Global benchmarking research to help businesses improve their email, marketing automation, and content marketing ROI

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State of email marketing

Global benchmarking research to support email marketing excellence
This research report was created by Smart Insights, publishers of actionable marketing advice, and GetResponse, all-in-one online marketing platform.

This report provides a benchmark to compare your email marketing, marketing automation, and landing pages. We assess the state of email marketing and explore how businesses use marketing automation, highlighting the features you might like to try too.

The analysis is based on a major research project surveying 585 respondents, many of whom are at a senior level and represent a mix of B2B (19%) and B2C (44%), with 37% working across both.

Research findings

1 Room to improve. Many respondents are new to email marketing and automation, and only use a few features.
2. Just 5% of respondents say they’re experts, while the majority rate themselves as Basic or Intermediate. This is understandable, as email marketing is complex and constantly evolving.

3. Email is more effective than other digital channels. In Section 1, respondents share their views on email marketing, rating it as the best channel for return on investment.

4. Businesses are investing more in email marketing than in other channels. Only 4% of respondents said their email marketing budget was decreasing. Almost half (47%) expected an increase in their budget, while 33% said it would stay the same.

5. Businesses could focus more on optimization. In Section 2, we assess best practices across seven areas – and see that few respondents make the most of targeting. More than half (53%) send the same message to all recipients, and 31% only use basic targeting. We also found most businesses (60%) don’t proactively test their email marketing campaigns, and just 20% test creative elements such as layout and copy.

6. Businesses aren’t making the most of marketing automation In Section 3, we review the value and use of automation. Most respondents said their automation isn’t very effective, and less than 3 in 10 (28%) use many features. A third said saving time was the biggest benefit of automation, while 22% reported improved lead generation.

7. Using landing pages. In section 4, we review how respondents use landing pages and report 45% have a newsletter signup form. Their biggest challenges are driving traffic to landing pages (45%) and poor conversion rates (33%). Email is the top traffic source (21%), ahead of organic social media (16%) and organic search (14%).

More businesses could use landing page testing to improve conversions, while 2 in 10 (20%) don’t use dedicated landing pages at all.
SECTION 1

INTRODUCTION
Aims of this report

Email marketing is here to stay. But despite its popularity, it can be a complex digital marketing technique to master – especially with the launch of powerful marketing automation features.

In training and consulting with marketers, we suspected many businesses weren’t making the most of email marketing. So when GetResponse asked us to collaborate on a global research report summarizing the state of email marketing and highlighting best practices, we jumped on board.

To get marketers’ opinions and create what we hope is a valuable global benchmarking report, we surveyed Smart Insights members and GetResponse customers from around the world. To provide actionable insights that help businesses compare and improve their email marketing.

We are delighted to share the results of this unique project. Thank you if you got involved and shared your email marketing experiences. Check out the appendix for more on the methodology and a sample breakdown.

Now more than ever, organizations need a simple way to keep up with ever-changing best practices and take full advantage of email marketing. We hope this report helps you evaluate your approach, so you can better plan, run, and optimize your campaigns.

Report goals

The research aims to help marketers and their businesses:

• Review their strategic approach to email marketing, by comparing best practices with how they use techniques and features.

• Learn best practice email marketing techniques, and see what’s possible.

• Spot opportunities for marketing automation.

• Consider landing pages for lead generation.
Who is this report for?

1 **Managers responsible for digital marketing.** See how email marketing and automation is essential compared to other channels – and how to successfully manage it. This paves the way to in-depth discussions with email specialists, so you can align automation with your communications goals.

2 **Email marketing and automation specialists.** Discover the optimization techniques you can use to get better results. You’ll also find the report useful if you’re a consultant or agency that advises companies and implements marketing automation programs.

How is the report structured?

First, we compare email marketing with other digital marketing channels. Next, we break down best practices for improving results – and how businesses are using them. We then explore marketing automation, and wrap up with a look at how landing pages are used for lead generation.
SECTION 2

HOW EFFECTIVE IS EMAIL MARKETING TODAY?
In the introduction, we discussed email marketing’s potential and power. And our respondents tend to agree. They rated the effectiveness of different digital media channels and offline media, citing email marketing as one of the best channels for return on investment. Around 2 in 10 (18%) said email was “excellent” for ROI, and almost 3 in 10 (29%) rated it as “good”. Compared to other channels, email scored highest for excellent ROI.

