

Marketer Email Tracker

2020

Sponsored by

Pure360



Customer Engagement

DM
Data &
Marketing
Association **A**

/ Contents

| | |
|---|----|
| Introduction..... | 02 |
| Foreword – Pure360..... | 03 |
| Exec Summary..... | 05 |
| Marketing landscape..... | 07 |
| GDPR Impact..... | 11 |
| Expert Opinions | 11 |
| Objectives and Challenges | 12 |
| Expert Opinions | 15 |
| Understanding and Practices..... | 16 |
| Expert Opinions | 18 |
| Measurement and Value..... | 19 |
| Expert Opinions | 22 |
| Content and Sending..... | 23 |
| Expert Opinions | 26 |
| Sign-ups and Unsubscribes..... | 28 |
| Expert Opinions | 30 |
| Trends & Budgets..... | 31 |
| Expert Opinions | 32 |
| About the Data & Marketing Association..... | 33 |
| About Pure360..... | 34 |
| Methodology..... | 35 |
| Copyright and disclaimer..... | 36 |

/ Introduction

This year's edition of the Marketer Email Tracker offers the latest insights into the central thread around which the multi-channel customer engagement programmes our industry creates is built – email. The figures reaffirm this position for the channel, across the entire customer journey too.

This report offers both the positives that the data and marketing industry should take from the findings, but also the areas where more needs to be done. By comparing marketers views to those of their customers from this year's '[Consumer Email Tracker](#)', we identify areas where marketers may be undervaluing certain channels and content.

Marketers themselves also highlight some of the key themes that will need to be tackled in the coming years. From continued concerns about their levels of knowledge and need for further training to the compliance with the latest rules and regulations.

However, this year's research also paints a very positive picture for the channel. Despite a slight decline, return on investment and customer lifetime values remain strong – both around £35 respectively. The percentage of total marketing spend dedicated to email continues to increase too, as do the key performance metrics for the channel.

Looking to the future, for organisations to truly harness to power of the improved data and technology available to them, marketers will need the skills they themselves tell us they're lacking. Specifically, respondents told us they were most lacking in skills around automation, multi-channel integration and testing – clearly key areas that businesses will need to offer more learning opportunities to develop the teams they need today and tomorrow.

The growing opportunities to engage customers across a myriad of different channels with offers informed by a wealth of data mean that understanding the value of a responsible approach is imperative. That's why, as an industry, we must continue to ensure we are building ethical frameworks into our decision-making that always put our customers first.

By working responsibly, sustainably and creatively, we can continue to push the data and marketing industry forward to meet the needs of people today and tomorrow.

Tim Bond,
Head of Insight, Data & Marketing Association

/ Foreword – Pure360

It's perhaps no surprise that this year's survey continues to show email leading the way, given the importance of email to the daily lives of all consumers. The channel continues to evolve to meet the challenge of an integrated digital world by providing a more diverse range of messages than ever before and delivers impact across every stage of the customer lifecycle.

The data-centric nature of email has meant that it has become the ideal place to deliver a seamless customer experience. The advent of email-based multi-channel marketing hubs and machine learning technology now provides marketers with the ability to truly personalise the customer experience across all channels, and in real-time like never before. Delivering a relevant and personalised experience is now universally accepted as a key differentiator for all brands in this new connected digital world. Consumers expect it and brands define themselves by the type of experience they are able to offer their customers.

Yet despite this, the results highlight the fact that marketers still have a lot to do to bridge the gap in the perception of what they believe is relevant and valuable, compared to the view of consumers. There is a misalignment between marketer and consumer when it comes to the reasons for subscribing. The value exchange has to be clearly established and authentic.

Marketers stated primary objectives of 'Sales' and 'Brand Awareness', across both marketing overall and email specifically. This may allude to the over-use of a generic campaign based on short-term tactics to generate revenue, rather than making use of personalisation technology to deliver much more relevant time-sensitive content, event-based automation and loyalty measures.

This is underlined by the fact that half of businesses are focused primarily on sales-related metrics in evaluating their email marketing effectiveness. There are more appropriate ways of assessing the impact on user engagement and email's role in improving customer experience, such as NPS, 'assisted sales', CLV, RFM, RFE and segment reporting. Low levels of engagement and CLV reporting shows too many businesses focusing on the effect rather than the cause.

It's clear that email's role is multifaceted and that sales are the product of a wider engagement programme across all areas of the customer lifecycle. Marketers need to embrace the shift away from campaign or product based email planning to a journey or experience-based framework. Having only seen a slight increase in automation and segmentation since last year, the industry still has a way to go.

It certainly highlights the need for development and learning within the industry in order to give marketers the skills and confidence to deliver on more sophisticated personalisation programmes. It is interesting to note that the biggest challenges for marketers centre on 'Budget/resource', with training being crucially important to their organisation's ongoing email marketing success. Choosing the right email partners, who are focused on supporting the development of the marketer and helping them get the most of the available technology, is becoming a key buying criterion.

Educating leadership of the value of email stems from their understanding how it can deliver impact right across the customer journey, not just as part of a generic weekly newsletter campaign. This is key to the future development of the channel, as well as properly representing the value of the channel beyond last-click attribution. It's important that marketers remember that email's influence extends far beyond the last click 30 day Google Analytics window.

The advent of more interactive email formats and more direct inbox interactivity, coupled with personalisation capabilities, only serves to increase the importance of the email channel further. Some commentators have even suggested that interactive email will replace websites as the centre of the ecommerce universe in the future.

With customer experience now being the driving force behind marketing effectiveness, email marketers need to focus their energies on understanding how we can properly maximise its effectiveness in the right way to add value to the customer experience.

Mark Ash,
CEO, Pure360

/ Exec Summary

Marketing Landscape

- This year's figures reveal email continuing to lead the way for most marketers (75%), across the contexts and touchpoints we asked about, although social media (55%) and online ads (35%) do well to support 'Pre-purchase' campaigns
- GDPR remains high on the agenda for a third of marketers (35%) and a quarter (27%) say they are still concerned about compliance and the threat of fines, but it's also encouraging that almost half of the industry (48%) agree the new laws have improved data quality and email metrics (32%)

Objectives and Challenges

- Marketers cite 'Sales' and 'Brand Awareness' as their primary objectives across both their marketing overall and their email programmes specifically – although just 39% of objectives are the same across both
- The biggest challenges for marketers are issues around 'Budget/resource' (61%) including skills within their teams, followed by 'Data' (42%) and – nearly doubling since 2019 – 'Leadership/strategy' (40%)

Understanding and Practices

- Most marketers (83%) believe training is important to their organisation's ongoing email marketing success, but it's also of some concern almost a third (30%) of organisations are not currently making ongoing training in email available to their teams
- Less than one in five marketers rate themselves as 'Leading' the way for the industry across the key areas of email sophistication asked about, although those feeling they have 'None' was just around one in ten

Measurement and Value

- Half of businesses (48%) are focused on 'Sales' as the key metric in evaluating their email marketing effectiveness, but this is closely followed by 'Click-throughs', 'Conversions', 'Brand awareness' and 'Engagement (active and inactive subscribers)' – all at around 40%
- Marketers estimation of ROI remained strong at £35.41 for every £1 spent and customer lifetime value at £34.56 – although these did both represent a reduction following a dramatic increase in 2019, which may be down to a range of factors

Content and Sending

- Most marketers believe 'Discounts and offers' (49%) and 'Advice, information or tutorials' (45%) are the types of content that help achieve their campaign goals, although the comparison to customers preferences may show undervaluing of 'Email receipts' and 'Access to other benefits'
- Almost half (47%) of marketers agree with most consumers (85%) who do not believe most (over half) the emails they receive from brands are relevant – highlights a need for ongoing development and learning within the industry

Sign-ups and Unsubscribes

- ‘Discounts and offers’ (48%) are still the most successful way to entice customers onto brands email programmes, although comparing this to consumer preferences reveals a range of drivers that marketers may be undervaluing – such as ‘Email receipts’, ‘Joining a loyalty programme’ and ‘They are a regular customers’
- Most organisations act immediately when a customer decides they want to leave an email programme, although more could take the opportunity to try to keep that customer or learn more about why they’re leaving (as highlighted in the ‘[Consumer Email Tracker 2020](#)’ report)

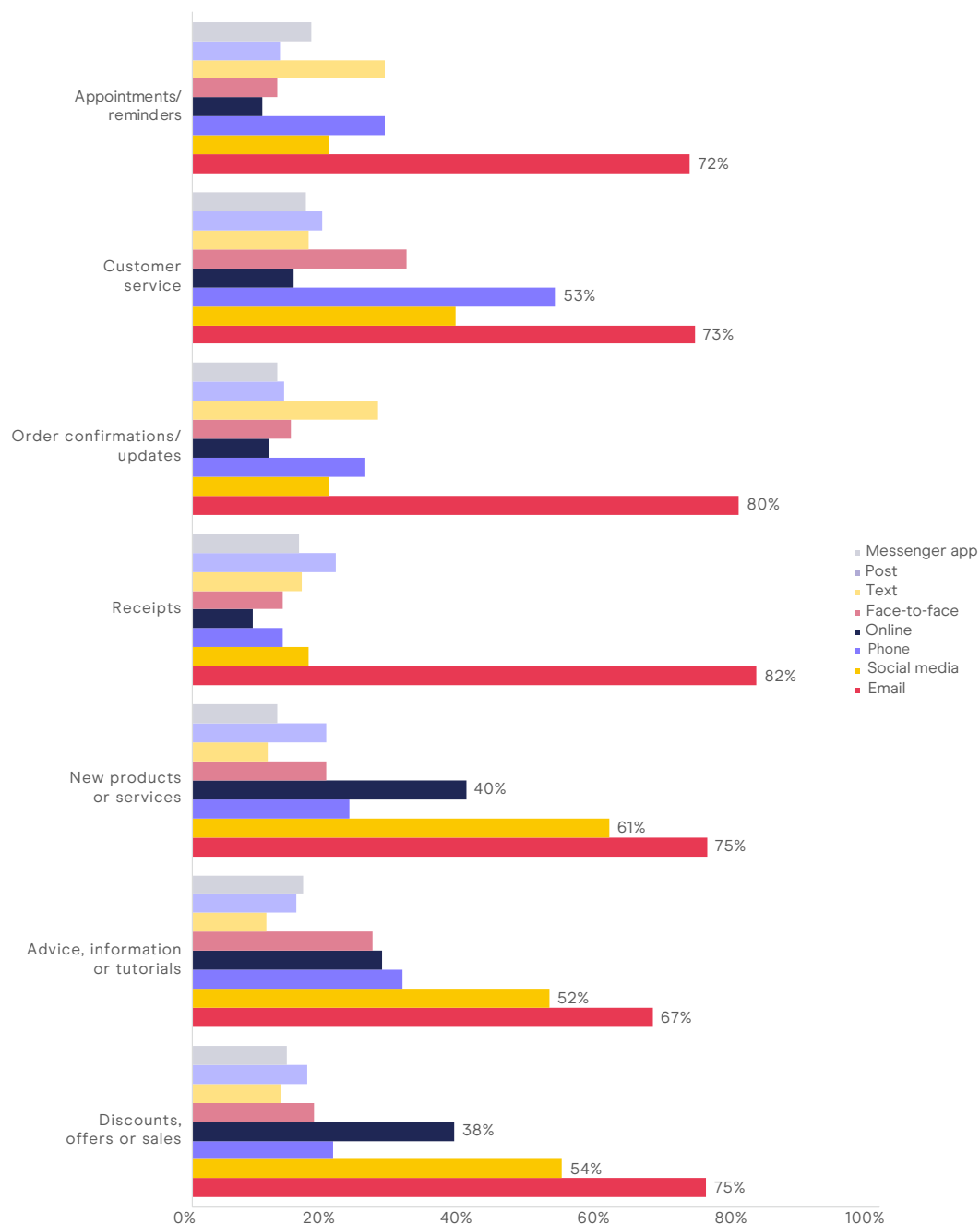
Trends & Budgets

- Overall, marketers have seen positive increases in the last year across almost all the key metrics they use to define email’s performance – it’s notable that ‘Mailable list size’ growing again post-GDPR (58%), while ‘Spam complaints’ are reducing for most (62%)
- The average percentage of marketing budgets being spent on email continued its positive trend of recent years – from 10.9% in 2018 to 18.9% this year

/ Marketing landscape

To begin, we'll look at emails position within the wider omni-channel landscape now available to brands to engage customers across their journey. This year's figures reveal email continuing to lead the way for most marketers, across the contexts and touchpoints we asked about.

