

RESEARCH REPORT

Inbox Insights 2022

Benchmarks, trends, and opportunities for the modern email marketer



Table of contents

	Introduction	3
1.	The best-in-class perspective	4
2.	Email marketing challenges in 2022	10
	Challenge 1: Increasing email engagement	12
	Challenge 2: Integrating email data	16
	Challenge 3: Improving email accessibility	19
3.	Email marketing trends in 2022	22
	Spotlight on dynamic content	
4.	Measuring success	32
	How does email drive conversions?	33
	Open rates what now?	35
	How do you measure email's ROI?	36
5.	Email marketing expectations in 2022	38
6.	Methodology	41
7.	How we can help	42



Introduction

Pick nearly any successful marketing strategy. Behind it, you'll find a strong email program driving much of that success.

In many ways, email is the lifeblood of a business. You could even compare email to the cardiovascular system, which sends oxygen and nutrients throughout the body. Likewise, a healthy marketing plan includes the use of email to build the brand, amplify content, deliver promotional messages, and communicate with customers. Email helps keep many businesses alive.

When looking for examples of healthy and physically fit people, we point to professional athletes or those who've lived long and happy lives. We may follow their example, trying out diets, workout routines, and other lifestyle changes.

We can do the same with successful email marketing programs. How do those marketers take on challenges? What email trends are they pursuing? How do they measure their success?

Of course, just as every human body has different needs and capabilities, each email program is unique.

Your opportunities, goals, and obstacles look very different from those of email marketers in other industries or even those of your direct competitors.

Still, as organizations make plans for the year ahead, it's helpful to see how "best-in-class marketers" approach the practice of email marketing.

Inbox Insights 2022 from Mailjet by Sinch includes survey results from <u>Ascend2's State of Email research</u>, which they conducted in Q4 of 2021. Our report centers around the responses of those who identified their email programs as being "very successful."

Throughout, we'll also include insights and advice from experienced email marketers and thought leaders. These are people who are or who've been in your position. They understand your challenges as well as what it takes to achieve positive results.

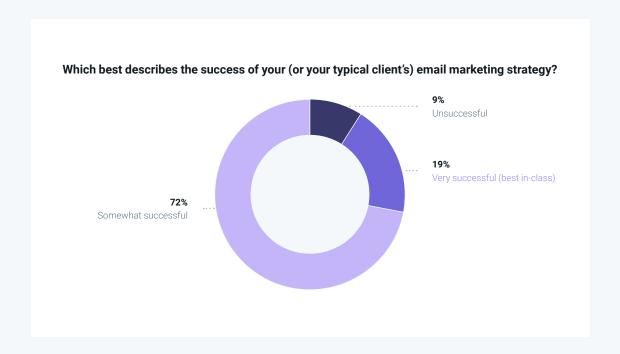
As you build and adjust your email marketing roadmap, use the survey's findings and insights to identify new ideas and craft a strategy that's right for your organization.

Here's to ongoing email marketing success for you and your team in 2022 and beyond!

PART 1

The best-in-class perspective

Out of the 510 marketing professionals Ascend2 surveyed for this research, **19% identified their email marketing strategy as being "very successful."** This makes up what we'll call the "best-in-class" segment, and much of our report focuses on the perspectives of these respondents, which we'll compare to the full pool of survey respondents.



As you can see, less than 10% of survey respondents are disappointed in the success of their email programs. However, 72% feel email is only a somewhat successful piece of the overall marketing plan.

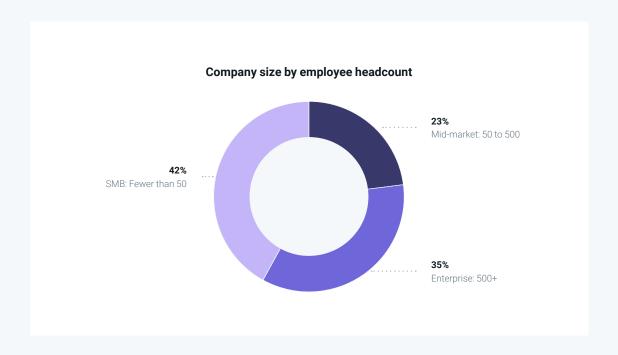
There isn't an email marketer in the entire world who wants to feel so-so about the results of their efforts.

But it sure seems like most of us think there is room to improve our email strategies. The best-in-class perspective gives us the perfect starting point for discovering how to make those improvements.

To provide context to the survey results, let's take a closer look at the marketers who self-report their email programs as "very successful."

Company size and email success

Comparing the makeup of the full survey to our best-in-class segment gives us an interesting perspective. For example, 66% of the respondents in Ascend2's report were from small businesses (SMBs) with 50 employees or fewer. However, less than half of the best-in-class segment included SMB marketers.



While SMBs still had the highest percentage of respondents (42%), enterprise companies with more than 500 employees made up more than a third (35%) and mid-market companies accounted for nearly a quarter of respondents (23%). Compare that to just 17% for both mid-market and enterprise marketers in the full survey.

The indication here is that larger organizations may be likely to view their email marketing strategy as successful. These marketers could have more mature email programs, as well as access to more resources and technology.

However, it's certainly possible for small business marketers to use email successfully. Being small, after all, has plenty of advantages. It's highly likely you're able to move faster, experiment, and take more risks.

The email industry is full of opportunities and various solutions for marketers of all types. The key is not only identifying the right partners and tools to help you achieve your goals but using them to their fullest.

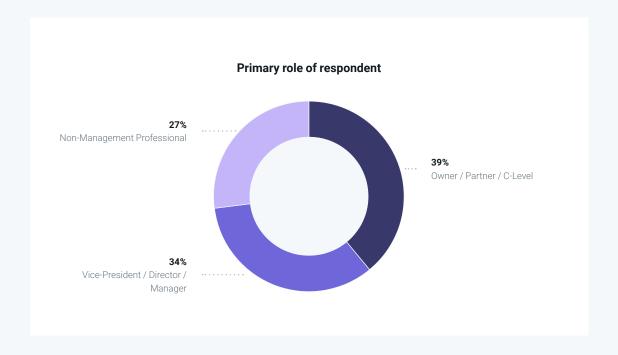
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Primary role in the organization

Your position in a company may impact your level of awareness around email marketing. Email marketers deal with specific challenges every day. They're up to their elbows in campaigns and KPIs. And while they have a breadth of knowledge and experience, all those details can overload the email team.

Those at the top of the organizational hierarchy provide another perspective. While their email marketing knowledge may be general, they are likely focused on the big picture, including how the channel helps the company achieve business goals.

In our survey, the best-in-class segment is well-represented across different roles, and this variety should give us a holistic picture of email's impact.

