

Marketer email tracker

2018

Sponsored by



Customer Engagement



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/ Introduction

Welcome to the DMA Marketer email tracker 2018. During this period of change for many in the marketing industry, with major legislative changes from the GDPR coming in to force in a matter of months, this report offers an opportunity to monitor the state of a key marketing channel.

Email remains the central strand for any multi-channel marketing campaign, integrating seamlessly with both digital and physical channels. This report highlights how email is and continues to be a key touchpoint and the universal identifier for any marketer.

There are, however, barriers to effective use of email. For example, many teams identified a lack of resource, budget, data or strategy as key challenges to them getting the most out of the channel. Therefore, organisations must ensure their marketing teams have the necessary investment, whether monetary or in key skills, to maximise the return for their efforts in email.

With respect to the GDPR, an overwhelming majority are aware and nearly three-quarters of marketers feel prepared for the changes. However, there is a real split in the mood, with some feeling the changes will have its benefits and others being more pessimistic.

The GDPR clearly presents challenges to effective marketing across many channels, but there is an opportunity too. By placing the customer at the heart of your business, we can ensure consumers receive the timely and relevant communications they crave, as we saw from the latest Consumer Email Tracker 2017 report.

In doing this, marketers will be able to go beyond simply adhering to the new rules and engage customers in an honest and transparent way. Enabling them to foster long-term relationships and increased loyalty, creating an environment where both the business and customer can benefit.

Rachel Aldighieri
MD at the DMA

/ Sponsor's perspective

dotmailer is very happy to be sponsoring the DMA Marketer email tracker research again this year and similar to my perspective on the consumer research launched at the end of 2017, I am very upbeat about the state of the industry. Like consumers, marketers still love email and we love it because it works. All the standard process metrics, open rates, click rates and most importantly conversion rates are up. This is in turn driving up the ROI to £32.38 from £30.03 last year.

This increase in the response to and the effectiveness of the email channel flies in the face of the top challenges which are seemingly reported year in and year out; lack of resources, budget, internal processes, data and strategy. And of course, we cannot forget the biggest challenge of 2018, the implementation of GDPR.

While it was reassuring to see that 72% of marketers feel somewhat prepared for the incoming regulations, only 36% of marketers felt that GDPR would have a positive impact on their email programmes. I think GDPR should be viewed as a major opportunity for all data-driven marketers. There is very little in the new regulations that we have not been preaching as best practice for years; GDPR just forces us to follow it with the threat of eye watering fines. Perhaps "more fool us" for not heeding our own advice but this an opportunity to rebuild trust with our customers. This is the chance to be open, honest and transparent about the data we are collecting, why we are collecting it, the benefit to us of having that data and of course the benefit to the consumer.

GDPR is not the only opportunity. Email service providers have always focussed on adding features but over the past couple of years the most interesting developments have been around marketing automation and omnichannel

messaging. As these features have come on-line many companies have repositioned themselves away from the email service provider tag which is why we see the marketers reporting that ESP usage is down, while we are seeing the market as quite buoyant. Consumers want brands to be where they want when they want them to be there. With the new tools marketers are now able to deliver on this.

If I were forced to name a negative in the report it would be that not enough brands are rigorously testing within their email programmes. Forty seven percent of brands are still testing only one in four campaigns. Email makes it so easy to test new tactics, copy creative and offers that this should be as business as usual as adding in a subject line. One of the interesting relationships was the strong correlation between the brands that were not able to segment and those that did not test. Testing is very simply the opportunity to make your email programs better.

We are entering another golden age for email marketing. The results and return on investment have never been better. GDPR has given data-driven marketing some visibility in the boardroom and the potential of those fines alone have freed up budget to get our houses in order. Lastly, email marketing technology has developed to the point where we can now truly have human conversations at scale. 2018 is going to be a great year!

Skip Fidura
Strategy & Insight Director at dotmailer
& Chair of the DMA's Responsible marketing committee

/ Council's perspective

Just over 100 days from the launch of this report, GDPR will finally come into force and those working in our industry will discover if its' impact is at the Luddite or Millennium Bug end of the disruption scale.

If GDPR looms menacingly to some, however, the DMA's Marketer email tracker acts as a useful counterpoint to some of the anxiety this particular legislation has – for good or ill – stoked in the recent past.

December's Consumer email tracker 2017 report painted email as being in rude health, albeit in the face of its sometimes grudging consumers. This Marketer email tracker goes on to examine the attitudes of those delivering these billions of messages to discover even more to be optimistic about.

ROI is up, marketers are beginning to understand the apparent value of an email address and barriers restricting marketers' abilities to do their job have diminished. Whilst some areas remain a concern – expertise in and the concomitant use of testing is still lacking – marketers not only place email at the centre of their multi-channel strategy but suggest more of their budget is spent on it.

Not everything in the garden is rosy of course. There appears a disconnect on both brand sign-up and exit. On the former, marketers believe the most productive method is through content, the consumer – overwhelmingly – incentives. On unsubscribing, marketers' responses on infrastructure and priority jars with the typical consumer's expectations of efficient, comprehensive and swift processing of their requests.

Are marketers complacent about this low cost, high yield channel? Does the attitude spring from analysis of the data or is it wishful thinking; especially around attracting and retaining consumers?

Perhaps the lack of testing noted earlier reflects a wider attitude around evidence-based marketing, as my colleague on the Research hub, Jenna Tiffany from Let'sTalk Strategy points out, "15% of email marketers still don't conduct any email testing [it] should be the bedrock of any successful email activity. By not testing, how do you know if you've fully optimised your email activity?"

Email is still at the forefront of consumer marketing and both sides seem largely happy this is so. But marketers should be careful not to be complacent. The GDPR legislation sprung from a desire to codify best practice in data protection. Similarly, the marketer would be wise to learn from the principles of its inspiration and codify their own best practice for email to maintain its position as the pre-eminent marketing channel.

Marcus Gearey
*Chair of the DMA Email Council's research hub
& Analytics manager, Zeta Global*

/ Executive Summary

- The majority (96%) of marketers are aware of the incoming GDPR legislation and almost three quarters (72%) feel at least somewhat prepared for the changes, but sentiment about the impact of the new rules on email marketing programmes is split – with 36% feeling positive and 43% feeling negative
- Email remains a central pillar of any multi-channel marketing strategy with those saying it is either 'important' or 'very important' remaining extremely high (86%), despite a slight decline from 95% in 2016
- Limits to internal resource returns as the single biggest challenge for 39% marketers, followed by limited budget (24%), inefficient internal processes (23%), lack of data (23%) and a lack of strategy (22%)
- Marketers named similar challenges as barriers to delivering more automated email programmes, with one notable addition of outdated in-house technology as a challenge for 20% of marketers
- When it comes to email testing, almost one in five (19%) rate their organisations' as having no competence, with a further 15% saying they don't conduct any testing of emails – up from 8% in 2016
- In fact, almost half of organisations (47%) test under a quarter of the emails they send – up 7% year-on-year – although there is a small group moving in the opposite direction, with one in five (19%) claiming to test over three-quarters of their email – up by 3% this year
- CRM systems (60%) and outsourced email marketing technologies (43%) remain the technologies most often integrated with email, but the latter has seen a drop of 12% since 2016
- Despite a decline since 2016, nearly half of marketers (45%) still say email works best with their own website, followed by direct mail (36%)
- Half of marketers (50%) are now confident their organisation can calculate ROI, with their estimated ROI for the channel rising to £32.28 this year for every £1 spent, up from £30.03 in 2016
- Marketers say the best content to use in an email is discounts (38%) and content from the brand (36%) – such as articles, magazines or video – with a potential opportunity for marketers to better utilise loyalty schemes more, as 30% of consumers are interested in receiving this content, but only half this number of marketers (15%) are currently using it
- The majority of organisations (84%) are able to segment their email audience, with a correlation between those not segmenting and those having a low competence or no active email testing with the business

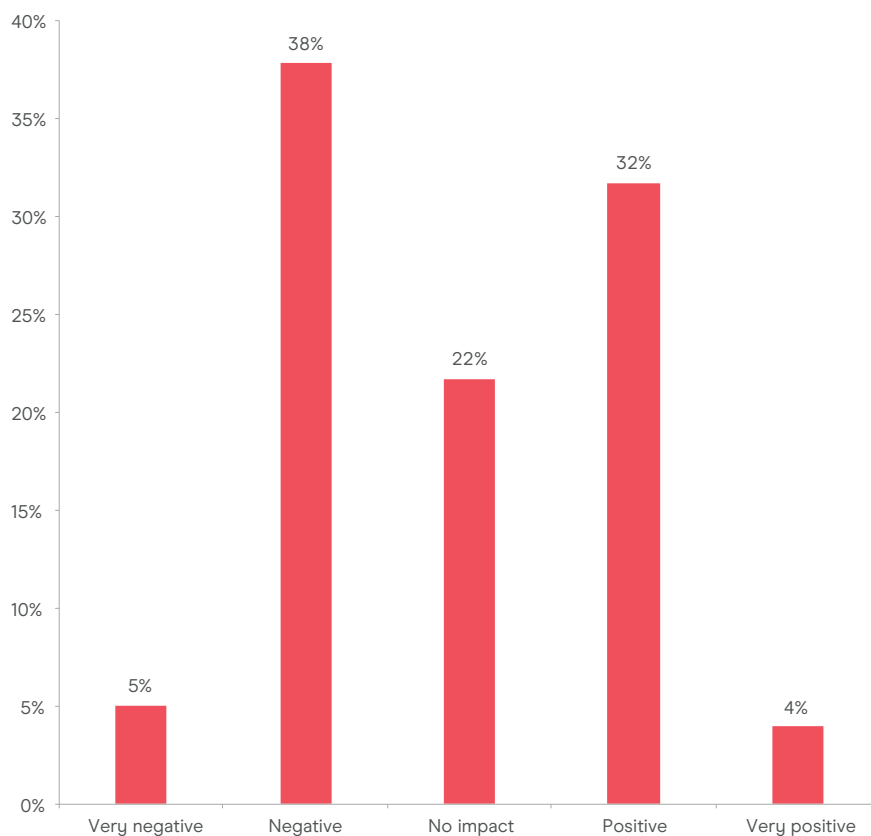
- When they unsubscribe, 17% of consumers expect to be referred to a preference centre and 9% to take a survey, but just 7% and 2% of organisations offer these options – organisations are missing this opportunity to understand the reasoning behind unsubscribes
- 22% of organisations can calculate the value of an email address to their business, with this estimate at around £28.56
- The proportion of marketing budgets being dedicated to email have continued to decline in recent years, now at 10.9% – down from 12.3% in 2016
- The reduction in budget is surprising given the positive results marketers have seen from email over the last 12 months, with a significant proportion seeing increases in click-through rates (52%), open rates (51%) and conversion rates (49%)

/ GDPR

This year's report is published in the final months before the new General Data Protection Regulations (GDPR) come into force in May 2018, which should not be ignored when looking at the results of the latest edition of this survey.

When asked about their awareness and preparedness of the new laws, email marketers are in line with their counterparts from the rest of the industry (according to the results from the latest [GDPR & You – Chapter 4 report](#)). The majority of email professionals are aware (96%) of GDPR and almost three quarters (72%) feel at least somewhat prepared for the changes.

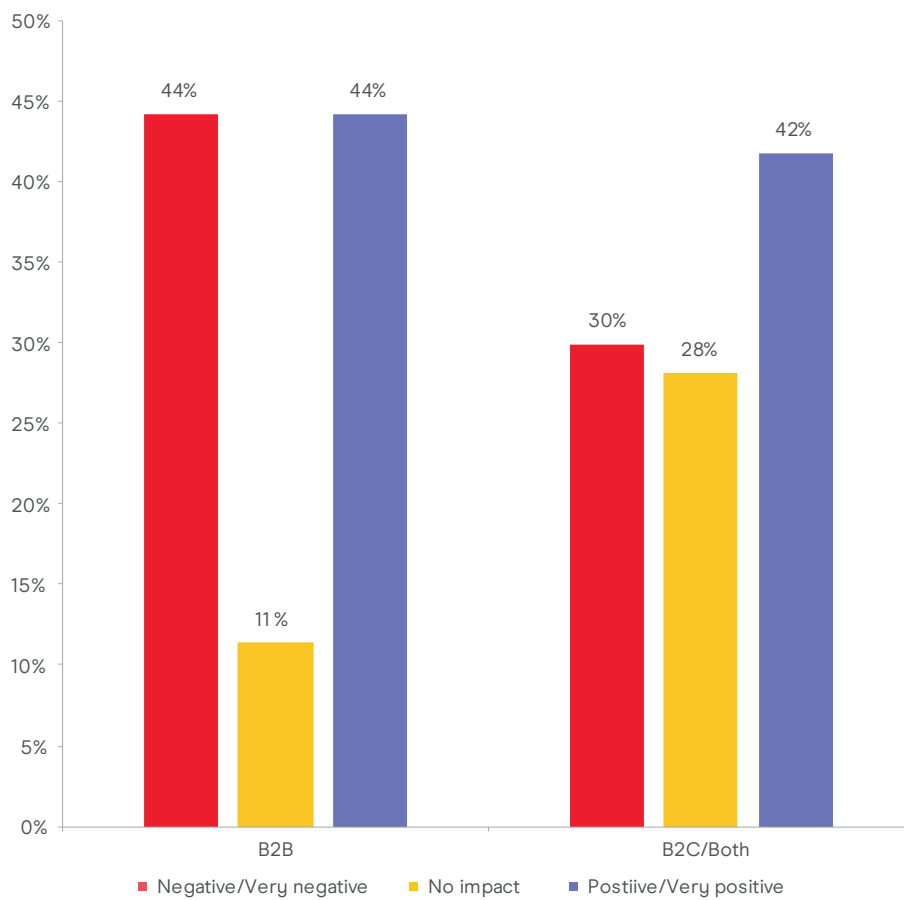
What impact do you expect the GDPR to have on your current email marketing programme?



When asked about the potential impact of the new rules on email marketing programmes, respondents were split, with almost as many feeling positive (36%) as those who feel the impact will be negative (43%). However, over half (54%) of senior marketers believe the GDPR will be positive for email marketing, with a similar proportion of junior marketers (51%) saying they feel it will be negative – highlighting a potential difference in perception within many marketing teams dependant on career level.

Key concerns from those marketers worried about the negative impact of the GDPR on marketers' ability to use email were focused on consent and the potential of the legislation to reduce database sizes.

What impact do you expect the GDPR to have on your current email marketing programme?



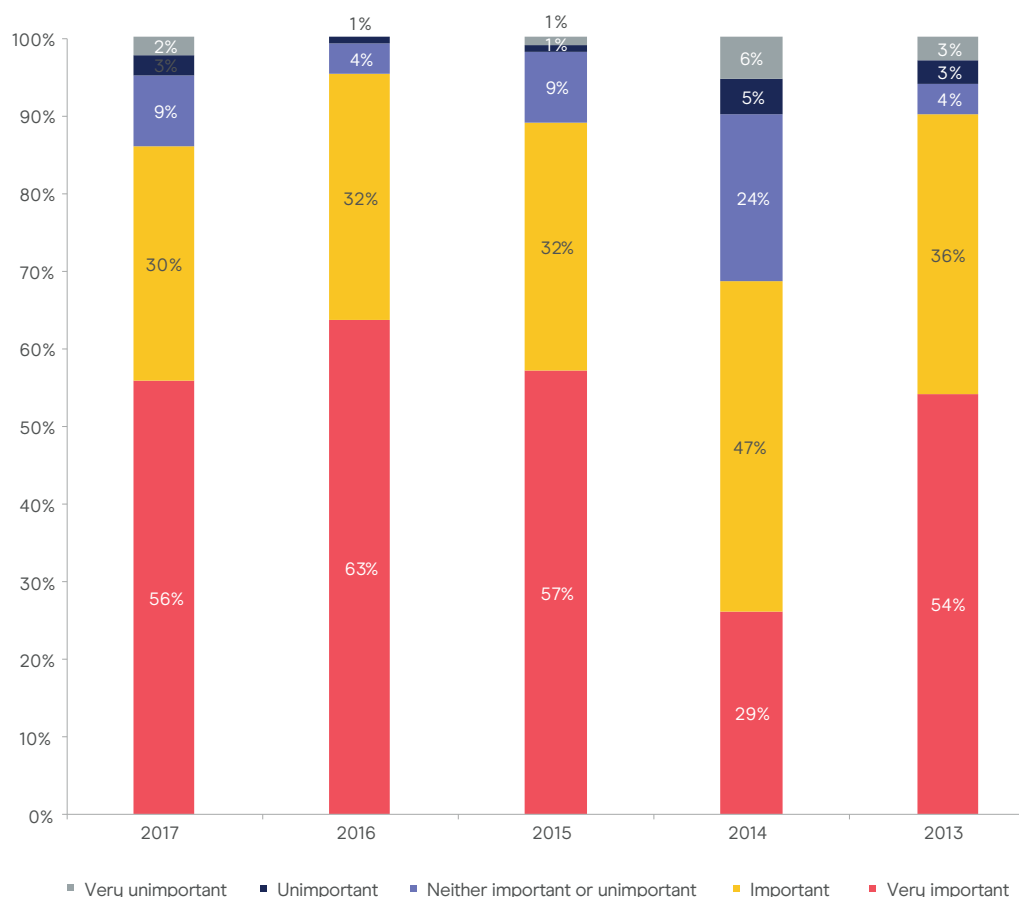
B2B organisations are particularly polarised on the impact of GDPR on their efforts through email, as only 11% believe there will be no impact, while the remaining respondents are split equally between feeling negative (44%) or positive (44%). Those in B2C or a combination of both appear more positive (42%), with only 30% believing the effect will be negative and 28% that there will be no impact.

