

Marketer Email Tracker

2021

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Customer Engagement



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/ Introduction

The previous edition of this research was released as the full impact Coronavirus was going to have on how we all learn, live, play and work was just coming into view ('[Marketer Email Tracker 2020](#)'). We've already seen how the early foray of emails from brands, and how they continued to inform customers throughout 2020, has changed consumer behaviour in some interesting ways as part of the '[Consumer Email Tracker 2021](#)' report.

Over the last year, the conditions brought about by the pandemic have also challenged many brands to think differently, with many marketers seemingly welcoming the challenge. While sales have remained a key focus for many organisations' marketing (35%), for email programmes this has reduced (24%) and the pandemic has also triggered many brands to view email as much more than just a sales channel.

Similarly, while discount and offers are still seen as effective content to send customers by most marketers (48%), their ability to drive sign-ups have fallen dramatically from 48% in 2020 to 36% this year. In its place, brands are finding customer loyalty (42%) and trust (39%) as more impactful drivers for email sign-up. Furthermore, once customers have signed up there were significant increases in the effectiveness of confirmation messages (32%), competitions (32%), access to benefits (24%) and triggered emails (16%).

The various restrictions in place throughout the year also appear to have benefitted email, with most marketers reporting various key performance metrics trending positively. Not least that this also seems to have increased the budget being directed (or re-directed) to email during the pandemic too. Indeed, the average proportion of marketing spent on email has passed the 20% mark for the first time since we started collecting this data (21.3%).

However, this has also highlighted some new challenges many email marketers will have to overcome to continue to succeed. Specifically, difficulties with data have increased significantly (up 10% to 52%) as well as having concerns about marketing technology businesses have at their disposal (up 14% to 38%). In the case of data, this has overtaken budget/resources for the first time, although by less than 1% (also 52%). Thereby highlighting the importance of ensuring data quality and having the right tools in place to ensure data is compliant, correct and complete.

Overall, the latest figures continue to paint a positive picture for email – proving its value to brands during an immensely challenging and ever-changing year. It remains the most relied upon channel for many brands (72%) across the customer journey, while also delivering an increasing return on investment in it – estimated to be £38.33 for every £1 spent this year.

Lastly, this report would not be possible without the support of Validity and the DMA's Email Council and Research Hub. Their knowledge throughout the research process has been invaluable and I'd like to thank them all for their help and insights.

Tim Bond,
Head of Insight, Data & Marketing Association

/ Foreword – Email Council

What is relevance?

It's a question that has exercised email marketers for years, but a concrete definition has proved elusive. Practitioners often refer to relevance as a function of "right message, right person, right time", but the email landscape is both dynamic and fast-moving. The events of the past year have brought this into sharp relief, meaning relevance must be viewed through multiple new lenses and requires near-constant re-appraisal.

Achieving a universal definition is also complicated by words meaning different things to different people. One of the most startling findings from this year's research sees both marketers and consumers in general agreement on the importance of relevance, but appearing to have very different views on what it means! For example:

- **Relevance means serving consumers with marketing messages through their preferred channel:** While both senders and recipients list email as their number one choice, there is still a large gap between their respective levels of preference. It suggests around 1 in 5 brands are not communicating with customers through their preferred, and therefore most relevant, channel.
- **Relevance is also about the granularity of offers being served:** Almost 60% of marketers believe more than half the emails they send to their subscribers are relevant, but only 15% of their subscribers agree! Do marketers have a broader definition of relevance where it's based on a known interest, but where consumers additionally need to be in a buying mindset?
- **Relevance also has a "half-life":** People are typically most engaged at the start of their subscriber lifecycle, often just after making a purchase, with their engagement then decaying over time. Knowing when subscribers shift from active to inactive is vital for maintaining relevance, but less than half of senders (48%) apply differentiated tactics based on subscriber recency.

So any definition of relevance is going to be a multi-faceted one, but it's also a constantly changing one, and this provides a perfect rationale for why we produce this report. It's an excellent barometer for the evolving email ecosystem, identifying evolving trends and tactics, and cross-referencing them against corresponding consumer feedback.

Pulling these sometimes-contrasting strands together, and providing the analysis and direction to action them, is a primary role of the DMA's Email Council. As the voice for the UK email community, our research provides a definitive view of the

current email landscape, and our monthly council meetings help shape the additional guidance we prepare.

We hope you'll extract plenty of value from reading this report. If you'd like to get involved with helping us shape the future of email marketing, and perhaps even join us as a council member, contact us at email@dma.org.uk to learn more about the work we do

Guy Hanson

Deputy Chair of DMA Email Council

Vice President of Customer Engagement, Validity International

/ Foreword – Validity

At Validity, we have a philosophy of “trust your data.” First and foremost, this means the data our clients hold on their prospects and customers. High quality data – that is accurate, up to date, and aligned with the purpose for which it was collected – means companies can create relevant messaging that builds stronger relationships and delivers increased value.

But “data” also refers to the descriptors that help explain why prospects and customers behave in the ways they do. How often do they want to receive your messages? Which ones do they find most useful? And what is their preferred course of action when they respond? Businesses with the answers to these questions benefit from greater engagement with their programs.

This report highlights critical gaps in businesses’ understanding of their customers when key behavioural data is not captured, measured, and actioned. For example:

- 41% of marketers report sending emails on a “daily or more” basis to their customers, but only 18% of subscribers report receiving emails at this frequency – where is the missing 23%? (Most likely in their junk folders!)
- 59% of marketers believe their customers open and read more than half of the emails sent to them, but only 15% of subscribers report engaging at this level – a big difference when it comes to measuring program effectiveness!
- 49% of marketers use click-to-open rates as their primary measure of email relevance, but only 9% use spam complaints – remarkable when these two important metrics are opposite sides of the same engagement coin

It’s good to see email marketing budgets continuing to increase, but concerning that marketers are struggling more than ever with data and technology challenges. Validity is well positioned to help square this circle, working with our clients to direct their marketing spend on technology that creates valuable new customer data, measures its effectiveness, and identifies new tactics for success.

We had this in mind when we built our [Everest](#) email intelligence platform. As the pioneers of email optimisation and deliverability, Validity’s vision was to provide email marketers with full measurement of all stages of their email programs. True 360-degree performance visibility, eliminating reporting blind spots like those we’ve described above.

This is why Validity is proud to sponsor this report (and the trio of email research studies it is part of). When it comes to “trust your data” knowing which data is most valuable is a key advantage. As you read through this important report, my hope and expectation is you will learn some of the answers, and we’ll be delighted to discuss them with you as the next step in driving up your program’s performance.

Wayne Parslow

Executive Vice President, Validity International

/ Exec Summary

Marketing Landscape

- Overall, email is the most used channel by brands to engage with consumers across the customer journey (72%) followed by social media (66%) and online ads (59%)
- Comparing brand usage to consumer preference (from the latest '[Consumer Email Tracker 2021](#)'), marketers may still be under-valuing email (20% gap), as well as the opportunities brand apps (25% gap) and SMS/text messages (23% gap) can offer

Objectives, Measurement and Value

- While sales remain the primary objective for most organisations' marketing (35%), it's less so for their email programmes (24%) and, amid the pandemic, it's also clear email has been seen as much more than a sales channel by brands
- Despite the challenges many brands' engagement strategies have faced in the last year, the estimated return on investment (ROI) for email marketing has increased year-on-year to £38.33 – continuing its positive trend of the last six years
- The estimated value of a customer's email address increased this year to an average of £36.64, but the cost of acquiring new customers also increased as lockdown restrictions have boosted competition for digital engagement even further – rising to £33.79

Challenges and Understanding

- Challenges around data (52%) have significantly increased year-on-year (up 10%), overtaking budget/resources for the first time (52%) – albeit by less than 1% – while marketers citing issues around marketing technology also increased to 38% (up 14%)
- Around half of marketers are confident in their organisation's abilities when it comes to many of the core areas of email marketing, but a concerning proportion of businesses either don't have the skills or simply aren't utilising multi-channel integrations (17%), email testing (14%) or automation (11%)

Segmentation and Sending

- The majority of marketers track whether an email is active or inactive (66%), but it's still a concern that a third either don't (19%) or don't know (15%) – of those that are tracking inactivity, the majority (73%) are then acting on this knowledge, but one in four (25%) are not using this information at all; This means just half of brands (48%) are treating active and inactive customer's emails differently
- When asked about how marketers target their email campaigns, the average proportion was split relatively evenly between automated emails (25%), those using segmentation (28%), dynamic content (23%) and those not using any (24%)

Content and Engagement

- Discounts and offers remain the most effective content, according to marketers (48%), but the effectiveness of confirmation messages (32%), competitions (32%), access to benefits (24%) and triggered emails (16%) have also increased year-on-year
- Half of marketers (51%) believe consumers open and read at least half of the emails they receive, but most consumers (59%) report this figure is below half – meaning marketers may well be overestimating just how many emails customers engage with
- Most marketers (59%) believe over half of what they're sending is relevant, but most consumers would disagree ('Consumer Email Tracker 2021') – although a third of marketers (36%) believe less than half of what they send is useful to customers

Sign-ups and Unsubscribes

- The number of marketers citing discounts and offers as most effective in driving email sign-ups has fallen dramatically in the last year – from 48% to 36% – while being overtaken by being a regular customer (42%) and brand trust (39%)
- However, comparing this to what consumers report triggers them to sign-up, reveals marketers potentially over-valuing content-led approaches while under-appreciating the impact of collecting email sign-ups as part of the purchase journey

Trends & Budgets

- Most marketers report many of email's key metrics have seen increases in the last 12 months, including mailable list size (51% of respondents), delivery rates (43%), open rates (48%) and click-through rates (46%)
- Just under half of businesses now spend over 20% of their marketing budget on email (45%), the highest proportion on record – resulting in the average increasing to over this mark (21.3%) for the first time
- Many organisations (71%) expect to reduce the use of tracking technologies (such as email pixels, link tracking and third-party cookies) in the future, while the level of anxiety about the restriction of the use of these technologies is split – with similar proportions concerned (39%) as are unconcerned (35%)

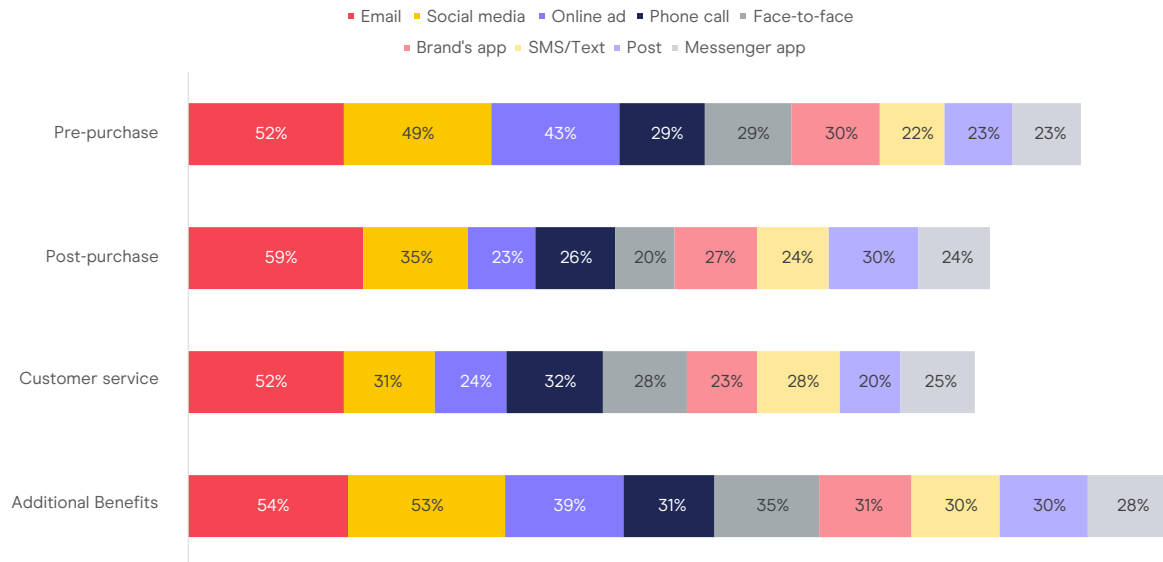
/ Marketing Landscape

To start, we'll look at an overview of the marketing channels available to brands to engage with customers. How do marketers utilise these points and how does this compare to consumer preferences?

