

The Tabbed Inbox:

How Gmail Changed the Way Consumers
Engage with Promotional Messages

The Gmail Tabs Paradox: A Disruption of Email Marketing Changes Little

Summary

The relatively low impact of Gmail tabs on marketing performance and user engagement hides a fundamental change in the way consumers experience commercial email. By shunting promotional messages into a separate tab, Gmail has effectively created a secondary inbox expressly for shopping, and consumers are using it. Four months after the widespread rollout of tabs left marketing messages a click removed from personal email, consumers continue to read them at roughly the same levels as before. Tabs have taught Gmail users a new and potentially more efficient way to shop from their inboxes.

A Note about Gmail Tabs

Gmail tabs are not separate folders or in any other way removed from the inbox, so mail delivered to a tab is inbox-placed – unlike messages diverted to the spam folder. Message categorization for tabs is based

on the 2011 Gmail Labs feature, Smart Labels. Samples studied during this report suggest that Gmail's classification is exceptionally accurate.

Methodology

Return Path analyzed data from its panel of email users - approximately 3 million people who agree to anonymously share their aggregated inbox experience - to understand the impact of Gmail tabs on consumer behavior. This study includes 400,000 distinct Gmail inbox configurations from users whose email engagement scores fell between the 5th and 95th percentiles during October 2013, eliminating the least and most active accounts from the analysis.

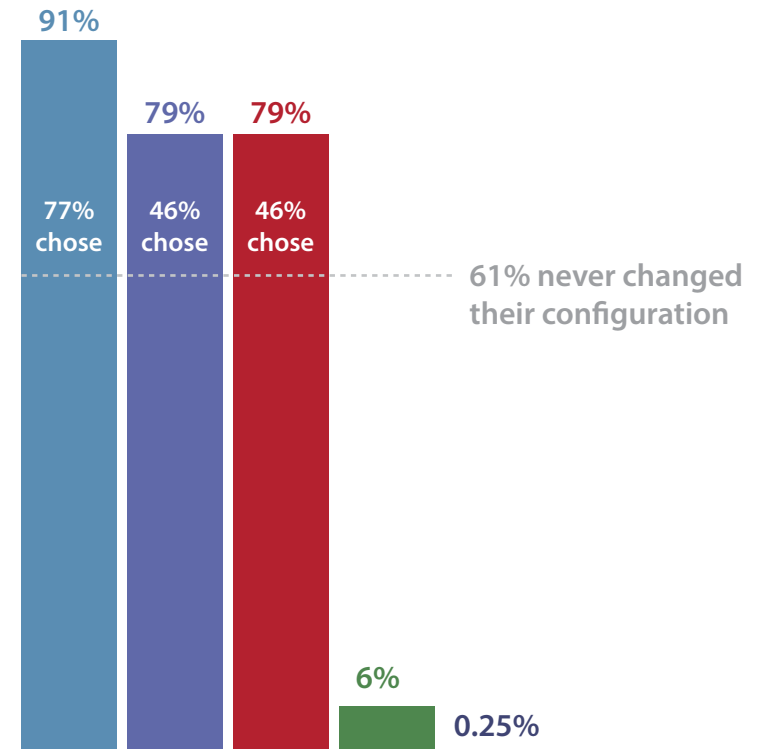
The 55 million email messages included in this analysis were limited to those sent between April 2013 and October 2013 by known merchants that could be categorized according to NAICS industry classifications. Messages from campaigns that were found in the Gmail Updates tab, indicating transactional content, were also removed from the analysis to eliminate the influence of non-marketing email.

The trends and averages reported here are broadly representative, but may be entirely different from individual senders' or consumers' experience. As with all aggregated analysis it's important to keep in mind that your results may vary.

Users Banish Social Messages from the Primary Inbox

Most users left their default configuration in place, sorting mail classified as “Promotion,” “Social,” and “Updates” (mostly transactional messages) into separate tabs. Among those who modified their Gmail inboxes, most kept the “Social” tab. That left fewer than 10% allowing social networks’ messages to share the mailbox with other email.

Of those who modified their default configurations 77% opted to keep the Social tab, 46% kept the Promotions tab, and 46% kept the Updates tab. Only 6% use the Forums tab, and virtually none (0.25%) removed all but their Primary tab.