/ Importance

Before discussing the importance of email as a marketing channel, it's important to recall the findings from the [Consumer email tracker 2017](#) that 50% of consumers don't check their emails at work. This should serve as a reminder to marketers that work email is not as pervasive as some might think.

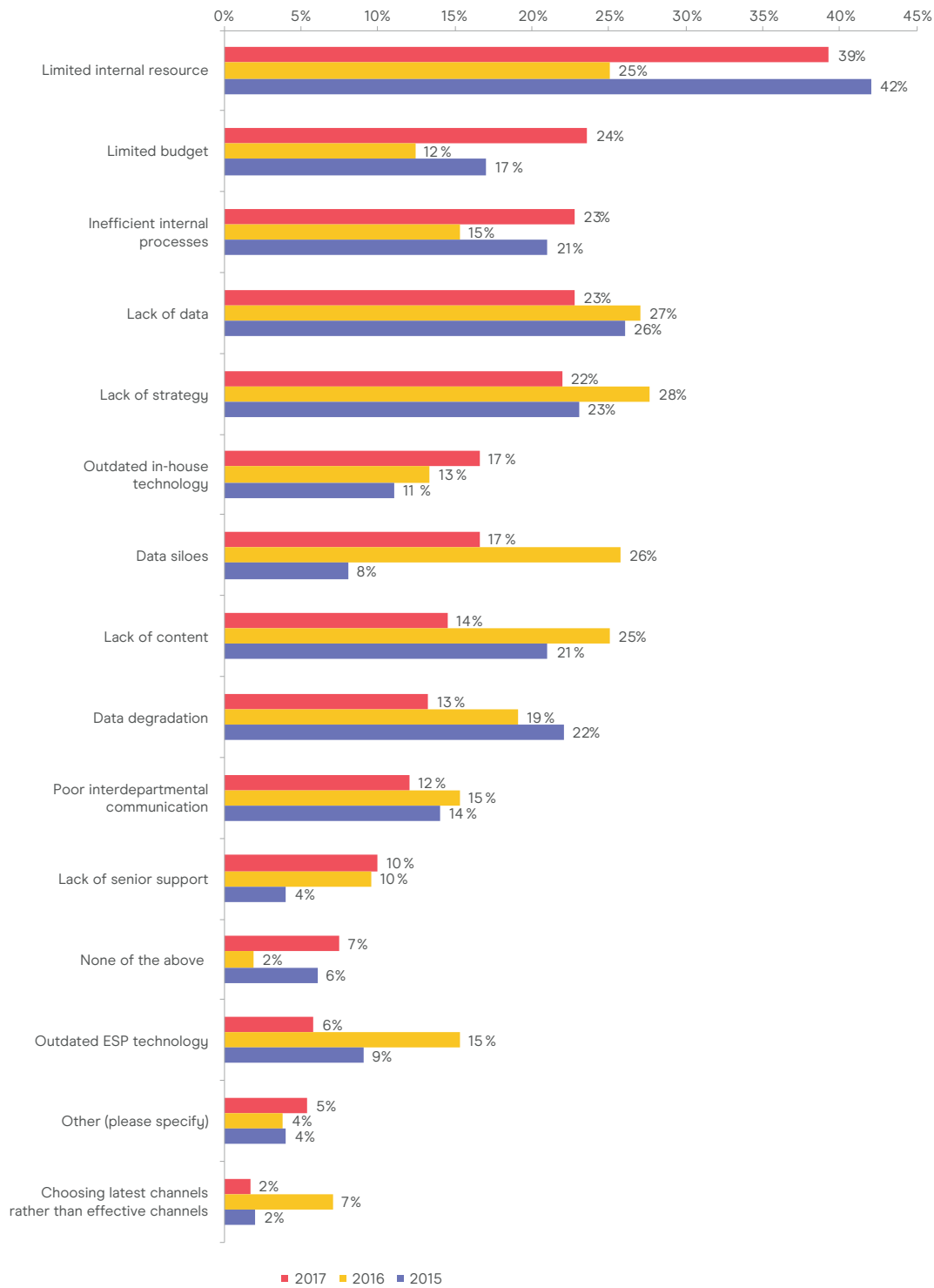
To illustrate this, the research found marketers spend almost twice as much time using email per day – 3.9 hours compared to 2.2 for consumers. This was particularly felt at work, with marketers spending almost 3 hours using email (2.8) while consumers spend, on average, less than an hour (0.8). Although consumers do seem to catch-up at home, where they spend around an hour checking emails (1.0) compared to half that spent by marketers (0.4).

Strategically speaking, how important is email marketing for your organisation?



As in previous editions of this report, email remains an essential component of marketers' strategy. Compared to last year, those saying email is either 'important' or 'very important' has declined slightly from a high of 95% in 2016 to 86% this year. However, this is still extremely high for any single channel available to marketers and continues to highlight email as a central pillar of any multi-channel marketing strategy.

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



In 2017 the biggest single challenge to marketers has been the re-emergence of limited internal resources (39%), representing a return to 2015 levels after a brief decline last year. The next popular collection of challenges for at least 1 in 5 marketers are limited budget (24%), inefficient internal processes (23%), lack of data (23%) and a lack of strategy (22%).

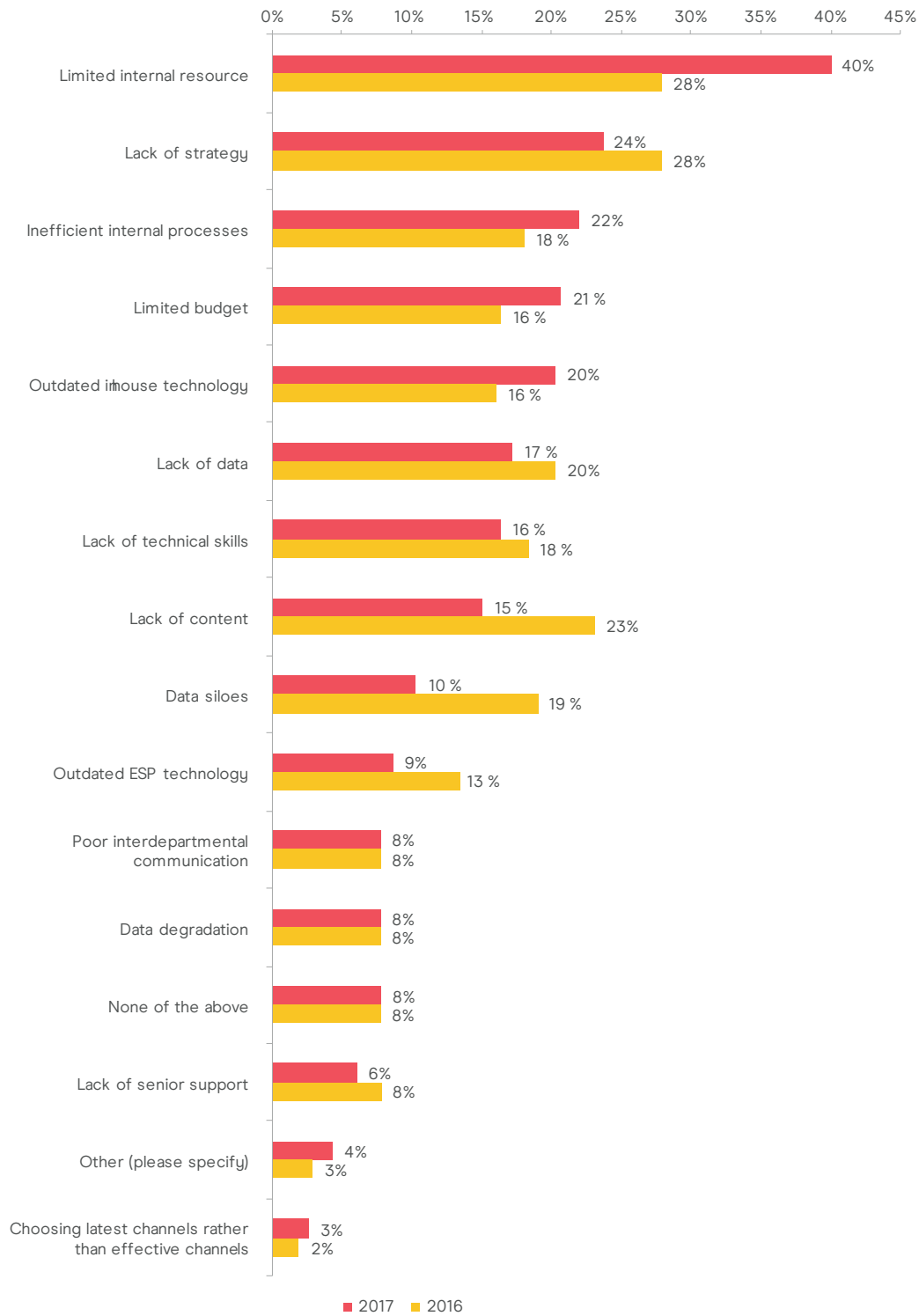
Challenges around data and strategy have actually seen a year-on-year reduction of 6% each, while budget limitations have doubled as a concern (+12%) and internal inefficiencies have risen by 8%. Potentially implying that marketers are wanting to be more sophisticated in their email marketing, but don't currently have the budget or resources to do so.

In previous editions of this research we marketers have regularly reported data issues as the major challenge, for example 59% reported one or more of 'lack of data', 'data silos' and 'data degradation' as issues in 2016. While this remains a significant concern for 39% of marketers it has declined year-on-year – with a consistent fall of people concerned about 'data degradation' since 2015.

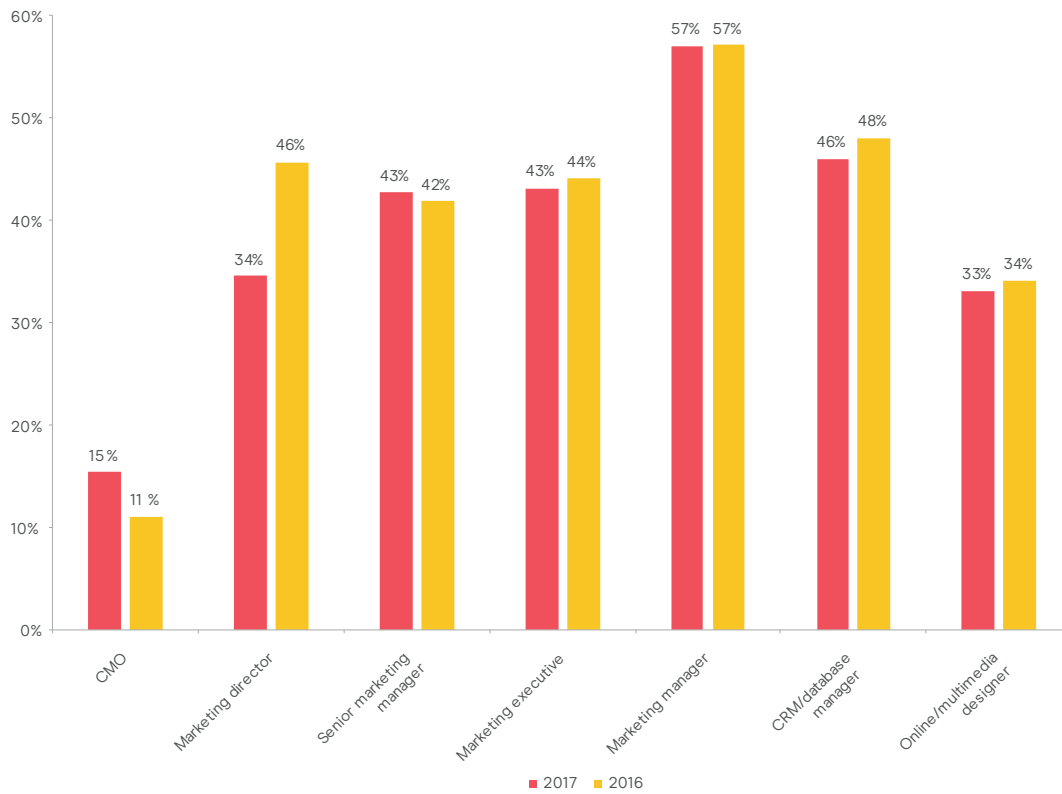
The spike in feeling under-resourced could, in part, be connected to the other concerns around inefficiencies and lack of strategy, as well as concerns around preparations to ensure compliance with GDPR in the coming year. It could also be a challenge brought about by the rapid increase in outdated in-house technology, which is now a barrier for 17% of marketers, up from just 11% two years ago.

These same challenges are also echoed by marketers when asked about delivering more automated email programmes (below), with one notable switch of outdated in-house technology being seen as a bigger challenge (20%) than a lack of data (17%). Resource, however, continues to be the key barrier here for 40% of those that took part in the survey.

What are the most significant challenges to successfully delivering automated email marketing programmes? (Select up to three choices)



Who do you involve in your email marketing?

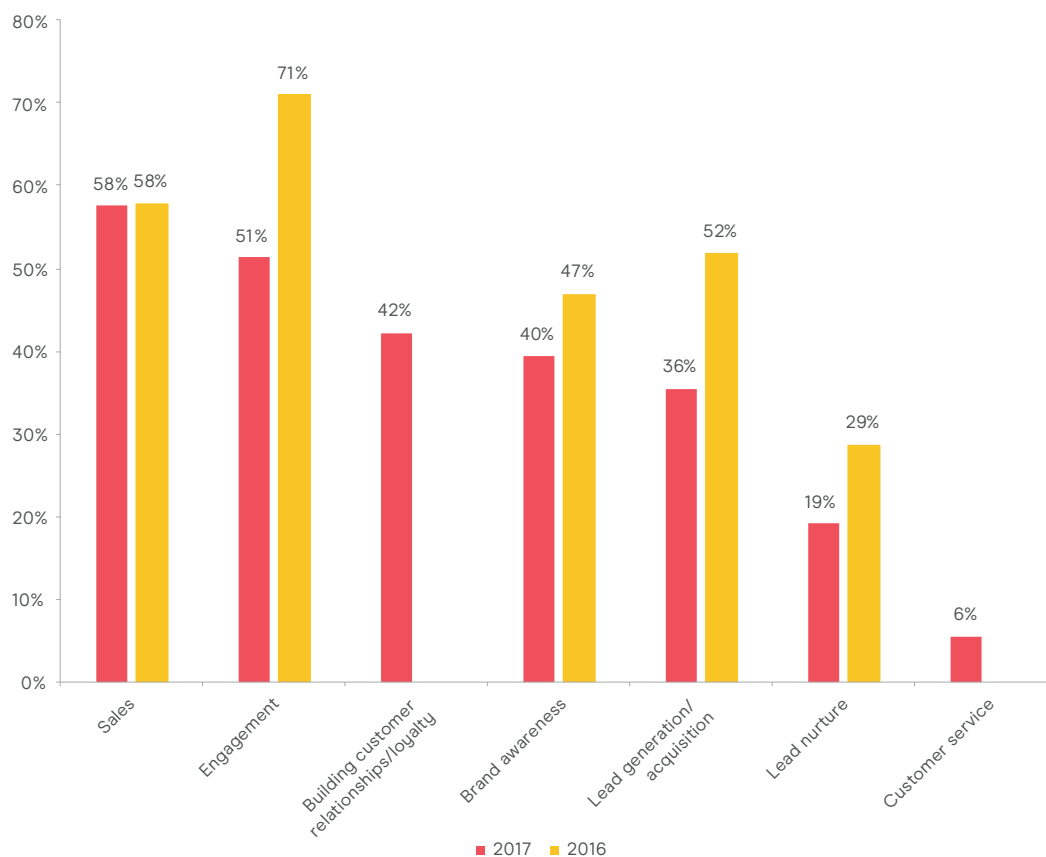


Those involved in email marketing has remained broadly similar to last year, but with notable reductions in those appearing to involve senior marketers in the process. 'Marketing directors' dropped by 12% to just over a third (34%), despite those selecting 'CMO's' rising from 11% to 15% this year – following a drop from 19% in 2015. However, this relatively low senior input may also continue to be purely pragmatic, with senior marketers opting not to micromanage email production, instead focusing their attention on the bigger picture, larger budgetary line items, and potentially GDPR preparations.

