Enterprise Email Marketing
Solutions & Services

EMAIL BENCHMARK REPORT 2011

Contents:

Introduction

For our ninth consecutive Email Benchmark Report we have analysed response data from more than 35,000 regular B2B and B2C email campaigns (newsletters, promotional emails) sent by over 600 businesses across a variety of industries and sectors. The data, collected between January 1 and December 31, 2010 was analysed to produce detailed statistics on:

- Open and click-through rates
- Bounce and unsubscribe rates
- Email formats
- Response by industry
- Response by language

As last year, our analysis includes a comparison of campaign success metrics in 15 European languages and a detailed breakdown of results by industry. In addition, for the first time this year, we complemented it with an overview of response trends over the last three years.

To ensure the most accurate results, we distinguished between the first two campaigns ("introductory campaigns") and all campaigns thereafter ("ongoing" campaigns) for the analysis of bounce and unsubscribe rates. As a general industry tendency, the first two campaigns have significantly higher bounce and unsubscribe rates than later campaigns and therefore have to be analysed separately.

Internal test campaigns, campaigns without clickable call-to-actions or campaigns with immediate incentives (e.g. "click here to see who won the sweepstake") that lead to a non-representative high response, have not been taken into consideration.

Bounce Rate

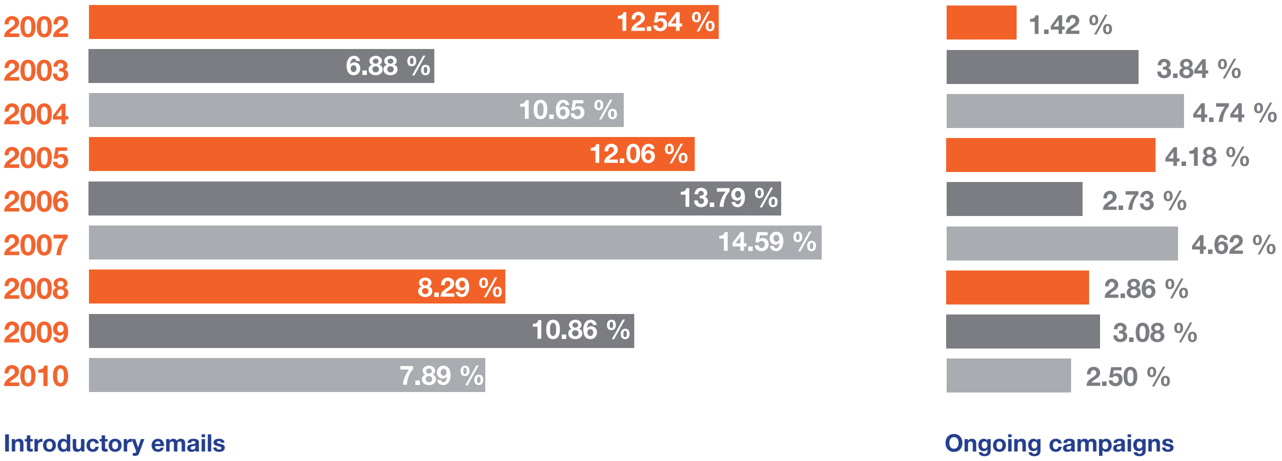


Figure 1: Average bounce rates

Bounce rates have reduced significantly this year both for introductory and ongoing campaigns. Bounce rates for introductory campaigns have gone under the 8 percent mark for the first time in seven years. For ongoing campaigns the bounce rates are at the second lowest level since the beginning of the Benchmark Report studies.

Bounce Rates in B2B vs B2C Campaigns

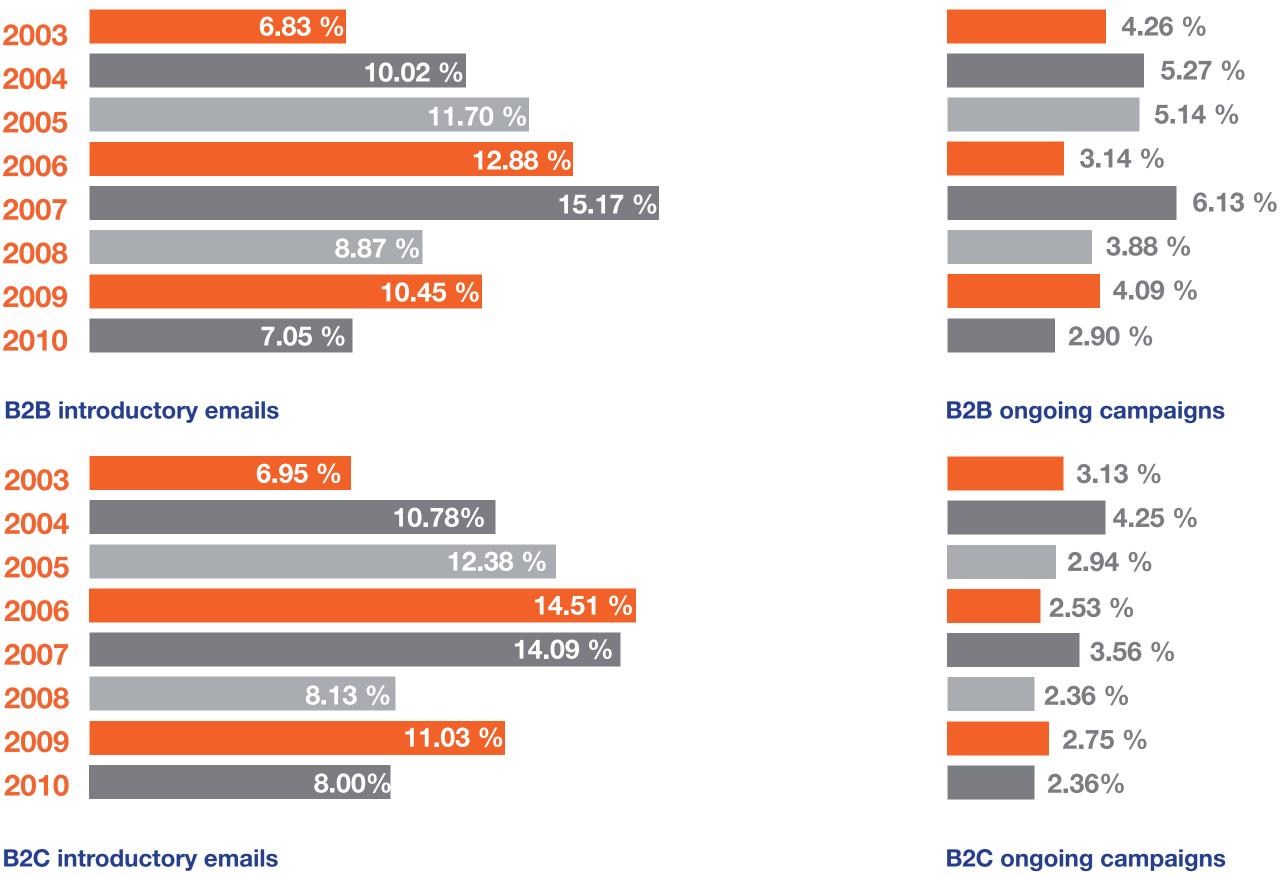


Figure 2: Average bounce rates in B2B vs B2C sectors

After last year's increase in both B2B and B2C sectors, in 2010 bounce rates fell by more than 3 percent. Bounce rates were particularly low in the B2B sector for ongoing campaigns.

