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FOR E W O R D

By **Guy Hanson**

VP OF CUSTOMER ENGAGEMENT, VALIDITY INTERNATIONAL

My colleague, Priyanka Roy, and I judged the entries for “Best Use of Data Storytelling” and “Best Use of Email” categories at this year’s DMA Awards, and we saw first-hand the amount of effort that had gone into preparing them. It definitely reminded us of Thomas Edison’s quote about genius being one percent inspiration and ninety-nine percent perspiration! We were both struck by the quality of the entries – they were outstanding, a strong underlying theme was the quality of the data strategies that underpinned them.

When it comes to data, the DMA shares many common values with Validity. We’re a major global presence in the worlds of email and data, and principles like “trust your data” and “know the value of your data” sit close to our hearts. This is why we’ve broadened our relationship with the DMA as proud headline sponsors of the 2020 awards.

The whole principle of the DMA Awards is to recognise excellence in our industry. We’re sure you would like to be enjoying some of that recognition this, so we’ve prepared some inspiration of our own (more than one percent!) to help you get there. Drawing on 3 of our most popular reports from 2020 we explore how high quality data drives more effective messaging, and generates more revenue for your businesses. We hope you find these reports valuable, and there’s an open invitation on behalf of myself and my Validity colleagues to contact us if you’d like to learn more.



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2020 EMAIL DELIVERABILITY BENCHMARK

ANALYSIS OF WORLDWIDE INBOX
AND SPAM PLACEMENT RATES



2020 EMAIL DELIVERABILITY BENCHMARK

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INTRODUCTION

To give their mailbox users the best possible experience, mailbox providers have strong restrictions in place on what mail to accept into their inboxes. Because of this high threshold for acceptance, one in six messages does not reach the inbox. In addition, more than half of the messages that don't reach the inbox are not even landing in the spam folder— and are missing from subscribers' email accounts, never to be seen or interacted with.

What's even more concerning, is many marketers are unaware their messages are missing the inbox. Misconceptions about metrics and lack of data lead many marketers to fall below this average. Without even knowing they have deliverability issues, marketers will continue to miss out on building valuable relationships and achieving the highest possible ROI.

In this year's annual benchmark report, we take a look at what deliverability means, where email can get delivered, and how to measure inbox placement. We also explore the global, regional, and country inbox placement results for all of 2019 and compare it to the previous year.

What is deliverability?

Deliverability is a sender's ability to be delivered to the inbox. Your email program performance and ROI relies on your ability to reach the inbox. No matter how engaging your subject line is or enticing the offer, if the message doesn't reach the inbox, subscribers won't interact with it—costing you potential revenue.

Often, marketers rely on their delivered rate shown in their email marketing dashboards provided by their email service provider (ESP) to judge the performance of their deliverability. However, the term “delivered” can be misleading. Email, once sent, can be delivered to many different places inside a mailbox provider system. Delivered rate only measures the amount of email that was accepted and rejected by the mailbox provider due to things like invalid addresses and blacklistings. What your delivered rate doesn't tell you is if those messages landed in the inbox, the spam folder, or went missing.

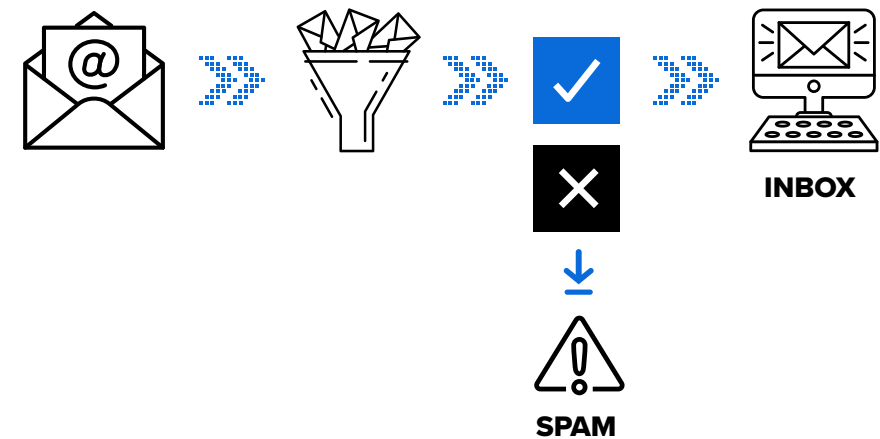
To find out if your messages arrived in the inbox, you need to look at your inbox placement rate. Your inbox placement rate is a more accurate and reliable way to measure deliverability and the success of an email campaign, since it measures how much email was delivered to the inbox versus email delivered to the spam folder in addition to messages rejected or blocked.

Did you know?

- **Inbox placement rate** is calculated as the number of emails delivered to the inbox out of total emails sent.
- **Spam placement rate** is calculated as the number of emails delivered to the spam folder out of total emails sent. Your spam placement rate shows the percentage of emails that were identified as unsolicited bulk email, or spam, by the receiving mailbox provider's spam filtering system.
- **Missing rate** is the percentage of mail that did not arrive in the inbox or spam folder but has been deferred for blocked by the mailbox provider.

What happens after you hit send?

After you hit send, there are many checks messages go through. To the right is a representation of the filters each message encounters on its journey. Email that is deemed malicious, untrustworthy, or has a poor reputation is often blocked at the gateway, never reaching either the inbox or the spam folder. For messages that make it past the gateway, spam filters look at the reputation of the sender, subscriber engagement, and content to decide if they should be placed in the inbox or the spam folder for each subscriber. Emails that make it past both gateway and spam filters are the only ones that reach the inbox.



How do you measure deliverability?

In this benchmark, we use seed data to track and measure how email is delivered around the world. Seed addresses are one of the original methods used to measure inbox placement.

Have you ever tested an email campaign’s deliverability by sending it to your personal email address? That’s similar to how seed addresses work. But at Return Path from Validity, we have seed addresses at hundreds of mailbox providers and filters around the world. When marketers send emails to these seed addresses, our software checks to see if it was delivered and reports whether it went to the inbox or the spam folder. You can learn more about how seeds measure deliverability in our guide, [“What is a Seed?”](#)



The state of deliverability

Deliverability is not static. Shifts in the industry, adjustments to spam filtering algorithms, and changes in consumer preferences impacts inbox placement for not only one brand, but for the entire industry.

One big shift in the world over the last few years is the focus on data privacy. While GDPR came into effect in 2018, many other countries and US states have enacted or have proposed new data privacy laws since, causing marketers to reevaluate their data and marketing practices to comply.

Deliverability can also be impacted by mailbox providers who are constantly evaluating their current filtering equations to adapt to feedback from their users. For example, Gmail made some minor changes to their filtering in October of 2019 to which some marketers saw slight dips in their inbox placement, while others saw no change.

In addition to changes in the industry, any new campaign or tactic you try can have an influence on your deliverability. It's important to keep a pulse on what's happening both internally and globally that may influence your deliverability and overall performance.

In the following pages we report the average inbox placement, spam placement, and missing rates globally, by region, and by country. Take a look at the metrics and compare them against your own performance.

Note: Due to rounding, some placement calculations will be slightly over or under 100%

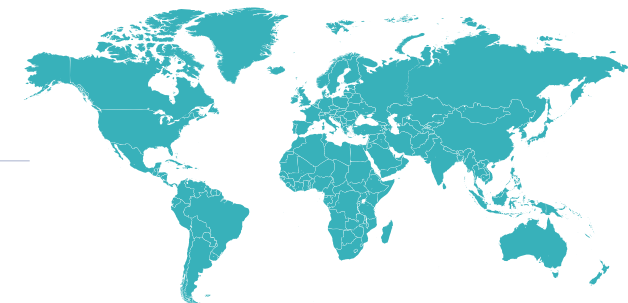


2020 EMAIL DELIVERABILITY BENCHMARK

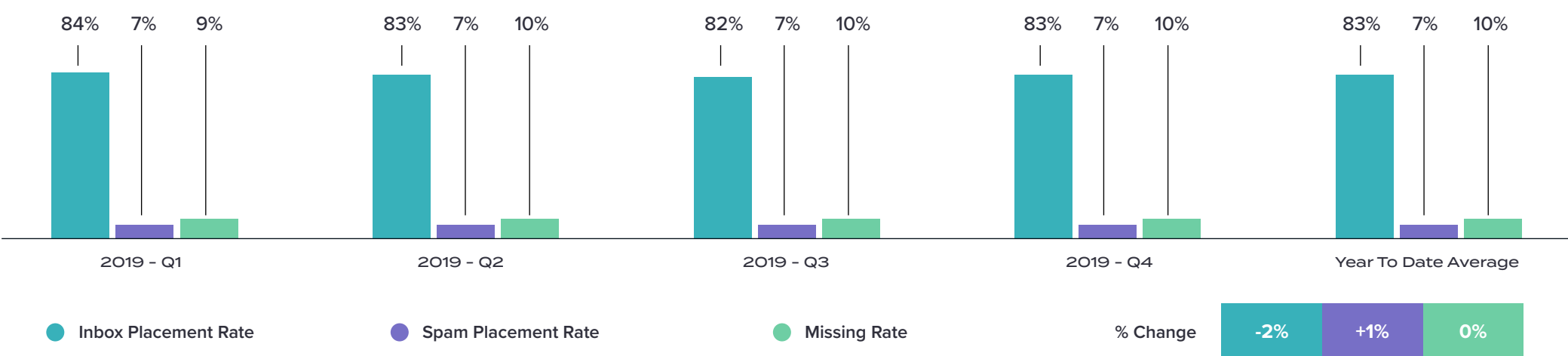
Global Inbox Placement

Globally, the average inbox placement rate was 83 percent in 2019—meaning one out of every six messages failed to reach the inbox. Global deliverability saw a slight decline of two percentage points from the 2018 average of 85 percent.

GLOBAL INBOX PLACEMENT



GLOBAL - INBOX PLACEMENT



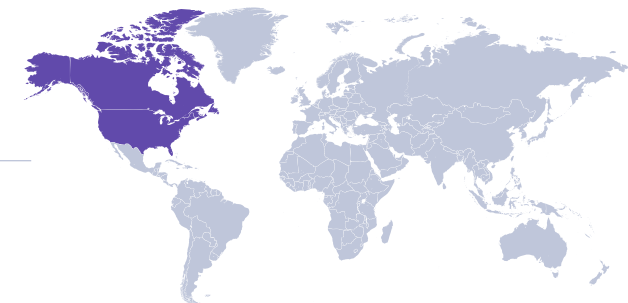
2020 EMAIL DELIVERABILITY BENCHMARK

Inbox Placement In North America

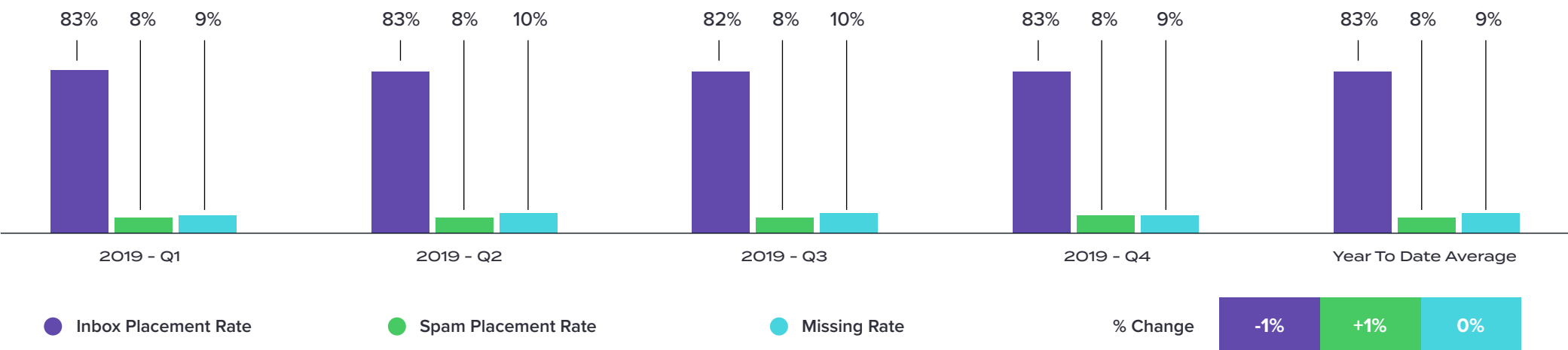
Deliverability to North American inboxes was equal to the global average in 2019, at 83 percent. United States inboxes saw an average of 82 percent inbox placement in 2019, while marketers sending to Canadian inboxes exceeded the global and regional average with an inbox placement rate of 89 percent.



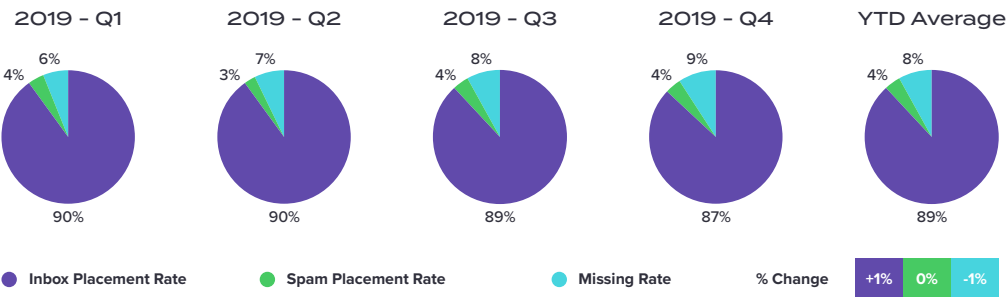
INBOX PLACEMENT IN NORTH AMERICA



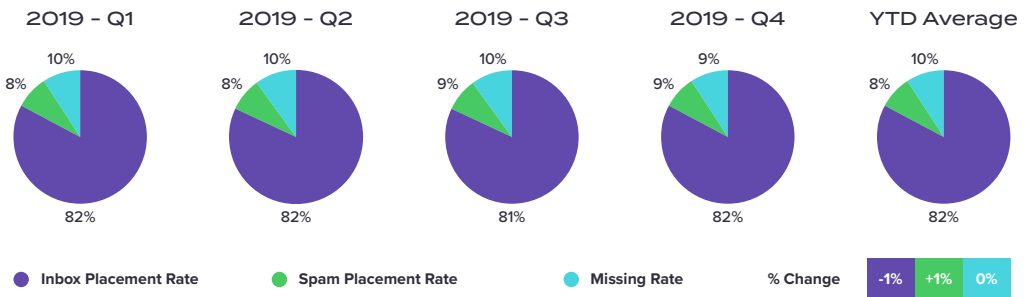
NORTH AMERICA - INBOX PLACEMENT



CANADA - INBOX PLACEMENT



UNITED STATES - INBOX PLACEMENT



2020 EMAIL DELIVERABILITY BENCHMARK

Inbox Placement In Latin America

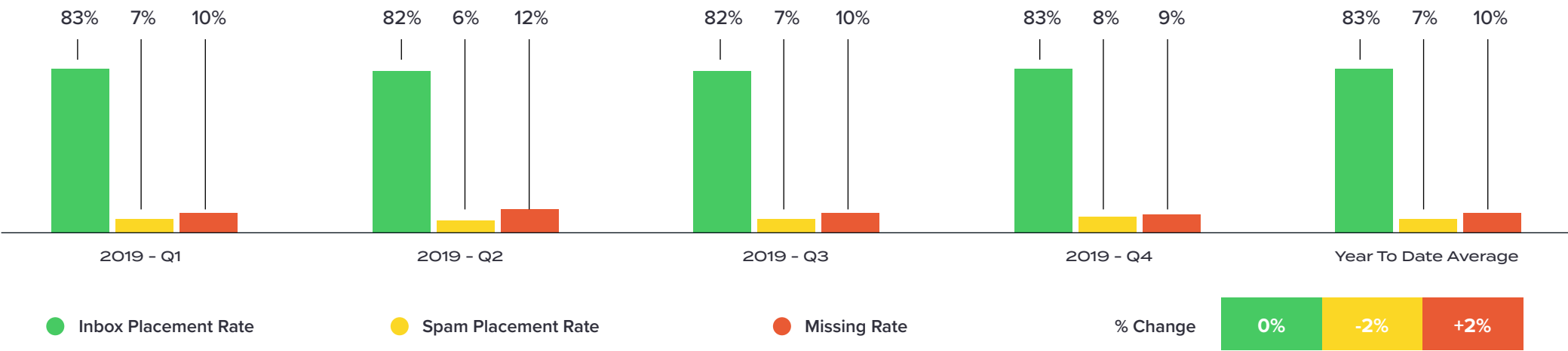
Like their northern counterpart, inbox placement for countries in Latin America matched the global average at 83 percent. Argentina led the region with an average inbox placement rate of 89 percent, while Brazil saw just four out of five messages reach the inbox (81 percent). Overall inbox placement in Latin America saw no change year-over-year. Argentina and Brazil saw slight increases in inbox placement, while Mexico saw a drop in deliverability of five percentage points.