Compared to last year’s report, social media and content marketing ROI was higher, and organic SEO remained strong.
TOP TIP

Develop an integrated strategy for content and customer engagement.

Marketers often say they need a strategy for each channel. While optimizing them is important, we recommend taking an integrated approach to lifecycle marketing strategy across a range of channels. Why? To engage customers, and support business goals across the customer lifecycle.

The image below depicts all the activities supported by content marketing, highlighting the importance of an integrated digital marketing strategy.
As in last year’s report, we found many marketers view email marketing as a worthwhile investment. We asked if their budget for various channels (including email) would stay the same, increase, or decrease in 2018 compared to 2017. Almost half (47%) expect to spend more on email marketing compared to last year – and compared to all other channels. Of those whose budgets will stay the same, email marketing will still get the biggest slice of the pie (33%), with the biggest drop in investment reported for direct mail at 9%.
How do you measure up?

To enhance your email marketing, start by benchmarking your approach. Then you can spot opportunities to give subscribers a better experience – and get the best possible response. Use the checklist below to audit your level, and compare it to the results in our report. Once you know where you’re at now and where you need to be, you can focus on the techniques to get you there.

How do you measure up?
Audit your capabilities to level up your email marketing.

Audits can help you be a more strategic digital marketer, as well as set priorities and make a roadmap for doing things better – or introduce new technologies and tools. Smart Insights members can download a free, full-sized capability checklist and other handy charts.
Results: the state of email marketing capabilities

In this section, we analyze how businesses use email and marketing automation best practices, by reviewing some of the key capabilities shown in the above visual. We asked businesses about their use of various email marketing techniques, from basic to high.

We cover the following four techniques, considered to be crucial for driving email marketing and automation ROI:

1. Evaluation and tracking
2. Targeting
3. Communications strategy, including frequency
4. Testing and optimization

To help you compare your capabilities with other marketers, we asked businesses to rate their marketing automation on a scale of 1 to 5, based on how many features they use. We consider respondents who use more features to be more effective at marketing automation.

The results show a fairly even spread: 28% use few features, while 19% don’t do any marketing automation and miss out on all its benefits. Just 8% use all automation features and 13% use most of them.

While marketers are using more automation than ever before, many businesses still aren’t on board. This could be due to lack of skills, platform complexity, or lack of resources.
When it comes to email marketing and automation experience, most people rate themselves between beginner and having basic or intermediate knowledge. Just 5% call themselves experts. And while many respondents have email marketing skills and use basic techniques, they are yet to try advanced automation methods.
CAPABILITY 1

Evaluation and tracking
We started our review with tracking and evaluation, since these are the foundations for reviewing and improving email marketing in any business.

We asked marketers to select the single primary metric they use to evaluate their email marketing. Did they only monitor high-funnel engagement metrics such as volume of opens and clicks? Or did they dig deeper and use mid-funnel conversion metrics like form fills for lead generation, or lower funnel outcomes such as sales?
In 2017, we found only 15% of marketers focused on mid-funnel or low-funnel metrics. That meant most marketers couldn’t see the impact of their efforts on the business, beyond the email click. This year, more marketers (19%) measure those metrics, while an astonishing 28% don’t focus on any metrics and are missing out on making data-driven improvements to their campaigns. That being said, most respondents track opens and clicks (63%), whilst 28% (as many as those who don’t track any metric) analyze mid-funnel outcomes like form-generated leads – a positive figure indeed. While only 13% of businesses use attribution to track the impact of email on other channels, it’s reassuring more than one in 10 have adopted this advanced technique.

So why aren’t marketers reviewing more metrics? It could be a lack of skills or resources, or they’re simply too time-pressed to drill down into the data. Whatever the reason, this means their emails aren’t based on real insights, making it difficult to track changes in open rates, leads, sales, or revenue from email. As a result, their databases will suffer churn and be less effective. As we outlined in section 2, email offers an impressive ROI, but marketers could get even better results if they took a data-driven, insight-focused approach.

**TOP TIP**

**Integrate your email platform to collect lower funnel metrics.**

Marketers may only measure email opens and clicks because their email system isn’t integrated with their website, to track actions ‘beyond the click’. By tagging marketing outcomes on your website, you can start collecting better insights.