We mapped customers' contact preferences from pre- to post-purchase and beyond. The survey asked about 12 different touchpoints in the customer journey then grouped these into broader categories as follows:

- **Pre-purchase:** Discounts, offer or sales; Advice, information or reviews; New products or services
- **Post-purchase:** Receipts; Order confirmations or delivery updates; Tutorials/user guides
- **Customer service:** Customer service (e.g. account/service information or local updates); Appointments/reminders (e.g. birthdays or booked appointments/event)
- **Additional benefits:** Competitions; Events (either in-person or virtual); Exclusive content (e.g. articles, photos, videos); Access to other brand/shop/site benefits

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

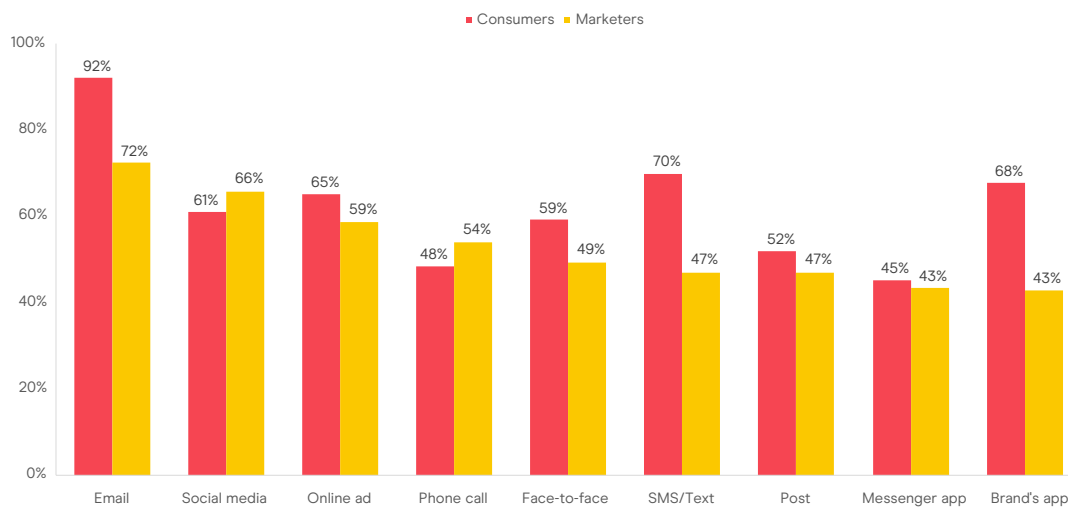


Overall, email is the most used channel by brands to engage with customers across the touchpoints we asked about. Once again showcasing the importance of the channel as a central thread around which multi-channel marketing approaches are built.

It's in the secondary and tertiary channels that we see variation, with social media platforms popular, particularly pre-purchase (49%) and to showcase additional brand benefits (53%) – online ads are similarly popular (43% and 39% respectively).

After a year where human contact has been challenging, it's notable that phone and face-to-face are used by one in four brands across the customer journey too, while brand apps are similarly being utilised about around a quarter of brands.

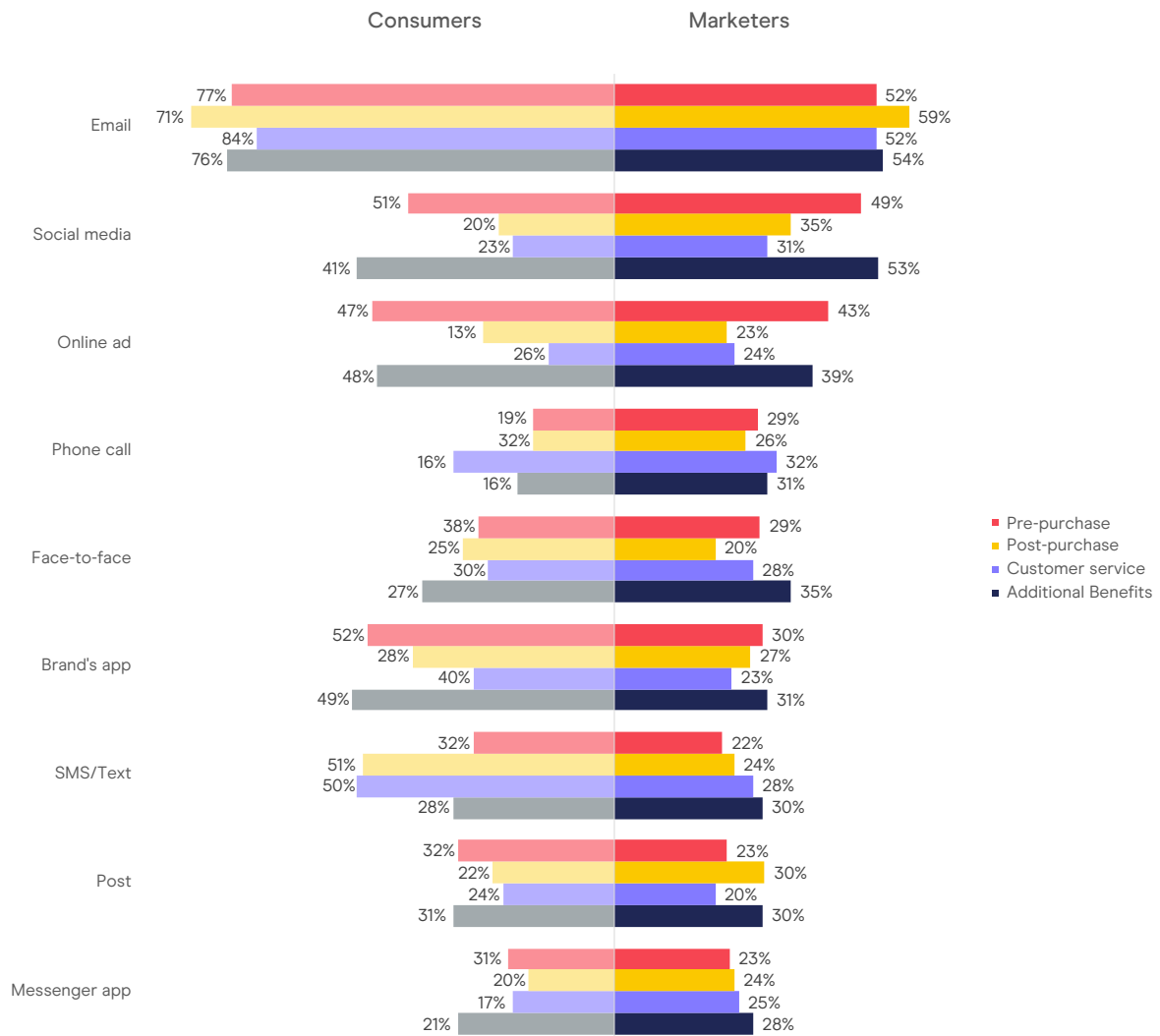
Which communication methods does your organisation use when contacting customers? (Select all) vs. (Consumer) Which of these would you agree are best served by the following communication method? (Select all)



Comparing the overall picture of brand usage against the channels consumers believe best serve their needs (from the latest [Consumer Email Tracker 2021](#)) it's clear that both marketers and consumers value email.

However, marketers should take action to close the 20% gap between the channels' usage and consumers' preference for it. Similarly, brands may be missing an opportunity to better engage customers through their own app (a 25% gap) and by providing key communications and updates via SMS (23% gap).

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



Contrasting consumer preference and brands usage across the customer journey groupings (outlined at the beginning of this chapter), reveals some interesting areas of potential under and overvaluation of channels by marketers.

As with the overall picture, email, brand apps and SMS all appear to be under-utilised. For email, this appears to be across the whole customer journey. Brand apps, on the other hand, are notably valued more by consumers in the pre-purchase phase (19% gap) and as a place to find out about additional benefits (21% gap). Whereas texts are valued more by consumers in the post-purchase (26% gap) and customer service (23% gap) situations than brands might be aware of.

On the flip side, it's notable that social media platforms may be being over-valued by marketers across much of the customer journey (pre-purchase has an 8% gap, post-purchase 12% and customers service 11%). Additionally, phone calls may be over-used

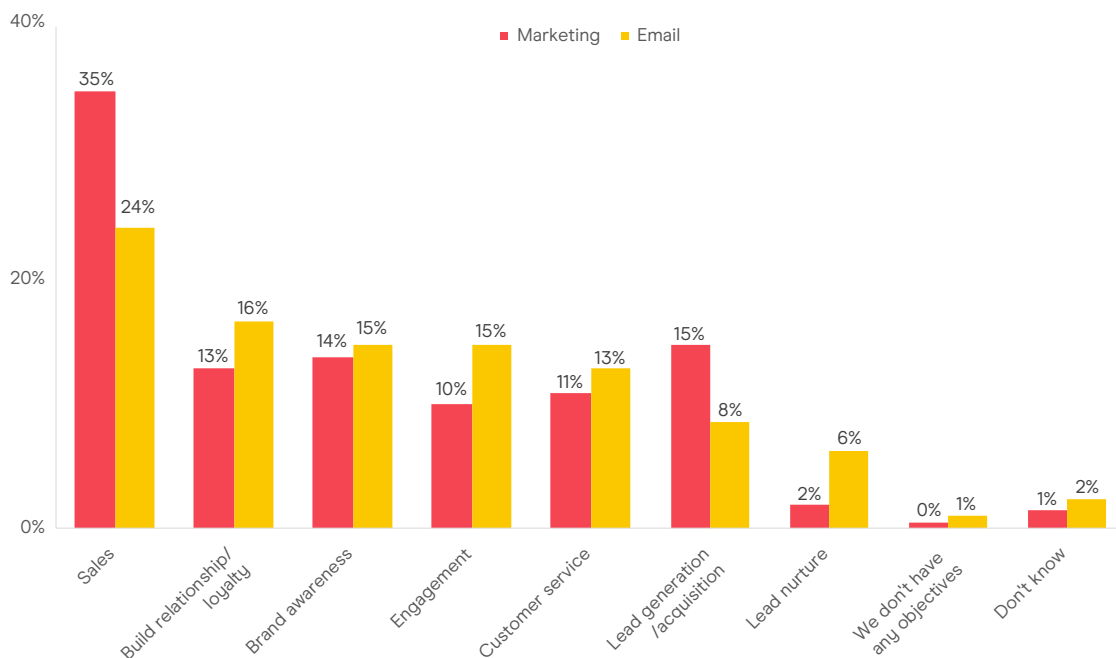
across pre- and post-purchase phases (13% and 10% gap respectively) as well as to offer additional benefits (12% gap).