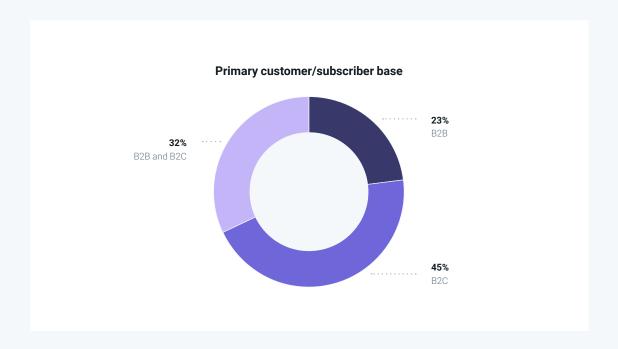


Respondents at the Owner/Partner/C-suite level made up 39% of best-in-class participants. That's followed by 34% who are VPs, directors, or managers. The remaining 27% identified as non-management professionals.



B2B vs. B2C marketers

At 45%, the best-in-class segment in this survey skews towards B2C brands targeting consumers with their email marketing strategies. That's slightly less than all respondents combined, which included 55% B2C marketers.



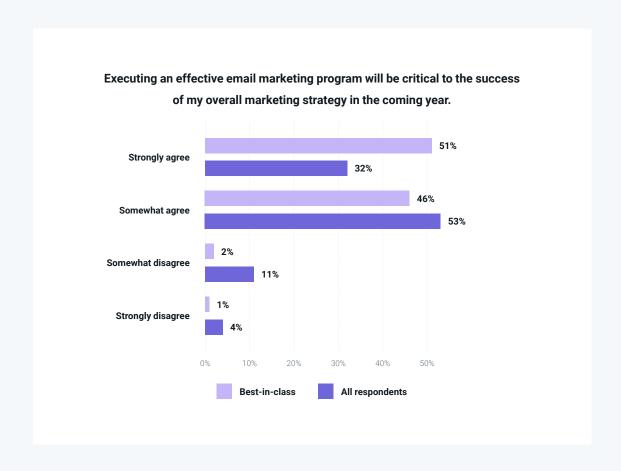
In both the full survey and best-in-class segment, B2B brands accounted for 23% of respondents. So, keep in mind that B2B marketers aren't necessarily less likely to succeed with email. But it is fair to say that B2B marketers are a little underrepresented in this survey.

While strategies differ between B2B and B2C as well as among industries and brands, there's no denying that email is an important element of marketing strategy. **But how important is email to the most-successful marketers?**

That's what our first survey question seeks to answer.

The importance of email

Marketers responded to this survey near the end of the year, as many were probably planning for 2022. For best-in-class marketers, email is expected to be a vital factor in a successful 2022 strategy. **Among all marketers, it's clear that email will be a big part of the 2022 marketing mix.**



A total of 85% of all respondents either somewhat or strongly agreed that email would be "critical" in 2022. That number jumps to 97% for best-in-class marketers. Plus, more than half of best-in-class marketers (51%) strongly agreed with the statement. That compares to about one-third of all respondents who felt the same way.





"Email marketing continues to have one of the highest ROIs of any channel. It's reliable, it's effective, and it's widely accepted, even preferred, by end-users around the world. For industries in which email marketing is less common, email can help you differentiate from your competitors and serve as a powerful tool to connect with your audience. For industries where email marketing is king, it's even more critical to invest in an email platform that focuses on deliverability and innovative solutions so you can stand out from the competition."

Nicole Jacobson, VP of Marketing, Mailjet by Sinch



Key takeaway

Start the year with email marketing optimism!

If you believe that email is going to play an important role in the success of your organization, it's much more likely to be the case. You'll invest in it more and expect more from email efforts throughout the year. Call it the power of positive thinking if you want. The point is, nearly everyone recognizes the importance of email. It's our job as marketers to take advantage of it.

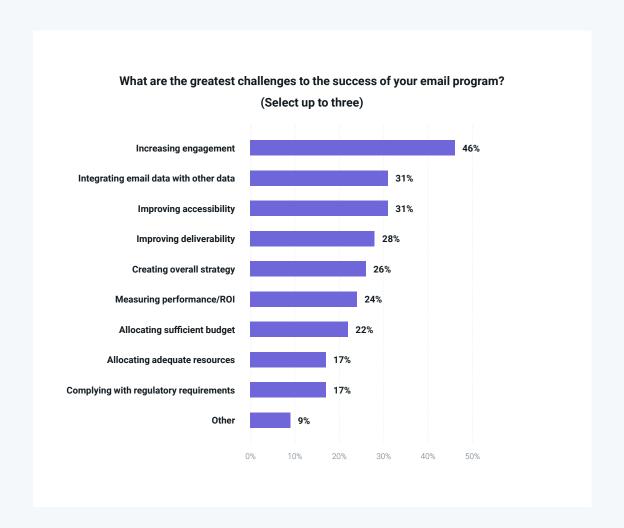


PART 2

Email marketing challenges in 2022

While email provides solutions to many marketing problems, no one ever said it was easy. **Even successful** marketers face challenges with their email programs.

When asked to identify the three biggest challenges, these are the options that came out on top among best-in-class marketers in the survey.





If we compare the top three email challenges of best-in-class marketers to all survey respondents, we uncover some interesting differences and similarities:



Top challenges for best-in-class:

- 1. Increasing email engagement (46%)
- 2. Integrating email data with other data (31%)
- 3. Improving accessibility (31%)



Top challenges for all respondents:

- 1. Increasing email engagement (55%)
- 2. Creating an overall strategy (31%)
- 3. Measuring performance/ROI (29%)

First, let's discuss what's similar about these results.

Increasing email engagement is challenging no matter who you are or where you work. With so many digital distractions vying for the attention of your subscribers, email marketers are always looking for ways to get people more engaged. But at the same time, you must avoid spammy tactics or risk deliverability issues.

In the full survey, integrating email data (No. 3 on the best-in-class list) barely missed the top three challenges among all respondents. Only 1% separated it from "Measuring Performance/ROI." So, it's clear that data integration is a common challenge for all types of marketing teams.

Now, what about the differences?

For best-in-class marketers, the challenges of "Creating an overall strategy" and "Measuring performance/ROI", appear much lower on the list in comparison to all marketers in the survey. And honestly... it's pretty clear why.

A successful email program is bound to have a documented strategy. Plus, the only way to truly know if your email marketing is successful is if you can accurately measure it.

On the other hand, the idea of addressing email accessibility challenges fell much lower on the list for all respondents. **Only 19% selected accessibility as a top concern compared to best-in-class marketers at more than 30%.** It's unlikely that less-successful marketers have mastered accessible emails, and more plausible that this is an issue that isn't a major concern to them yet.





Key takeaway

A solid strategy and measurement plan are signs of success.

