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Consumer email tracker

2019

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Introduction

Consumer behaviours and preferences are constantly evolving, alongside the rapid pace of technological change. In particular, 2018 saw a number of significant changes to this landscape, not least the prospect of Brexit and new laws governing how marketers go about their daily lives.

With this in mind, it's encouraging to find that email remains central to how customers engage with brands across the myriad touchpoints now available to them. Email remains the digital passport and is increasingly becoming an omni-channel passe-partout. In fact, no matter the context, consumers prefer to hear from brands via email, with 59% of them saying so in this year's study.

Despite the challenges that the General Data Protection Regulation (GDPR) may have brought to marketers and their organisations, it has clearly had a positive impact on consumers. 41% of people we surveyed said the new rules have made them more confident about how brands treat their personal data and that they find themselves wondering where brands got their email address much less often.

This study aims to explore the relationship between customers and brands through email: from the email addresses they have and the messages they receive, to what they like and how they engage. The keys to success continue to be relevance and the usefulness of messages consumers receive, beyond simply offering discounts or freebies. Only then will brands be able to engage and successfully build relationships with customers that will be long-term and loyal. This is something we investigated further as part of the 'Customer Engagement 2018: How to win trust and loyalty' research.

Creativity and innovation are key to providing customers with the relevance and usefulness they demand. Whether it's creativity of thinking, innovative use of data or the content created to engage customers, brands that are able to do this will be the ones that will gather more attention and loyalty through their marketing programmes.

In conclusion, this report highlights the power of email to be at the heart of brands' communication with customers, being the central channel that others can then be built around. However, it's fundamental that marketers combine convenience and relevance, building relationships based on transparency and trust.

Read on to find out the latest trends on how consumers feel about the emails they receive, their preferences and behaviours, and to learn how to better manage this key part of any customer-centric marketing programme.

Rachel Aldighieri
MD of the DMA

Foreword - dotdigital

dotdigital are delighted to be sponsoring DMA's 'Consumer email tracker' for another year. The past year has seen a marked shift in the way brands are communicating with customers, and, as this report reveals, what consumers expect from brands.

In last year's report, we were looking forward; trying to predict the impact GDPR would have on our ability to communicate with consumers. We're now starting to see the effect the new regulation has had on the industry. For me, the most significant is the increasing maturity of consumers.

This goes far beyond the confidence they feel about brands' handling of their data. Consumers are being more selective about who they hand their data to, down from 12 new subscriptions a year, to 9. This demonstrates a growing trend in customers wanting more value out of the communications they receive from brands.

This trend is further supported by the rise of loyalty schemes as a key driver in consumers' decisions to subscribe to brand communications (40%). When deciding whether to hand their data over, it's important they feel as though the content they're receiving is valuable. But, they also recognise that by doing so, they're entering a reciprocal relationship. The more value they see in a brand's communication, the more committed they'll be to the brand.

Creating powerful, two-way relationships with consumers should be at the core of all modern marketing strategies. It's what consumers want, and what marketers are working to deliver. The fact that brands have reduced the number of emails they're sending (down from 73 to 57 a week) is an indication that brands are focusing more on delivering relevant and interesting content.

We hope that by next year, this report will reveal a substantial shift away from batch-and-blast techniques. Instead, brands should focus on using data-driven tactics to deliver content that engages and inspires their audiences.

It's also important to note the rising interest in communications. As technology continues to advance at a rapid pace, smartphones have cemented their place in the daily life of consumers. It shouldn't be much of a surprise that SMS is on the rise.

Post-purchase and customer service communications are very important stages in a customer's journey that are often overlooked. These are communications that customers don't want to miss. An unread email can result in a missed delivery slot or a lost return receipt. The opportunity that SMS presents is undeniable. With a 90% read rate within five minutes, it's an unparalleled channel. Brands should take note of the growing importance of SMS communications to customers.

Every year, the report gives us unprecedented insight into consumers' likes, dislikes and behaviours. This year, it's revealed that customers' expectations are on the rise. Everything we need to create the meaningful engagements they demand is at our fingertips – we just need to use it.

Phil Draper
Chief Marketing Officer at dotdigital

Foreword - DMA Email council

As the first of the DMA's suite of email reports to be published post-GDPR it is perhaps most appropriate it covers the attitudes of consumers, for whom the legislation was purported to act as champion.

In last year's foreword I wrote: "It's vital to ensure the consent of your subscribers, and to include details of where they subscribed in your email content: this should be top of every marketers' to-do list."

For this year's panel of consumers, it could be that the publicity surrounding GDPR – rather than the success of its implementation – prompted closer attention to the questions on data privacy but either way there seems a significant shift towards greater trust in email marketing.

Consumers report receiving fewer brand emails in their inbox and fewer of a mysterious origin. Both developments point towards some significant pruning of questionable or inert marketing lists with the earning of consent given much greater prominence. Pleading they were somehow "tricked" into subscribing becomes a much harder sell by the consumer in a post-GDPR compliant world.

41% of consumers now report positively on what GDPR can do for them and, if marketers can play by the new rules, that can only be a win-win for everyone. Trust doesn't necessarily build loyalty, but its absence can certainly destroy it.

Beyond GDPR, I've found it useful to re-focus on the consumer report's constants. It can easily be forgotten that in the steadfast behaviours and opinions recorded over this report's historical duration lies the clearest indicator of what most consumers want most of the time.

Consumers have more than 1 email address – which they use tactically. The majority think most of the emails they get aren't useful. Brand recognition is the number one driver to open. Amazon do the best emails. Most prefer discounts and offers and the main reason people unsubscribe is too much email.

The consumer is canny and possibly cynical but wouldn't behave like this if every branded email were merely something to be tolerated. The management of the inbox is an attempt to maximise utility and minimise disruption. The right email message, with relevance and value still wins. Too many of the wrong one makes it difficult for consumers to change their mind about your brand belonging in their inbox rather than their spam folder.

It might seem clichéd to repeat the tenets of email marketing but clichés are (usually) born from fundamental truths and when 86% of your target audience are complaining most of their emails aren't useful – and consistently doing so – sometimes those dogged truths are better to heed over the newest.

A pithier and no doubt more memorable way of putting it is by my colleague on the Research hub, Let'sTalk Strategy Founder, Jenna Tiffany: "For the next email campaign you're creating, ask yourself "What value does this provide the customer?", "Is this email useful?", because if the answer is no question the purpose in sending that campaign."

While remembering to be GDPR compliant at all times, of course.

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

Exec Summary

Marketing landscape:

- The majority of consumers (59%) prefer email communications from brands above any other channel, no matter the context, followed by text (20%) and face-to-face (12%)
- 41% of consumers say the GDPR has made them more confident about how brands treat their personal data
- Furthermore, compared to a year ago, fewer customers are 'often' questioning how brands got their email address (33%)

Email ownership:

- Consumers report an average of around 2½ personal and work email addresses, similar to last year, but notably only half of consumers (52%) have an email address for work
- Most customers (60%) still consider their first ever email address to be their primary personal email too, but a quarter of customers (25%) use multiple personal addresses to direct some or all marketing messages to specific accounts

Receiving and opening:

- The number of emails consumers receive each week to their personal inboxes has reduced, falling from 73 a year ago to 57 emails in 2018 –consumers also estimate around 25 of these are from brands
- 56% of consumers say they open and read over half of their emails – compared to 57% last year – and rank brand recognition (46%) as the key factor in their decision to open an email
- Just 14% of consumers said more than half the emails they receive from brands are useful

Content & actions:

- The majority of consumers (75%) said they like to be sent discounts and offers, e-receipts (61%) and advanced notice of new products and sales (58%) from brands
- On receiving an 'interesting' email, 40% said they would click on a link from the email, while 36% said they would save the email and 34% would bear the information in mind for later
- When customers want to buy something from an email on their smartphone just 10% would buy straight away, most preferring to check the company's website first (34%) or wait until they are on a PC (27%)
- Consumers report Amazon as the leading brand when it comes to doing email well, with almost twice as many people selecting the online retailer over their next competitor (Ebay) – although nearly half (49%) declined to name a brand or said they couldn't