The findings highlight the importance of understanding the customer journey and the potential interplay between channels. For example, brands should look into building a robust post-purchase strategy exploiting e-receipts' value (something explored in our ['Investigating Email: E-receipts'](#) analysis) and possible follow-up surveys. There are myriad ways and means of engaging customers that should be considered, whether that's with aftercare content, purchase updates, cross- or up-sell options, or loyalty offers.

/ Objectives, Measurement and Value

Next, we'll look at the goals of marketing, how these are measured by brands and the value that this brings to the businesses' bottom line.

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

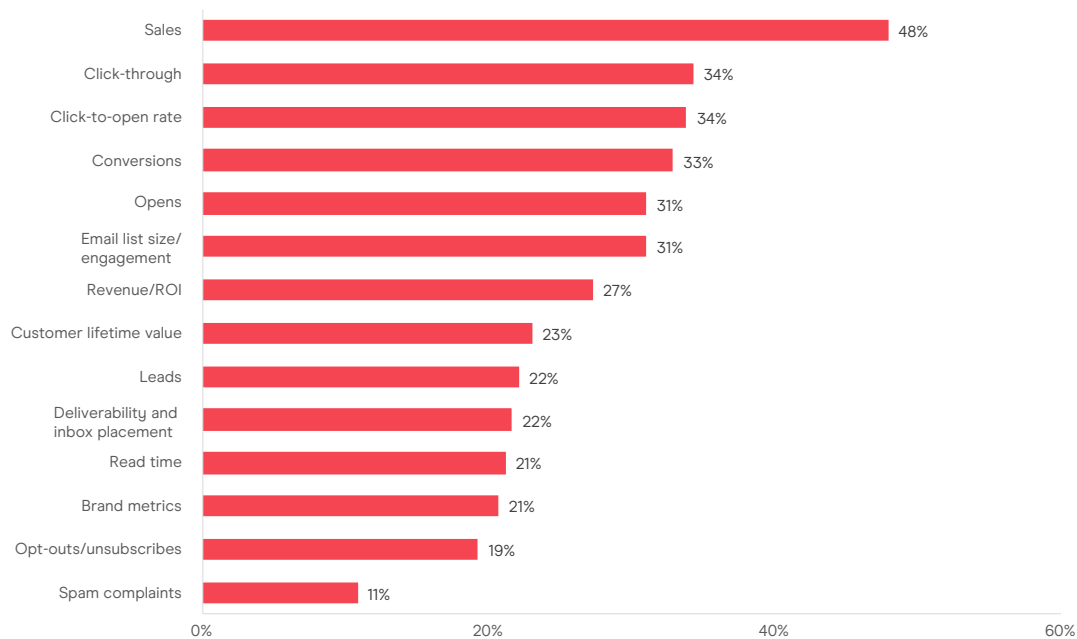


Overall, sales remain the focus for most organisations' marketing and their email programmes, although less so for the latter. After a year impacted by the pandemic, it's also clear email has been seen as much more than a sales channel by brands. In fact, email has evolved to become the channel of choice for essential messages for many brands.

The focus on sales as an objective for email actually fell from 31% in last year's study (at the start of the pandemic) to just 24% this year. Meanwhile, those focused on customer service as an objective rose from 9% to 13%. This is one of the clearest impacts of Covid-19, with many brands finding email was an integral way to inform customers of the challenges and changes over the last 12 months.

In addition to what these objectives are, 83% of marketers surveyed said they believe these are made clear to the entire marketing team too (both in-house and external). One in ten say these are not made clear (10%), although this doubles for B2C brands (22%). Meaning there is potentially more education needed around objective setting and communication in these consumer-facing businesses.

What are the key metrics you use to evaluate if your email marketing programme meets its objective? (Select all)

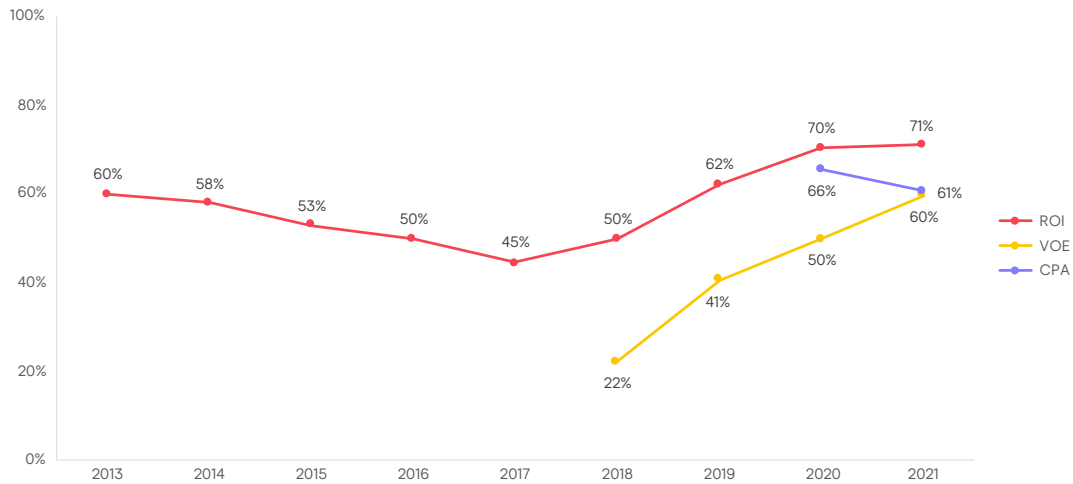


Despite one in four organisations setting sales as the primary objective for email marketing programmes (as shown at the beginning of this chapter), nearly half (48%) are still using it as a key metric to evaluate whether it meets this objective. Beyond this, anywhere from a third to a fifth of brands are using a variety of metrics to measure success – with the average brand citing 3-4 different measures.

Tracking metrics such as sales (48%), conversions (33%) and revenue (27%) are all clearly important, but it is equally important marketers don't overlook the halo effect email can have on other channels. For example, the latest '[Consumer Email Tracker 2021](#)' showed that while clicking on the link they're emailed is the single most common action for most consumers (19-29%), they are equally as likely to engage with the brand, but not through the email they've been sent (19-27%) – opting instead to engage via another channel.

Especially for brands using last-click attribution, such a finding highlights a significant flaw in this methodology and potential under-reporting of the impact their email programme may be having. Therefore, marketers must ensure they are aware and tracking (as much as possible) the true impact of email marketing efforts holistically, as well as directly.

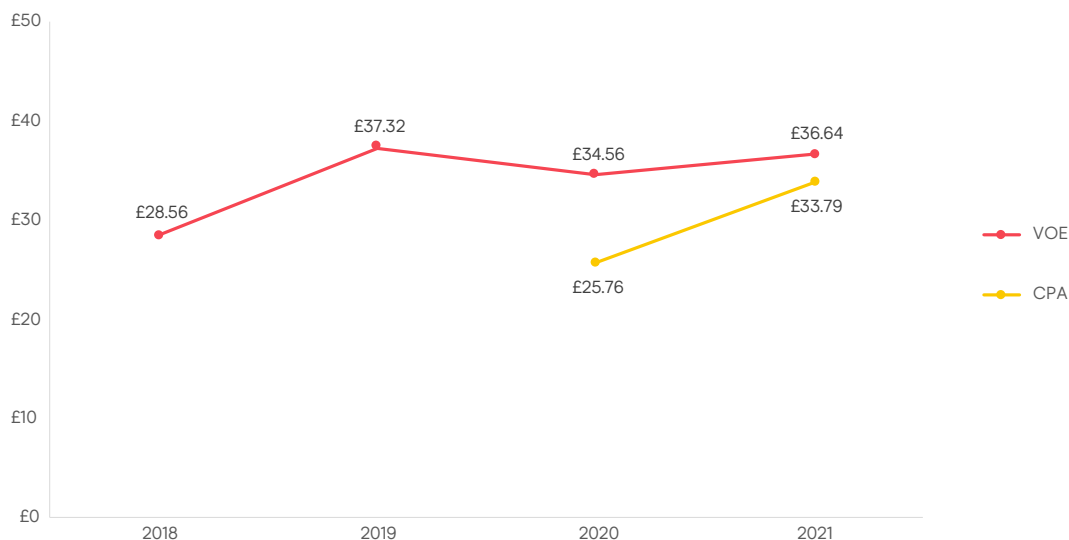
Is your organisation able to calculate the value or return generated from your email marketing programmes (ROI)/value of each email address on your database (VOE)/cost of acquiring a new email address or customer (CPA)?



When asked about their organisation’s ability to measure return on investment (ROI), the value of an email on their database (VOE) and cost per acquisition for a customer/email address (CPA), most marketers report being able to calculate these figures.

The rapid rise in the confidence in calculating the value of an email address since we introduced this question in 2018’s report also indicates the growing importance businesses are putting in understanding the value of their customers and email programmes more broadly too. This is also re-affirmed by marketers in senior roles being more likely to report the ability to calculate VOE (76%) – and CPA (74%).

How much is the approximate value for an average individual email address to your organisation (VOE)/cost per acquisition for each email address/customer (CPA)?

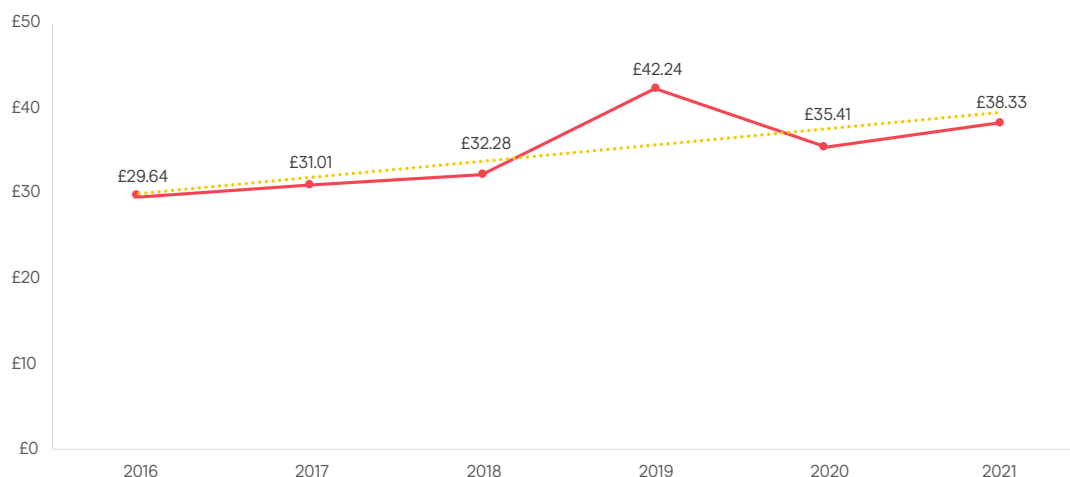


When it comes to what the value of a customer's email address is to a brand, this has remained relatively stable with the average estimated to be £36.64. As a reminder, this figure is the average estimated value for each email address the business currently has on its list.

Furthermore, the cost of acquiring new customers appears to have increased amid the pandemic and increasingly competitive digital engagement landscape – rising to £33.79. This is a somewhat expected outcome of the challenge customer acquisition and engagement landscape brands have had to navigate in the last year, so would expect this to return to previous levels post-pandemic.

According to the [‘Email Data Quality: Compliant, Correct and Complete’](#) report many brands use in-person opportunities (either in-store or at events) to acquire customers (34%) and through point-of-sale systems (33%). As such, many organisations will have had their acquisition plans for 2020 disrupted significantly by the restrictions put in place. It will remain to be seen if this figure comes back down to previous measures as these restrictions of in-person engagement lessen in 2021.

