural triggers, optimise customer journeys and engage in the one-to-one communication model of the future.

Henry Hyder-Smith
CEO
Adestra
2.1. **About Adestra**

Adestra have been empowering their clients to maximise marketing ROI through email-driven technology for over ten years. Our flexible account structure, obsession with customer success and award-winning service have gained the trust of global and growing brands alike.

We were founded on the principle that marketing success takes more than technology, and that’s why customer service is at the heart of our business. We’re not just Software as a Service, we’re Software AND a Service.

Join a league of leading marketers using this powerful, easy-to-use, enterprise technology, built to suit your marketing needs. Call us today on +44 (0)1865 242425, tweet us @Adestra or view a demo on our website at [http://www.adestra.com/](http://www.adestra.com/).
3. **Methodology**

This is Econsultancy’s tenth *Email Marketing Industry Census 2016*, published in association with Adestra. Many of the questions have been repeated over this time period, enabling us to compare data and look at trends.

There were just over 1,150 respondents to our research request, which took the form of an online survey in February and March 2016. Respondents included both companies or in-house marketers (66%) and supply-side respondents, including agencies, consultants and vendors (34%).

Information about the survey, including the link, was emailed to Econsultancy’s user base, advertised on our website and promoted on Twitter. The incentive for taking part was access to a complimentary copy of this report just before its publication.

Detailed breakdowns of the respondent profiles are included in the Appendix.

If you have any questions about the research, please email Econsultancy’s Research Director, Jim Clark (jim.clark@econsultancy.com).

3.1. **Acknowledgements**

Econsultancy would like to thank the following people for their contributions to this report:

- Kath Pay, Founder & Senior Consultant, Holistic Email Marketing
- Jordie van Rijn, eCommerce and Email Marketing Consultant, eMailMonday
- Tim Watson, Email Marketing Consultant, Zettasphere

3.2. **About Econsultancy**

Econsultancy’s mission is to help its customers achieve excellence in digital business, marketing and ecommerce through research, training and events.

Founded in 1999, Econsultancy has offices in New York, London and Singapore.

Econsultancy is used by over 600,000 professionals every month. Subscribers get access to research, market data, best practice guides, case studies and elearning – all focused on helping individuals and enterprises get better at digital.

The subscription is supported by digital transformation services including digital capability programs, training courses, skills assessments and audits. We train and develop thousands of professionals each year as well as running events and networking that bring the Econsultancy community together around the world.

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- **London**: +44 207 269 1450
- **Singapore**: +65 6809 2088
4. Findings

4.1. Approach to email

4.1.1. Approach to email marketing

The proportion of companies using an application service provider / hosted service (web-based email application interface provided by a vendor) has increased to its highest level since 2010 (53%), as seen in Figure 1.

At the same time, we have witnessed a decline in the use of in-house systems (including installed third-party software). As seen in the chart below, there has been a 46% decrease in the use of in-house systems compared to last year, bringing the figure back to levels seen between 2010 and 2012.

Company respondents

Figure 1: Which of the following best describes your organisation’s approach to email marketing?

This represents a significant change in organisations’ approach to email marketing. To understand the reason for this change, it may be worth diving deeper and examining the increasingly complex role of the professional marketer. As the number of digital touchpoints continues to increase, marketers need to be able to understand the strategic and operational use cases for a plethora of marketing technologies, marketing channels and devices where potential customers consume content.
With this in mind, a hypothesis for this change in approach to email may be that marketers and their teams need to divest responsibility for maintaining marketing technology so that they can spend their time on strategy and execution.

In addition, making use of a hosted service provides marketers with a number of other advantages that in-house systems may not offer:

- **Being able to outsource some of the heavy lifting** of successful email marketing can be a significant advantage to smaller marketing teams.

- **Maintenance and upgrades** of the email system can be fully managed by the provider, creating a seamless experience for marketers.

- Many hosted services provide **integrations and plugins** with other marketing technologies such as analytics tools, CRM platforms, retargeting tools and ecommerce shopping carts. The integration of marketing technologies can be extremely useful for surfacing and weaving data sources together to deliver more personalised campaigns, as well as taking advantage of increased marketing automation.

This approach can, among other things, allow marketers to create more personalised emails. In addition to personalisation, data integration may enable marketers to better integrate email with other marketing activities.

This year, client-side marketers were also asked about what activities they use their email provider for. Compared to last year, the proportion of those using their email provider for multichannel campaign management has doubled, from 8% to 16% this year (Figure 32, Section 4.5.2). Marketers are clearly interested in making use of their data to better integrate their marketing activities. This is supported by separate research1 by Econsultancy which has identified that data-driven marketing is a key priority for organisations in 2016.

- **Because hosted services are supported by the vendor, they can be more cost-effective, responsive and scalable** than self-hosted applications, as well as reducing the need for in-house training.

Clearly, the choice of whether to use an in-house system or a hosted service provider will still come down to the specific use case for each type of organisation. Either way, marketers may still require at least some strategic support to achieve their ambition for email.

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4.1.2. Most important attributes of an email technology provider

Respondents were asked to identify the most important attributes of their email technology provider. These figures are fairly consistent with the 2015 results.

A user-friendly interface and marketing automation capability appear to be of equal importance to marketers (Figure 2). Marketers are being challenged to improve day-to-day strategic marketing operations. This includes managing technology stacks, optimising procedures and deploying staff efficiently so perhaps it is no surprise that when it comes to email marketing, one of the key attributes marketers seek in a provider is a user-friendly interface.

Marketers already need to use a number of different tools to manage their operations. An easy-to-use interface can thus translate into less time required for setting up and managing email activities. In addition, while good marketers know the value of email marketing and can plan email communications independently of the provider they use, an intuitive user interface reduces the learning curve for new staff.

Marketing automation capability (more details in Section 4.6) continues to increase as an important attribute of an email technology provider. This reflects the shift towards email as part of an integrated strategic approach to marketing communications rather than a standalone channel. While automation is important, marketers still need to focus on quality.

The ability to automate communications with individual customers is a key part of the personalised approach to marketing that marketers envisage. It’s not surprising then that in 2016, marketers have also identified personalisation (22%) and delivering relevant communications (19%) as key areas of focus for 2016 (Figure 45, Section 4.7.2).

Company respondents

Figure 2: What are the most important attributes of an email technology provider?

<table>
<thead>
<tr>
<th>Attribute</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>User-friendly interface</td>
<td>61%</td>
<td>59%</td>
</tr>
<tr>
<td>Marketing automation capability</td>
<td>61%</td>
<td>58%</td>
</tr>
<tr>
<td>Ability to integrate</td>
<td>49%</td>
<td>50%</td>
</tr>
<tr>
<td>Cross-channel marketing capabilities</td>
<td>32%</td>
<td>35%</td>
</tr>
<tr>
<td>Low cost</td>
<td>28%</td>
<td>30%</td>
</tr>
<tr>
<td>Real-time technical support</td>
<td>24%</td>
<td>23%</td>
</tr>
<tr>
<td>Account management</td>
<td>16%</td>
<td>15%</td>
</tr>
<tr>
<td>Tech roadmap</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Note: Respondents could check up to three options.
What the experts say

“I am glad to see marketing automation, integration and cross-channel being ranked among top factors. It signals the ambition of creating a sophisticated and tied-in marketing machine. With technology offering more refined functionality, especially in automation, usability will be more important going forward. Not the availability, but flexibility will become the battleground for quick and agile deployment. When brands can set up campaigns faster, they will be able to shift focus from being ‘able to do it’ to being ‘able to do it better’. As a result, the experimentation and optimisation abilities of the marketer are the new earmarks of a future-proof technology stack.”

Jordie van Rijn, eCRM and Email Marketing Consultant, eMailMonday

According to agency respondents, a user-friendly interface is less important for their clients. It is quite possible that agencies believe the interface to simply be a hygiene factor rather than a priority.

Among agency respondents, marketing automation capability has increased significantly since 2015. Nearly half (49%) of respondents have identified automation capability as a key attribute, compared to 36% in 2015 (Figure 3).

This year also sees an increase in the importance of cross-channel marketing capabilities. The common thread between these three attributes is that they allow the user to do more with their email marketing. The value of email is becoming less restricted to the performance of campaigns and more integrated with wider marketing activities.

Agency respondents

Figure 3: What do your clients regard as the most important attributes of an email technology provider?

<table>
<thead>
<tr>
<th>Attribute</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing automation capability</td>
<td>36%</td>
<td>49%</td>
</tr>
<tr>
<td>Low cost</td>
<td>42%</td>
<td>52%</td>
</tr>
<tr>
<td>User-friendly interface</td>
<td>41%</td>
<td>48%</td>
</tr>
<tr>
<td>Ability to integrate</td>
<td>39%</td>
<td>37%</td>
</tr>
<tr>
<td>Cross-channel marketing capabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Account management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real-time technical support</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tech roadmap</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Note: Respondents could check up to three options.
4.1.3. How companies feel about their email provider

Last year a new question was introduced in our email census. Respondents were asked how they feel about their email marketing provider.

Company respondents were less likely to say they ‘love’ their email provider (54%, Figure 4) than their peers in agencies answering on behalf of their clients (63%, Figure 5). Still, clearly the proportion of company and agency respondents saying they (or their clients) love their email provider has grown significantly.

One hypothesis for this increase may be that more marketers are using hosted email services providers rather than in-house systems (Figure 1). The availability of a feature-rich, user-friendly interface coupled with less time required to manage system updates is important for marketers.

Company respondents

Figure 4: Do you love your email provider?

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>42%</td>
<td>54%</td>
</tr>
<tr>
<td>No</td>
<td>58%</td>
<td>46%</td>
</tr>
</tbody>
</table>

Respondents 2016: 451
Respondents 2015: 438
Agency respondents

Figure 5: Do your clients love their email provider?

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>54%</td>
<td>63%</td>
</tr>
<tr>
<td>No</td>
<td>46%</td>
<td>37%</td>
</tr>
</tbody>
</table>

Respondents 2016: 186
Respondents 2015: 239
4.1.4. Email marketing practices

To get a current state baseline of how organisations are approaching email marketing, company and agency respondents were asked to identify the practices which form part of their (or their clients’) current and future email marketing efforts.

More than three-quarters (79%, Figure 6) of companies stated that they are using basic segmentation, while an additional 16% are planning to implement this in the future.

Among the most common practices is optimising email for mobile devices (64% for both companies and agencies).

Upon examination of more advanced techniques, Figure 7 and Figure 9 provide some insights into how marketers are making progress with their journey to integrate email with other activities and also to deliver more personalised and contextualised emails.

Company respondents

Figure 6: Which of the following practices are part of your email marketing efforts?