When you've got a good plan and a way to evaluate it, your team has time to invest in addressing more advanced challenges. That could include making emails accessible for all subscribers or finding ways to use insights from email marketing data throughout the company.

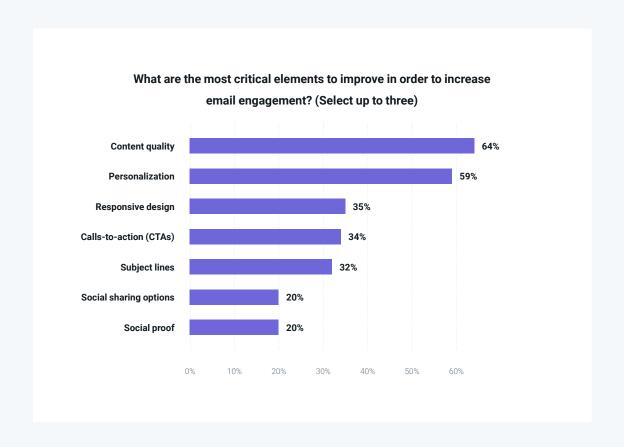
A documented strategy and reliable data are absolute necessities for any email program.

Challenge 1: Increasing email engagement

Engagement is the perennial email challenge. It really doesn't matter how successful marketers think they are.

There are always opportunities to get your list more engaged with your emails.

So what do best-in-class marketers believe are the best ways to boost engagement? Our survey asked respondents to select the top three tactics from the following options:





Topping the list of options for best-in-class marketers are "Content quality" (63%) and "Personalization" (59%). These same options were also the most popular among all respondents in the survey. In both cases, more than half of marketers see content and personalization as critical to improving email engagement.

At 35%, "Responsive design" took the third spot among best-in-class marketers. Let's take a look at each of these tactics individually.

Email content quality

As an email marketer and a subscriber, Julia Ritter of Mailjet by Sinch takes notice when a brand consistently delivers the kind of content she appreciates. While a brand may need to start with a clever subject line to pique her interest, once she knows what to expect, Julia says she anticipates the content inside the emails. So, the subject line isn't quite as important.



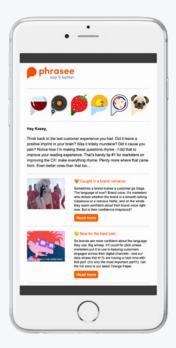
"People get thousands of emails a day. They're going to pass yours up unless you prove to them that your content has something beneficial. Whether it's key insights or a promo code, how is the content unique? Once they recognize that your brand's emails come with quality content, opens and clicks are much easier to get."

Julia Ritter, Email Marketing Manager, Mailjet by Sinch

Email marketers and content marketers can work closely together to find the right content for the right subscribers. However, including content that's created exclusively for the email channel is an excellent way to make your newsletters and communications unique.

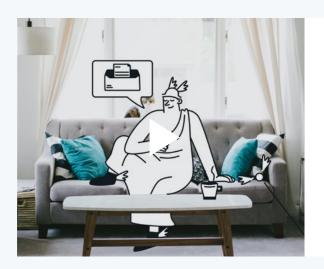


Subscribers tend to love the most popular email newsletters because they deliver quality content in a memorable way. A great example is how Phrasee uses humor and pop culture GIFs to create a fun inbox experience.



Not every brand can use GIFs, emojis, puns, and sarcasm in their emails. But you can always put yourself in the shoes of your subscribers. Would you look forward to your brand's emails? What could you do to make them look forward to your messages rather than ignoring them when they arrive in the inbox?

Imagine if subscribers actually thanked you for sending them emails. What would it take to get that sort of reaction?



More on improving engagement

Want to understand more about subscriber behavior?

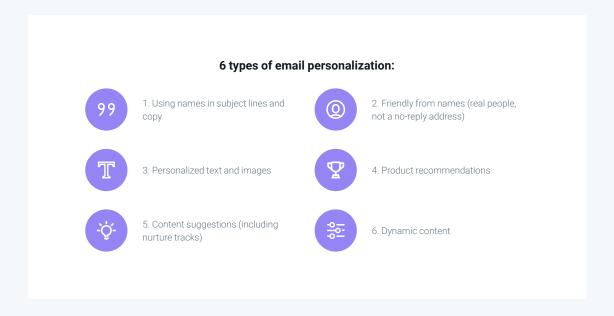
Get insights and information on email habits from around the world.

Download our free report The path to email engagement.



Email personalization

Opportunities to personalize email marketing campaigns for individual subscribers have multiplied in recent years. It's become much more than adding a name in the subject line or greeting. Innovative marketers are creating unique inbox experiences for individual subscribers, and there are multiple ways to personalize email campaigns.



Besides considering how to personalize emails, ask yourself why it's important. Personalization is particularly useful in certain types of emails. The welcome series, re-engagement campaigns, thank you and order confirmation emails, all of these messages will benefit from adding a personal touch.

If access to individual subscriber data is a roadblock, marketers can still personalize emails with list segmentation. Grouping subscribers by demographics, purchase history, and geographic location are just a few of the ways you can segment subscribers so that email content can be more relevant and personalized.

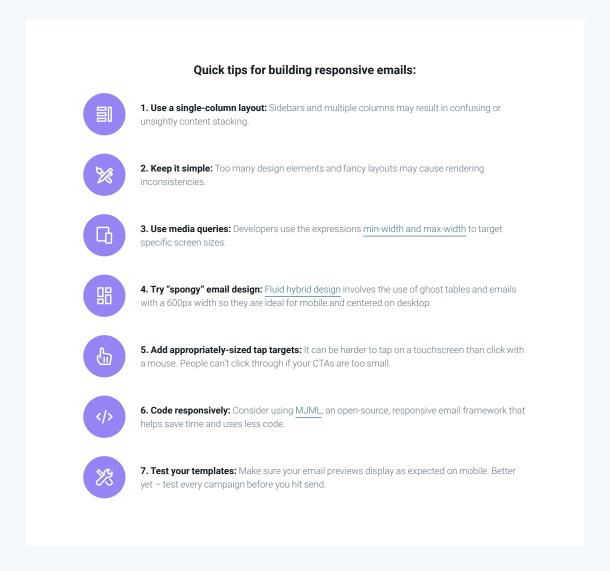
Responsive email design

Most of us have been checking our emails on mobile phones for a decade or more. Yet, designing and developing responsive emails can be challenging for even the best marketers.

More than one-third of the best-in-class segment chose "Responsive design" as a factor that's critical to improving email engagement. If you've been watching your email analytics, it's clear why. In general, the percentage of people opening email on mobile devices versus desktops keeps rising.

Plus, people are also shopping online more often and consuming more content with their smartphones. If email is going to drive traffic to an ecommerce site or website content, it must be optimized for mobile.