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



The estimated return on investment for email marketing is a figure the DMA has tracked for the last six years. Despite the challenges many brands engagement strategies have faced amid a global pandemic, it's impressive to see the ROI for email has increased year-on-year to £38.33.

As many brands have relied on the channel to communicate, this should only highlight its importance as the core around which a multi-channel engagement approach should be built.

Furthermore, the already mentioned halo effect email can have on other channels – as found in the [‘Consumer Email Tracker 2021’](#) – means the ROI figure may still be under-valuing the impact the email channel can have.

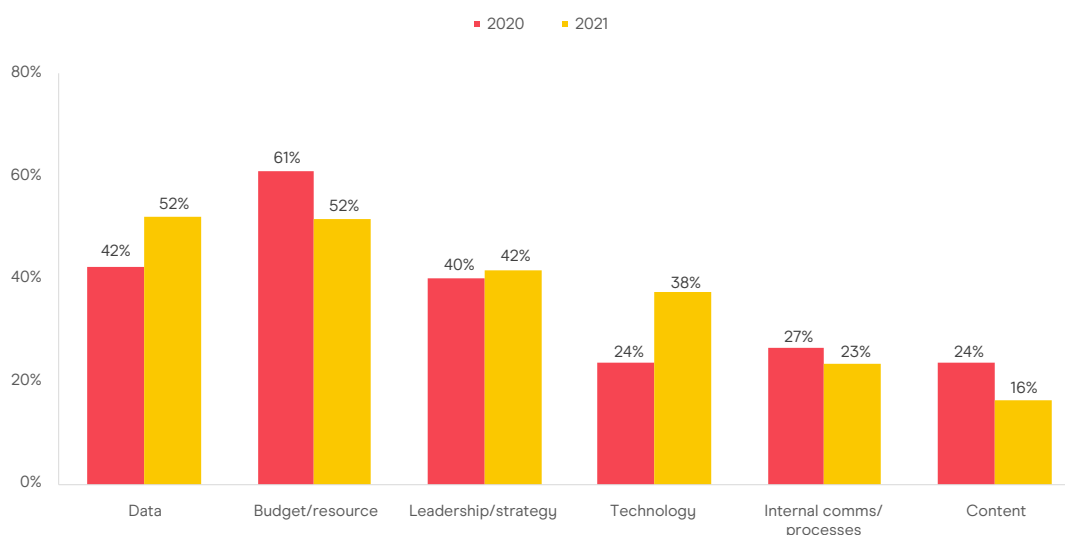
/ Challenges and Understanding

In this section, we ask marketers what the biggest challenges are to their email marketing and its improvement. As well as their level of sophistication and training within the discipline.

When asked about the challenges to successfully executing their email marketing programmes, respondents were offered 16 options – as well as the option to offer others or none. These have then been grouped into broader themes as follows:

- **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
- **Technology:** Outdated in-house technology; Outdated ESP technology; Outdated 3rd-party technology

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



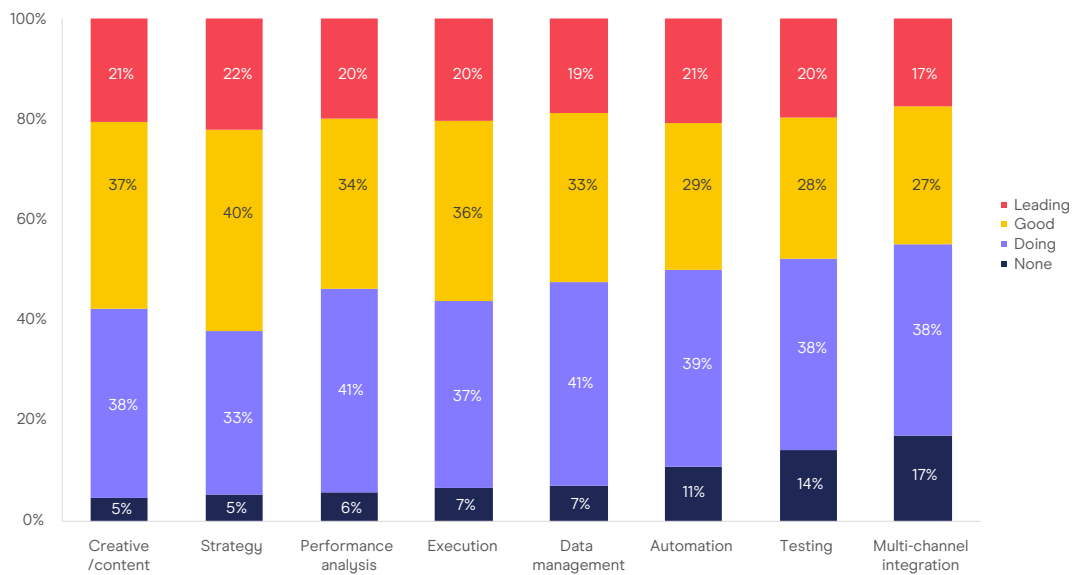
Traditionally, issues around budget and resources are regularly cited as the biggest challenges to email – this is often the case when we ask about other areas of marketing too. However, this year's data has grown to just overtake (by less than 1%) and establish its growing importance for marketing success. While this may be an outcome of the pandemic and shifts in marketing spend towards email, the growth in worries in other areas are notable too.

Concerns around the lack of data, access to it, or its quality, are now seen as significant challenges to success by half of respondents (52%) – an increase of 10% year-on-year. The importance of the 3C’s of data quality in email is covered in more detail in the [‘Email Data Quality: Compliant, Correct and Complete’](#) report released earlier in 2021.

Despite a slight reduction since last year, budget and resource are still a challenge many organisations should be trying to overcome (52%). The most dramatic shift in the last year here was in the number of marketers citing ‘Limited budget’ as a challenge (falling from 44% in 2020 to 29% in 2021). Possibly, this could be one of the pandemic’s effect, as businesses may have diverted budget and time to email while other channels were unavailable – for example, in-person events.

In addition, this focus on email and other digital-first ways to engage with customers (as we saw in the [‘Customer Engagement: How to Win Trust and Loyalty 2020’](#) report) may also have led to an increased awareness of the challenges organisations face. Including both the increasing concern about data and technology required to collect, manage and utilise the insights data can provide (rising from 24% to 38% year-on-year).

How would you rate your organisation’s overall level of sophistication in the following areas of email marketing?



Around half of marketers are confident in their organisation’s abilities to manage many of the core areas of email marketing.

Most concerningly, nearly one in five (17%) of brands don’t appear to believe they have any skills or simply aren’t utilising multi-channel integrations. Given the importance of a multi-channel approach, as outlined in the first chapter of this report, and emails potential halo of positive impacts on other channels, this is something these brands should address immediately

In addition, it is also concerning that 14% of marketers report not conducting any email testing currently – a staple of any marketing programme’s ability to learning and innovate.

Given this, it may come as less of a surprise that one in ten (11%) aren’t currently using automation to streamline areas of their email programmes.

The only way to close these knowledge gaps is through ongoing learning and training opportunities – like those offered by the [DMA’s Learning powered by the IDM](#). Despite 59% of those businesses surveyed reporting having ongoing email marketing-related training in place, this still means a third do not (33%) – while those remaining aren’t sure (7%).

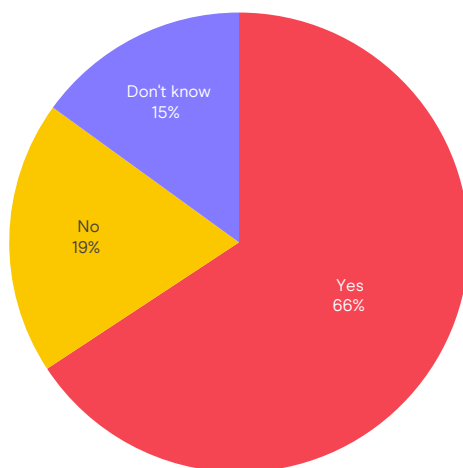
Additionally, it’s the senior members of staff that are significantly more likely to believe there is ongoing training available (82%) – those in junior roles, who stand to benefit most, are significantly less likely to know the help is even there (40%).

Senior members should make sure to inform and enable all levels to take the time to learn and develop – especially those at the beginning of their career as they will be tomorrow’s email senior managers and thought leaders.

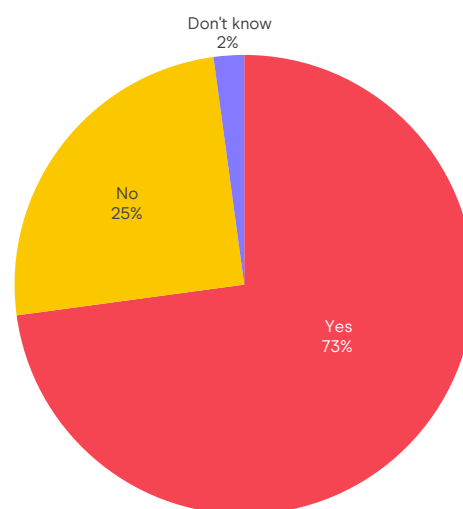
/ Segmentation and Sending

Next, we focus on email marketing tactics. How brands segment their audiences, how they contact them accordingly and how often they might contact them.

Does your organisation currently track whether a customer/email address is active or inactive?



Do you treat active and inactive segments differently? (Respondents that track active/inactive users)



When asked whether they currently track if a customer's email is active or inactive, the majority said they do (66%).

It's still a concern, however, that one in five (19%) report not doing so and a further 15% don't know. Tracking customers' levels of engagement is best practice and not doing so might result in organisations not being aware of the damage they could be doing to their email deliverability – to find out more visit the 'Email Deliverability: A Journey into the Inbox 2020' report.

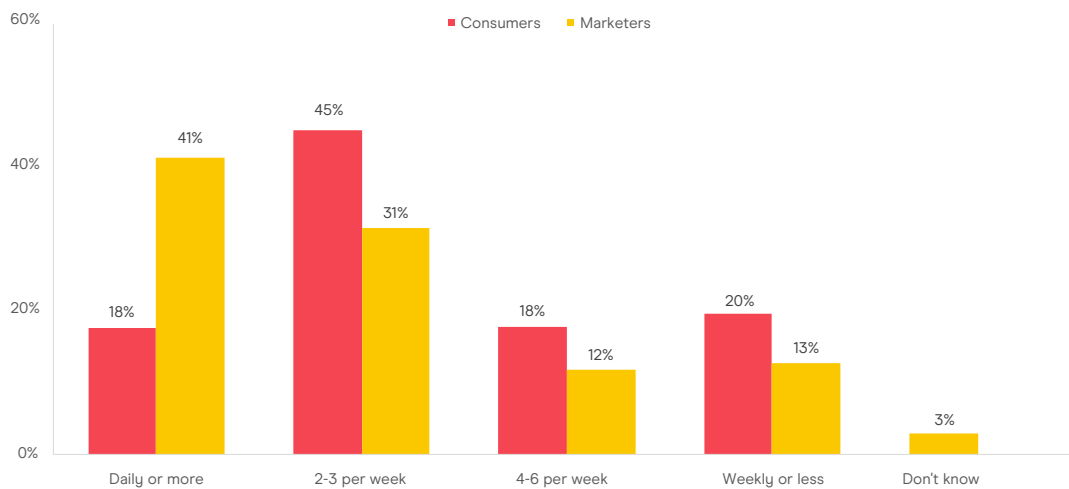
Of those that are tracking inactivity, the majority (73%) are also acting on this knowledge by changing the content or frequency with which they contact these customers. Although, again, a notable proportion are not using this information at all (25%).