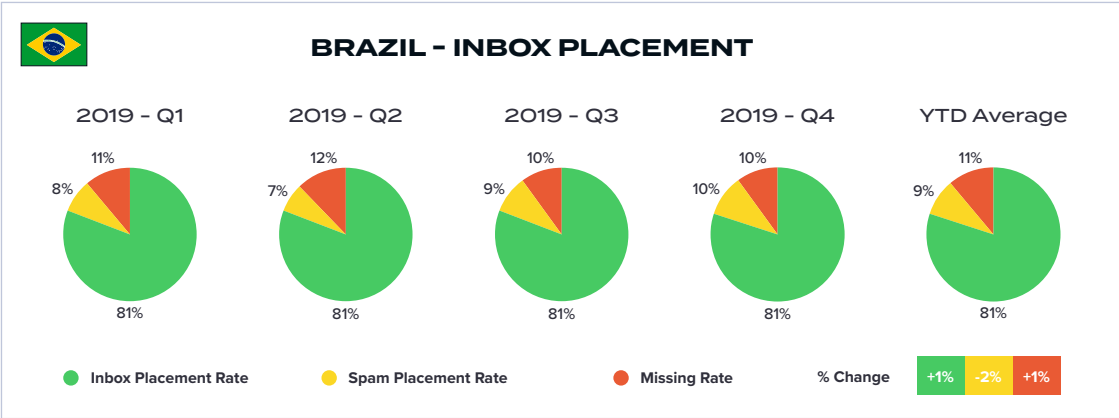
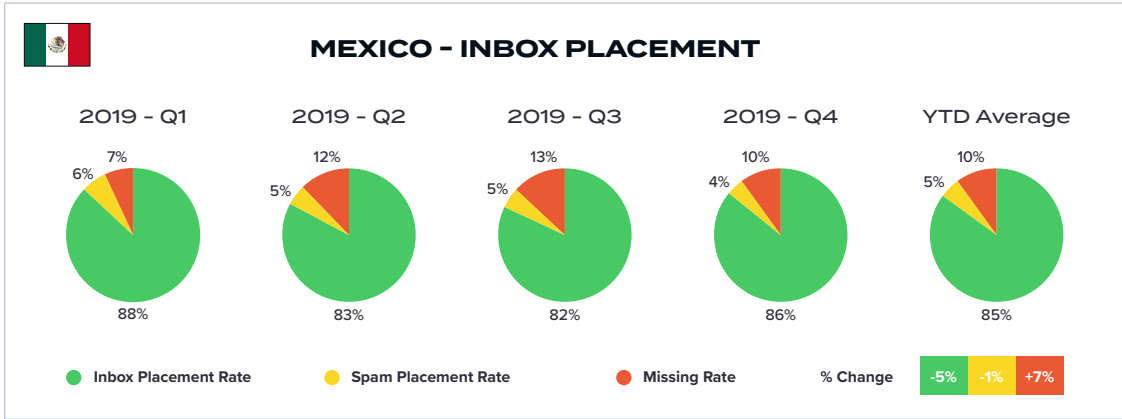
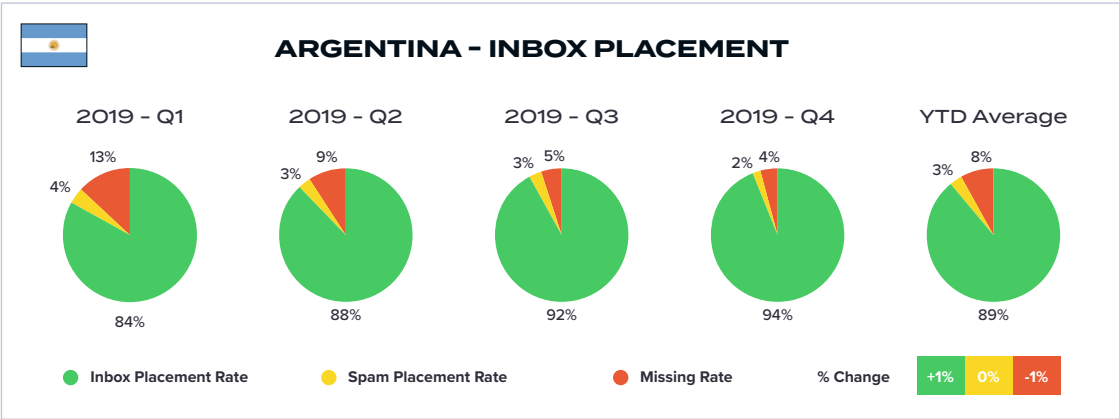
INBOX PLACEMENT IN LATIN AMERICA



LATIN AMERICA - INBOX PLACEMENT



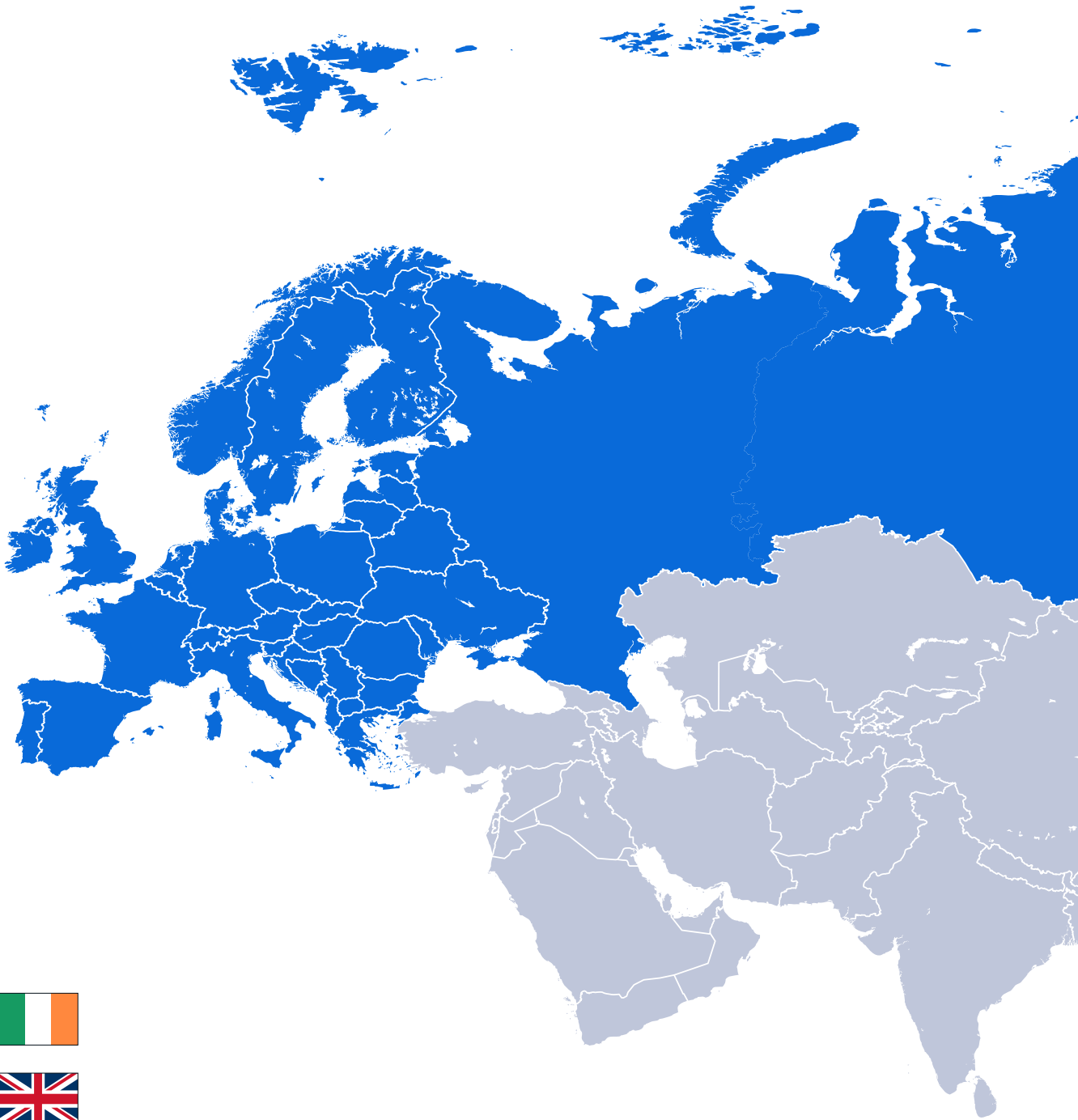
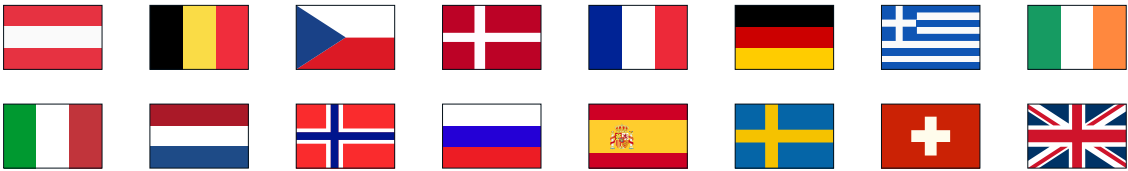
INBOX PLACEMENT IN LATIN AMERICA



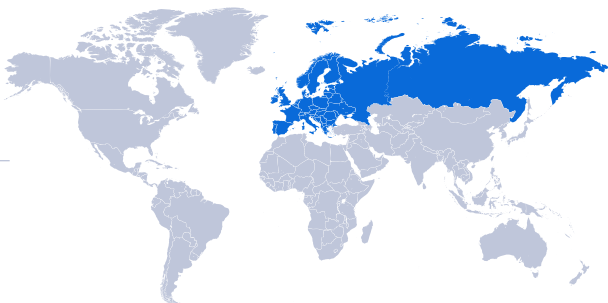
Inbox Placement In Europe

Deliverability to European mailboxes fell slightly from the previous year to an average inbox placement rate of 84 percent—just above the global average. Marketers sending to subscribers in Belgium and the Czech Republic had Europe’s highest inbox placement at 92 percent. One quarter of messages sent to German mailboxes failed to reach consumers, while messages to Swiss subscribers saw an inbox placement of just 67 percent.

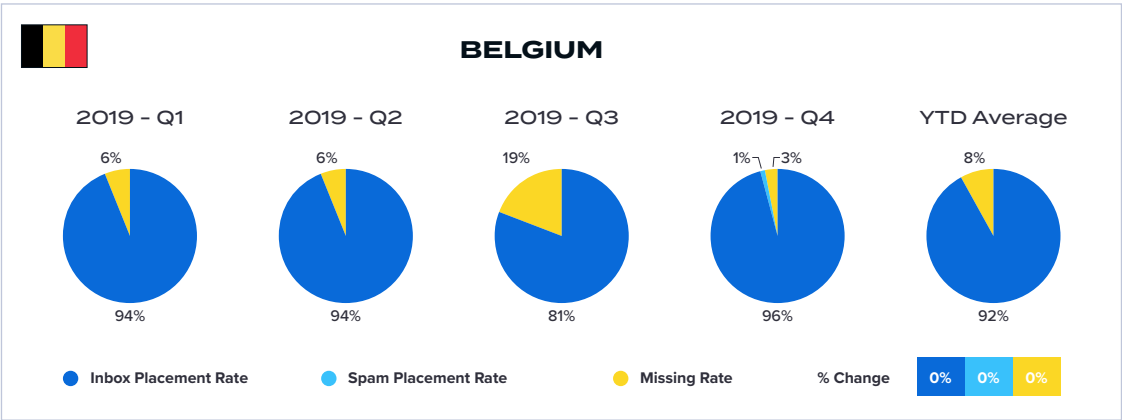
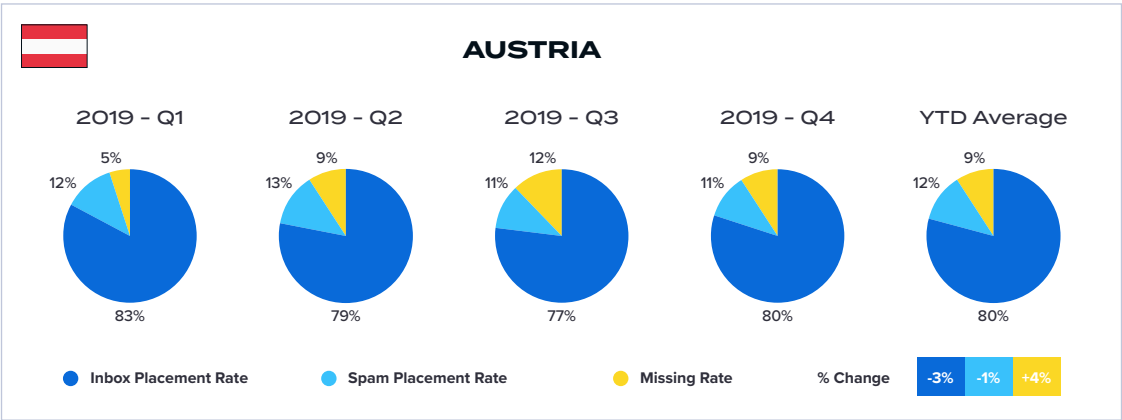
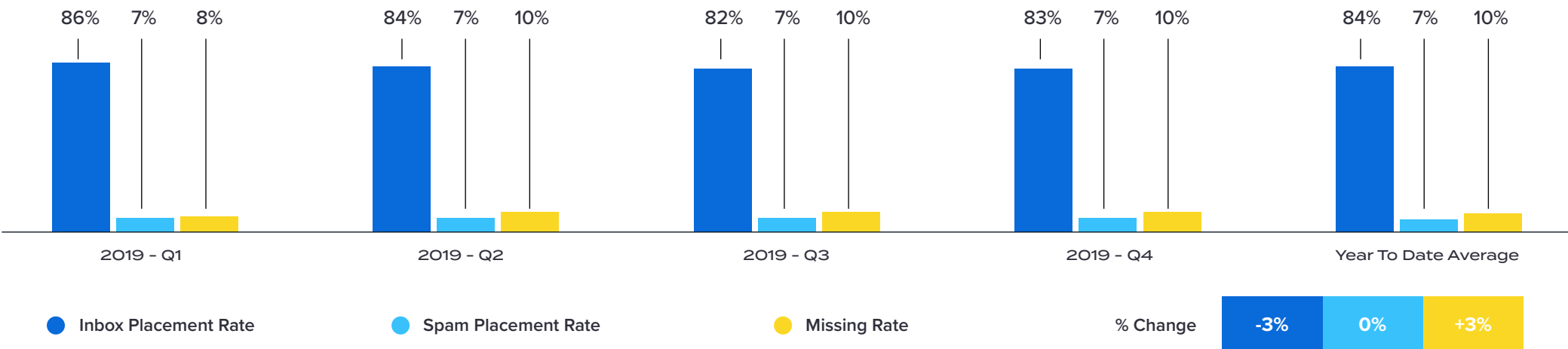
The Czech Republic and the Netherlands were the only European countries to see an increase in deliverability compared to the previous year (12 percentage points and three percentage points, respectively). Russia and Ireland saw the largest declines in inbox placement, down seven percentage points compared to the previous year.