- Basic segmentation: 79% (Respondents 2016), 16% (Planning this), 5% (We don’t do this)
- Optimising email for mobile devices: 84% (Respondents 2016), 23% (Planning this), 13% (We don’t do this)
- Regular list cleansing: 54% (Respondents 2016), 25% (Planning this), 21% (We don’t do this)
- Encouraging sharing of content on social networks: 47% (Respondents 2016), 22% (Planning this), 31% (We don’t do this)
- Use of transactional emails for marketing: 43% (Respondents 2016), 23% (Planning this), 34% (We don’t do this)
- Use of video content: 42% (Respondents 2016), 24% (Planning this), 34% (We don’t do this)
- Re-marketing: 41% (Respondents 2016), 26% (Planning this), 33% (We don’t do this)
- Content personalisation (beyond just name): 37% (Respondents 2016), 36% (Planning this), 27% (We don’t do this)
- Lead nurturing: 35% (Respondents 2016), 27% (Planning this), 38% (We don’t do this)
- Advanced segmentation: 33% (Respondents 2016), 42% (Planning this), 25% (We don’t do this)
- Multichannel triggers (e.g. sales call): 31% (Respondents 2016), 26% (Planning this), 43% (We don’t do this)
- Location-based email content: 29% (Respondents 2016), 23% (Planning this), 48% (We don’t do this)
- Lifecycle programmes: 28% (Respondents 2016), 36% (Planning this), 36% (We don’t do this)
- Promoting customer ratings and reviews: 27% (Respondents 2016), 18% (Planning this), 55% (We don’t do this)
- Behavioural targeting (based on web activity): 24% (Respondents 2016), 38% (Planning this), 38% (We don’t do this)
- Dynamic email content (live listings / availability): 22% (Respondents 2016), 28% (Planning this), 50% (We don’t do this)
- Lead scoring: 18% (Respondents 2016), 25% (Planning this), 57% (We don’t do this)
- Dynamic social feeds: 12% (Respondents 2016), 19% (Planning this), 69% (We don’t do this)

Respondents 2016: 501
Respondents 2015: 480
Company respondents

Figure 7: Proportion of respondents saying these practices are part of their email marketing efforts

<table>
<thead>
<tr>
<th>Practice</th>
<th>Respondents 2016</th>
<th>Respondents 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic segmentation</td>
<td>76%</td>
<td>64%</td>
</tr>
<tr>
<td>Optimising email for mobile devices</td>
<td>50%</td>
<td>54%</td>
</tr>
<tr>
<td>Regular list cleansing</td>
<td>54%</td>
<td>47%</td>
</tr>
<tr>
<td>Encouraging sharing of content on social networks</td>
<td>36%</td>
<td>43%</td>
</tr>
<tr>
<td>Use of transactional emails for marketing</td>
<td>31%</td>
<td>42%</td>
</tr>
<tr>
<td>Use of video content</td>
<td>32%</td>
<td>41%</td>
</tr>
<tr>
<td>Re-marketing</td>
<td>30%</td>
<td>37%</td>
</tr>
<tr>
<td>Content personalisation (beyond just name)</td>
<td>27%</td>
<td>35%</td>
</tr>
<tr>
<td>Lead nurturing</td>
<td>21%</td>
<td>33%</td>
</tr>
<tr>
<td>Advanced segmentation</td>
<td>27%</td>
<td>31%</td>
</tr>
<tr>
<td>Multichannel triggers (e.g., sales call)</td>
<td>29%</td>
<td>28%</td>
</tr>
<tr>
<td>Location-based email content</td>
<td>22%</td>
<td>28%</td>
</tr>
<tr>
<td>Lifecycle programmes</td>
<td>24%</td>
<td>27%</td>
</tr>
<tr>
<td>Promoting customer ratings and reviews</td>
<td>20%</td>
<td>24%</td>
</tr>
<tr>
<td>Behavioural targeting (based on web activity)</td>
<td>22%</td>
<td>18%</td>
</tr>
<tr>
<td>Dynamic email content (live listings / availability)</td>
<td>15%</td>
<td>12%</td>
</tr>
<tr>
<td>Lead scoring</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dynamic social feeds</td>
<td>12%</td>
<td></td>
</tr>
</tbody>
</table>

What the experts say

“Whether senders are aware or not, all email marketing to their database is a form of lead nurturing and lifecycle programmes. You are communicating one-on-one to a person over time, every single time. Luckily, dynamic email content and segmentation/personalisation allow marketers to send a multitude of versions that are aware of the customer context and profile. One newsletter to rule them all so to speak – it demands data and marketing automation, but the first steps are ridiculously easy to take.

“A movement from campaign-focused responses to customer-focused conversions makes sense, practically weaving in the lifecycle function without adding that label.”

Jordie van Rijn, eCRM and Email Marketing Consultant, eMailMonday
Content personalisation (beyond just name)

Nearly two-fifths (37%) of companies indicate that this practice is now part of their email marketing efforts. That’s a 23% increase from 2015 (Figure 7).

Customer experience has been consistently identified by Econsultancy as being a key strategic priority for marketers for a number of years. If marketers seek to focus on customer experience then it follows that personalisation should also be a key priority. In fact, this year, companies were asked what they would like to do with their email marketing that they cannot currently do to their satisfaction. Three in five (61%) companies indicated that they want to improve their approach to personalisation (Figure 34, Section 4.5.3).

On the agency side, 40% of respondents report that content personalisation (beyond just name) forms part of their clients’ email marketing efforts (Figure 8). A further 28% report that their clients plan to use content personalisation (beyond just name).

Use of transactional emails for marketing

This year, 43% of companies say that these types of emails are part of their marketing efforts (Figure 7). This represents an increase of 19% from the year before.

For the sake of clarity, a transactional email is any message that is sent to an individual in response to a specific action. This could be signing up to a newsletter, making a purchase or even abandoning a shopping basket. Transactional emails therefore provide an opportunity for marketers to engage with prospects and customers in a highly personalised and contextualised manner. This means that personalised emails can be triggered to correlate to where a prospect or customer is in their decision-making journey.

The increased use of transactional emails is followed by a similar increase for lifecycle programmes. Nearly a third (28%) of companies say that these types of emails are part of their marketing efforts this year, a 27% increase from 2015 (Figure 7).

These types of emails represent a significant departure from more traditional campaign-based ‘send to all’ and ‘spray and pray’ approaches.

Basic segmentation

Over three-quarters (78%) of company respondents that are using basic segmentation rate email marketing’s ROI as ‘excellent’ or ‘good’, compared to 46% of companies who are not doing it at all (Table 1). This makes sense. Email marketing provides the opportunity to interact with customers in a highly personalised way. For it to be successful, marketers must at the very least do some kind of basic segmentation to their email marketing database.

Company respondents

Table 1: Cross-tabulation of responses for ‘Which practices are part of your email marketing efforts?’ (basic segmentation) and ‘How do you rate the following channels (email marketing) in terms of return on investment?’

<table>
<thead>
<tr>
<th></th>
<th>Excellent</th>
<th>Good</th>
<th>Average</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>We do this</td>
<td>29%</td>
<td>49%</td>
<td>18%</td>
<td>4%</td>
</tr>
<tr>
<td>Planning this</td>
<td>14%</td>
<td>40%</td>
<td>35%</td>
<td>11%</td>
</tr>
<tr>
<td>We don’t do this</td>
<td>13%</td>
<td>33%</td>
<td>42%</td>
<td>12%</td>
</tr>
</tbody>
</table>
What the experts say

“There clearly is a correlation between those using segmentation and rating the performance of email as excellent. But remember that correlation doesn’t equal causation. While segmentation will be helping performance, marketers practising segmentation are very likely more mature in all areas of email strategy. The better results will be the sum of all their efforts and not just segmentation.”

Tim Watson, Email Marketing Consultant, Zettesphere

Advanced segmentation

As high as this is, doing advanced segmentation seemingly places organisations in an even better position to be successful, with 83% of client-side respondents who are doing it rating email marketing’s ability to deliver on ROI as above average (Table 2).

Company respondents

Table 2: Cross-tabulation of responses for ‘Which practices are part of your email marketing efforts?’ (advanced segmentation) and ‘How do you rate the following channels (email marketing) in terms of return on investment?’

<table>
<thead>
<tr>
<th></th>
<th>Excellent</th>
<th>Good</th>
<th>Average</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>We do this</strong></td>
<td>39%</td>
<td>44%</td>
<td>14%</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Planning this</strong></td>
<td>23%</td>
<td>48%</td>
<td>24%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>We don’t do this</strong></td>
<td>13%</td>
<td>46%</td>
<td>32%</td>
<td>9%</td>
</tr>
</tbody>
</table>
Agency respondents

Figure 8: Which of the following practices are part of your clients’ email marketing efforts?

<table>
<thead>
<tr>
<th>Practice</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic segmentation</td>
<td>72%</td>
<td>19%</td>
</tr>
<tr>
<td>Optimising email for mobile devices</td>
<td>64%</td>
<td>18%</td>
</tr>
<tr>
<td>Encouraging sharing of content on social networks</td>
<td>54%</td>
<td>22%</td>
</tr>
<tr>
<td>Regular list cleansing</td>
<td>52%</td>
<td>24%</td>
</tr>
<tr>
<td>Use of transactional emails for marketing</td>
<td>46%</td>
<td>17%</td>
</tr>
<tr>
<td>Re-marketing</td>
<td>42%</td>
<td>28%</td>
</tr>
<tr>
<td>Lead nurturing</td>
<td>42%</td>
<td>28%</td>
</tr>
<tr>
<td>Advanced segmentation</td>
<td>42%</td>
<td>25%</td>
</tr>
<tr>
<td>Content personalisation (beyond just name)</td>
<td>40%</td>
<td>28%</td>
</tr>
<tr>
<td>Multichannel triggers (e.g. sales call)</td>
<td>40%</td>
<td>29%</td>
</tr>
<tr>
<td>Promoting customer ratings and reviews</td>
<td>32%</td>
<td>19%</td>
</tr>
<tr>
<td>Lifecycle programmes</td>
<td>31%</td>
<td>28%</td>
</tr>
<tr>
<td>Use of video content</td>
<td>30%</td>
<td>34%</td>
</tr>
<tr>
<td>Dynamic email content (live listings / availability)</td>
<td>28%</td>
<td>25%</td>
</tr>
<tr>
<td>Location-based email content</td>
<td>28%</td>
<td>26%</td>
</tr>
<tr>
<td>Behavioural targeting (based on web activity)</td>
<td>27%</td>
<td>34%</td>
</tr>
<tr>
<td>Lead scoring</td>
<td>25%</td>
<td>26%</td>
</tr>
<tr>
<td>Dynamic social feeds</td>
<td>12%</td>
<td>27%</td>
</tr>
</tbody>
</table>

0%  10%  20%  30%  40%  50%  60%  70%  80%  90%  100%

- They do this
- Planning this
- They don't do this

Respondents 2016: 218
Respondents 2015: 257
Agency respondents

Figure 9: Proportion of agency respondents saying these practices are part of their clients’ email marketing efforts

<table>
<thead>
<tr>
<th>Practice</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic segmentation</td>
<td>72%</td>
<td>74%</td>
</tr>
<tr>
<td>Optimising email for mobile devices</td>
<td>64%</td>
<td>63%</td>
</tr>
<tr>
<td>Encouraging sharing of content on social networks</td>
<td>62%</td>
<td>54%</td>
</tr>
<tr>
<td>Regular list cleansing</td>
<td>52%</td>
<td>48%</td>
</tr>
<tr>
<td>Use of transactional emails for marketing</td>
<td>46%</td>
<td>46%</td>
</tr>
<tr>
<td>Re-marketing</td>
<td>41%</td>
<td>36%</td>
</tr>
<tr>
<td>Lead nurturing</td>
<td>42%</td>
<td>41%</td>
</tr>
<tr>
<td>Advanced segmentation</td>
<td>42%</td>
<td>23%</td>
</tr>
<tr>
<td>Content personalisation (beyond just name)</td>
<td>40%</td>
<td>30%</td>
</tr>
<tr>
<td>Multichannel triggers (e.g. sales call)</td>
<td>40%</td>
<td>31%</td>
</tr>
<tr>
<td>Promoting customer ratings and reviews</td>
<td>31%</td>
<td>26%</td>
</tr>
<tr>
<td>Lifecycle programmes</td>
<td>31%</td>
<td>28%</td>
</tr>
<tr>
<td>Use of video content</td>
<td>30%</td>
<td>26%</td>
</tr>
<tr>
<td>Dynamic email content (live listings / availability)</td>
<td>28%</td>
<td>28%</td>
</tr>
<tr>
<td>Location-based email content</td>
<td>28%</td>
<td>28%</td>
</tr>
<tr>
<td>Behavioural targeting (based on web activity)</td>
<td>27%</td>
<td>27%</td>
</tr>
<tr>
<td>Lead scoring</td>
<td>23%</td>
<td>27%</td>
</tr>
<tr>
<td>Dynamic social feeds</td>
<td>12%</td>
<td>28%</td>
</tr>
</tbody>
</table>

Respondents 2016: 218
Respondents 2015: 257
4.2. Email effectiveness

4.2.1. Email campaign performance

Confidence appears to have grown over the last year when it comes to the performance of email campaigns. Those reporting that their email campaign performance is ‘good’ has increased from 37% in 2013 to 49% in 2016. Over half (56%) of companies now rate their email campaign performance as either ‘excellent’ or ‘good’, in comparison to just two-fifths (41%) the previous year.