Sign-ups and unsubscribes:

- Customers estimate they are signed up to receive emails from around 9 different brands via email, down from 12 in 2017
- Key drivers for sign-up are receiving discounts and offers (51%), being a regular customer (46%) or actively joining some form of loyalty scheme (40%)
- The most popular reason to unsubscribe remains receiving too many emails (59%), followed by the information no longer being relevant (43%) and not recognising the brand (43%)
- Most consumers (70%) tend to take action via the brand's website or the button within an email, with 21% choosing instead to mark messages as spam rather than unsubscribing
- When offered this opportunity for control, 36% say they would like to reduce the frequency of emails they receive, 31% would like to specify the products/services they hear about

1. Marketing landscape

Marketing preferences

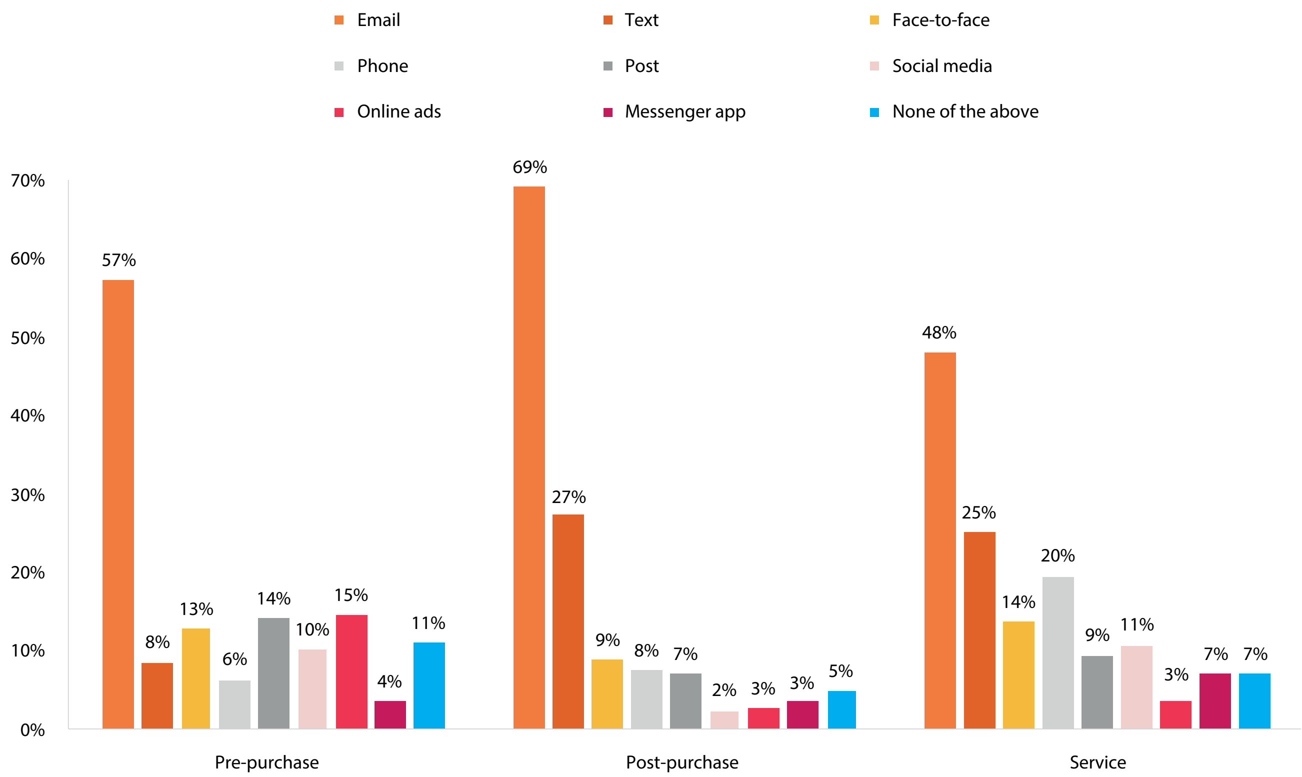
As part of this year's research, we asked consumers to think about all the messages they receive from brands and their preferred method of communication for each subject. This included pre-purchase messages (information, new products and sales), post-purchase (confirmations, delivery updates and receipts) and service messages (appointments, customer service, status updates).

Overall, the majority of consumers (59%) prefer email communications across all these contexts, followed by text (20%). This was then followed by around one in ten preferring face-to-face (12%), phone (11%), post (11%) and social media (8%).

Looking further into the context, there is some variation within these preferences. While email remains the preferred channel, online ads (15%), post (14%) and face-to-face (13%) are the other favoured methods for pre-purchased messages. In contrast, for post-purchase the primary alternative is text (27%).

For customer service communications – where email is at its relative lowest (48%) – consumers also like text (25%), phone (20%), face-to-face (14%) and social media (11%). This highlights the importance of email as the central channel around which an omni-channel approach to every customer touchpoint can then be built.

Which of these types of subject would you agree are best served by the following communication methods?

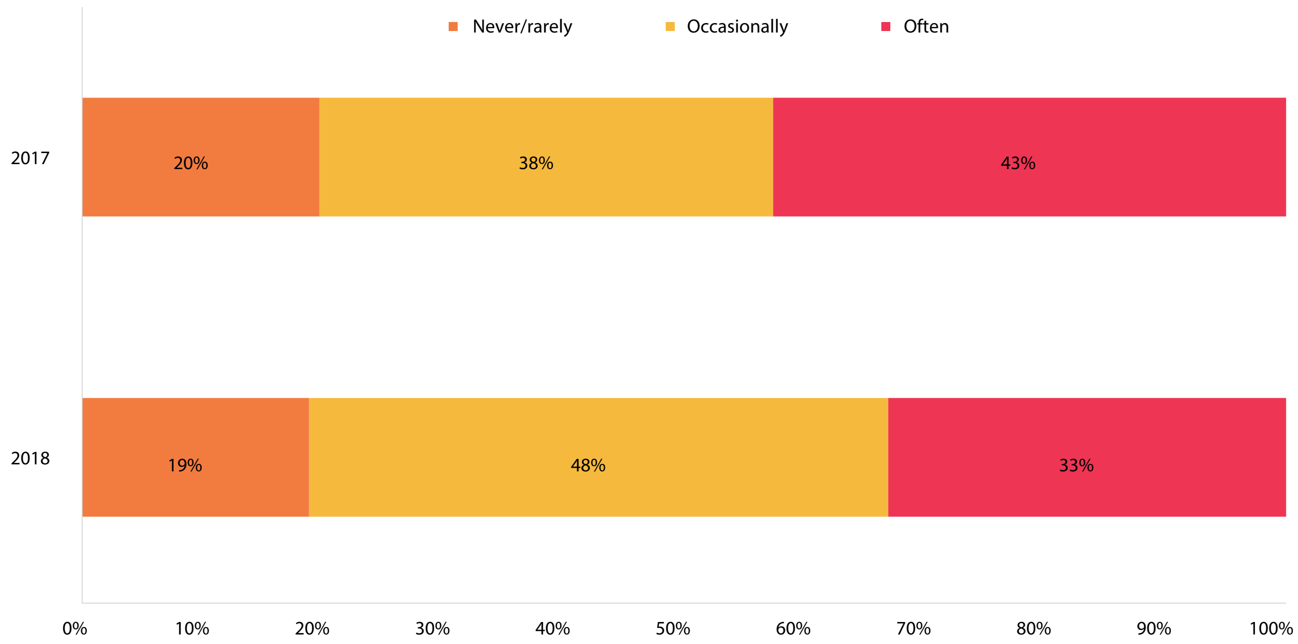


GDPR effect

The General Data Protection Regulation (GDPR) came into force in 2018, with accompanying communications – many of which were via email – from brands. The Information Commissioners Office (ICO) also launched an awareness campaign.