Open Rate

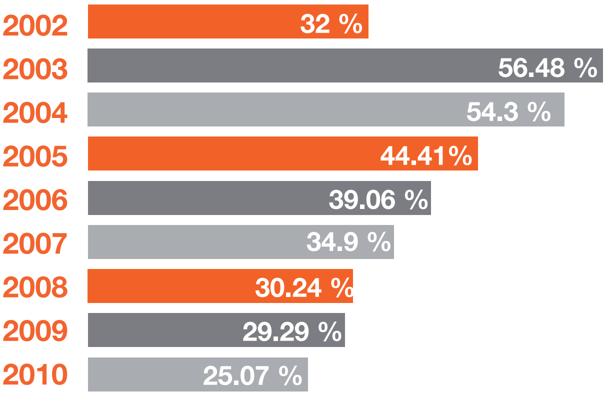
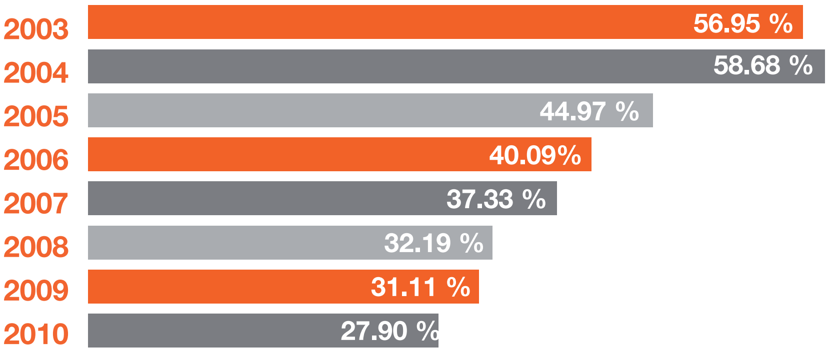
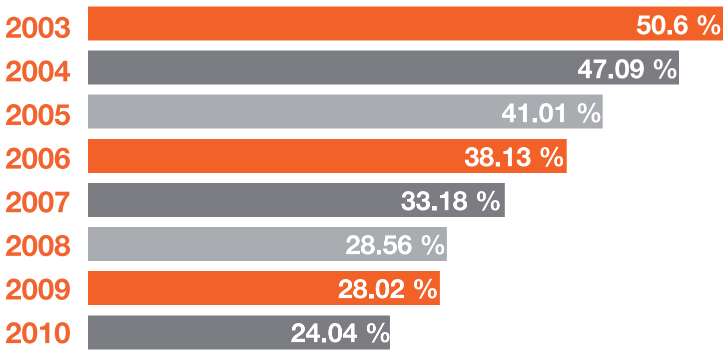


Figure 3: Average open rates (for Recipients of HTML emails)
The open rate continues to decline. It dropped by another 5 percent since 2009 and is now at the lowest point since the beginning of the emarsys Benchmark studies in 2002.

Open Rates in B2B and B2C Sectors Compared



B2B



B2C

Figure 4: Average open rates (for Recipients of HTML emails) in B2B vs B2C sectors
A drop of almost 4percent in open rates can be observed in both B2B and B2C sectors – a much more significant reduction than in 2009.

Click Rate

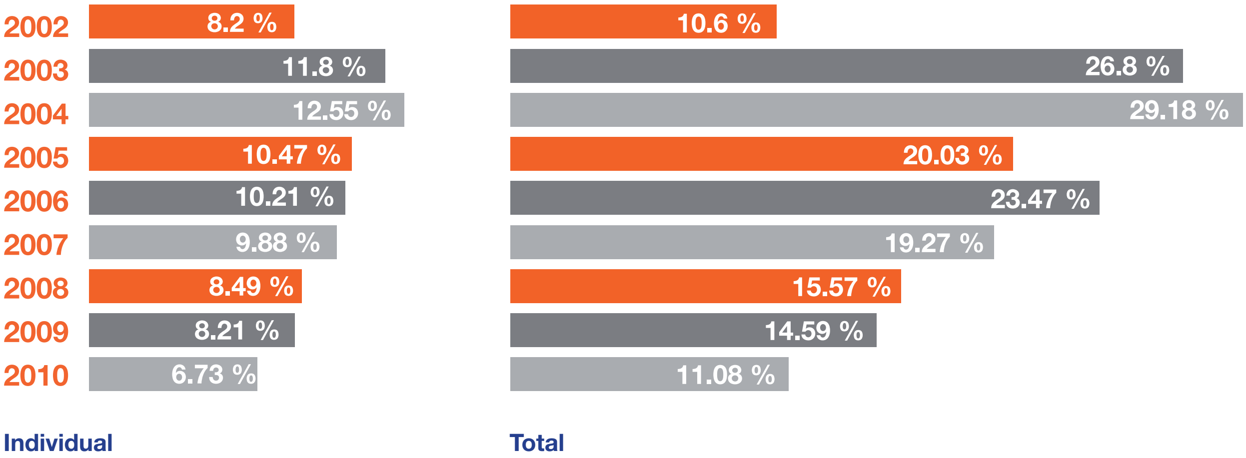


Figure 5: individual click rates (minimum of one click per recipient) and total click rates
The total click-through rate has dropped again in 2010 and is now at the second-lowest level since the beginning of the Benchmark studies. Individual click-through rate declined by slightly more than 1 percent, reaching the lowest mark since 2002.

