Constant Contact

Email Marketing Trends for Ecommerce

Small business strategies and tools for boosting sales

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Key Findings

Email marketing is a must for ecommerce businesses looking to broaden their reach and improve engagement. Ecommerce businesses that include email in their marketing strategy are more likely to have seen **increases in revenue** last year than their counterparts not utilizing email.

Integrating a dedicated email solution with an ecommerce platform is a game-changer. Ecommerce business owners and marketers using a dedicated email marketing solution to execute email initiatives **have more confidence in and see more success from their email strategies** than those using the email tools built into their ecommerce platform.

Personalization and automation are underutilized, creating significant missed opportunities. The most common email campaigns are holiday campaigns and flash sales and promotions. But **two-thirds of companies are missing the opportunity** to create an even more engaging experience by sending personalized content like special events, emails for birthdays and anniversaries, and other targeted communications.

Deliverability is extremely important, and those with a dedicated email marketing solution see better results than those using the email tools built into their ecommerce platform. **82% of business owners strongly agree on the necessity of trusting in their email delivery.** But those using a standalone ESP report 28% more successful email deliverability than those who don't.

Time savings and efficiency are consistent challenges that the most successful retailers are solving with technology. **88% of ecommerce business owners and marketers feel they should dedicate more time to marketing their business.** But dedicating more time to marketing doesn't mean spending that time crafting more emails. Those with the most successful email marketing strategies use more automation and spend less time on unproductive tasks, in turn spending more time understanding data to inform better decisions.

Introduction

Email marketing enables any ecommerce business to reach a wider audience and keep them engaged, but many businesses struggle to differentiate themselves from competition, target the right customers, and find time in their day to manage email efforts.

With the right email marketing tools, however, ecommerce businesses can consistently find new customers, stay relevant with repeat shoppers, and continuously optimize their strategy, improve efficiency and free up valuable time. So which email solutions deliver the best results for ecommerce businesses? And how are those who are most successful with their email strategies using these tools?

To help answer these questions, Constant Contact, in partnership with Ascend2 Research, surveyed over 400 ecommerce business owners and marketers working in the retail or ecommerce space about how they use email to better their business outcomes.

Our research revealed the importance of email to the success of ecommerce but also found that not many business owners feel that they are maximizing its potential. Furthermore, only 14% of ecommerce business owners are extremely satisfied with their current email solution. But those who do love their email tool report nearly 8x more email success than those who don't.

In this research study, we examine the top challenges associated with email, what is working for ecommerce businesses and what isn't, and what differentiates those seeing the most success from their email programs.

Those using a dedicated email marketing solution are more than 1.5x more likely than others to feel satisfied with their email tool.

The bottom line: Email matters, but the solution you use and how you use it matters even more.
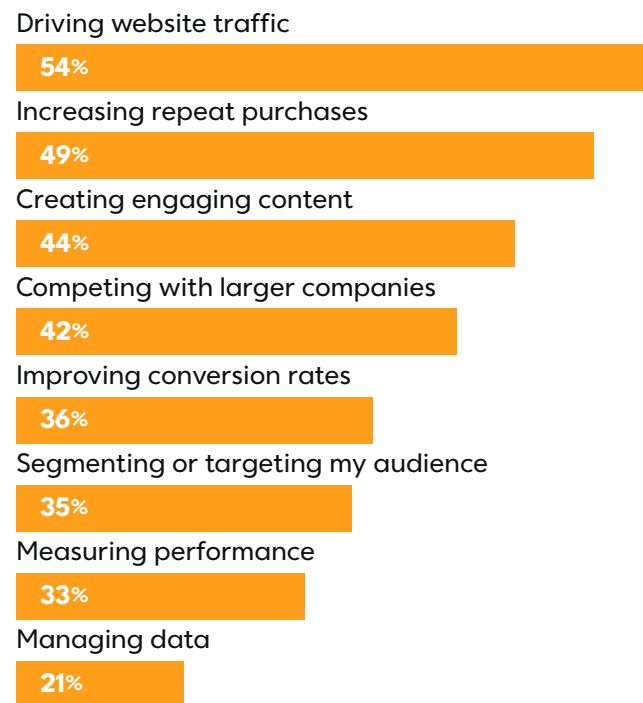
1.0 What are Ecommerce Businesses Up Against?