Which of these does your organisation use for the following types of content/message when contacting customers? (Select all)



Although it is notable that social media is being used to inform customers of for 'New products or services' (61%), 'Discounts, offers or sales' (54%), and 'Advice, information or tutorials' (52%). Meanwhile, phone calls are still seen as useful for 'Customer Service' (53%) and online ads clearly offer opportunities when it comes to 'New products or services' (40%), and 'Discounts, offers or sales' (38%).

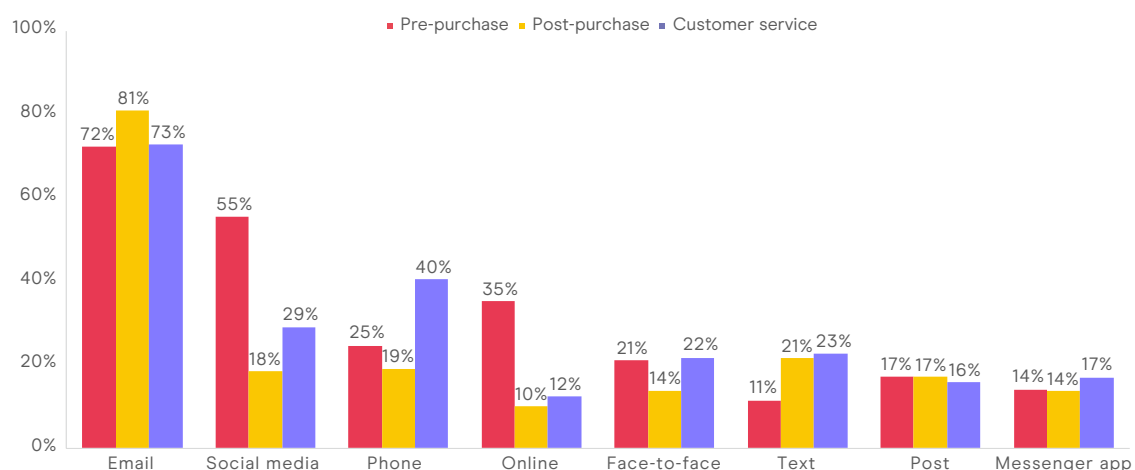
Consumer-facing brands are more likely to be using messenger apps to let customers know about 'New products' (22%)/ Although they are also less likely to use email for 'Advice, info...' (40%), 'Appointments/reminders' (45%), 'Customer service' (48%) and 'Receipts' (59%) – compared to other organisations.

There were also some significant differences when it comes to the size of the business, with large businesses (those with over 250 employees) less likely to be using email for 'Advice, information or tutorials' (46%). Medium-sized companies (50-250 employees), on the other hand, are more likely to use email for 'Advice, information...' (73%), 'Order confirmations' (80%) & 'Post' for 'Discounts' (24.6%).

Meanwhile, small/micro-businesses (those with less than 50 employees) are less likely to utilise online ads for 'Advice, information...' (14%) or 'Discounts' (21%). They're also less likely to make use of mail or post for 'New products or services' (6%), 'Discounts' (6%) and 'Receipts' (8%). Although given the costs for these channels, this may simply be down to limited budgets.

Looking at the channels available to brands, but this time grouping them into 'Pre-purchase' (Discounts, offers or sales; Advice, information or tutorials; New products or services), 'Post-purchase' (Receipts; Order confirmations or delivery updates) and 'Customer service' (Customer service; Appointments/reminders), we see a slightly different picture emerges.

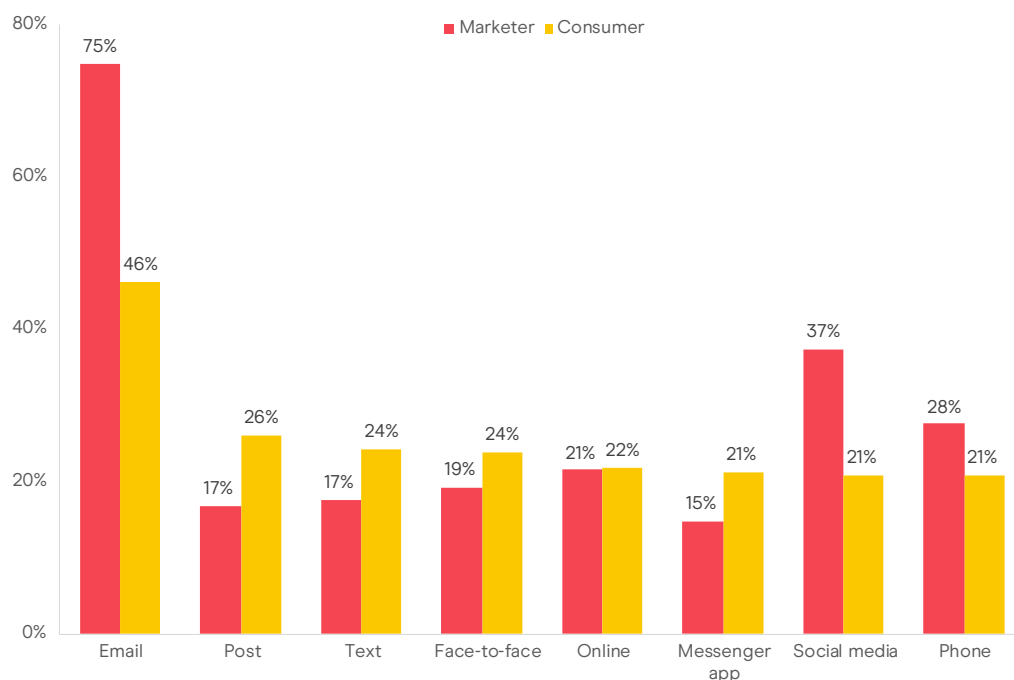
Which of these does your organisation use for the following types of content/ message when contacting customers? (Select all) [Grouped by category]



It's clear that email is still being utilised by most organisations across the customer journey, while social media (55%) and online ads (35%) support during the 'Pre-purchase' phases. No other channel stands out in supporting after the purchase, but phone (40%) and social media (29%) are used by brands to support in 'Customer service' scenarios.

However, key to understanding these channels effectiveness is also understanding how usage compares to consumer preference. Comparing this study's findings to the '[Consumer Email Tracker 2020](#)', we can see overall channel preferences and usage (below).

Which of these communication methods does your organisation use when contacting customers? (Select all) & [Consumer] Which of these would you agree are best served by the following communication method? (Select all)
[Sorted by consumer]



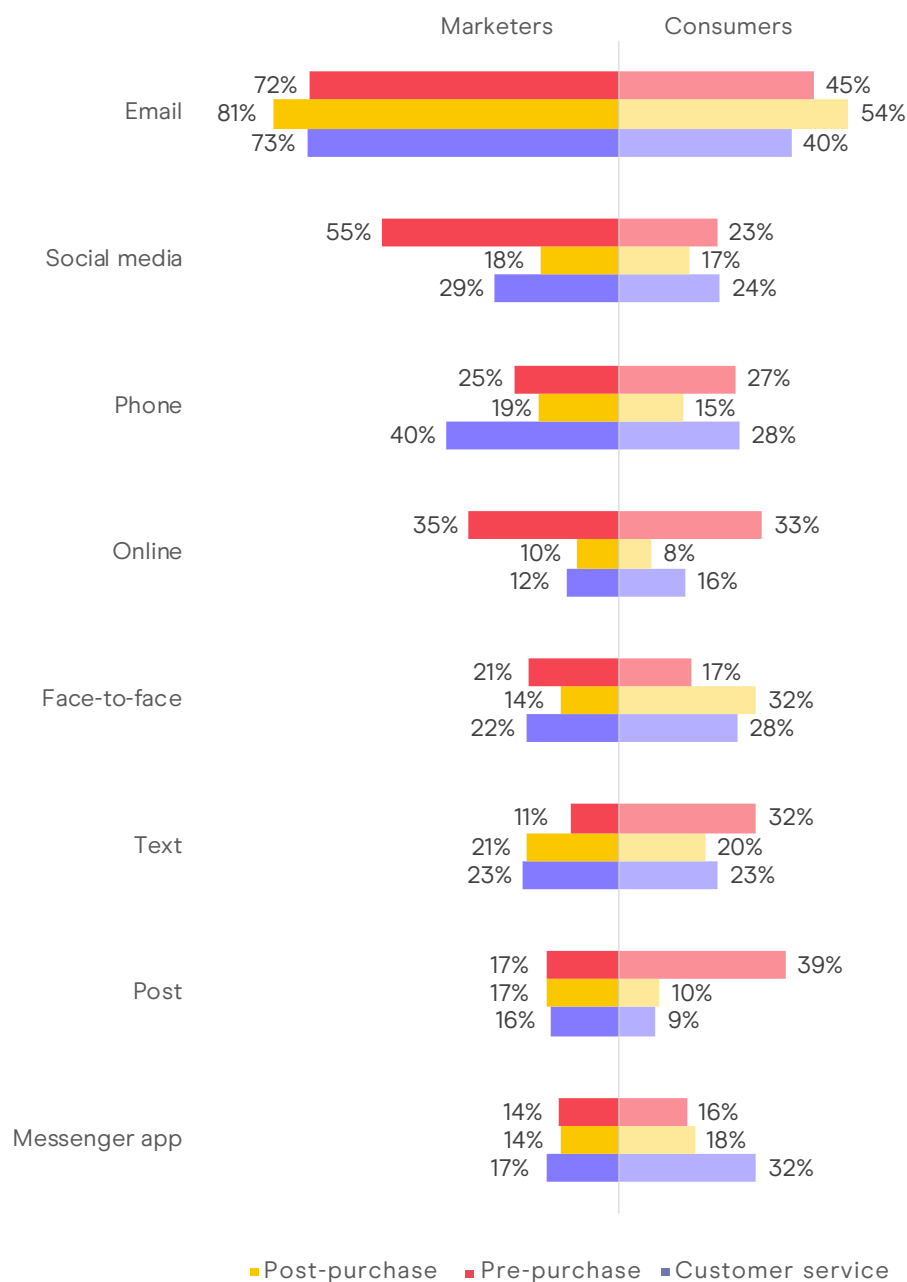
It's clear from the comparison between consumers and marketers that email is the preferred channel for both, although the significantly higher usage by marketers may indicate a potential over-reliance. As seen in the 'Acquisition and the Consumer Mindset' [add URL] report and '[Customer Engagement: Future Trends 2020](#)' series, there is a myriad of different and new ways to engage customers.