Any report into consumer perceptions around email marketing would be incomplete without their views on the new laws and how they have changed their mindset over the last year. According to this year's survey, many people (41%) say the new rules have made them more confident about how brands treat their personal data. Just 35% felt the GDPR had not increased their confidence, while around a quarter (24%) were unsure.

How often do you wonder how brands/shops/sites got your email address?



When it comes to how companies get their email addresses, fewer customers are unsure how brands got their email addresses than a year ago – falling from 43% to 33% in our most recent study. This is particularly felt among younger consumers, with just 22% of 18 to 34 year-olds often wondering. For 35 to 54 year-olds this rises slightly to 29%, while the majority of this concern appears to come from those over 55 at 45%.

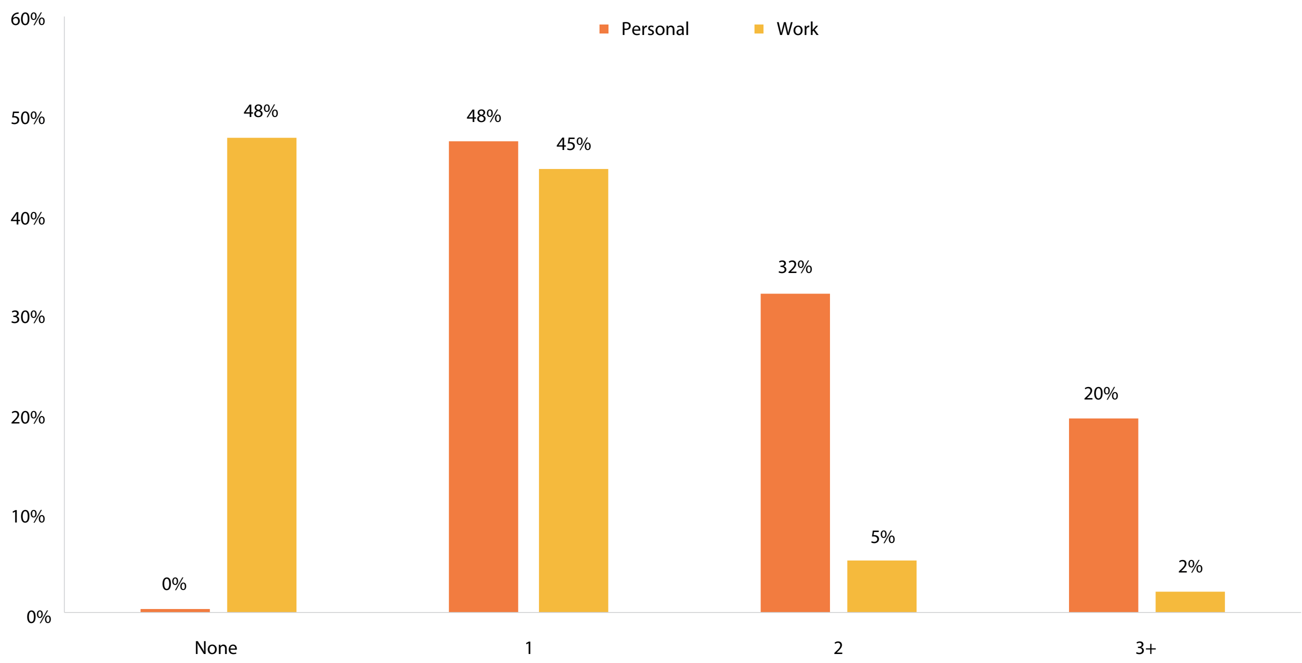
The new laws around sign-up may well have had an impact here, both through improved transparency and allowing consumers to make a more deliberate decision. In the long-term, we'd expect this to benefit brands as customers more clearly understand the value exchange in signing up.

2. Email ownership

Email addresses

Focusing on the email addresses customers have, we have seen little change year-on-year, with consumers still reporting an average of around 2½ across their personal and work lives. However, it's important for marketers to remember that only half of consumers (52%) actually have an email address for work at all. This is especially important for those working in B2B, as it may be that email is not the best means of targeting certain audiences. Moreover, the same proportion (52%) of people have more than one personal email address.

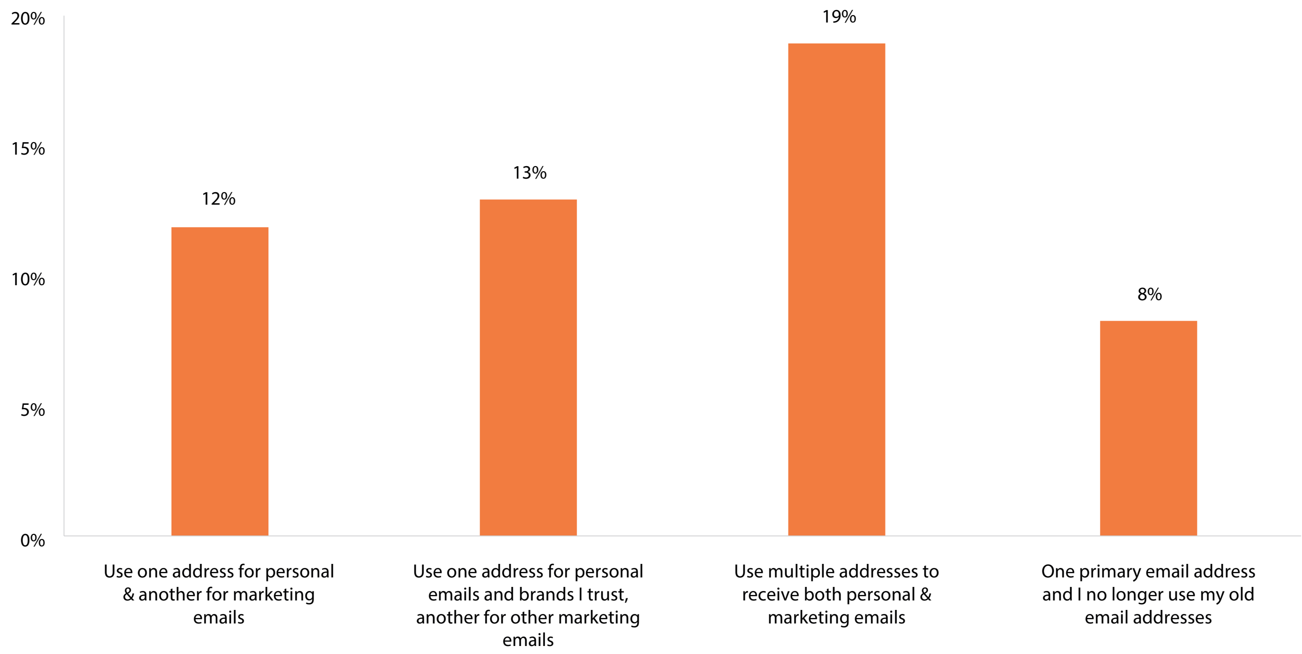
How many email addresses do you have?



Most customers (60%) still consider their first email address to be their primary personal account too, highlighting the importance of ensuring you have the right address.

