Q1 2014 email trends and benchmarks

Executive summary

Email continues to thrive as a vital touchpoint in the customer journey. However, the number of touchpoints is constantly expanding. Consumers today engage with brands via email, social media, online display, websites, mobile, in-store displays and more at various stages of the marketing funnel.

Email marketers today must always be improving their strategies to ensure their messages are relevant and impactful. Epsilon has compiled and analyzed aggregated data from billions of emails since 2002 to provide brands with email benchmarks to evaluate their respective campaigns. We hope this data will allow you to assess your current performance and spark inspiration to evolve your email marketing to ignite connections with your customers.
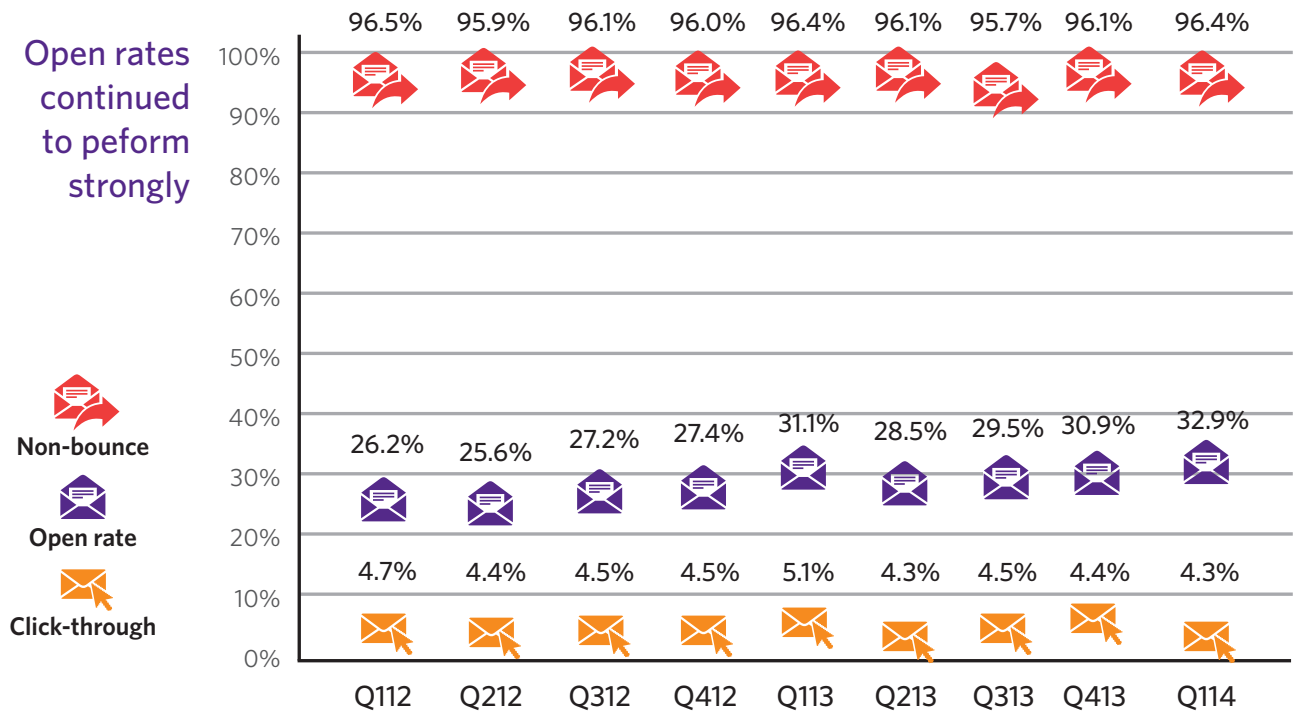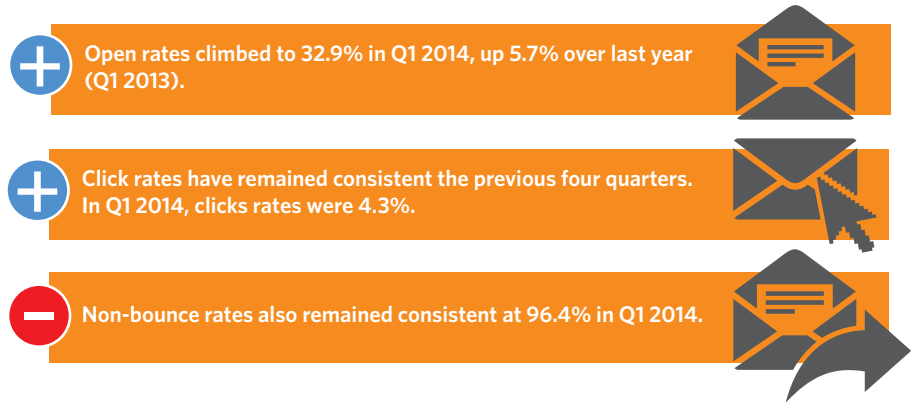
Please note that specifics for each company will ultimately drive results. This benchmark data should only be used as a guideline.