Click Rates in B2B and B2B Sectors Compared

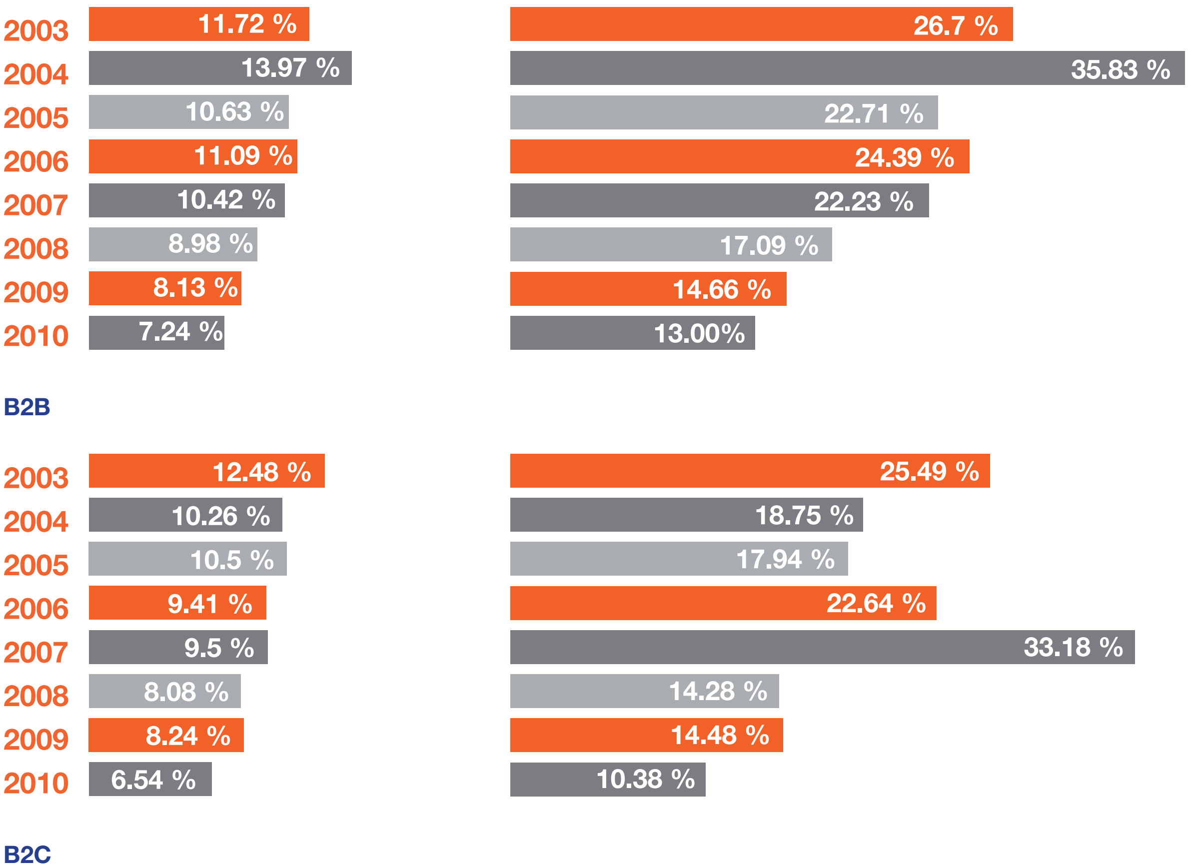


Figure 6: individual click rates (minimum of one click per recipient) and total click rates in B2B vs B2C sectors
B2B and B2C companies registered a decline in both individual and total click-through rates

Unsubscribe Rate

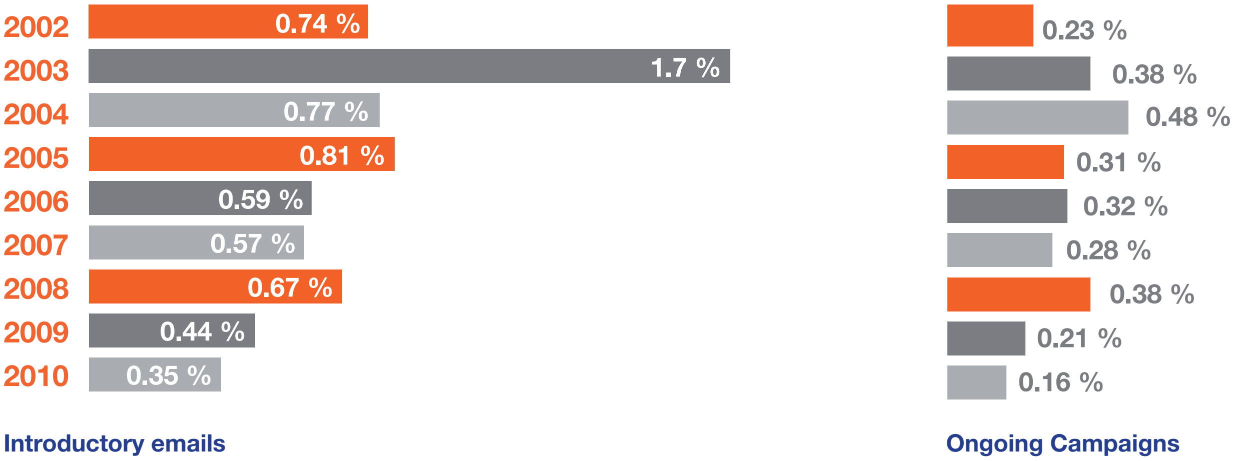


Figure 7: Average unsubscribe rates year on year

On a positive note, the unsubscribe rates have continued to decline reaching the lowest point since 2002, both for introductory and ongoing campaigns.

Unsubscribed Rates in B2B and B2C Sectors Compared

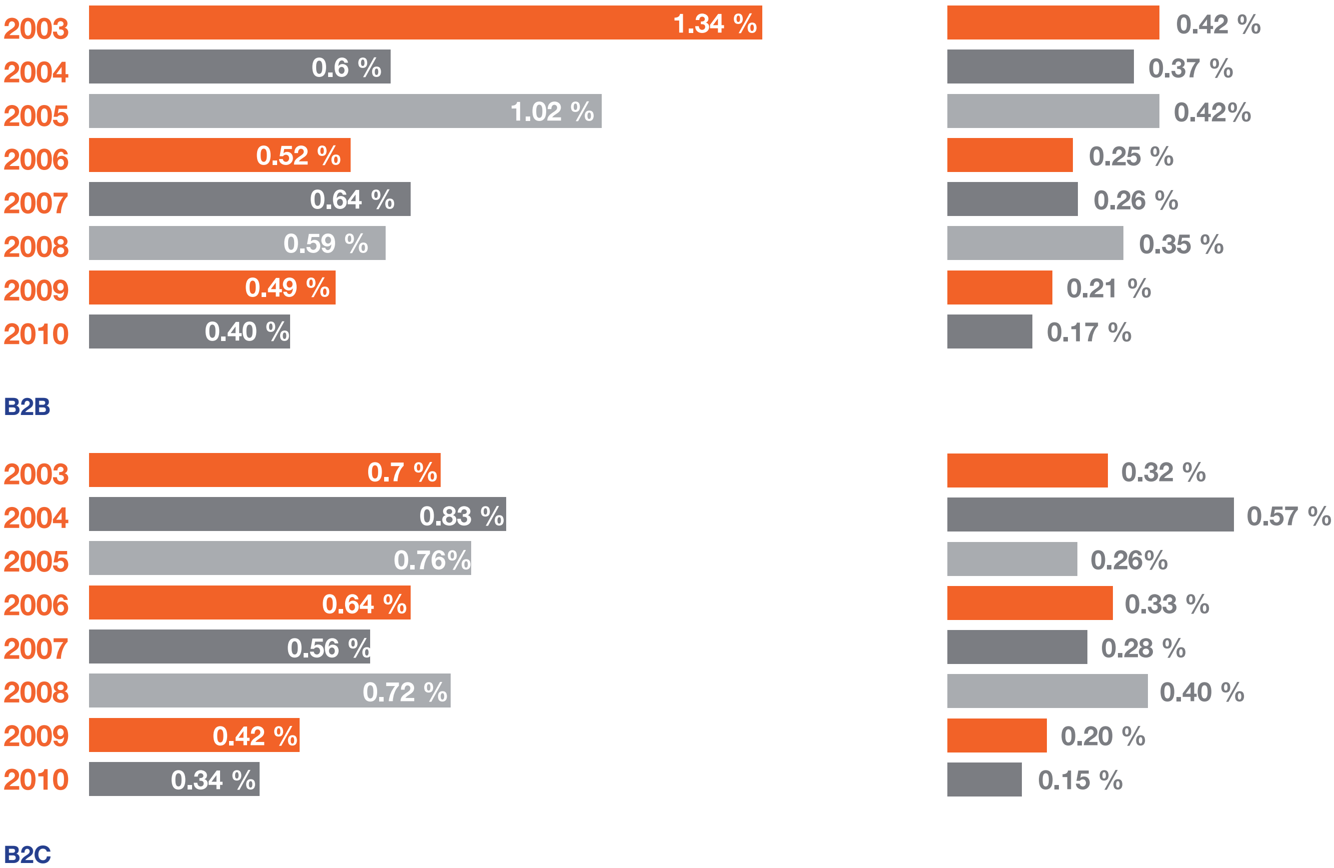


Figure 8: Average unsubscribe rates in B2B vs B2C sectors

The unsubscribe rates have reduced significantly both in B2B and B2C sectors.