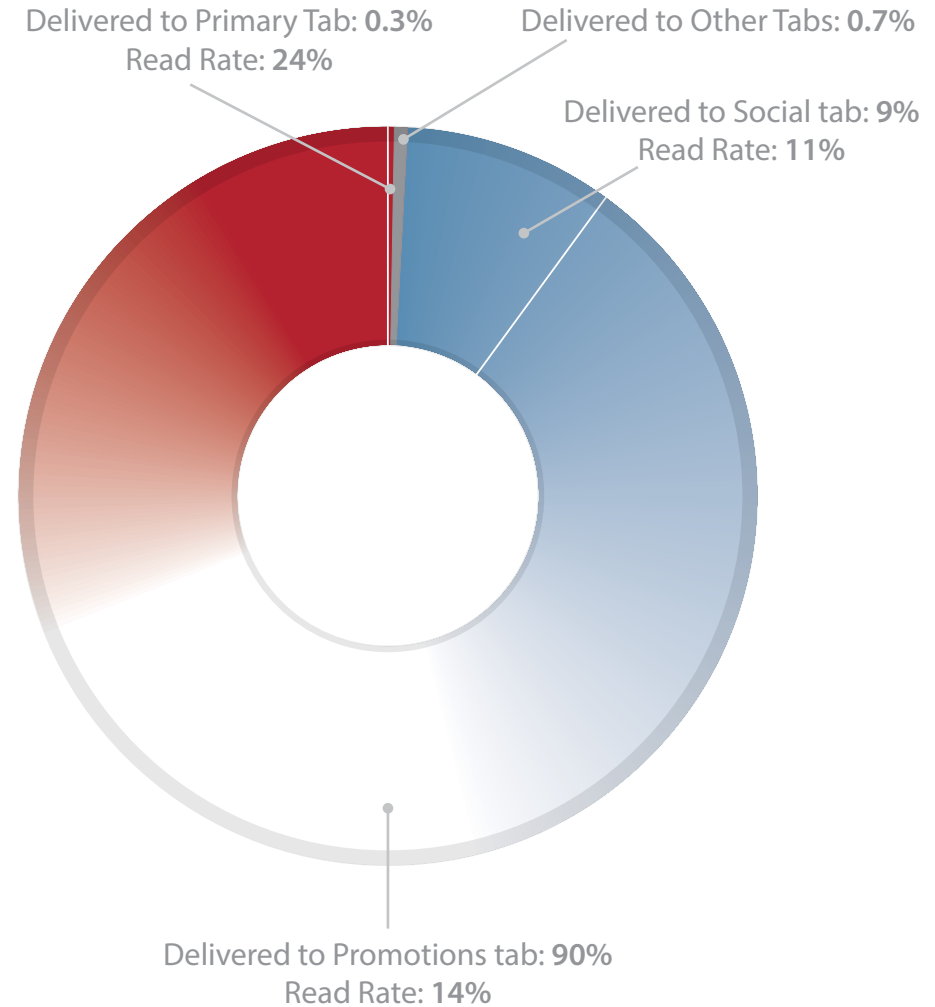
Most Used Tabs: Primarily Social, Promotions, Updates





You're Welcome, Marketers: Gmail Teaches Consumers to Shop from the Inbox

Some commercial senders – especially marketers – worried that their messages would stop reaching users' Primary tabs in the new Gmail inbox and wind up in a secondary tab where they'd be ignored. They were half-right: Almost no commercial mail is reaching the Primary tab, but instead of ignoring marketing messages Gmail users are actively searching for them and reading them at almost the same rates at which they did before tabs. Gmail has essentially created a second inbox where users hunt for email offers.