Moreover, consumers are also increasingly expecting to be able to engage brands when and where they chose to. Therefore, brands must be sure to utilise email as a central channel around which to build a multi-channel customer experience – a theme that we'll continue to see throughout this year's findings.

However, it may also be that 'Social Media' and 'Phone' are being over-valued by marketers, with consumers significantly less interested in these channels than they appear to have opportunity to engage with brands through them.

Using the grouping explained earlier in this chapter, we have also grouped the channel preferences and usage between both consumers and marketers to understand how these differ through the customer journey.

Which of these does your organisation use for the following types of content/ message when contacting customers? (Select all) & [Consumer] Which of these types of subject would you agree are best served by the following communication methods? (Select all) [Grouped by category]



Understanding these channels across the customer journey highlights where there may be opportunities for marketers, as well as where organisations may be overvaluing them. Social media is clearly highly used by brands 'Pre-purchase' (55%), as is the phone for 'Customer service' (40%), but customers don't appear to show the same interest (23% and 28% respectively).

On the other hand, use of mail is clearly an under-utilised channel 'Pre-purchase' for many consumers (39%), as are messenger apps to support 'Customer service' needs (32%). Meanwhile, email remains the key channel across the customer journey, although brands should consider how others can interplay with this too, in order to offer customers the experiences and journeys they want.

GDPR Impact

As the data and marketing industry heads towards 2 years since the General Data Protection Regulations (GDPR) came into force, it's clear that the not-so-new law is still causing brands some concern. This year's research found the GDPR is still high on the agenda for a third of marketers (35%) and around one in four (27%) say they are still concerned about compliance and the threat of fines.

However, it's also encouraging to see that almost half of the industry (48%) agree the new laws have improved the quality of the data they have and 32% report their email metrics have improved post-GDPR – something we explore further in the 'Trends and Budgets' chapter.

Expert Opinions



Far from being replaced by the ‘new and shiny’, email is still the primary channel that both marketers and consumers turn to when it comes to communications across all stages of the customer lifecycle. It is the pivotal channel on which our omni-channel strategy should be built around to best serve our customers with the right message, sent at the right time, to the right person, through the right channel.

Kate Barrett

Founder, eFocus Marketing & IDM Tutor



Email continues to lead the way for both marketers and (if used correctly) consumers alike – we know this because as a channel email delivers ROI of 35:1 – yet many marketers are still not getting it right through lack of in-house expertise, especially at senior level. Email should be central to your marcoms, integrating with other digital and offline channels. With proper investment and proper representation at board level – email could really deliver.

Antony Humphreys

Email Product Owner – Royal Society for the Protection of Birds (RSPB)

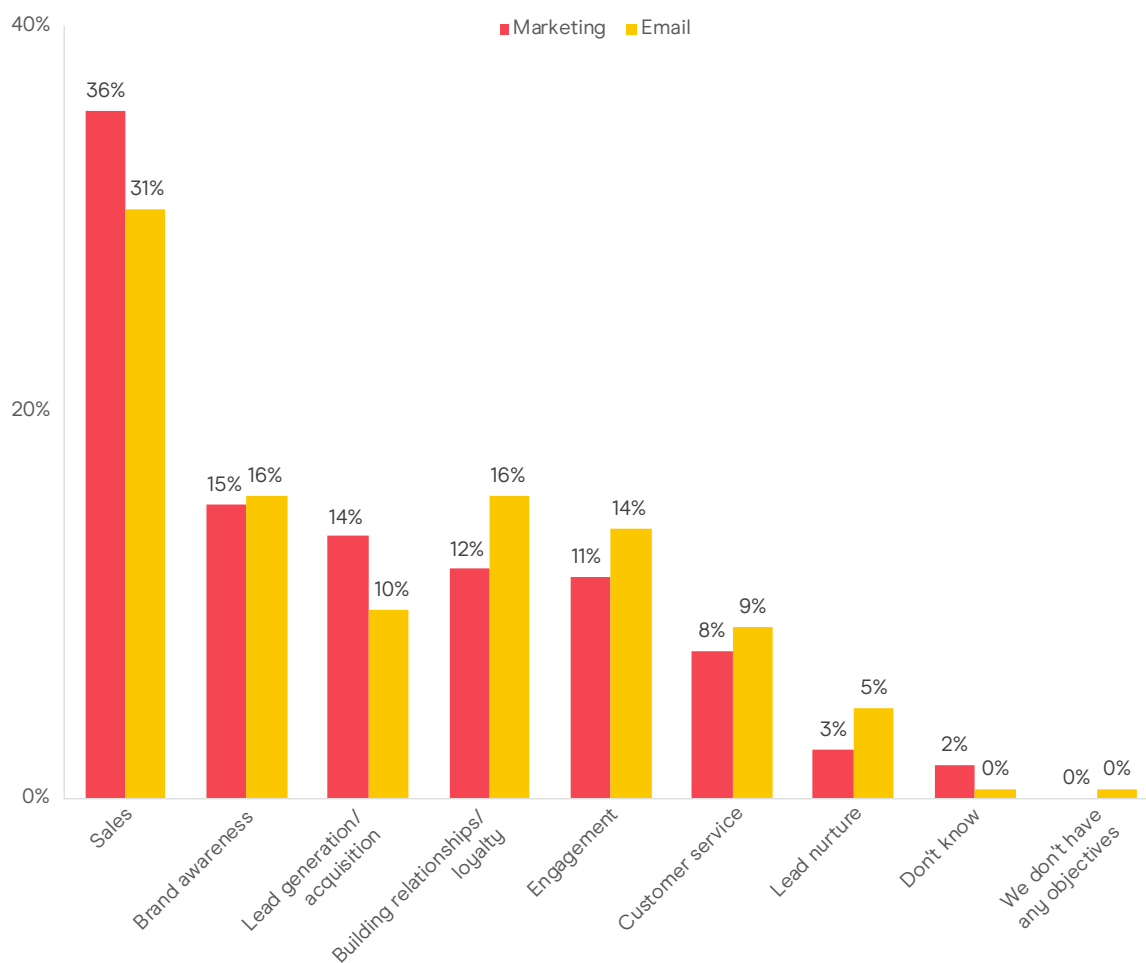
Tutor of



/ Objectives and Challenges

Looking at the key objectives' marketers cite for their marketing overall and their email programmes specifically, most organisations appear to focus on 'Sales' and 'Brand Awareness' as their primary objectives across both.

What is the primary objective of your organisation's marketing campaigns/email marketing campaigns? (Select one)

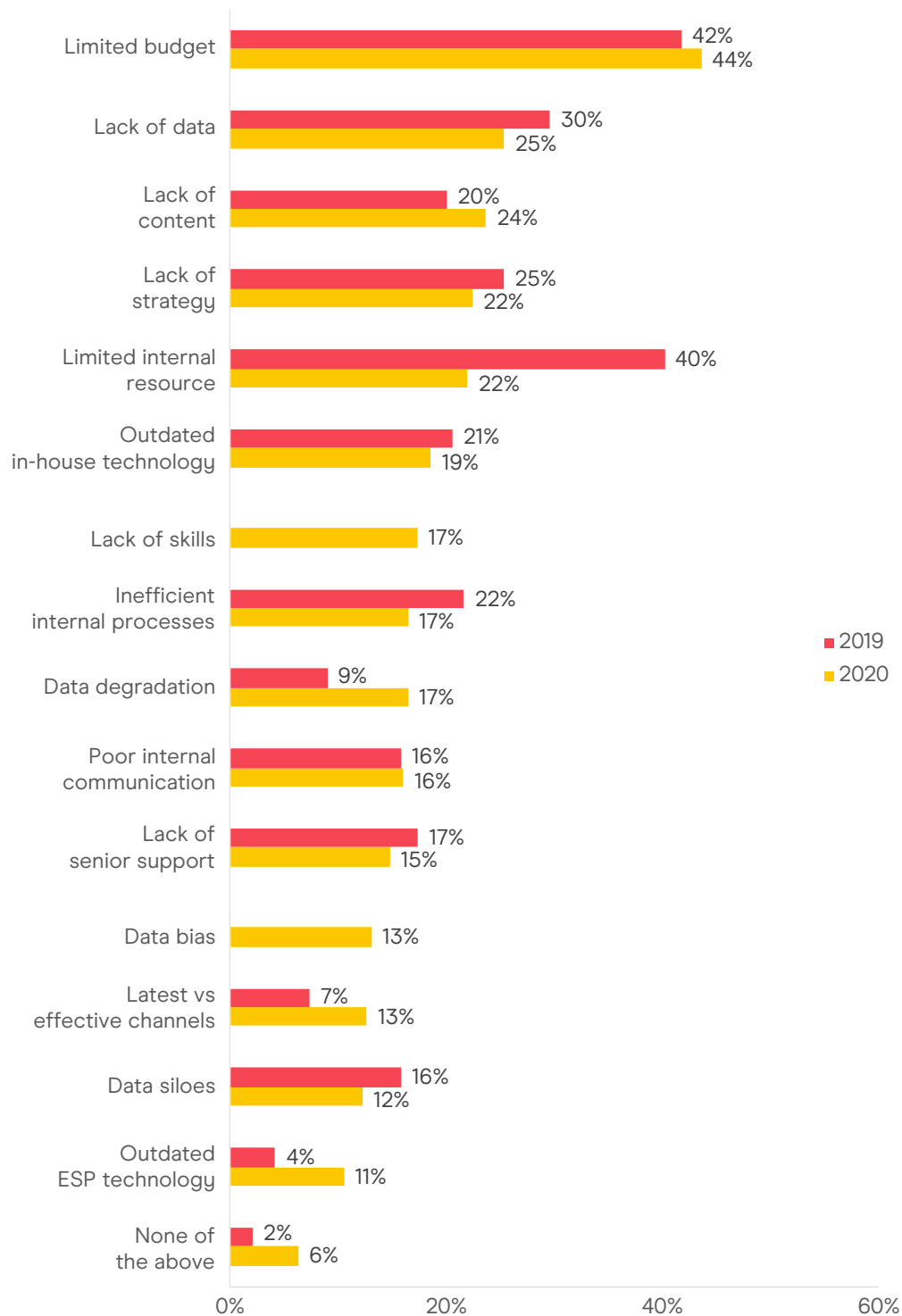


Analysing the responses and whether they align across the two, we find just 39% of objectives across the entire campaign and email programme match-up. Although this may be connected to email's function within a broader context or where the channel lends itself to a more personal opportunity to engage. For instance, 'Sales' can be the ultimate goal measured across the business or channels, but 'Building relationships/loyalty' may require a more direct communication medium.

As such, email over indexes across these objectives where a more nuanced and personalised channel is required to be successful, but these might ultimately still lead to an overall strategy related to sales too.

Encouragingly, the majority of organisations appear to believe these objectives are made clear (81%) across their entire marketing team (both external and internal), with just 6% saying these aren't.

What are the most significant challenges to successfully executing your email marketing programmes? (Select all)



Overall, the challenges marketers cite have remained relatively consistent year-on-year, with some notable changes. 'Limited internal resource' has reduced dramatically from 40% in 2019 to just 22% this year – however, this may also be down to the addition of 'Lack of skills' as an option this year, which was cited by 17% of marketers.