Email Formats

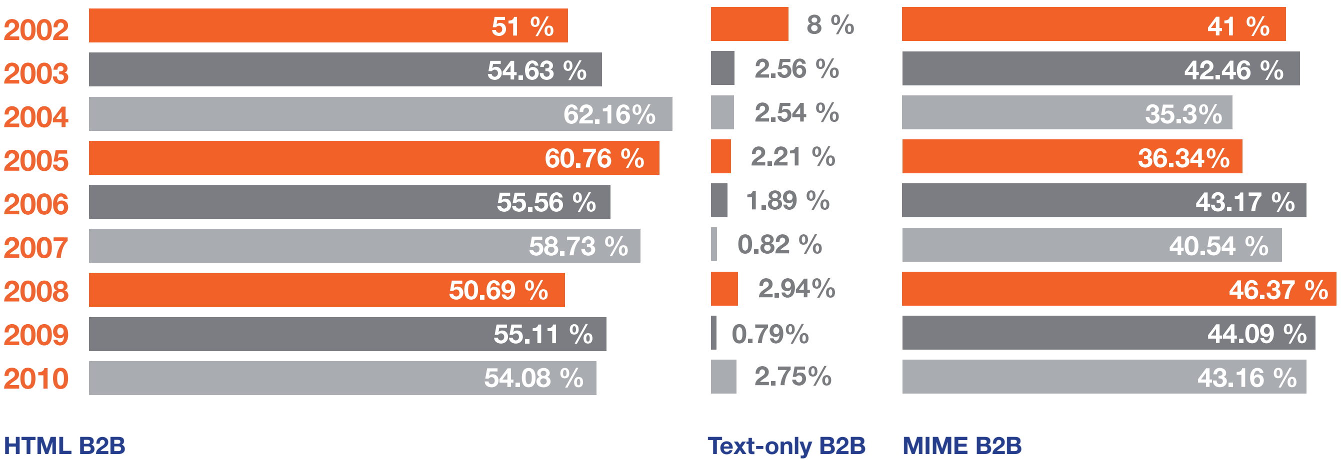


Figure 9: Email formats for B2B recipients

The number of HTML emails sent by B2B companies has reduced slightly, while the amount of emails in the Text-only format has significantly risen. There has not been a significant change in the number of Multipart (MIME) messages as compared with 2009.

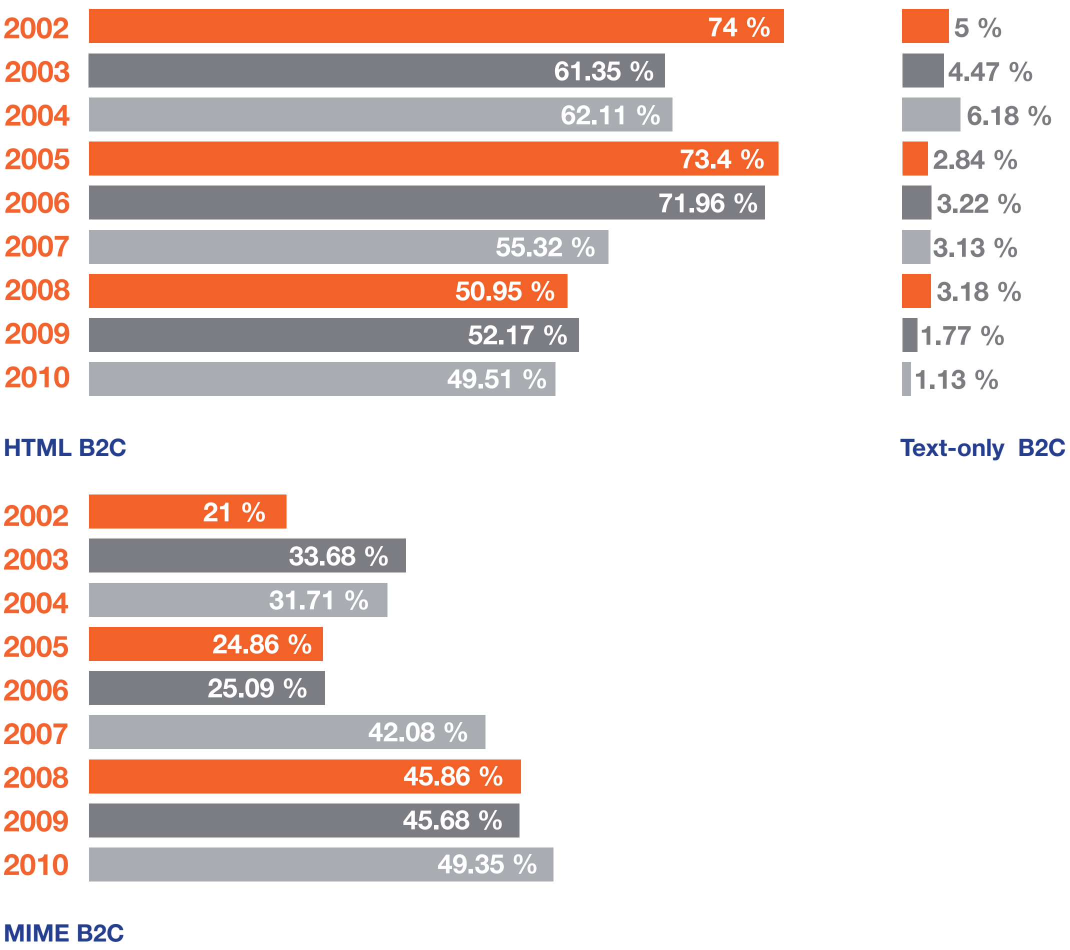


Figure 10: Email formats for B2C recipients

Just as in the B2B sector, the amount of HTML emails sent by B2C companies has reduced and is now just slightly above the number of MIME emails.

Industry Comparison

This year campaigns sent by companies from the industry and consumer goods sector enjoyed the highest open rates as compared with those sent by companies from other industry sectors.

Industry	Bounces Rate	Click Rate Individual	Click Rate Total	Open Rate	Unsub-scribe Rate	Email Format		
						HTML	Text only	MIME
Retail/ Ecommerce	2.15	5.38	7.73	21.72	0.15	51.69	0.35	47.95
Industrial/ Consumer goods	4.07	7.52	12.42	30.35	0.28	50.93	0.61	48.46
Travel/ Leisure	2.45	5.64	9.08	22.40	0.11	45.92	4.50	50.21
Financial Services	2.98	8.04	15.02	27.82	0.18	48.38	0.74	50.88
Technology/ Telecom	3.01	5.85	11.85	25.33	0.17	49.30	0.78	49.92
Pharmaceuti-cal/Health	2.20	6.60	10.43	21.68	0.31	31.79	0.07	68.14
Not for profit	3.64	6.37	10.73	22.51	0.09	48.91	0.56	50.53
Education/ Consulting	3.28	7.11	12.83	25.83	0.22	50.47	1.56	47.97
Publishing/ Media	1.68	9.09	14.90	29.49	0.14	58.41	0.71	40.88
Marketing/ Agency	4.03	9.26	16.87	26.41	0.15	38.01	14.92	47.08
Administration/ Energy	3.28	8.51	15.88	28.65	0.21	55.89	0.88	43.23

Table 1: Email response comparison by industry

Language Comparison

In what proves to be an interesting trend, open and click-through rates in Danish and Italian email campaigns have increased considerably since the previous year. Click-through rates have also increased in Norwegian campaigns, despite the poor open rates results.