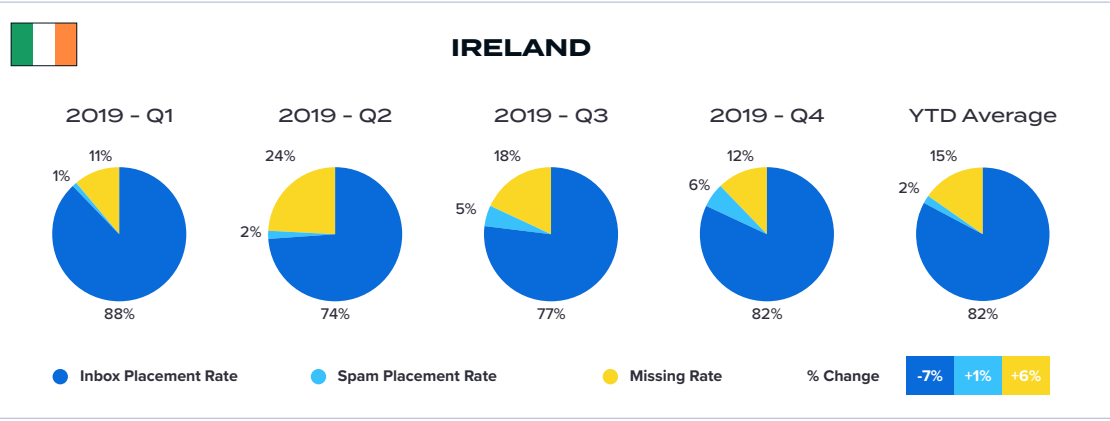
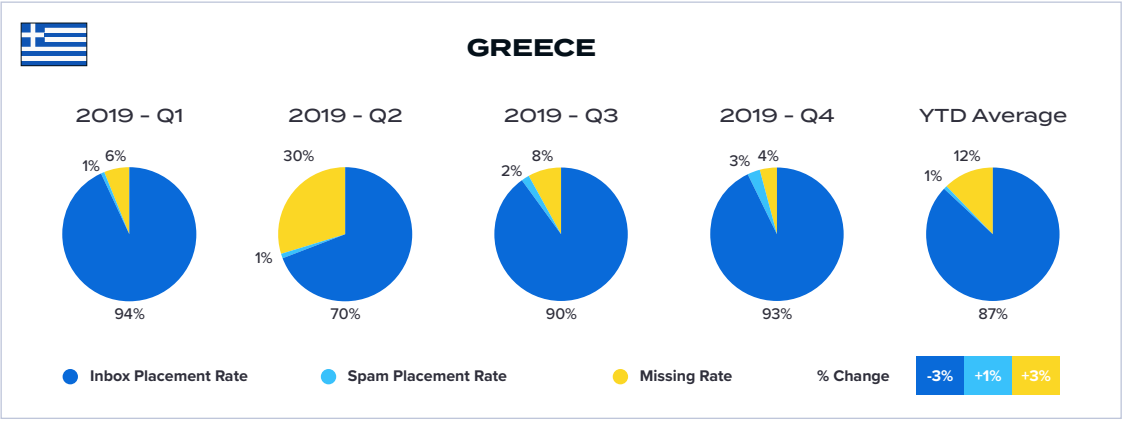
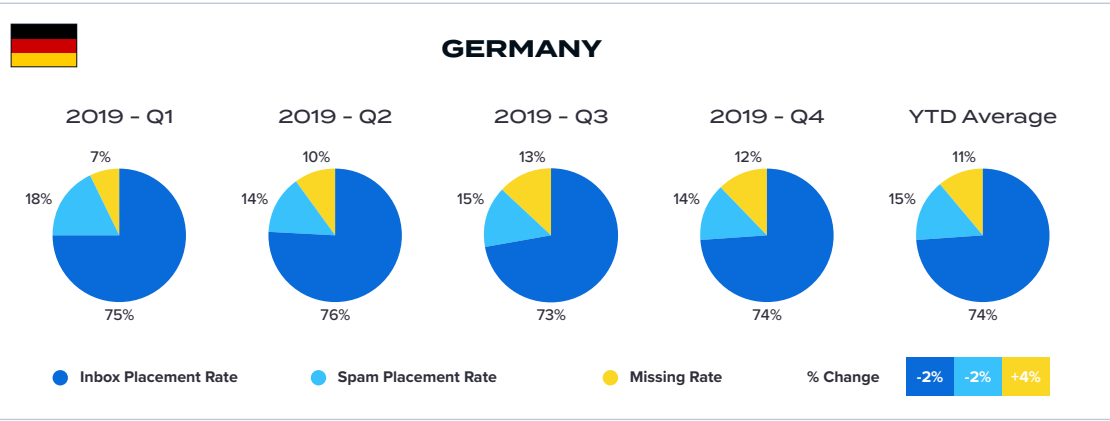
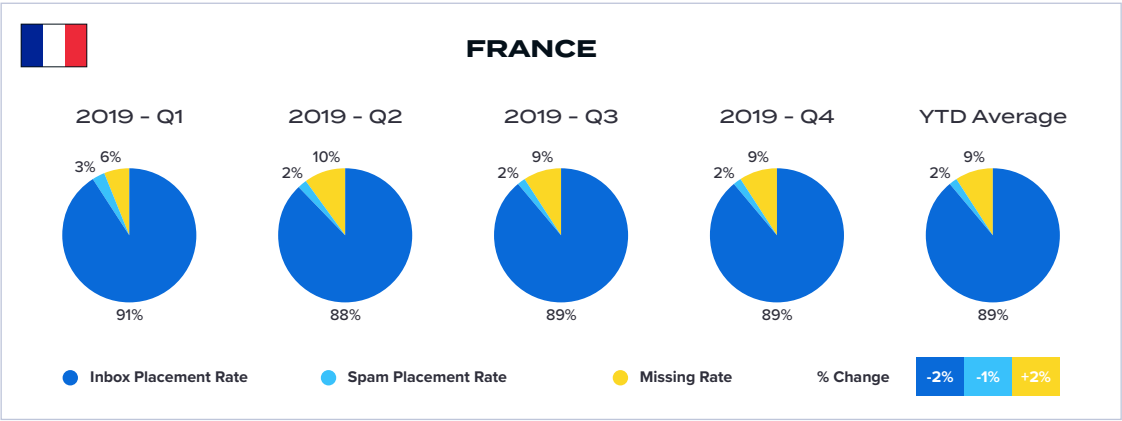
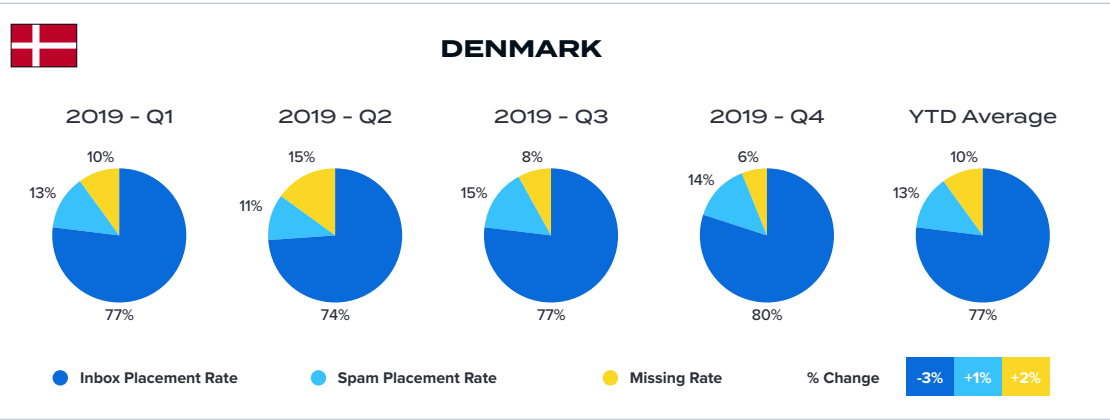
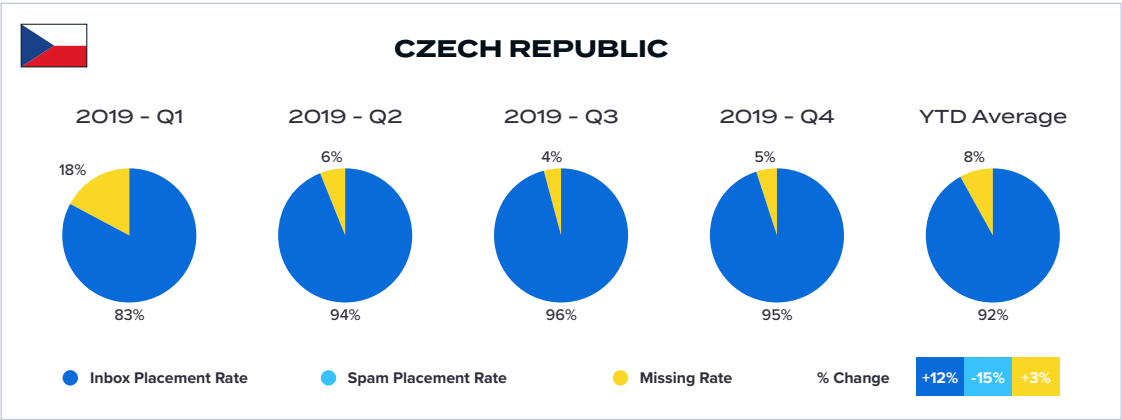
INBOX PLACEMENT IN EUROPE



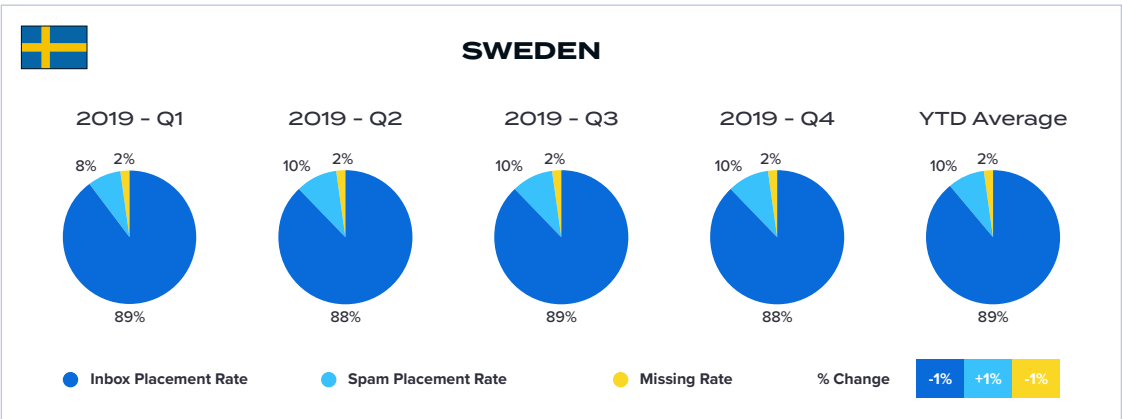
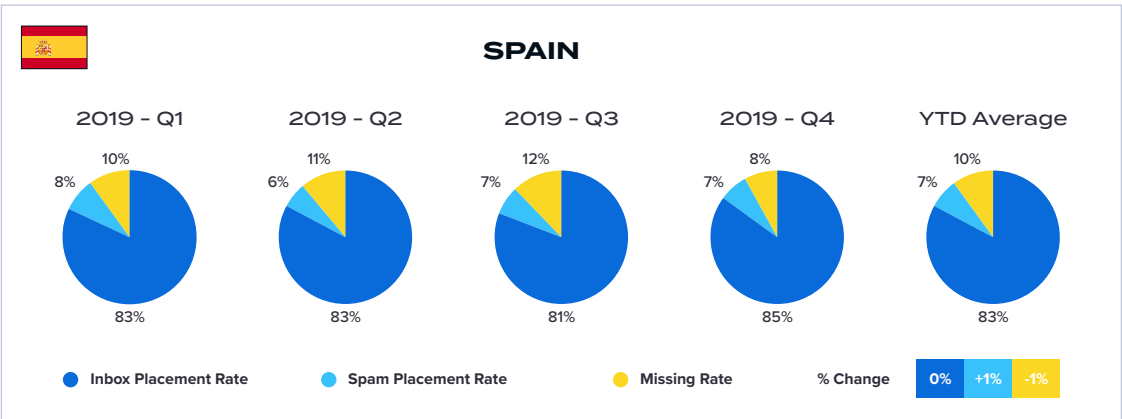
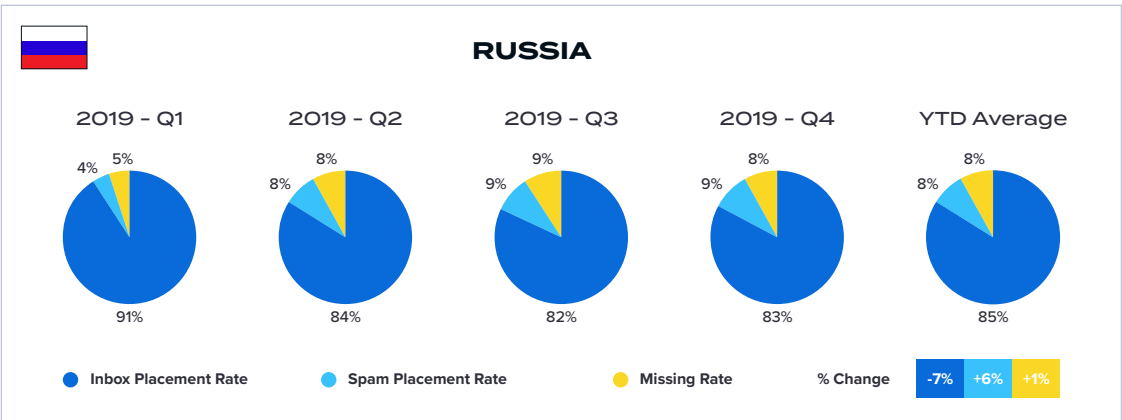
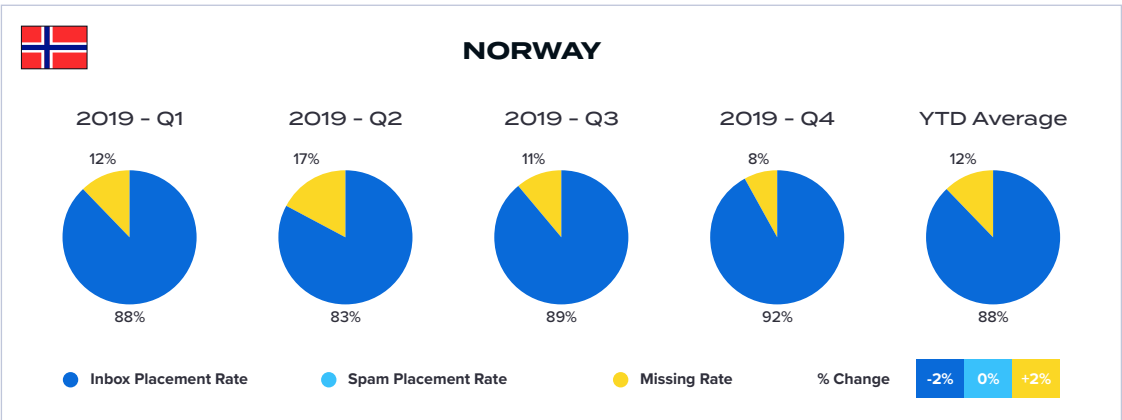
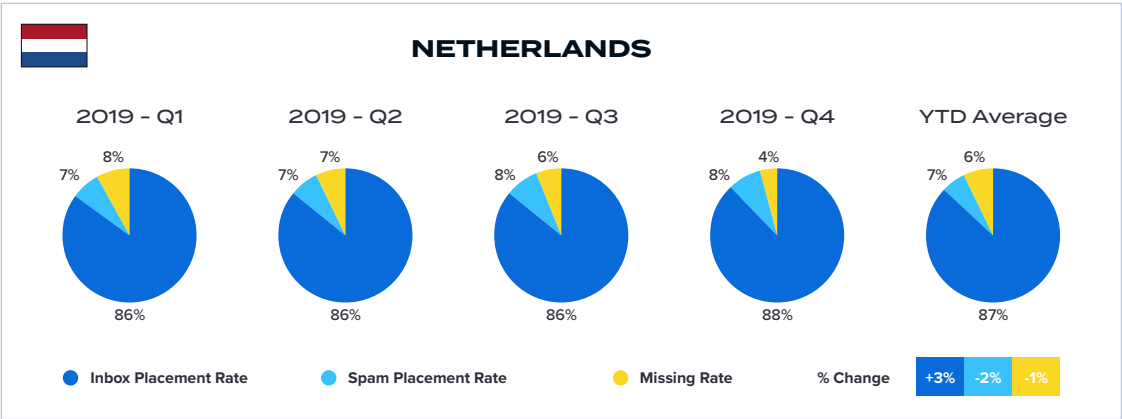
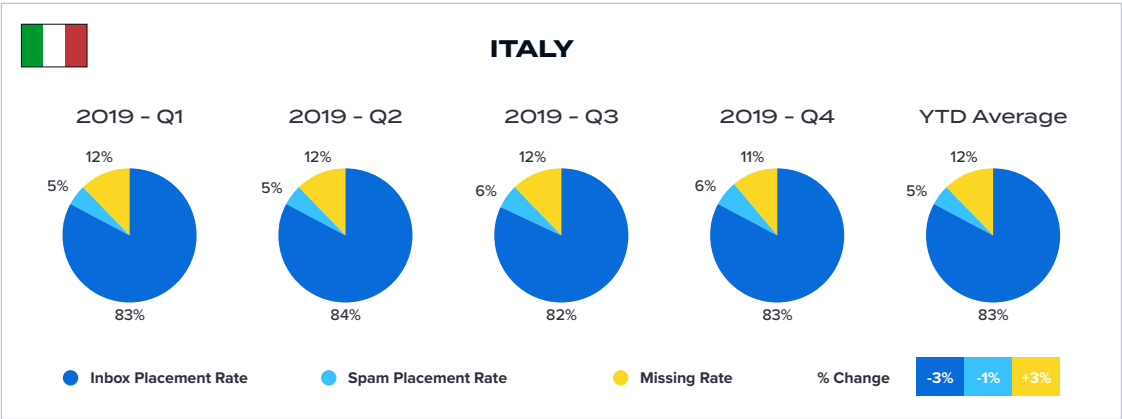
EUROPE - INBOX PLACEMENT