Growing an ecommerce business comes with challenges.

As ecommerce business owners and marketers work to increase sales and generate more revenue, driving website traffic is a major barrier to success, according to over half of those surveyed. Increasing repeat purchases, creating engaging content, and competing with larger companies are also considered top challenges.

What are your top marketing challenges associated with increasing sales and generating more revenue?

Driving website traffic
54%

Increasing repeat purchases
49%

Creating engaging content
44%

Competing with larger companies
42%

Improving conversion rates
36%

Segmenting or targeting my audience
35%

Measuring performance
33%

Managing data
21%

Over three-quarters (78%) of the ecommerce professionals we surveyed are both the owner of the ecommerce business AND responsible for marketing efforts. Further, 58% of the ecommerce business owners and marketers surveyed report having just one person on staff responsible for marketing efforts.

Just 8% of ecommerce businesses experienced a significant increase in revenue last year, according to owners and marketers surveyed. There is no shortage of competition in the ecommerce space, and it is more important than ever for ecommerce businesses to employ marketing strategies that differentiate their brand from the crowd. Throughout this report, you will see references to the 52% of ecommerce businesses that were able to grow revenue significantly or moderately last year. This group provides insight into what is working to attract more customers, increase sales, and generate more revenue.

Which best describes the change in revenue for your company in the last year?

Increased significantly	8%
Increased moderately	44%
Decreased moderately	20%
Decreased significantly	7%
Stayed the same	21%

1.1 What are Ecommerce Businesses Up Against?

Email makes an indisputable impact on performance.

The use of email has a demonstrable impact on increasing sales and revenue for ecommerce and retail businesses. In fact, **ecommerce business owners and marketers using email as a part of their marketing strategy are 1.5x more likely to have seen an increase in revenue for their business last year** than those who don't use email. (58% vs 38%).

Still, over one-quarter (27%) of retail marketers and small business owners we surveyed do not currently include email in their marketing efforts. So, what are they supplementing their strategies with? A 76% majority are using social media tools instead, by far the most commonly used channel among this group.

Ecommerce businesses using email are 1.5x more likely to have experienced revenue growth in the last year.

Which of the following tools or technologies do you currently use for marketing purposes?

Social media tools
76%

Website/Content Management System (CMS)
24%

Analytics tools
15%

SMS/messaging tools
15%

Design tools
12%

SEO tools
8%

Generative AI tools
5%

A new perspective on social media.

Engage your audience with content on your social channels, then entice them to join your email list so that you can contact them on your terms. **Change the game.** Look at social media as a channel to turn your audience into email subscribers that you can develop a relationship with rather than as a channel to sell your products. **Learn more about integrating email and social media to see better results.**

1.2 What are Ecommerce Businesses Up Against?

The technology behind your email strategy matters.

Nearly one-third (30%) of ecommerce businesses using email are using the email tool that is included in their ecommerce platform as their primary solution. The remaining 70% use a dedicated email solution external to their ecommerce platform, with 30% using it alone as their primary email tool, and the remaining 40% using it in tandem with their ecommerce platform's email capabilities.

Rate your satisfaction with your email marketing solution.