/ Objectives & understanding

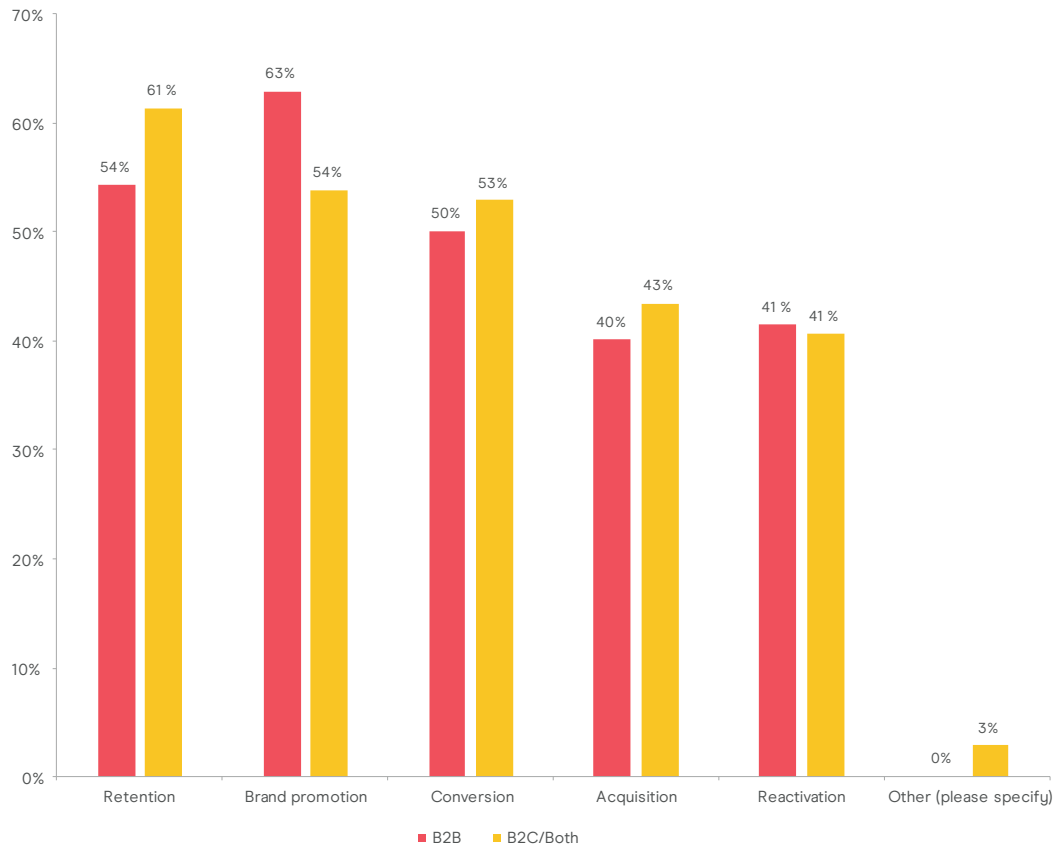
In this section, we will explore what marketers' objectives are when they use email, as well as what the medium is best used for and how they rate their own skills within the channel.

What is the primary objective of your email marketing campaigns? (Select up to three choices)



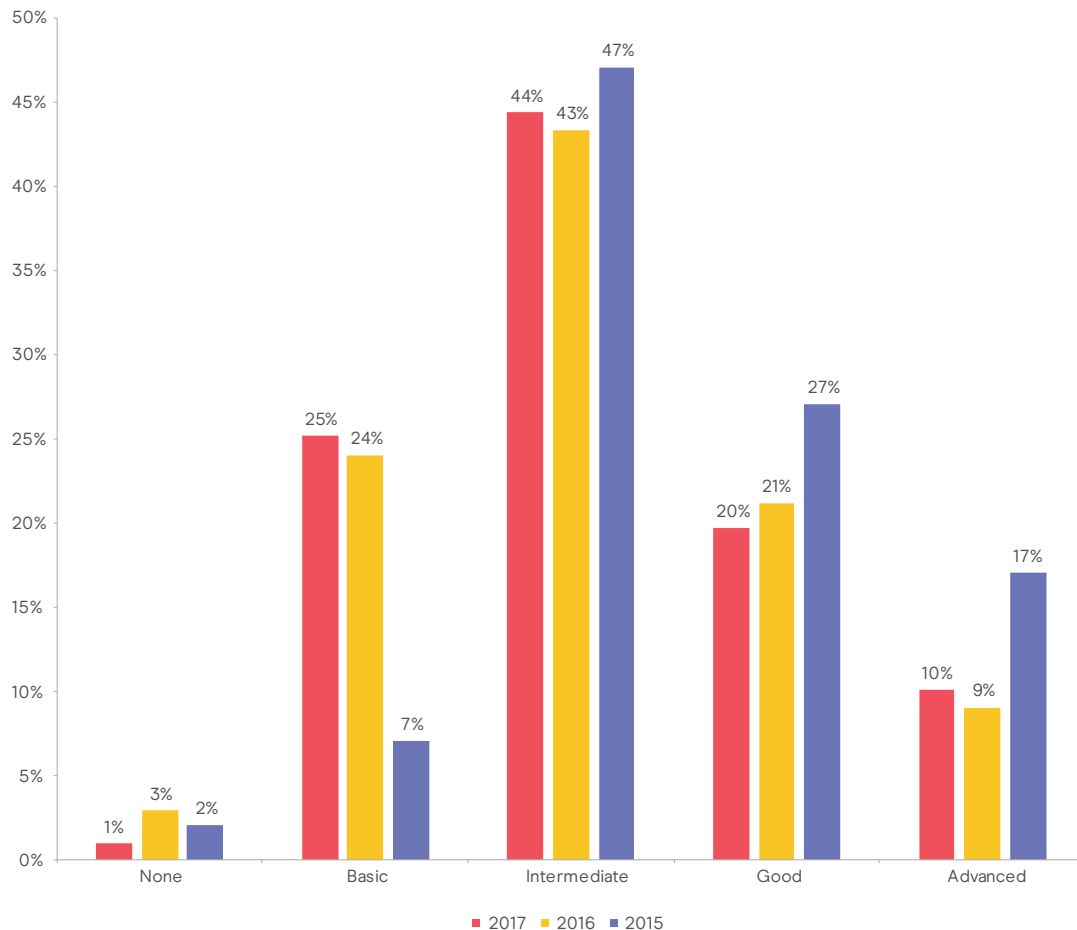
Engagement saw a dramatic drop this year, despite remaining in the top three, from 71% to 51% in 2017, leaving sales to be the main objective for 58% of marketers using email. The third most cited objective is the new addition to this year's survey of 'Building customer relationships/loyalty' (42%), closely followed by brand awareness (40%). Use of email for lead generation or customer acquisition has dropped by 16% this year, from 52% to just over a third of marketers (36%). Also of note is the addition of 'customer service' this year, which one in 20 marketers (6%) is one of the best uses of email.

In your experience, what is email best used for?



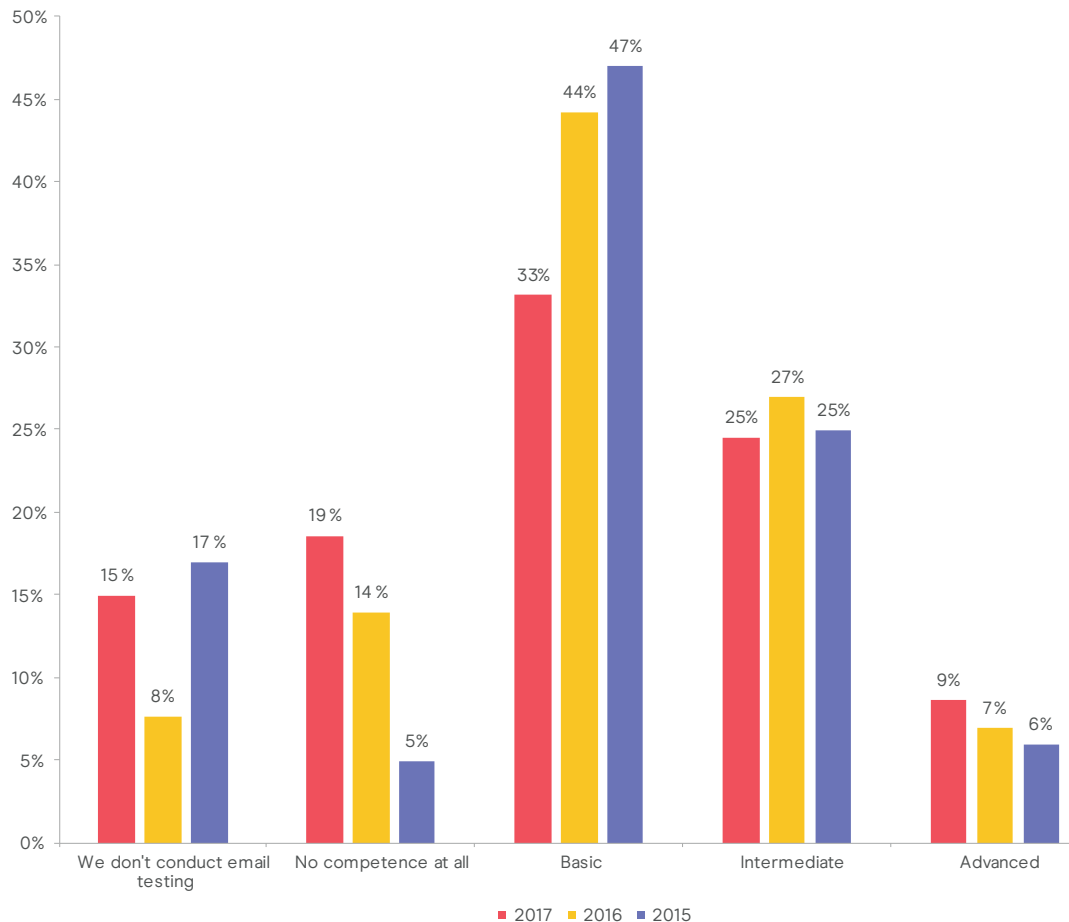
Overall, marketers say retention is the best use of email (59%), followed by brand promotion (57%) and conversion (52%). Activation and reactivation are still key use cases for 42% and 41% of marketers respectively. Looking at the data for those that work in B2B and those in B2C or both, reveals some notable differences. For B2B marketers, retention remains king (61%), but for those marketing to a consumer audience (either solely or in part) brand promotion (63%) is the best use for email.

How would you rate your organisation's overall level of competence in email marketing?



This year marketers have rated their organisations' competence in email marketing similarly to 2016, this following changes to the different categories in the previous edition to offer respondents more detailed, specific definitions. The majority of marketers still rate their organisations as intermediate (44%), meaning they're potentially using segmentation, personalisation or split testing, with a basic strategy in place. While one in ten (10%) would go as far as saying they are 'advanced' in the field of email marketing, meaning they are confident they would be able to take advantage of modern tools and tactics – potentially including advanced decisioning or automation, bringing in external data feeds into email campaigns, and with a clearly defined strategy in place.

How would you rate your organisation's overall level of competence in email testing?

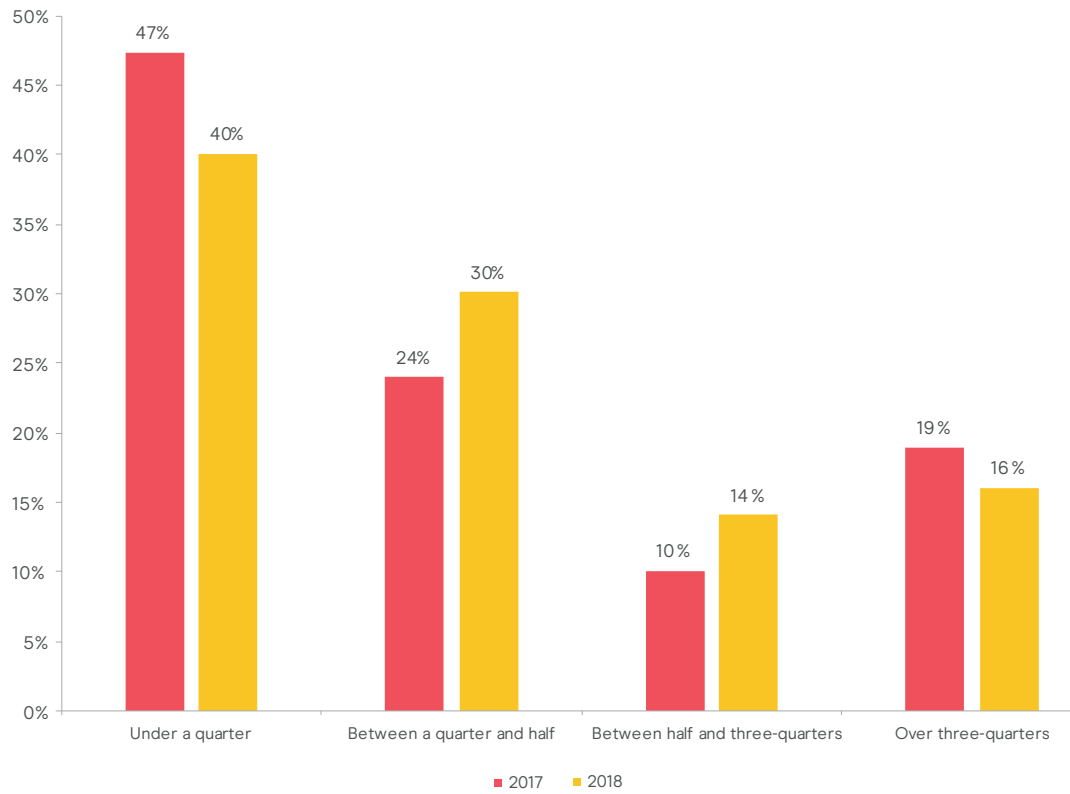


Somewhat more concerning may be that the number of marketers rating their organisations' as having no competence when it comes to email testing, up to almost one in five (19%) this year. Furthermore, 15% of marketers said their organisations' don't conduct any testing on emails (up from 8% in 2016).

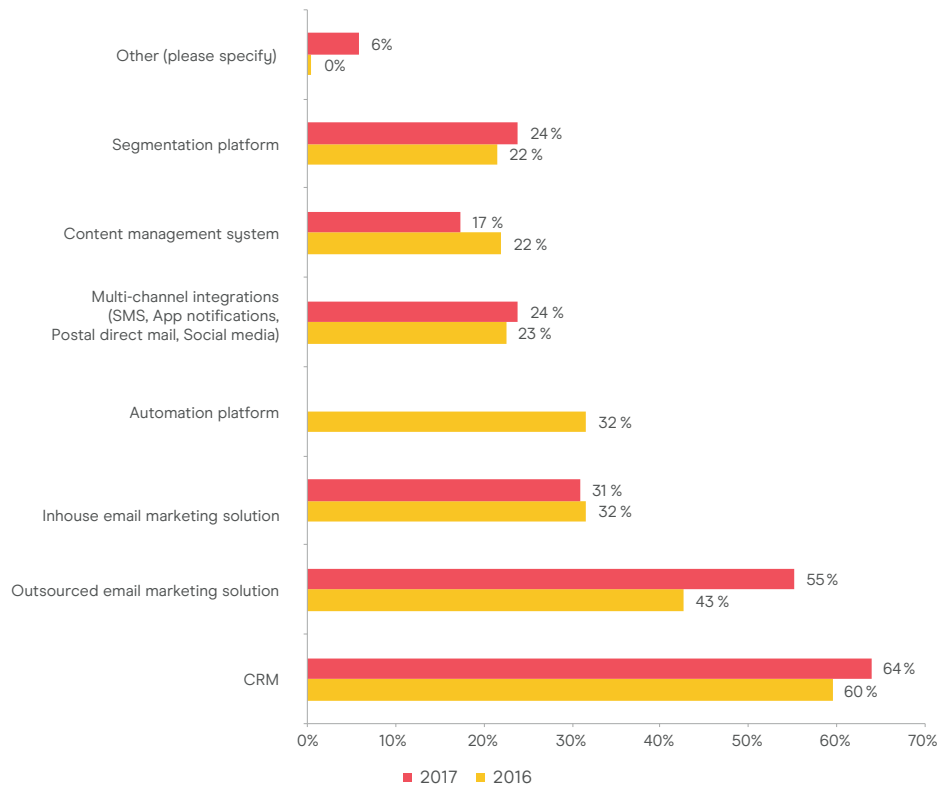
These figures are backed up by the finding (below) that almost half of organisations (47%) test under a quarter of the emails they send, up 7% year-on-year. Potentially meaning this lack of testing practice having a knock on effect on marketers' perception of competence.

However, there is a small group also moving in the opposite direction, with one in ten (9%) now rating their organisations' email testing ability as advanced and one in five (19%) claiming to test over three-quarters of their email. So this may be a polarisation in practice within organisations rather than an issue of ability among marketers.

How often does your organisation conduct email testing?



Which of these technologies do you involve in your email marketing programmes?

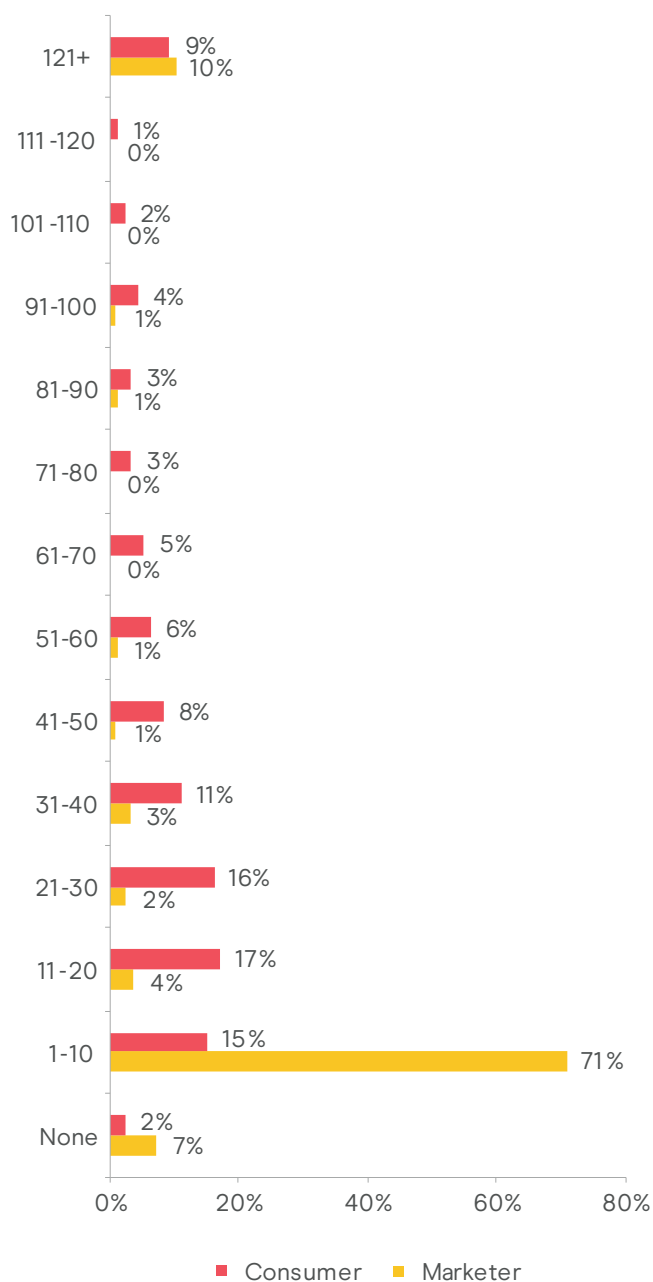


CRM systems (60%) and outsourced email marketing technologies (43%) remain the most often integrated technologies when it comes to email. The latter has seen a drop of 12% since last year, although the addition of 'automation platform' as an option and the near third of respondents (32%) selecting it goes some way to explaining this reduction. Despite growing concerns about them being outdated, in-house email solutions remain the choice for 32% of marketers, alongside a new addition this year in 'automation platforms'.