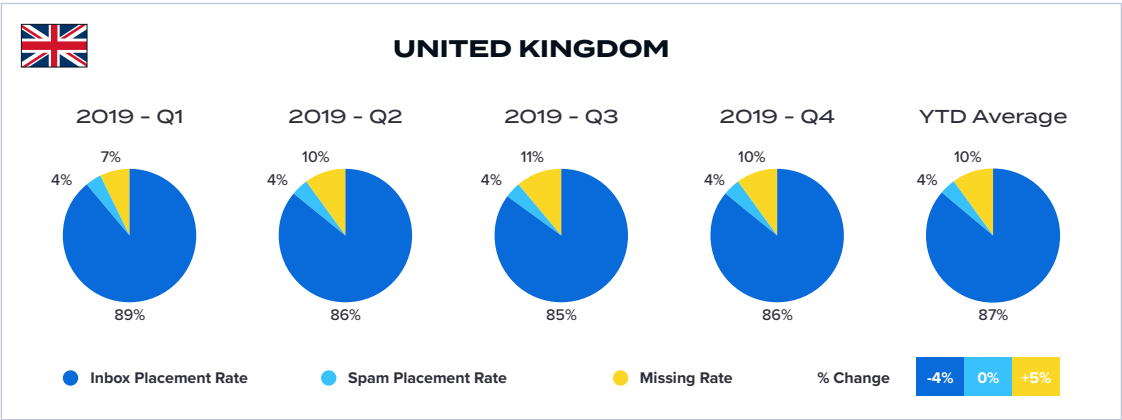
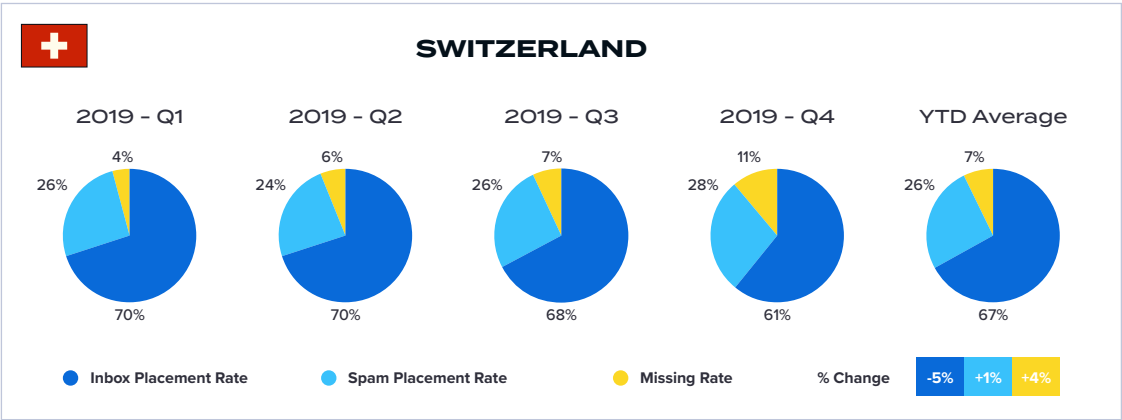
INBOX PLACEMENT IN EUROPE



INBOX PLACEMENT IN EUROPE



INBOX PLACEMENT IN EUROPE





2020 EMAIL DELIVERABILITY BENCHMARK

Inbox Placement In Asia-Pacific

Marketers sending to mailboxes in the Asia-Pacific region had an average inbox placement rate of 84 percent in 2019. Messages in Japan saw the highest inbox placement of all countries studied at 97 percent. Emails to South Korean inboxes were successfully delivered only 74 percent of the time, while in India only 69 percent of emails reached subscribers’ inboxes.

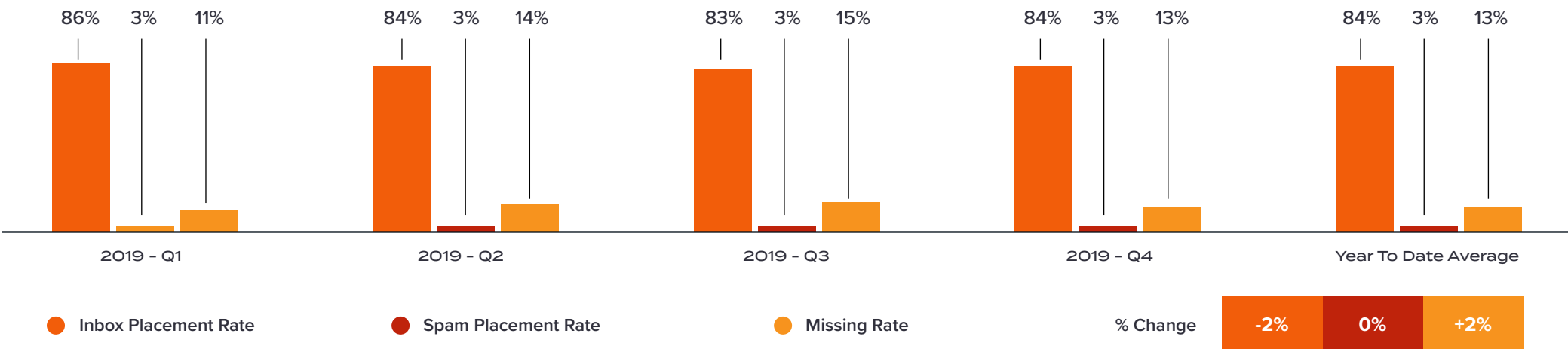
Year-over-year, inbox placement in the region dropped by two percentage points. Most countries saw inbox placement rates remain relatively stable from 2018 to 2019, but Singapore and South Korea experienced double digit dips (10 percentage points and 20 percentage points, respectively.)



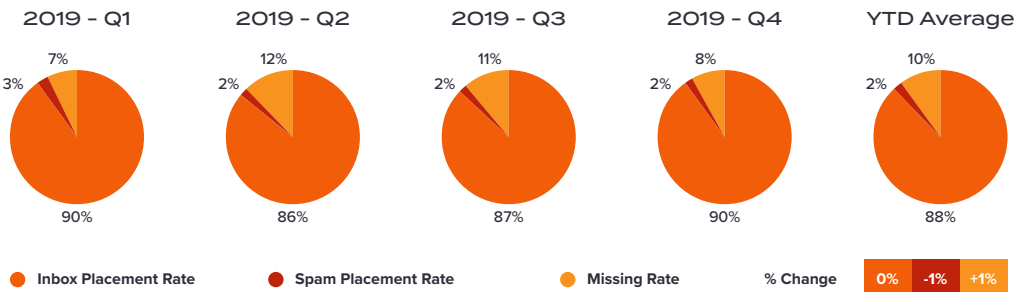
INBOX PLACEMENT IN ASIA-PACIFIC



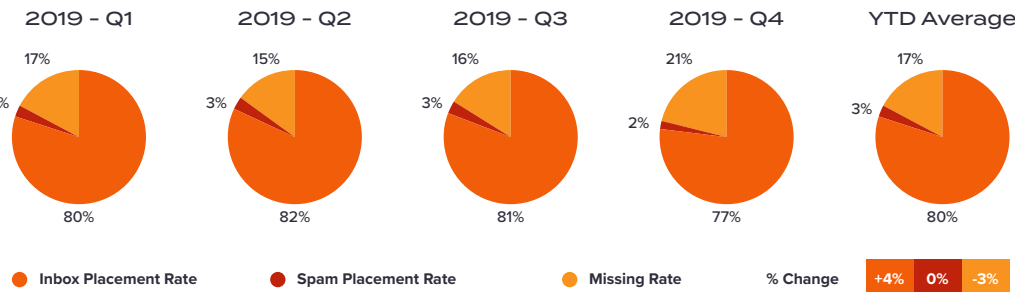
ASIA-PACIFIC - INBOX PLACEMENT



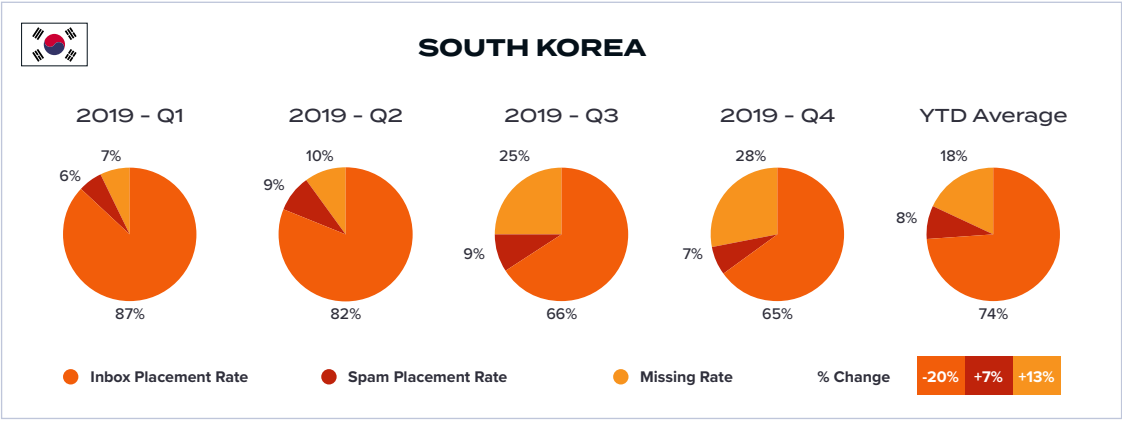
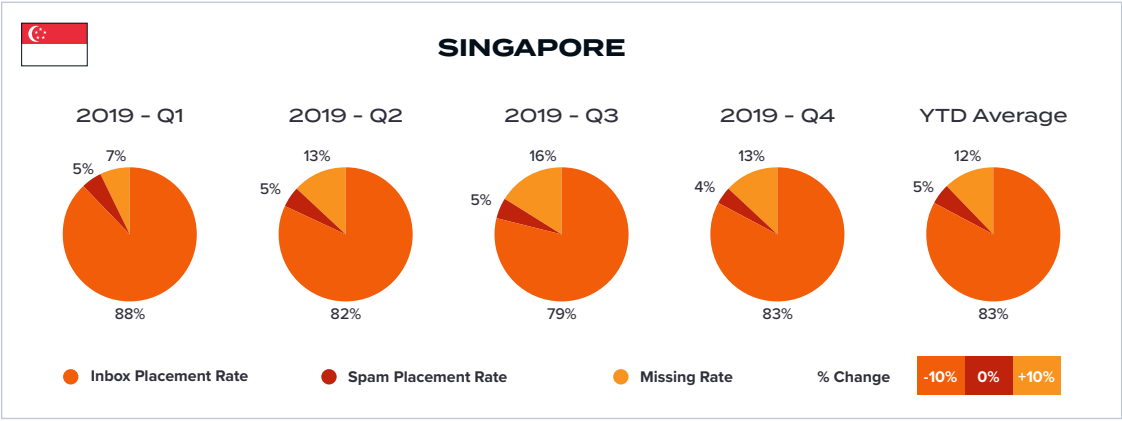
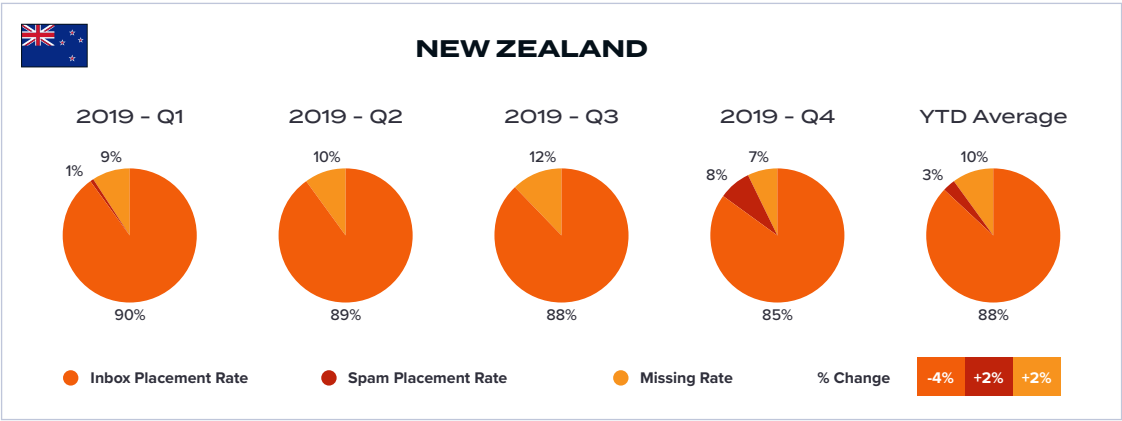
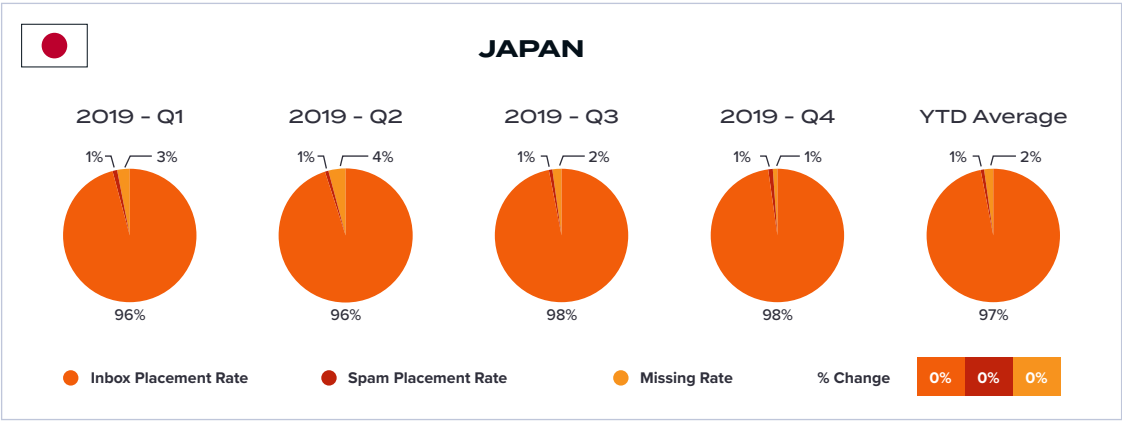
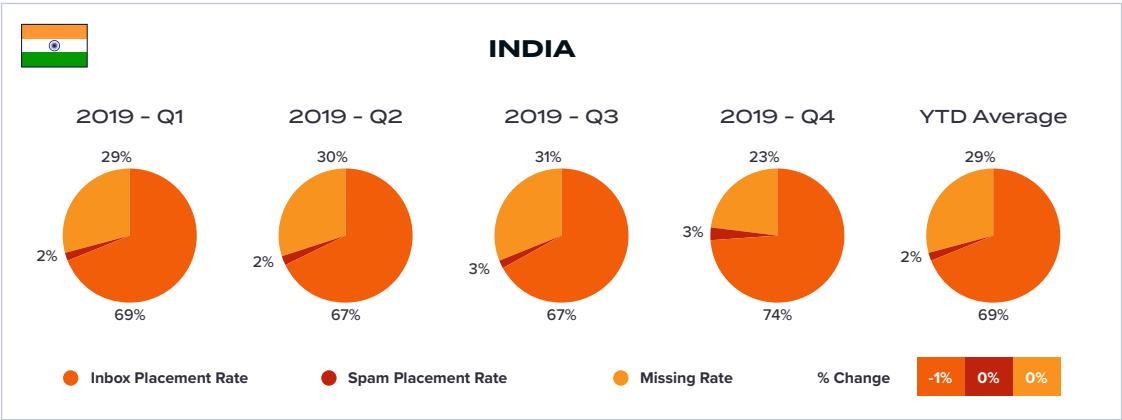
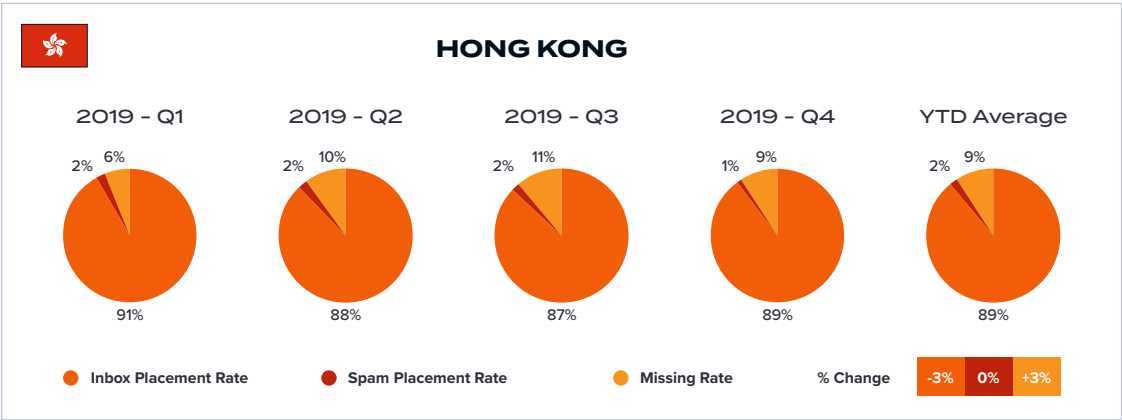
AUSTRALIA



CHINA



INBOX PLACEMENT IN ASIA-PACIFIC



GETTING TO THE INBOX

One out of every six messages failed to reach subscribers in 2019—that's a lot of potential revenue marketers are missing out on. While reaching the inbox isn't an easy matter, there are a few simple steps that can increase the chances your messages will pass through filters and reach your subscribers.