Tool(s) included in my ecommerce platform
30%
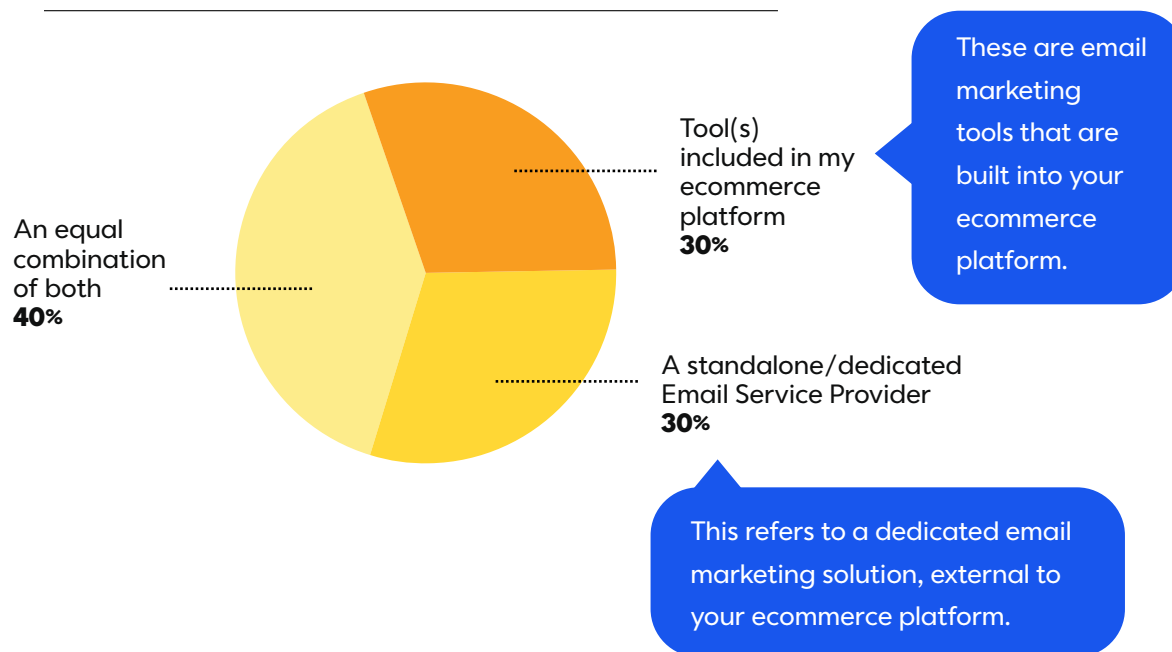
These are email marketing tools that are built into your ecommerce platform.

An equal combination of both
40%

A standalone/dedicated Email Service Provider
30%

This refers to a dedicated email marketing solution, external to your ecommerce platform.

While 85% of ecommerce business owners and marketers surveyed are satisfied with their chosen email marketing tool, only 14% report being extremely satisfied. Why does satisfaction matter? **Those most satisfied with their chosen email tool are nearly 8x more likely to report great success from their email strategy than those who aren't as satisfied with their email tool (55% vs 7%).** This correlation between email tool satisfaction and email strategy success highlights the importance of choosing the right email tool for your business.

1.2 What are Ecommerce Businesses Up Against?

Why do ecommerce business owners adopt a dedicated email solution?

Our research shows that email solutions external to your ecommerce platform can positively impact the success of your marketing efforts. In fact, those using a dedicated email marketing platform report greater success from their email strategy. Ecommerce businesses with a dedicated email marketing solution significantly more likely to describe their email stategy as successful. 16% of those with a dedicated email marketing solution say they have very successful strategies compared to just 10% of all others, a difference of 46%!

Why did you get a separate email marketing platform?

Needed flexibility and integration
48%

Needed more features
44%

Needed specialized expertise
33%

Needed centralized management (for multiple channels)
26%

Needed scalability
19%

Change the game.

Your dedicated email marketing platform should easily integrate with your ecommerce platform. When email and ecommerce platforms join forces, you gain access to all of the powerful features of a tool designed for email.

Satisfaction (and success) with a dedicated email platform grows over time.

61% of those using a dedicated email marketing platform have been doing so for less than three years. Interestingly we found that those who have been using their platform the longest, experience more satisfaction and better results as time goes on.

For how long have you been using your current dedicated email marketing platform?