In combination, these two figures mean that just less than half of brands (48%) are treating active and inactive customers differently. Given Gmail proactively encourages non-responders to unsubscribe after 30 days of inactivity, it's clear brands should not just be monitoring this figure, but acting on it too. This topic is something we also explored in our recent 'Email Data Quality' research.

Despite not tracking inactivity, brands are aware of the impact too many emails could have, as three-quarters (75%) now report having rules in place on how often they email an individual recipient. This has increased from 62% 12 months prior, which could be another by-product of the increase in email volumes amid the

pandemic. Not least because the pandemic may have meant more areas across a typical business may have wanted (or needed) to send messages, making it even more important to have rules and ensure visibility of engagement.

On average, how many emails per week do you send to each individual on your mailing list, including those sent automatically? vs. (Consumer) On average, how many emails per week do you receive from a single brand that you are signed up to receive messages to your personal inbox(es) from?

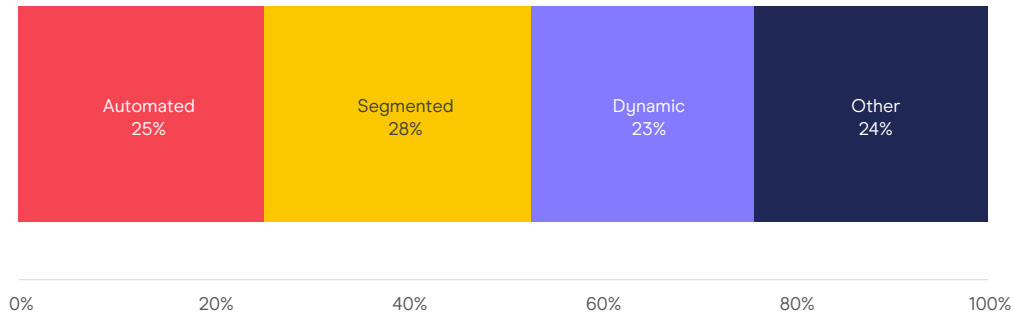


Comparing the average number of messages marketers estimate they send to a recipient on their list to the amount consumers estimate they receive paints an interesting picture. Most consumers (45%) estimate they receive 2-3 messages per week, whereas a similar proportion of marketers (41%) believe they contact customers at least daily.

While these estimates paint a positive picture, the reasons behind them could also be down a problem in email deliverability. Marketers may believe they're contacting customers more often, but not realise these messages are not landing in the inbox, or worse that they are not making it through at all as they've been caught in some of the spam traps – as discussed further in our 'Email Data Quality' report.

The use of automation and dynamic content may also make it challenging for marketers to truly know the number of messages everyone might receive. Although this also makes it even more important to understand the difference between active and inactive customers, as highlighted earlier in this chapter.

What percentage of the emails your organisation sends to customers are the following?



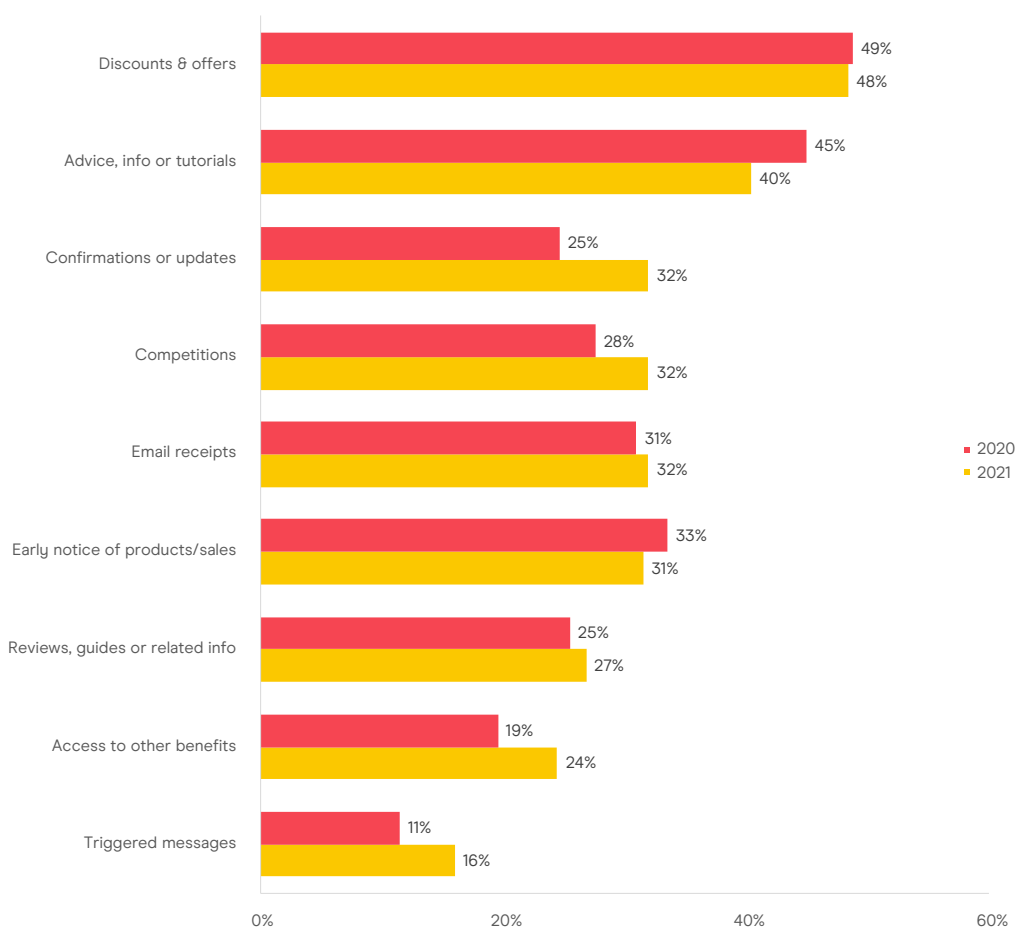
When asked about the email campaigns their organisations send and how they target these, the average was balanced between the options. The average proportion was a relatively even split between automated emails (e.g. action or time-triggered emails to specific customers), those using segmentation (e.g. emails sent to specific groups within your subscriber list), dynamic content emails (e.g. all/some content is personalised based on behaviour/data) and those not using any of these (e.g. emails sent where there is no differentiation between subscribers/groups).

It would be easy to see the one in four campaigns being effectively 'batch and blast' as a negative. However, the mix of approaches should be seen as encouraging, as many businesses are using a mixed approach to target their customers. Mass communications can have its place in this mix too, particularly for smaller businesses with limited resources and lists that may already be relatively targeted.

/ Content and Engagement

Effective content and how consumers engage with what they're sent – this section will investigate where marketers and consumers' perspectives unite and where they differ.

What types of email message/content helps you to achieve your organisation's email marketing objective? (Select all that apply)



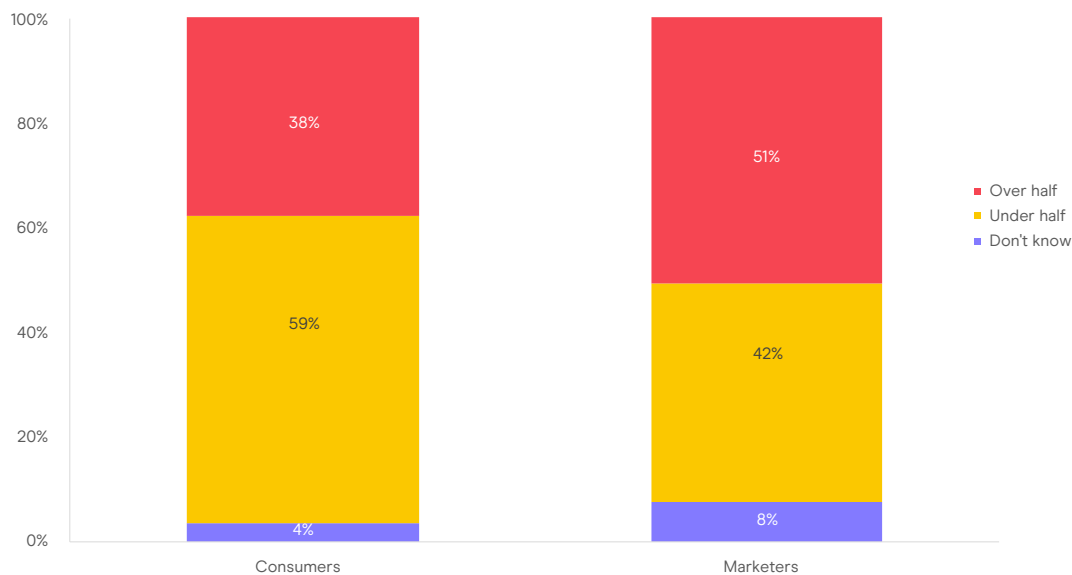
Discounts and offers remain the most effective content that helps most businesses (48%) achieve their email marketing objectives (as outlined in the earlier 'Objectives, Measurement and Value' chapter).

Meanwhile, there are notable shifts year-on-year that could be a possible result of the pandemic. Despite the reduction in marketers citing advice and information lead content (40%), this has remained second. The slight decrease also appears minor compared to the increases in the apparent use and effectiveness of confirmation messages (up 7%), competitions (up 4%), access to benefits (up 5%) and triggered emails (up 5%).

These all indicate a more rounded approach to the content marketers are using to achieve their objectives, the ultimate reflection of a more holistic approach when setting such targets as seen previously too.

The increased use of update and triggered messages also highlights the increased use of automation to provide timely, relevant content to customers without the need for marketers to generate a new campaign or message.

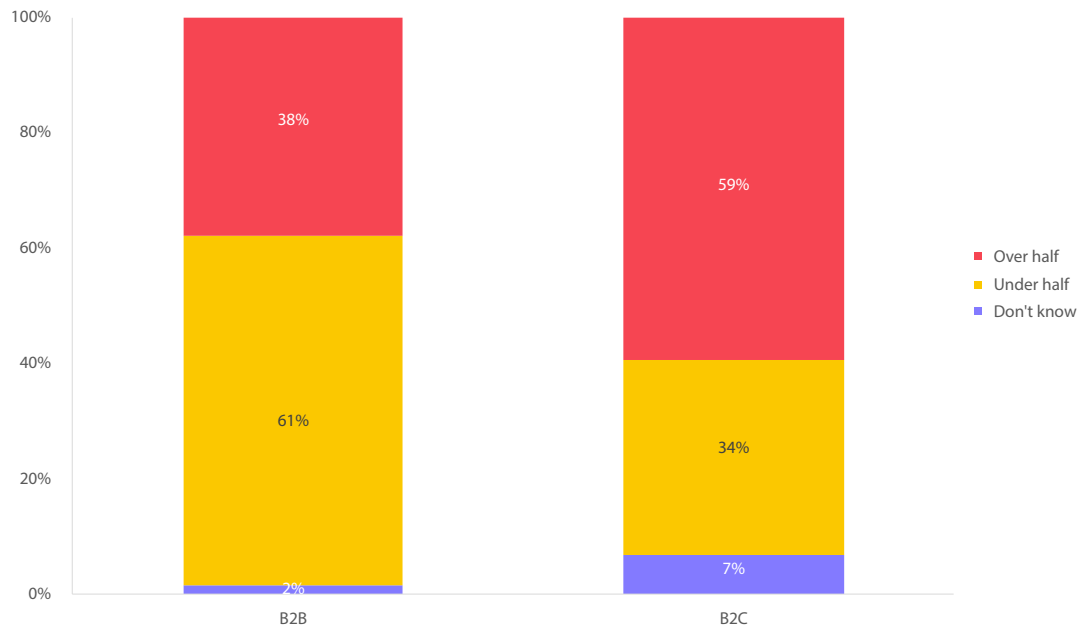
What percentage of the emails an average consumer receives do you believe they open and read? vs. (Consumer) What percentage of emails from brands received in your personal inbox(es) do you think you open and read?