**TOP TIP**

**Go beyond tracking opens and clicks to get a clearer view of your results.**

For instance, you could track marketing outcomes from your website, or measure segment or subscriber activity through time.
CAPABILITY 2

Targeting
Sending relevant content to the right audience is essential for email marketing success. And with targeting, you can send tailored, personalized messages. We wanted to know how companies use targeting in their email marketing or automation systems.

![Targeting Chart]

Over half (53%) send the same email to their entire list, while only 4% use layered personalized targeting. Just over 3 in 10 (31%) businesses use basic segmentation. Why do so few use smart segmentation? Perhaps the platforms they use don’t offer or promote advanced options. Or businesses may not have a preference center for customers, and so have little or no data to tap into. That being said, they could adopt progressive profiling, as they might not need to send to separate personas.

**TOP TIP**

Create an email targeting strategy.

From the very start, organizations should build targeting into automated emails. This includes welcome sequences, where different messages are sent to different audiences (for example, segmenting by gender or business role). You could also segment newsletters and campaigns to boost relevance and response.
CAPABILITY 3

Communications strategy
An email marketing communications strategy combines message types, targeting, and frequencies to meet your marketing goals.

### Email frequency

Knowing when to send is essential. Send too few emails and you might miss out on sales or lead nurturing opportunities. Send too many and you may earn a reputation as a spammer – and a high unsubscribe rate. We asked respondents how often they sent emails to their contacts. Most get in touch up to six times a month – a recommended frequency to avoid being marked as spam. However, those sending emails just once or twice per month may miss out on opportunities to get responses – a process you can easily automate.
It’s tricky finding the sweet spot between emailing too much and too little. The best practice is to test different frequencies on your database segments. This will reveal the value generated versus engagement and satisfaction – measured as open, click-through, and complaint rates.

To strike the right balance between frequency and value, try varying the frequency based on the level of engagement. So loyal, high-value customers hear from you more often.

**TOP TIP**

Test email frequency against your list value.

**TOP TIP**

Vary frequency by subscriber to improve relevance.

You can use marketing automation to manage frequency in a more granular way, so prospects and customers get specific messages based on their interactions with your business. As well as regular newsletters and promotions, you can use automation to overlay other messages such as follow-up and re-engagement emails. For example, Amazon reduces frequency for less active subscribers, but follows up with relevant reminders about products or categories they previously browsed.
CAPABILITY 4

Optimization
Lastly, we asked respondents about their use of optimization techniques, including some that relate to other capability levels. Interestingly, less than half of businesses use any optimization technique, and a staggering 60% don’t proactively test their email marketing. What’s more, just 11% continuously test their email marketing (kudos to the few who do!). Many marketers tend to test creative elements and subject lines (20% and 16% respectively).

Why do so few marketers test their campaigns? One possibility is that while most email platforms offer basic targeting, A/B testing, and other options, testing requires more time and planning.
Use a wider range of tests to optimize your email marketing.

To make the most of email marketing, consider using several techniques (such as testing frequency and offers, and reviewing effectiveness by segment) – especially if you have large lists. Otherwise, you could leave a lot of money on the table.

Variation in response rates by industry

We’re often asked, “How do our open and click-through rates compare to others?” In response, we created the below chart to showcase the variation across 7 billion emails sent by GetResponse customers base.
Bear in mind these are averages, so the response or engagement rates will vary greatly depending on how long the company has used email marketing, as well as the email type and customer lifecycle stage. For instance, lower volume welcome emails and transactional emails (such as customer service messages) will have a higher open rate and CTR than newsletters sent to long-time subscribers.

And that brings us to our final recommendation to level up your email marketing:

**Top Tip**

Report email response by email type, segment, and lifecycle stage.

Ask your email service provider or specialist to show you how to create a report, or extract data, that compares response by different email types and segments. Then use the insights to improve the messages sent to different customer groups.
SECTION 3

MARKETING AUTOMATION OPPORTUNITIES
How to apply marketing automation

Marketing automation makes it easy to send engaging content throughout the customer lifecycle, and encourage sales. In B2B marketing, it’s often used to nurture and grow marketing-qualified leads that can then be passed on to sales. But marketing automation works just as well in consumer-facing businesses – and across all industries and sectors.