Language	Bounces Rate	Click Rate Individual	Click Rate Total	Open Rate	Unsub-scribe Rate	Email Format		
						HTML	Text only	MIME
German	2.25	7.37	12.08	29.26	0.17	57.18	1.74	41.08
English	3.44	4.41	7.83	17.50	0.17	39.17	0.84	59.99
Spanish	4.23	4.07	6.45	17.87	0.05	40.82	0.25	58.93
Italian	3.35	5.45	9.30	25.65	0.08	51.30	0.83	47.87
Portuguese	1.06	8.45	12.41	20.41	0.03	13.83	16.30	69.88
Dutch	1.88	7.68	12.17	25.94	0.29	65.12	0.64	34.23
French	2.83	6.31	10.59	23.33	0.17	49.04	3.89	47.07
Swedish	1.28	7.70	11.01	22.13	0.21	50.67	0.12	49.21
Norwegian	2.41	10.49	18.65	25.05	0.16	48.01	0.16	51.84
Finnish	2.53	11.64	16.38	26.13	0.21	40.68	0.10	59.22
Polish	2.98	8.05	13.23	18.67	0.07	51.84	0.89	47.27
Hungarian	4.35	7.32	11.77	27.29	0.13	46.04	0.29	53.67
Czech	2.58	9.79	16.57	20.81	0.12	42.73	1.32	55.95
Danish	0.91	13.90	20.10	27.07	0.13	56.36	0.21	43.43
Turkish	2.15	3.54	5.98	11.21	0.05	30.65	0.01	69.34

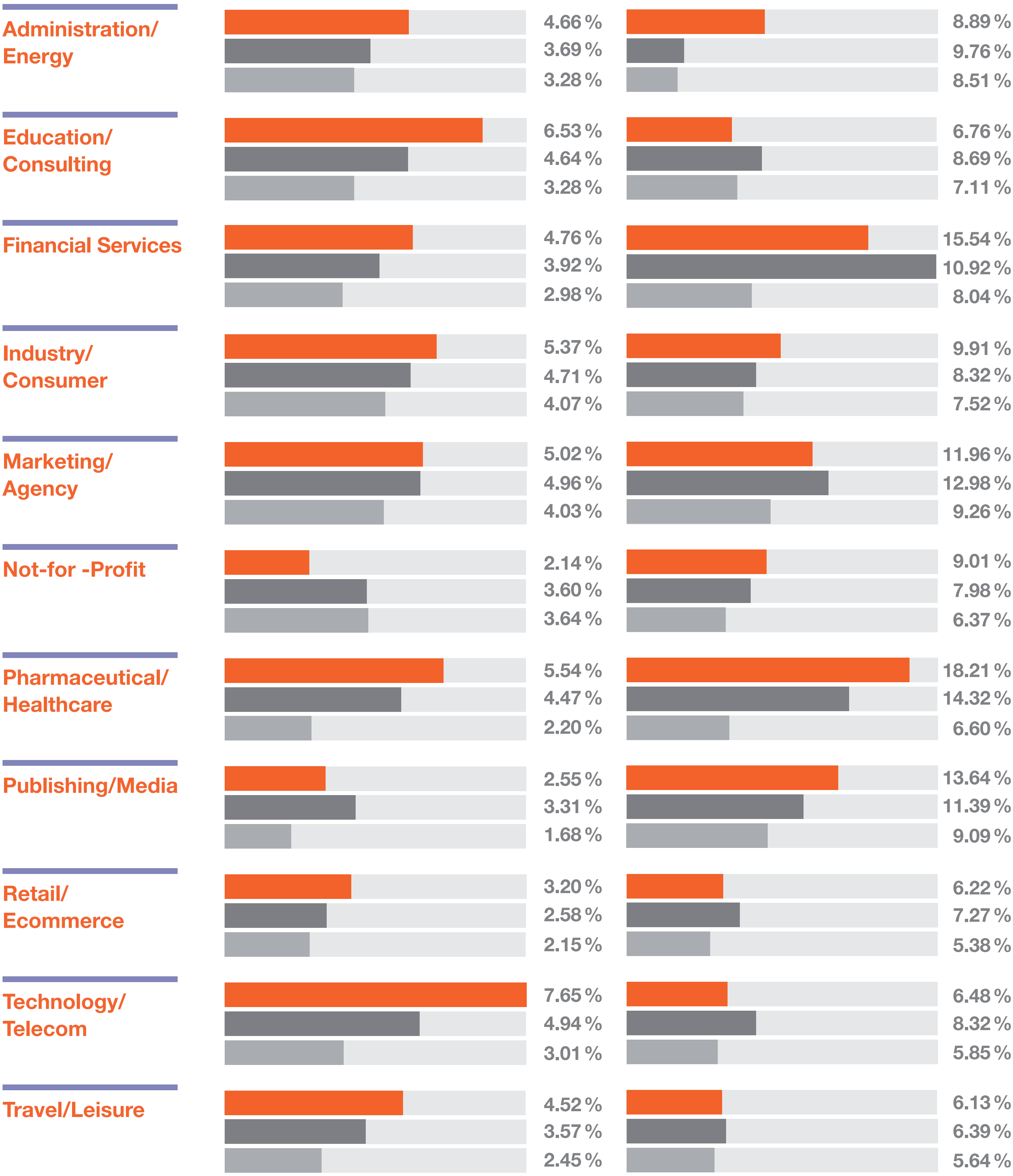
Table 2: Email response comparison by campaign language