Half of the surveyed marketers (51%) believe consumers open and read at last half of the emails they receive. However, earlier this year, most consumers (59%) told us that this figure is below half. In other words, marketers may well be overestimating how many emails customers are engaging with.

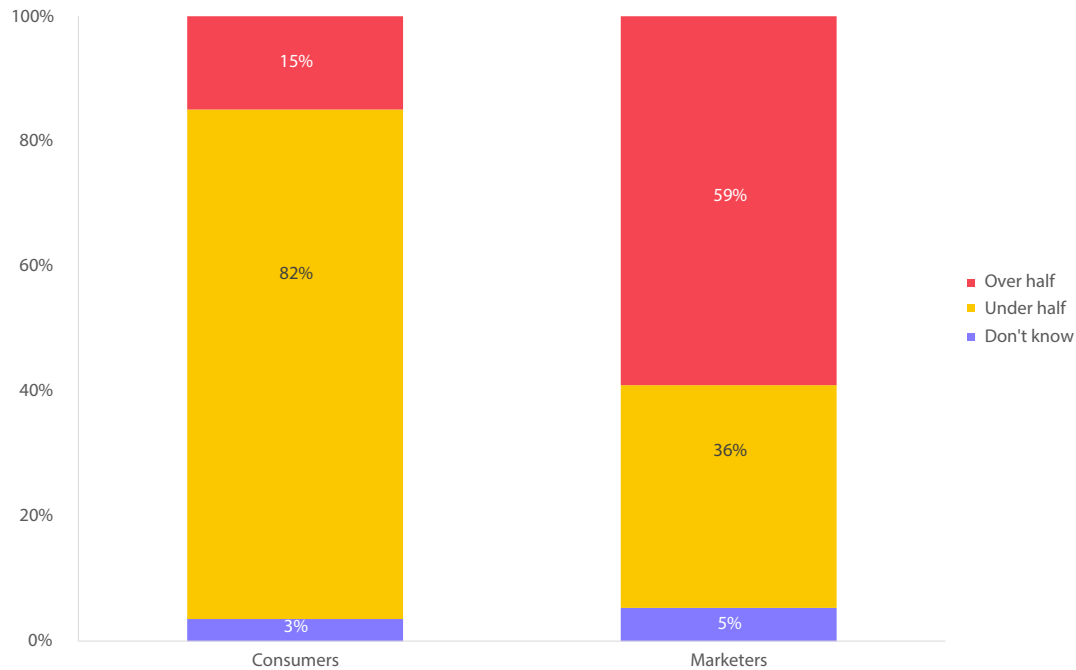
This is particularly surprising given one would expect most marketers to have some idea of their brand's open rates, not to mention the availability of industry-wide figures such as the DMA's ['Email Benchmarking Report 2020'](#). These figures estimate the average open rate around 20%, within a possible range of 9-31%, meaning marketers should be aware that less than a quarter of the emails they send are opened – even before they're actually read.

What percentage of the emails an average consumer receives do you believe they open and read? (B2B vs. B2C marketers)



The response to this question was also markedly different between marketers working for B2B and B2C businesses. Consumer-focused professionals appear to be much less likely to believe their messages go unread (34%). On the other hand, this also highlights the challenges many B2B marketers might face with their content highly scrutinised – as such, the difficulties in earning these customers' attention and trust. Additionally, best practices like segmentation and targeting are less likely to be used in B2B, leading to less relevance and engagement.

What percentage of those do you believe to be relevant and/or useful to the recipient? vs. (Consumer) What percentage of the emails you open and read from brands do you consider useful to you?

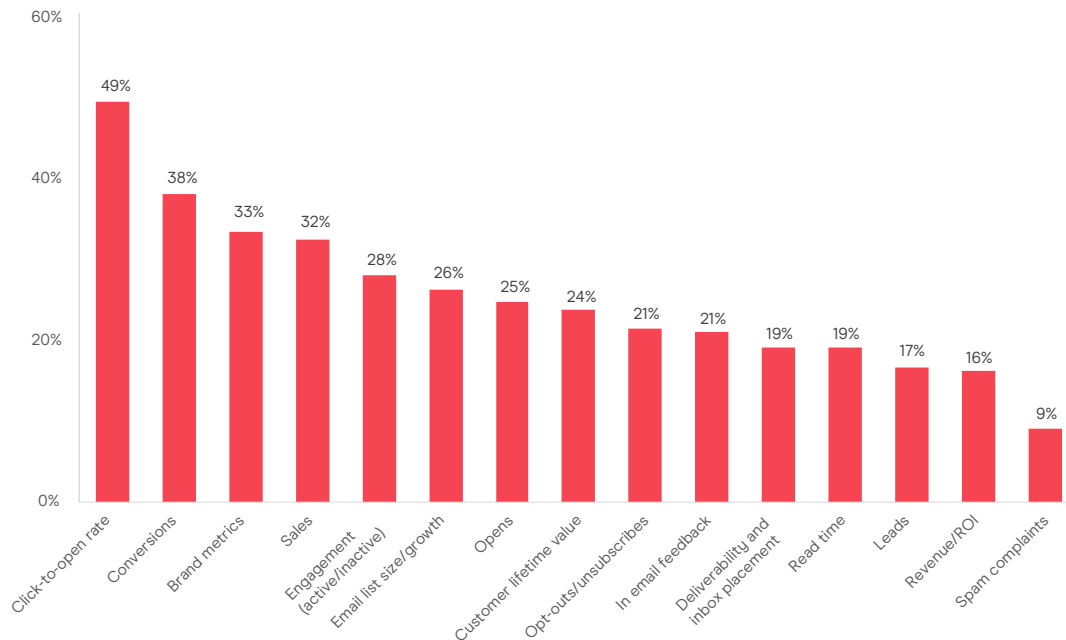


The latest '[Consumer Email Tracker 2021](#)' report highlights the ongoing challenge many marketers face in providing consumers with truly relevant content, as just 15% of consumers say over half the emails they receive are useful. Meanwhile, most marketers (59%) believe over half of what they're sending is of relevance.

While the definition of 'relevance' or 'usefulness' is a relative one that will change from person to person – and marketer to marketer – it's still potentially of concern that a third of marketers (36%) don't believe most of what they send is of use to the customer.

It's also worth noting that attaining 100% relevance for consumers is also not a realistic or even successful ambition either. This achievement could mean the brand is barely contacting customers at all (or nearly enough) or that they are leaving no room for inspiration or risk. It's only by offering customers new content that a brand can learn whether they are interested in it, which means there's an inherent risk it won't be and therefore the message will be catalogued as 'not useful'.

When monitoring or tracking the relevance of your overall email marketing, which of the following metrics do you use? (Select all)



When it comes to how brands are measuring the relevance of the emails they send, the most popular metric is the click-to-open rate (49%). Secondarily, around a third are using conversions (38%), brand metrics (33%) and sales (32%). Beyond these leading metrics is a range of different options used by anywhere from a quarter to a fifth of brands, with the average organisations using around four of these to track relevance.

It's surprising to see deliverability metrics (19%) and spam complaints (9%) used relatively seldom to understand measure relevance, particularly given the impact these can have on nearly all the other metrics on the list.

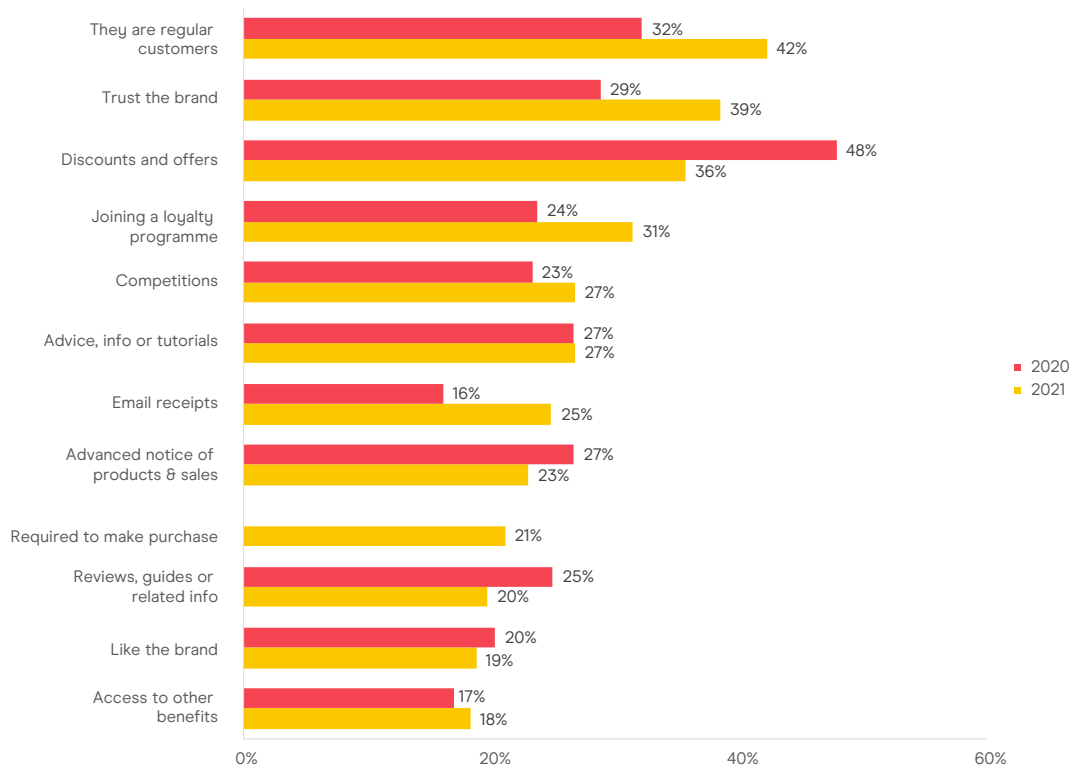
Equally, read time seems under-utilised (19%) in comparison to open- and click-related measures, as these should go hand-in-hand – opens mean nothing without understanding whether they spent any time consuming the content it contains.

In theory, a spam complaint should be as important to a brand as a click, as these are essentially two sides of the same engagement coin. In addition, whether a message is actually read should potentially be even more important than an open. An open is carried out on the promise of the subject line, but a 'read' is determined by the reality of the relevance of the message and whether the content is right. So businesses may need to look further than the traditionally used email performance and sales-driven metrics to truly understand the success of their campaign.

/ Sign-ups and Unsubscribes

Next, we investigate the start and (potentially) end of a brand's relationship with a customer – via email at least. Helping us to understand what drives email sign-ups and the brand's reaction to a customer requesting they cease contact.