There has also been a noticeable drop in the proportion of respondents rating their email campaign performance as ‘poor’. Less than one in ten (7%) report this, whereas in two of the past four years that figure was 15%.

Close to two-fifths of companies are still wary when it comes to proclaiming the success of their email campaigns though, with 37% rating their performance as ‘average’. This could potentially be down to a lack of confidence in terms of which KPIs to measure against, challenges around the data, or be part of the larger struggle with attribution. Without effective measurement, it can be hard to adapt and improve on email campaigns, which could be why some companies are feeling frustrated with their ‘average’ performance.

Company respondents

Figure 10: How do you rate the performance of your company’s email campaigns?

With so many competing for attention in consumers’ inboxes, companies need to be testing and adapting in order to break ahead. According to separate research conducted by Econsultancy, four in every five marketers (77%) are struggling to achieve stand-out in the inbox. Experimenting with things like the times emails are sent and different styles of subject lines could help to increase open rates, and hence move towards improving the success of email campaigns.

https://econsultancy.com/reports/marketing-pain-points-and-how-to-overcome-them/
4.2.2. Ranking of channels for return on investment

Email marketing has a reputation for performing very well in terms of return on investment. Almost three-quarters (73%) of companies rate email marketing as ‘excellent’ or ‘good’ when it comes to ROI. Only 5% see a poor return on investment, suggesting it’s an excellent channel to focus on.

Over the past three years, email marketing and SEO (organic search) have been sharing the top two positions for return on investment. This year, email marketing is ahead of SEO, with companies being 9% more likely to rate email as ‘excellent’ or ‘good’ in terms of ROI than SEO.

Through email marketing, companies get the chance to communicate one-to-one with their customers or prospects, meaning that an effective campaign has the potential to lead to high conversion. The confirmation that this is indeed working for respondents is evident in Figure 11.

With around three-quarters of companies reporting ‘excellent’ or ‘good’ ROI, it is clear to see why marketers are focusing on this popular channel. In 2015 (Figure 12), only two-thirds (66%) of companies were rating the channel as ‘excellent’ or ‘good’ for ROI, and this figure was the same in 2008 (Figure 13).

Company respondents

Figure 11: How do you rate the following channels in terms of return on investment?

<table>
<thead>
<tr>
<th>Channel</th>
<th>Excellent</th>
<th>Good</th>
<th>Average</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email marketing</td>
<td>27%</td>
<td>46%</td>
<td>22%</td>
<td>5%</td>
</tr>
<tr>
<td>SEO (organic search)</td>
<td>20%</td>
<td>47%</td>
<td>28%</td>
<td>5%</td>
</tr>
<tr>
<td>Content marketing</td>
<td>14%</td>
<td>48%</td>
<td>30%</td>
<td>8%</td>
</tr>
<tr>
<td>Paid search (PPC)</td>
<td>14%</td>
<td>45%</td>
<td>29%</td>
<td>12%</td>
</tr>
<tr>
<td>Social media</td>
<td>10%</td>
<td>29%</td>
<td>39%</td>
<td>22%</td>
</tr>
<tr>
<td>Offline direct marketing</td>
<td>9%</td>
<td>35%</td>
<td>37%</td>
<td>19%</td>
</tr>
<tr>
<td>Affiliate marketing</td>
<td>8%</td>
<td>39%</td>
<td>37%</td>
<td>18%</td>
</tr>
<tr>
<td>Mobile marketing</td>
<td>4%</td>
<td>34%</td>
<td>38%</td>
<td>24%</td>
</tr>
<tr>
<td>Online display advertising</td>
<td>4%</td>
<td>31%</td>
<td>39%</td>
<td>26%</td>
</tr>
</tbody>
</table>

Respondents: 614
**What the experts say**

“For the past ten years that this census has been conducted, email marketing and SEO have swapped places on a yearly basis – one year SEO would be first in delivering the highest ROI, while email marketing would be second that year, and then the next year we would find that they have swapped places.

“The one constant is that email marketing has always either delivered the highest or second highest ROI. This year email marketing is again seen as delivering the highest ROI. I believe this is just a glimpse of what is to come. As technology for email marketing continues to improve, and email marketers become more advanced and understand that focusing on the customer will deliver the rewards they seek, the customer will respond accordingly and will reward the email marketers with even greater ROI.”

**Kath Pay, Founder & Senior Consultant, Holistic Email Marketing**

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**Company respondents – change since 2015**

Figure 12: Proportion of company respondents rating channels as ‘excellent’ or ‘good’ for ROI

<table>
<thead>
<tr>
<th>Channel</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email marketing</td>
<td>66%</td>
<td>73%</td>
</tr>
<tr>
<td>SEO (organic search)</td>
<td>73%</td>
<td>67%</td>
</tr>
<tr>
<td>Content marketing</td>
<td>58%</td>
<td>62%</td>
</tr>
<tr>
<td>Paid search (PPC)</td>
<td>63%</td>
<td>59%</td>
</tr>
<tr>
<td>Affiliate marketing</td>
<td>39%</td>
<td>47%</td>
</tr>
<tr>
<td>Offline direct marketing</td>
<td>35%</td>
<td>44%</td>
</tr>
<tr>
<td>Social media</td>
<td>35%</td>
<td>39%</td>
</tr>
<tr>
<td>Mobile marketing</td>
<td>38%</td>
<td>44%</td>
</tr>
<tr>
<td>Online display advertising</td>
<td>34%</td>
<td>35%</td>
</tr>
</tbody>
</table>
Company respondents – change since 2008
Figure 13: Proportion of company respondents rating channels as ‘excellent’ or ‘good’ for ROI

<table>
<thead>
<tr>
<th>Channel</th>
<th>2008</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email marketing</td>
<td>66%</td>
<td>73%</td>
</tr>
<tr>
<td>SEO (organic search)</td>
<td>67%</td>
<td>74%</td>
</tr>
<tr>
<td>Content marketing</td>
<td>62%</td>
<td>67%</td>
</tr>
<tr>
<td>Paid search (PPC)</td>
<td>57%</td>
<td>59%</td>
</tr>
<tr>
<td>Affiliate marketing</td>
<td>47%</td>
<td>56%</td>
</tr>
<tr>
<td>Mobile marketing</td>
<td>18%</td>
<td>38%</td>
</tr>
<tr>
<td>Offline direct marketing</td>
<td></td>
<td>44%</td>
</tr>
<tr>
<td>Social media</td>
<td>25%</td>
<td>35%</td>
</tr>
<tr>
<td>Online display advertising</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4.2.3. Proportion of sales from email marketing

Attribution comes up time and again as a challenge for marketers; without being able to trace actions back to their exact triggers, or the marketing channel which led to a particular sale, it is difficult to justify future spending. The pursuit of the single customer view is ongoing, both to enable marketers to provide a fluid customer journey and to allow insight into the effectiveness of each stage and channel involved in an end-to-end marketing campaign.

The ability to attribute sales to the email marketing channel is an essential measure of effectiveness. Without measurements like this to prove results, it is difficult to justify spending for the channel within a company budget.

Last year, over two-fifths (44%) of company respondents felt they were only able to attribute up to 10% of their total sales to the email marketing channel. This has this year fallen to one third (33%), indicating that success rates in terms of generation of sales are on the increase (Figure 14).

The average proportion of total sales that client-side marketers can attribute to their email marketing channel is 23%. Last year, this average fell at 20%, so the trend is moving positively. This could be down to two main factors. Firstly, companies may be becoming more confident with testing and optimising their campaigns, making them more effective in achieving conversions. Secondly, confidence could have grown when it comes to attribution, as marketers continue to invest in tools and techniques to map their customer journeys.

Company respondents

Figure 14: Approximately what proportion of your total sales can you attribute to the email marketing channel?

![Bar chart showing the proportion of sales attributed to email marketing by respondents in 2014, 2015, and 2016.]

Respondents 2016: 594
Respondents 2015: 536 | 2014: 393
4.3. Place in the organisation

4.3.1. Proportion of marketing budget spent on email marketing

On average, organisations are spending 15% of their marketing budgets on email, up from 13% 12 months ago (Figure 15). Compared to last year, they are 23% more likely to be allocating more than 10% of their marketing budgets to email marketing.

The chart below shows that the two variables, spend and sales attributable to email, are correlated, as an increase in spend on email is accompanied by a corresponding increase in the amount of sales attributable to this channel.

With only 15% of the marketing budget accounting for 23% of total sales, it could be suggested that companies are underutilising email as a driver of revenue, especially when taking into consideration that nearly three-quarters (73%) rate this channel as ‘excellent’ or ‘good’ in terms of ROI (Figure 11). DMA research published in 2015 revealed that the average ROI for email is £38 return (for each £1 spent), with nearly one in five companies (18%) reporting an ROI of more than £70.

Further analysis of the data revealed that companies investing at least a fifth of their marketing budgets in email are 15% more likely to rate the performance of their email campaigns as ‘excellent’ or ‘good’ than those for which email accounts for less than a fifth of their budgets. Additionally, they are also eight times more likely to see the proportion of sales attributable to email exceeding 50%.

Company trends: 2012-2016

Figure 15: Average proportion of total marketing budgets email accounts for vs. average proportion of sales attributed to the email marketing channel

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What the experts say

“The fundamentals of what makes great email have never really changed, providing value to your subscribers such that they are happy to keep you in their inbox. What is continually evolving is the strategies that can be used. The price point of better technology continues to come down allowing marketing strategies once out of reach to be used. I believe this is a strong factor in seeing the sales value of email go up over the last five years while budget share is little changed.”

Tim Watson, Email Marketing Consultant, Zettasphere

“I had hoped that this imbalance between sales and budget would have been corrected by now by the brands. This is the same story that has been told year after year. Email marketing delivers the revenue yet the budget allocated to it is not reflected accordingly – hence there is a disconnect between revenue earned and budget allocated.

“This is very short-term thinking on behalf of the brands in my opinion, as the tipping point for the majority of companies with regards to sales generated by email marketing and budget allocated to email marketing has not as yet been reached.

“As we can see with all of the answers provided within this report, the majority of email marketers are not as yet making the most of the channel’s strengths – more often than not, due to lack of budget and/or resources. Email marketing as a channel is becoming more advanced and consumers are very happy with it (as verified with the revenue and ROI results), it’s now up to the brands to allocate more budget and resources to this successful revenue-generating channel and see how much more revenue they can gain.”

Kath Pay, Founder & Senior Consultant, Holistic Email Marketing

As seen in the chart below, agency findings also surfaced the correlation between email spend and sales attributable to this channel. On average, agency clients spent just under a quarter (23%) of their marketing budgets on email, up from 21% in 2015. The amount of attributable sales has also increased, from 15% in 2015 to 17% this year.


Figure 16: Average proportion of total marketing budgets email accounts for vs. average proportion of sales attributed to the email marketing channel
4.3.2. Annual spend on email marketing

Around one in three (28%) company respondents are restricting their spending on email to the smallest bracket, investing no more than £5,000 per year in the channel. Over a third (37%) are at the other end of the scale, spending more than £25,000 on email.

Encouragingly, the proportion of those spending no more than £5,000 per year has decreased by 28% since last year, while the proportion of those allocating more than £10,000 has increased by 17%.

Company respondents

Figure 17: How much does your organisation spend on email marketing per year?