Business as usual email trends

The *Q1 2014 Email Trends and Benchmarks* analyzed performance trends by industry and message type. They offer insight into how the average company performs across 13 industry categories . This study has been compiled from 6.2 billion emails sent in Q1 (January through March) 2014 across approximately 140 clients.

Q1 2014 OVERALL PERFORMANCE

Open rates climbed to 32.9% in Q1 2014, up 5.7% over last year (Q1 2013).

Click rates have remained consistent the previous four quarters. In Q1 2014, clicks rates were 4.3%.

Non-bounce rates also remained consistent at 96.4% in Q1 2014.

Open rates continued to peform strongly

Non-bounce

Open rate

Click-through

	Q112	Q212	Q312	Q412	Q113	Q213	Q313	Q413	Q114
Non-bounce	96.5%	95.9%	96.1%	96.0%	96.4%	96.1%	95.7%	96.1%	96.4%
Open rate	26.2%	25.6%	27.2%	27.4%	31.1%	28.5%	29.5%	30.9%	32.9%
Click-through	4.7%	4.4%	4.5%	4.5%	5.1%	4.3%	4.5%	4.4%	4.3%

Industry performance

Eight of the 13 industries analyzed had an open rate increase of 5% or higher when compared to last year's metrics: Business Publishing/Media General, Consumer Publishing/Media General, Consumer Services General, Financial Services CC/Banks, Financial Services General, Retail Apparel, Retail General and Retail Specialty.

Three of the industry categories had a click rate increase of 5% or higher: Business Publishing/Media General, Consumer Services General and Consumer Services Telecom.

Two experienced a click-to-open rate increase that was 5% or higher: Business Publishing/Media General and Consumer Services Telecom.

In Q1 2014, the highest open rates were in the Financial Services CC/Banks (50.1%), Retail General (43.6%) and Financial Services General (39.6%) categories.

The highest click rates were in Business Publishing/Media General (6.4%), Retail General (6.0%) and Financial Services General (5.2%).

The highest click-to-open rates were in Consumer Publishing/Media General (21.2%), Business Publishing/Media General (20.0%) and Consumer Products CPG (17.7%).

INDUSTRIES ANALYZED

Epsilon Q1 2014 North American Industry	Non-bounce	Open rate	Click rate	Click-to-open rate
Business Products and Services General	95.9%	26.8%	2.6%	9.9%
Business Publishing/Media General	98.1%	32.0%	6.4%	20.0%
Consumer Products CPG	97.5%	19.0%	3.4%	17.7%
Consumer Products Pharmaceutical	92.3%	31.9%	4.3%	13.6%
Consumer Publishing/Media General	98.7%	21.5%	4.6%	21.2%
Consumer Services General	94.1%	31.2%	5.0%	16.1%
Consumer Services Telecom	98.9%	19.4%	3.1%	16.2%
Financial Services CC/Banks	97.2%	50.1%	4.2%	8.5%
Financial Services General	94.0%	39.6%	5.2%	13.2%
Retail Apparel	95.9%	25.6%	3.5%	13.8%
Retail General	98.4%	43.6%	6.0%	13.8%
Retail Specialty	97.2%	30.2%	3.6%	11.8%
Travel/Hospitality Travel Services	97.6%	33.6%	3.6%	10.7%

Green or yellow text indicates an increase (green) or decrease (yellow) over last year's metrics that was over 5 %.