/ Customer contact

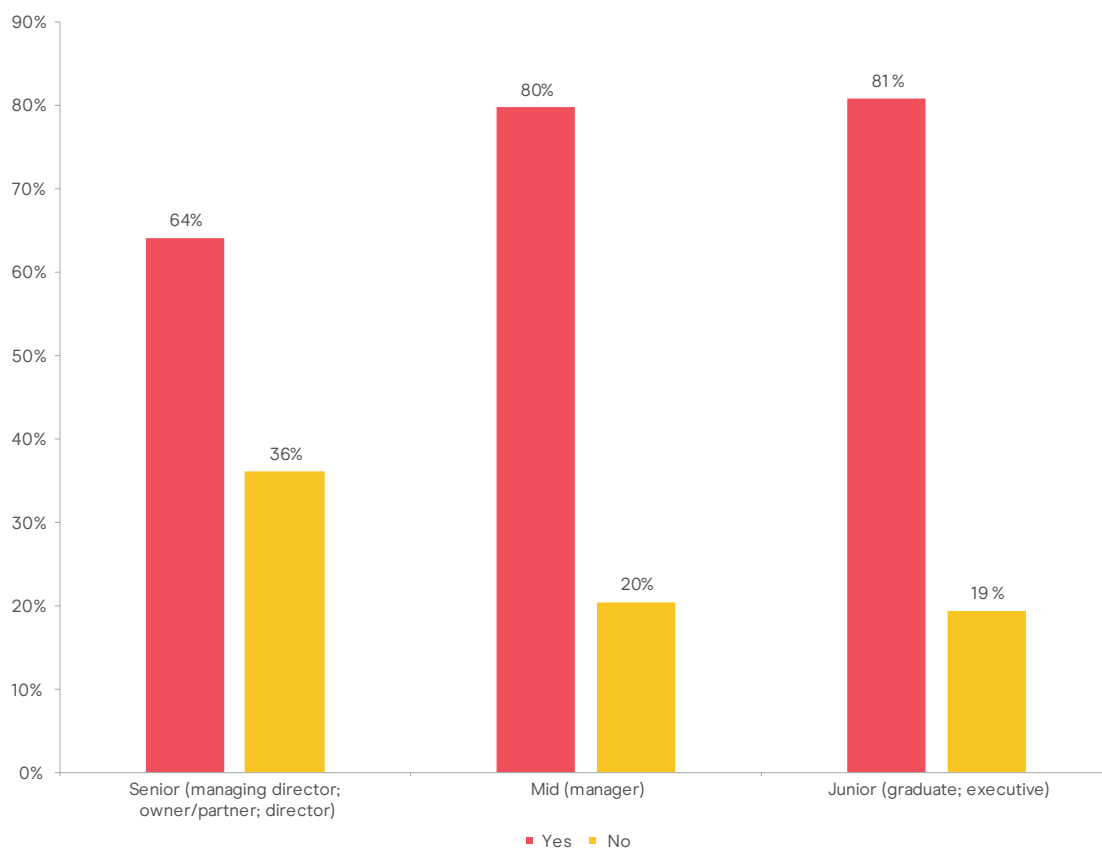
The number of emails sent, compared to how many consumers believe they receive, and whether marketers believe there should be a general rule for the frequency of customer contact, is all covered in this section. As well as which other marketing channels marketers see working best with their email programmes.

How many emails do marketers send and consumer receive on average each week?



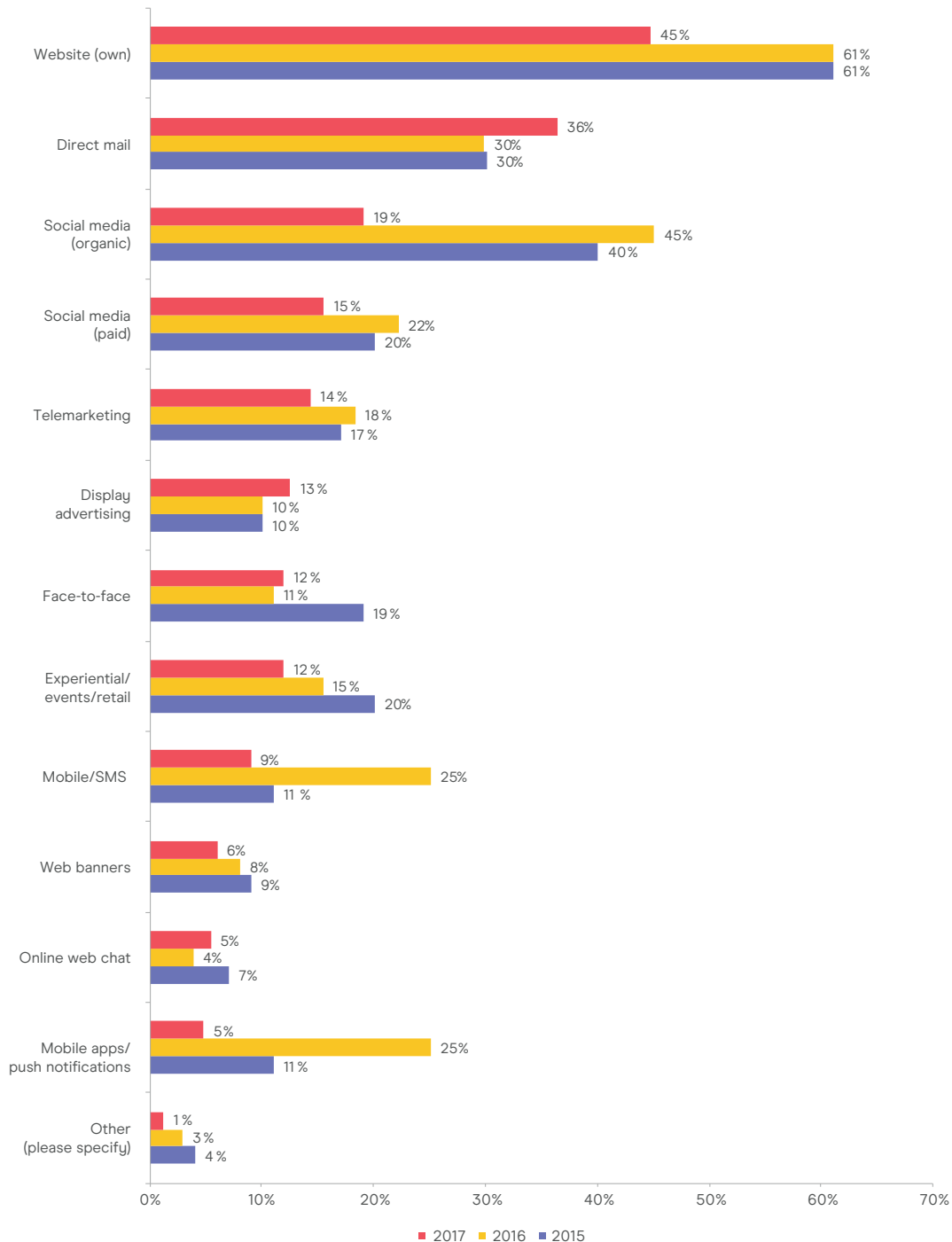
On average, consumers believe they receive around 44 emails per week from brands, which is double the 21 that marketers believe they send. The most notable disparity is that 71% of marketers report only sending an email to their mailing list between 1-10 times per week. However, when we factor in that consumers sign-up, on average, to receive marketing from 12 brands this disparity is less surprising (according to data from the [Consumer email tracker 2017](#) report).

Do you think there should be a frequency of contact rule generally?



A surprisingly high number of email marketers (77%) believe there should be broad rules around the number of times they contact a customer, although this is also felt least strongly by those in senior positions (64%).

Considering your contact strategy, which channel(s) integrate with email most effectively to realise your campaign objectives? (Select up to three choices)

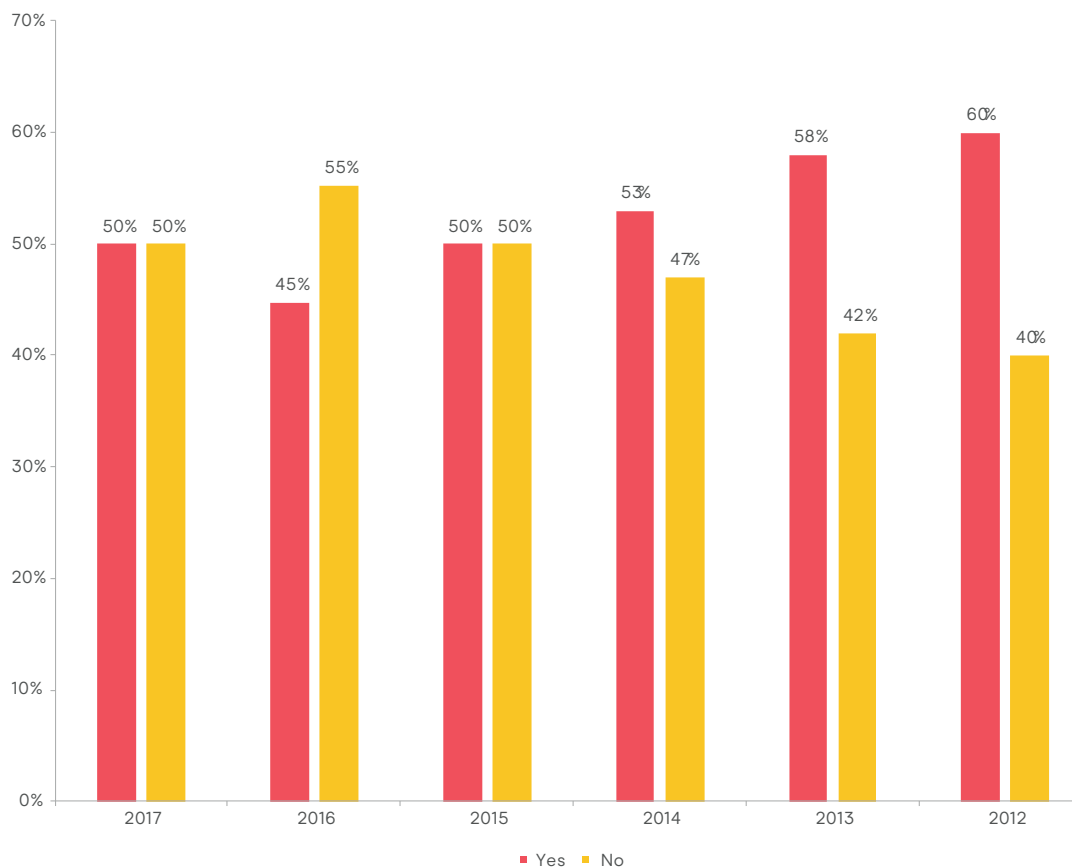


Despite a marked decline, nearly half of marketers (45%) still say email works best with their own website, followed by direct mail (36%). Another notable decline this year is in those seeing integrations with social media paying dividends, whether it's organic (19%) or paid (15%) – although these are still slightly ahead of a range of other channels.

/ ROI & measurement

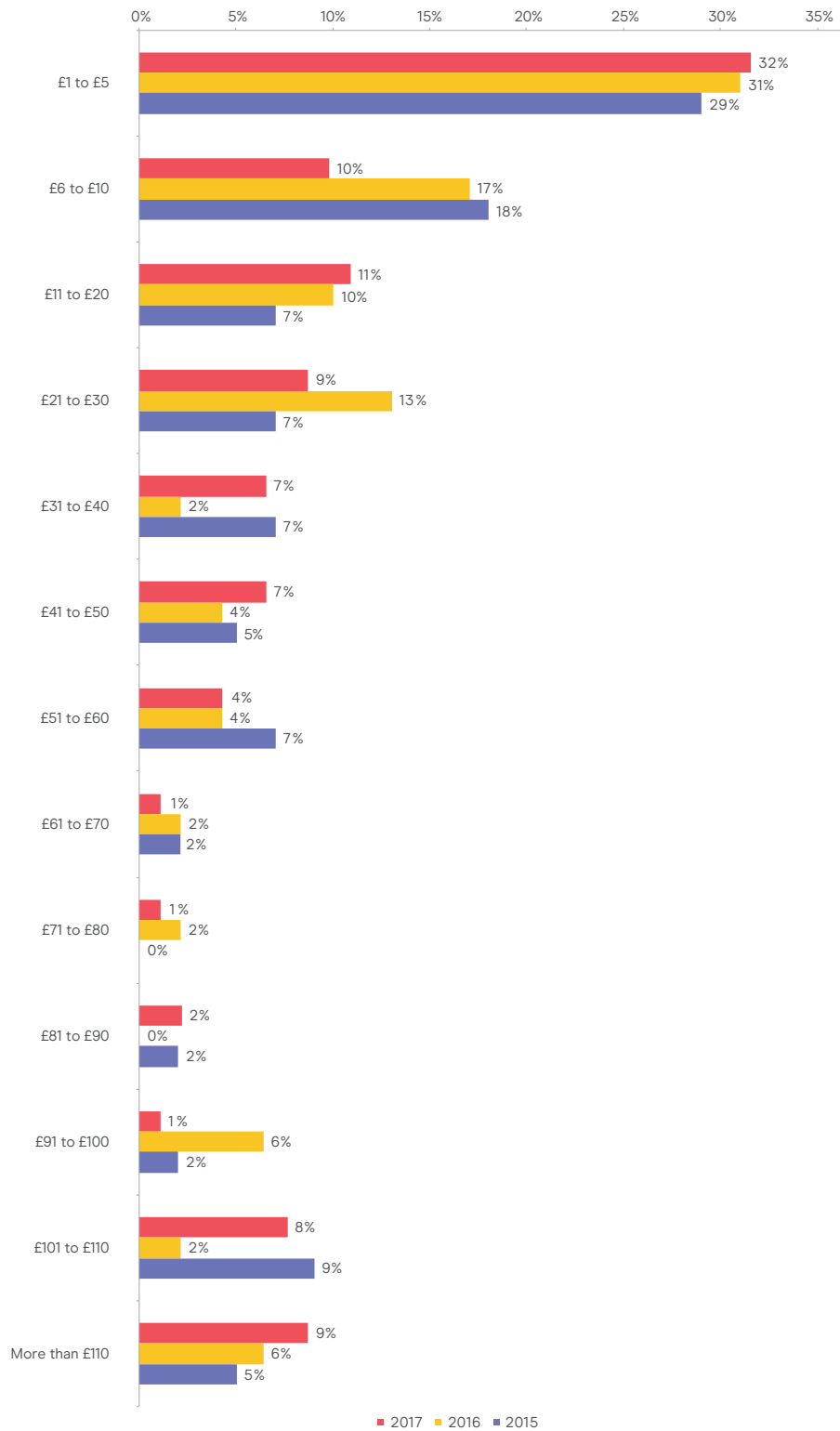
Whether it's through return on investment or a host of other available metrics, measuring the success of email campaigns is key. In this section, we look at how marketers believe email is measuring up and the metrics they're using to judge the channel.

Is your organisation able to calculate the value or return generated from your email marketing programmes?