<table>
<thead>
<tr>
<th>Annual Spend</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£0 – £5,000</td>
<td>15%</td>
<td>28%</td>
</tr>
<tr>
<td>£5,001 – £10,000</td>
<td>12%</td>
<td>17%</td>
</tr>
<tr>
<td>£10,001 – £25,000</td>
<td>11%</td>
<td>18%</td>
</tr>
<tr>
<td>£25,001 – £50,000</td>
<td>11%</td>
<td>13%</td>
</tr>
<tr>
<td>£50,001 – £100,000</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>£100,001 – £250,000</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>£250,000 plus</td>
<td>7%</td>
<td>7%</td>
</tr>
</tbody>
</table>

The annual spend on email marketing is a question that has been asked in every iteration of the Email Census since we carried out the first survey in 2007. While we have witnessed some fluctuation in email marketing budgets rather than a linear trend, an upward trend is evident. The proportion of organisations spending at least £25,000 annually has increased from 28% in 2007 to 37% this year, as seen in Figure 18.
Figure 18: How much does your organisation spend on email marketing per year?

Just over a quarter (27%) of agencies say their clients are spending £5,000 or less on email marketing, an 18% decrease since 2015. Meanwhile, the proportion of agency clients spending more than £25,000 has increased by 21% (from 34% to 41%).

Agency respondents
Figure 19: How much do your clients spend on email marketing per year?
4.3.3. Responsibility for email marketing

As was the case last year, responsibility for email marketing continues to be the remit of individuals and teams who have broader marketing responsibilities, but the focus has somewhat shifted from individual to team responsibility.

The proportion of companies who have assigned their email marketing to an individual, as part of their wider marketing responsibilities, has declined by six percentage points since last year. Conversely, the proportion of those assigning email marketing to a team, as part of wider marketing responsibilities, has increased from 34% in 2015 to 40% this year.

There hasn’t been any noticeable shift in the proportion of those assigning dedicated resources (either individuals or teams) to email marketing. This is in line with previous research conducted by Econsultancy, which revealed that three in five organisations allocate generalist resources to email marketing, as opposed to specialist resources (35%). According to the same research, email has seen a notable increase in allocation of generalist resource (from 46% to 60%) since 2013.

Company respondents

Figure 20: Who is responsible for email marketing within your organisation?

Agency respondents have pointed to a similar shift from individual to team responsibility, with close to two-fifths (38%, up from 31% in 2015) of agency clients using a team as part of their broader marketing duties (Figure 21). The proportion of agency clients using dedicated teams has slightly increased, from 7% in 2015 to 9% this year.

Table 3 shows how the top six sectors (in terms of number of respondents) have assigned responsibility of their email marketing. Print/publishing organisations are most likely to place a team in charge as part of their wider marketing responsibilities, with more than half (53%) indicating this.

Companies in the retail and technology & telecom sectors are around twice as likely to have a dedicated individual responsible for email compared to those in financial services and travel & leisure.

Company respondents

Table 3: Responsibility for email marketing by sector

<table>
<thead>
<tr>
<th></th>
<th>No-one</th>
<th>Individual as part of wider marketing responsibilities</th>
<th>Individual dedicated to email marketing</th>
<th>Team, as part of wider marketing responsibilities</th>
<th>Team dedicated to email marketing</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charities &amp; Non-profit</td>
<td>0%</td>
<td>25%</td>
<td>12%</td>
<td>39%</td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>2%</td>
<td>33%</td>
<td>10%</td>
<td>41%</td>
<td>12%</td>
<td>2%</td>
</tr>
<tr>
<td>Print / Publishing</td>
<td>0%</td>
<td>25%</td>
<td>9%</td>
<td>53%</td>
<td>13%</td>
<td>0%</td>
</tr>
<tr>
<td>Retail</td>
<td>2%</td>
<td>32%</td>
<td>20%</td>
<td>31%</td>
<td>13%</td>
<td>2%</td>
</tr>
<tr>
<td>Technology &amp; Telecom</td>
<td>2%</td>
<td>33%</td>
<td>22%</td>
<td>39%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Travel &amp; Leisure</td>
<td>0%</td>
<td>28%</td>
<td>11%</td>
<td>44%</td>
<td>17%</td>
<td>0%</td>
</tr>
</tbody>
</table>

As seen in the table below, organisations that have dedicated resources for email marketing are more likely to rate email marketing as ‘excellent’ or ‘good’ in terms of ROI.

More than three-quarters of respondents with dedicated individuals or teams (78% and 82% respectively) rated their email marketing ROI as ‘good’ or ‘excellent’. Organisations using dedicated resources are 17% more likely to experience above average ROI than those using an individual or team with broader marketing responsibilities. Compared to businesses having no individual or team in charge of email marketing, they are 40% more likely to experience an above average ROI from their email activities.

Company respondents

Table 4: Cross-tabulation of responses for ‘Who is responsible for email marketing within your organisation?’ and ‘How do you rate email marketing in terms of return on investment?’

<table>
<thead>
<tr>
<th></th>
<th>Excellent</th>
<th>Good</th>
<th>Average</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>No-one</td>
<td>14%</td>
<td>43%</td>
<td>29%</td>
<td>14%</td>
</tr>
<tr>
<td>Individual as part of wider marketing responsibilities</td>
<td>21%</td>
<td>42%</td>
<td>29%</td>
<td>8%</td>
</tr>
<tr>
<td>Individual dedicated to email marketing</td>
<td>26%</td>
<td>52%</td>
<td>18%</td>
<td>4%</td>
</tr>
<tr>
<td>Team, as part of wider marketing responsibilities</td>
<td>25%</td>
<td>51%</td>
<td>20%</td>
<td>4%</td>
</tr>
<tr>
<td>Team dedicated to email marketing</td>
<td>44%</td>
<td>38%</td>
<td>18%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Email Marketing Industry Census 2016

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Agency respondents
Figure 21: Who is typically responsible for email marketing within your clients’ organisations?

![Bar chart showing the percentage of respondents who indicated various levels of responsibility for email marketing within their clients' organisations for the years 2014, 2015, and 2016. The chart shows that the majority of respondents fell into the 'Individual as part of wider marketing responsibilities' category, with a smaller percentage indicating 'Team dedicated to email marketing', and a minimal percentage falling into the 'No-one' category.]
4.3.4. Time spent on email activities

As was the case in previous years, email marketers are most likely to be spending the largest portions of their time on the aesthetic components of their campaigns.

Nearly two-thirds (64%) of company respondents are spending more than two hours on design and content, a 10% increase compared to last year (Figure 22). By comparison, organisations are 41% less likely to spend the same amount of time on strategy and planning (38%).

Perhaps more worryingly, around five in every six (82%) company respondents are spending two hours or less on mobile optimisation. Nearly a third (28%) are not doing any optimisation at all.

While on-the-go consumption of email has increased dramatically over the last few years, marketers have been slow to realise that emails have to be mobile-optimised in order to be effective. DMA research\(^5\) showed that half of consumers access emails on the go, primarily on a smartphone. With the volume of email increasing, so does the noise: a staggering 63% of emails are deleted immediately, emphasising the importance of investing in mobile optimisation and personalisation, both covered in more detail in subsequent sections.

Company respondents
Figure 22: For a typical campaign, how many hours are spent internally on the following email-related activities?

---

Company respondents – 2015 results for comparison

Figure 23: For a typical campaign, how many hours are spent internally on the following email-related activities?

<table>
<thead>
<tr>
<th>Activity</th>
<th>None</th>
<th>Up to 2 hours</th>
<th>2-8 hours</th>
<th>More than 8 hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Optimisation</td>
<td>27%</td>
<td>19%</td>
<td>13%</td>
<td>8%</td>
</tr>
<tr>
<td>Transmission</td>
<td>56%</td>
<td>68%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Data</td>
<td>13%</td>
<td>22%</td>
<td>11%</td>
<td>16%</td>
</tr>
<tr>
<td>Strategy and planning</td>
<td>16%</td>
<td>42%</td>
<td>42%</td>
<td>4%</td>
</tr>
<tr>
<td>Reporting</td>
<td>39%</td>
<td>39%</td>
<td>39%</td>
<td>3%</td>
</tr>
<tr>
<td>Design and content</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Respondents: 450
Agency responses are relatively similar to those of their company counterparts, with design and content (66%) and strategy and planning (44%) being the areas where their clients are most likely to spend an excess of two hours per campaign.

Compared to their client-side counterparts, agency clients are 28% more likely to be spending more than two hours on mobile optimisation (23% versus 18%).

Agency respondents

Figure 24: For a typical campaign, how many hours are spent internally on the following email-related activities?

<table>
<thead>
<tr>
<th>Activity</th>
<th>Hours Spent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile optimisation</td>
<td>26%</td>
</tr>
<tr>
<td>Transmission</td>
<td>18%</td>
</tr>
<tr>
<td>Reporting</td>
<td>9%</td>
</tr>
<tr>
<td>Data</td>
<td>9%</td>
</tr>
<tr>
<td>Strategy and planning</td>
<td>7%</td>
</tr>
<tr>
<td>Design and content</td>
<td>31%</td>
</tr>
</tbody>
</table>

Respondents: 262
4.4. Mobile

4.4.1. Proportion of email campaigns opened on mobile devices

The proliferation of smartphones and spread of 4G mobile connectivity means consumers are increasingly mobile-first and using their handsets to engage with brands’ email campaigns. This is reflected in Table 5 which shows that on average 40% of companies’ email campaigns are opened on smartphones.

Table 5: Average proportion of email campaigns opened on mobile devices

<table>
<thead>
<tr>
<th></th>
<th>Company respondents</th>
<th>Agency respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smartphones</td>
<td>40%</td>
<td>43%</td>
</tr>
<tr>
<td>Tablets</td>
<td>20%</td>
<td>22%</td>
</tr>
</tbody>
</table>

Competitive pricing, improved battery life and thinner (more portable) design will drive growth in tablet ownership going forward, and lead to an increase in the open rates on such devices in the future. According to Ofcom’s most recent Communications Market Report, over half of households (54%) had a tablet computer in early 2015, up from 44% in Q1 2014.

4.4.2. Strategy for optimising email for mobile

Despite the high number of average email opens on mobile, the majority (65%) of client-side marketers claim to have only a ‘moderate’ to ‘basic’ strategy for optimising email for such devices. By comparison, a fifth (21%) agree that their approach is ‘very advanced’ to ‘quite advanced’, representing a three percentage point increase compared to last year (Figure 25).

Strategy increasingly means understanding where email fits in the overall customer journey – how different messages and channels can drive customer actions and email’s role in the overall process. That means using signals and data sent by consumers to enable marketers to respond with timely, helpful messages.

For example, taking into account contextual cues to speak to people in the context of how they want to be spoken to, at the right time and in the right place. For a DIY retailer this might include promoting their BBQ range on sunny days, while for fashion brands it might mean sending messages when shoppers are near a given store (and who are on the company mailing list).

It also means understanding new levels of interactivity that the mobile screen affords, appealing to consumers’ human desire to physically engage with online environments – from a travel brand giving audiences the chance to vote on their favourite holiday destination to virtual buttons that link through to specific mobile landing pages.

In order to succeed with mobile, having a strategy is key. It enables email marketers to move beyond designing specifically for devices and more towards designing a good user experience. In this respect it enables marketers to ‘move beyond the sale’ and build lasting, long-term relationships with their audiences.

* [http://stakeholders.ofcom.org.uk/binaries/research/cmr/cmr15/CMR_UK_2015.pdf](http://stakeholders.ofcom.org.uk/binaries/research/cmr/cmr15/CMR_UK_2015.pdf)
What the experts say

“More than half of emails are being opened on mobile devices, so having a strategy for mobile optimisation makes more sense than ever. This is often mistakenly confused with making sure that the email looks okay on mobile devices. Rather, think about the mobile conversion flow and functions that need a highlight, be differentiated or overlap with PC. First start by splitting up your reporting between devices, it can lead to shocking insights.”