Industry Comparison for the Last Three Years

2008 2009 2010

Bounce Rate

Click Rate: Unique



2008 2009 2010

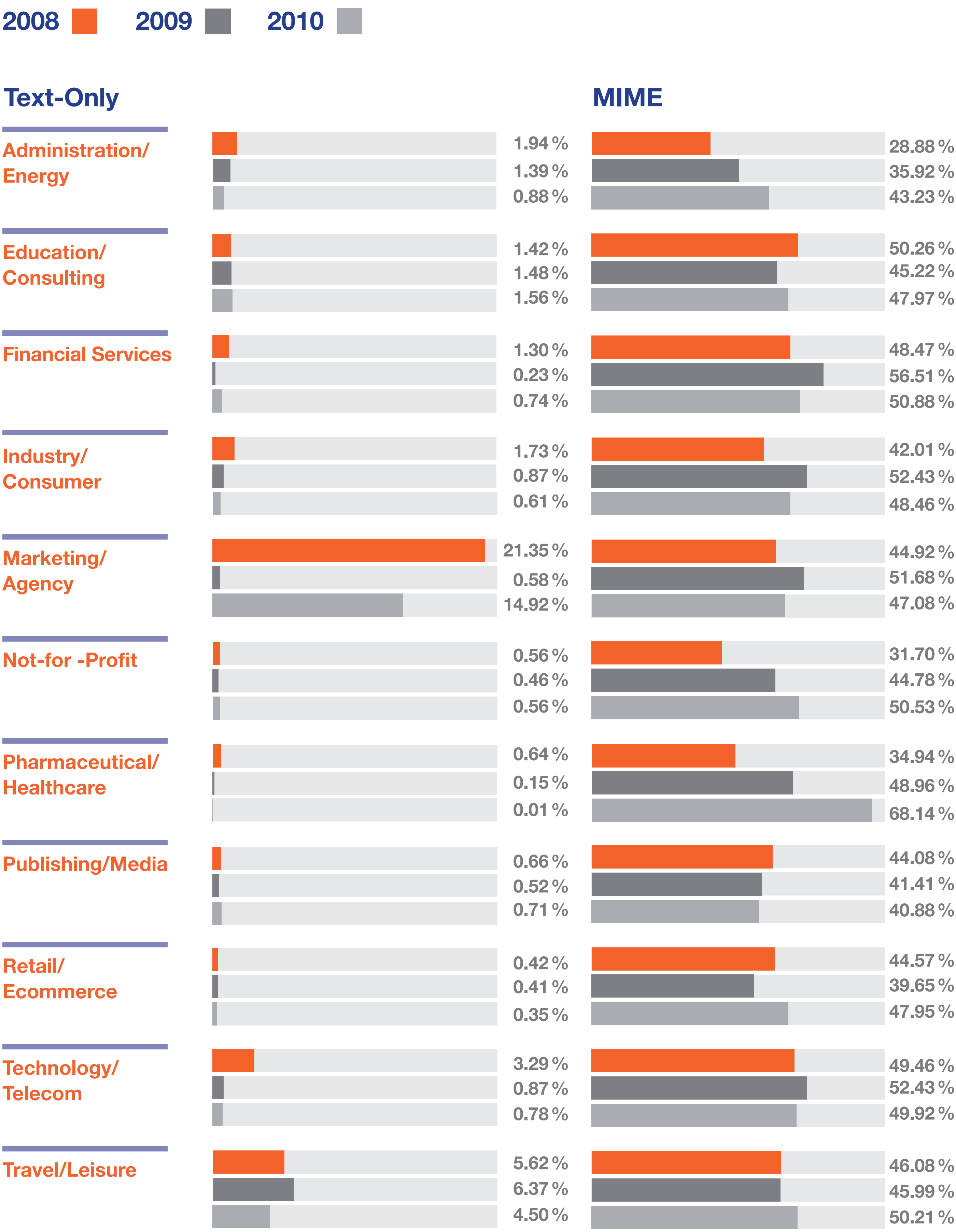
Click Rate: Total / Open Rate

Industry	Click Rate 2008	Click Rate 2009	Click Rate 2010	Open Rate 2008	Open Rate 2009	Open Rate 2010
Administration/ Energy	14.90 %	18.45 %	15.88 %	37.32 %	36.25 %	28.65 %
Education/ Consulting	13.42 %	17.44 %	12.83 %	28.97 %	26.91 %	25.83 %
Financial Services	32.52 %	23.28 %	15.02 %	39.05 %	34.44 %	27.82 %
Industry/ Consumer	17.56 %	14.49 %	12.42 %	34.49 %	34.53 %	30.35 %
Marketing/ Agency	23.17 %	25.48 %	16.87 %	39.40 %	37.54 %	26.41 %
Not-for -Profit	17.09 %	14.71 %	10.73 %	23.73 %	23.29 %	22.51 %
Pharmaceutical/ Healthcare	53.80 %	29.94 %	10.43 %	40.91 %	38.16 %	21.68 %
Publishing/Media	25.14 %	20.12 %	14.90 %	37.59 %	35.51 %	29.49 %
Retail/ Ecommerce	9.36 %	10.94 %	7.73 %	25.13 %	27.12 %	21.72 %
Technology/ Telecom	12.12 %	11.05 %	11.58 %	28.16 %	34.53 %	25.33 %
Travel/Leisure	10.39 %	10.88 %	9.08 %	27.25 %	24.49 %	22.40 %

Industry Comparison for the Last Three Years

2008 ■ 2009 ■ 2010 ■

Industry	Year	Unsubscribe Rate	HTML
Administration/ Energy	2008	0.18 %	70.18 %
	2009	0.19 %	62.68 %
	2010	0.21 %	55.89 %
Education/ Consulting	2008	0.14 %	48.36 %
	2009	0.18 %	53.29 %
	2010	0.22 %	50.47 %
Financial Services	2008	0.15 %	50.23 %
	2009	0.17 %	43.26 %
	2010	0.18 %	48.38 %
Industry/ Consumer	2008	0.25 %	56.26 %
	2009	0.25 %	46.11 %
	2010	0.28 %	50.93 %
Marketing/ Agency	2008	0.17 %	33.72 %
	2009	0.18 %	47.74 %
	2010	0.15 %	38.01 %
Not-for -Profit	2008	0.07 %	61.74 %
	2009	0.20 %	54.76 %
	2010	0.01 %	48.91 %
Pharmaceutical/ Healthcare	2008	0.00 %	64.42 %
	2009	0.83 %	50.89 %
	2010	0.13 %	31.79 %
Publishing/Media	2008	0.24 %	55.26 %
	2009	0.19 %	58.07 %
	2010	0.14 %	58.41 %
Retail/ Ecommerce	2008	0.27 %	55.01 %
	2009	0.23 %	59.93 %
	2010	0.15 %	51.69 %
Technology/ Telecom	2008	0.20 %	47.25 %
	2009	0.25 %	46.11 %
	2010	0.17 %	49.30 %
Travel/Leisure	2008	0.21 %	48.31 %
	2009	0.17 %	47.66 %
	2010	0.11 %	45.29 %


2008
2009
2010
Text-Only
MIME
Administration/ Energy
1.94 %
1.39 %
0.88 %
28.88 %
35.92 %
43.23 %
Education/ Consulting
1.42 %
1.48 %
1.56 %
50.26 %
45.22 %
47.97 %
Financial Services
1.30 %
0.23 %
0.74 %
48.47 %
56.51 %
50.88 %
Industry/ Consumer
1.73 %
0.87 %
0.61 %
42.01 %
52.43 %
48.46 %
Marketing/ Agency
21.35 %
0.58 %
14.92 %
44.92 %
51.68 %
47.08 %
Not-for -Profit
0.56 %
0.46 %
0.56 %
31.70 %
44.78 %
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Retail/ Ecommerce
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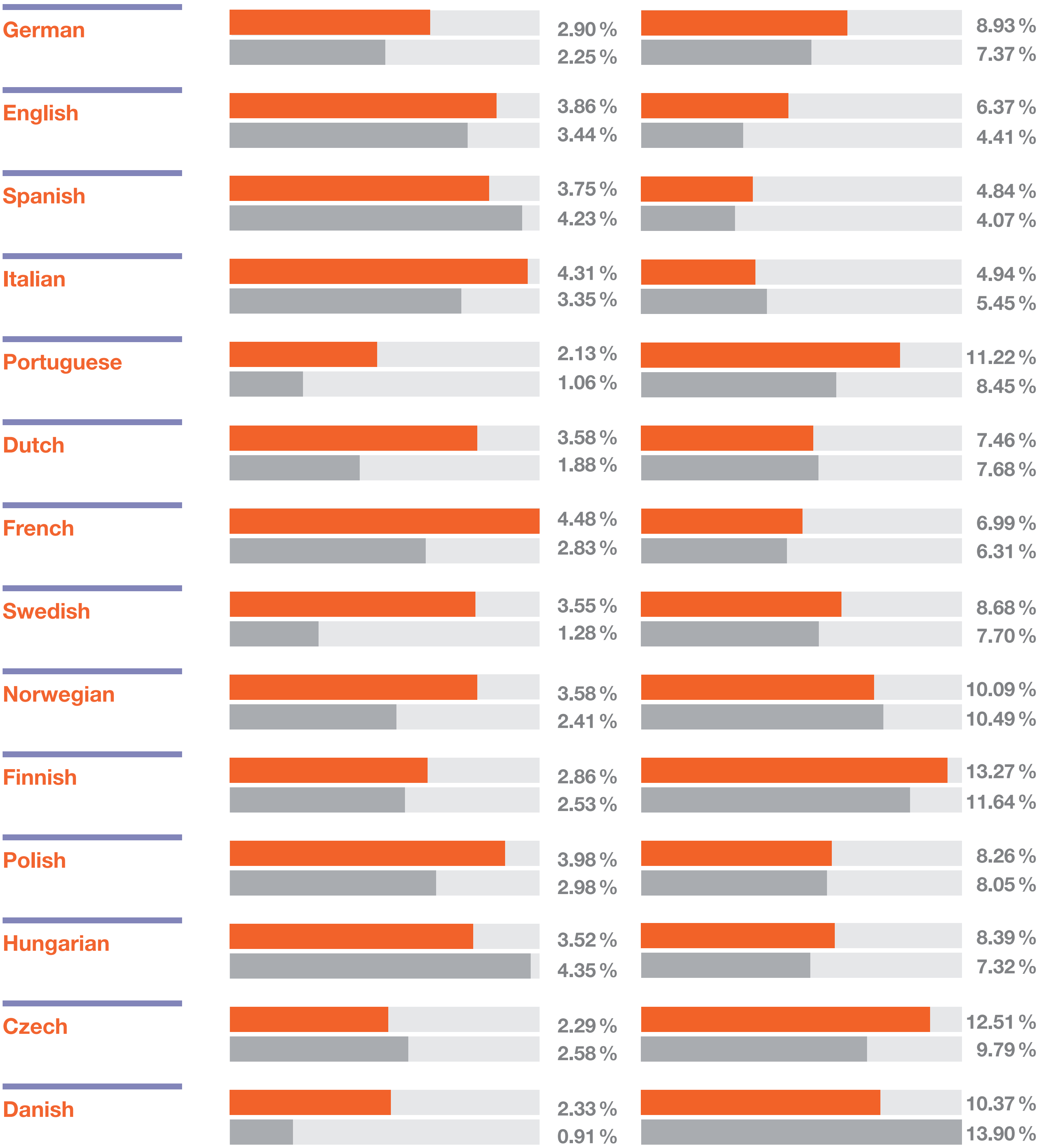
0.41 %
0.35 %
44.57 %
39.65 %
47.95 %
Technology/ Telecom
3.29 %
0.87 %
0.78 %
49.46 %
52.43 %
49.92 %
Travel/Leisure
5.62 %
6.37 %
4.50 %
46.08 %
45.99 %
50.21 %