Kath Pay from Holistic Email Marketing created the below visual to show how retailers can use email across their customer relationships. Whatever business you’re in, you can use it to conduct a gap analysis of the automated emails you send customers now – and those you could deploy in the future.
The next chart depicts the popularity of different marketing automation applications. While they aren’t exactly rocket science, they do involve smarter ways to send more relevant, contextual content based on products and promotions.

**What is marketing automation?**

It involves automating sales and marketing tasks to convert leads to sales. Examples are automated welcome and nurture email sequences, lead scoring, and personalized emails and web pages based on prospects’ profiles and interactions with your content. At the start of section 2, we saw that less than a quarter (21%) of respondents rate their marketing automation use as “good” or “high”. A full 47% don’t use marketing automation at all or many of the features, while a further 34% rate their use as intermediate or moderate.

**TOP TIP**

*Use email automation for greater social media engagement.*

If you don’t already, consider using your welcome or reactivation email sequence to promote your social media channels. As well as adding the icon, you can automatically showcase the most popular content to encourage engagement.
We asked respondents to record the marketing automation emails they send, to see if businesses took full advantage of the options available to them.

Welcome sequences (47%) and promotional emails (46%) were the most common campaigns, followed by transactional emails (28%), event triggered emails (27%), and blog updates (26%).
Marketing automation techniques used

As we saw in the lifecycle chart at the start of this section, marketing automation presents new opportunities for email marketers to send various pre-designed triggered emails. The research assessed how often marketers use these emails and other automation techniques like lead scoring, which automatically weighs up the likelihood of a sales conversion.

Two-thirds of marketers used some form of email automation, but most were unlikely to use techniques such as targeting and dynamic content.

Email automation was the most commonly used automation technique, while profiling and targeting (26%), and personalization using dynamic content (23%) were far less popular. This could be due to a lack of digital skills in this area.

Many businesses aren't yet fully exploiting the benefits of marketing automation.
We wanted to explore how respondents benefited from marketing automation. Interestingly, 3 in 10 (30%) said saving time was the biggest plus point, while 22% said automation helped most with lead generation.
SECTION 2

EMAIL MARKETING, LEAD GENERATION, AND LANDING PAGES
Since 22% of respondents said marketing automation boosted leads, we sought to explore the link between email marketing and lead generation. Specifically, we wanted to see how dedicated landing pages with integrated forms helped with lead generation and profiling.

First, let’s explore how landing pages are used to generate leads.

<table>
<thead>
<tr>
<th>How leads are generated using landing pages</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Include a newsletter signup form</td>
<td>45%</td>
</tr>
<tr>
<td>Offer downloadable ebooks, whitepapers, infographics, etc.</td>
<td>37%</td>
</tr>
<tr>
<td>Promote product launches</td>
<td>23%</td>
</tr>
<tr>
<td>We don’t use dedicated landing pages</td>
<td>22%</td>
</tr>
<tr>
<td>Invite attendees for webinars</td>
<td>20%</td>
</tr>
<tr>
<td>Include social login (via Facebook, Google+, LinkedIn, etc.)</td>
<td>19%</td>
</tr>
<tr>
<td>Invite people to face-to-face events</td>
<td>15%</td>
</tr>
<tr>
<td>Give access to a product demo or interactive calculator</td>
<td>12%</td>
</tr>
<tr>
<td>Collect competition entries</td>
<td>10%</td>
</tr>
<tr>
<td>Other</td>
<td>6%</td>
</tr>
</tbody>
</table>

Newsletter signup forms were the most common lead source (45%), followed by downloadable content (37%). Webinars and invitations to offline events were also popular tools. We also found just over one fifth (22%) didn’t use dedicated landing pages.
Landing page traffic sources

We discovered email marketing was the biggest source of landing page traffic.

TOP TIP

Consider using different types of landing pages to boost leads.

With many options for lead gen, it’s worth appointing someone to look after your lead generation strategy, review lead sources, and test improvements.
Just over 2 in 10 (21%) respondents said email drives landing page traffic, while 16% got traffic from organic social media marketing, and 14% from organic search.

We also wanted to know marketers’ biggest landing page challenges. As expected, driving traffic was the main hurdle with 45% citing it as an issue, while over a third (33%) struggled with poor conversion rates.