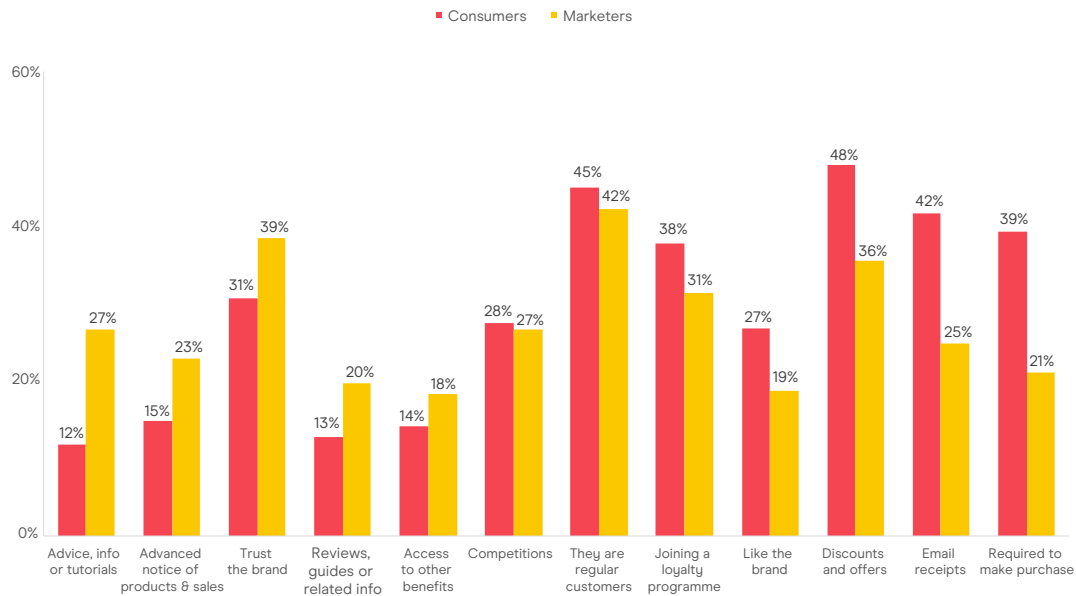
Which are most effective in encouraging consumers to give their email address to your brand? (Select all)



One of the most dramatic shifts in this year's results is the change in what marketers say is most effective in driving email sign-ups. The number citing discounts and offers has fallen markedly (12% drop), while customers already being regular customers and trusting the brand (both a 10% increase).

These figures also represent one of the clearest impacts of the unique conditions of the last year. During the pandemic, brand loyalty and trust have become a key focus of many brand's email strategy, likely to keep customers both informed and engaged during challenging times.

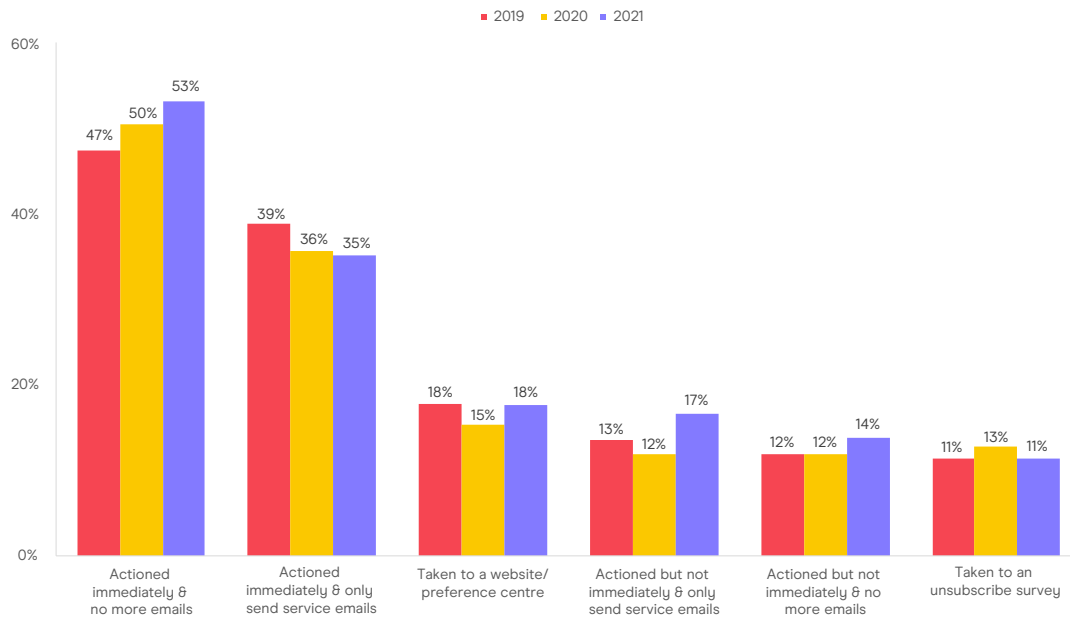
Which are most effective in encouraging consumers to give their email address to your brand? (Select all) vs. (Consumer) What are normally the main reasons you give your email address to a brand/shop/site? (Select all)



By comparing this to what consumers report triggers them to sign-up up, it's clear there are some significant disconnects between marketers and their customers. On the left of this graphic, marketers appear to be over-valuing content-led approaches to generate email sign-ups.

However, at the other end, we see marketers under-appreciating the impact of collecting email sign-ups as part of the purchase journey. Here we see the risk of consumers feeling they have to sign-up as part of making a purchase, while also not being offered email receipts as a useful reason to give their email address.

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

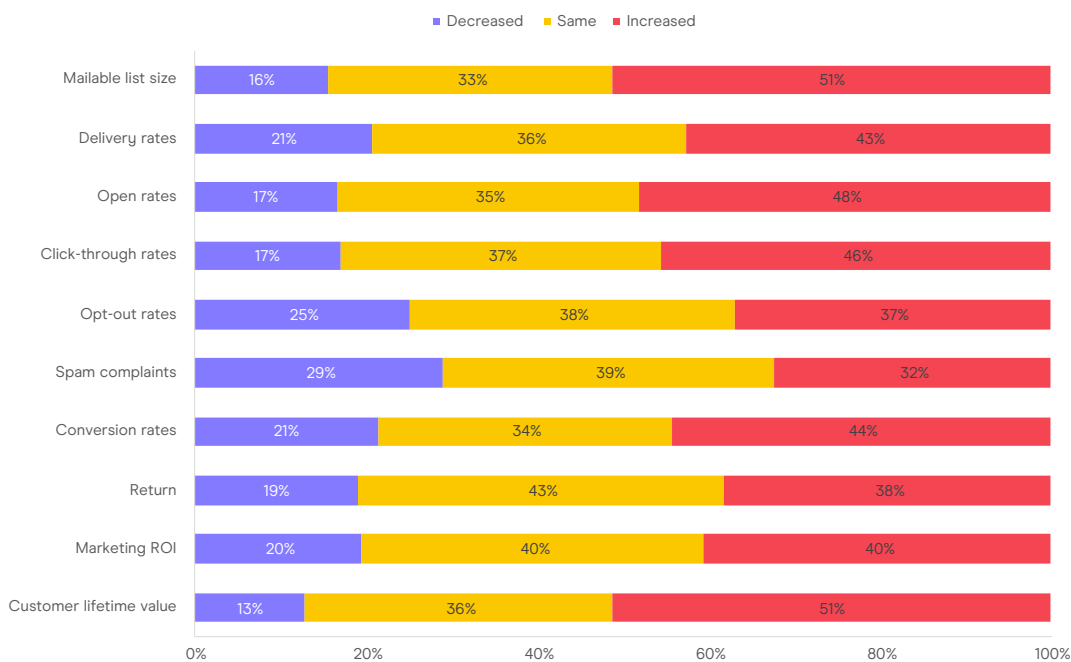


The ongoing increase in brands actioning unsubscribe requests immediately and not contacting those customers again (up to 53%) is a positive sign and marries up with what most consumers expect to happen (according to the [‘Consumer Email Tracker 2021’](#) report). In fact, combining the two ‘action immediately’ options would increase this figure even further. Although many brands are still missing out on the opportunity to learn more about what’s driving unsubscribe requests, whether through a preference centre (18%) or survey (11%).

/ Trends & Budgets

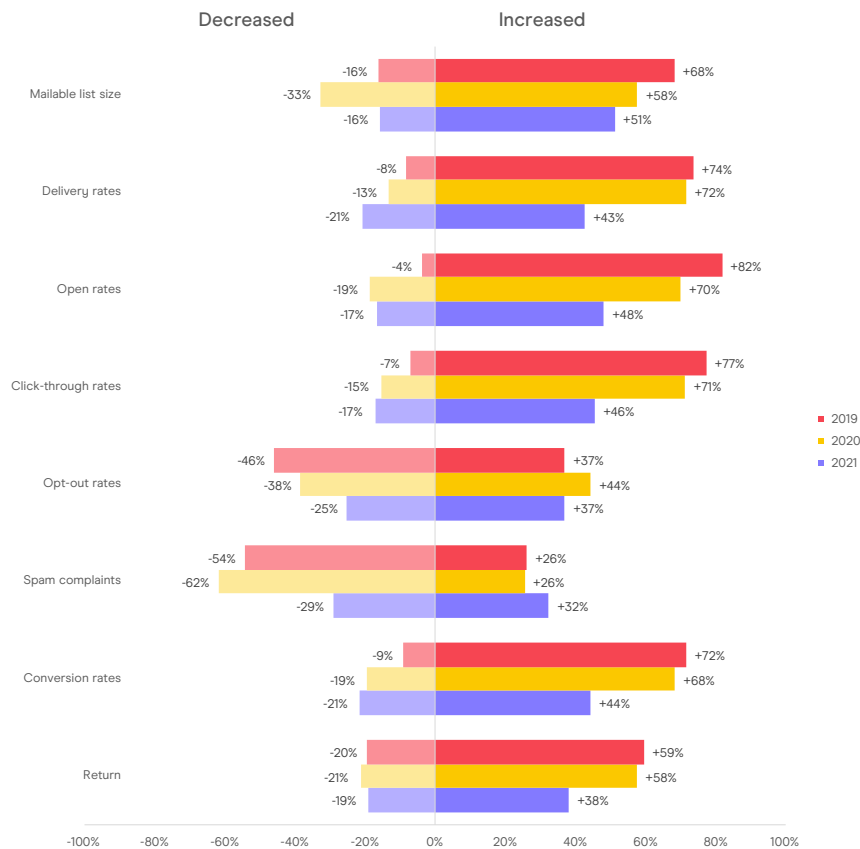
Lastly, we'll look at how some key email metrics have trended over the last year, including the budget organisations have dedicated to email. In addition, we'll delve into potential upcoming changes to the tracking technologies available to marketers in the coming years and the impacts these may have.

How have the following trended over the past 12 months?



Despite the challenges all businesses have faced, around half of marketers report many of email's key metrics have seen increases in the last 12 months – including mailable list size (51%), delivery rates (43%), open rates (48%) and click-through rates (46%). Two key metrics have also seen a decrease in the year, opt-out rates (25%) and spam complaints (29%), which is actually a positive result.