Track your inbox placement

You can't fix a problem you don't know about. Having access to and monitoring your inbox placement rate will allow you to more accurately judge the health of your program and can alert you to when your messages are being blocked by mailbox providers.



Keep your list clean

Keeping a subscriber list free from spam traps, unknown users, and inactive subscribers will help boost your reputation and your ability to reach the inbox. Run your entire list through a list hygiene service and make sure any new addresses you add are verified as real, active email accounts.



Monitor your reputation

Your reputation is one of the main factors that mailbox providers use to determine whether to place your messages in the inbox or the spam folder. Always check your sender reputation before you send a new campaign to make sure mailbox providers will evaluate your messages favorably, improving your ability to reach the inbox. You can learn more about the value of sender reputation in the **Sender Score Benchmark Report**.

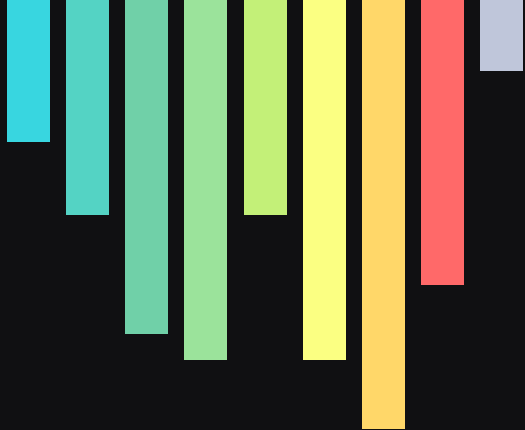


Check to see if you've been blacklisted

Blacklists are lists of known spammers that mailbox providers reference when making deliverability decisions. Consult a blacklist lookup service to ensure your IP address hasn't been blacklisted. If you find that you are listed, consult that specific blacklist's delisting requirements and follow their stated procedures.

METHODOLOGY

Return Path from Validity conducted this study using a representative sample of more than 2 billion promotional email messages sent to consumers around the world between January 1, 2019, and December 31, 2019. Global and regional statistics are based on performance across more than 140 mailbox providers in North America, South America, Europe, and Asia-Pacific. Country statistics are based on a subset of senders whose locations and industry classifications are identifiable.



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PRESENTS:










THE STATE OF CRM DATA MANAGEMENT 2020

INSIGHTS TO IMPROVE CRM DATA QUALITY FOR
MARKETING AND SALES ORGANIZATIONS



TABLE OF CONTENTS.

For more detail on the survey and the participants that contributed to the research, please refer to the **Appendix**.

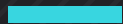
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INTRODUCTION

Every company wants to describe itself as data-driven, but the latest Validity and Demand Metric CRM data management study reveals a startling disconnect.

While 86% of participants say their CRM system is important or very important to achieving revenue objectives, nearly half of the study's participants rate their overall CRM data quality between very poor and neutral.

When it comes to being data-driven, it seems most companies talk the talk, but don't walk the walk.



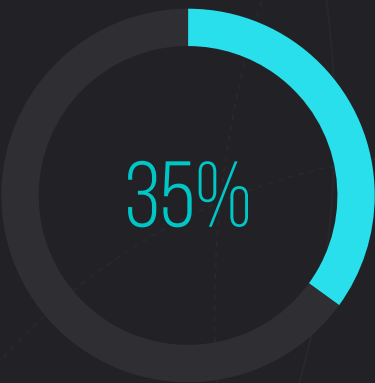
INTRODUCTION

SEVERAL KEY FINDINGS

In partnership with Validity, Demand Metric measured the impact CRM data quality has on sales teams’ effectiveness and a company’s overall revenue.

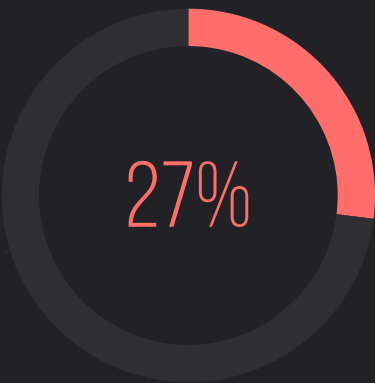
This report reveals the characteristics of best-in-class companies that prioritize CRM data quality and those that don’t.

Some of the key findings from this study include:



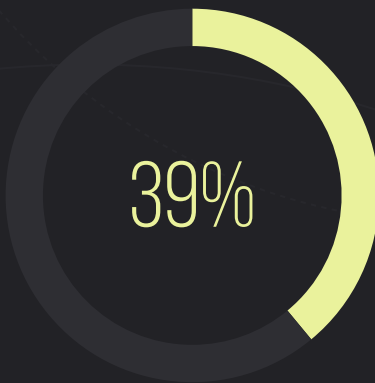
Just 35% of study participants are satisfied to very satisfied with their lead-to-customer conversion rates.

That figure drops to only 15% for companies reporting poor CRM data quality.



Over one-quarter of study participants report bad data costs them 10% or more in lost revenue annually.

And almost half of the study’s participants can’t even estimate bad data’s effect on revenue.



Over one-third of study participants either have no CRM data management process, or the one they have is ineffective.

THE 8%: WHAT WE CAN LEARN

The results of this study, detailed in subsequent sections, reveal **three characteristics of organizations that effectively manage their CRM.**



LEADERSHIP PRIORITIZES
CRM DATA QUALITY.



AN EFFECTIVE, ONGOING
DATA GOVERNANCE PROCESS
IS IN PLACE.



CRM DATA MANAGEMENT IS THE
FULL-TIME RESPONSIBILITY OF A
CROSS-FUNCTIONAL TEAM.

Only 8% of participants met these three criteria, despite survey results indicating that stakeholders across departments are acutely aware of the importance of clean and accurate CRM data.

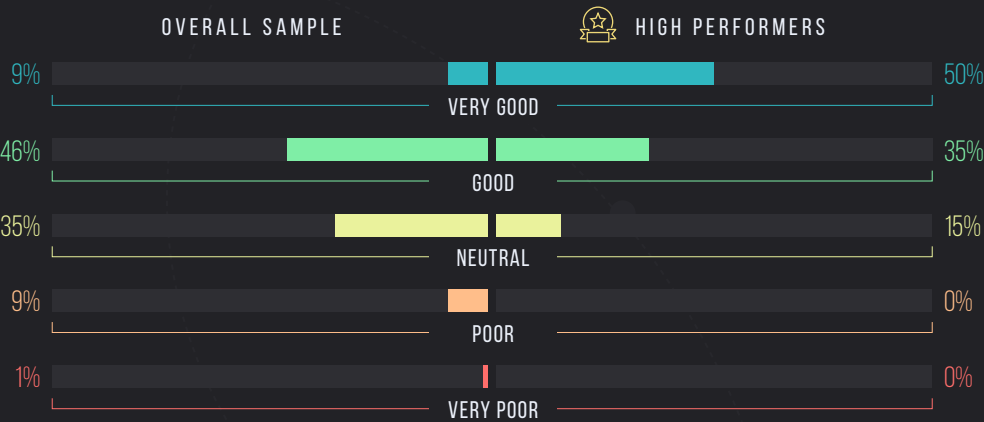
THE 8%: WHAT WE CAN LEARN

LOOKING CLOSELY AT THE ELITE EIGHT PERCENT SHOWS JUST HOW IMPORTANT DATA QUALITY MANAGEMENT IS FOR COMPANIES.

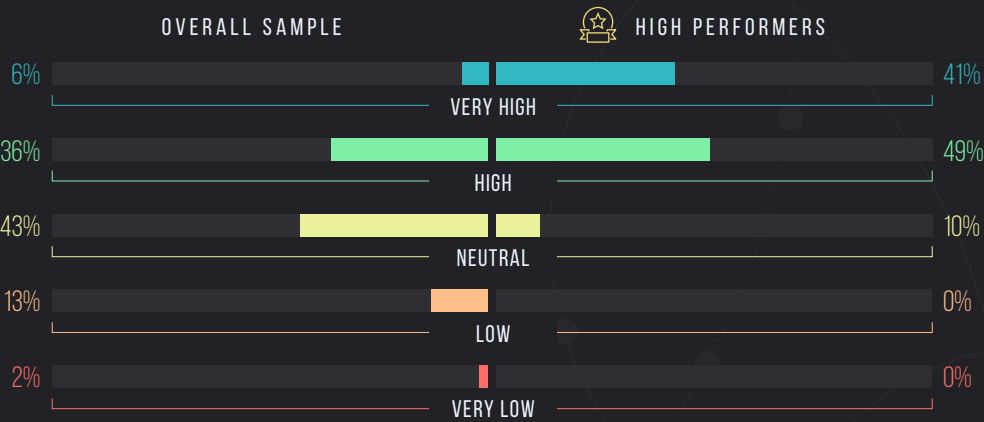
85% RATE THE OVERALL QUALITY, ACCURACY, AND USEFULNESS OF THEIR CRM DATA AS GOOD OR VERY GOOD.

90% RATE THE TRUST AND CONFIDENCE USERS HAVE IN THEIR DATA AS HIGH OR VERY HIGH.

CRM DATA QUALITY

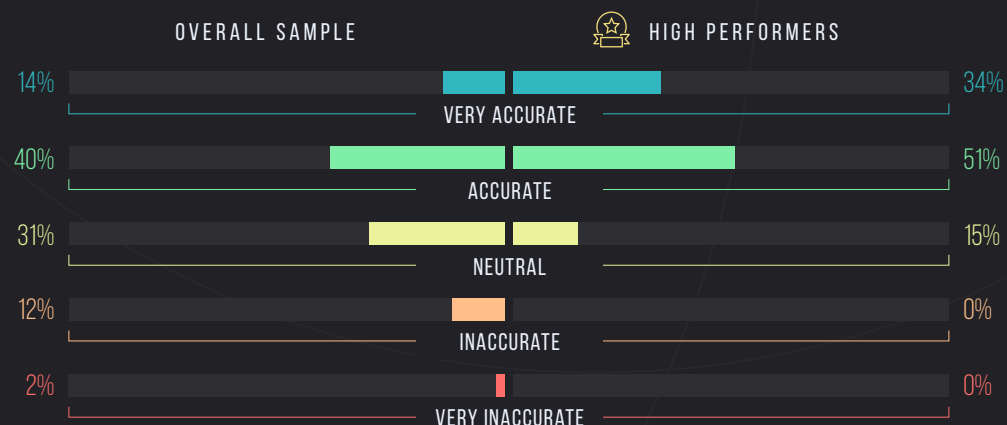


DATA TRUST AND CONFIDENCE



85% REPORT
SALES FORECASTS
ARE ACCURATE OR
VERY ACCURATE.

SALES FORECASTS

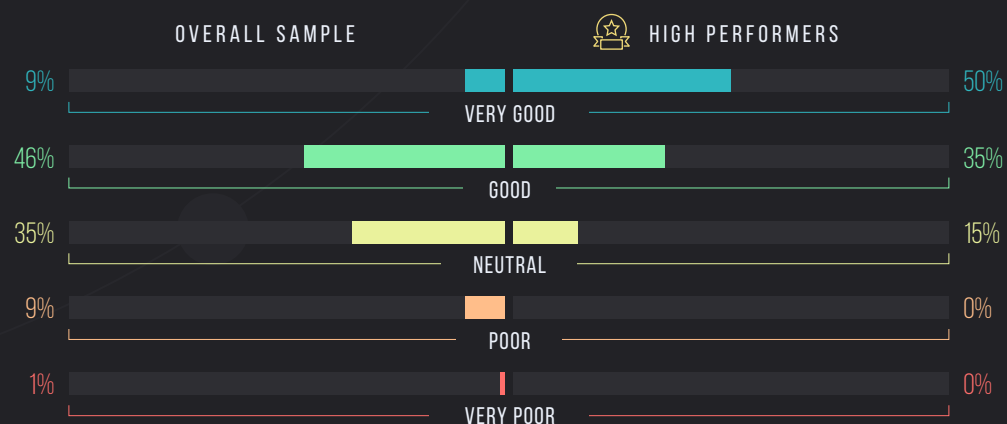


EVERY BUSINESS
STRIVES FOR ACCURATE
SALES FORECASTS,
HIGHLY SATISFACTORY
CONVERSION RATES, AND,
ULTIMATELY, INCREASED
REVENUE.

This report examines the relationship between CRM and revenue: what are the CRM data management characteristics of high-performing organizations, and how can other organizations adjust their CRM data management to increase revenue and improve other KPIs (key performance indicators)?

50% ARE SATISFIED
OR VERY SATISFIED
WITH THEIR LEAD-
TO-CUSTOMER
CONVERSION RATE.

LEAD-TO-CUSTOMER CONVERSIONS



THE STATE OF CRM DATA QUALITY

This section of the report will explore to what extent data helps companies achieve their revenue objectives and the overall state of data quality and accuracy.

FIGURE 1

THE STATE OF CRM DATA QUALITY

IMPORTANCE OF CRM & DATA TO ACHIEVING REVENUE OBJECTIVES

The participants in this study are in universal agreement: an effective CRM is critical to helping their sales teams hit revenue goals (Figure 1).

92% of study participants rate the CRM and the data in it as important or very important.