Less than one year	22%
Between one and three years	39%
Between three and five years	20%
Six or more years	19%

The future looks bright. 93% of those who have been using a dedicated email marketing platform for three or more years are satisfied with their email solution, compared to 83% of those using it for less than three years. They are also more confident in their email strategy (75% vs 66% report confidence in email strategy).

2.0 What to Look for in an Email Tool

Reporting and integration are the most important features of an email marketing tool for ecommerce businesses.

What are the most sought-after features of an email tool for ecommerce businesses? Owners and marketers surveyed feel that analytics and reporting, integration with their ecommerce platform, and access to email templates are some of the most useful features of an email tool.

> Email templates (41%), analytics and reporting (34%), and integration with their ecommerce platform (32%) are features that would encourage the purchase of a dedicated email marketing solution, according to those who do not yet use one.

Which of the following are/would be the most useful features of an email marketing solution?

Analytics and reporting
56%

Integration with the ecommerce platform
51%

Email templates
49%

Automated/triggered campaigns
42%

List segmentation and targeting
34%

Compliance and privacy
19%

Different features for different needs.

The most important features of an email marketing solution vary based on company size. Getting started quickly and easily with templates and measuring performance is key for small and newly-launched businesses while growing companies are looking to automation for improved efficiency and increasing accuracy and impact with targeting.

NUMBER OF EMPLOYEES

Which of the following are/would be the most useful features of an email marketing solution?

	1 - 10 employees	11 - 25 employees	25 - 50 employees
Email templates	54%	39%	46%
Analytics and reporting	53%	61%	58%
Integration with the ecommerce platform	49%	57%	50%
Automated/triggered campaigns	43%	36%	50%
List segmentation and targeting	33%	41%	31%
Compliance and privacy	19%	18%	17%

2.1 What to Look for in an Email Tool

Dedicated email marketing tools provide access to features that can alleviate top challenges.

Those using a dedicated email marketing tool find that top challenges such as driving website traffic and audience segmentation are less of a barrier to increasing sales and driving revenue than those using an email tool built into their ecommerce platform.

USE OF DEDICATED EMAIL TOOL

Top 3 marketing challenges associated with increasing sales and generating more revenue.

	Dedicated email tool IS used	Dedicated email tool is NOT used
Driving website traffic	58%	65%
Increasing repeat purchases	47%	58%
Creating engaging content	45%	49%
Competing with larger companies	40%	43%
Segmenting or targeting my audience	32%	42%

Standing out from the crowd. **Those using a dedicated email marketing tool are 2x more likely to be very confident that their email strategy differentiates them from their competitors** (19% vs 10%).

Change the game. Look for a dedicated email marketing solution with features that can directly address your specific goals and challenges. Looking to attract more potential customers to your website? SEO tools and ad integrations can help. Need that creative edge to engage your audience? Look for tools with AI content generation. Sick of abandoned carts and shoppers losing interest? Automation can significantly improve efficiency and encourage repeat purchases with minimal effort.

2.2 What to Look for in an Email Tool

What is getting in the way of email success?

Over half (51%) of ecommerce business owners and marketers surveyed are challenged by email list growth. Creating engaging content and an overall email strategy are also top challenges reported by those surveyed.

What are your top challenges associated with email marketing?

Growing email list
51%

Creating engaging content
51%

Creating email strategy
45%

Integration with other channels (social media, ads, etc.)
36%

Email deliverability
27%

Segmentation and targeting
25%

Compliance with regulations and privacy
15%

Growing your audience is easier with a tool built for email.

In fact, those using a dedicated email solution report more success in email list growth. (Nearly one-quarter (23%) of those with a dedicated email tool report very successful email list growth compared to just 15% of others).

Sticking to a strategy pays off. Those who have been using a dedicated email tool for three years or more are 12% more likely than those who have been using their dedicated email tool for fewer than three years to have success in growing their audience (91% vs 80% report successful email list growth).

Using expert resources.

Getting started with an email strategy can feel dauting, but it doesn't have to be. Professional services can take some of the work off your plate and pave the wat to better marketing. Learn more.