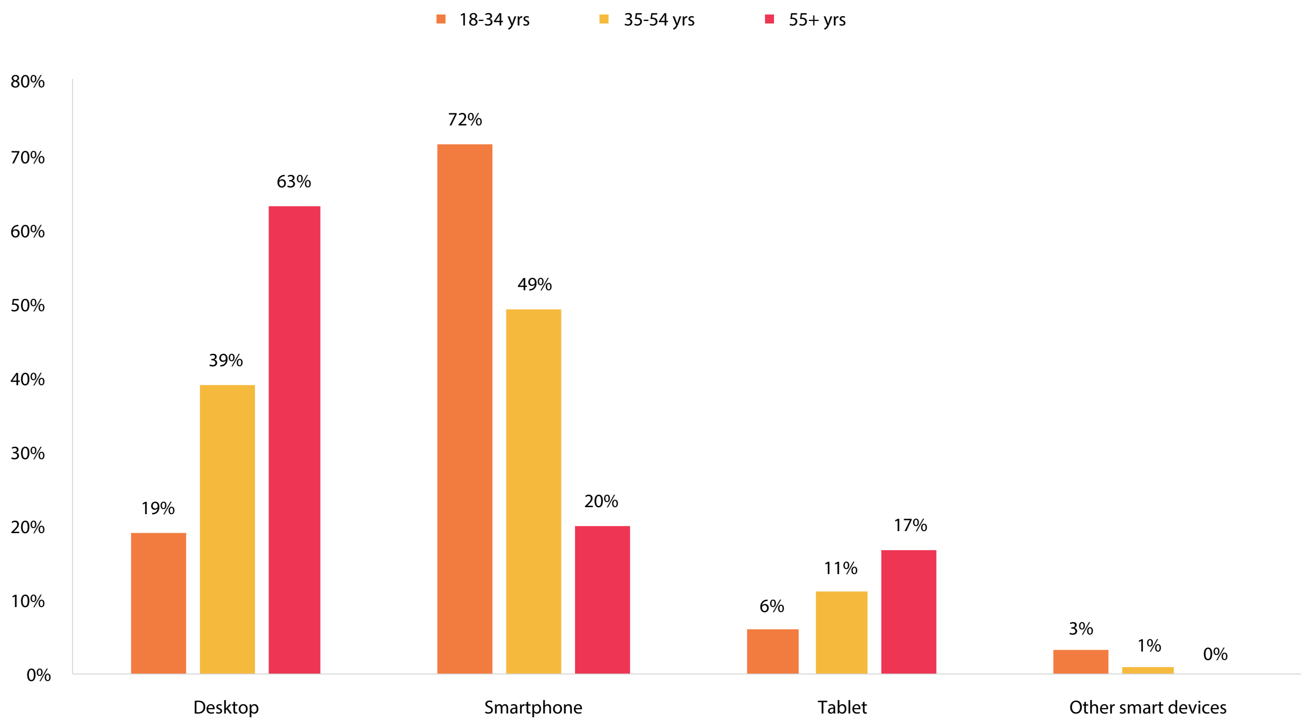
There is a noticeable change in this consumer behaviour here. A quarter of customers (25%) use their multiple personal email addresses to direct some or all marketing messages to a specific account. A further 19% use multiple accounts for both personal and marketing emails.

How do you use your different personal email addresses?



In addition, it's important to remember that many customers still often use their desktop to access their emails (42%), although slightly more (45%) use their smartphone. There is also a relevant generational divide: the majority of younger consumers access email on their smartphones (72%), while most over 55s opt for their computer (63%). It is also interesting to note the growth in the use of tablets across the age groups from 6% in those aged 18 to 34 to one in six (17%) for those over 55.

Please select the devices you use to access your personal email address to receive messages from brands/shops/ sites you know.



3. Receiving and opening

Emails received

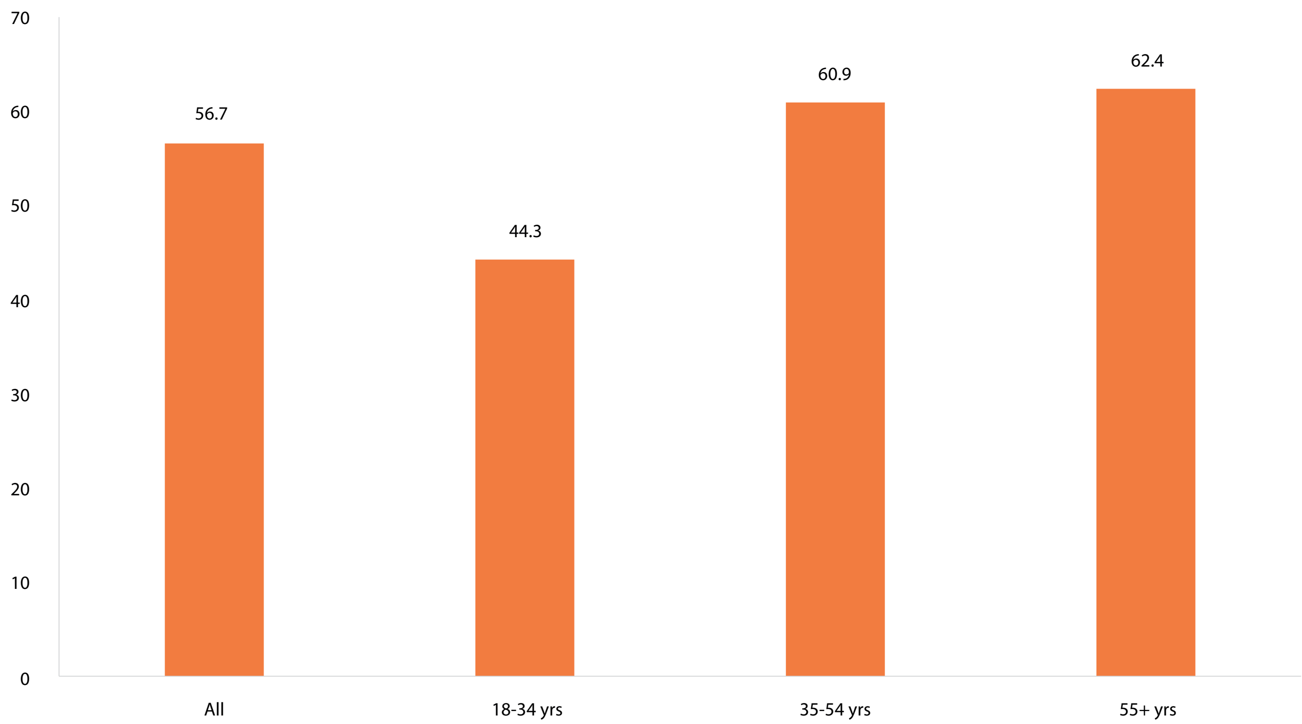
It may not come as a surprise that most of those with a work email check it multiple times an hour (63%), with 31% at least daily and a minority (6%) less often than that. However, 39% of those surveyed also said they check their personal emails at least every hour, 58% at least daily; and 3% less often.

This year saw a reduction in the number of emails consumers believe they receive each week in their personal inboxes, with the average falling from around 73 emails one year ago to 57 emails in 2018. This estimate includes both marketing and non-marketing messages received by consumers, so it may be that some personal communications are moving to other platforms, such as the range of instant messenger services now freely available. A reduction of over 2 emails per day still suggests that GDPR may have had a perceived impact on customers' inboxes too.

Another possible explanation may be the increased availability of more sophisticated inbox management features which can make it seem as though fewer emails are being sent, with lighter inboxes as the main result. For example, the automated moving of promotional or transactional emails to a specific tab or group.

Consumers under 35 years-old felt they received just 44 emails per month, while those over 35 believe they received around 61 to 62 emails per month.

How many emails do you receive in your personal inbox(es) on average each week?