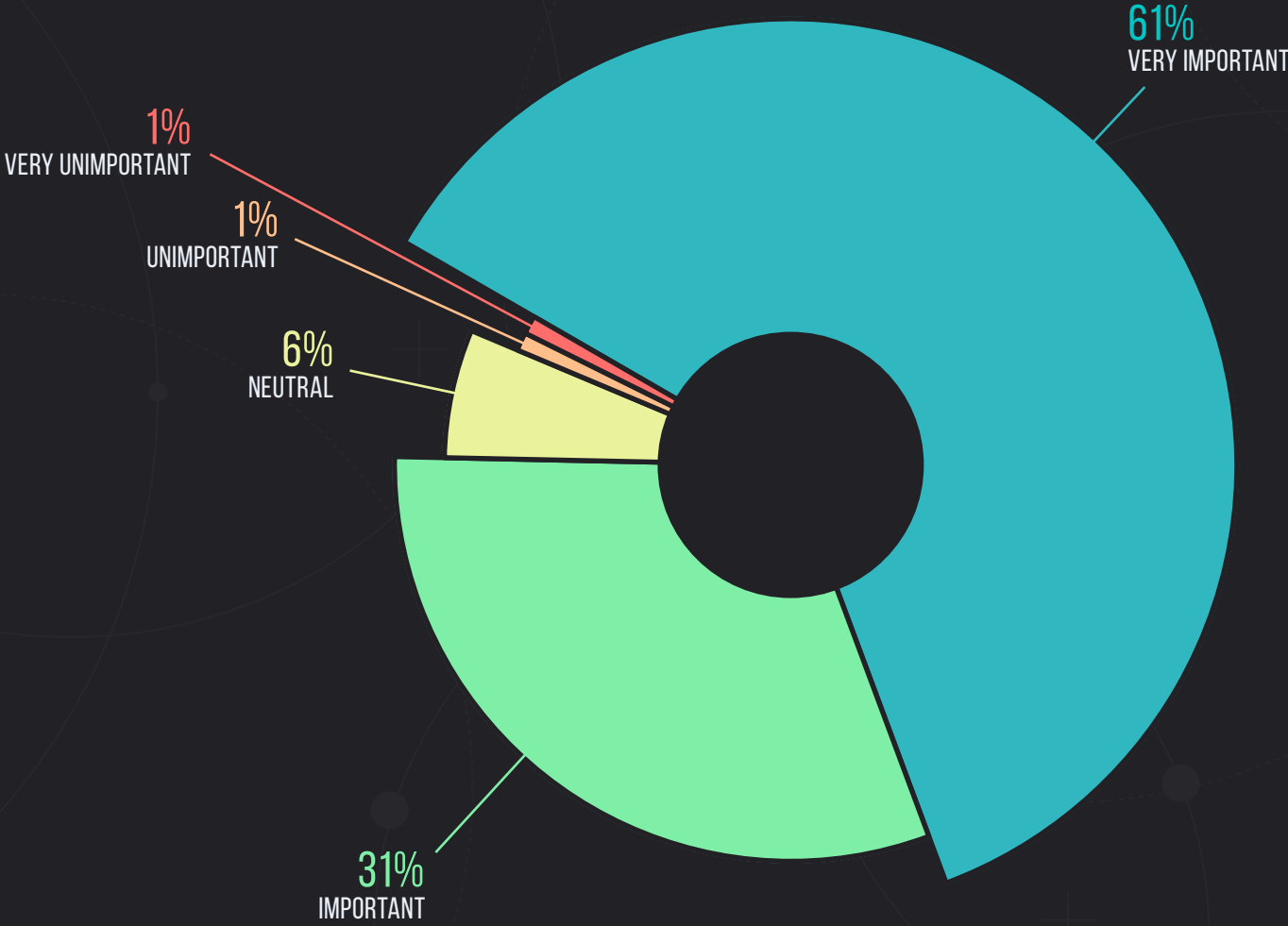


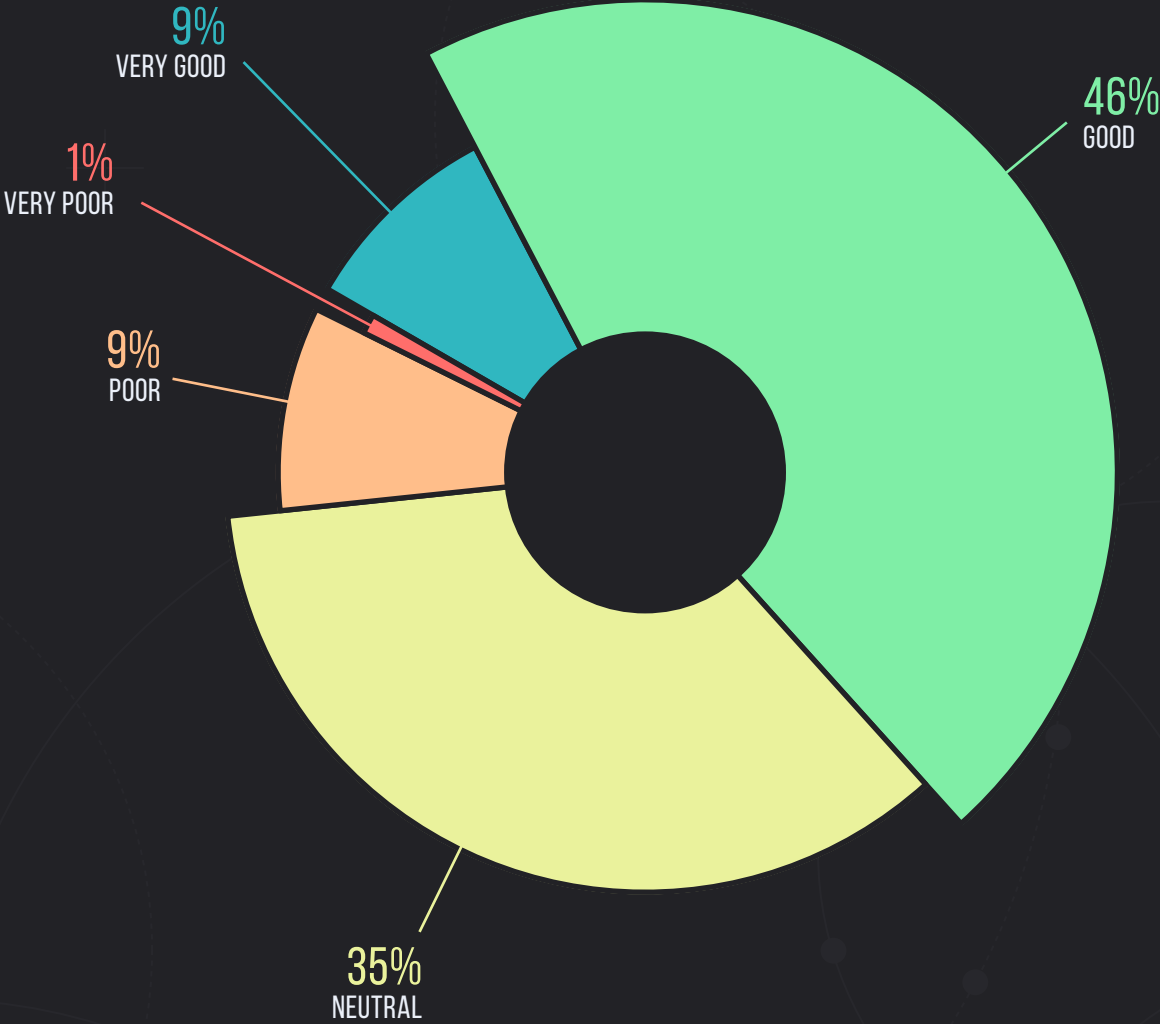
FIGURE 2

THE STATE OF CRM DATA QUALITY

CRM DATA QUALITY, ACCURACY, AND USEFULNESS ASSESSMENT

The CRM only works optimally when it contains accurate and complete data. Figure 2 shows how study participants rate the quality, accuracy, and usefulness of data in the CRM.

This assessment skews slightly toward the good and very good side of the spectrum.

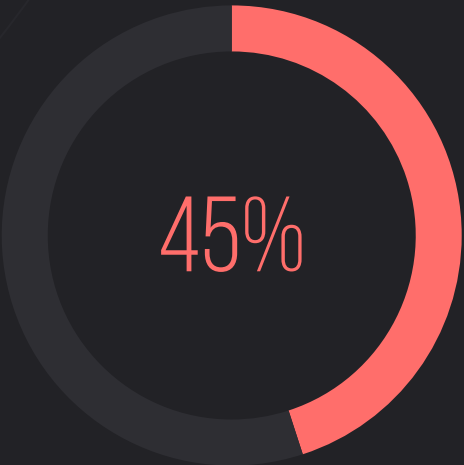
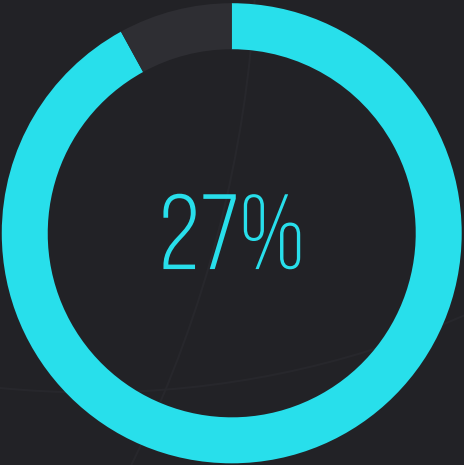


THE STATE OF CRM DATA QUALITY

WHAT DO WE
LEARN FROM
THIS?

Nearly everyone (92%) in Figure 1 understands clean CRM data helps companies meet revenue objectives.

Despite knowing this, almost half (45%) in Figure 2 admit their data isn't that great (very poor to neutral).



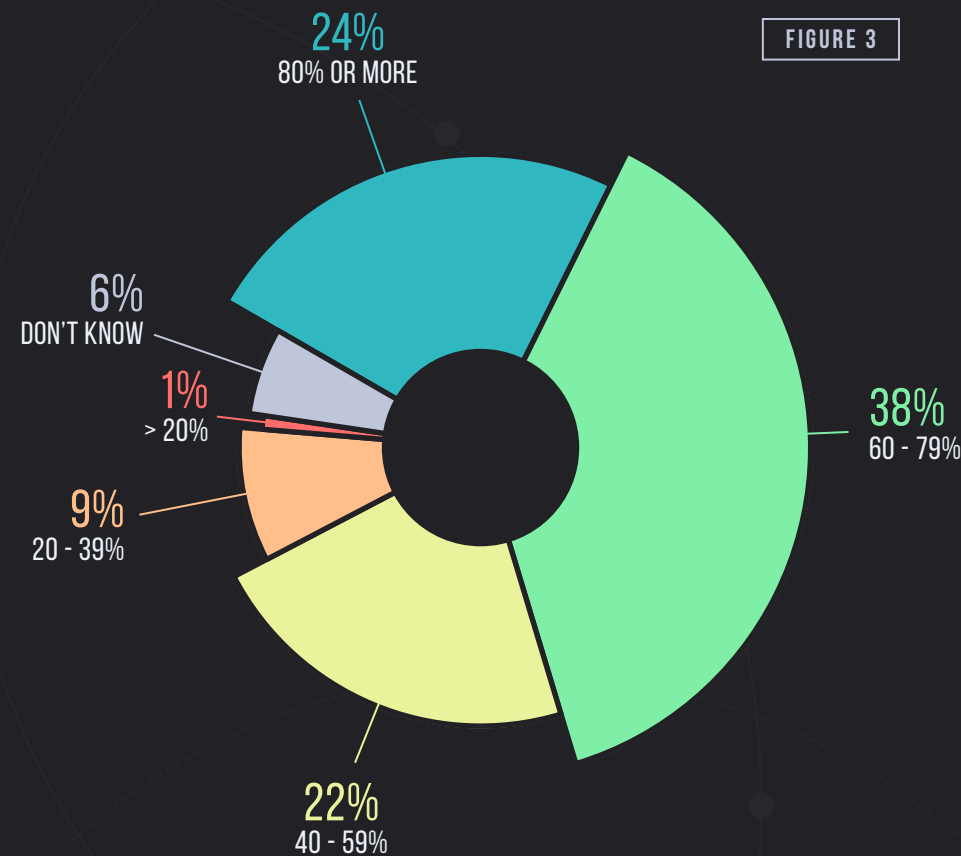
When we compared other survey responses to these two variables, we uncovered interesting and important insights, which we will explore in more detail.

THE STATE OF CRM DATA QUALITY

ESTIMATED PERCENT
OF CRM DATA THAT IS
ACCURATE &
COMPLETE

Study participants estimated the percentage of their CRM data that is complete and accurate, which Figure 3 shares.

Less than one-quarter of study participants report CRM data accuracy and completeness at greater than 80%.



Only 6% of study participants (Figure 3) don't know how accurate or complete their CRM data is.

This tells us that people know the state of their CRM data quality and its importance in meeting company-wide revenue targets, but that importance isn't translating into consistently high levels of data accuracy and completeness.

IMPACTS OF CRM DATA QUALITY: TRUST AND FORECASTING

Undoubtedly, data is a competitive advantage for companies today.

In this study, over 70 percent of participants agree that data is the lifeblood of their company and a key growth driver.

FIGURE 4

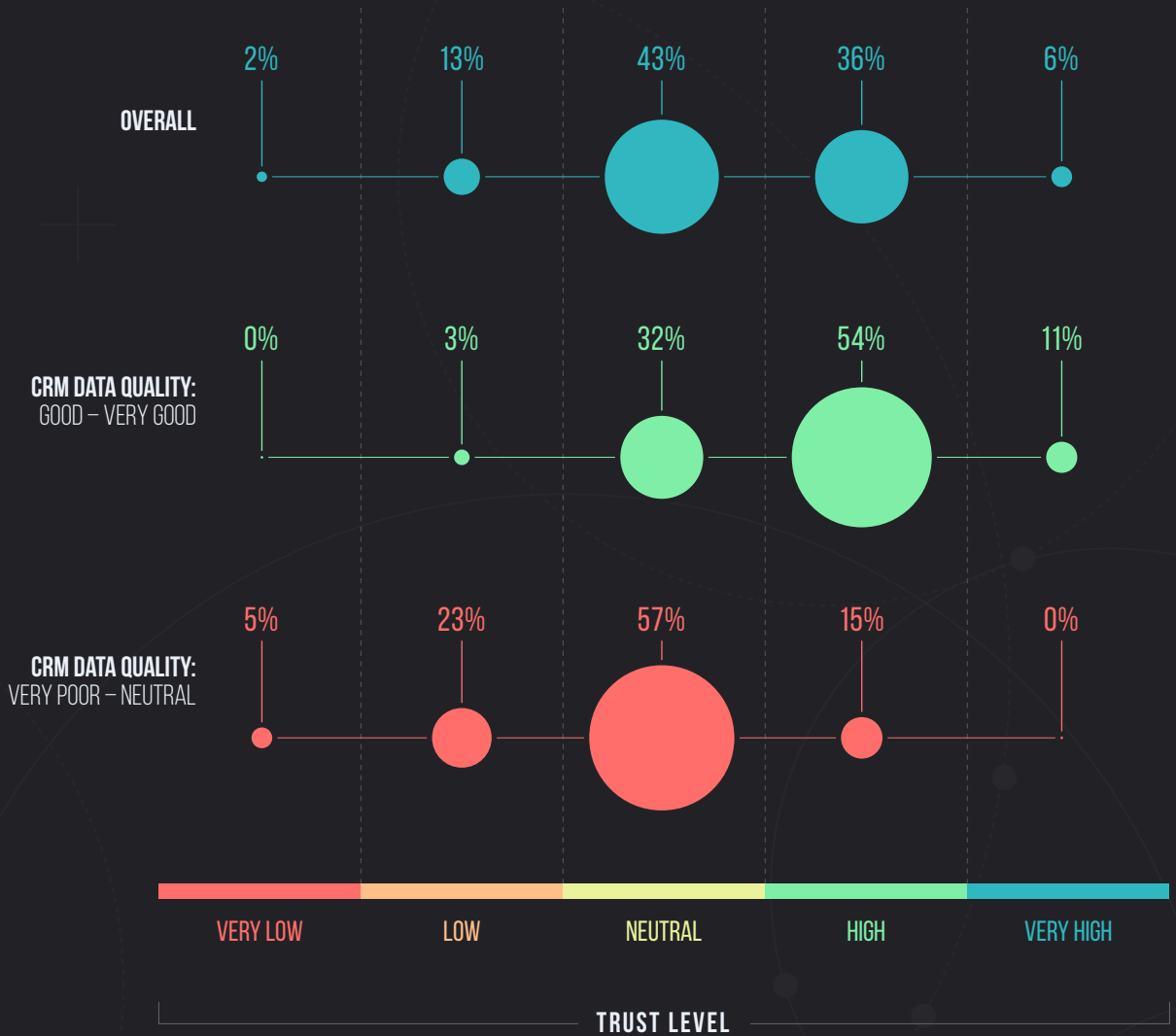
IMPACTS OF CRM DATA QUALITY:
TRUST AND FORECASTING

TRUST & CONFIDENCE CRM USERS HAVE IN DATA QUALITY & ACCURACY

Trust and confidence correlates strongly with perceived CRM data quality.

For example, one key area shows how CRM data quality impacts its users' trust and confidence (Figure 4).

The correlation in Figure 4 between good CRM data and user trust demonstrates a simple conclusion: **stakeholders do not trust bad data.**



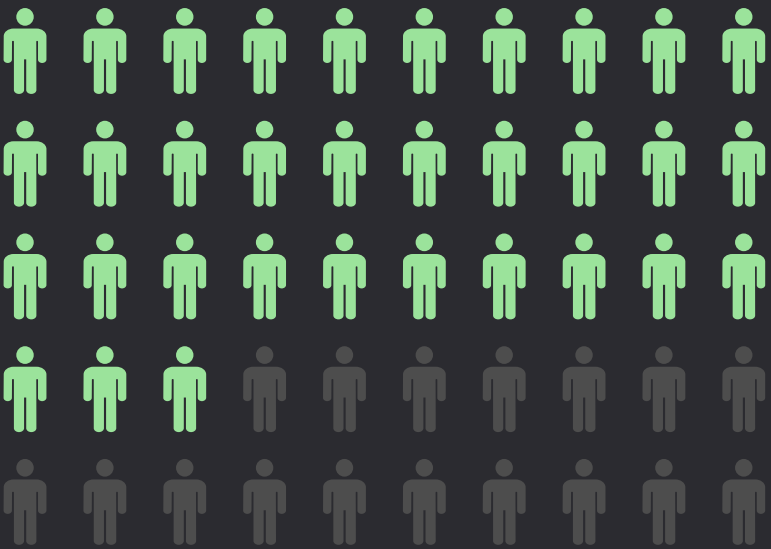
IMPACTS OF CRM DATA QUALITY:
TRUST AND FORECASTING

ORGANIZATIONS ARE CONSTANTLY COAXING
SALES TEAMS TO ADOPT THEIR CRM SYSTEM
WHERE DATA QUALITY AND TRUST IS THE
MOST CRUCIAL.