2.3 What to Look for in an Email Tool

How are ecommerce businesses using their email marketing solution?

The top email capabilities used by ecommerce businesses are ecommerce platform integrations, targeting based on engagement and shopping habits, and personalization automation, according to those surveyed.

Which of the following email marketing capabilities do you currently use?

Integrating email with ecommerce platform
42%

Targeting/segmenting customer list based on engagement
41%

Targeting/segmenting customer list based on shopping data/habits
38%

Personalizing content automatically
38%

Viewing analytics on revenue generated emails
33%

Embedding products in emails
32%

Creating responsive emails that automatically adapt to different screen sizes
31%

Testing subject lines for open rates
21%

Automating workflows
19%

Dedicated email tools enable the use of more capabilities.

Businesses integrating a dedicated email marketing platform are more likely than others to use nearly all of these email capabilities. In some cases, as much as 1.5x more likely, such as with personalizing content automatically.

USE OF DEDICATED EMAIL TOOL

Which of the following email marketing capabilities do you currently use?

	Dedicated email tool IS used	Dedicated email tool is NOT used
Targeting/segmenting customer list based on engagement	44%	36%
Personalizing content automatically	43%	26%
Creating responsive emails that automatically adapt to different screen sizes	34%	24%

3.0 Maximizing the Use of Email to Grow an Ecommerce Business

The most successful strategies use automation and personalization.

Ecommerce businesses that report the most success from email marketing are maximizing the use of more email capabilities than those with less success.

Those seeing the best results from their email strategy are significantly more likely to automatically personalize content and automate workflows. Automation not only streamlines processes to save precious time, but it also allows ecommerce businesses to personalize messaging delivered to customers.

Integrating a dedicated email tool with your ecommerce platform can take automation one step further by adding another layer of data to create personalized content and then delivering that content with enhanced features and capabilities.

EMAIL STRATEGY SUCCESS

Which of the following email marketing capabilities do you currently use?

	Very successful email strategy	All others
Personalizing content automatically	50%	36%
Automating workflows	33%	17%

Personalization is an excellent way to improve engagement and is certainly a missed opportunity by many businesses as a way to stand out from competitors

Workflow automation is only used by about one in five ecommerce business owners and marketers surveyed. However, **those who use automation in their email marketing were more likely to see revenue increases last year** (60% vs 51% of those not using automation). **Change the game.** Even the simplest of automations can move the needle for small businesses. For example, automate abandoned cart emails to quickly turn window shoppers into customers, at scale.

Why personalize?

Ecommerce business owners and marketers who are personalizing content automatically have more confidence that their email marketing strategy differentiates them from competitors than those who are not (77% vs 67%).

3.1 Maximizing the Use of Email to Grow an Ecommerce Business

Which email campaigns are used most by ecommerce businesses?

Over half of the ecommerce businesses surveyed are sending seasonal and holiday campaigns, and nearly half are sending emails with flash sales and promotions. Only 34% send special events emails for birthdays, anniversaries, and the like. Connecting email to your ecommerce functions gives you the power to send customers more targeted messages, insert products directly from your store into your emails, generate product recommendations, and more.

Product recommendation emails are simplified when email is integrated with your ecommerce platform. Those with email and ecommerce integrations are nearly 1.5x more likely to be using product recommendation emails than those without integration (49% vs 35%).

Which of the following email campaigns do you currently use?

Seasonal and holiday campaigns
53%

Flash sales and promotions
46%

Post-purchase follow-ups
42%

Product recommendations
41%

Customer loyalty programs
37%

Re-engagement campaigns
34%

Special events (birthday, anniversary, etc.)
34%

Welcome series
32%

Educational content and newsletters
31%

Abandoned cart recovery
19%

Change the game. Collecting information such as a birth date or anniversary from your customers, then using that data to send personalized emails, can have a major impact on engagement. Plus, these emails can be created and sent automatically with the right email marketing platform.