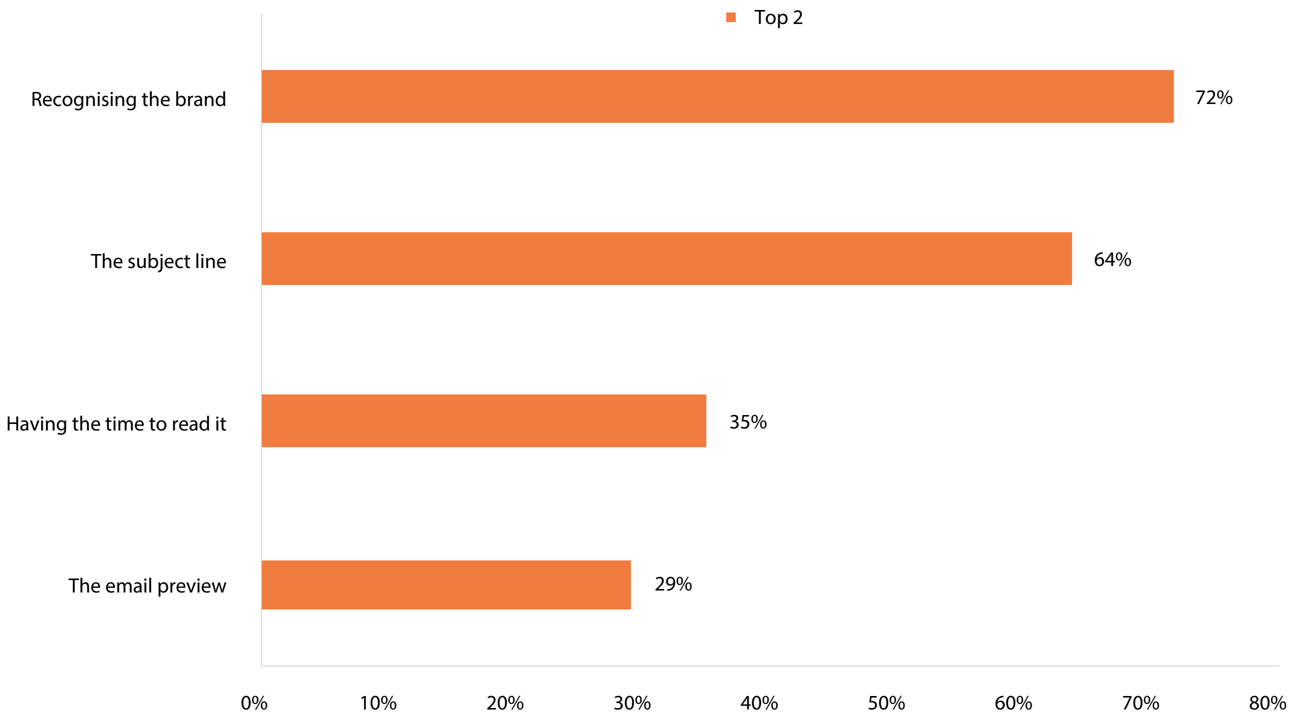
When asked to estimate how many of the emails in their personal inbox were from brands, consumers said it was around 44%. In all, 58% of consumers said that less than half of the emails they received were marketing messages from brands/shops/sites. Combining these estimations with earlier figures for the volume of emails, this would equate to around 25 emails per week from brands, with a possible variation here between 18 and 33.

Engagement

The number of emails that consumers believe they open and read remains steady year-on-year, with 56% of customers engaging with over half of their emails, compared to 57% last year. Age has an impact on this, as 66% of those over 55 years-old read more than half of their emails, while those under 35 read only 40%.

When asked what drove them to open an email, almost half (46%) rank brand recognition as the main factor, with a quarter (26%) suggesting the subject line has a strong impact on their decision. Extending this to the top factors (below) further solidifies brand recognition and subject line as the key factors in customers opening an email.

When you receive an email in your personal inbox(es), how important are the following factors in persuading you to open it?



When asked about how useful customers consider the messages they receive from brands, just 14% of consumers said more than half of emails received were useful, meaning that the majority (86%) continue to believe less than half of the marketing emails they receive are of use. This has been affirmed by the previous 2 reports. These numbers should remind marketers of the importance of understanding the readers needs and interests before planning email campaigns. A simple way to collect this information and improve the usefulness of communications is through things like preference centres or subscriber surveys – something we found consumers are increasingly open to in this year's study.

However, this perceived usefulness does not appear to be stopping customers engaging with the emails they receive. Whether that's regularly just reading the subject line (41%) or actually opening and then deleting (43%), keeping (34%) or clicking on something (17%) customers engage with the majority of the emails they receive and, for a great many, this does mean opening them to see what's behind the subject line.

How often do you do the following when you receive an email from a brand/shop/site you know?

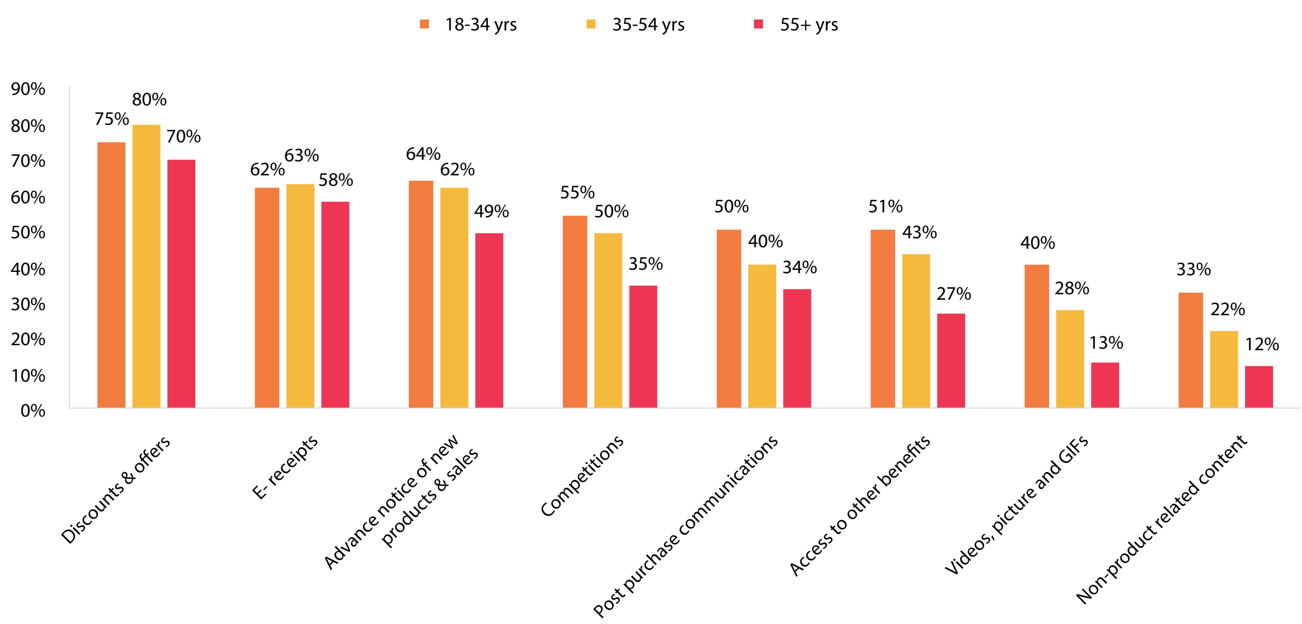
4. Content and actions

Content

When asked whether they like or dislike receiving certain content from brands, unsurprisingly, the majority of consumers (75%) said they like discounts and offers. Beyond that, most like emails for e-receipts (61%) and advance notice of new products and sales (58%), with just under half liking competition messages (47%). Contrary to expectations, most consumers didn't like imagery/videos (27%), or other content (22%). A possible explanation for this could be that consumers take this type of content for granted and expect to receive it. By rethinking these messages and focusing on personalisation, marketers may still find these successfully engage customers.

There was also a marked difference in preferences according to age, with younger consumers preferring to receive almost all options. Discounts and offers were popular regardless of age. Also, e-receipts appear to be something all consumers like to receive – highlighting their convenience and widespread acceptance among shoppers. When it comes to the content-related options (like images, videos and non-product related content) younger consumers are around 3-4 times more likely to enjoy these than people over 55 years old.

How much do you like or dislike the following in emails you receive from brands/shops/sites?



As part of this survey, respondents were also asked about the emails from brands that they 'like to receive' and why. The results reveal a similar story, with 'they contain offers' leading the way (51%). This was followed by relevant messages (42%) and containing useful information (39%), two things that are very much 'in the eye of the beholder' to some extent, but marketers can always try to ensure they're hitting the mark.