How have the following trended over the past 12 months? ('Increased' vs. 'Decreased' by year)

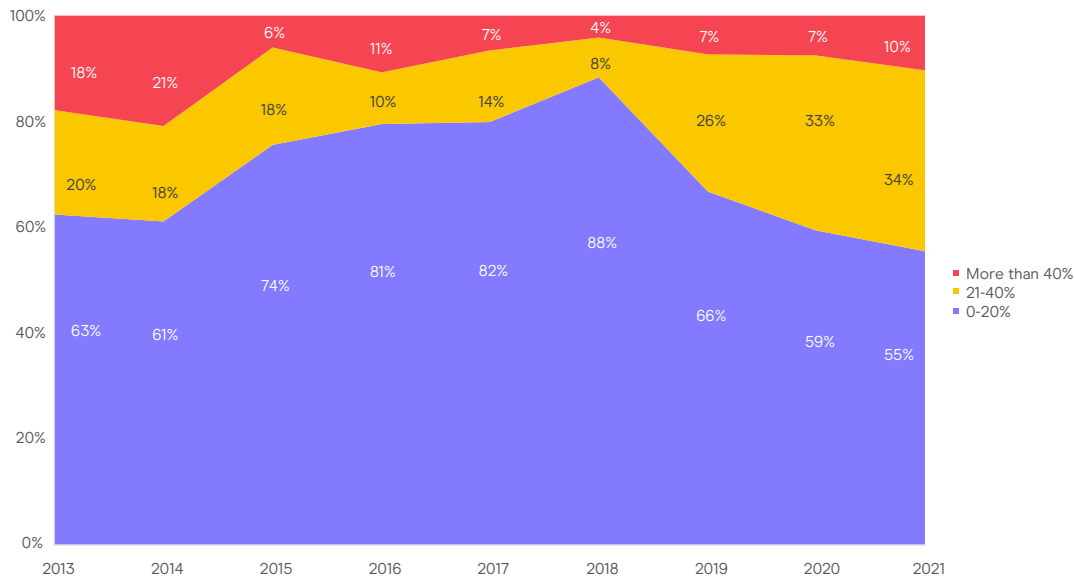


However, these have not seen the same rate of improvement or positivity as previous years post-GDRP, possibly indicating the positive impact of the new legislation has dissipated and the new marketing landscape is set. The balance between growing email lists and ensuring these messages are both delivered and engaged with has become the balance many marketers must find.

Overall marketing performance and customer value metrics have also generally remained positive, as we saw in the earlier 'Objectives, Measurement and Value' chapter. Although the positivity around the returns and conversion rates is less than in previous years again ('Marketing ROI' and 'Customer lifetime value' were new additions to the survey this year).

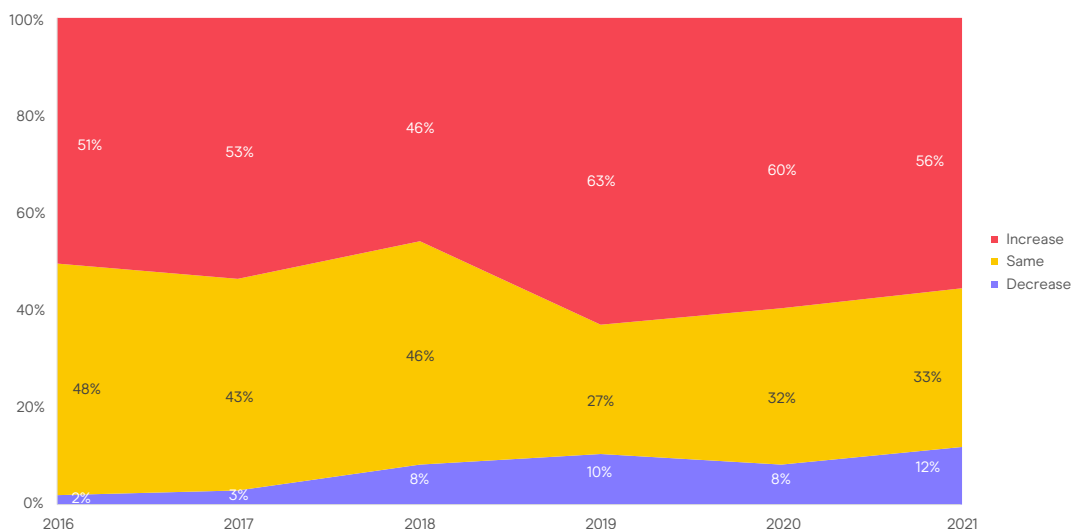
Additionally, B2B marketers were significantly more likely to report a decline in their open rates (29%) possibly reflecting the challenges of the last year – particularly combined with the impact of furloughed staff, retrenchment and home working.

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



The proportion of organisations’ marketing budgets spent on email has increased steadily in recent years and the pandemic has continued that trend. Just over half of businesses (55%) spend under 20% of their overall marketing budget on this core channel, while those spending over this is the highest on record. This also means the estimated average email budget is over 20% for the first time too (21.3%), nearly double its low of 10.9% in 2018.

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



It’s also positive that 56% of marketers also believe this budget increase will continue further in 2021, with a third believing it will at least remain the same (33%).

However, one in ten (12%) expect email budgets to decrease again in the coming year as the impacts of coronavirus dissipate. Many organisations may have seen unused marketing budgets re-directed to email during the pandemic, but as normalcy begins to return this year this budget may well move away – despite the value it's proven to have when spent on email.

This concern about the coming year is particularly felt by marketers in medium-sized businesses too, with nearly a quarter (23%) believing it will decrease. These organisations can often find themselves in a difficult position – between spending to compete and grow further while ensuring their approach is also sustainable.

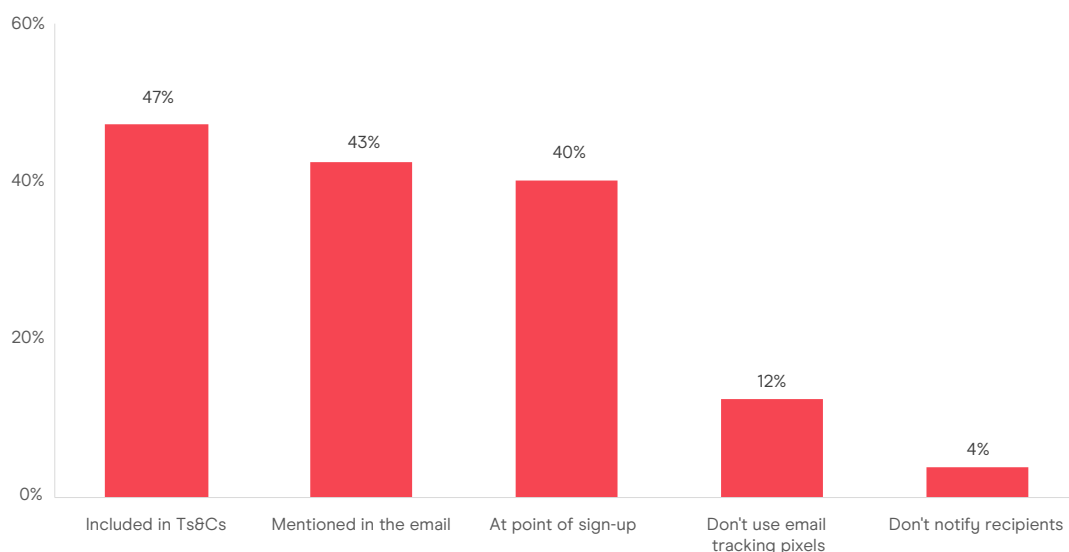
Tracking Technologies

Finally, this year's survey included new questions about brands' use of tracking technologies (including email tracking pixels, link tracking and third-party cookies) following [recent discussions about their use and future for marketers](#).

Initially, this provided respondents with some definitions, as follows:

- **Email tracking pixels:** The 1x1 pixel graphics that aren't easily viewed by email users and are embedded in the header and/or footer of an email, which track the behaviour of a user when they open a message, and what devices those emails are read on
- **Link tracking:** The use of tags within customer URLs to help organisations monitor how subscribers interact with an email by clicking links within it
- **Third-party cookies:** The tracking codes that are hosted by a third-party and allow brands to learn about their web visitor's overall online behaviours, such as websites they frequently visit, purchases, and interests that they've shown on various websites

How does your organisation currently notify email recipients of the use of 'Email tracking pixels' within these messages? (Select all)

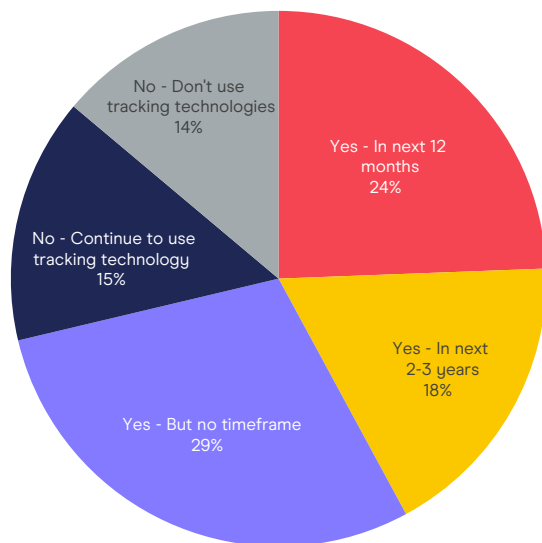


When asked about how they currently let customers know about the use of email pixels specifically, most include this in their terms, within the email and/or at the point of sign-up. In the coming years we may expect to see this shift toward a more proactive approach, and away from simply including it in the terms and conditions (Ts&Cs) alone. Furthermore, new legislation may even require this.

However, it's very concerning that over one in ten claims not to use pixels at all (12%) as it's hard to imagine any email programme not using any – this lack of awareness is alarming. It could also have severe financial consequences given the consent requirements under GDPR.

Early drafts of the ICO's new code suggests additional consent for pixel tracking may be required in the future, which means these marketers may not even know they're in breach of the rules – not to mention the 4% that already use them without notifying customers.

Is your organisation planning to reduce the use of tracking technologies, such as email tracking pixels, link tracking and third-party cookies?



The majority of marketers (71%) say they are planning to reduce the use of tracking technologies like email pixels, link tracking and third-party cookies in the future. Just 15% disagree with this reduction, while a similar proportion claims not to use any of them anyway (14%).

Meanwhile, the level of anxiety about the restriction of the use of these technologies is split, with a similar proportion concerned (39%) as are unconcerned (35%) – with around a quarter neither (27%). Larger businesses appear more concerned, with those reporting being 'Extremely concerned' rising from 9% to 15%.

The rules around the use of these technologies may continue to evolve in the coming years, but as Komal Helyer, Chair of the DMA Email Council, explained [in an article on this topic earlier this year](#): "I would expect most consumers to be surprised to learn about pixels, which can only mean that marketers must do a much

better job of explaining what they are what information is being collected, how they will use it and the benefits for both the consumer and the brand.”

Meaning that if brands take a truly customer-centric approach, offering the transparency that both the legislations and consumers demand, then no matter what the rules end up they should be on the right side of them.

/ Acknowledgements

A special thank you to the DMA Email Council's Research Hub for their expertise and support. Contributors and members of the hub include:

- Guy Hanson, Validity International
- Kostas Karagkounis, Emarsys
- Russell Dawson, Taxi for Email
- Saravanan Subburam, Investment & Pensions Europe (IPE)

/ Methodology

The 'Marketer Email Tracker 2021' is part of an annual study undertaken by the DMA, in partnership with Validity and the DMA's Email Council.

The research was conducted in April 2021 via an online survey of 213 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 37 questions. These questions were reviewed by the DMA, Validity 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

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

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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.

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/ About the DMA Email Council

The DMA's Email Council is the home of email intelligence for the UK, leading the UK's marketing industry in innovative and cutting-edge email practices, breaking the mould and challenging the status quo.

The DMA Email Council exists to provide clarity and simplicity to marketers when it comes to email legislation and regulation, and to support marketers at all levels, from the classroom to the Boardroom, throughout their practical and aspirational professional development.

To help shape the future of email marketing, contribute to the discussions here or email email@dma.org.uk to find out more about the council and its work.

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