Campaign performance

Research
0.0%

Legal
0.0%

Acquisition
0.3%

Editorial
1.6%

Service
7.7%

Other
37.3%

Marketing
53.0%

Q1 2014: % DELIVERED

The *Q1 2014 Email Trends and Benchmarks* also analyzed the types of messages sent along with their performance metrics. Up from Q4 2013 (44.8%), 53% of emails delivered through Epsilon were categorized as marketing messages in Q1 2014.
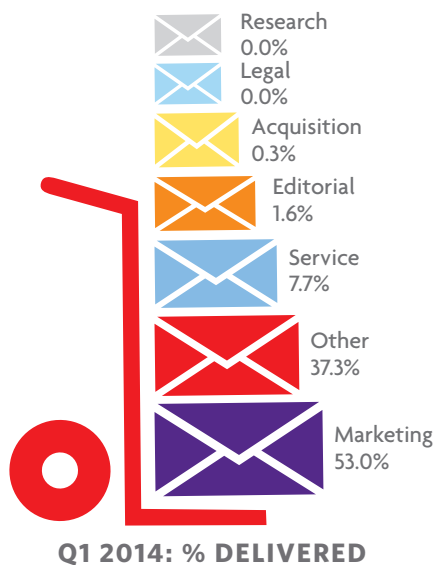
Message type*	Open rate	Click rate	CTOR	% delivered in Q1 2014
Acquisition	19.5%	0.5%	2.5%	0.3%
Editorial	25.2%	5.2%	20.6%	1.6%
Legal	51.5%	8.9%	17.2%	0.0%
Marketing	28.7%	3.6%	12.4%	53.0%
Other	21.1%	2.6%	12.5%	37.3%
Research	36.3%	5.1%	14.0%	0.0%
Service	64.2%	7.5%	11.7%	7.7%

Message types are pulled from Epsilon's proprietary email platform only and defined by the person(s) creating the campaigns and may not reflect the same definitions as your company.

KEY METRICS ANALYZED BY MESSAGE TYPE ACROSS INDUSTRIES

Industry	Industry category	Message type*	Open rate	Click rate	Click-to-open rate	% of total delivered in industry
Business Products and Services	General	Marketing	17.7%	1.6%	9.1%	69.3%
		Other	24.4%	3.4%	13.7%	29.9%
		Research	8.9%	1.5%	16.7%	0.8%
Business Publishing/ Media	General	Marketing	28.5%	5.2%	18.1%	99.9%
		Service	5.9%	1.0%	16.7%	0.1%
Consumer Products	CPG	Marketing	18.7%	2.4%	12.9%	100.0%
		Other	47.2%	4.8%	10.1%	0.0%
	Pharmaceutical	Marketing	18.2%	2.6%	14.3%	95.0%
		Other	6.2%	1.1%	17.6%	5.0%
		Service	36.0%	5.1%	14.1%	0.0%
Consumer Publishing/ Media	General	Acquisition	49.3%	7.6%	15.3%	0.0%
		Editorial	24.2%	5.1%	21.1%	14.4%
		Marketing	17.2%	2.0%	11.5%	83.9%
		Other	22.4%	3.5%	15.8%	1.7%
		Research	88.6%	20.0%	22.5%	0.0%

KEY METRICS ANALYZED BY MESSAGE TYPE ACROSS INDUSTRIES (CONT.)