Following these are a collection of areas that marketers can control more directly with their email marketing campaigns: 'I'm not emailed too often' (34%), 'they are clear and concise' (32%), 'the subject line grabs my attention' (26%) and 'I can choose the kinds of emails I receive' (24%). This highlights the presence of base-level aspects that brands can control, ensuring they are building a platform on which they can deliver relevant and useful content to engage customers.

Actions

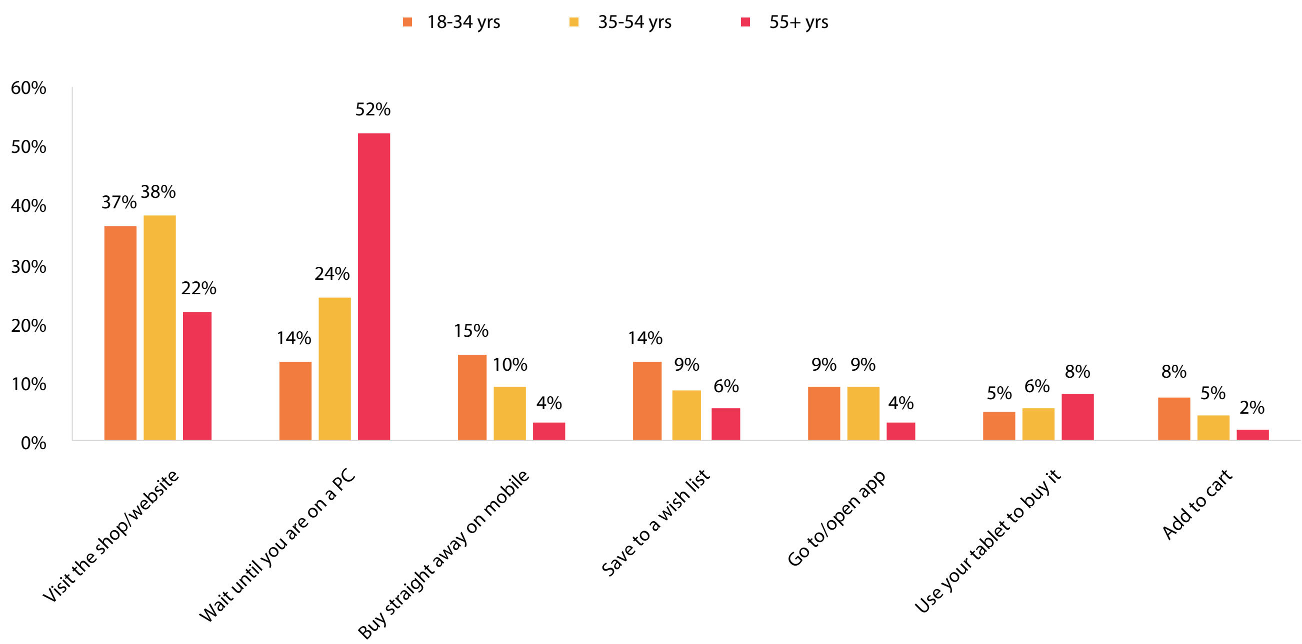
If marketers can address this need for relevance and usefulness that customers demand, as discussed in the previous section, then consumers will engage. In fact, after receiving an 'interesting' email, 40% said they would simply click on a link from the email, while over a third said they would save the email (36%) or bear the information in mind (34%) for a later date.

Around a quarter (27%) said they would be likely to go to the company's website (but not directly from the email), as well as those who might visit the physical store (12%), social media accounts (9%) or call them (5%). All these insights highlight the impact that emails can have on a customer journey beyond the click.

In a slightly different scenario, when customers want to buy something from an email they receive on their smartphone, most will check the company's website first (34%), while over one in four would wait until they are on a PC (27%) and just 10% would make the purchase straight away. Men, in particular, are more likely to wait until they're on a PC than women (34% vs 21%). Meanwhile, women prefer visiting the website (37% vs 28%) and are slightly more likely to go ahead and buy the item on their mobile (12% vs 8%).

However, there was a much more pronounced difference in behaviour when we look at the age of the customer. Indeed, older consumers (those over 55) lead the group of customers waiting for the reassurance of being on their PC (52%). Younger customers are much more willing to buy straight away (15%) or use wish lists (14%).

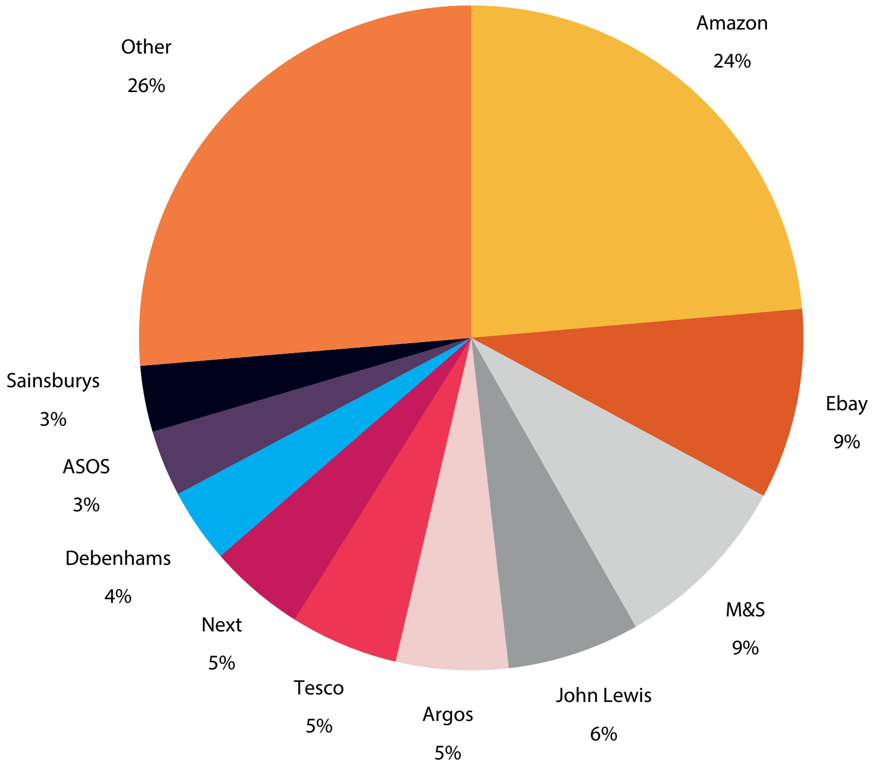
If you see something you want to buy in an email on your smartphone (received in your personal inbox), which of the following are you most likely to do?



Who's doing email well?

As with previous editions of this report, and also in line with the recent 'Customer Engagement 2018 – How to win trust and loyalty' report, consumers report Amazon as the leading brand. Almost twice as many people thought Amazon's emails are better than competitors specifically eBay – another online Titan. The remaining top 10 are retailers we may expect to find. It's also notable that nearly half (49%) of those taking the survey either declined to name a brand or said they couldn't, meaning there is space and opportunity to gain the customers' attention.

Which brands/shops/sites do you think do email well? (Brand responses only)



The survey also asked customers why they named these brands, revealing a clear difference between emails from Amazon and other broader motivations. Generally, consumers cited offers (26%), relevance (14%), feeling informed (12%) as the top 3 reasons – mirroring what we found earlier when asking about the content they like to receive. This went further with emails being clear (8%), good (8%) and interesting (7%) rounding out the top reasons.

However, Amazon had one clear advantage: the offers, which people responded to and opened (19%), nearly five times greater than any other reason. This highlights the potential risk of customers focusing very much on the offers Amazon sends, rather than recognising the relevance and usefulness of the brand beyond the deals it offers.

As part of the DMA's Customer Engagement research, we dive further into the customer relationship between Amazon and a number of other top brands, including how they're developing loyalty beyond the financial. Read more about that here.