3.2 Maximizing the Use of Email to Grow an Ecommerce Business

Segmentation allows you to send targeted campaigns that set you apart.

Businesses that are the most confident int their email marketing strategy's ability to effectively differentiate their brand are significantly more likely than those with less confidence to utilize tactics like flash-sale emails, customer loyalty program emails, and educational content.

This highlights the importance of the ability to send targeted emails based on what you know about your customers. In fact, ecommerce business owners and marketers who target and segment their customer list based on shopping data and habits are 2.5x more likely than those who don't to describe their email strategy as very successful (23% vs 9%). Integrating a dedicated email marketing solution with your ecommerce platform provides access to this type of data and allows for more purposeful and impactful segmentation.

SEGMENTED BY CONFIDENCE IN THE EMAIL STRATEGY DIFFERENTIATING THEIR BRAND

Which of the following email campaigns do you currently use?

	Very confident	**All others**
Personalizing content automatically	58%	44%
Automating workflows	54%	34%
Personalizing content automatically	50%	41%
Automating workflows	42%	29%
Automating workflows	25%	18%

Deliverability

99% of ecommerce business owners and marketers surveyed say that trusting their messages are delivered to their audience's inbox is important to them, but only one-third (33%) rate their email deliverability as very successful. Those using a dedicated email marketing platform report more successful email deliverability than those who don't.

USE OF DEDICATED EMAIL TOOL

% of those who report very successful email deliverability

36%	27%
Dedicated email tool IS used	**Dedicated email tool is NOT used**
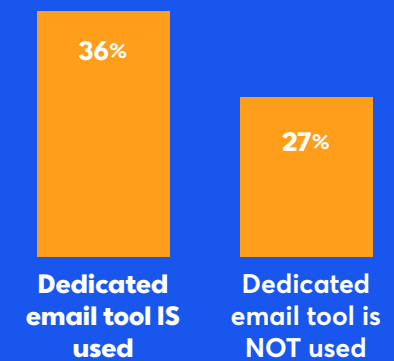
3.3 Maximizing the Use of Email
to Grow an Ecommerce Business

# Spend time growing your audience, not managing contacts.

Over three-quarters (77%) of ecommerce businesses are adding to their contact list manually to some extent, which can be time-consuming and inefficient. Integrating a dedicated email marketing solution with your ecommerce platform can eliminate manual tasks and give you back valuable time. In fact, those with email integrated with their ecommerce platform are performing significantly fewer manual contact list entries than those without email and ecommerce integration. Just 20% of those with integration do mostly manual entry, compared to 35% without integration, a 54% difference!

When a dedicated email tool is integrated with your ecommerce platform, you can capture contacts across multiple channels and add them to your list automatically. You can then segment them based on their preferences, habits, and more to deliver more meaningful messages.

ALL RESPONDENTS

How do contacts get added to your email list?

Few manually, mostly via automation or integrations
23%
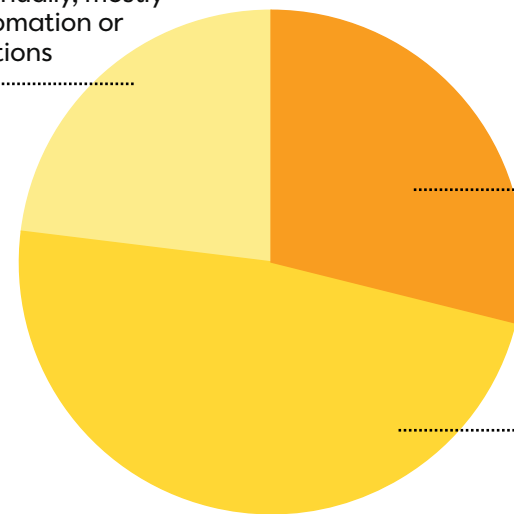
Mostly manually, few/none via automation or integrations
29%

Some manually, some via automation or integrations
48%

Two-thirds (66%) of ecommerce business owners and marketers surveyed feel overwhelmed by the thought of managing and organizing their email contacts. Interestingly, those using a dedicated email marketing platform are less likely to feel this overwhelm, compared to those not using a dedicated solution (64% vs 71%). The separation that a dedicated email marketing solution provides from the complexity and chaos of running an ecommerce store may help ease the feeling of being overwhelmed.