Industry	Industry category	Message type*	Open rate	Click rate	Click-to- open rate	% of total delivered in industry
Consumer Services	General	Marketing	30.2%	3.4%	11.3%	99.5%
		Other	82.7%	14.4%	17.4%	0.2%
		Service	87.4%	23.9%	27.3%	0.4%
	Telecom	Marketing	36.0%	2.7%	7.6%	79.5%
		Other	57.0%	9.1%	16.0%	0.1%
		Service	55.3%	2.8%	5.1%	20.4%
Financial Services	CC/Banks	Acquisition	76.3%	1.2%	1.5%	0.0%
		Marketing	49.2%	3.8%	7.6%	48.3%
		Other	71.9%	8.3%	11.5%	19.2%
		Research	53.5%	6.1%	11.4%	0.0%
		Service	66.6%	8.0%	11.9%	32.5%
	General	Acquisition	19.3%	0.5%	2.5%	8.0%
		Marketing	26.1%	1.1%	4.1%	82.8%
		Other	40.9%	5.4%	13.2%	0.7%
		Service	78.7%	10.9%	13.9%	8.5%
Retail	Apparel	Other	29.2%	2.3%	8.0%	27.2%
		Service	35.0%	3.3%	9.4%	72.8%
	General	Acquisition	63.5%	2.7%	4.3%	0.0%
		Legal	51.5%	8.9%	17.2%	0.0%
		Marketing	31.2%	7.7%	24.6%	23.3%
		Other	14.8%	1.9%	13.0%	76.6%
		Research	91.5%	11.2%	12.2%	0.0%
		Service	71.9%	5.7%	7.9%	0.0%
	Specialty	Editorial	39.3%	6.1%	15.6%	2.6%
		Marketing	27.5%	3.0%	11.0%	91.7%
		Other	27.3%	3.6%	13.3%	5.2%
		Research	54.4%	7.6%	14.0%	0.4%
Travel/Hospitality	Travel Services	Marketing	23.4%	2.5%	10.9%	100.0%
		Service	83.9%	8.8%	10.4%	0.0%

Message types are pulled from Epsilon's proprietary email platform only and defined by the person(s) creating the campaigns and may not reflect the same definitions as your company.
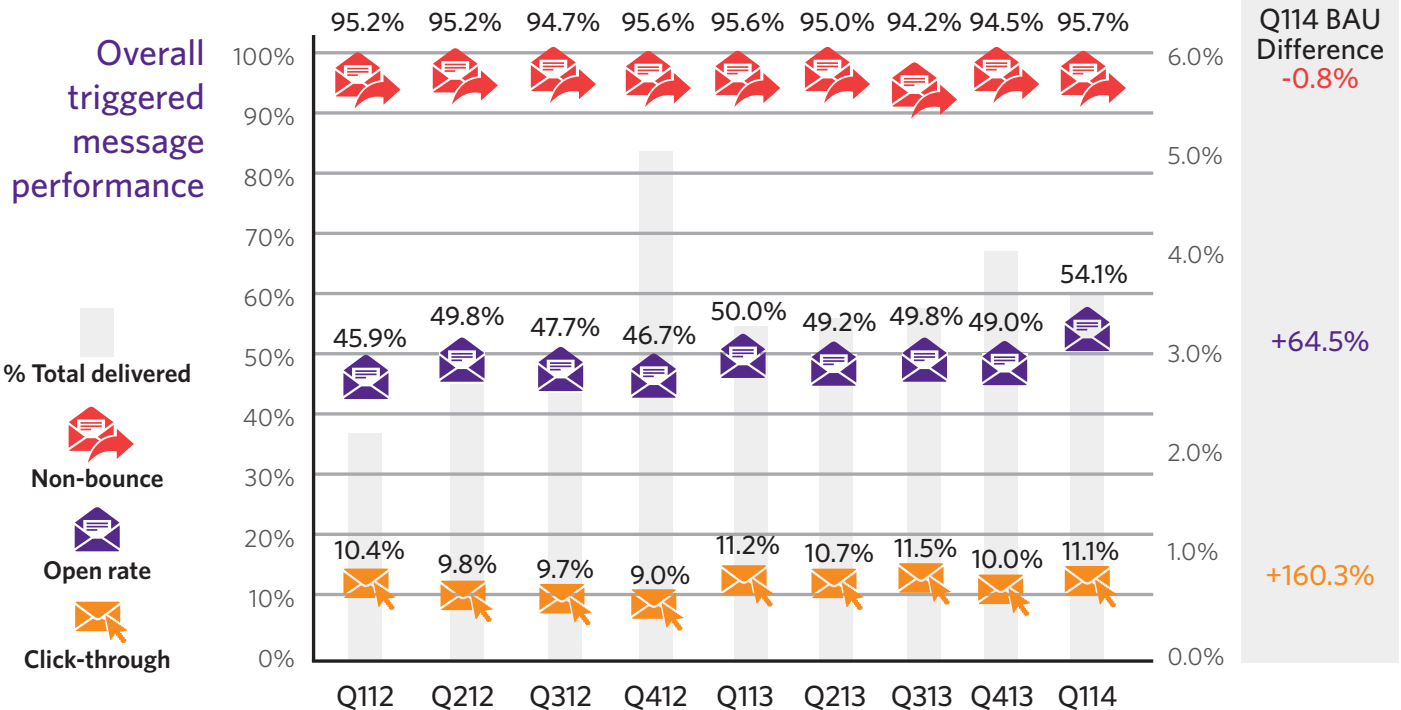
Triggered email trends