Research shows that <u>6.4 billion people around the world own smartphones</u>. That is 80% of the global population. If you want people to engage with your emails, they'd better be optimized for mobile devices and email apps.



Challenge 2: Integrating email data

Love it or hate it – data makes the world go 'round. It also empowers marketing teams to learn more about the people they want to reach. The problem is, we have so much marketing data we don't know what to do with it.

Data sprawl is an issue in every industry and it extends beyond the marketing department. The tools we use create so many different data points, it's difficult to know what metrics matter and which numbers to trust.

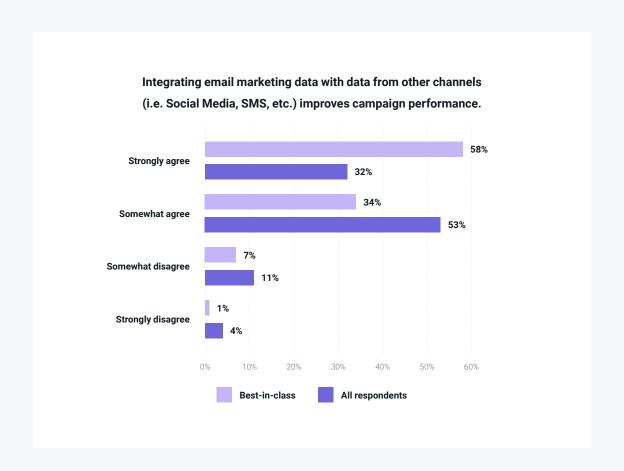




"Over the last several years, marketing tech stacks have exploded. I would guess that nearly every modern marketer uses at least 10 tools with regularity. But if all of those tools are in their own silos, you're only capturing a fraction of the value. When your email platform integrates into other systems like WordPress or Salesforce, it's not just manual processes and wasted time you're saving, but you have an opportunity to help other parts of the organization."

Nicole Jacobson, VP of Marketing, Mailjet by Sinch

At 31%, best-in-class marketers were only slightly more likely to select email data integration as a challenge than all respondents combined (28%). However, there is a significant difference in how much marketers prioritize this challenge. The survey asked marketers if integrating email data improved results.



While most marketers agreed with the statement, best-in-class marketers were far more likely to strongly agree than all segments combined. **Overall, 92% of the most successful marketers see data integration as a key factor in improving email performance.**

We admit it. This is a tough challenge. But it's a problem that's worth solving. Reliable data makes it easy to segment subscribers, personalize experiences, and automate behavior-based or triggered emails. Of course, the right data also helps you measure the ROI of email and how it drives results throughout the business.

Here are a few ways to start tackling your data sprawl issues:

- Choose the right metrics: Identify the key performance metrics (KPIs) that matter to your email program and the success of the entire company.
- **Find an expert:** A dedicated marketing data analyst and even entire data teams are now common. This can make it easier to find actionable insights in all those numbers.
- Audit your Martech stack: Are there technology redundancies? Are you getting the most out of your tools? How well do different platforms integrate?

The power of email integrations

While integrating data from different places helps marketers understand the impact of their strategy, email integration encompasses a lot more than just analytics.

Many organizations need to integrate email with customer-facing applications. Or email may need to connect with other tools and systems. Beyond marketing and promotions, email controls the flow of many important types of customer-facing communications. That includes both inbound and outbound emails for things such as invoicing and customer support.



"The more that email gets integrated into other applications and toolsets, the better your customer experience becomes, and the fewer support tickets and manual processes you have to handle. There are a lot of emails, like password resets or order confirmations, where the integration and the speed to delivery are non-negotiable. But there are endless use cases that go beyond the humble transactional email, and this is where you can find a competitive advantage."

Let's say you're a SaaS company and want to send personalized, informational content when a user accesses a software feature for the first time. Integrating email into the app makes that possible.

What if you need to parse incoming emails for your customer service team or automate helpful responses to common problems? Email integration is an ideal solution.

Want to automatically notify a customer that the credit card they have on file for recurring payments is expired? Need a smart thermostat that notifies the owner about energy usage? Email integration can help take care of things like that, too.

With a reliable email API, you can integrate email into just about anything while avoiding the hassle of maintaining your own servers and making it easier to scale as you grow.



Key takeaway

Everything is connected.

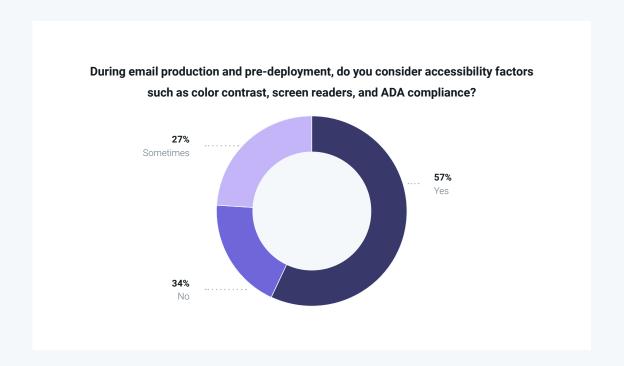
In marketing, data connects everything and makes connections possible. You need data to understand your subscribers, personalize email communications, and measure performance. As email becomes more integrated with tools and applications, businesses become streamlined and marketing increases its power to reach the right people.

Challenge 3: Improving email accessibility

Best-in-class marketers were just as likely to cite the challenge of "Improving email accessibility" as they were to select email data integration. Both challenges received 31% in the survey. That says something about growing awareness around accessible email communication.

Earlier in 2021, Ascend2 and Pathwire partnered on a survey about email accessibility. **Results show that just** over 80% of email marketers are considering accessibility factors during email design and development.





While it's encouraging to see that accessibility is becoming a priority among email marketers, it's also clear that we have plenty of room to improve in that area.

The <u>email accessibility survey</u> revealed that most marketers are focusing on improvements that are related to readability and usability. That would include the use of subheadings, making links and buttons easy to see, and writing short paragraphs.

These things certainly can help improve accessibility. However, they aren't much more than the basics of good design and copywriting. When it comes to more advanced ways to improve email accessibility, adoption of the practices was lower.

For example, only 25% said they write descriptive alt text for images in emails. Just 4% of survey participants said they use semantic HTML and ARIA labels to code accessible emails.

These things are very important for subscribers who use screen readers to access their emails. Otherwise, people who are blind or have severe vision problems will have a frustrating experience. In fact, they may not be able to engage with your emails at all.

As brands increasingly look to support inclusivity in their marketing while championing social causes, it is important to make emails accessible to everyone. The good news is, the hard work of optimizing emails for accessibility also supports increased email engagement.