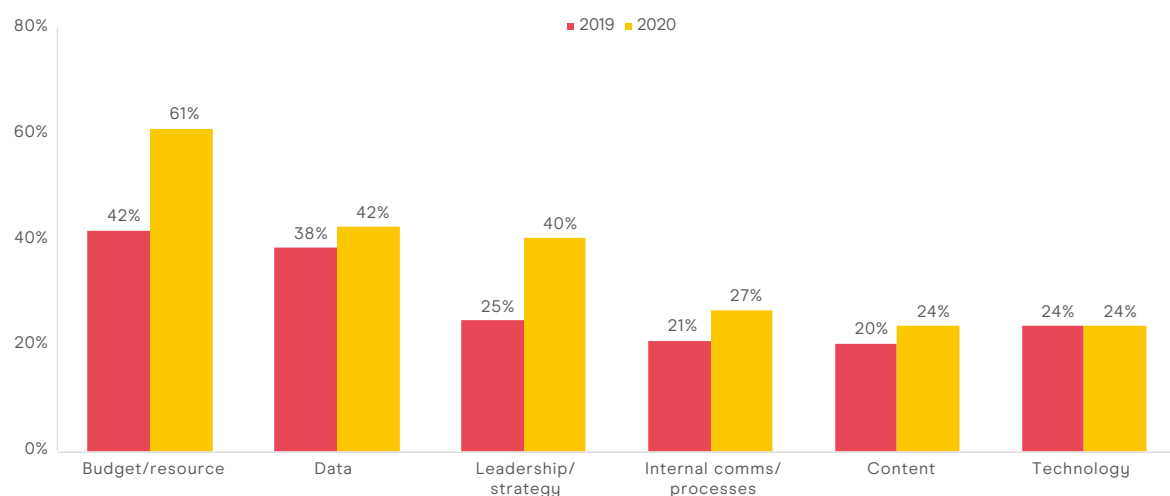
This points to the resource challenge felt by businesses being more than just a number, but the importance of having people with the right skills and learning opportunities available to them. This need for continued development and training is something discussed in more detail with the '[Business Skills Census 2019](#)' research conducted with the IDM.

Following on from the theme around the difficulty in finding the right channel in a constantly evolving and multi-channel world, the number of marketers citing 'Choosing latest channels rather than effective channels' has almost doubled (from 7% to 13%). Large businesses, in particular, are significantly more likely to point to this challenge (22%), as well as 'Outdated ESP technology' (18%) and 'Data degradation' (23%) – while being less likely to face problems with 'Limited budget' (35%).

Small/Micro business, on the other hand, are more likely to cite restrictions on budgets (65%). Meaning they may have less access to the latest channels or ESP technologies, which is why they are less likely to cite these as concerns (6% and 5% respectively).

To look at these challenges in a slightly broader context, we grouped them into wider themes: 'Data' (Lack of data; Data degradation; Data siloes; Data bias), 'Budget/resource' (Limited budget; Limited internal resource: Lack of skills), 'Content' (Lack of content), 'Internal comms/processes' (Inefficient internal processes; Poor interdepartmental communication), 'Leadership/strategy' (Lack of senior support; Lack of strategy; Choosing latest channels rather than effective channels) and 'Technology' (Outdated in-house technology; Outdated ESP technology).

What are the most significant challenges to successfully executing your email marketing programmes? (Select all) [Grouped by category]



Looking at these broader categories, we see a notable shift in the overall level of concern over the last year, with 'Budget/resource' increasing significantly to 61% of marketers. 'Data' (42%) and 'Leadership/strategy' (40%) are a clear second tier | of concerns now too, with the latter almost doubling year-on-year. Although the remaining areas are still worrying around one in four organisations, so aren't to be overlooked.

Expert Opinions



It's encouraging to see the clarity that marketers have around their objectives, but the challenge now lies in understanding how to tackle this. Marketers must look to their tech providers to help here so they have the right tactics in place to deliver on strategies. Establishing what is going to fit, and continually evaluating performance and ROI will ensure marketers are making the right decisions for their business and longer-term customer relationships.

Komal Helyer,
VP Marketing, Pure360





For another year, we see data feature heavily on the list of challenges marketers face. Without good quality data, many of the strategies we could put in place to create a more customer-centric email marketing programme aren't possible. I often speak to clients and find that many of these data issues arise because of a lack of strategy and direction – another of the key challenge highlighted. Ultimately, without a solid strategy and the data to back it up, it's hard to fight the corner for email and fight for our share of the budget within a business

Kate Barrett

Founder, eFocus Marketing & IDM Tutor



Email marketing is at its most effective when it can be automated and integrated with other channels – triggering emails with relevant and timely content that the subscriber wants to engage with in a positive way (open, click, convert).”

Antony Humphreys

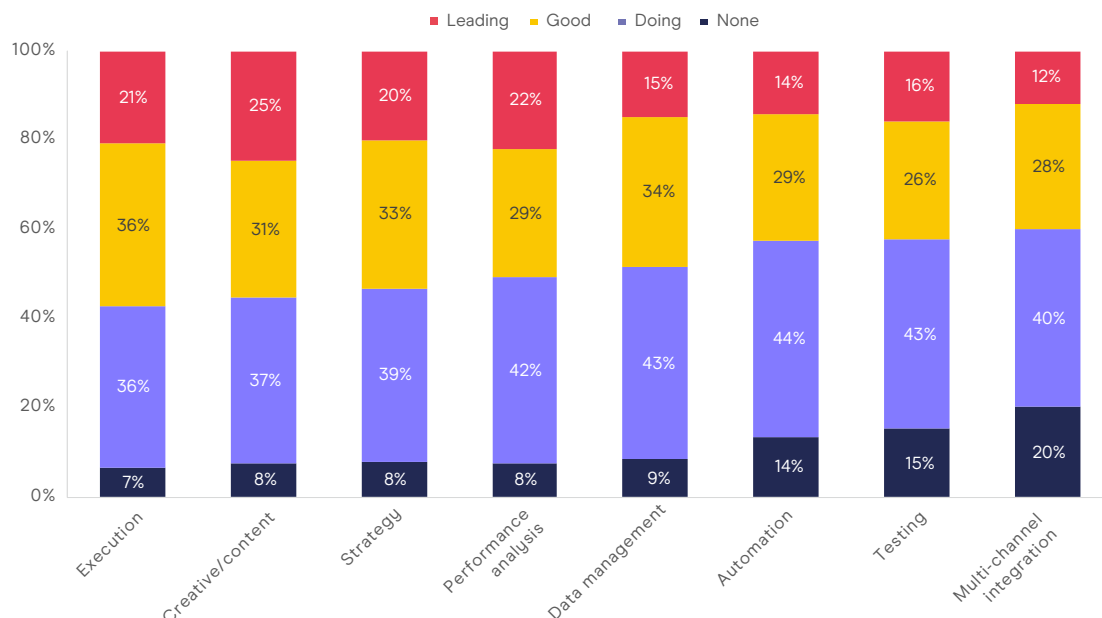
Email Product Owner – Royal Society for the Protection of Birds (RSPB)

/ Understanding and Practices

Thinking about their knowledge and understanding of best practice, the majority of marketers (83%) believe training is important to their organisation's ongoing email marketing success – with just 3% believing it isn't important.

However, it's also of some concern that just two-thirds of organisations (64%) are currently making ongoing training in email available to their teams. While 30% are not and the remaining 6% of respondents were unsure about the availability of email-related training.

How would you rate your organisation's overall level of sophistication in the following areas of email marketing? (Select one per area)



Looking at how marketers are putting this training into effect and how they rate their organisation's level of sophistication across a range of key areas for email, it's notable that less than one in five rates themselves as 'Leading' the way for the industry.

This feeling of excelling was focused on areas like copywriting and design (25%), analysis of email and campaign performance (22%), and campaign creation, sending and delivery (21%).

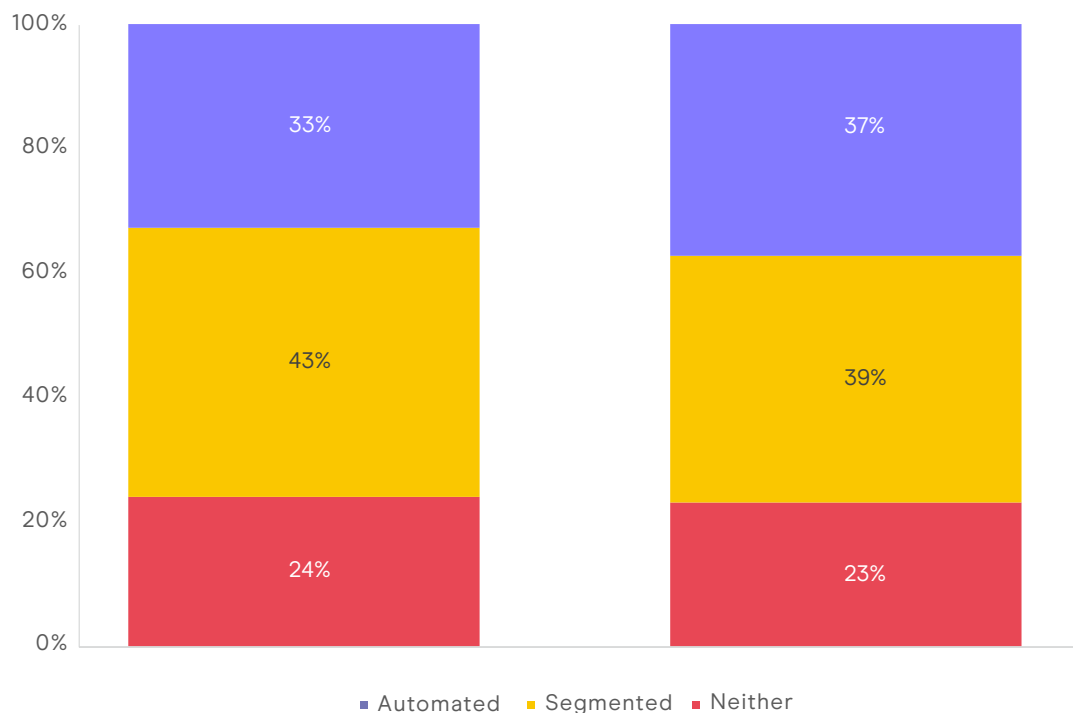
On the other end of the spectrum, those areas missing most ('None') are 'Automation' (14%), 'Testing' (15%) and 'Multi-channel integration' (20%). Whether it's send time/action triggered emails, automating processes within your email programmes, using simple or multiple metrics to define winning emails or integrating email with a single or multitude of other channels, it's clear these cutting edge areas are where many brands feel they're lacking.

Meanwhile, most marketers are 'Doing' or feel they are 'Good' when it comes to email lists, contact profiles personalisation and segmentation (77%), and campaign strategy and optimisation (72%), but aren't quite hitting the excellence they may be striving for.

Looking at the size of the business, small/micro organisations are more likely to be missing 'Automation' (23%), 'Execution' (13%) and 'Testing' (30%). On the flip side, large businesses are less likely to be missing 'Automation' (7%) and 'Execution' (1%) skills areas.

This lack of sophistication in automation and data management may go some way to explaining the quarter of brand emails (23%) that are still not either automated or segmented, which has remained stable since last year (below).

What percentage of the emails your organisation sends to customers are automate, segmented or neither?



Despite a small increase year-on-year in automated emails, this is not a significant shift and further learning opportunities may be required to ensure marketers have the skills and confidence in those abilities.

It's notable that junior-level marketers tend to believe they are segmenting more emails (45%), while senior positions believe this is lower (31%). In addition, large businesses are more likely to be using automation (43% of emails), with small/micro less likely (32%).