Commercial Messages Almost Never Go to the Primary Tab

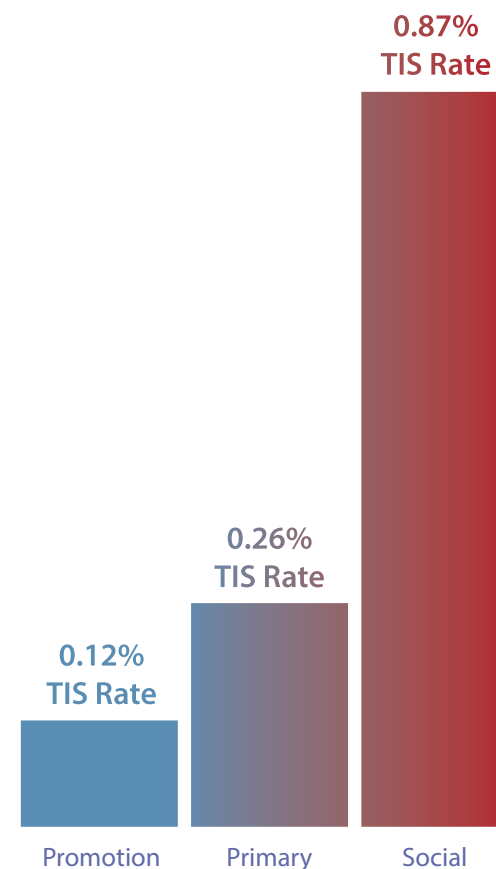


Consumers Totally Unmoved by “Move Me” Campaigns

Marketers have been largely unable to convince Gmail users to move their messages into the Primary tab. To measure this tactic’s success Return Path monitored the delivery of marketing messages to recipients of major retailers’ “move me” campaigns. Only 61 of 65,507 messages from those senders landed in Primary inboxes in October – less than 0.1%.

Messages Fare Better in Promotions Tab

Those messages may be better off outside the Primary tab, though. Not only are their read rates roughly the same as they were before tabs, but they’re far more likely to be delivered: 93% of commercial messages to the promotions tab avoided the spam folder; only 77% made it through to users’ Primary tabs. Those are unlikely to be mistakes, either; the number of identifiable false positives in the spam folder was statistically insignificant. Additionally complaint rates – consumers’ “This Is Spam” reports – for mail in the Promotions tab are less than half of those in the Primary tab.



Messages in Promotions Tabs Trigger Fewest “This Is Spam” (TIS) Complaints; Social Mail Least Welcome



Forecasts of Industries' Steep Email Declines Largely Wrong

Although many industry sectors saw slight declines in key email marketing metrics at Gmail since the introduction of tabs, a number of large sectors maintained their performance levels. Some are even seeing higher read rates than they did before tabs were launched.

Industry	Read Rate		Delivered to Spam		Complaint Rate	
	before	after	before	after	before	after
Airlines	18%	16%	5%	6%	0.0%	0.1%
Apparel	16%	16%	7%	8%	0.1%	0.2%
Auction	14%	23%	3%	3%	0.0%	0.1%
Books	14%	13%	4%	6%	0.0%	0.2%
Daily Deals	11%	11%	7%	7%	0.0%	0.0%
Dating	11%	10%	18%	13%	0.1%	1.3%
Department Store	15%	14%	3%	5%	0.0%	0.1%
Electronics	21%	18%	9%	6%	0.2%	0.1%
Entertainment	15%	16%	29%	9%	0.9%	0.1%



Performance Before and After

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Industry	Read Rate		Delivered to Spam		Complaint Rate	
	before	after	before	after	before	after
Flowers	13%	13%	17%	12%	0.2%	0.6%
Furniture	13%	14%	7%	8%	0.3%	0.1%
Health and Beauty	18%	16%	5%	6%	0.3%	0.2%
Home	15%	15%	4%	5%	0.1%	0.1%
Home Improvement	13%	15%	16%	14%	0.8%	1.0%
Hotel	14%	13%	5%	7%	0.3%	0.2%
Jewelry	10%	9%	9%	13%	0.1%	0.2%
Kids and Babies	13%	14%	6%	7%	0.1%	0.5%
Luggage	21%	23%	4%	6%	0.2%	0.2%
Music, Movies, and Games	15%	13%	12%	16%	0.1%	0.2%
Office	17%	17%	4%	4%	0.1%	0.1%
Online	16%	14%	5%	9%	0.1%	0.1%
Pets	13%	14%	14%	7%	0.3%	0.2%
Rental Cars	13%	12%	14%	12%	0.3%	0.3%
Rental Properties	21%	17%	3%	3%	0.0%	0.1%
Restaurants	19%	22%	4%	4%	0.1%	0.1%
Retail	15%	13%	5%	6%	0.1%	0.1%
Sports	15%	14%	8%	8%	0.2%	0.1%

About Return Path

Return Path is the worldwide leader in email intelligence. We analyze more data about email than anyone else in the world and use that data to power products that ensure that only emails people want and expect reach the inbox. Our industry-leading email intelligence solutions utilize the world's most comprehensive set of data to maximize the performance and accountability of email, build trust across the entire email ecosystem and protect users from spam and other abuse. We help businesses build better relationships with their customers and improve their email ROI; and we help ISPs and other mailbox providers enhance network performance and drive customer retention. Information about Return Path can be found at: returnpath.com

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