3.4 Maximizing the Use of Email to Grow an Ecommerce Business

Prioritize ROI and determine what works.

While analytics and reporting tools rank at the top of the list of most useful features for ecommerce business owners and marketers, measuring performance is only viewed as a top challenge to 33% of those surveyed, nearly at the bottom of the list of challenges presented to respondents. This is quite alarming, as only 15% of respondents feel strongly that they have the ability to determine which marketing messages drive the most sales. It is clear that many ecommerce businesses need to make measuring performance more of a priority.

Those with the ability to measure the ROI of email marketing are also 3.5x more likely than others to rate their email strategy as very successful and nearly 2x more likely than others to rate their email deliverability and integration with other channels as very successful.

Those using a dedicated email tool are more likely to find it easy to determine which marketing messages drive the most sales (73% vs 66%).

ABILITY TO MEASURE ROI OF EMAIL MARKETING

% of those who are very successful at the following:

	Can measure ROI of email marketing	**All others**
Overall email strategy	24%	7%
Email list growth	24%	18%
Email deliverability	46%	24%
Integration with other channels (social media, ads, etc.)	29%	16%

Change the game. 88% of ecommerce business owners and marketers feel they should dedicate more time to marketing their business. But dedicating more time to marketing doesn't mean spending more time crafting emails. Instead, invest your time wisely by applying data to make better decisions, create more impact, and improve results.

What we learned:

Social media isn't enough.
Businesses that use email are **1.5x** more likely than those that don't to have experienced revenue growth last year.

Choosing the right email tool is critical to success.
Those most satisfied with their chosen email tool are nearly **8x** more likely to report great success from their email strategy than those who aren't as satisfied with their email tool.

Using a dedicated email solution in conjunction with an ecommerce platform drives significant results.
Dedicated email solutions have the features and capabilities that ecommerce businesses need to improve performance.

Make small changes to drive big results:

Personalize. Stand out from the competition by sending emails that are relevant and personal. Our research indicates that personalization makes a difference but many ecommerce businesses are missing the opportunity to send personalized campaigns.

Automate. Automating workflows and email doesn't have to be complicated, and it can drastically improve results and help you optimize your time. Those who use automation feel more successful with their email strategies.

Measure. Figure out what is really working and use this knowledge to make better decisions about your marketing campaigns. Ecommerce business owners that can measure ROI are seeing better results.

Integrate. Integrate a standalone email tool with your ecommerce platform that can help you make all of these improvements with ease. See how Constant Contact helps ecommerce business owners do more.

Participants and Methodology

Methodology

Using a custom online questionnaire, Constant Contact in partnership with Ascend2 Research surveyed 405 business owners and marketers operating in the retail or ecommerce space. These individuals represented small businesses in the U.S. with fewer than 50 employees. The survey was fielded in January 2024.

Participants

Sales/revenue channels

In-store/brick-and-mortar	14%
Online/e-commerce	40%
Both in-store and online	46%

Number of employees

1 - 10 employees	63%
11 - 25 employees	23%
26 - 50 employees	14%

Business owner AND responsible for marketing efforts

Yes	78%
No	22%

About the Research Partners

Constant Contact

Constant Contact delivers everything small businesses and nonprofits need to build, grow and succeed. With powerful online marketing tools, contact management, Ecommerce features, and innovative AI capabilities, Constant Contact makes it easy to attract the right people, engage more customers, and sell more.

Learn more at Constant Contact.

Ascend2
RESEARCH-BASED MARKETING

Companies partner with Ascend2 to create original research from survey conceptualization through report and content creation to media outreach. Ascend2 helps companies fuel marketing content, generate leads, and engage prospects to drive demand through the middle of the funnel.

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