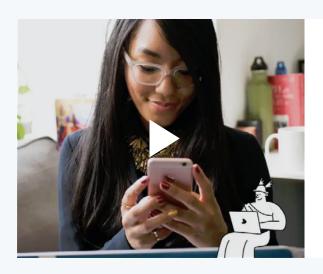


"Start making a habit of bringing accessibility into the conversation at the planning and strategy stage of an email campaign. According to ActionRocket's Email for All survey, one in five people have a disability. That could be 20% of your list! By designing and developing accessible emails, you convert more customers. If you don't, you leave a lot of money on the table by not crafting emails to meet people's needs."

Megan Boshuyzen, Sr. Email Developer, Mailjet by Sinch

If improving email accessibility is on your list of challenges to overcome in 2022, here are some helpful articles to guide you:

- Email accessibility guide: Best practices for marketers
- Accessibility testing tools: Top options for marketing teams
- Email accessibility mistakes and how to fix them
- How to code accessible emails with semantic HTML and ARIA



Get the full report on accessible emails

Find out how and why email marketers are addressing accessibility issues to deliver a better experience for all subscribers.

Download Accessibility in the Inbox to explore the full survey results.



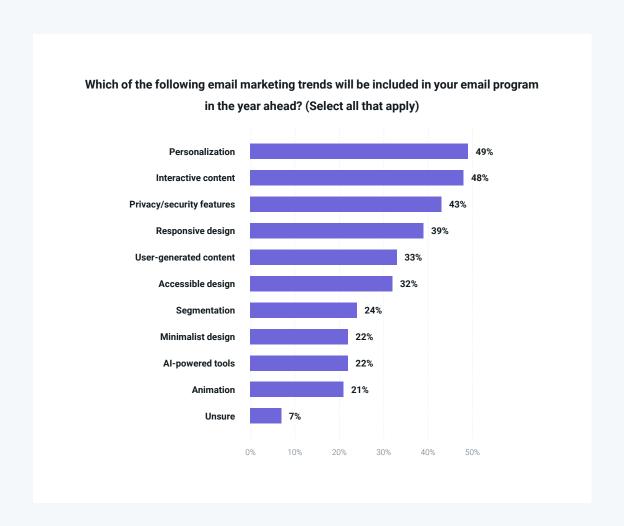
PART 3

Email marketing trends in 2022

What's the difference between a challenge and an opportunity? Often, it's all about how you look at things. You may notice that some of the email marketing trends in this section are quite similar to certain challenges in the previous section.

Trends certainly represent opportunities to advance your email program and stand out from the competition. It's also very possible that email marketers will run into challenges as they try to incorporate trends into their strategies. Hopefully, the trends you pursue are more than fads or gimmicks and bring real value to your subscribers as well as the business.

When asked to select the email marketing trends that would be part of their strategy in 2022, "Personalization" (49%), "Interactive content" (48%), and "Privacy/security" (43%) topped the list for the best-in-class segment.





Some of these options may not fit your idea of a trend. List segmentation and designing responsive emails, for example, are nothing new. And it doesn't sound right to call accessibility a trend either.

However, there are innovative ways to approach these aspects of email marketing. That could include creative methods for segmenting subscribers, specific design trends for responsive emails, and new ways to improve accessibility.

Trend 1: Personalization

Best-in-class marketers selected "Personalization" most often. Again, while personalization in email marketing isn't new, there are many new ways to consider adding personalized email elements to your strategy. Personalization also overlaps with other trends, including segmentation and the use of artificial intelligence in email

Email personalization is a trend that's worth pursuing because it will make a measurable impact. Still need convincing? Check out these stats:

- 91% of consumers prefer personalized shopping experiences. (Accenture, 2018)
- **90%** of leading marketers say personalization contributes to profitability. (Econsultancy and Google, 2017)
- **61%** of people expect brands to tailor experiences to their personal preferences. (Google/Greenberg, 2018)



"Personalization within email is an absolute win-win. It delivers a muchenhanced customer experience. Great. But for business, it drives both higher email engagement and revenues. Test it for yourself to see."

Gavin Sherry, Head of Deliverability, Bloomreach

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Trend 2: Interactive content

Bringing interactivity into email campaigns is another trend that shows up on lists year after year. As marketers continue to push the envelope for what's possible in email, interactive content enables more activity to occur inside the inbox.

That could include taking a survey, playing an interactive game, or adding items to a cart directly from an email. It could also include creative ways to interact with content in an email, such as image carousels and accordions.

Kate Nowrouzi of <u>Mailgun by Sinch</u> thinks the open-source framework <u>AMP for Email</u> is an opportunity for marketers to start implementing interactivity effectively. She told <u>Authority Magazine</u> on Medium that she's passionate about interactive emails and sees AMP for Email as a promising option.



"AMP for Email is an interactive marketing tactic that boosts engagement. One of our earliest senders of AMP saw 35% increased engagement in emails. It makes a difference in how people are interacting with brands because everything remains in the email."

Kate Nowrouzi, VP of Deliverability & Product Strategy, Mailgun by Sinch

Some people in the email community are hesitant to try AMP for Email because there is limited client support. It mainly works in Gmail and Yahoo! Mail at this time. However, if it gains support, AMP emails could represent a consistent way to add interactivity across email clients.

Trend 3: Email privacy and security

Protecting the privacy of consumers has been a trending topic for the past several years. For email marketers, two issues rise to the top: the gradual demise of third-party cookies, and the <u>impact of Apple Mail Privacy Protection</u> on measurement. One of these represents an opportunity and the other could be a challenge for marketers.

In 2021, Google announced it was delaying its plans to phase out third-party cookies in its popular Chrome browser. The phase-out was supposed to take place in 2022, but will now happen in 2024. Apple already enables third-party cookie blocking in its Safari browser.



"I think privacy is a huge topic. The days when you could deploy a cookie and track people are ending; that ability that marketers have is dwindling quickly. Apple has been leading this trend and moving Google along. Our theory is that it will make channel marketing way more relevant."

Josh Odom, Chief Technology Officer, Mailgun by Sinch

Without third-party cookies, email suddenly becomes an even more important way to collect data that fuels personalized, targeted marketing. Email expert Chad White explained in an <u>article for CMSWire</u> that brands should take action now to make email a solution that will fill the void left when third-party cookies are no more.

White says brands should take the following steps:

- Start relying on email addresses as a non-cookie personal identifier.
- · Increase email subscriber acquisition efforts.
- Use email marketing to acquire more first-party data.
- Focus on retaining email subscribers (reducing unsubscribe rates).
- Centralize first-party data and share it throughout the organization.

The other trend in privacy and security will challenge email marketers. In 2021, Apple announced new privacy features for Apple Mail that make open rates and click to open rates (CTOR) less reliable email marketing metrics. Essentially, Mail Privacy Protection hides subscribers' IP addresses and makes tracking pixels obsolete for subscribers using the Apple Mail client.