Expert Opinions



It's notable that use of automation has increased by the same amount segmentation has decreased. With the increasing adoption of machine learning and artificial intelligence, the need for segmentation is perhaps being eroded as consumers' digital personae becomes more accurate, and as true 1:1 marketing at scale becomes a greater reality.

Guy Hanson

VP of Customer Engagement, Validity



It is great to see the number of marketers that have started 'doing' email marketing strategy and testing. While the number of email marketers who have confidence in what they are doing is 'leading' this is a brilliant opportunity to grow and improve upon for next year.

The reduction in segmentation doesn't mean that there are less segmented email campaigns being sent but rather that with the increasing adoption of automation, the manual task of segmenting has now been replaced by being done automatically by the tech. This has started to empower email marketers with more time to strategise and test their campaigns."

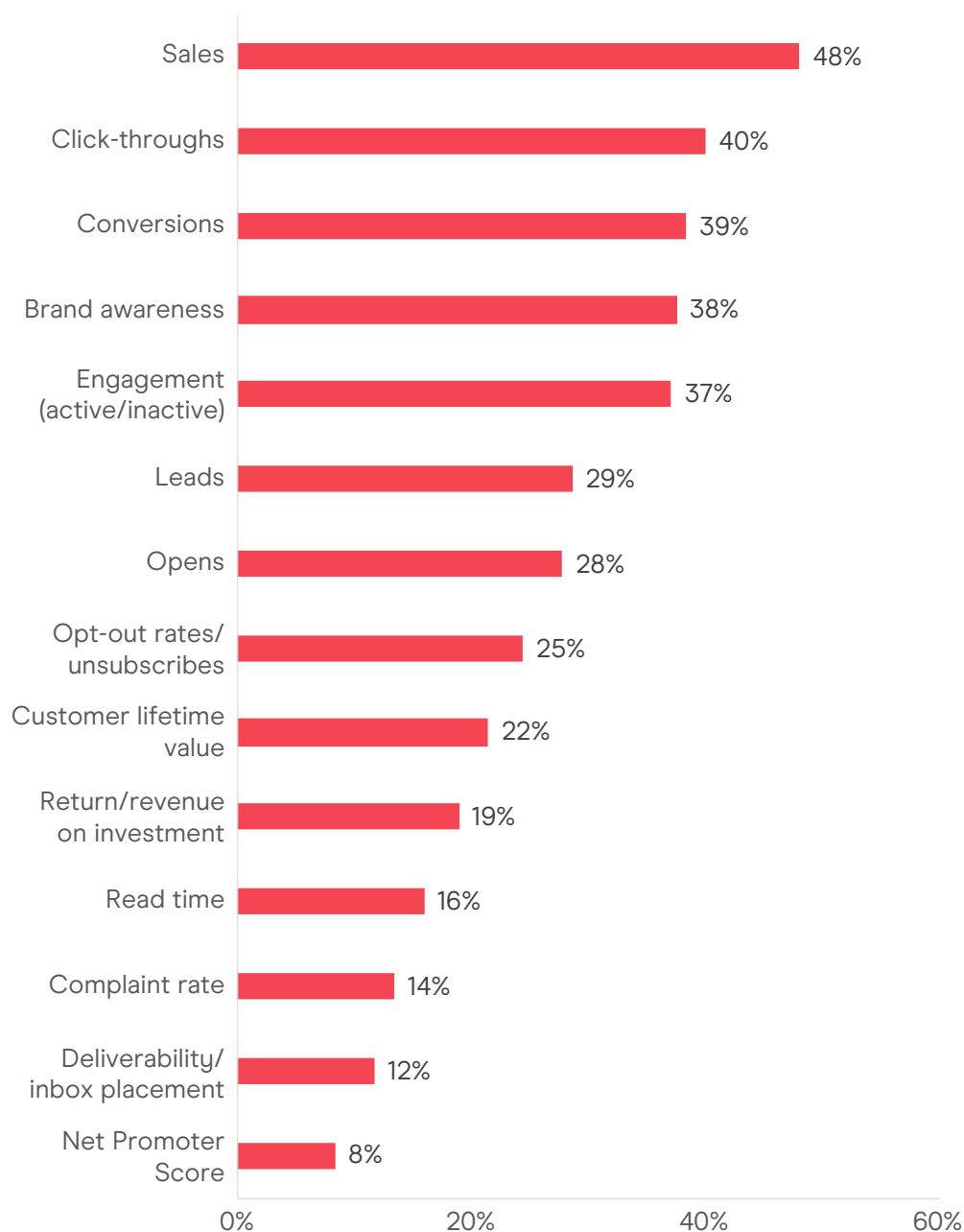
Jenna Tiffany

Founder & Strategy Director, Let'sTalk Strategy

/ Measurement and Value

Looking at how brands are measuring and evaluating the effectiveness of the email marketing they send, it's clear that sales are still seen as key. But there are a host of other metrics being used to understand the value of email too.

What are the key metrics you use to evaluate the effectiveness of your email marketing? (Select all)

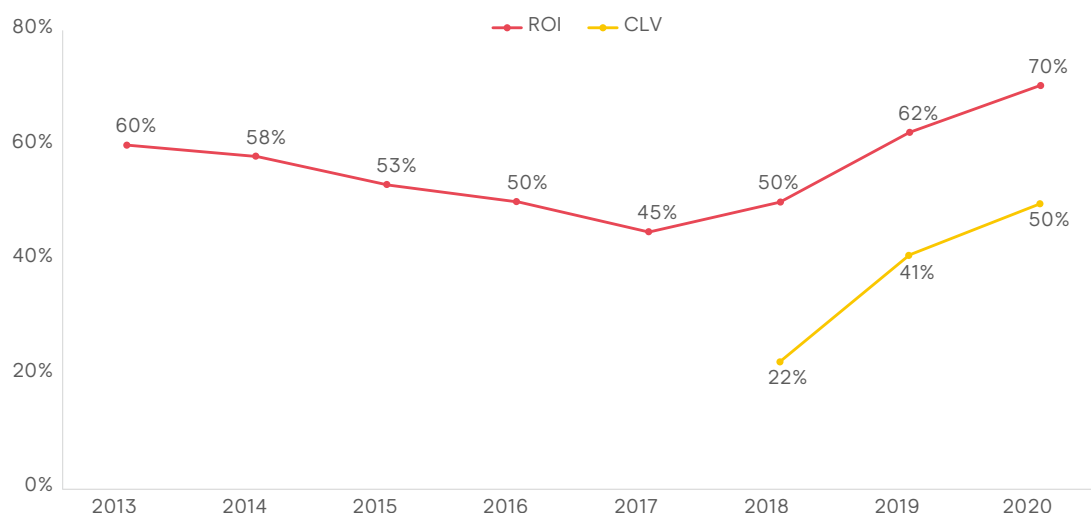


Half of businesses (48%) are focused on 'Sales' as the key metric in evaluating their email marketing effectiveness, but this is closely followed by 'Click-throughs', 'Conversions', 'Brand awareness' and 'Engagement (active and inactive subscribers)' – all at around 40%.

It's notable that large organisations are more likely to track 'Net Promoter Score' (15%) and 'Complaint rate' (20%) compared to the average. Meanwhile the small/micro businesses less likely to measure 'Brand awareness' (29%).

Asked about measuring the relevance of email campaigns, 'Click-throughs' and 'Engagement (active and inactive subscribers)' are the most measured (both 50%). This was followed by 'Opens' (40%), 'Opt-out rates/unsubscribes' (39%) and 'Conversions' (36%), with 'In email feedback' (30%), 'ROI' (27%), 'Read time' (23%) and 'Spam complaints' (23%) the least used metrics.

Is your organisation able to calculate the value or return generated from your email marketing programmes (ROI)/the value of each email address on your database (CLV)? [Selected 'Yes']

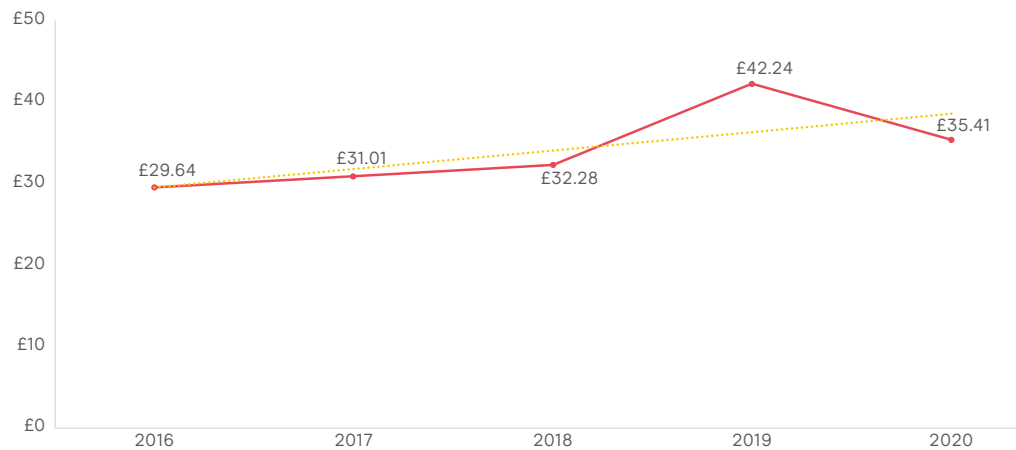


Encouragingly, more marketers than ever report their business as being able to calculate both return on investment (ROI) and the customer lifetime value (CLV) than ever before.

After a decline in recent years, 2018 saw an upturn that has continued to reach 70% for ROI this year. Meanwhile, when we first asked marketers about CLV two years ago just one in five said they could (22%), but this is already up to half now (50%).

So, when we asked marketers to estimate the monetary return and value of email this year, the resulting average is based on the most we've ever received.

How much is the approximate return you get back for every pound spent on email marketing?



For ROI, marketers' estimation remained strong at £35.41 for every £1 spent, despite this being a decline compared to the dramatic increase seen last year, the long-term trend clearly remains positive.

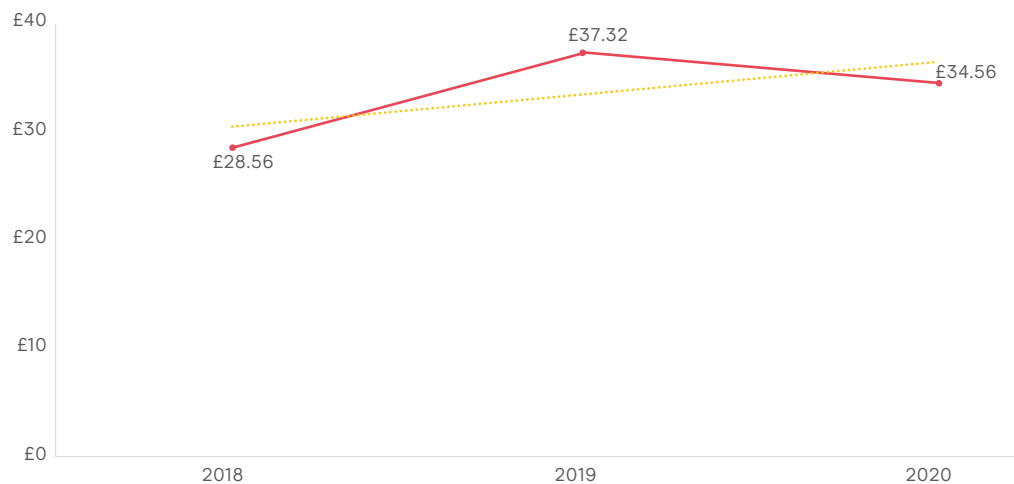
Large businesses are more likely to see higher returns (£44.08), particularly compared to small/micro companies (£30.61). In addition, consumer-facing brands (B2C) are slightly more likely to see a higher return on their investment (£38.24).