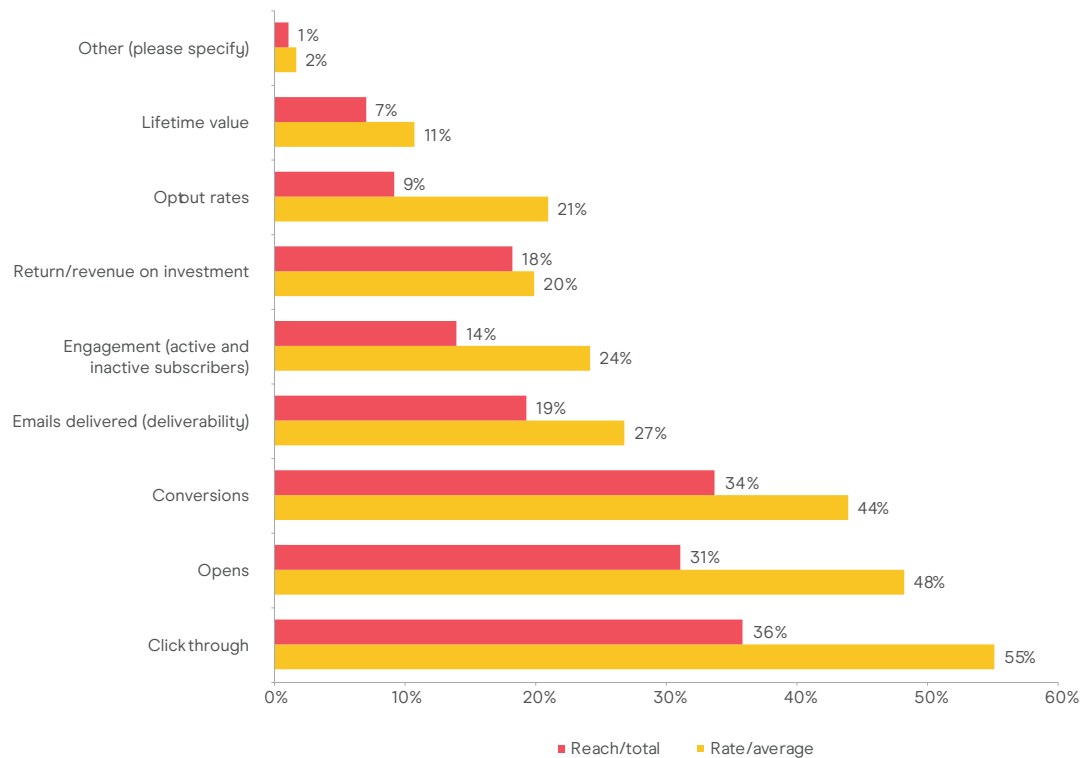
Despite a steady decline in the number organisations able to calculate ROI since 2012, this year could be the stemming of the tide. Whether marketers feel more confident in the technologies used to track these metrics or if they are now more confident their organisation is actually calculating them correctly, the balance between those that can and can't is now even. The calculation of ROI is also clearly connected to the portion of marketing budget email can command, so the ability to equate this is key to explaining the channel's position to senior executives.

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



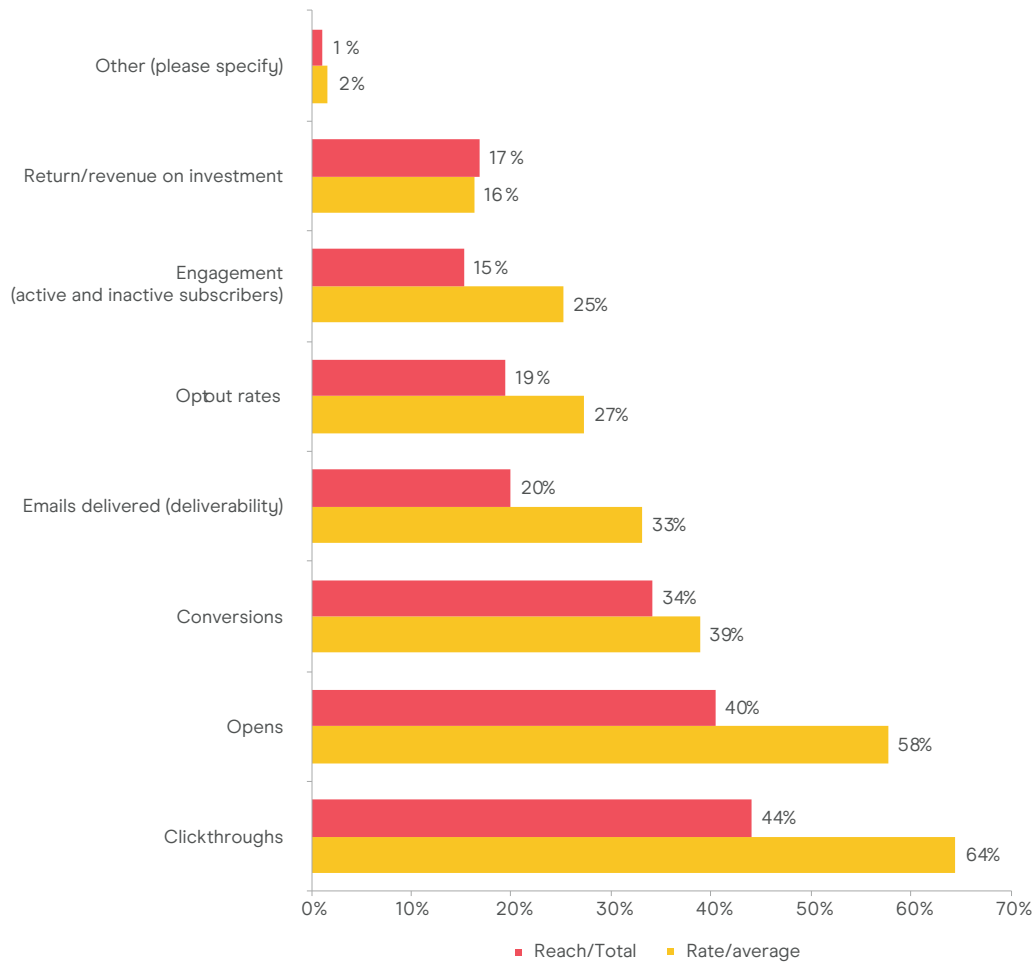
This potentially renewed confidence in calculating ROI is reflected in the estimated average of £32.28 this year for every £1 spent, up from £30.03 last year.

What are the three key metrics you use to evaluate the effectiveness of your email marketing efforts/campaign?



Despite the half of marketers that can now calculate ROI, it seems far less are using this as the key metric to evaluate their email activity, whether that's for campaigns or individual emails (below). When judging email campaigns, marketers still tend to revert to using rates or averages over absolute numbers, with click-throughs (55%), opens (48%) and conversions (44%) leading the way.

What are the three key metrics you use to evaluate the effectiveness of an individual email?



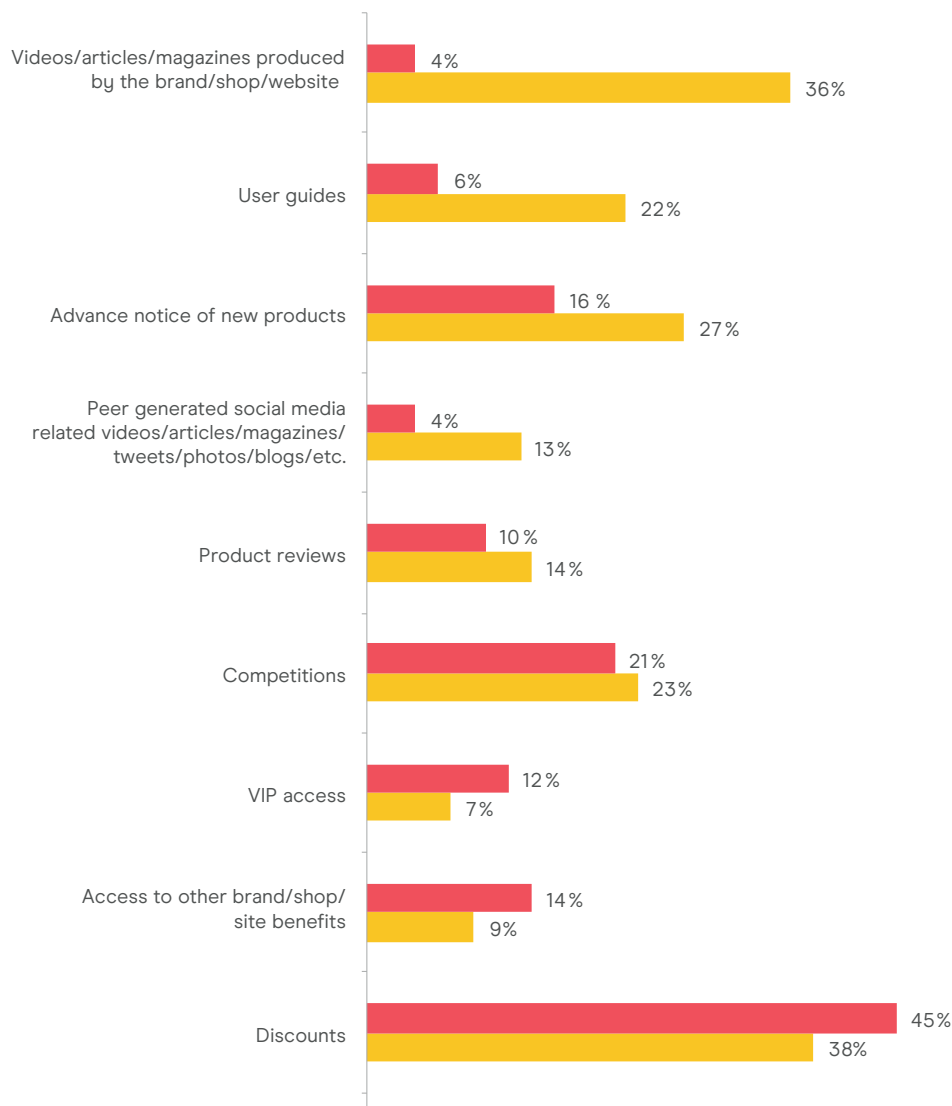
The same pattern is seen in the analysis of individual emails, although there is a slight increase in the use of reach or total figures on these smaller activities.

/ Effective content

In this section, we look at the email content that helps brands achieve their objectives and drive customers to sign-up, from the perspective of both the marketer and the consumer.

Overall, this year marketers' report that discounts (38%) and content from the brand (36%) – such as articles, magazines or video – help them to achieve their campaign objectives. These two leaders are followed by an advanced notice of new products (27%), competitions (23%) and user guides (22%). Highlighting just how much customers want content from the brands they chose to follow, whether it's written, video, new products or guides on how to use the products and services the brand has to offer.

What types of email message/content help marketers achieve their email campaign objectives and which do consumers like to receive?

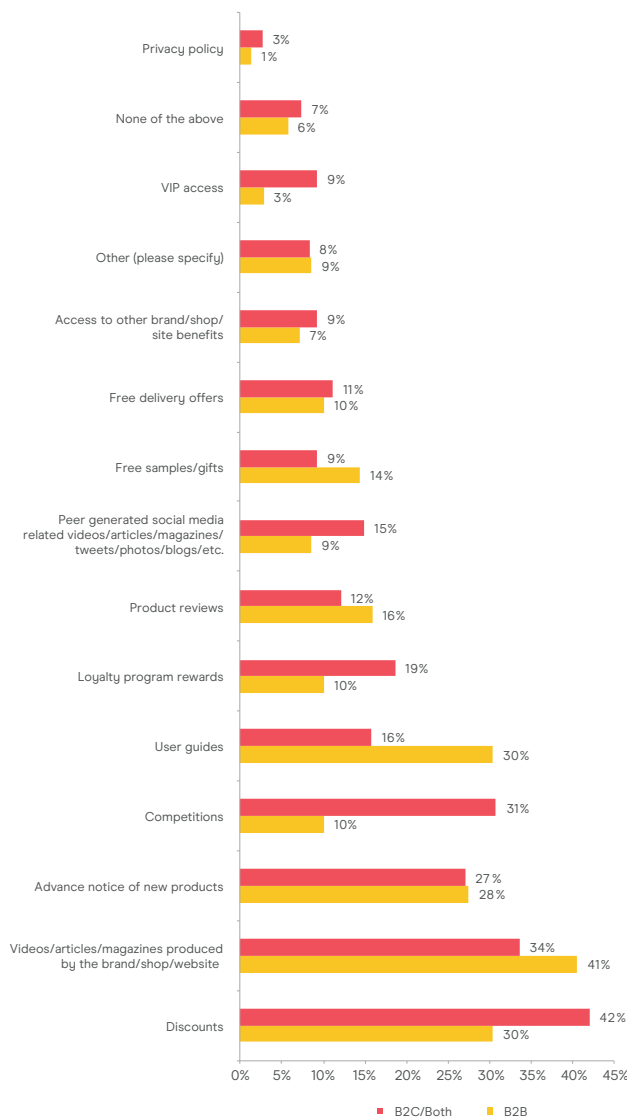


The perspective from marketers contrasts sharply with what consumers report they like receiving. The graph above highlights the widest disparity is around offering free delivery or samples/gifts, although it's important to note that most consumers would naturally like 'something for nothing' from a brand they like.

The opportunities for marketers may be in utilising loyalty schemes more, with 30% of consumers interested and half this number of marketers reporting utilising this currently. Another important area for marketers to note in the light of the incoming GDPR legislation is that 15% of consumers believe a brand's privacy policy is important, so while it may not be an opportunity for brands proactively it could be a risk if not handled correctly.

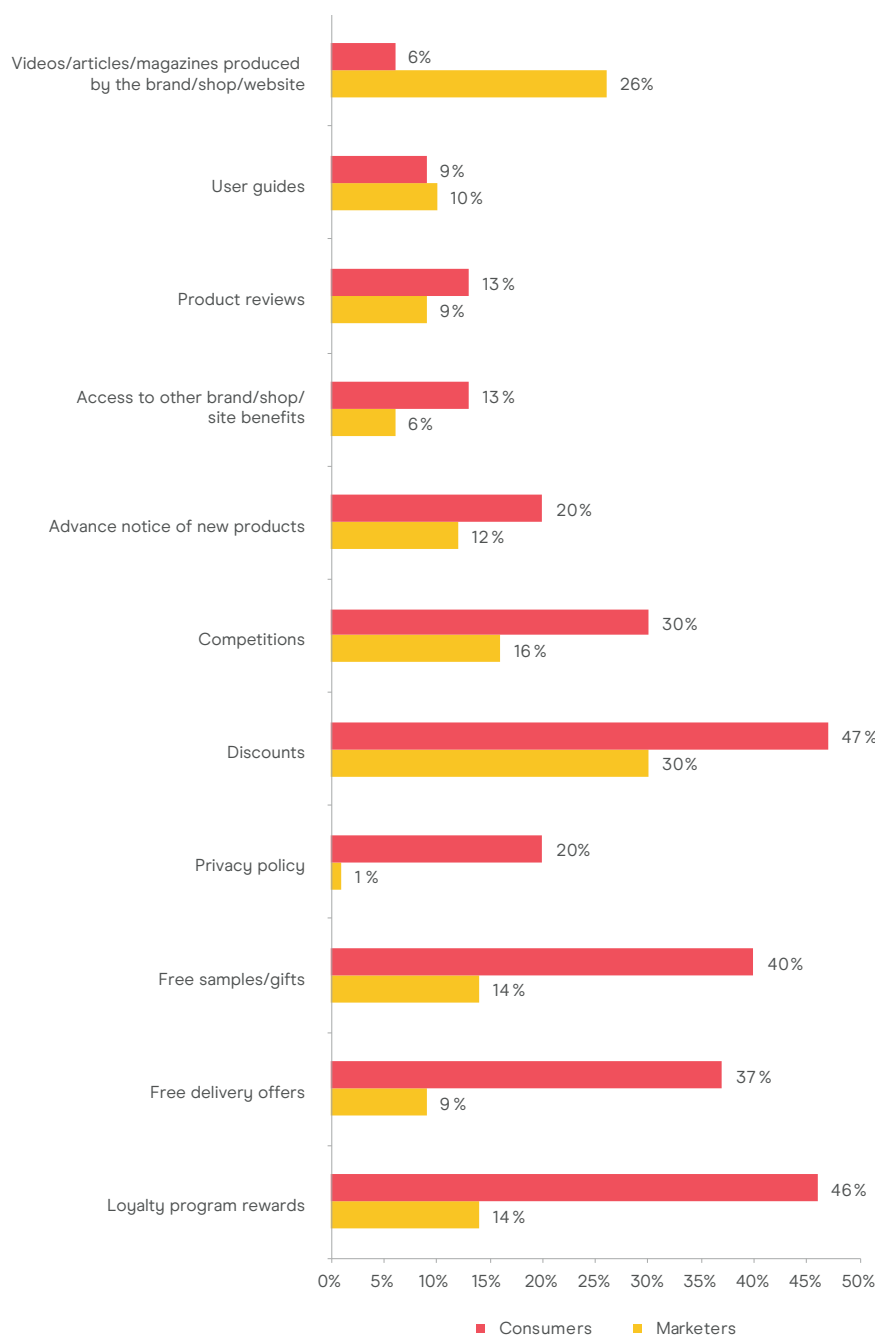
Despite many consumers reporting little interest in brand content – whether it's articles, new product updates, reviews, social content or user guides – most marketers still see these as the most successful types of message to send consumers.

What types of email message/content helps you to achieve your email campaign objectives?



When we look at the results for B2B marketers and those in B2C or both, the findings are markedly different. In B2B, brand content is king, with articles/magazines/videos from the brand leading the way (41%), user guides (30%) and product reviews (16%). In addition, discounts (30%) and early notification of new products (28%) are still popular too. However, for those marketing to consumers, it's discounts that lead the way (42%), followed by brand content (34%), competitions (31%) and new product updates (27%), with loyalty program rewards (19%) rising into the 5th most successful type of content.

Which are the most effective in encouraging consumers to sign-up to receive emails and which do consumers prefer?