What about their emails do you particularly like? (Left – All brands; Right – Amazon)

5. Sign-ups and unsubscribes

Sign-ups

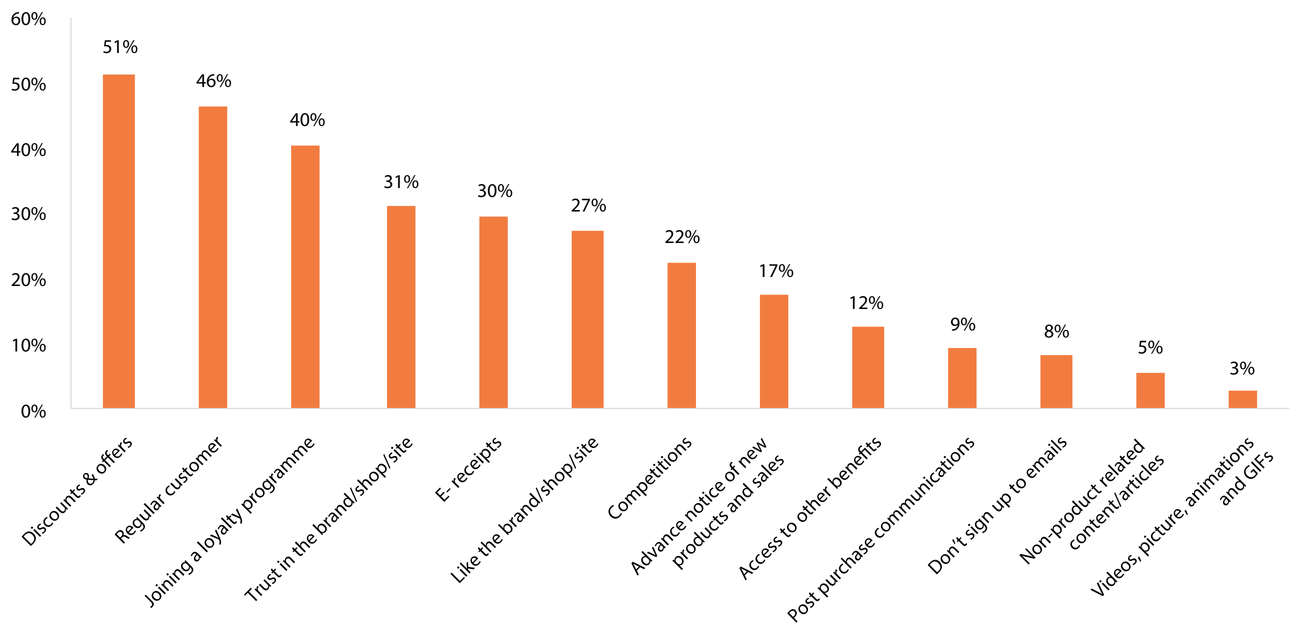
Customer estimation of the number of brands they're signed up to receive emails from saw one of the most marked changes year-on-year, falling by more than a quarter. A possible explanation could be a feeling that they opted out or unsubscribed from a number of these during the media coverage around GDPR. This was also notable for its apparent focus on 'consent', largely ignoring the opportunity for marketers to use 'legitimate interests' as a legal basis to market to customers.

It's also important to note that this figure is only an estimate from the customer, so the decline may well indicate a feeling that they are more in control of the emails they're receiving – a positive sign for marketers. This year, customers estimate the number of brands they've signed up to at around 8.9, down from 12.1 in 2017 and 10.3 in 2016.

Linking this to earlier questions about the number of emails consumers believe they receive to their personal inboxes, this would then equate to receiving 2.8 emails per brand per week.

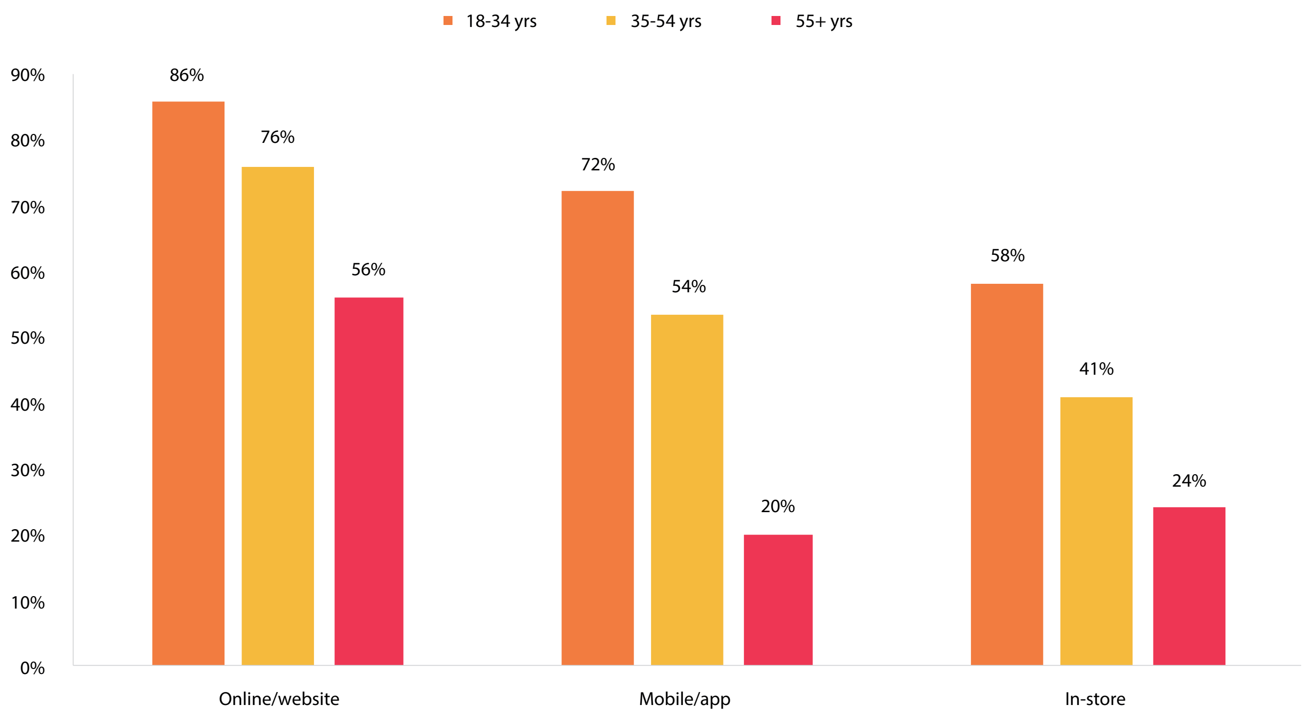
The key driver for signing-up to receive brand emails appears to be loyalty, whether that's being a regular customer (46%) or actively joining some form of loyalty scheme (40%) – behind receiving discounts and offers, of course, which still drives half of people to sign-up (51%).

What normally persuades you to give your email address to a brand/shop/site?



When asked how or where they sign-up to receive marketing emails, most tend to do this online (72%), with around half using their mobile device (47%) and 40% doing so in-store. There is another marked difference here between the ages too, with younger customers much more likely to sign-up overall, via mobile in particular.