This reduction could be down to a range of factors. The 2019 edition of this research could have highlighted the positive impact and sentiment after organisations had finished cleaning their databases thoroughly. But these feeling may have softened over the intervening 12 months as focus on returns and beginning to regrow those databases in a GDPR compliant fashion.

New guidance from the Information Commissioners Office (ICO) and the risk of hefty fines from the regulator may mean businesses are increasing the costs involved in their email programmes too. Ensuring they have all the compliance-related tools and strategies they need going forward.

Lastly, we've already seen within this year's findings that concerns about marketers' own levels of sophistication and ability on key areas of their email programmes, particularly the integrated multi-channel approached. This may be creating a feeling of not achieving everything they could within businesses, not to mention the need to spend more to build these systems and skillsets within the organisation.

How much is the approximate value for an average individual email address to your organisation?



As with ROI, the estimation from marketers of the average customer lifetime value has remained strong at £34.56 this year, but this does mark a slight decrease on the 2019 figure.

Marketers from small/micro businesses estimate this CLV markedly lower (£21.47) than their counterparts from larger organisations too (£43.63). Again, this could be down the range of drivers mentioned, as well as the fact this is a figure that a growing number of marketers are confident in estimating meaning we would naturally expect some fluctuation.

Expert Opinions



While it's encouraging to see more marketers confident calculating their email ROI, they still need to up their game when it comes to measuring address value. The average email list churns at between 25% to 33% every year. For a program with 1M addresses, that's 300K (in round numbers) they're losing every 12-months. When program owners get better at explaining to their businesses that this represents a £10M opportunity cost (300K * £35.46), I suspect the conversation about budget for email marketing might become a little easier.

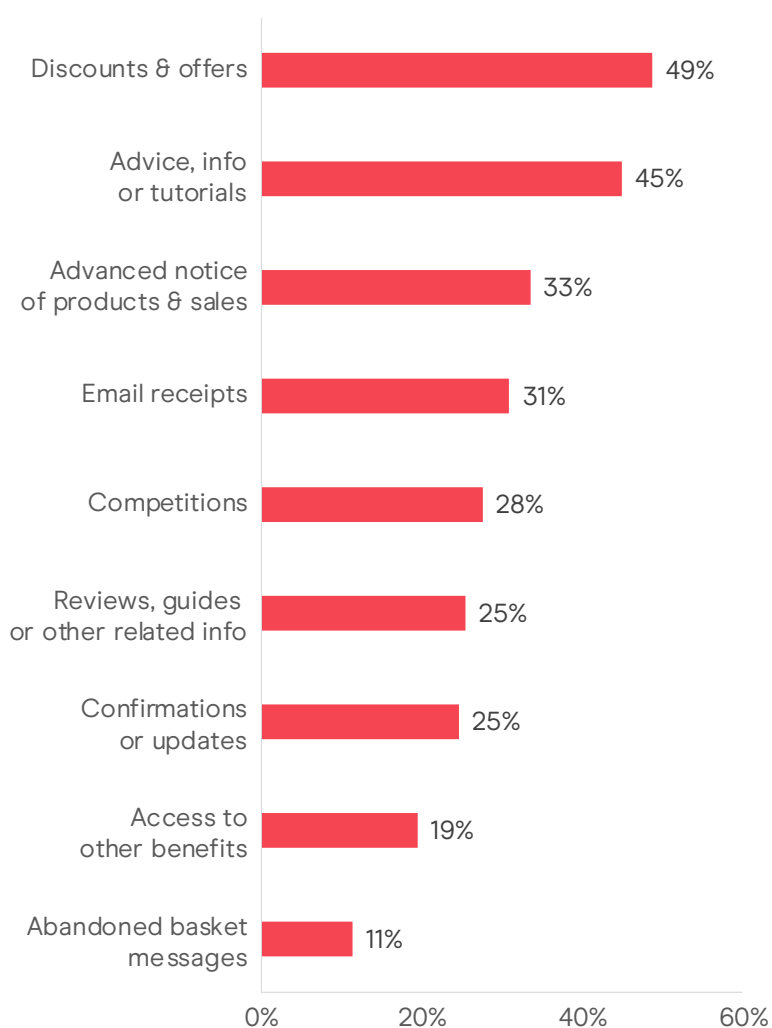
Guy Hanson
VP of Customer Engagement, Validity

/ Content and Sending

In this year's 'Consumer Email Tracker' we saw how consumers tend to prefer the offer of freebies – whether that's discounts, extras or offers. This does always come with the slight caveat that when surveying consumers about the things they like receiving from brands, what customer doesn't want something for nothing.

However, overall, marketers appear to agree that 'Discounts and offers' (49%) are the content type that helps them achieve their campaign goals. This is closely followed by 'Advice, information or tutorials', which was also felt by just under half of marketers (45%).

What types of email message/content helps you to achieve this email campaign objective? (Select all)



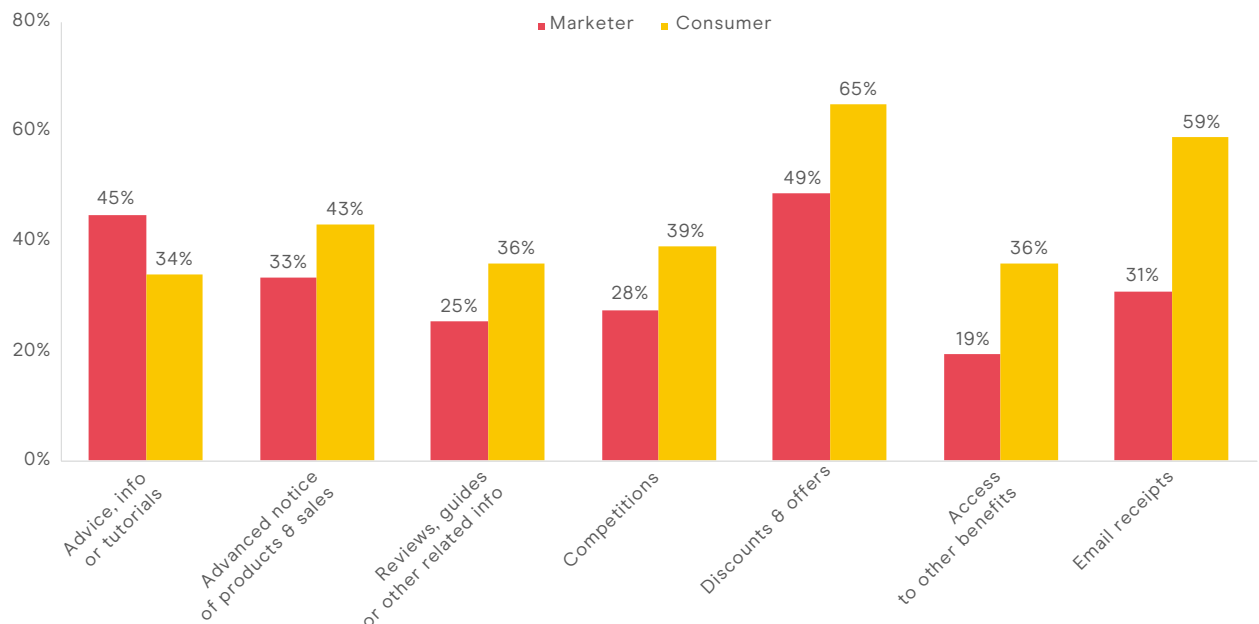
Anywhere from a third to one in four marketers still cite a range of other content types as helping to achieve their aims. Although it's somewhat surprising to see just 11% saying that 'Abandoned basket messages' given the clear connection between consumer interest and the potential to convert this into a purchase.

Moreover, the just one in five seeing the value in 'Access to other benefits' may also be connected to the half of organisations that have no clearly defined loyalty programme, as we saw in our ['How to Win Trust and Loyalty'](#) research.

Comparing these figures to the earlier responses to the question about the objectives organisations set out for their email marketing campaigns we see some noteworthy themes. Organisations aiming for 'Sales' tend to find 'Discounts & offers' (65%) and 'Access to other benefits' (9.7%) serve their needs more than others. While businesses focused on 'Lead Generation/Acquisition' are more likely to utilise 'Advice, info or tutorials' (65%), 'Advanced notice of products & sales' (52%) and 'Reviews, guides or other related info' (44%).

'Customer service' focused programmes tend to use 'Email receipts' (57%) and 'Access to other benefits' (38%) more than the average. And lastly, emails containing 'Confirmations or updates' are more likely to be used by organisations seeking 'Brand awareness' (41%), but less by those wanting to gain 'Engagement' (9%) from their customers.

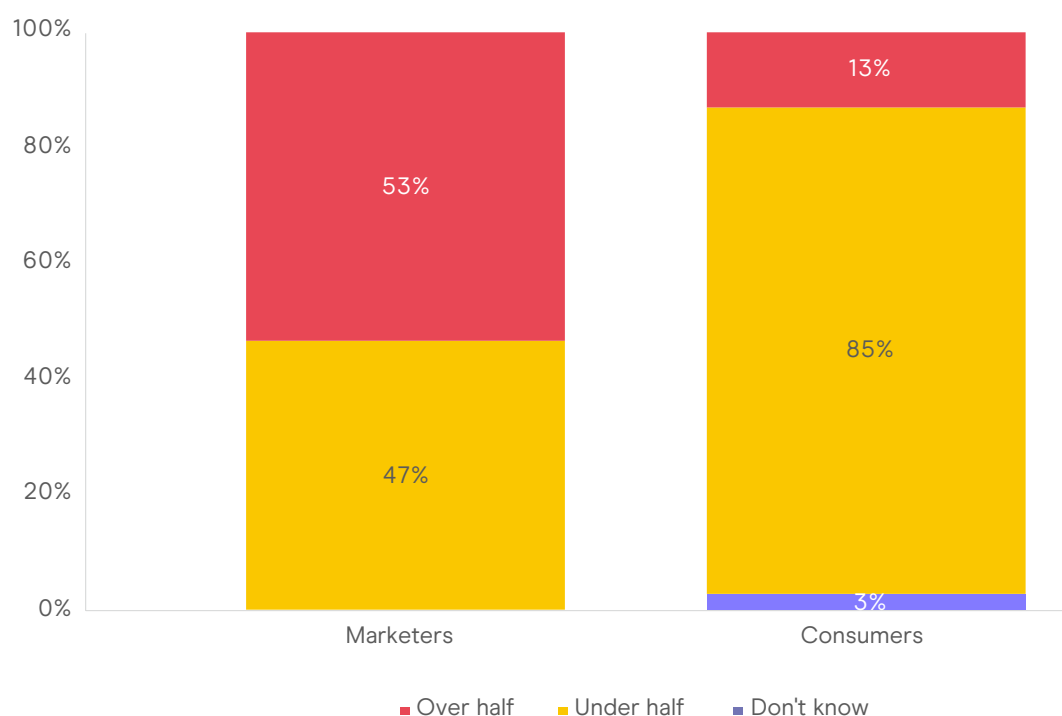
What types of email message/content helps you to achieve this email campaign objective? (Select all) & [Consumer] How much do you like or dislike the following in emails you receive brands? [Sorted by difference]



Looking at consumer preferences a little more closely with marketers believe in the effectiveness of email content, we see potentially missed opportunities for businesses in 'Email receipts' and 'Access to other benefits'. These both have a significant disparity between consumers liking this information in emails and marketers seeing them as effective.