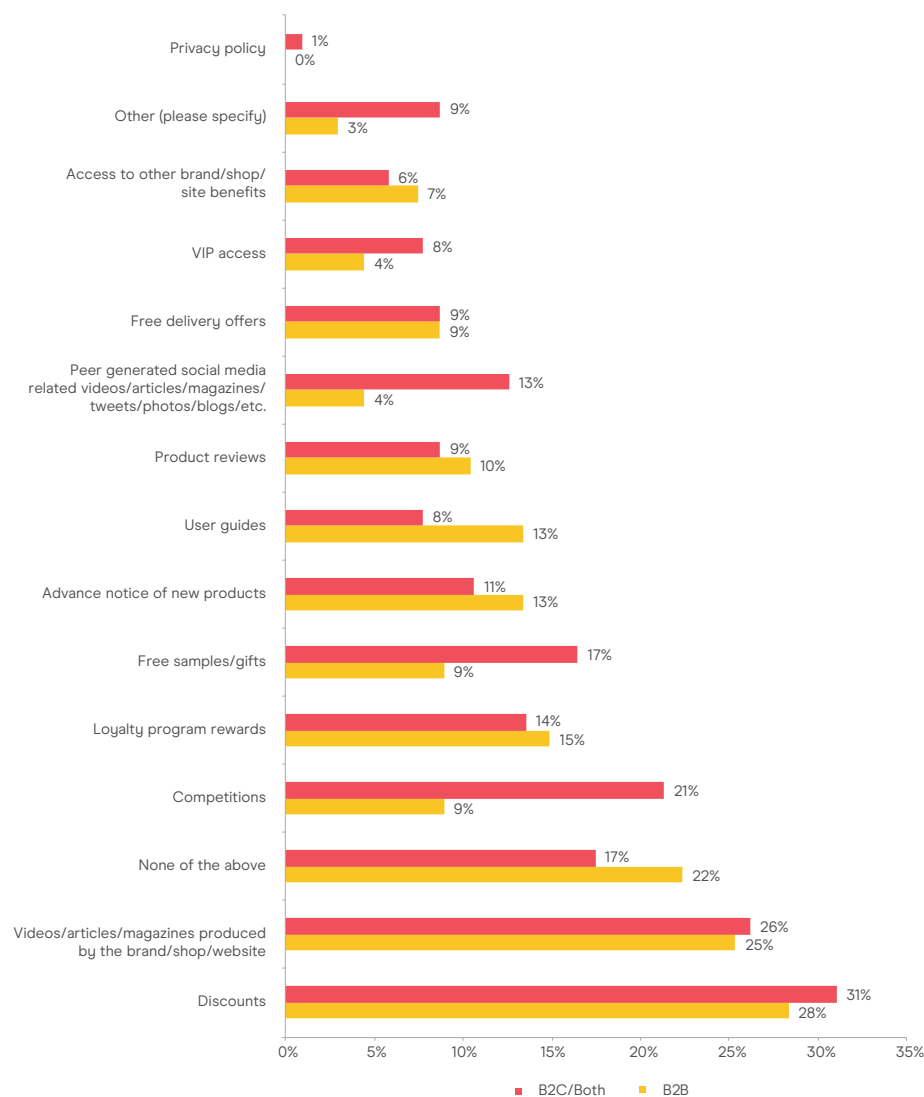


A similar pattern emerges when we look at the content that marketers see as successful in encouraging consumers to sign-up to receive emails, with discounts (30%) and content from the brand (26%) leading the way. This time followed by competitions (21%), loyalty program rewards (14%) and free samples/gifts (14%). However, more concerning may be the almost one in five (19%) marketers who reported that none of the content options listed was effective.

From the consumer perspective, they again would clearly like to receive something in exchange for their personal data, with clear opportunity around loyalty and potential risk if the brand’s privacy policy is not up to par.

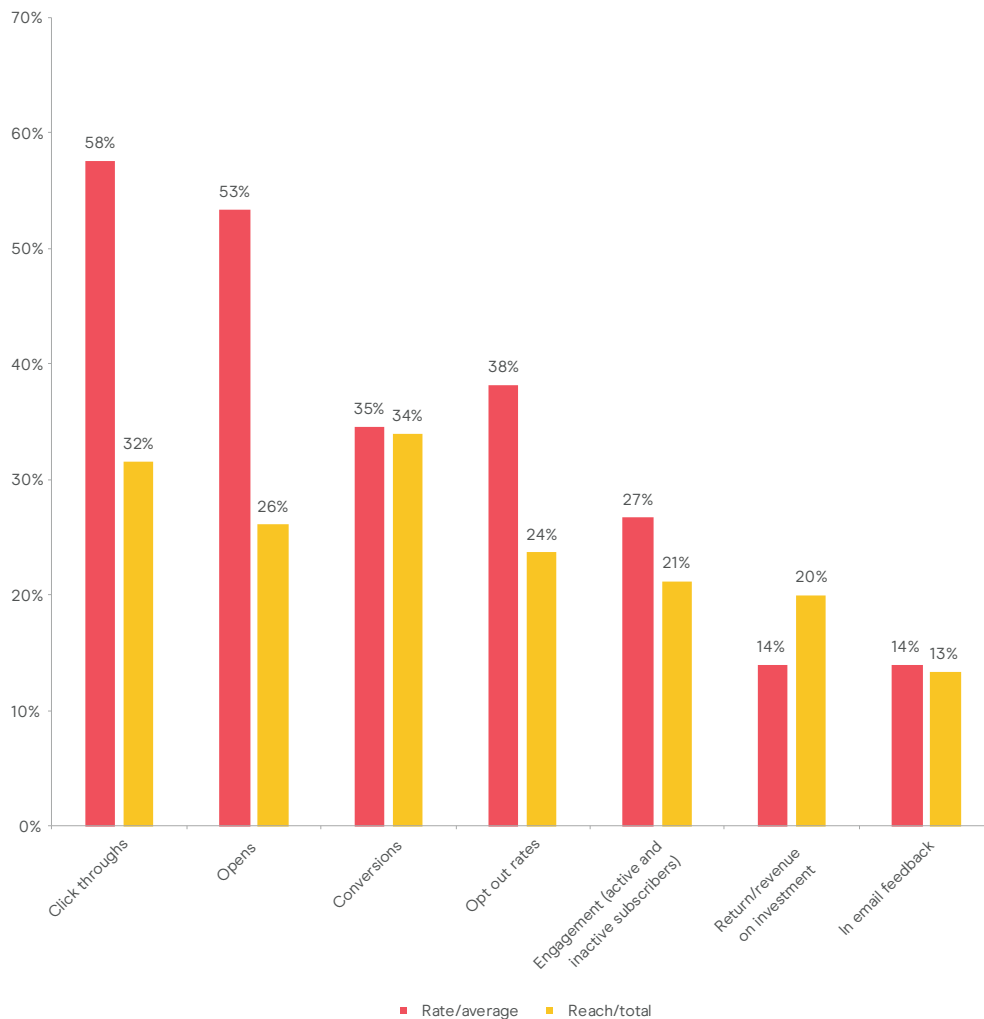
Competitions also appear to offer further opportunity to drive customers to sign-up, with 30% of consumers liking this content while only 16% of marketers appear to be successfully utilising it.

Considering your email marketing programmes, which are most effective in encouraging consumers to sign-up for your emails?



Comparing B2B marketers to their consumer-facing counterparts offers a similar story again, with the former seeing discounts (28%) and brand content (25%) as most important in their field. For those in B2C or a combination of the two, discounts (31%) is the big winner along with brand content (26%) and competitions (21%).

When monitoring or tracking the relevance of your emails to customers, which of the following metrics do you use?



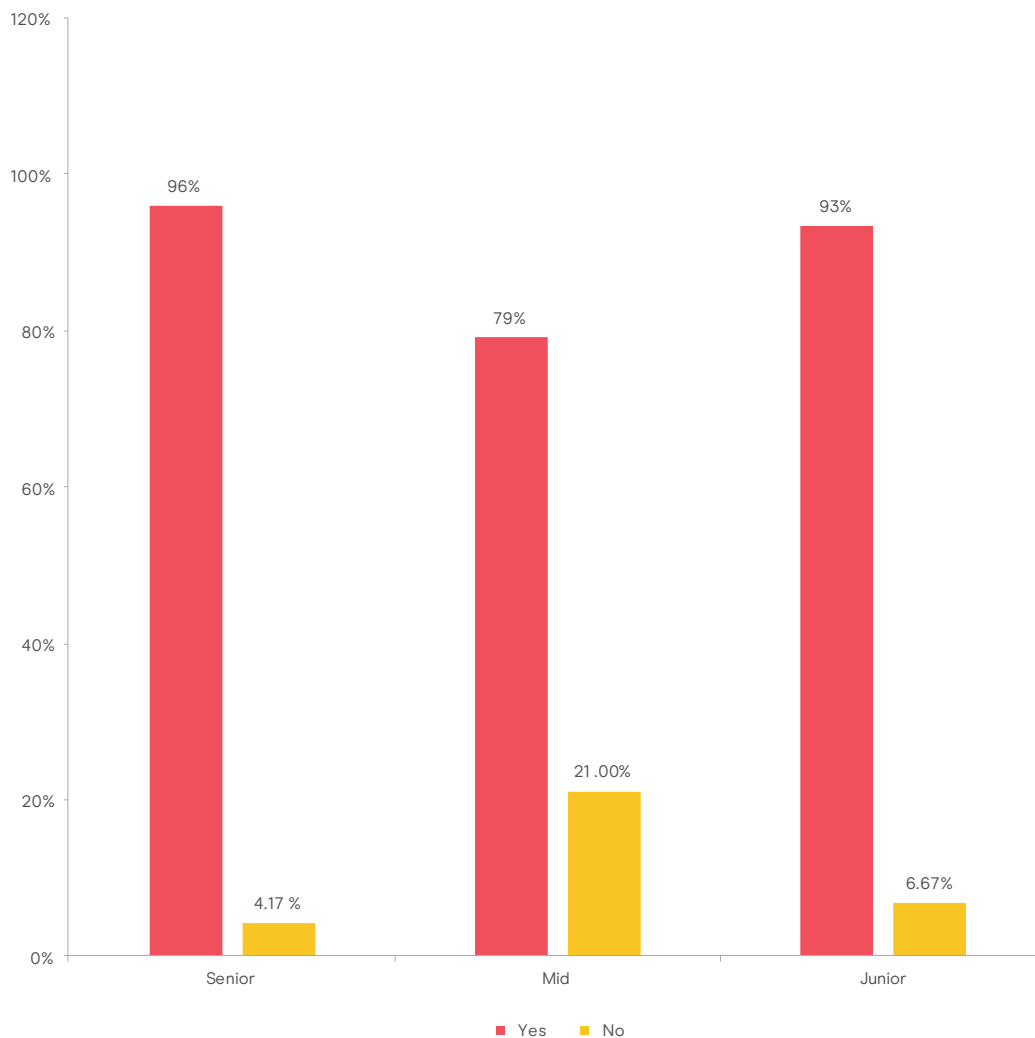
Understanding the relevance of any email content to an audience is clearly important to understand what is and isn't working, but the metrics marketers are using to do so vary greatly. The majority tend to focus on rates and averages rather than metrics that give reach or total values. Over half focus their attention on click-through rates (58%) and open rates (53%). Opt-out rates (38%) and conversion rates (35%) are also important, although the latter is where total figures start to become important for marketers – 34% using the total figure.

Conversions (34%), click-throughs (32%) and opens (26%) are the metrics most commonly measured using reach or total figures (rather than averages), highlighting that the actions most marketers are measuring within email remain the same no matter the numbers they are using to judge success.

/ Segmentation & unsubscribes

The ability to target specific parts of your audience with the right content at the right time is one of the core tenets of direct marketing, but does this mean all organisations can and do segment their emails? In this section, we find out and also look into how brands handle consumers unsubscribing.

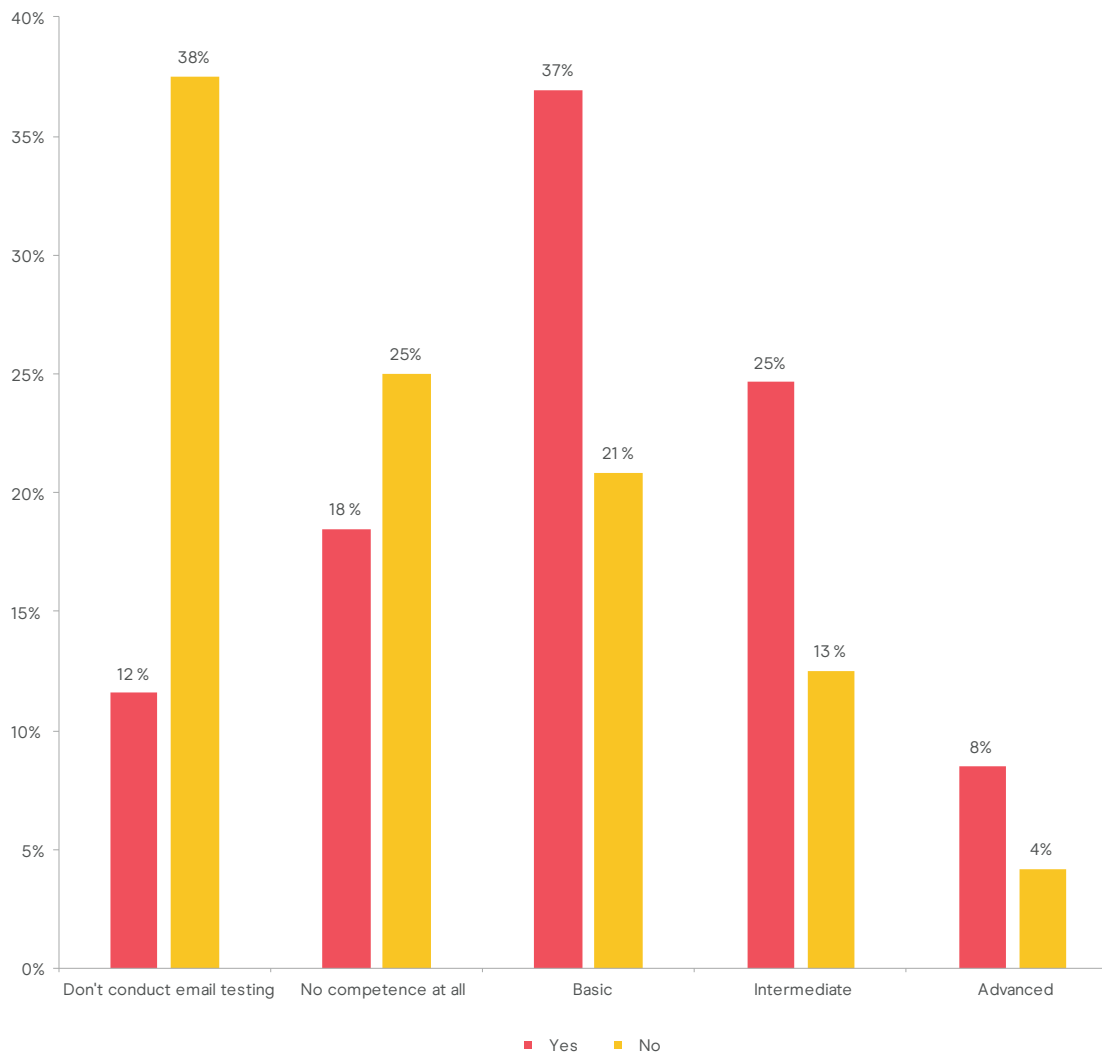
Does your organisation segment its email list, based on either explicit or implicit data, to target specific customer groups or traits?



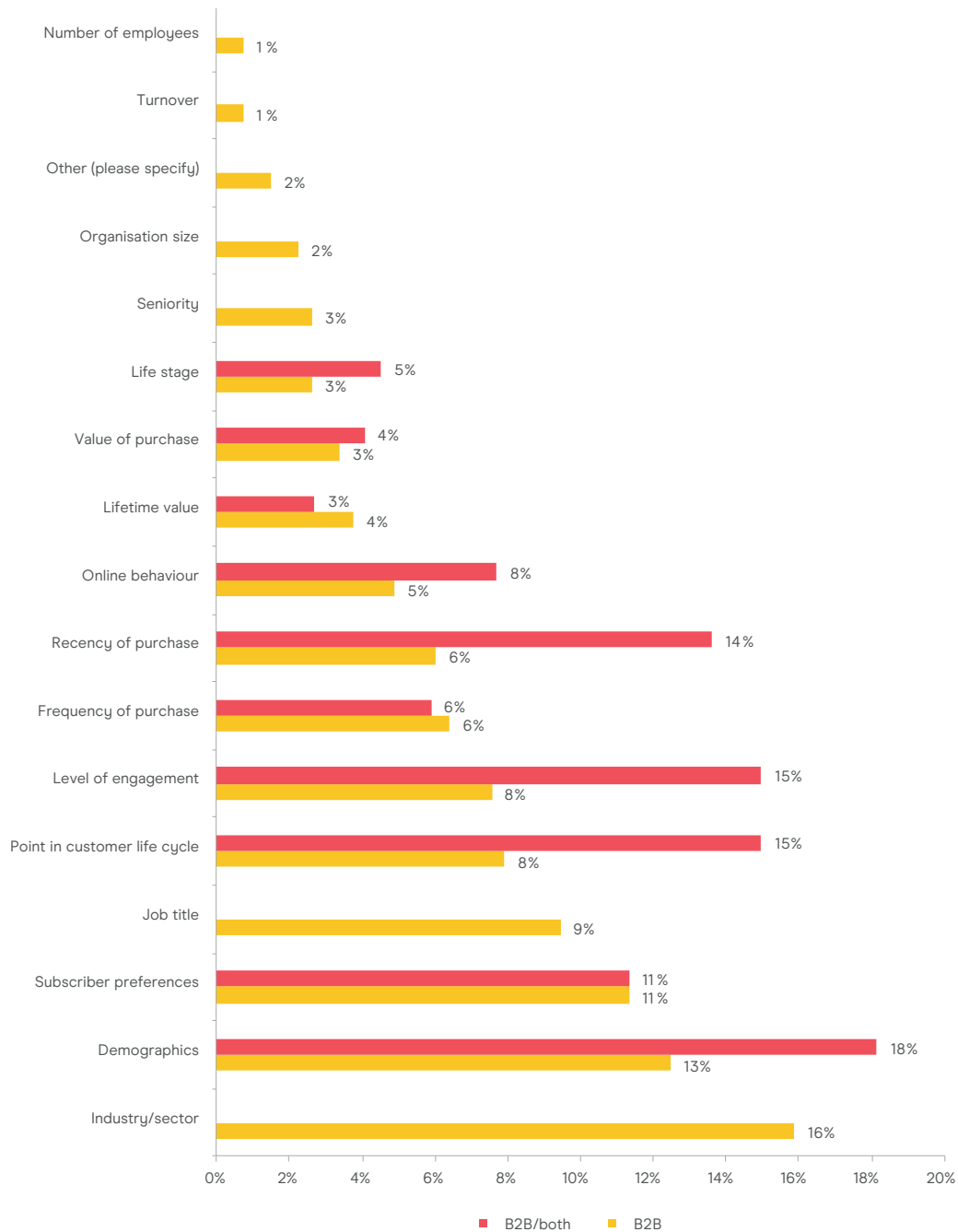
The majority of marketers are able to segment their audience when contacting them via email (84%), with the most marked difference coming when we asked mid-level marketers – one in five of whom (21%) thought their organisation wasn't capable of this.