Because subscribers using Apple Mail make up a significant portion of many email lists, marketers will need to rethink the ways they measure email marketing performance. As Gavin Sherry of <u>Bloomreach</u> explains, we'll need to start looking further down the marketing funnel for the right email metrics.



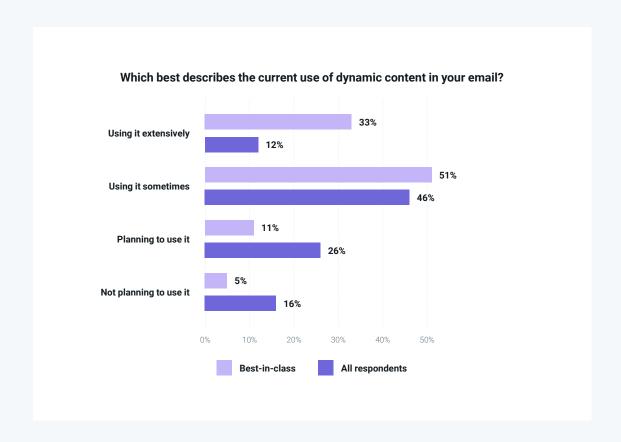
"The biggest challenge for email marketers going into 2022 is how to measure email success without email open data. It's true, this is not going to be an easy metric to abandon. Email marketing is a funnel, starting at the top, with the volume of emails delivered all the way to the number of conversions at the bottom. The reality is that we need to go deeper down the funnel to determine engagement, namely clicks and conversions."

Gavin Sherry, Head of Deliverability, Bloomreach



Spotlight on dynamic content

Let's take a look at one of the most advanced and promising email marketing trends of recent years – dynamic content. The research shows marketers who see success with email are more likely to use dynamic content in their strategies.



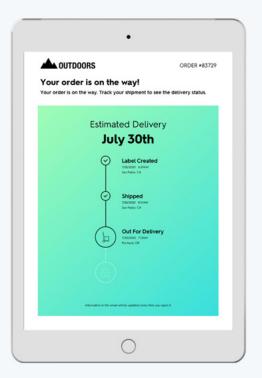
Among best-in-class marketers, 84% are using dynamic email content in at least some of their campaigns. That compares to 58% of all email marketers in the survey. And the best-in-class segment is much more likely to use dynamic content extensively.

How to define dynamic email content

Dynamic content in email comes in a variety of forms. Sometimes the lines between dynamic, interactive, and personalized content are a bit blurred. That's because there is certainly some overlap, but not all interactive content and personalizations are dynamic.

Dynamic email content can be defined as elements of a message that change based on variables such as subscriber behavior, time, location, product availability, pricing, and more. This content updates in the same message whenever the subscriber opens it.

One of the most useful purposes for dynamic content in email is for order tracking. Many ecommerce brands now send shipping emails to customers with dynamic graphics that show where an order is in the process, and when it will arrive.



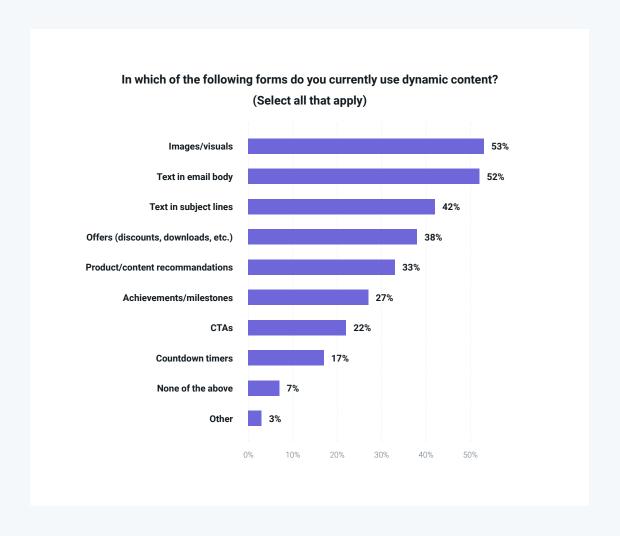
Example courtesy of Zembula

Dynamic order tracking emails like this are possible when brands can integrate email with supply chain data from shipping partners. But all sorts of other data can support the implementation of dynamic email content.

For example, integrating with an ecommerce platform allows brands to send dynamic abandoned cart emails. Dynamic store locator maps show subscribers the nearest location to where they are when opening an email. Product recommendations can update dynamically based on recent purchases. Some brands even update email images based on the weather in a subscriber's city.

There are plenty of opportunities to add dynamic content. But what are best-in-class marketers using most often? Our survey found images, copy, and subject lines are the most common ways dynamic content is used in email.





When comparing best-in-class responses to the full survey, the results look very similar. However, while just 7% of successful marketers aren't using any dynamic email content, that number is three times as high among all marketers (21%).

The top three selections represent ways to use dynamic content to create a more personalized email experience.

- Dynamic images could be based on subscriber demographics such as age, gender, or location. They
 also could update based on other personal information, such as job title, shopping preferences, or their
 responses to a customer questionnaire.
- **Dynamic text** changes the copy in an email based on similar variables. Combined with images, it represents an ideal way to move towards one-to-one email marketing.
- Dynamic subject lines are a bit different. Rather than updating when a subscriber opens the email, subject lines are adjusted, optimized, and personalized based on subscriber data before arriving in the inbox.





"In 2022, email teams will need to continue to put their customers first. This means having open, two-way conversations with their subscribers to collect data that allows teams to send personalized and relevant information. Dynamic emails will provide a better experience to users while also boosting conversions."

Megan Boshuyzen, Sr. Email Developer, Mailjet by Sinch

Dynamic content may be an effective way to stand out during extra busy times of the year. Our <u>survey on Black Friday email marketing</u> found 39% of respondents planned to use dynamic content for product price and availability in 2021. Nearly a quarter of marketers said they planned to use dynamic content based on subscribers' locations.

If developing dynamic email content feels out of reach, think again. There are a variety of software solutions that help email marketers add dynamic and interactive content using pre-built blocks. Some email service providers (ESPs) also provide ways to include dynamic content.

If Mailjet by Sinch is your ESP of choice, you can find out how to <u>use the API for advanced email personalization</u>, including dynamic content.







"The move from generic content to personalized content does not happen overnight. It's unlikely that you will replace your lead content piece in the email. However, the second content piece could be a great showcase of recommendations based on what they have bought previously or browsed."

Gavin Sherry, Head of Deliverability, Bloomreach



Key takeaway

Chase value, not just trends.