Epsilon's triggered email metrics are compiled from approximately 234 million triggered emails sent from January 2014 to March 2014 across multiple industries. These messages were sent as the result of an action, such as Welcome, Thank You, Abandon Shopping Cart or Confirmation.

These metrics also highlight significant differences between triggered email performance and Business as Usual (BAU) email performance.

OVERALL PERFORMANCE

+ Triggered messages accounted for 3.8% of total email volume in Q1 2014, 15.3% higher than Q1 of last year (3.3%).

+ In Q1 2014, triggered email non-bounce rates continued to drive strong results, just 0.8% lower than BAU industry metrics.

+ Triggered open rates were 64.5% higher than BAU open rates in Q1 2014, an increase from Q1 2013 when there was a 60.8% lift over BAU.

+ Triggered email click rates were 160.3% higher than BAU in Q1, an increase of the 116.9% lift over BAU seen in Q1 2013.

Overall triggered message performance

% Total delivered

Non-bounce

Open rate

Click-through

	Q112	Q212	Q312	Q412	Q113	Q213	Q313	Q413	Q114
Non-bounce	95.2%	95.2%	94.7%	95.6%	95.6%	95.0%	94.2%	94.5%	95.7%
Open rate	45.9%	49.8%	47.7%	46.7%	50.0%	49.2%	49.8%	49.0%	54.1%
Click-through	10.4%	9.8%	9.7%	9.0%	11.2%	10.7%	11.5%	10.0%	11.1%

Q114 BAU Difference

-0.8%

+64.5%

+160.3%

Triggered email by industry

The highest open rates for triggered messages were in the Travel/Hospitality Travel Services (65.1%), Retail General (62.2%) and Financial Services General (60.3%) categories.

The highest triggered email click rates were reported in Consumer Publishing/Media General (18.1%), Retail Apparel (15.3%) and Consumer Products Pharmaceutical (13.5%).

Triggered emails typically have higher open and click rates because they are deployed based on a consumer action. The categories with the most notable difference in triggered open rates compared to BAU open rates were in the Consumer Products CPG (+203.1%), Telecom (+154.6%) and Consumer Publishing/Media General (+121.2%) industry categories.

The most notable click rate difference between triggered and BAU messages were reported in Retail Apparel (+332.8), Consumer Publishing/Media General (+297.6%) and Retail Specialty (+267.2%).