Analysing the use of segmentation against marketers' perceived competence of their organisation when it comes to email testing, there was also a correlation between those not segmenting with a low competence or no testing at all (below).

How would you rate your organisation's overall level of competence in email testing and does your organisation segment its email list to target specific customer groups or traits?



What are the three key segments or types of data you use in your email marketing programmes? (Select up to three choices) – B2C/Both



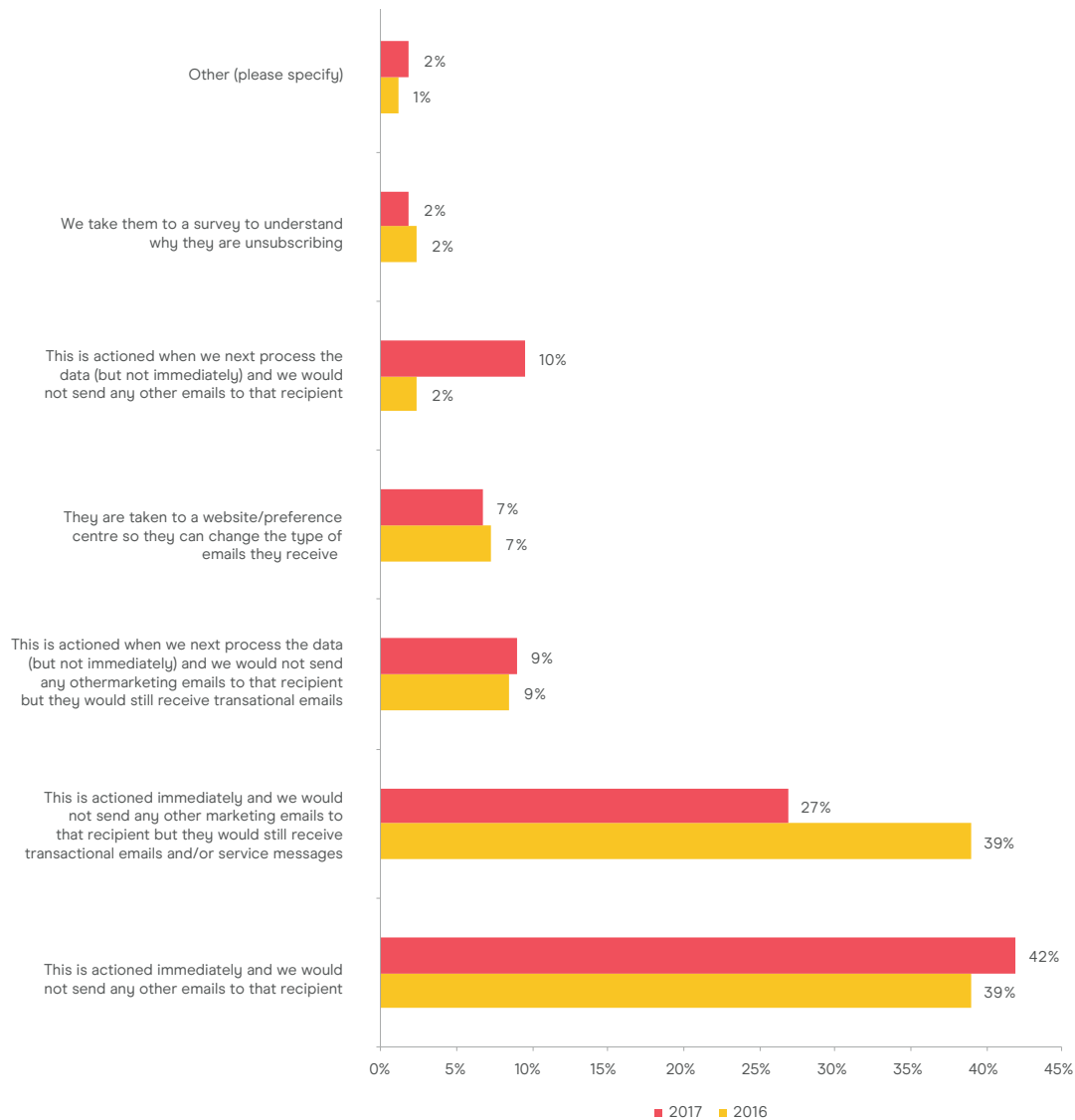
The types of data used by marketers targeting businesses and consumers clearly varies, but less than some may think, with demographic data, point in customer lifecycle and level of engagement important for both. However, for B2B marketers there is a wider variety of data used, starting with simply the industry or sector the customer is in (16%).

This is then followed by demographics (13%), subscriber preferences (11%), job title (9%), point in customer life cycle (8%), and level of engagement (8%).

In consumer-based marketing, however, the focus is very much on demographics (18%), point in customer life cycle (15%) and level of engagement (15%). Followed by recency of purchase (14%) and subscriber preferences (11%).

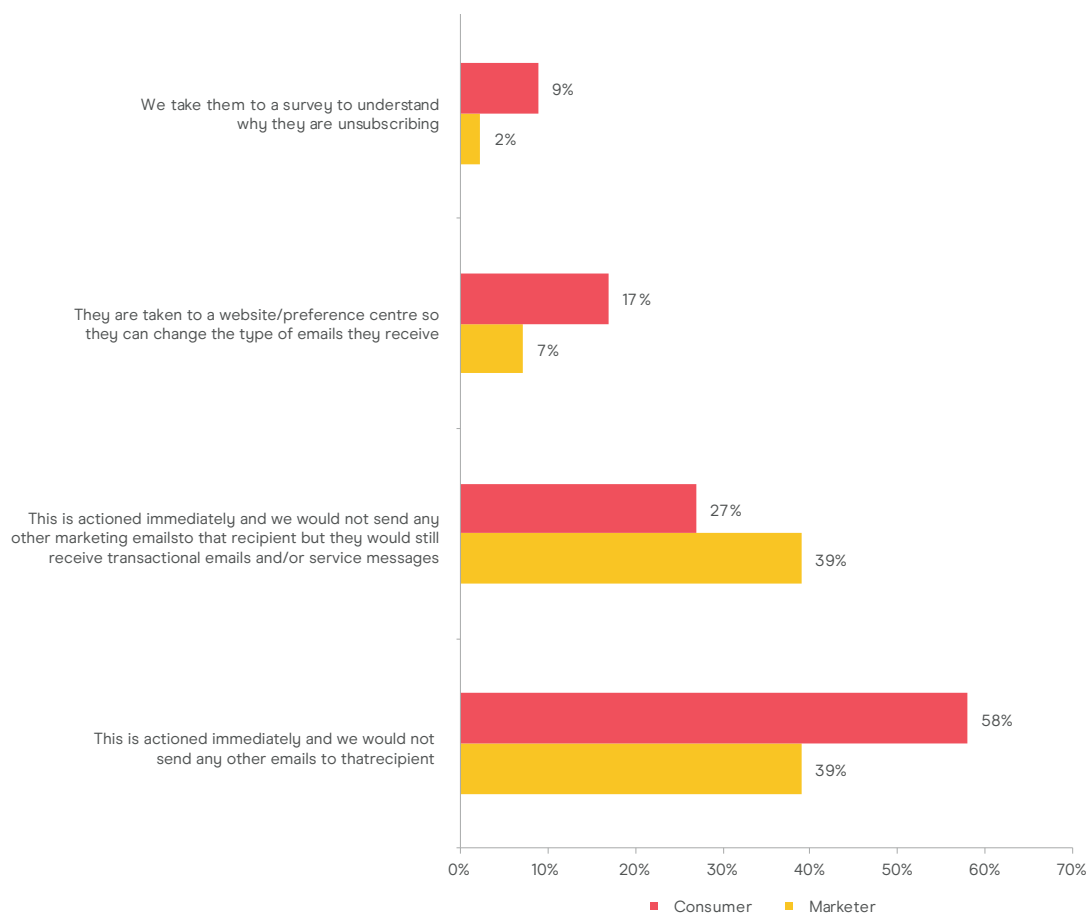
Although this focus on three key areas could also be a by-product of B2C marketers simply not having the same types of data available to differentiate their audience as there are in B2B, like industry sector or job title.

When a customer unsubscribes from your organisation's emails, what happens next?



The vast majority of marketers (78%) are now taking action on unsubscribe requests immediately, with those aware they may still be able to contact consumers with transactional emails rising by 12% since last year. Most of this rise is reflected in the decline in those that are waiting for the next opportunity to process email data before taking action, which reduces from 10% in 2016 to just 2% this year. One explanation for the changes may well be connected to the awareness of GDPR and better understanding the rules around unsubscribes.

What happens when a customer unsubscribes from an organisation's emails and what consumers expect to happen?



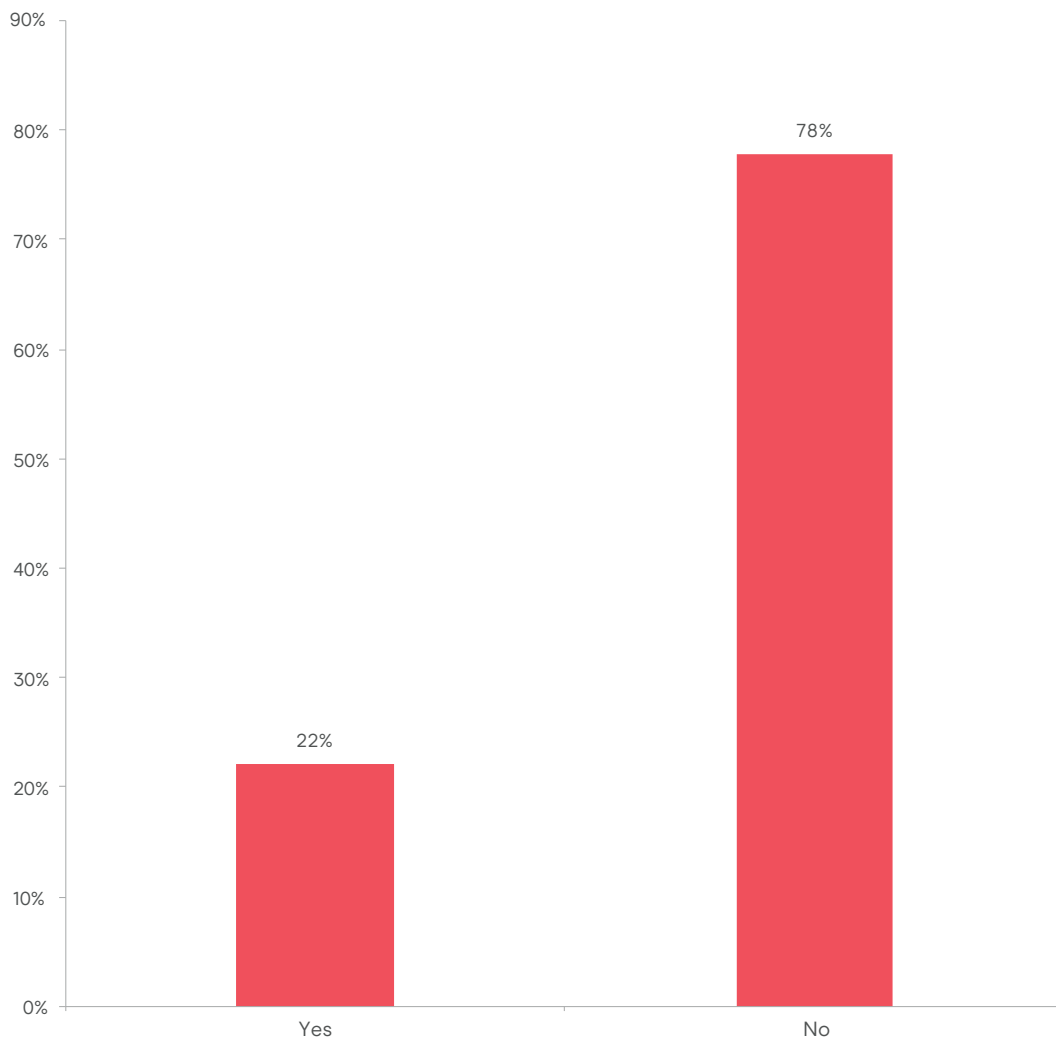
Over half of consumers (58%) expect to never hear from marketers again if they hit unsubscribe, according to this year's [Consumer email tracker 2017](#), with a further quarter (27%) understanding they may still receive transactional emails from the brand. This means that consumers are broadly receiving the immediate experience 85% of them want, with 78% of marketers agreeing.

There is an opportunity for brands to understand more about why a customer is unsubscribing that is potentially being overlooked though, with 17% of consumers expecting to be referred to a preference centre and 9% ready to take a survey to explain themselves. However, just 7% and 2% of organisations appear to be offering these options to consumers currently, according to marketers.

/ Lifetime value

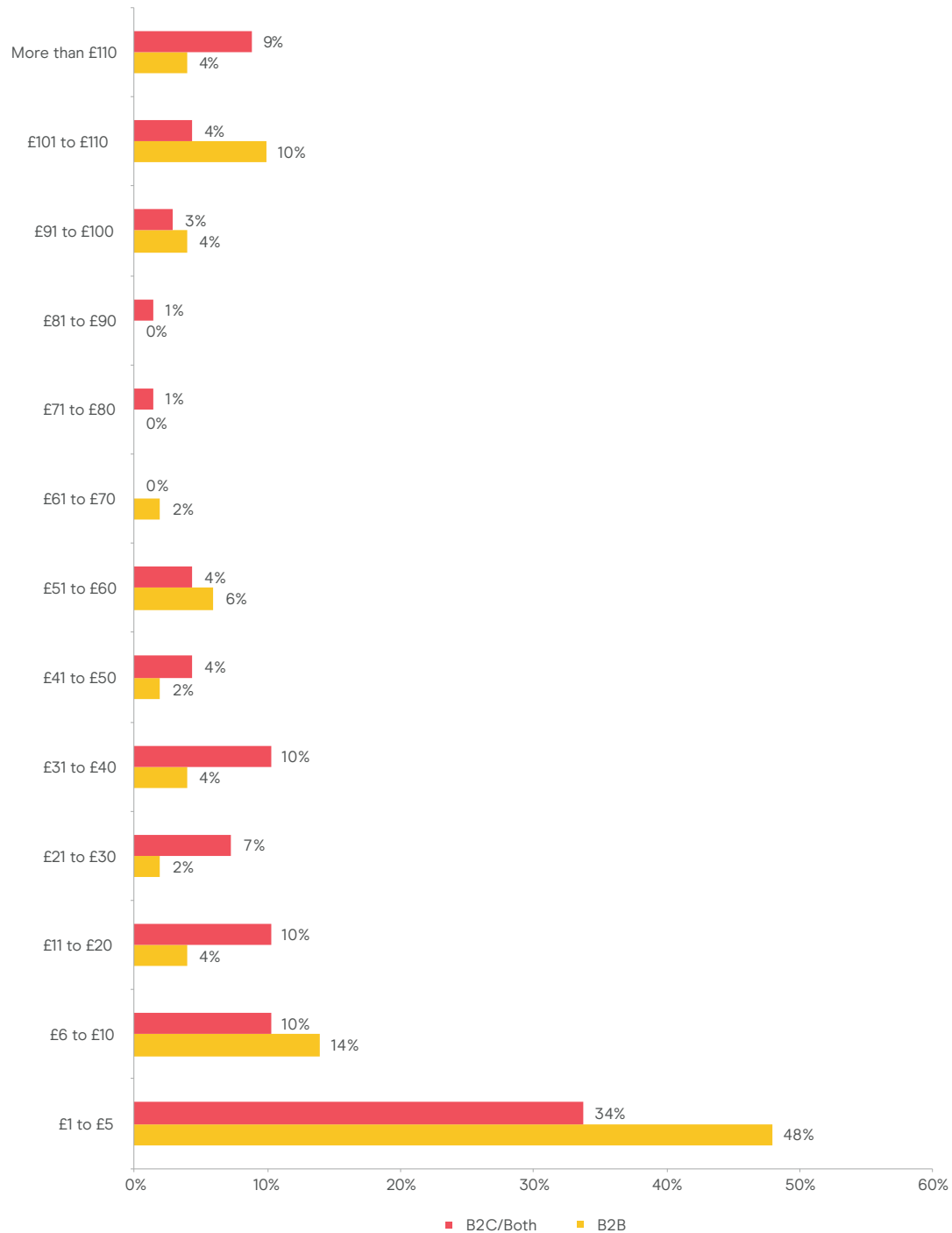
This year's report asked marketers to go beyond simple ROI metrics and asked about the longer-term value of the customers on their email list. Whether they were currently able to calculate it and how much value they place on each email address they have in their database.