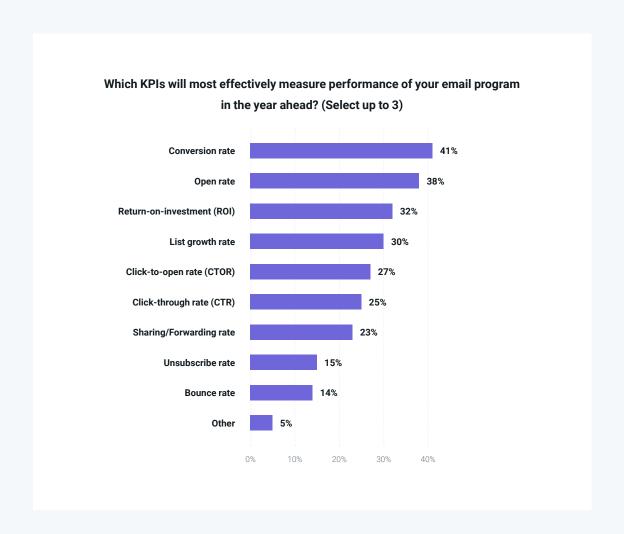
Doing something different in a campaign "just because it's cool" might boost your email marketing ego, but will it improve things for the subscriber? Will it lead to better performance? Whether it's dynamic content, interactivity, or the latest design trend, make decisions on what to pursue based on the needs of your customers and the goals of the organization.



PART 4

Measuring success

How do best-in-class marketers know their email programs are successful? They've got to measure performance, of course. These are the key performance indicators (KPIs) that successful email marketers in our survey selected as the most effective:





While no single metric stood out significantly, best-in-class marketers seem to be prioritizing conversion rates (41%) for measuring success, with open rates (38%) coming in second and RO rounding out the top three. Here's how that compares to all segments:





Top KPIs for all segments:

- 1. Return on Investment (36%)
- 2. Conversion rates (36%)
- 3. Click-through rates (36%)

How does email drive conversions?

It's a bit vague to say conversion rates are used to measure email marketing success. That's because a conversion could mean many things:

- 1. Making a purchase after viewing a promotional email.
- 2. Signing up for a free trial or sales demo through an email link.
- 3. Filling out a form or downloading gated content.
- 4. Clicking through to content in an email newsletter.
- 5. Renewing a subscription.
- 6. Accessing new features in an application.
- 7. Leaving a customer review.
- 8. Returning to complete a purchase from an abandoned cart email.

All these events and more could be considered conversions. What it comes down to is the desired action. You want people to do something. How does email help convince them to do it?



Email is perhaps the most personal and direct of all marketing channels, but the credit it receives for conversions will depend on your attribution model, of which there are five main types:



1. Last click attribution

The last place a prospect clicks gets credit for the conversion. This model may not accurately show email's role in the conversion. For example, a subscriber may have been convinced by your email, but the landing page gets the credit because that's where the final click occurred.



2. First click attribution

The first place a prospect clicks gets credit for the conversion and prioritized initial awareness. This method may be more likely to give email marketing the credit. But what if tracking shows a new customer first signed up for your email newsletter from a blog post? Email helped out a lot, but it gets lost in the middle.



3. Linear attribution

Every channel wins in this scenario. All of the interactions that led up to a conversion receive equal credit since each one potentially played a role in convincing someone to take the desired action. But does an impression on a display ad or a Like on Facebook deserve as much credit as an email with a personalized offer?



4. Position-based attribution

This model prioritizes the top and bottom of the marketing funnel. It gives 40% of the credit to the first click, 40% to the last click, and spreads the remaining 20% among the rest of the interactions with a brand's marketing efforts. This method is more holistic, but it may leave mid-funnel email nurturing with less credit than deserved.



5. Time decay attribution

With this method, the credit decreases with time. So, the first click or interaction receives the least credit, and credit increases the closer a prospect moves towards converting. A social post could drive a potential customer to blog content where they sign up for email notifications. Then an email convinces the prospect to visit a "Deals" page on the website where a purchase is finally made. In this case, email would get the second-most credit.

None of these models is perfect, and people regularly debate which one is best. Marketing teams need to decide on an attribution model that works and shouldn't hesitate to look at conversions from different points of view.

However, we'd highly recommend a multi-touch model as opposed to first or last click. A conversion rarely happens after a single brand touchpoint, so why give all the credit to just one channel?

Open rates... what now?

It's somewhat concerning to see open rates near the top of the list of effective email marketing metrics. As mentioned, Apple Mail Privacy Protection is changing the game for email measurement, and marketers may have to find KPIs to replace it in 2022.

The truth is, open rates were never a very reliable metric anyway. Because a pixel is used and downloaded to determine if and when a subscriber opens an email, the open won't register if images are being blocked. Viewing an email in a preview pane could also skew the number of opens that are counted.



"Don't forget that the click-to-open rate (CTOR) is going to be harder to count now too. But the click rate is a basic stat that's still trustworthy. If you haven't already, establish an attribution system using UTMs for tracking. Work with your team to track web traffic from email, sign-ups, downloads, purchases, etc. This will help show the impact of email on your organization."

Julia Ritter, Email Marketing Manager, Mailjet by Sinch

The bottom line is, open rates were never the best metric, especially for measuring success. Your goal isn't to get people to open emails. It's to get them to take a specific action.

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Here are alternative KPIs to replace the email open rate:

- Clicks (will likely become the top email metric)
- · Email engagement metrics:
 - · Read, Skim, Glance/Delete
- Website visits from email
- Website behavior compared to other channels
 - Pages visited
 - Time on page
 - Session duration
- Conversion rate (depending on the desired action)

How do you measure email's ROI?

If you've been working in email marketing for a while, you've no doubt heard the impressive statistic about the ROI of email marketing. The annual Marketer Email Tracker report from the Data & Marketing Association (DMA) consistently shows a return of \$35 to \$40 for every \$1 spent on email marketing.

But how can you tell if your email program's ROI measures up to that benchmark? To figure things out, you're going to need to do some estimating and tracking:

- Do you have a method for attributing sales and leads to email?
 - What's your attribution model?
 - Are you using UTMs to track the impact of email marketing?
 - Do you know your customer lifetime value (LTV)?
- How accurately can you calculate email marketing expenditures?
 - What's the cost of your email service provider (ESP)?
 - How much are you paying for other email SaaS providers?
- · Can you estimate staff hours spent on email marketing?
 - Do you have a dedicated email team?
 - How are email marketing tasks split throughout the company?
 - Are you outsourcing any email marketing?



If you are able to track email's contribution to revenue and can estimate costs, you can use a simple formula like this to calculate ROI:

(Total revenue from email - Total email costs) / Total email costs = ROI

Let's say you attribute \$550,000 in annual sales to email. You spend \$8,000 per year on your ESP and other services, and about \$119,000 on marketing salaries and agency fees. That means your total yearly email expenditures are \$127,000.

(\$550,000 - \$127,000) / \$127,000 = 3.33 (333% ROI)

This means you're earning \$3.33 in profit for every dollar spent on email. That's not nearly as high as the DMA benchmark, but it's still a significant return on email marketing investment.