Jordie van Rijn, eCRM and Email Marketing Consultant, eMailMonday

Company respondents

Figure 25: How would you describe the extent to which your company has a strategy for optimising email marketing for mobile devices?

While organisations’ broader strategy for email may be on the moderate to basic side, respondents clearly recognise the importance of mobile email in the context of their own organisation, with 51% agreeing that mobile optimisation is ‘business as usual’ and a further 40% indicating that it’s recognised as the default consumption device (Figure 26).
Company respondents

Figure 26: In the context of your own organisation, please indicate whether you agree or disagree with the following statements.

- **Activities related to optimising email for mobile are deemed as 'business as usual'**
  - Strongly agree: 20%
  - Somewhat agree: 31%
  - Neutral: 23%
  - Somewhat disagree: 17%
  - Strongly disagree: 9%

- **We optimise for different email clients for both desktop and mobile**
  - Strongly agree: 19%
  - Somewhat agree: 31%
  - Neutral: 23%
  - Somewhat disagree: 14%
  - Strongly disagree: 13%

- **We are confident that our email campaigns render properly on any device and in any email client**
  - Strongly agree: 19%
  - Somewhat agree: 41%
  - Neutral: 20%
  - Somewhat disagree: 13%
  - Strongly disagree: 7%

- **We optimise our email campaigns for tablets as well as for smartphones**
  - Strongly agree: 14%
  - Somewhat agree: 31%
  - Neutral: 25%
  - Somewhat disagree: 17%
  - Strongly disagree: 13%

- **Mobile is recognised as the default consumption device for our email campaigns internally**
  - Strongly agree: 13%
  - Somewhat agree: 27%
  - Neutral: 24%
  - Somewhat disagree: 22%
  - Strongly disagree: 14%

*Respondents: 532*
Tactics used for mobile optimisation

On mobile, simplicity is key – from switching to single-column designs to allowing for simpler resizing to hiding content that might not be necessary in a mobile view and ensuring clarity of text by increasing default font size. Larger buttons can also be key to ensuring consumers know what a brand's call to action is (and make it easier to click for those with clumsy fingers).

Taking into account touch screens, progressive brands are evolving the look and feel of emails – creating layouts that are longer in length by incorporating greater amounts of white space. This acknowledges the fact that consumers are less likely to be reading emails on-the-go, rather than scanning and scrolling (as they make use of dead time while commuting, for example).

Figure 27 outlines a number of the tactics discussed above. For example, 62% of respondents have created mobile responsive templates and 55% have incorporated adaptive email design into their strategy. Mobile-friendly CTAs in adaptive templates are used by 44% of marketers. All, with the exception of adaptive email design, have seen significant increases.

Company respondents

Figure 27: What have you done to optimise email marketing for mobile?

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Created a mobile responsive email template</td>
<td>39%</td>
<td>52%</td>
<td>62%</td>
</tr>
<tr>
<td>Adapted email design to have a simpler template that renders well on all devices</td>
<td>23%</td>
<td>31%</td>
<td>44%</td>
</tr>
<tr>
<td>Adapted email template to have mobile-friendly CTAs</td>
<td>24%</td>
<td>32%</td>
<td>43%</td>
</tr>
<tr>
<td>Using pre-header text for promotion</td>
<td>20%</td>
<td>26%</td>
<td>41%</td>
</tr>
<tr>
<td>Mobile-optimised landing pages</td>
<td>25%</td>
<td>29%</td>
<td>39%</td>
</tr>
<tr>
<td>Mobile-optimised subject lines (key message in the first 30 characters)</td>
<td>8%</td>
<td>12%</td>
<td>26%</td>
</tr>
<tr>
<td>'Thinking ‘mobile first’, everything we do is optimised for mobile'</td>
<td>19%</td>
<td>25%</td>
<td>26%</td>
</tr>
<tr>
<td>None of the above</td>
<td>14%</td>
<td>8%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Note: Respondents could check all the options that applied.

The increasing popularity of responsive templates lies in their simplicity. Such templates enable content to move dynamically, with options to enlarge font, change hierarchy and resize images. Email is sent out in a single format, and the email client will decide how to display it once opened, ensuring marketers can keep pace with new devices and screen sizes that come to market.
By comparison, adaptive emails involve in fact two email designs, one for mobile and one for desktop and require updating as and when handsets with new screen sizes appear. Adaptive can be suitable for campaigns with complex structures (i.e. several areas of text or multiple images) – ranging from promotional-led emails with two-column designs to email newsletters.

Both approaches are increasingly being used interchangeably (otherwise known as hybrid code) but this can be a time- and resource-heavy strategy. Emails start out as a desktop version, with adaptive coding that enables sections to stack or resize below a certain screen size. Then if you keep reducing the screen size the sections would change fluidly, resizing to fit (responsive).
4.4.4. Barriers to success

As shown in Figure 15 (Section 4.3.1), the average proportion of total marketing budgets attributed to email is 15%, a level that has remained largely consistent since 2012. During this period there’s no doubt that consumer expectations around optimising email for mobile have increased, putting pressure on marketers to differentiate and connect with consumers on the go.

It could be argued that without a significant increase in share of overall marketing budgets attributed to email, this complexity is now another task that email marketers have had to build into their (already packed) schedules. This is reflected in Figure 28 below, with over a quarter of companies and agencies (28% and 25% respectively) agreeing that a lack of resources is a significant barrier to success when it comes to effectively optimising email campaigns for mobile.

Many of the other challenges listed in Figure 28, from finding time to make it happen (16% of companies) to technology limitations (15%), are linked.

Figure 28: What is the main barrier to success when it comes to effectively optimising your (or your clients’) email campaigns for mobile?

<table>
<thead>
<tr>
<th>Barriers</th>
<th>Company respondents</th>
<th>Agency respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of resources (including budget and staff)</td>
<td>28%</td>
<td>25%</td>
</tr>
<tr>
<td>Finding the time to make it happen</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>Technology limitations</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Lack of understanding within the organisation</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Tied to tradition</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Difficulty measuring ROI and building business case</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Lack of skills</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Organisational silos</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>8%</td>
<td>6%</td>
</tr>
<tr>
<td>Company respondents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agency respondents</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4.5. Personalisation

4.5.1. Ability to provide personalised email campaigns

As a well-established channel, email has an advantage over others when it comes to personalisation in that marketers have been personalising the channel in a basic sense for many years. According to previous research7 conducted by Econsultancy, 17% of organisations ‘strongly’ agree that email is the only channel that they truly personalise, with a further 31% agreeing.

Figure 6 in Section 4.1.4 shows that the practice of content personalisation (beyond just name) is part of the email marketing efforts of 37% of respondents, and planned by 36%. Figure 29 expands on this, showing the extent of personalisation on email, with almost half of respondents stating that they are in the early stages of implementing their email campaigns, followed by 30% who have the technical capabilities but need to fine-tune integration and execution.

Figure 29: Which statement best describes your (or your clients’) ability to provide personalised email campaigns?

![Bar chart showing the percentage of respondents and agency respondents indicating their ability to provide personalised email campaigns.]

According to the aforementioned report on personalisation, 78% of respondents were personalising the email channel, which compared to this report indicates an improvement in the proportion of marketers using the tactic.

This is encouraging; however, given the age of the channel, it is somewhat surprising that almost half of company respondents are only in the early stages of personalisation and therefore reaching

the point of a true individual interaction with a consumer is likely to be some distance away for most. As Hannah Price of Missguided said:

“The step change we have seen is that most companies now have moved away from broadcast to segmented campaigns, but few have managed one-to-one personal experience.”

Indeed, only 19% ‘strongly’ agree that they are optimising across desktop and mobile devices (Figure 26). The previous section illustrated that mobile optimisation of email is ‘basic’ for the highest proportion of respondents in this study. The fact that customers are spending increasing amounts of time on mobile has caused the focus of marketers on mobile email design to increase, but this needs to extend to the content too.

For 2016, understanding the context in which email is read will have a huge impact on the way email marketing is planned and executed. It’s no longer the case of being mobile-friendly; as a matter of fact, even ‘mobile-friendly’ has now become a generalisation of a range of experiences across all mobile devices.

The increasing preference of mobile over desktop, and the nature of media consumption of mobile, means that the time brands have to capture their attention and drive interaction with a CTA is less than previously. As a result, content has to work harder and faster to engage the reader, with personalisation being a clear tactic for engagement.

The benefits of using email personalisation are evident in the results of this report. A cross-tabulation of the data reveals that those proficient in personalisation (the top statement in Figure 29) are more than twice as likely as those not doing any personalisation to rate the performance of their email campaigns as ‘excellent’ or ‘good’ (Table 6).

Table 6: Cross-tabulation of responses for: ‘Which statement best describes your ability to provide personalised email campaigns?’ and ‘How do you rate the performance of your company’s email campaigns?’

<table>
<thead>
<tr>
<th>Customise</th>
<th>Excellent</th>
<th>Good</th>
<th>Average</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>We can send emails based on individual activities and preferences throughout the funnel at scale</td>
<td>19%</td>
<td>67%</td>
<td>11%</td>
<td>3%</td>
</tr>
<tr>
<td>We have most of the technical capabilities, but we need to fine-tune the integration and our execution</td>
<td>10%</td>
<td>59%</td>
<td>28%</td>
<td>3%</td>
</tr>
<tr>
<td>We are in the early stages of implementing personalisation in our email campaigns</td>
<td>5%</td>
<td>41%</td>
<td>46%</td>
<td>8%</td>
</tr>
<tr>
<td>We are not yet working towards this</td>
<td>7%</td>
<td>34%</td>
<td>47%</td>
<td>12%</td>
</tr>
</tbody>
</table>

4.5.2. How email technology providers are used

The majority of respondents are using their technology provider for personalisation, even if this is only for basic purposes, as discussed in the previous section. Just over 60% are using these services, only topped by measurement and analytics, used by almost three-quarters (73%) of respondents for the past two years.

The increase in the availability and quality of data over recent years has meant that the use of personalisation and segmentation has become more widespread. Improvements in service provider technologies have enabled a wider range of content personalisation, beyond simply the name, with enhanced targeting through segmentation increasing the effectiveness of email campaigns. Previously referred to as a ‘dying art’, the application of big data to email, and the ease with which ROI can be proved through its measurability, has meant that email has returned to favour with marketers.

Company respondents

Figure 30: Which email-related services provided by your email technology provider do you use?

<table>
<thead>
<tr>
<th>Service</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measurement and analytics</td>
<td>51%</td>
<td>73%</td>
</tr>
<tr>
<td>Personalisation</td>
<td>58%</td>
<td>61%</td>
</tr>
<tr>
<td>Segmentation</td>
<td>52%</td>
<td>51%</td>
</tr>
<tr>
<td>Deliverability audit and analysis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automated campaigns (incl. lead nurturing, lead scoring, behavioural response marketing)</td>
<td>35%</td>
<td>45%</td>
</tr>
<tr>
<td>Mobile device recognition</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Email data provision</td>
<td>22%</td>
<td>30%</td>
</tr>
<tr>
<td>Design and copywriting</td>
<td>27%</td>
<td>28%</td>
</tr>
<tr>
<td>Dynamic content solutions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social media integration</td>
<td>27%</td>
<td>27%</td>
</tr>
<tr>
<td>Campaign optimisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategy and campaign planning</td>
<td>16%</td>
<td>24%</td>
</tr>
<tr>
<td>SMS</td>
<td>9%</td>
<td>13%</td>
</tr>
<tr>
<td>Complete managed service</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>None of the above</td>
<td>7%</td>
<td>6%</td>
</tr>
</tbody>
</table>

Respondents 2016: 135
Respondents 2015: 353
**What the experts say**

“Who are those 27% not using measurement and analytics? Statistics feed customer insights and an educated ‘feel for what works’, but most of all it leads to better questions that spring optimisation and creativity. My secret hope is they might be using an external tracking system like Google Analytics or specialised BI tools. Otherwise, fire them on the spot!”