Is your organisation able to calculate the value of each email address on your database?



In all, just 22% of organisations are currently able to equate individual email addresses they hold to a value, with the majority not able to. For B2B organisations this was slightly higher, at 25%, leaving consumer-facing organisations at just 19% able to calculate a long-term value of a customer's email address.

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



For those marketers able to calculate a value for the individuals on their email list, this worth varied quite substantially, with over half (52%) at £10 and under, while 14% reported this was over £100. This led to an average of around £28.56, but when looking specifically at those in B2B surprisingly this falls to £26.66, while it rises for those in purely B2C to £31.36 (those working in both fall back to around the average at £28.80).

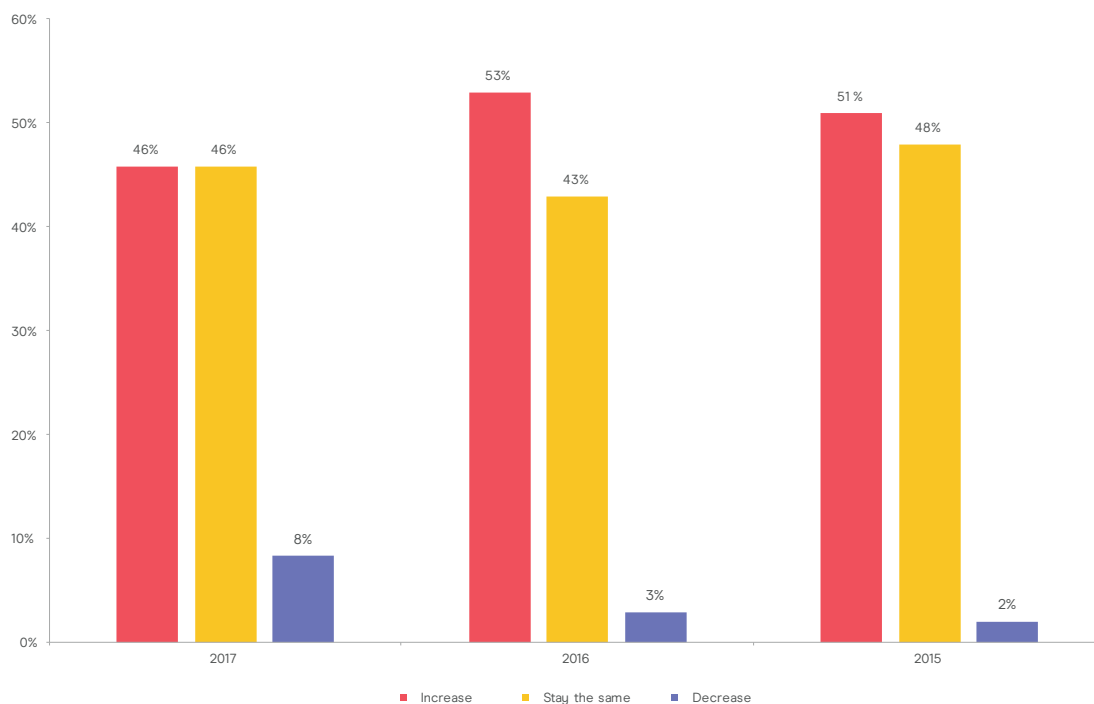
Looking at the differences between the value placed on an email address by B2B and B2C organisations, it's clear that B2B organisations are polarised, while consumer-oriented marketers are more varied. This could also be down to the sectors involved, for example, retail marketers valued an email at £23.44, but those working in financial organisations have a much higher estimate (£31.36) and those in tech or telco businesses much lower (£11.84).

However, it should be noted that with such a low proportion of respondents confident in their ability to equate this figure may mean they are skewed by over- and under-estimations. This is highlighted by the disparity between 52% estimating an email address is worth £10 or less to their business, while 14% believe this to be over £100.

/ Expectations

Marketers' views on the future for email remain positive, although tempered slightly more this year potentially due to the prospect of new legislation and concerns about the impact it will have on existing email databases.

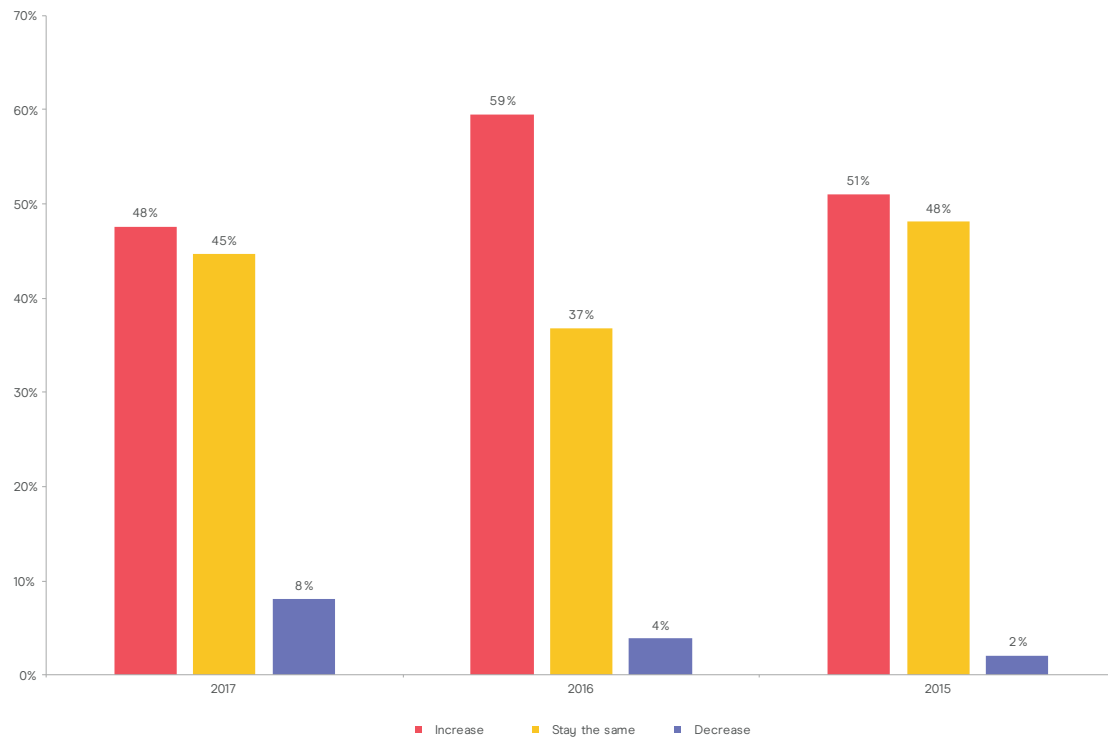
Looking forward, how would you expect your organisation's email marketing budget to change over the next 12 months?



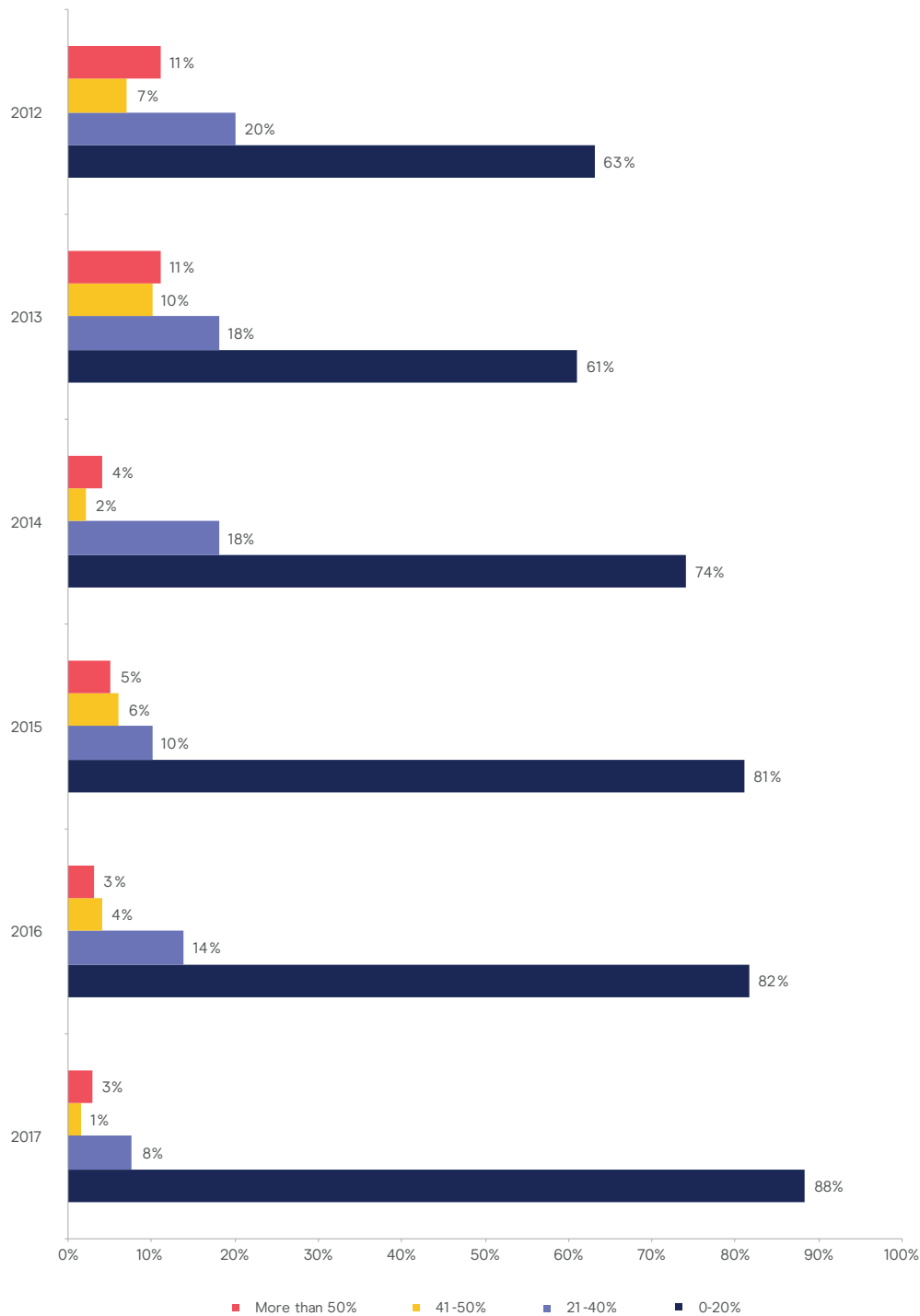
When asked about how they expected email marketing budgets within their organisations to change in the next year, 46% still expected these to increase – down from 53% in 2016. Potentially concerning is also the growth in those expecting budgets to decrease doubling year-on-year from 3% to 8% in 2017.

This could be down to an expectation from the same proportion of marketers (8%) that costs will actually reduce in the coming year (below). The majority believe this will not be the case and that costs will remain the same (45%) or increase (48%), although the latter is down significantly from the 59% believing charges would increase in 2016.

How do you expect your costs for email marketing to change over the next 12 months?

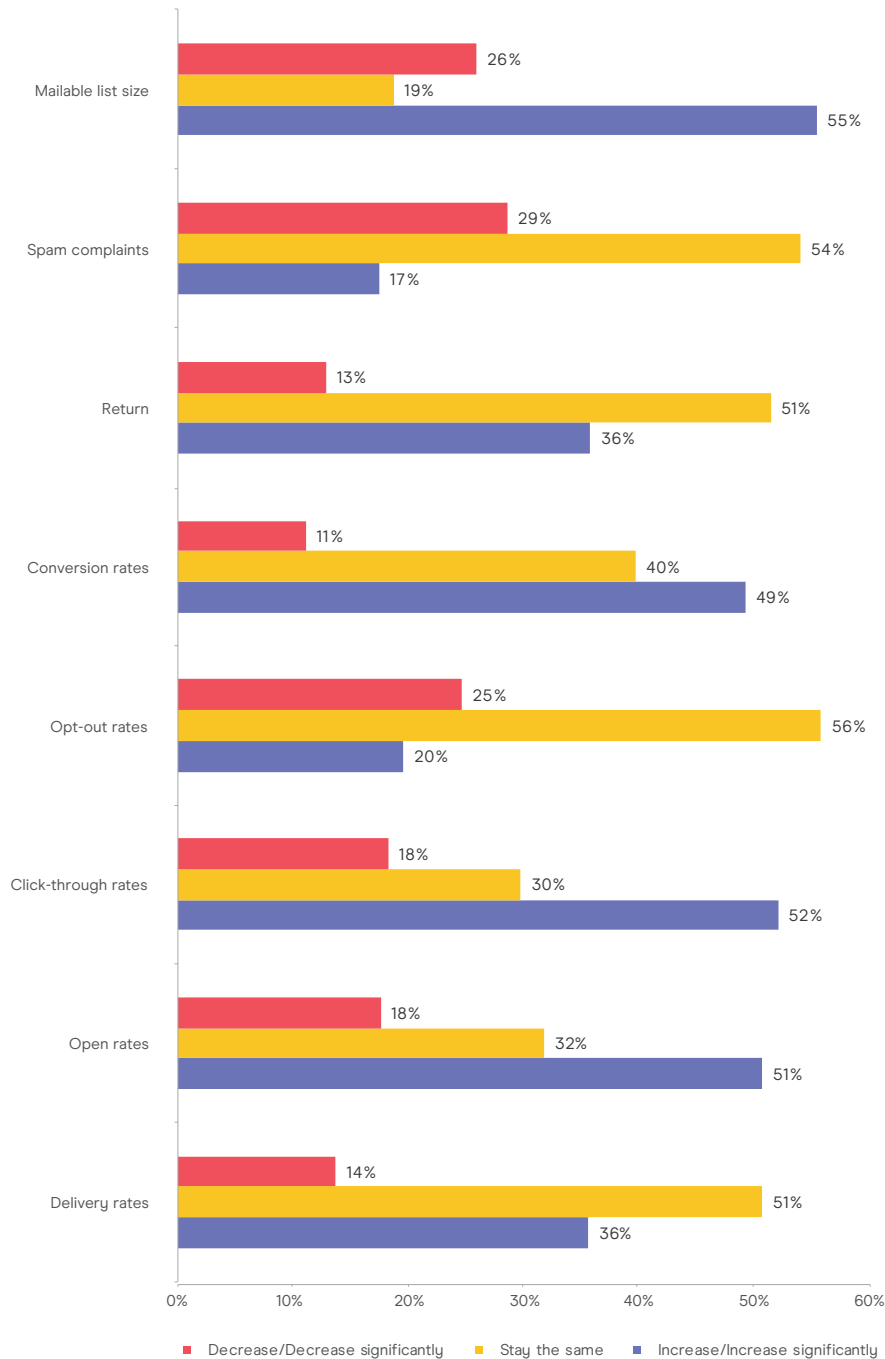


What percentage of your marketing budget is spent on email? (Not including staff costs)



Marketers' predictions could be down to either overall budget reductions or the position of email within the wider marketing mix within organisations. The percentage of budget marketers believe is going to email currently has continued to decline in recent years, now at 10.9%, which is down from 12.3% in 2016.

How have the following trended over the past 12 months?



The reduction in the budget could be seen as surprising given the apparently highly positive results marketers have seen from email over the last 12 months, with a significant proportion seeing increases in click-through rates (52%), open rates (51%) and conversion rates (49%). Over half of respondents (55%) have also seen a growth in their mailable list size, but it is yet to be seen if this growth is the realisation that marketers will be able to contact these customers after GDPR comes into force or an attempt to bolster lists before the new legislation comes into force.

/ Methodology

The Marketer email tracking report is an initiative undertaken by the DMA's Email Council in collaboration with the Email Council's research hub.

The research was conducted from November to December 2017 via an online survey. It was promoted on the DMA homepage and via various members of the Email Council. A link to the survey was added to a select number of DMA members' weekly newsletters, social networks and websites. Respondents were incentivised to complete the survey by the offer of the chance to win a £50 Amazon voucher in a prize draw.

The data were collated and analysed by the DMA Insight department. The report was written by the DMA Marketing and Insight departments. The final report was produced in collaboration with the sponsor, dotmailer, and the DMA Email Council's research hub. The report was designed by the DMA's in-house design team.

The survey consisted of a maximum of 41 questions. These questions were reviewed by the DMA, dotmailer, and the DMA Email research hub to ensure they reflected the current market landscape. The survey had a total of 289 respondents. Respondents represented a range of department types, sectors and career levels. Of those answering the relevant question, 36% were B2B, 32% in B2C, and 32% were involved in both B2B and B2C marketing. The reported career levels were 17% senior, 61% mid and 22% junior.

Where groups of respondents have been compared, statistical significance was determined using Fisher's Exact Test.

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

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