Teams to adopt their CRM system where data quality and trust is the most crucial, but organizations can easily fall into a negative feedback loop. Distrust in data results in declining adoption and even more excuses to ignore a CRM system that no one uses.

When this cycle of distrust and neglect occurs, users perceive the CRM system as irrelevant and an unnecessary expense. Investing in data quality is perhaps one of the most important things an organization can do to get value from the CRM system.

TRUST AND CONFIDENCE IN CRM DATA
AFFECTS SALES FORECASTING.



Many organizations generate sales forecasts using CRM data, and **over two-thirds of study participants were neutral or disagreed that their sales forecasts are almost always on target.**

FIGURE 5

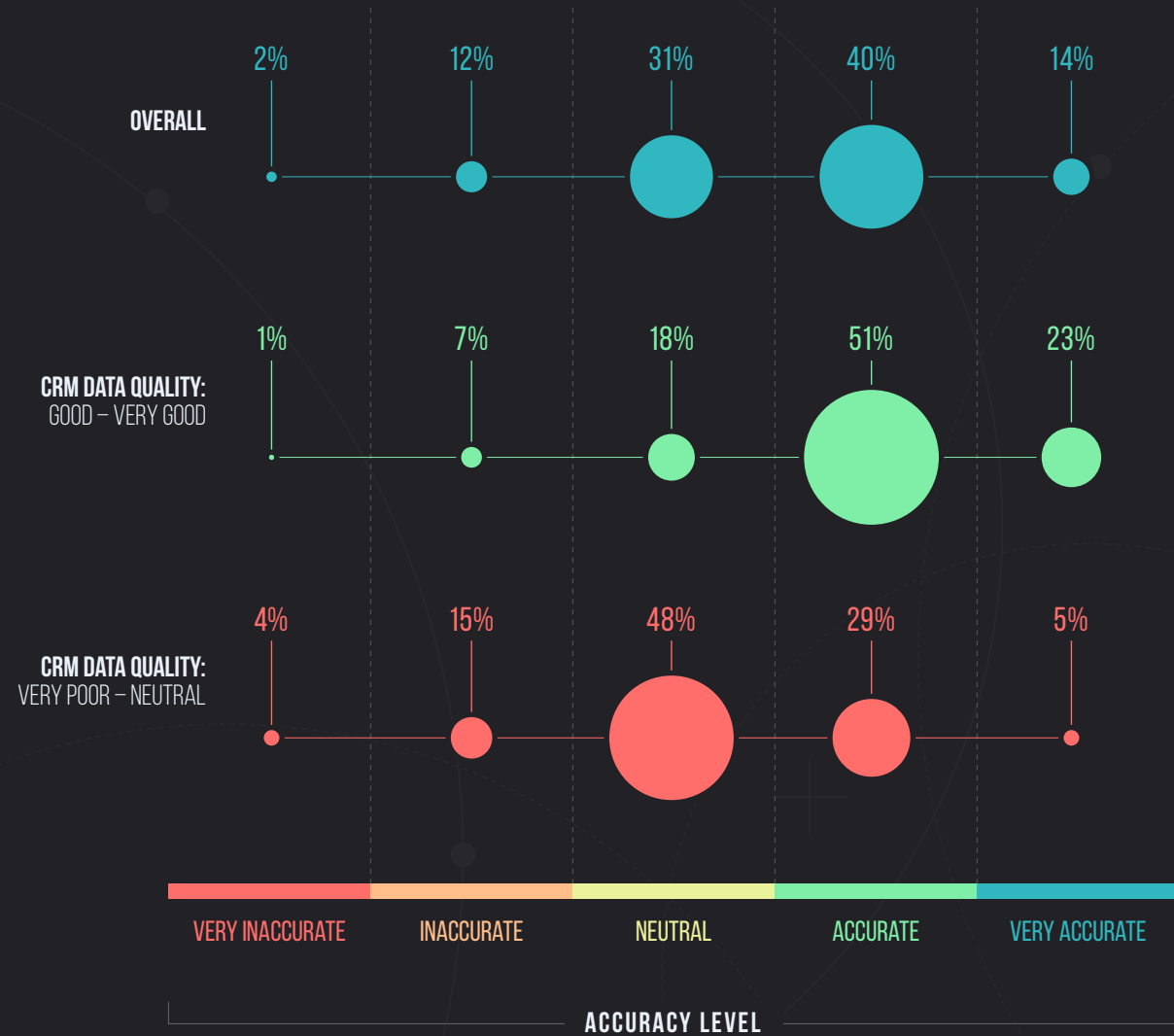
IMPACTS OF CRM DATA QUALITY:
TRUST AND FORECASTING

ACCURACY OF SALES FORECASTS & REPORTS

When CRM data quality is high, sales forecast accuracy improves substantially.

Figure 5 shows sales forecasting accuracy as a function of CRM data quality. Only five percent of study participants report not using their CRM for sales forecasting and reporting. For the remaining 95%, **almost three-quarters report accurate to very accurate sales forecasts when CRM data quality is good to very good.**

The converse is also true: poor-quality CRM data leaves just over one-third able to boast accurate sales forecasts.



IMPACTS OF CRM DATA QUALITY:
TRUST AND FORECASTING

INACCURATE SALES FORECASTS ARE A PROBLEM FOR MORE THAN THE SALES TEAM

Inaccurate sales forecasts cause a cascade of failures, such as incorrectly budgeting for operations, insufficient working capital, higher turnover rates, and loss of shareholder confidence.

OVER 75% OF STUDY PARTICIPANTS AGREED THAT
INACCURATE CRM DATA NEGATIVELY IMPACTS THE
PERFORMANCE OF MULTIPLE DEPARTMENTS.



IMPACTS OF CRM DATA QUALITY: CONVERSION

In this study, we also explore the impact of CRM data quality on conversions, and find that poor-quality CRM data is a significant barrier to this important mission of marketing and sales.

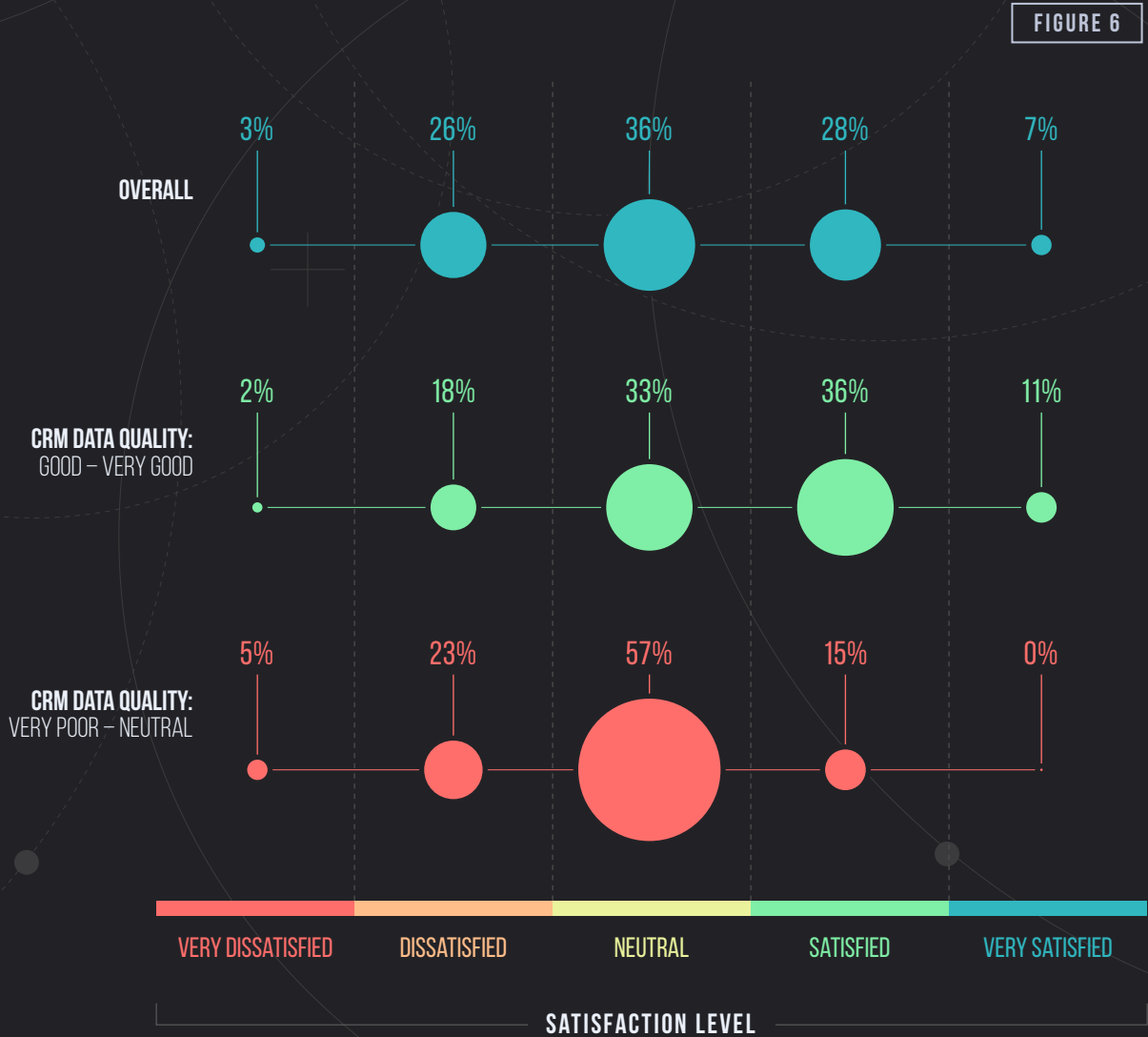
IMPACTS OF CRM DATA QUALITY: CONVERSION

SATISFACTION WITH
LEAD-TO-CUSTOMER
CONVERSION RATE BASED
ON CRM DATA QUALITY

Lead-to-customer conversion rate and CRM data quality are undeniably correlated (Figure 6).

Satisfaction with lead-to-customer conversion rates skews to the dissatisfied side of the scale.

Those who have good to very good CRM data quality are far more likely to achieve satisfactory conversion rates. In fact, higher quality CRM data makes it three times more likely to also profess satisfaction with lead-to-customer conversion rates.



86% OF STUDY PARTICIPANTS AGREE THAT ACCURATE CRM DATA IMPROVES CONVERSION RATES.

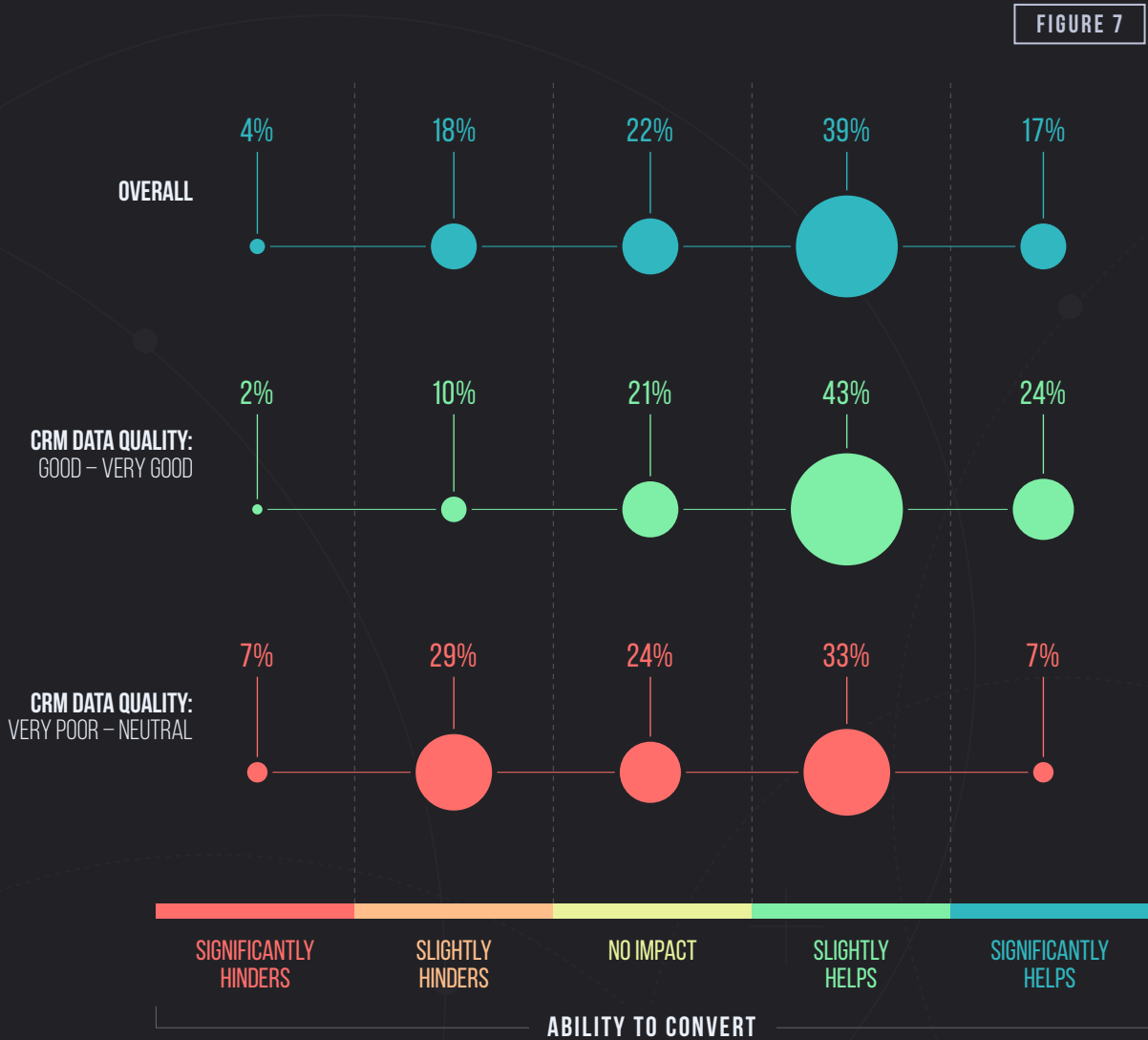
IMPACTS OF CRM DATA QUALITY: CONVERSION

HOW CRM DATA QUALITY IMPACTS ABILITY TO CONVERT LEADS TO CUSTOMERS

Poor quality CRM data impairs conversion, while good quality aids it.

The data within a well-managed CRM system provides intelligence about buying propensity, the customer journey, and predictive analytics that help organizations target marketing and sales efforts to those most likely to convert.

In these and other ways, the quality of CRM data significantly affects conversion efforts, as Figure 7 shows. When data quality is good to very good, over two-thirds report that CRM data helps convert leads to customers. By contrast, when CRM data quality is very poor to neutral, just 40 percent say their CRM data helps.



89% OF STUDY PARTICIPANTS AGREE THAT MAINTAINING CRM DATA QUALITY IS ESSENTIAL TO BUILDING STRONGER CUSTOMER RELATIONSHIPS.

IMPACTS OF CRM DATA QUALITY: REVENUE AND BUSINESS INITIATIVES

This section explores how CRM data quality impacts a company's revenue and the strategic initiatives that drive it, two of the most important success factors for a company.