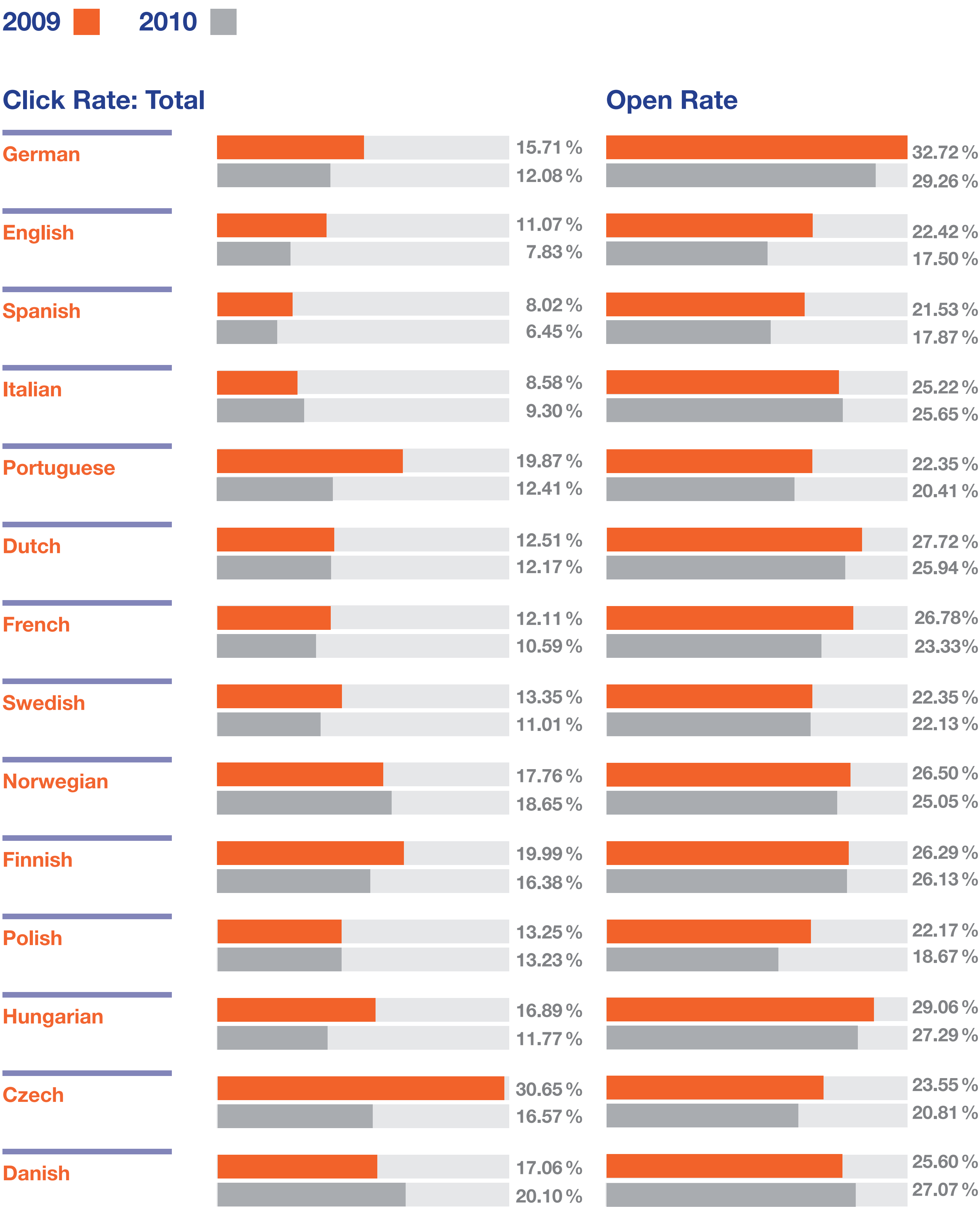
Language Comparison for the Last Two Years