Consumers clamouring for more ‘Discounts and offers’ is unsurprising, as already explained, but it’s also unreasonable and unsustainable for businesses. In fact, building long-term relationships with customers based on discounts can actually be a risk, as these customers are more likely to leave if these offers are taken away ([‘Customer Engagement: How to Win Trust and Loyalty’](#)).

How many of the emails that your organisation sends do you believe to be relevant to individual customers? & [Consumer] What percentage of emails from brands do you consider useful to you?



Potentially of some concern to the data and marketing industry will be the belief of just half of marketers that ‘most’ (more than half) the emails they send are relevant to their customers.

This has also barely changed year-on-year, moving from 55% to 53%. Meaning that 47% of marketers agree with the majority of consumers (85%) who do not believe the messages they’re receiving are relevant to them.

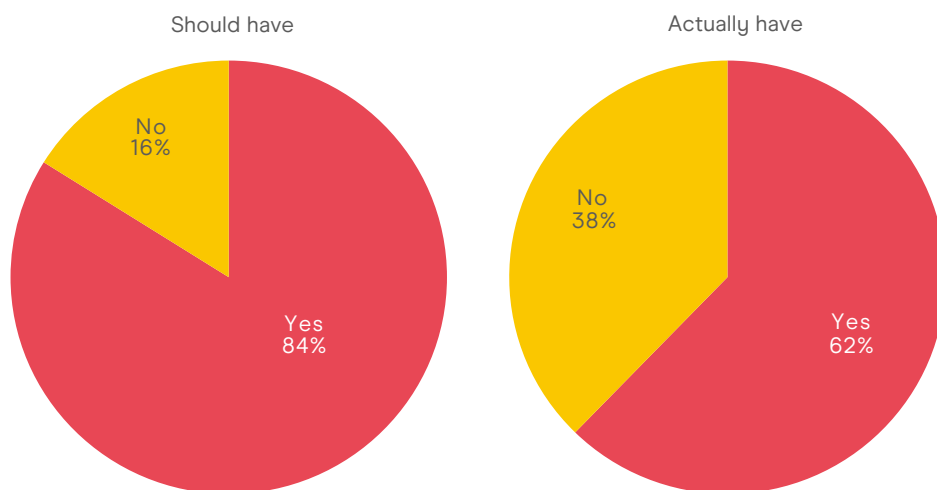
Understanding that ‘relevance’ to a consumer is very much an individual perception, so one person’s irrelevance is another’s perfection, it’s still a concern that quite so many customers feel this way. There are a great many factors that could change this feeling of relevance too – environmental, personal, purchase journey or timeliness, to name a few.

The continued feeling among marketers does point to a potential need for a renewed focus on the customer and organisations on the need to tool their teams with the personnel, skillsets and leadership required to offer customers the experiences they want.

When we asked marketers about the average number of email campaigns, including automated ones, they believe are sent out to their mailing lists per week we saw a continued increase from 20.7 in 2018 to 26.8 this year (it was 23.8 in 2019). Large businesses are sending significantly more (44.5) than their small/micro counterparts (21.9) too.

However, far from being an indicator that marketers are bombarding customers, it's important to remember that three-quarters of organisations are utilising some form of automation or segmentation (as we saw in 'Understanding and Practices'). Meaning that fewer emails are being sent large portions or entire databases at a time.

Do you think there should be /does your organisation have rules on how frequently you email an individual?



In addition, it's encouraging to see marketers continued belief and conscious awareness of the volume of emails they're sending to customers. The majority (84%) continue to believe that organisations should have frequency of contact rules in place, while almost two-thirds (62%) actually have these already. Having these rules in place was slightly more likely among large businesses (71%), while it falls to half for small/micro companies (51%).

These points are also reinforced by the findings from the '[Consumer Email Tracker 2020](#)' too, where we found consumers believe they receive somewhere in the region of 2½ emails per week from each brand they're signed up to and believe they're seeing fewer messages come into their inbox overall too.

Expert Opinions



The battle for relevance is one of the greatest challenges facing marketers today. Yes, we may have access to more touchpoints and data insights than ever before, and yet in a world where expectations, technologies and customer behaviour are continually shifting it can sometimes feel like there's a constant need to catch up. Where competition and distractions are high and consumer patience is low, delivering relevance to a customer is everything.

Komal Helyer,
VP Marketing, Pure350



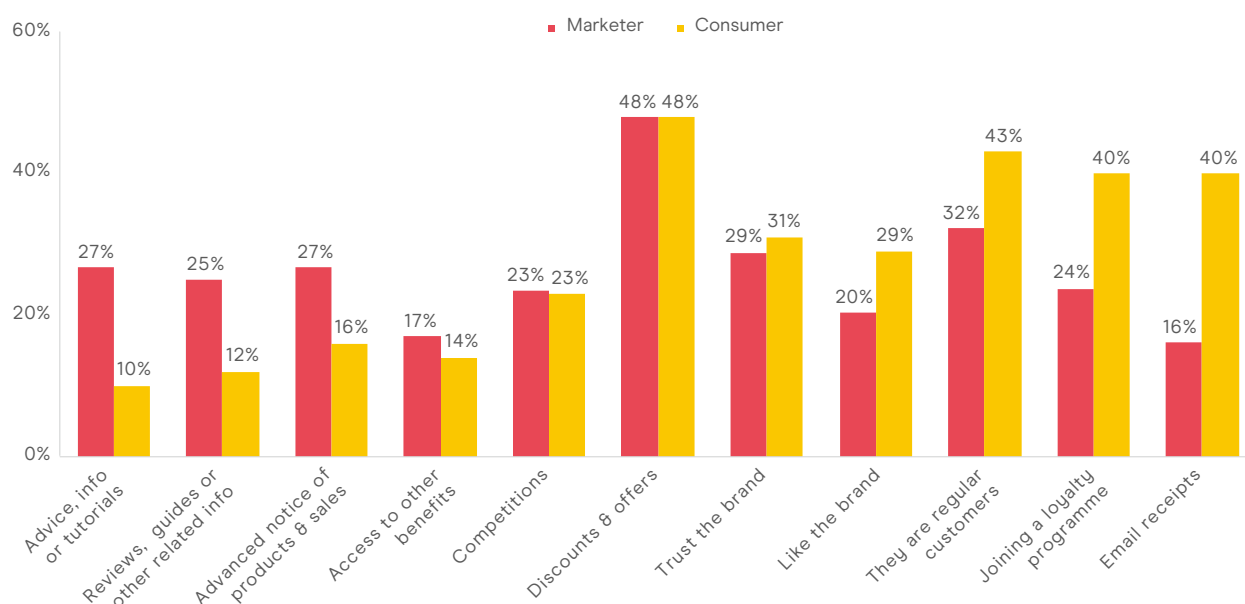
Frequency shouldn't simply be a rule to follow. It should be a choice and 100% of brands should be offering it! Guidance from the ICO states "Consent means offering individuals real choice and control. Genuine consent should put individuals in charge..." Personally, I'd love to see all organisations making frequency part of their subscriber preferences and letting their customers decide how many emails they want to receive, not to mention when they want to receive them.

Guy Hanson
VP of Customer Engagement, Validity

/ Sign-ups and Unsubscribes

As a reminder, the number of brand email campaigns consumers estimate they're signed up to increased year-on-year to around 10 ([Consumer Email Tracker 2020](#)). According to marketers, it's still 'Discounts and offers' (48%) that is the most successful way to get customers to offer their email address to a brand.

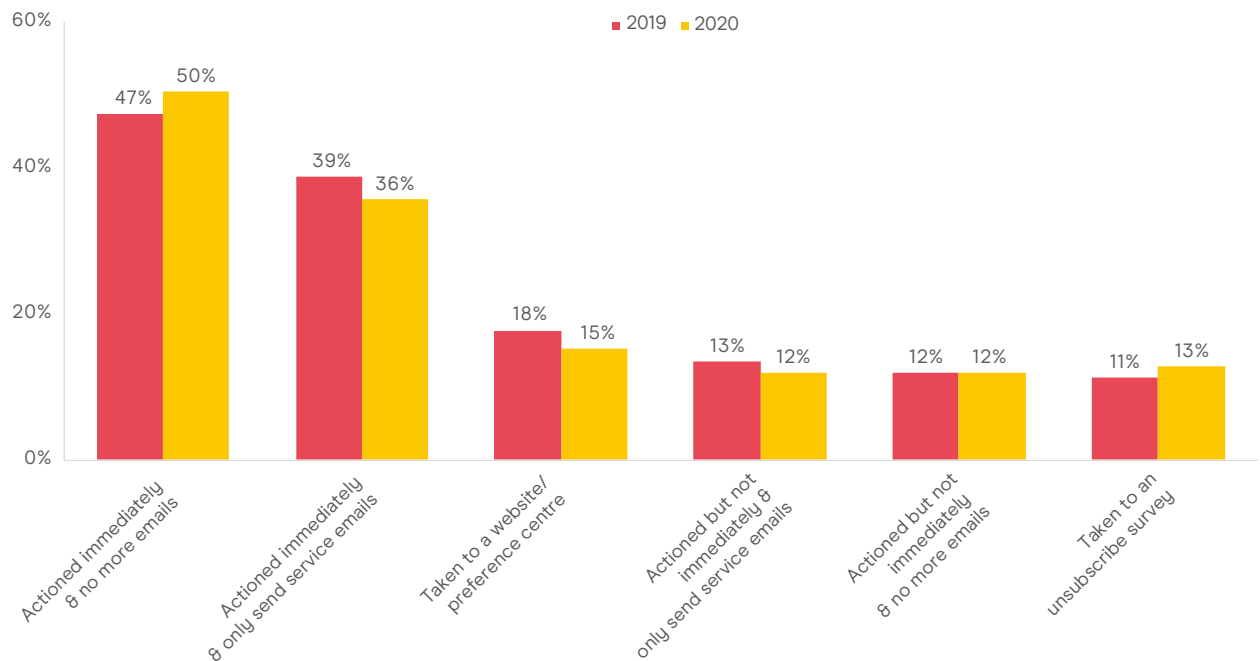
Which are most effective in encouraging consumers to sign-up for your brands' emails? (Select all) & [Consumer] What are normally the main reasons you give your email address to a brand? (Select all) [Sorted by difference]



But when we compare this with the views of consumers directly, there are clearly a range of drivers that marketers may be undervaluing. Consumers cite 'Email receipts', 'Joining a loyalty programme' and 'They are a regular customers' as the main reason for giving their email address to brands significantly more than marketers appear to believe this is effective.

Meanwhile, marketers may well be slightly over-valuing (or conversely consumers under-valuing) the power of 'Advice, articles, information, tips or tutorials', 'Product reviews, user guides or other product/service-related information' and 'Advanced notice of new products/services & sales'

When a customer unsubscribes from your organisation's emails, what happens next?
(Select all)



When a customer decides they want to leave an email programme, it's encouraging to see most marketers action these requests immediately, but surprising to not see more organisations utilising this opportunity to try to keep that customer or learn more about why they're leaving.