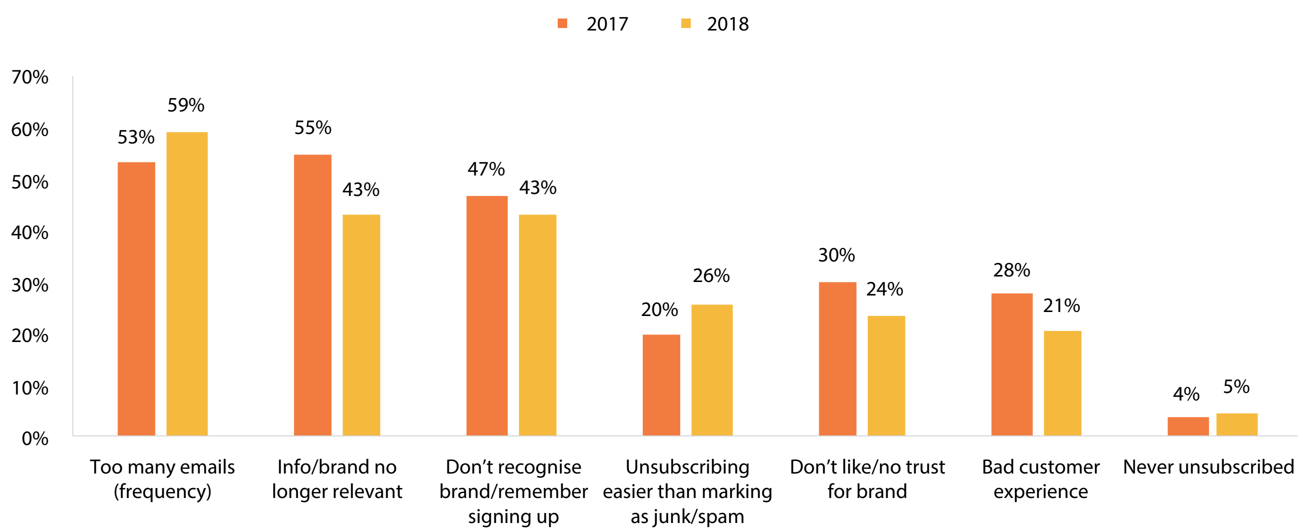
How often do you sign up to receive marketing emails from brands/shops/sites?



Unsubscribes

Changing focus to the potential end of a brand's relationship with a customer (via email at least), the reason most often given for unsubscribing remains the volume of emails received (59%), followed by the information no longer being relevant (43%) and not recognising the brand (43%). This confirms what we've previously seen about the content that customers like. Moreover, this should remind brands of the importance of delivering useful messages. When customers perceive the brand's communications as relevant they welcome them. It's also worth noting that one in five (21%) customers may be unsubscribing purely because they have had a bad customer experience.

What makes you unsubscribe from a brand/shop/site's emails?



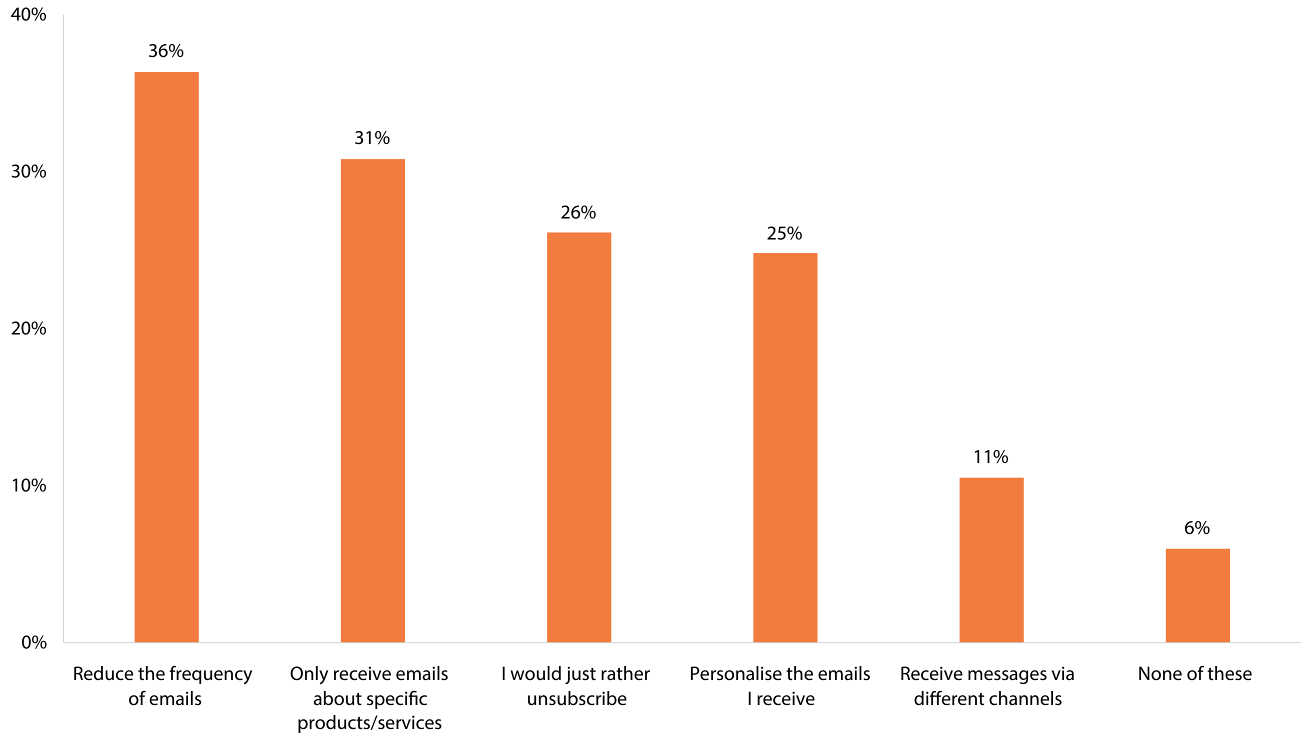
Most consumers (70%) tend to unsubscribe either via the brand's website or the button within an email. Of some concern is that 21% of people mark messages as spam rather than unsubscribing, which could have a damaging impact on a marketer's broader email programme if this becomes a regular behaviour. Even more extreme is that one in 20 people have changed their email address (5%) to avoid unwanted emails. The same proportion (5%) also claim to have never unsubscribed at all.

Once they have clicked to unsubscribe, most customers (40%) expect to never hear from that brand (via email) again and almost a quarter understand they may still receive transactional emails (23%). Somewhat concerning again is the one in 10 customers either believes that emails may stop briefly, but will ultimately continue (11%) or that unsubscribing makes no difference (10%).

On a positive note, a combined 17% of people expect to be taken to options where they can change their email preferences (9%) or to some form of survey (7%). This offers marketers the opportunity to retain that customer by changing their approach or, at the very least, better understand why they're leaving.

Understanding and solving these issues isn't only a great chance for marketers to cut their customer email churn significantly, but should be a priority to all brands given the value and ROI of email. The majority of the surveyed consumers said they would be open to being given the opportunity to manage the communications they receive before simply unsubscribing. Indeed, they would be mainly interested in reducing the email frequency (36%) and selecting messages only related to specific products or services (31%).

If you were able to manage the communications you receive from brands/shops/sites, which of the following options would you choose?



Methodology

'Consumer email tracker 2019' is an annual study undertaken by the DMA in partnership with **dotdigital** and the Research hub of the DMA's Email council.

The research was conducted in November 2018 via an online survey of 2,022 respondents (nationally representative of UK adults). The data was collected and collated by **ResearchNow**, 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 28 questions. These questions were reviewed by the DMA, **dotdigital** and the Email council's research hub to ensure relevance to the current state of the email industry.

Where averages are presented, these were calculated by multiplying the number of respondents by the corresponding value (or the middle value where this is a range), summing these, and then dividing by the total number of respondents.

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

About the DMA

A DMA membership will grow your business. Our network of more than 1,000 UK companies is privy to research, free legal advice, political lobbying and industry guidance. Our members connect at regular events that inspire creativity, innovation, responsible marketing and more. Most of them are free.

A DMA membership is a badge of accreditation. We give the industry best-practice guidelines, legal updates and a code that puts the customer at the heart. We represent a data-driven industry that's leading the business sector in creativity and innovation.

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About dotdigital

Formerly **dotmailer**, **dotdigital** is a leader in customer engagement technology.

dotdigital's Engagement Cloud is the platform of choice for businesses seeking to engage customers across all touchpoints. The platform's features empower 4,000+ brands across 150 countries to ac-quire, convert, and retain customers.

Users can connect customer data, surface powerful insights, and automate intelligent messages across email, SMS, social, and more. dotdigital is a global company with over 350 employees, serving companies of all sizes and in all verticals for over 20 years.

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