Q1 2014 North American Industry	Non-bounce	BAU non-bounce difference	Open rate	BAU open rate difference	Click rate	BAU click rate difference
Business Products and Services General	97.6%	+1.9%	50.8%	+89.4%	5.8%	+119.2%
Business Publishing/Media General	98.2%		32.5%		12.5%	
Consumer Products CPG	96.2%	-1.3%	57.6%	+203.1%	11.2%	+231.8%
Consumer Products Pharmaceutical	91.2%	-1.1%	57.5%	+80.2%	13.5%	+212.5%
Consumer Publishing/Media General	96.5%	-2.3%	47.6%	+121.2%	18.1%	+297.6%
Consumer Services General	93.5%	-0.7%	43.3%	+38.9%	7.5%	+48.6%
Consumer Services Telecom	96.8%	-2.1%	49.4%	+154.6%	11.4%	+264.7%
Financial Services CC/Banks	95.4%	-1.9%	60.2%	+20.2%	6.3%	+47.6%
Financial Services General	99.0%	+5.3%	60.3%	+52.4%	11.7%	+124.6%
Retail Apparel	95.2%	-0.8%	44.8%	+74.7%	15.3%	+332.8%
Retail General	97.8%	-0.6%	62.2%	+42.5%	10.0%	+65.7%
Retail Specialty	95.1%	-2.1%	51.6%	+70.7%	13.1%	+267.2%
Travel/Hospitality Travel Services	92.5%	-5.2%	65.1%	+93.9%	11.7%	+227.6%

Yellow text indicates a 50% or higher lift over BAU.

Conclusion

For the past few years our Email Benchmarks have reported increased email open rates while click rates remain the same. This can be attributed to the proliferation of mobile devices—on which email users tend to open, but not always click emails—and the time starvation that many consumers experience today.

Today email delivery times should be tied to device of open data. If your subscriber data shows an individual is significantly more likely to click email offers from their tablet than on their mobile device, schedule time of delivery when that individual is most likely to be on their tablet. Email marketers need to leverage data to ensure their messages are relevant, meet subscribers' preferences and are delivered at the optimal time for individual users.

Methodology

The performance metrics examined averages across all companies within the stated categories. The averages listed are unweighted and do not reflect mail volumes by any one company. This is done to provide a measure of average company performance in the category, removing the effect that large mailers can have on category averages. Unless otherwise stated, all results are aggregated.

Metrics used in this report are defined as follows:

Open Rate: Total opens / Emails delivered

Click-through Rate: Total clicks / Emails delivered

CTOR (Click to Open Rate): Total clicks / Total opens

Bounce Rate: (Bounce and/or Undelivered) / Emails sent

Non-Bounce Rate: 1 – bounce back rate. Calculation does not include ISP or inbox filtering

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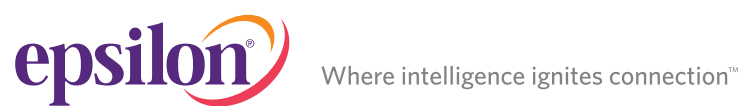**Blog**: www.abrandnewview.com

About Epsilon

Epsilon is the global leader in creating customer connections that build brand and business equity. A new breed of agency for a consumer-empowered world, our unique approach harnesses the power of rich data, world-leading technologies, engaging creativity and transformative ideas to ignite connections between brands and customers, delivering dramatic results. Recognized by Ad Age as the #1 U.S. Agency from All Disciplines, #1 World CRM/Direct Marketing Network and #3 U.S. Digital Agency Network, we employ over 5,000 associates in 60 offices worldwide. Epsilon is an **Alliance Data** company. For more information, visit **www.epsilon.com**, follow us on Twitter **@EpsilonMktg** or call 1.800.309.0505.

About Email Institute

Email Institute, powered by Epsilon, was founded with the purpose of educating marketers on email marketing best practices and how it intersects with other channels (Mobile, Social Media, Brick and-Mortar, Catalog, etc). The best practices site features articles from around the industry that focus on improving email marketing by pointing out how-to information on a specific subject and showcasing other company's email marketing efforts. Email Institute also showcases premium webinars, events, white papers and Epsilon primary research and benchmarks to provide in-depth information strategically targeted to increase your email marketing acumen.