---

**Jordie van Rijn, eCRM and Email Marketing Consultant, eMailMonday**

Agencies respondents

**Figure 31: Which email-related services do your clients typically use?**

<table>
<thead>
<tr>
<th>Service</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personalisation</td>
<td>58%</td>
<td>68%</td>
</tr>
<tr>
<td>Segmentation</td>
<td>57%</td>
<td>66%</td>
</tr>
<tr>
<td>Design and copywriting</td>
<td>66%</td>
<td>66%</td>
</tr>
<tr>
<td>Measurement and analytics</td>
<td>88%</td>
<td>65%</td>
</tr>
<tr>
<td>Strategy and campaign planning</td>
<td>55%</td>
<td>64%</td>
</tr>
<tr>
<td>Automated campaigns (incl. lead nurturing, lead scoring, behavioural response marketing)</td>
<td>28%</td>
<td>56%</td>
</tr>
<tr>
<td>Campaign optimisation</td>
<td>28%</td>
<td>51%</td>
</tr>
<tr>
<td>Mobile device recognition</td>
<td>43%</td>
<td>45%</td>
</tr>
<tr>
<td>Social media integration</td>
<td>43%</td>
<td>53%</td>
</tr>
<tr>
<td>Deliverability audit and analysis</td>
<td>43%</td>
<td>20%</td>
</tr>
<tr>
<td>Complete managed service</td>
<td>35%</td>
<td>35%</td>
</tr>
<tr>
<td>Email data provision</td>
<td>34%</td>
<td>34%</td>
</tr>
<tr>
<td>Dynamic content solutions</td>
<td>35%</td>
<td>34%</td>
</tr>
<tr>
<td>SMS</td>
<td>23%</td>
<td>22%</td>
</tr>
<tr>
<td>None of the above</td>
<td>4%</td>
<td>3%</td>
</tr>
</tbody>
</table>

---

**Figure 32** shows that beyond CRM, ESPs are not being used for activities outside of the marketing channel. However, more than a quarter (26%) of respondents are using their service provider for CRM, usually in order to benefit from the enhanced marketing features and deliverability that an ESP can provide.

With cookie concerns still an issue in the marketing industry, the focus on log-in data has become ever stronger, meaning a boost for email in a time when new channels and emerging technologies threaten the budgets of the old.
It seems that agencies feel differently about their clients’ use of their email service provider for CRM, however. *Figure 33* illustrates a decline since 2014 in the proportion of agency clients using their ESP as such, with a concurrent increase in multichannel campaign management up to 34% this year.

Company respondents

*Figure 32*: Do you use your email provider for any of the following activities?

<table>
<thead>
<tr>
<th>Activity</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRM</td>
<td>22%</td>
<td>27%</td>
<td>26%</td>
</tr>
<tr>
<td>Multichannel campaign management</td>
<td>8%</td>
<td>8%</td>
<td>16%</td>
</tr>
<tr>
<td>Social media marketing</td>
<td>9%</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>Mobile marketing</td>
<td>6%</td>
<td>5%</td>
<td>12%</td>
</tr>
<tr>
<td>SEO</td>
<td>4%</td>
<td>3%</td>
<td>5%</td>
</tr>
<tr>
<td>Display advertising</td>
<td>5%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Search engine marketing</td>
<td>3%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>None of the above</td>
<td>67%</td>
<td>63%</td>
<td>58%</td>
</tr>
</tbody>
</table>

What the experts say

“Companies are using their ESPs for CRM and more for social, mobile and multichannel campaign management. ESPs offer more depth and width of functionality, going from a point solution focused on execution to being part of the marketing centre that puts the customer (and their data) at the heart. Technology is built to be so well integrated that no additional CRM data layer or data warehouse is needed. The introduction and digitisation of more channels demands the software to suck up, sort and store customer data, and then spit it out in a way that’s useful and liberating for marketers.”

*Jordie van Rijn, eCRM and Email Marketing Consultant, eMailMonday*
Agency respondents

Figure 33: Do your clients use their email provider for any of the following activities?

- CRM: 2016 - 46%, 2015 - 42%
- Mobile marketing: 2016 - 29%, 2015 - 20%, 2014 - 23%
- Social media marketing: 2016 - 30%, 2015 - 22%, 2014 - 32%
- SEO: 2016 - 15%, 2015 - 11%
- Display advertising: 2016 - 24%, 2015 - 14%
- Search engine marketing: 2016 - 11%, 2015 - 13%
- None of the above: 2016 - 33%, 2015 - 24%, 2014 - 32%

Respondents 2016: 206
Respondents 2015: 271 | 2014: 241
4.5.3. What would email marketers like to improve?

It becomes apparent in the chart below that the majority of marketers are well aware of the basic level at which they currently carry out personalisation (see Section 4.5.1). More than 60% of marketers are not satisfied with their email personalisation at present, with more than half (56%) wanting to improve their segmentation.

Tellingly, personalisation best practice sees a consistently personalised experience across channels and devices, which relies on data. *Figure 34* shows that half of marketers do not have the cross-channel data they require to ‘see the bigger picture’ which inevitably impacts upon the level of personalisation they are able to achieve.

Company respondents

*Figure 34: What would you like to do with your email marketing that you currently cannot do to your satisfaction?*

- **Better personalisation**
  - 2015: 64%
  - 2016: 61%
- **Better segmentation**
  - 2015: 56%
  - 2016: 61%
- **Marketing automation**
  - 2015: 54%
  - 2016: 53%
- **Cross-channel data insights to see bigger picture**
  - 2015: 52%
  - 2016: 50%
- **Ability to be more agile in our marketing**
  - 2015: 41%
  - 2016: 50%
- **Integration with other marketing platforms**
  - 2015: 45%
  - 2016: 41%
- **More social integration**
  - 2015: 30%
  - 2016: 37%
- **Content marketing**
  - 2015: 35%
  - 2016: 40%
- **Easier campaign testing**
  - 2015: 31%
  - 2016: 36%
- **Mobile-friendly email**
  - 2015: 28%
  - 2016: 36%
- **Other**
  - 2015: 2%
  - 2016: 3%

*Note: Respondents could check all the options that applied. ‘Easier campaign testing’ is a new option for this year’s survey, so there is no trend data.*
What the experts say

“This is surprising in that I would have thought that more respondents would have selected better personalisation, marketing automation and cross-channel data insights than actually did. Does this then mean that the remainder of the respondents feel they’re doing a good job?

“From teaching and consulting with hundreds of leading UK brands each year I can state anecdotally that this is not so – only a minority of brands are really leveraging all the strengths of email marketing and have converted this into a solid, conversion-generating programme.

“Or, does it actually mean that the respondents are in fact unaware of the full capabilities of email marketing and as such have set their sights lower than actually can be achieved?”

Kath Pay, Founder & Senior Consultant, Holistic Email Marketing

Agility and integration were also selected by a significant portion, illustrating the fact that marketers are still struggling to join the dots, often operating in silos. Previous Econsultancy research9 has found that a lack of technology integration is by far the biggest barrier to personalisation, affecting not just email but every channel. Integrated technology is the key to integrated data, which in turn increases the potential for personalisation.

Agencies agree with company respondents in their responses, with the ability to join the dots between channels as needing the largest improvement behind personalisation. Almost exactly the same proportion (47% and 48%) selected these two options, displaying the agency understanding that the two are very much linked.

Agency respondents
Figure 35: What would your clients like to do with their email marketing that they currently cannot do to their satisfaction?

Note: Respondents could check all the options that applied.
‘Easier campaign testing’ is a new option for this year’s survey, so there is no trend data.
4.6. Marketing automation

4.6.1. Marketing automation capabilities

Survey participants were asked to rate the effect that marketing automation has had on email campaigns. Results are presented in Figure 36, with trends dating back to 2014, the first year this question was asked as part of this report series.

Over the review period shown in Figure 36, it would appear that companies have seen some improvement in terms of their email providers’ marketing automation capabilities, with a six percentage point shift since 2014 from those classifying these capabilities as non-existent to advanced. Most of this rise, however, has occurred since 2015.

Agency respondents have seen a move from basic to advanced when it comes to their clients’ marketing technology – with a seven percentage point shift happening entirely between the last two survey waves (Figure 37). Despite this change in fortunes, however, only one in four agencies rate their clients’ marketing automation capabilities as advanced, nearly half the proportion recorded by company respondents. Nearly a fifth (17%) claim that their clients’ capabilities in this field are non-existent – a percentage that has remained statistically unchanged over the review period.

Company respondents

Figure 36: How would you describe your email provider’s marketing automation capabilities?

![Bar chart showing changes in marketing automation capabilities from 2014 to 2016.](chart-image)

Respondents 2016: 494
Respondents 2015: 483 | 2014: 467
Agency respondents

Figure 37: How would you describe the marketing automation capabilities enabled by your clients’ marketing technology?

Respondents 2016: 210
Respondents 2015: 246 | 2014: 236
4.6.2. Automation triggers

*Figure 38* examines the triggers and/or behaviours utilised by companies and agency clients when sending out automated emails.

The most popular use of automated emails is when a user subscribes or signs up on the website, chosen by 46% of both company and agency respondents. Marketers need to ensure that consumers receive clear, tangible benefits when agreeing to sign up to a website if this trigger is to grow further.

Although not shown here, response rates are significantly down on 2015 survey results for each category, and across both types of respondents. No one response netted more than 50% of either respondent type, although in every case except for the top response, agency respondents netted a higher response rate.

*Figure 38: Do you (or your clients) send out automated emails based on the following triggers or behaviour?*

![Diagram showing automation triggers](image)

Company respondents: 487
Agency respondents: 211
What the experts say

“At first glance, one could assume that agencies are more advanced and cleverer than the company respondents. However I believe the difference can be explained, not as a lack of skills or talent, but more by a lack of resource and budget. Agencies are paid to do the clever things, and most company respondents want to be able to do these more advanced triggers, but simply are trying to juggle sending manually deployed email campaigns with implementing the more sophisticated trigger campaigns. At the end of the day, the demands of doing day-to-day tasks and campaigns always wins out – unless there is additional budget to call additional resource in.”

Kath Pay, Founder & Senior Consultant, Holistic Email Marketing

“It is disappointing to see that not even half of the brands send a trigger email to welcome new subscribers. The first three to five emails are fundamental to getting on going engagement. The context of a new person to your list is very different to someone who knows you well. Given all solutions make a signup welcome email easy there is little reason not to send this email.

“Lapsed customers, abandoned basket and content downloads are all good triggers, so it’s good to see these being adopted. Birthday emails also get higher response rates, very often double that of broadcast. However, birthday emails, or even a birthday email sequence, also have a big limitation. They can only be sent once a year. So it’s surprising to see other more valuable triggers, such as click-through no purchase and up-sell, having lower adoption then birthday emails.”

Tim Watson, Email Marketing Consultant, Zettasphere
4.6.3. Success with automation

Despite the fact that marketers have adopted a wider range of email triggers, there does not appear to have been any movement in the perceived success rate of automated email marketing programme implementation among company respondents in the survey. (It should be noted, of course, that metrics used to measure success will differ from company to company. The overall reported observation, however, is what matters.)

The proportion of company respondents deeming the implementation of their automated email marketing programmes as very successful remains stubbornly low, unchanged on the 7% recorded in 2015. As in 2015, more than half (55%) selected quite successful, with a substantial 38% not seeing any success at all on this front.