Almost 2 in 10 (18%) said testing and optimization was a challenge, which mirrors our earlier discussion on the topic.
CONCLUSION

Email marketing is a truly powerful tool, with a greater ROI than other channels. But to get the biggest bang for your buck from email, automation, and landing page tools, you need a clear strategy with defined metrics – and a roadmap to improve segmentation, targeting, and testing.

TELL US WHAT YOU THINK

Thank you for taking a look at our email marketing benchmark report. We hope you found it interesting – and got some fresh ideas for enhancing your email marketing.

We’d love to hear from you. If you have any questions or comments, please get in touch via SmartInsights.com or GetResponse.com.

Best wishes for your email marketing in 2018 and beyond!

Dave Chaffey, Smart Insights, Robert Jones, Smart Insights
Michal Leszczynski, GetResponse
APPENDIX
– METHODOLOGY
Who took part in the research?

Launched in January 2018, the survey attracted 585 responses.
A huge thank you if you took part – we couldn’t have done it without you!

We surveyed Smart Insights members and GetResponse customers from around the world. Since the survey and report focused on email marketing to improve results, we heard from a high proportion of senior leaders responsible for digital marketing: business owners (30%), senior executives (15%), and digital marketing managers (13%).
Business types

We surveyed a mix of B2C and B2B businesses across a range of industries.

Many respondents targeted B2C (44%), others B2B (19%), and some both B2C and B2B (37%).
Many respondents worked in digital marketing, education, agencies, and technology. A small number represented restaurants, legal, and automotive.
Email database size

While we found a vast spread of database sizes, most had fewer than 10,000 subscribers.
About Smart Insights

Smart Insights provides actionable learning resources, to help businesses improve their digital marketing results. More than 150,000 Smart Insights members use our blog, sample marketing templates, and weekly Digital Marketing Essentials newsletter to follow best practices and keep up-to-date with the developments that matter in digital marketing.

Thousands of premium members from over 100 countries use our planning and strategy templates, guides, and video courses to plan, manage and optimize their marketing using the Smart Insights RACE Planning framework. Resources are grouped in 20 different toolkits covering key techniques to increase online sales, including content marketing, email marketing and marketing automation, digital experiences, and social media marketing.

Recommended resources

Smart Insights have developed a series of tools for Expert members to help them plan:

- **Digital strategy toolkit.** This template contains a complete workbook for creating a digital marketing strategy to Reach-Act-Convert and Engage your audience.


- **Example digital marketing plans.** A sample online marketing plan and a blank template for using the Smart Insights RACE Planning framework.

Learn more about our digital marketing strategy toolkit
About the report authors

Dr. Dave Chaffey is co-founder and content director of Smart Insights, the management advice site for digital marketers. He is the author of five bestselling books on e-commerce, including Digital Marketing: Strategy, Implementation and Practice and Total Email Marketing. In 2004, the Chartered Institute of Marketing recognized Dave as one of the world’s top 50 marketing “gurus” who have helped shape the future of marketing. Connect with Dave on LinkedIn.

Robert Jones is senior research and content coordinator at Smart Insights. He manages all member resource updates, recruiting, and liaising with expert digital marketing authors. He produces our partner research reports and is a Market Research Society (MRS) member. Robert has over six years’ experience in insight, UX and digital marketing campaigns. Connect with Robert on LinkedIn or Twitter.
ABOUT
GETRESPONSE,
RESEARCH PARTNER
Who we are

An email marketing pioneer Simon Grabowski established his first business in 1998 with just $200 capital. From the family attic in Poland, he started developing self-service solutions to help SMBs be more efficient and profitable, while keeping costs down. Since then, GetResponse has evolved into a global brand sending over 12 billion emails every year.

Today, over 350,000 customers in 182 countries trust GetResponse. After 20 years, we continue to build powerful online marketing solutions available in 24 languages. Our global teams of over 300 passionate professionals work from Poland, the U.S., Canada, Malaysia, and Russia. Together, we create inspiring technologies to empower entrepreneurs to grow their businesses.

What we do

GetResponse offers a complete suite of simple yet powerful online marketing solutions, designed to build smarter contact lists and nurture them throughout the customer lifecycle. Our tools can be scaled and customized for businesses of all sizes, and include email marketing, marketing automation, landing pages, webinars, and CRM.

Ready to make the most of your marketing?

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