ROI is an excellent metric to use when you need to show the value of email marketing to company leadership and those who make marketing budget decisions.



Key takeaway

No metric is an island

You wouldn't measure a pro athlete's performance with just one or two metrics. Likewise, you'll need to use multiple metrics to accurately measure email marketing performance. The key is starting with what you seek to achieve through email and then identifying a KPI that effectively measures your progress.





PART 5

Email marketing expectations in 2022

We're not about to make any big, bold predictions concerning the future of email. After all, scientists taught spinach to send email in 2021. So, what happens next is anyone's guess.

However, some clear signals suggest where things are heading in 2022. Here are five things we think you can expect:

1. The rise of Agile email marketing

What started in the software development world has expanded into all aspects of a business. There's Agile HR, Agile customer service, Agile marketing, and yes, the Agile methodology can be applied to email marketing as well.

The goal of becoming agile is improving speed and flexibility without compromising on quality. Many email teams could use more agility. A 2020 study from Holistic Marketing and Email on Acid found around 42% of survey respondents took two weeks or longer to launch a new campaign. Fewer than one-third claimed they could do it in less than one week.

2. Email's evolving role in omnichannel marketing

While email certainly isn't dying, it may have to start sharing the spotlight with other forms of digital communication. For example, SMS marketing is on the rise. <u>Research suggests</u> 91% of consumers are interested in signing up for text messaging from brands.

The <u>2020 Mobile Engagement Report from Sinch</u> suggests people are 35x more likely to open mobile messages than emails. Of course, that could change as text message spam becomes a bigger problem. Ultimately, brands will win when they provide the right experience for individual customers and subscribers. So email or text? We say, "Why not both?"





"CX leaders understand that even with access to dozens of channels to reach customers, they must use restraint and find the right touchpoints for each individual. For many, mobile messaging is still a new ecosystem, but the research shows consumers are open and willing to engage with businesses through mobile messaging, so long as businesses provide high-value information that's personalized."

Jonathan Bean, CMO, Sinch

3. Artificial intelligence and email

Email marketers are using more artificial intelligence (AI), and artificial intelligence is using email.

The Internet of Things (IoT) means more machines are connected. Smart appliances, home security systems, and even manufacturing technology need to notify human beings via email for a variety of reasons.

Your smart fridge may email you when you're low on milk or <u>open the door too often</u>. Smart manufacturing equipment can email maintenance if a part is about to wear out or send notifications about daily production numbers. Whether it's B2B or B2C AI, email delivers.

While only 22% of best-in-class marketers identified Al-powered tools as a trend they plan to pursue in 2022, these tools present a lot of promise. Artificial intelligence is what will enable more impactful personalization, the use of dynamic content, and email marketing optimization.

4. Email authentication and BIMI

The new email standard Brand Indicators for Message Identification (BIMI) got a big boost in 2021 when Gmail started supporting it. Now major brands are working to implement BIMI to get their official logos to show up in inboxes.

The catch is, to get that BIMI logo, you'll need to have your email authentication protocols (SPF, DKIM, and DMARC) in alignment. Part of BIMI's purpose is encouraging brands to help mailbox providers fight email spoofing with stronger authentication.

Find out more in the report, The path to BIMI implementation.



5. Behavior-based email marketing

As the ability to use third-party cookies in marketing and advertising fades away, expect email to become an increasingly crucial touchpoint in behavioral marketing. Research from Wunderkind shows automated triggered emails increase engagement and drive more revenue.

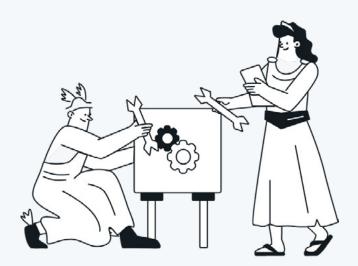
Beyond abandoned carts and which pages someone views on a website, behaviors such as what they click on, what content they spend time with, and what images cause them to linger can be used to send personalized, targeted messages. Better start building your list of subscribers now!

Finding your keys to success

While surveys, benchmarks, and trends can generate ideas and starting points for a solid strategy, the path to a successful email marketing program will be unique to you and your organization.

Start experimenting and taking calculated risks. Look for areas where best practices can help you improve. Find ways to accurately track and measure the impact of email.

If you're among the 72% of marketers who feel their email marketing strategy is only somewhat effective, make 2022 the year you can proudly look back at what you've accomplished and call yourself "best-in-class."



PART 6

Methodology

Survey format

Ascend2 benchmarks the performance of marketing strategies, tactics, and the technology that drives them with a standardized online questionnaire and a proprietary 3-Minute Survey format.

This survey was fielded to a panel of marketing professionals and marketing research subscribers.

Survey Respondents

Primary marketing channel

- B2B: 23%
- B2C: 45%
- B2B and B2C equally: 32%

Number of employees

- More than 500: 35%
- 50 to 500: 23%
- Fewer than 50: 42%

Primary role in company

- Owner / Partner / C-Level: 39%
- Vice President / Director / Manager: 34%
- Non-Management Professional: 27%



About the research partner

Marketing technology companies and digital marketing agencies trust Ascend2 to create credible, engaging research. Ascend2 provides media-trusted original research backed by a custom strategy to build brand awareness, generate media coverage, and drive demand through the middle of the funnel. Learn more about Ascend2.

PART 7

How we can help



Mailjet by Sinch is an intuitive email marketing platform that includes an easy-to-use email builder for beautiful designs, a contact management solution, and campaign analytics.

Use Mailjet to drive results with meaningful emails.



Mailgun by Sinch is the world's leading email delivery service.

Developers and businesses use Mailgun's powerful API to send, receive, and track emails with a focus on simplicity and compliance to standards.



Email on Acid by Sinch is a leading email readiness platform that lets teams test and preview campaigns before hitting send.
Take advantage of unlimited tests to address issues with client rendering, email accessibility, inbox display, and more.







More than 40,000 companies around the world use Mailjet by Sinch to strengthen connections with customers and subscribers while building their businesses through email marketing. Brands like Microsoft, Kia Motors, and Toast trust Mailjet to send billions of emails every year. Mailjet combines an intuitive, drag-and-drop email campaign builder with easy-to-use deliverability features to help businesses create and send beautiful emails without touching a single line of code.

Founded in Paris in 2010, Mailjet has offices in tech hubs around the globe, including the UK, US, Spain, Germany, and France. Mailjet is proud to be part of **Sinch**, a leading Communication Platform as a Service (CPaaS) provider, offering messaging, voice, and video communication solutions to a large global customer base. Mailjet is both ISO 27001 certified and GDPR compliant, offering its clients the highest levels of data security and privacy.

For more information, please visit mailjet.com.





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