Supply-side respondents have seen slight movement in perceived success rates, with a five percentage point shift from not successful to very successful between the latest two survey waves (Figure 40). Perhaps a wider range of email triggers have worked here, providing a return on the streamlining of some processes. As a result, the overall reported success rate of email marketing programme implementation among agencies appears to have climbed from 65% to 70% (very successful plus quite successful).

Company respondents

Figure 39: How successful would you say you have been in implementing automated email marketing programmes?

![Graph showing success rates]

Respondents 2016: 492
Respondents 2015: 472 | 2014: 410
What the experts say

“While it’s heartening that the number of unsuccessful automation implementations has dropped a point, it still means they are failing at a huge 38% rate. That’s big. Planning and implementing automation requires a different set of skills to churning out broadcast campaigns. The failures are occurring because brands are getting the technology for automation without understanding the strategy and resources that will be needed to make it successful. Simply buying the tool does not create a winning automation strategy.”

Tim Watson, Email Marketing Consultant, Zettasphere

Agency respondents

Figure 40: How successful would you say your clients have been in implementing automated email marketing programmes?

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very successful</td>
<td>58%</td>
<td>57%</td>
<td>57%</td>
</tr>
<tr>
<td>Quite successful</td>
<td>7%</td>
<td>8%</td>
<td>13%</td>
</tr>
<tr>
<td>Not successful</td>
<td>35%</td>
<td>35%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Respondents 2016: 210
Respondents 2015: 254 | 2014: 227
4.6.4. **Barriers to implementing marketing automation**

*Figure 41 and Figure 42 clearly show that more work needs to be done to achieve success – according to both client-side and agency respondents – in implementing automated email programmes. With this in mind, it is useful to examine the issues preventing organisations from moving forward with their email campaigns.*

When it comes to implementing marketing automation, the main challenges faced by client-side marketers are *finding time to make it happen, lack of resources and integrating data.* While there has been little movement in most of the response rates since 2014, the latest results suggest that the skill base is growing, with a downwards trend in the proportion of those selecting *lack of skills and technology shortfall.* However, further survey waves will be needed to establish the solidity of these trends.

**Company respondents**

*Figure 41: What are the main challenges you have faced in trying to implement marketing automation?*

<table>
<thead>
<tr>
<th>Challenge</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finding time to make it happen</td>
<td>43%</td>
<td>45%</td>
<td>46%</td>
</tr>
<tr>
<td>Lack of resources</td>
<td>36%</td>
<td>37%</td>
<td>40%</td>
</tr>
<tr>
<td>Integrating data</td>
<td>35%</td>
<td>36%</td>
<td>37%</td>
</tr>
<tr>
<td>Establishing processes and rules</td>
<td>27%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>Understanding where to focus</td>
<td>25%</td>
<td>24%</td>
<td>22%</td>
</tr>
<tr>
<td>Technology shortfall</td>
<td>21%</td>
<td>25%</td>
<td>26%</td>
</tr>
<tr>
<td>Organisational buy-in</td>
<td>16%</td>
<td>19%</td>
<td>16%</td>
</tr>
<tr>
<td>Lack of skills</td>
<td>15%</td>
<td>15%</td>
<td>16%</td>
</tr>
<tr>
<td>Lack of budget</td>
<td>15%</td>
<td>15%</td>
<td>16%</td>
</tr>
</tbody>
</table>

*Note: Respondents could check up to three options.*
While little movement has been seen in barriers to automation among company respondents since 2014, the opposite is true for results agency side (see Figure 42).

Given that the majority of brands spend a rather small proportion of their marketing budget on email, it was, perhaps, surprising that lack of budget sat so low on the list of barriers among company respondents. Among agency respondents, it ranks as the number one challenge. However, it should be noted that there is little difference between the top six challenges listed, all of which register a response rate of around a third.

Agency respondents

Figure 42: What are the main challenges you have faced in trying to implement marketing automation?

A key trend evident from these results, as with company respondents, is a growing skill base: the proportion of agency respondents citing lack of skills declined by 11 percentage points over the review period, with the steepest downturn (from 38% to 31%) occurring since 2015. As marketing complexity increases, so too do the challenges for marketers. New technology such as automation (not to mention new targeting techniques) means that email marketers may struggle to keep up. Agencies that shore up their skill base in this arena will reap rewards as tasks that require extra skills are outsourced.
It would also appear that operational challenges are being addressed in the agency world, with response rates to *establishing processes and rules* experiencing a steep decline since 2015, from 31% to 21%.

Other shifts among agency respondents include an apparent improvement in resourcing, with *lack of resources* down six percentage points on 2015 to 28%, and an increase in those citing a *technology shortfall*, up by six percentage points on 2015 to 21%, similar to its 2014 level.

Please elaborate on any specific challenges you have faced in automating your email marketing programmes.

“Automation is currently beyond our reach due to various internal factors. There is currently a plan in place to adopt some basic automation for BAU campaigns. At the moment, anything which would class as automation is actually a very manual process for the marketing team e.g. CRM is utilised for data extractions but these marketing lists are created by running various views on previous marketing lists, building a step-by-step manual process with checks at key points. There is a lot of room for human error.”

“Working with marketing to understand the value of this and also to prevent abuse (i.e. wanting to automate everything). Too many automated campaigns can also create confusion for segmentation and targeting when segments could possibly overlap.”

“We would need to integrate our ESP with our website and our database and unfortunately, due to a lack of resources and time, we have not yet done this. It is, however, very high on our list of priorities, as we are currently spending even more time sending emails manually, rather than with set triggers.”

“We use two different providers at different stages of the buyers’ journey, making end-to-end communications challenging. The top-of-funnel provider is flexible and intuitive with easy segmentation, but the bottom-of-funnel provider that services our opportunities and customers is clunky, difficult to segment and less mobile-friendly. Development resource prevents improved integration.”

“The biggest setback is getting resources to help implement changes on the backend. Also, our systems don’t talk to each other so until all of our systems speak to each other and we have resources to connect them, we won’t be able to do advance automation.”

“Integrating with CRM is central to enabling the types of automation campaigns relevant for our organisation. This isn’t currently possible.”

“Finding understanding within the organisation that this is not something simple – it requires time, effort, budget, support, extensive planning.”

*Company respondents*
Company respondents

Figure 43: Please elaborate on any specific challenges you have faced in automating your email marketing programmes.
4.7. Improving email marketing for the future

4.7.1. Innovating with email

Given its clear position of importance in the marketer’s toolbox, email is in many ways one of the pinnacles of modern marketing; a far cry from the perception in recent years that suggested email was doomed. By being part of the fabric of an experience that should be mobile in nature, with high degrees of personalisation on an automated basis, email has indeed become a key place of innovation for many astute marketing professionals.

Unsurprisingly, based on how email marketers spend their time on a campaign basis, the elements most likely to be experimented with are content and design-based. Two-thirds (66%) of company respondents intend on exploring more creative uses of behavioural triggers, while just over half (52%) will be making greater use of dynamic elements like video content and GIFs.

Figure 44: How do you (or your clients) intend to innovate with email in 2016?

While these innovations may make the inbox experience more engaging, it is clear that this isn’t the limit to many marketers’ thinking and appetite for experimentation. A significant proportion of marketers will be using automation to enable one-to-one communication (46%) and creating mobile-optimised customer journeys (40%).

The latter is to be expected given the trends illustrated in Figure 27. The proportion of brands creating mobile-optimised landing pages has doubled in two years, while those claiming to be ‘mobile first’ has tripled in the same time period. Creating mobile-optimised customer journeys is the next stage in evolving the experience to suit the needs of the customer.
The ability to use email as a mechanism to provide one-to-one communication at scale is a manifestation of the marketer’s greatest ambition for the internet. However, while this aspiration is certainly not impossible, it is interesting to compare this to the list of automation triggers that companies are yet to take advantage of. Less than a quarter of client-side respondents are sending automated emails based on abandoned baskets, date notifications and timed content programmes through sales cycle.

If marketers are truly going to embrace the power of automation and one-to-one communication, it is important that they excel at using the aforementioned basic automation triggers. The consumer has made it clear that they will not wait for brands to catch up before adopting new technology, which may fill some email marketers with fear, given recent offerings on Facebook Messenger and WhatsApp to allow brands to message consumers directly through these platforms.

Irrespective of how well these new products are adopted, email has proven to be resilient over several years. However, in order for its advantage to be maintained, marketers must continue to strive for relevance in the inbox above everything else – relevance that will be provided largely through automation.

What the experts say

“IT’s good to see email marketers wanting to be more innovative with email by experimenting with touchpoints and technology and basically creating a more engaging customer journey which delivers a more positive customer experience. While most of the innovation within Figure 44 is based around technology, at its heart is the customer and as such these new innovations are customer-centric innovations, not brand-centric innovations.

“The brands who are achieving great success with these innovations have implemented them in response to a need of the customer, discovered within the research of their database through customer mapping or data mining. That is; these innovations have been implemented in order to respond to a need rather than be implemented because there was new technology available to them.”

Kath Pay, Founder & Senior Consultant, Holistic Email Marketing
Email marketing focus

Acknowledgement that the email inbox needs to become more relevant is a sentiment that manifested itself when asking marketers about their focus for 2016, especially when compared to last year. A third (34%) of respondents noted automated campaigns as one of their key areas of focus for 2016, an increase of five percentage points from 2016. The only other area that increased by five percentage points was personalisation (22%).

Company respondents

Figure 45: Which three areas of email marketing do you really need to focus on in 2016?

Indeed, the areas of focus for most marketers are predictable, if not encouraging. The opportunity to make email an even better tool for marketers lies in increased relevance and context, all of which are related to the top six areas selected by company respondents. What is somewhat of a surprise is the reduced focus on list/data quality.
While having resource constraints makes this understandable, historically database quality has been a problem for a large proportion of email marketers. Even effectively segmenting at a basic level requires a clean database. With data passing through many platforms and technologies, it is even more critical that the data being used is of the highest quality possible. However, given this has been on the radar of multiple years, it is very possible organisations have gotten better at complying robust email lists that allow them to carry out more sophisticated tasks.

**What the experts say**

“Rightly, the common element to many of the survey responses, this question included, is the move to more behavioural and automated email. This is for good reason: combining automation and broadcast, and using behaviour to drive both, is the current gold standard for email. However, the focus on list and data quality needs to be higher, it underlies all of email marketing and in my experience does not get enough review and strategic attention.”

*Tim Watson, Email Marketing Consultant, Zettasphere*

**Company respondents**

**Figure 46: Looking ahead five years, what do you think the single biggest change to email marketing will be?**

Having a dataset which is suitable to be used and manipulated on multiple platforms is a hygiene factor for organisations that are focused on what email will look like in the future. Without a solid database (and perhaps even with it), the channel may become less useful as a lever for short-term sales according to some marketers.

Whether marketers anticipate relying more on behavioural or automated campaigns, personalised content or approaching email similarly to social media with an ‘always on’ mentality, the common thread running through many theses on the future of email is that it will need data from various sources to remain effective. While this provides complexities already covered in this report, perhaps one of the greatest barriers to achieving this future state lies in the hands of outside stakeholders.
What the experts say

“I am not surprised to see a bigger need to focus on automated campaigns and email marketing strategy. Traditionally, these are steps towards the more advanced tiers of email marketing. In my work with brands I see there is a growing awareness that one cannot do one without the other. Automation equals processes and technology, but it depends heavily on the strategy for it to be truly successful.”

Jordie van Rijn, eCRM and Email Marketing Consultant, eMailMonday

Looking ahead five years, what do you think the single biggest change to email marketing will be?

“Creating relevant and engaging content that is personal to each contact and which continues to keep them emotionally or financially involved within a limited timeframe associated with the increasingly busy lifestyle of the general public.”

“The single biggest change would be customer integration across multiple platforms, and allowing email marketers the ability to integrate all known facets of data into generating the best possible tailored emails for customers.”