Findings from this year's [Consumer Email Tracker](#) research revealed around two-thirds of customers would be open to managing the communications they receive, whether by reducing the frequency or personalising the content further. Meaning businesses may be losing customers unnecessarily. Although it's also important to note that a third (33%) of consumers would just rather unsubscribe than have these controls and one in ten (10%) still believe that unsubscribing will make no difference to them receiving unwanted emails.

Expert Opinions



Email receipts remains a key area that consumers highly value receiving, yet there appears to be a reluctance of marketers providing that service. Notably, this has been down to compliance risk, one that doesn't need to be the case if the data is collected correctly and used only for purposes of that consent. The challenge comes in when marketers try to use these as an opportunity to add marketing elements to a service message.

Jenna Tiffany

Founder & Strategy Director, Let'sTalk Strategy



The role of email within the multi-channel experience cannot be denied, but for it to be truly effective in driving interactions that are relevant and targeted, however, organisations need to understand where their focus should be in order to maximise the potential of the channel across the entire customer journey. In a post-GDPR world it is all-too tempting to rely on audiences remaining engaged, despite engagement having natural attrition. So alongside remaining relevant, it's also essential that marketing teams understand the importance of consistently growing lists, to counteract the drop off.

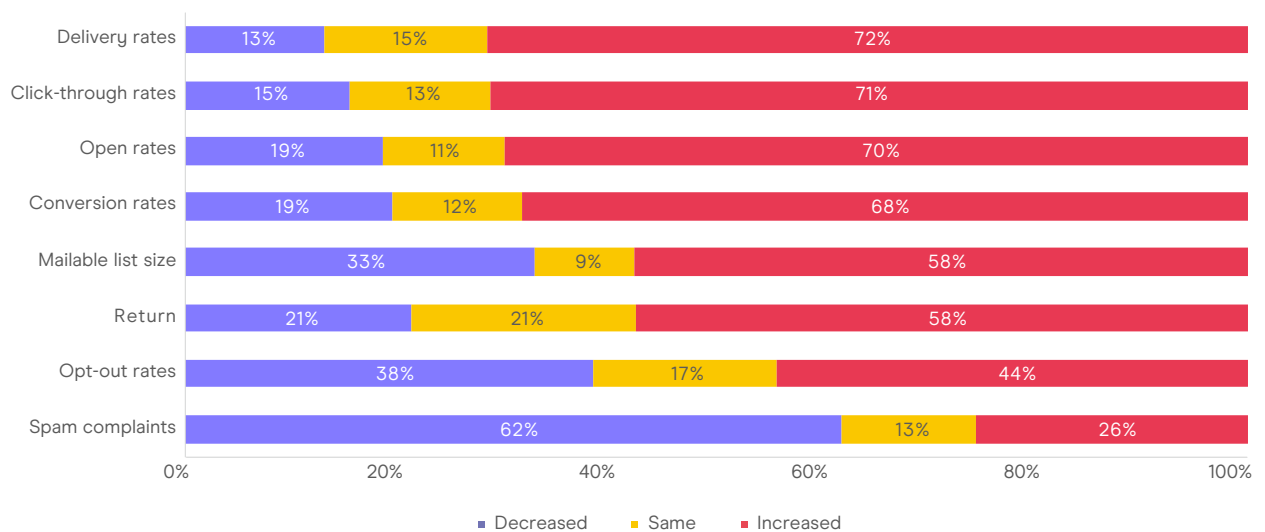
Komal Helyer,

VP Marketing, Pure360

/ Trends & Budgets

Lastly, we'll look at some broader trends and budgets within the email marketing space, according to those that work within it. Revealing positive feeling around the key metrics for email performance and its increasing importance to the marketing mix – certainly in terms of budgets.

How have the following trended over the past 12 months? (Select one per row)



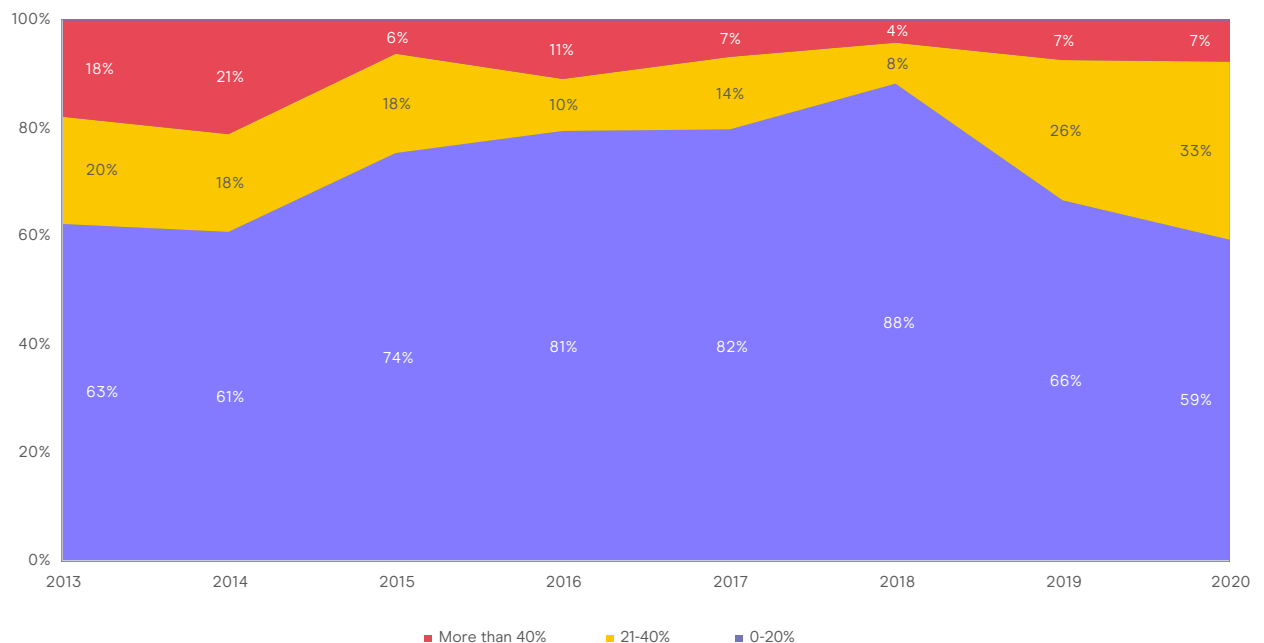
Overall, marketers have seen positive increases in the last year across almost all the key metrics they use to define email's performance. It's notable to see that 'Mailable list size' growing again post-GDPR (58%), while 'Spam complaints' are reducing for most (62%).

This could be a sign of growing consumer trust and that people are no longer opting for the 'spam/junk' button. Instead, people are engaging in the unsubscribe process for emails – with the opportunities that this offers marketers, as noted earlier.

Looking at the differences between large and small/micro businesses, bigger organisations are more likely to have seen increased 'Opt-out rates' over the last year (56%). Although smaller companies are less likely to see these increase (25%), this may not be translating to benefits as they are more likely to have simply remained the same (33%). The rate of customers opting out is also more likely to have increased for B2C brands (68%).

Larger organisations are more likely to have increased their 'Mailable list size' (70%), but this is more likely to have decreased for both medium and small/micro businesses (42% & 41%). Meanwhile, 'Spam complaints' are more likely to have increased for medium-sized businesses (47%) and actually less likely to have grown for large organisations (12%).

What percentage of your marketing budget is spent on email? (Not including staff costs)



On average, the percentage of marketing budgets being spent on email continued its positive trend of recent years. This year it came to 18.9%, which is up year-on-year by 2.3% and coming close to double the 10.9% reported in 2018. Looking at the grouped percentages (above) this growth appears to be a gradual increase across the board too, rather than the extremes getting further apart. For instance, despite a marked reduction in 2018 – assumed to be connected to GDPR – the percentage falling in the 21-40% range has steadily increased since 2016.

Possibly even more encouraging is that most marketers outlook for their budgets is positive too, with 60% expecting these to increase and 32% to stay the same – just 8% are expecting a decrease in the next 12 months. Consumer-focused businesses are more likely to expect budgets to increase (75%), while B2B less so (48%) – expecting it to rather stay the same (42%).

Expert Opinions



ROI of email comes into play here when discussing email marketing budget. It's great that more marketers can measure it, but now the challenge is in communicating the results to the broader business. Email continues to deliver the highest ROI ahead of any digital channel – even with this year's slight decrease – yet the budget still doesn't match the value that the channel brings.

Jenna Tiffany

Founder & Strategy Director, Let'sTalk Strategy

/ About the Data & Marketing Association

The Data & Marketing Association (DMA) comprises the DMA, Institute of Data & Marketing (IDM) and DMA Talent.

We seek to guide and inspire industry leaders; to advance careers; and to nurture the next generation of aspiring marketers.

We champion the way things should be done, through a rich fusion of technology, diverse talent, creativity, insight – underpinned by our customer-focused principles.

We set the standards marketers must meet in order to thrive, representing over 1,000 members drawn from the UK's data and marketing landscape.

By working responsibly, sustainably and creatively, together we will drive the data and marketing industry forward to meet the needs of people today and tomorrow.

www.dma.org.uk

/ About Pure360

Pure360 is a marketing technology company providing multi-channel data and marketing solutions to help the UK's leading and growing brands get better results.

Providing UK marketers with an unrivalled combination of our all-in-one AI marketing platform, which enables brands to better integrate, analyse, personalise and deliver, and our industry-leading Maturity Model, we are focused on accelerating customer results across email, mobile, web and social.

We drive better email, better personalisation and better revenues, helping marketers be the best they can be.

We deliver best in class results for over 1,400 customers across the eCommerce, Retail and Travel sectors. Pure360 customers include Tetley, innocent, Park Holidays, Ultimo, Blue Bay, Patisserie Valerie, The Range and Wagamama. We are ranked as a 'High Performer' for Email Marketing by G2 Crowd and were named as finalists at the Brighton and Hove Business Awards 2019.

Born and bred in Brighton, at Pure360 we believe people are paramount. From our customers to our employees, we are passionate about bringing people together, connecting audiences like never before. Better starts here.

www.pure360.com

/ Methodology

The 'Marketer Email Tracker 2020' is part of an annual study undertaken by the DMA, in partnership with Pure360 and the DMA's Email Council.

The research was conducted in January 2020 via an online survey of 236 respondents that work in marketing in the UK. The data was collected and collated by Qualtrics, then analysed by the DMA Insight department. The report was written and designed by the DMA Insight department and in-house design team.

The survey consisted of a maximum of 35 questions. These questions were reviewed by the DMA, Pure360 and the Email Council's Research Hub to ensure relevance to the current state of the email industry. Unless referenced, all data included in this report is taken from this survey.

If you have any questions about the methodology used in the report, you can contact the DMA's research team via email: research@dma.org.uk

/ Copyright and disclaimer

'Marketer Email Tracker 2020' is published by the Data & Marketing Association (UK) Ltd Copyright © Data & Marketing Association (DMA). All rights reserved. No part of this publication may be reproduced, copied or transmitted in any form or by any means, or stored in a retrieval system of any nature, without the prior permission of the DMA (UK) Ltd except as permitted by the provisions of the Copyright, Designs and Patents Act 1988 and related legislation. Application for permission to reproduce all or part of the Copyright material shall be made to the DMA (UK) Ltd, DMA House, 70 Margaret Street, London, W1W 8SS.

Although the greatest care has been taken in the preparation and compilation of this report, no liability or responsibility of any kind (to extent permitted by law), including responsibility for negligence is accepted by the DMA, its servants or agents. All information gathered is believed correct at March 2020. All corrections should be sent to the DMA for future editions.