2009 ■ 2010 ■

Bounce Rate

Click Rate: Unique

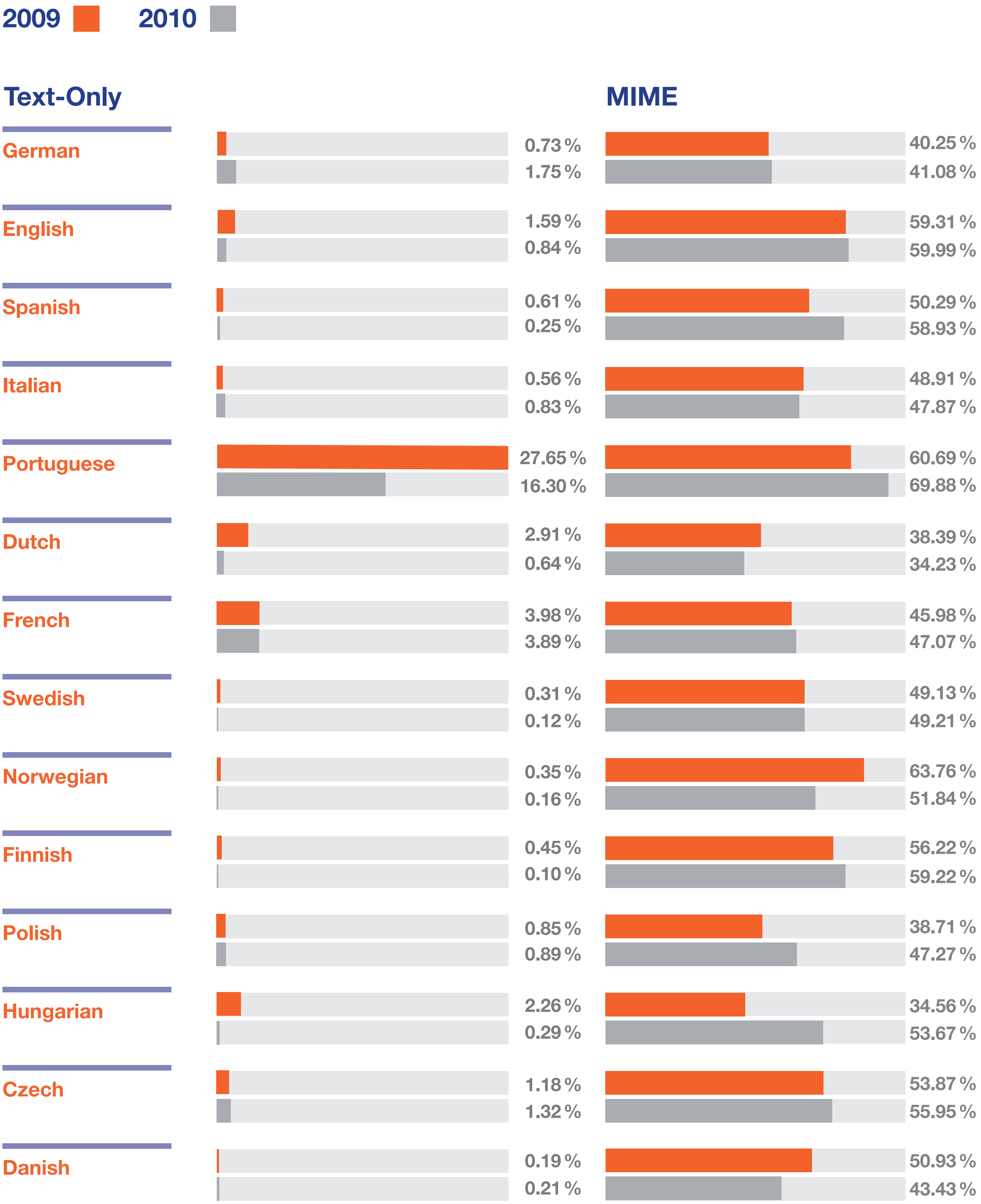



2009
2010
Click Rate: Total
Open Rate
German
15.71 %
12.08 %
32.72 %
29.26 %
English
11.07 %
7.83 %
22.42 %
17.50 %
Spanish
8.02 %
6.45 %
21.53 %
17.87 %
Italian
8.58 %
9.30 %
25.22 %
25.65 %
Portuguese
19.87 %
12.41 %
22.35 %
20.41 %
Dutch
12.51 %
12.17 %
27.72 %
25.94 %
French
12.11 %
10.59 %
26.78%
23.33%
Swedish
13.35 %
11.01 %
22.35 %
22.13 %
Norwegian
17.76 %
18.65 %
26.50 %
25.05 %
Finnish
19.99 %
16.38 %
26.29 %
26.13 %
Polish
13.25 %
13.23 %
22.17 %
18.67 %
Hungarian
16.89 %
11.77 %
29.06 %
27.29 %
Czech
30.65 %
16.57 %
23.55 %
20.81 %
Danish
17.06 %
20.10 %
25.60 %
27.07 %

Language Comparison for the Last Two Years

2009 (orange) 2010 (grey)

Language	Unsubscribe Rate 2009	Unsubscribe Rate 2010	HTML 2009	HTML 2010
German	0.21 %	0.17 %	59.01 %	57.18 %
English	0.21 %	0.17 %	39.09 %	39.17 %
Spanish	0.11 %	0.05 %	49.10 %	40.82 %
Italian	0.14 %	0.08 %	50.53 %	51.30 %
Portuguese	0.02 %	0.03 %	11.66 %	13.83 %
Dutch	0.43 %	0.29 %	58.70 %	65.12 %
French	0.18 %	0.17 %	50.03 %	49.04 %
Swedish	0.31 %	0.21 %	50.56 %	50.67 %
Norwegian	0.13 %	0.16 %	35.89 %	48.01 %
Finnish	0.23 %	0.21 %	43.33 %	40.68 %
Polish	0.10 %	0.07 %	60.44 %	51.84 %
Hungarian	0.15 %	0.13 %	63.28 %	46.04 %
Czech	0.16 %	0.12 %	44.94 %	42.73 %
Danish	0.32 %	0.13 %	48.87 %	56.36 %


2009
2010
Text-Only
MIME
German
0.73 %
1.75 %
40.25 %
41.08 %
English
1.59 %
0.84 %
59.31 %
59.99 %
Spanish
0.61 %
0.25 %
50.29 %
58.93 %
Italian
0.56 %
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48.91 %
47.87 %
Portuguese
27.65 %
16.30 %
60.69 %
69.88 %
Dutch
2.91 %
0.64 %
38.39 %
34.23 %
French
3.98 %
3.89 %
45.98 %
47.07 %
Swedish
0.31 %
0.12 %
49.13 %
49.21 %
Norwegian
0.35 %
0.16 %
63.76 %
51.84 %
Finnish
0.45 %
0.10 %
56.22 %
59.22 %
Polish
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0.89 %
38.71 %
47.27 %
Hungarian
2.26 %
0.29 %
34.56 %
53.67 %
Czech
1.18 %
1.32 %
53.87 %
55.95 %
Danish
0.19 %
0.21 %
50.93 %
43.43 %

Summary of Results

The Benchmark Report 2011 has revealed some interesting trends. While there is a slight drop in open and click rates across B2B and B2C campaigns, the change is not considerable and the results are not worrying. A very positive development is the consistent decrease in bounce rates, which suggests continuous improvement in the quality of email addresses and database maintenance. Another reassuring indicator is the drop in the unsubscribe rates which are now at the lowest level since the beginning of the Benchmark studies.

Major industry and language differences

The comparison of the campaign languages clearly indicates the existence of vast regional differences in the campaign results. For example individual click-through rates range from 14 percent in Danish campaigns to only 4 percent in Spanish and English. In general, the click-through rates in Scandinavian campaigns are again well above the average of other languages. German campaigns enjoy the highest open rates this year, followed closely by Danish and Hungarian. The overview of the industry results of the last two years also reveals interesting industry-specific developments. Quite striking is the change in email response observed in the pharmaceuticals and healthcare industry which, after leading in open and click-through rates in both 2008 and 2009, suffered a drop in email response indicators in 2010.

Why is the opening rate decreasing?

The continuous decline in open rates can be explained by several key factors. One is incorrect rendering and image suppression in many mobile email clients. With an average of 75.4% of smartphone owners checking email on mobile (according to a research by Econsultancy), it's no wonder that rendering issues are a major contributing factor in the decline of response rates. Second is the general increase in the overall volume of emails sent worldwide, as sited by an internet marketing research firm TIG, which makes indentifying and opening relevant emails more time consuming and problematic for recipients.

Recommendations

Recipient behaviour is becoming a major factor for ISPs when determining email placement. This in turn means greater importance of the content of email campaigns and frequency of sending. To ensure customers get emails that are relevant to them and are not overwhelmed by the amount of messages in their inboxes, companies should monitor recipient behaviour and segment subscribers by level of involvement with the brand. We recommend developing different email strategies for customers who regularly open the company emails and use services and those who open infrequently. Following best practice recommendations and developing a clear strategy before sending is essential to ensure positive response results.

About emarsys

emarsys is one of the leading global providers of email marketing solutions and services. More than 600 clients, among them eBay, Canon, Vodafone, Honda, Motorola, Samsung, Burton,Head and Zurich Insurance, send more than 30 billion emails every year with emarsys technology.

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