“The change in data laws is going to have a big impact. I think email marketing will be much more precise as a result, sitting further along the sales funnel.”

“Integrating different systems to ensure customers’ data is kept up to date and their contact preferences are followed (i.e. making sure we can actually do what we want to do legally and well).”

“I think that companies will be relying more heavily on behavioural and automated marketing, and therefore integrating their ESPs with their single customer view CRM systems or even treating the ESP as a CRM system in itself.”

“Email marketing will continue to be a challenge. With the opt-in laws it will become harder to reach the customers. We need to become clever in our reach and make sure that we focus more on inbound marketing. Subscribed newsletters will bind the customers to our company.”

“Changing consumer behaviour – fewer people opening emails (due to too much noise), therefore email becoming less effective in delivering short-term sales.”

“Ability to deliver return and differentiate as volumes increase and impact declines.”

Company respondents
4.7.3. Data law changes

From the use of cookies, to the imminent impact of the Internet of Things, the value of ‘personal data’ has never been higher. Naturally, national and international governmental bodies are having their say on the limits to which companies can make the most of data by imposing new laws on the uses of data.

For one, the EU data protection reforms are becoming a near reality. Email marketers are going to have to grasp the nettle, particularly in terms of dealing with the new requirements for ‘explicit consent’ as well as the ‘right to be forgotten’.

These changes are detailed in 200 pages of documentation\(^\text{10}\) and will clearly have a significant impact on marketers’ day-to-day activity, with many already being fined due to breaking certain guidelines. Despite this, more than half of the responding companies (53%) are yet to have adjusted their current activities accordingly.

Figure 47: To what extent will recent EU data law changes impact your (or your clients’) approach to email?

The short-term implications of this are relatively simple: organisations will have to remodel their workflows and processes to accommodate these new changes. However, the fact that more than half are not yet compliant with these changes could be a cause for concern. The ecosystem in which any given business operates has always had a significant impact on what and how an organisation should go about its daily operation. However, with information moving faster than ever before, organisations must be quicker to respond to outside forces, whether they are legal issues, responses to competitor activity or shifts in consumer preference.

Organisations have to be more aware of the revolving door of forces that impact their business and feed back this information to everyone that needs to know. In the case of the EU data laws, marketing, legal, data management and web design teams among others will all be impacted to varying degrees by these changes.

The future of email projects to be a mix of excitement, with a small part of uncertainty. However, while organisations are increasing their ability to respond to consumers at scale, it is just as important that brands are able to react swiftly and decisively to external forces.
5. Appendix

5.1. Respondent profiles

Figure 48: Which of the following most accurately reflects your role?

- Client-side (part of an in-house team): 66%
- Agency / vendor / consultant: 34%

Respondents: 1,155

Figure 49: In which country/region are you (personally) based?

- UK: 57%
- North America: 17%
- Europe (non-UK): 13%
- Asia: 6%
- Australia: 4%
- Middle East / North Africa: 1%
- Latin America: 0%
- Other: 3%

Respondents: 1,108
Figure 50: What best describes your job role in terms of seniority?

Respondents: 1,107

Company respondents

Figure 51: Are you more focused on B2B or B2C marketing?

Respondents: 728
Company respondents
Figure 52: In which business sector is your organisation?

![Business Sector Bar Chart]

Agency respondents
Figure 53: What type of company do you work for?

![Company Type Bar Chart]
Figure 54: What is your annual company turnover (revenue)?

Respondents: 655
5.2. Additional data

5.2.1. Approach to email

Agency respondents

Figure 55: Which of the following best describes your clients’ approach to email marketing?

- None of the above
- A mixture of the above
- In-house system (including third-party software you have installed)
- Application service provider / hosted service (web-based email application interface provided by a vendor)

Respondents 2016: 344
5.2.2. Email effectiveness

Agency respondents

Figure 56: How do you rate the performance of your clients’ email campaigns?

<table>
<thead>
<tr>
<th>Rating</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent</td>
<td>4%</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>Good</td>
<td>46%</td>
<td>45%</td>
<td>54%</td>
</tr>
<tr>
<td>Average</td>
<td>38%</td>
<td>40%</td>
<td>30%</td>
</tr>
<tr>
<td>Poor</td>
<td>12%</td>
<td>9%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Respondents 2016: 284
Respondents 2015: 343 | 2014: 307
Agency respondents

Figure 57: How do your clients typically rate the following channels in terms of return on investment?

<table>
<thead>
<tr>
<th>Channel</th>
<th>Excellent</th>
<th>Good</th>
<th>Average</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email marketing</td>
<td>36%</td>
<td>44%</td>
<td>15%</td>
<td>5%</td>
</tr>
<tr>
<td>SEO (organic search)</td>
<td>18%</td>
<td>50%</td>
<td>27%</td>
<td>5%</td>
</tr>
<tr>
<td>Paid search (PPC)</td>
<td>16%</td>
<td>44%</td>
<td>31%</td>
<td>9%</td>
</tr>
<tr>
<td>Content marketing</td>
<td>16%</td>
<td>47%</td>
<td>28%</td>
<td>9%</td>
</tr>
<tr>
<td>Offline direct marketing</td>
<td>7%</td>
<td>30%</td>
<td>43%</td>
<td>20%</td>
</tr>
<tr>
<td>Mobile marketing</td>
<td>7%</td>
<td>45%</td>
<td>36%</td>
<td>12%</td>
</tr>
<tr>
<td>Social media</td>
<td>7%</td>
<td>31%</td>
<td>40%</td>
<td>22%</td>
</tr>
<tr>
<td>Affiliate marketing</td>
<td>6%</td>
<td>29%</td>
<td>43%</td>
<td>22%</td>
</tr>
<tr>
<td>Online display advertising</td>
<td>5%</td>
<td>28%</td>
<td>46%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Respondents: 276
Agency respondents – change since 2015

Figure 58: Proportion of agency respondents saying their clients rate channels as ‘excellent’ or ‘good’ for ROI
Agency respondents

Figure 59: Approximately what proportion of your clients’ total sales can they attribute to the email marketing channel?
5.2.3. Email budgets

Company respondents

Figure 60: What proportion of your total marketing budget does email marketing account for?

- 0-10%: 52% (2016), 52% (2015), 61% (2014)
- 11-20%: 20% (2016), 23% (2015), 24% (2014)
- 21-30%: 8% (2016), 10% (2015), 13% (2014)
- 31-40%: 6% (2016), 5% (2015), 5% (2014)
- 41-50%: 3% (2016), 3% (2015), 2% (2014)
- 51-60%: 1% (2016), 1% (2015), 2% (2014)
- 61-70%: 2% (2016), 1% (2015), 1% (2014)
- 71-80%: 1% (2016), 0% (2015), 1% (2014)
- 81-90%: 0% (2016), 0% (2015), 1% (2014)
- 91-100%: 1% (2016), 0% (2015), 0% (2014)

Respondents 2016: 595
Respondents 2015: 535 | 2014: 451
Agency respondents

Figure 61: What proportion of your clients’ total marketing budget does email marketing account for?

<table>
<thead>
<tr>
<th>Proportion</th>
<th>2014 (% of Respondents)</th>
<th>2015 (% of Respondents)</th>
<th>2016 (% of Respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-10%</td>
<td>43%</td>
<td>38%</td>
<td>45%</td>
</tr>
<tr>
<td>11-20%</td>
<td>29%</td>
<td>30%</td>
<td>35%</td>
</tr>
<tr>
<td>21-30%</td>
<td>12%</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>31-40%</td>
<td>3%</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>41-50%</td>
<td>1%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>51-60%</td>
<td>1%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>61-70%</td>
<td>1%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>71-80%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>81-90%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>91-100%</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Respondents 2016: 276
Respondents 2015: 288 | 2014: 261
5.2.4. Mobile

Company respondents
Figure 62: What proportion of your email campaigns are opened on mobile devices?

<table>
<thead>
<tr>
<th></th>
<th>Smartphones</th>
<th>Tablets</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-30%</td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td>31-50%</td>
<td>36%</td>
<td>12%</td>
</tr>
<tr>
<td>51-70%</td>
<td>24%</td>
<td>4%</td>
</tr>
<tr>
<td>71%+</td>
<td>7%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Respondents: 557
Agency respondents

Figure 63: What proportion of your clients’ email campaigns are opened on mobile devices?

![Bar chart showing the proportion of clients' email campaigns opened on mobile devices, categorized by range.]

- **0-30%**: 77% on smartphones, 26% on tablets.
- **31-50%**: 35% on smartphones, 16% on tablets.
- **51-70%**: 28% on smartphones, 5% on tablets.
- **71%+**: 11% on smartphones, 2% on tablets.

*Respondents: 257*
Agency respondents

Figure 64: How would you describe the extent to which your clients have a strategy for optimising email marketing for mobile devices?

[Bar chart showing the percentage distribution of strategies for optimising email marketing for mobile devices across different years: 2014, 2015, and 2016.]

Respondents 2015: 258
Respondents 2015: 251 | 2014: 213
Agency respondents

Figure 65: In the context of your clients’ organisations, please indicate whether you agree or disagree with the following statements.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly agree</th>
<th>Somewhat agree</th>
<th>Neutral</th>
<th>Somewhat disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our clients are confident that their email campaigns render properly on any device and in any email client</td>
<td>24%</td>
<td>38%</td>
<td>19%</td>
<td>12%</td>
<td>7%</td>
</tr>
<tr>
<td>Activities related to optimising email for mobile are deemed as ‘business as usual’</td>
<td>19%</td>
<td>41%</td>
<td>23%</td>
<td>10%</td>
<td>7%</td>
</tr>
<tr>
<td>Our clients optimise for different email clients for both desktop and mobile</td>
<td>18%</td>
<td>33%</td>
<td>21%</td>
<td>16%</td>
<td>12%</td>
</tr>
<tr>
<td>Our clients optimise their email campaigns for tablets as well as for smartphones</td>
<td>11%</td>
<td>32%</td>
<td>28%</td>
<td>20%</td>
<td>11%</td>
</tr>
<tr>
<td>Mobile is recognised as the default consumption device for our clients’ email campaigns internally</td>
<td>11%</td>
<td>29%</td>
<td>27%</td>
<td>21%</td>
<td>12%</td>
</tr>
</tbody>
</table>
Agency respondents

Figure 66: What have your clients done to optimise email marketing for mobile?

- Created a mobile responsive email template: 61%, 54%, 51%
- Adapted email design to have a simpler template that renders well on all devices: 57%, 60%, 51%
- Mobile-optimised landing pages: 52%, 30%, 28%
- Adapted email template to have mobile-friendly CTAs: 44%, 35%, 24%
- Mobile-optimised subject lines (key message in first 30 characters): 41%, 26%, 28%
- Using pre-header text for promotion: 40%, 27%, 26%
- Thinking ‘mobile first’, everything they do is optimised for mobile: 32%, 12%, 10%
- None of the above: 10%, 15%, 12%

Respondents 2016: 263
Respondents 2015: 249 | 2014: 225

Note: Respondents could check all the options that applied.
5.2.5. Future of email

Agency respondents

Figure 67: Which three areas of email marketing do your clients really need to focus on in 2016?

- Personalisation: 22% (2016) vs 22% (2015)
- Delivering relevant communications: 18% (2016) vs 25% (2015)
- Dynamic content solutions: 15% (2016) vs 15% (2015)
- Campaign optimisation and testing: 17% (2016) vs 10% (2015)
- Social media integration: 12% (2016) vs 9% (2015)
- Deliverability: 7% (2016) vs 5% (2015)
- Managing/effectively utilising ESP: 7% (2016) vs 4% (2015)
- Data security: 7% (2016) vs 3% (2015)
- SMS integration: 5% (2016) vs 2% (2015)
- Specific device recognition: 4% (2016) vs 4% (2015)

Note: Respondents could check up to three options.