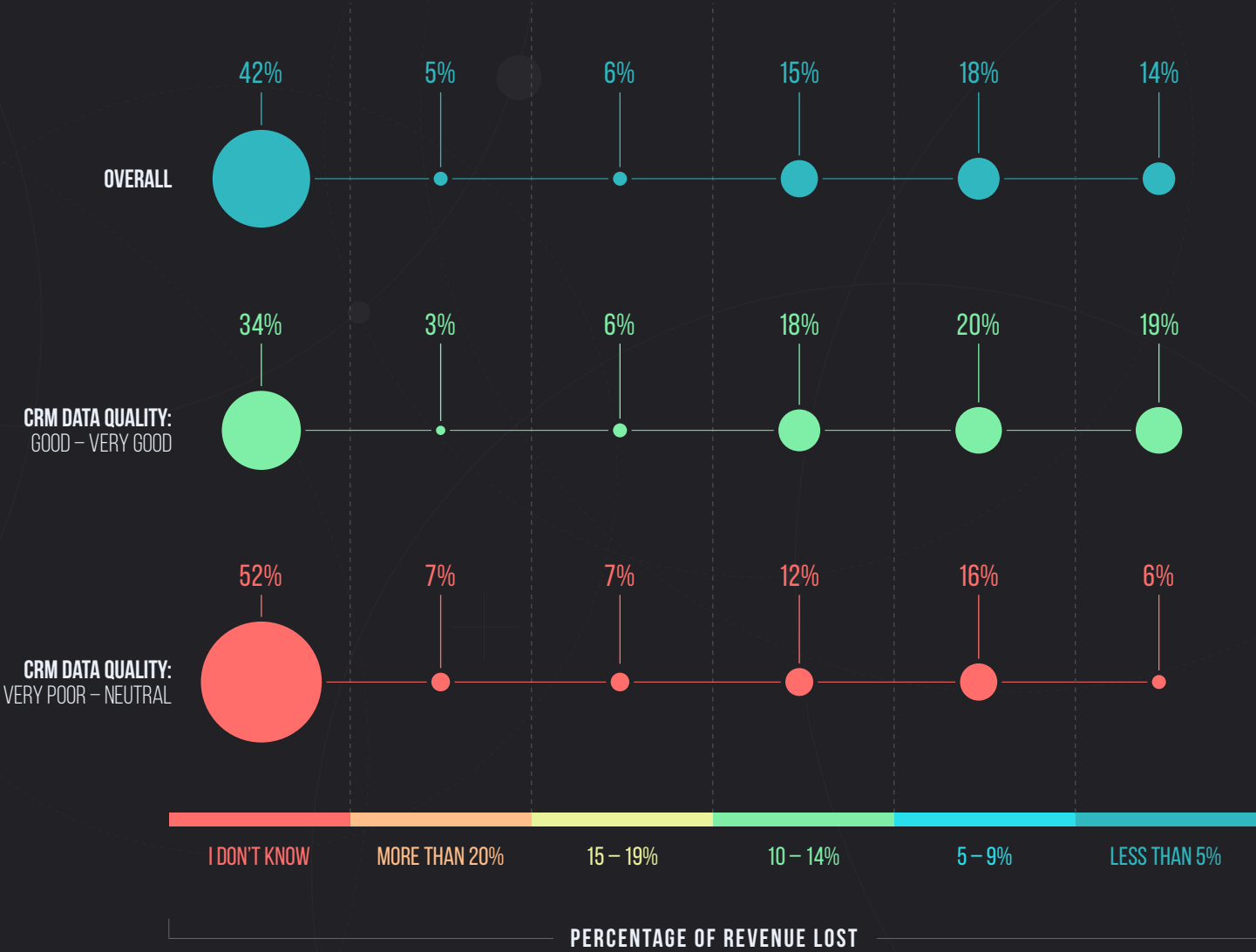
FIGURE 8

IMPACTS OF CRM DATA QUALITY:
REVENUE & BUSINESS INITIATIVES

ESTIMATED ANNUAL
REVENUE IMPACT
OF POOR QUALITY
CRM DATA

Many organizations are unable to estimate the impact of poor quality CRM data.

Figure 8 shows the revenue impact for the full survey sample, and for the data quality segments shown in Figure 2.

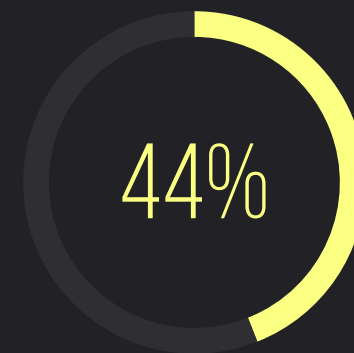


IMPACTS OF CRM DATA QUALITY: REVENUE & BUSINESS INITIATIVES

**MANY COMPANIES DON'T
REALIZE HOW POOR CRM
DATA IMPACTS REVENUE.
THOSE THAT CAN ESTIMATE
THE IMPACT MAKE IT
CLEAR IT'S QUANTIFIABLE
AND SIGNIFICANT.**

Even organizations reporting good to very good quality data report significant loss in revenue as a result of bad data. Beyond inconvenience, there is a very real cost to poor CRM data quality.

Consider a company with \$100 million in annual revenues. The data in Figure 8 suggests that it has almost a 50 percent chance of losing between \$5 million to more than \$20 million in annual revenue to data quality issues. Investment in people and tools to improve data quality is almost certain to provide a strong ROI.



**44% OF PARTICIPANTS
ESTIMATE A LOSS IN
REVENUE OF 5% TO MORE
THAN 20% DUE TO POOR
QUALITY CRM DATA.**

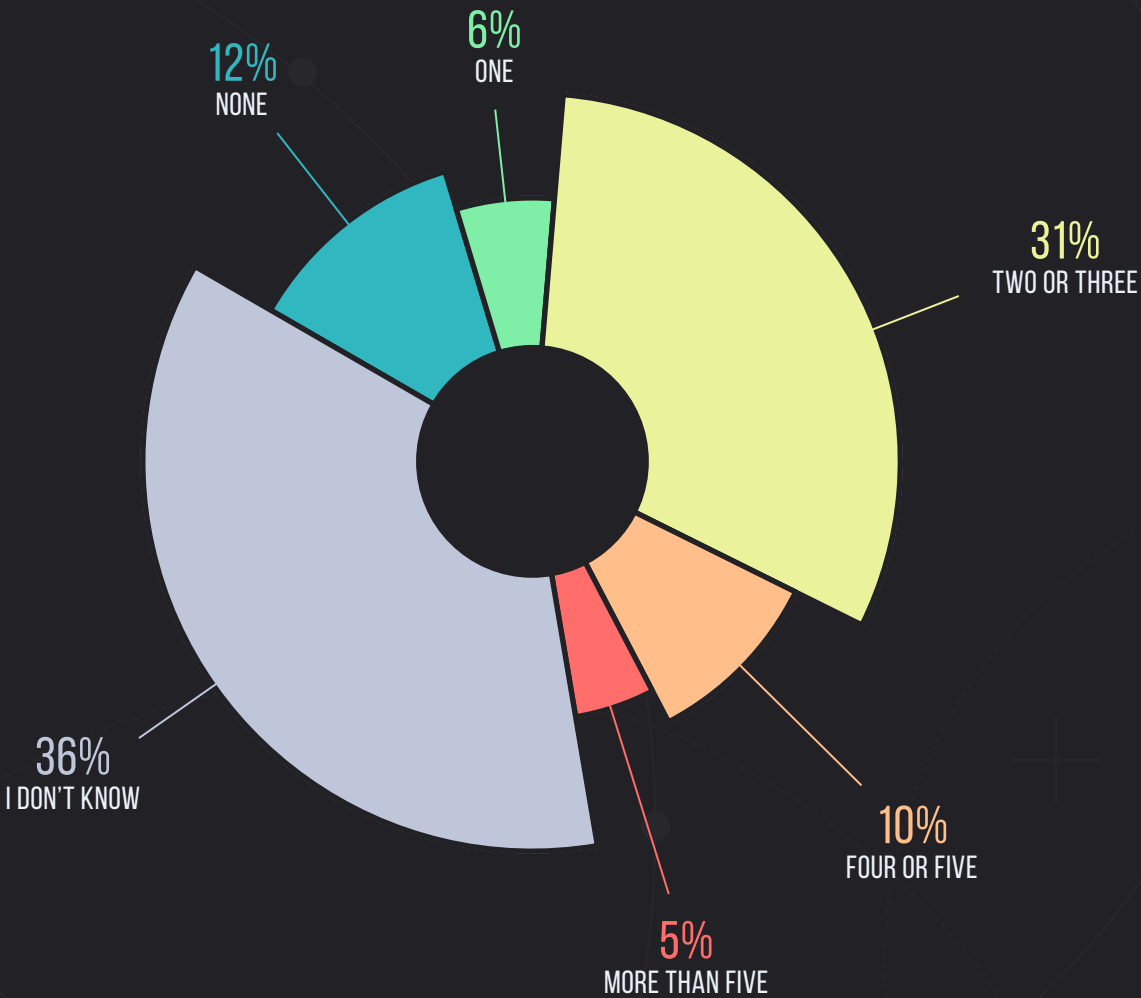
BUSINESS INITIATIVES NOT COMPLETED AS PLANNED DUE TO POOR QUALITY CRM DATA

It’s also possible to measure the impact of poor CRM data quality by the number of business initiatives it causes to go uncompleted, as Figure 9 shows.

For most organizations, poor CRM data quality interferes with getting work done.

This study did not collect data about the kinds of business initiatives that go uncompleted as planned due to poor-quality CRM data. However, it’s clear that data quality gets in the way of organizations executing initiatives and getting the desired outcome from them.

FIGURE 9



IMPACTS OF CRM DATA QUALITY:
REVENUE & BUSINESS INITIATIVES

POOR-QUALITY DATA: A BARRIER TO ACHIEVEMENT

Whether it's revenue or a strategic business initiative, poor-quality data in the CRM is more than simply inconvenient; it's a barrier to achieving the most important corporate objectives.

This research identifies some of the significant impacts of poor CRM data quality, including trust, forecasting accuracy, conversion, revenue, and business initiative completion.

CRM DATA MANAGEMENT

Better data yields better results, and the following section of this report takes a close look at how organizations reporting better data manage their CRM.

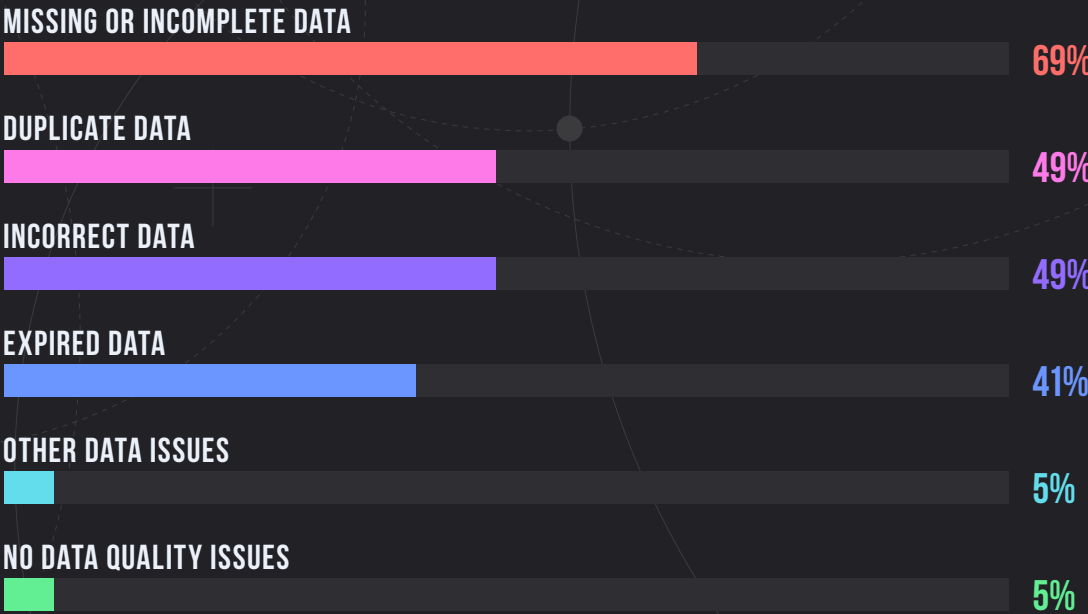
CRM DATA MANAGEMENT

CRM DATA QUALITY ISSUES

95% of study participants report having some CRM data quality issues.

“Data quality” is a term that has various interpretations. Organizations in this study identified specific data quality issues that impair their ability to fully leverage their CRM systems. Figure 10 catalogs these issues.

FIGURE 10



ONLY 27% OF STUDY PARTICIPANTS AGREE THAT THEY HAVE A TRUE 360-DEGREE VIEW OF THEIR CUSTOMERS.

ALMOST ALL STUDY PARTICIPANTS REPORT HAVING ONE OR MORE OF THESE ISSUES.

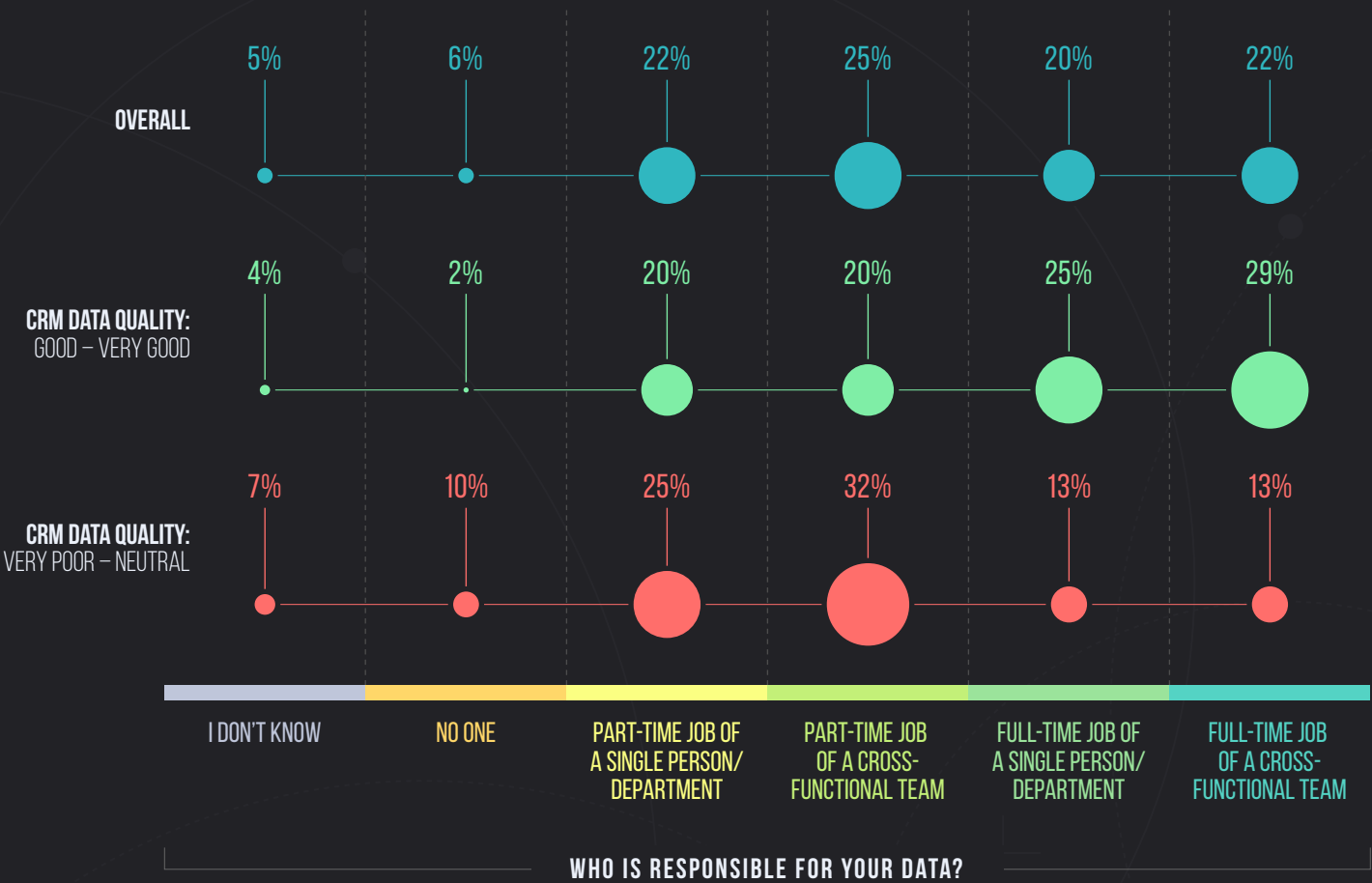
Many of the study participants who selected “Other data issues” identified them as data in silos or disparate systems making it difficult to have a single source of truth about customers. Without a single source of truth, obtaining an accurate, 360-degree view of customers is impossible.

WHO IS INVOLVED IN CRM DATA MANAGEMENT?

To understand how organizations attempt to deal with CRM data quality issues, the study asked participants to identify who holds the responsibility for managing CRM data. As with many of this report’s findings, this responsibility correlates to CRM data quality, and Figure 11 shows this relationship.

Predictably, those who report very poor to neutral CRM data quality have the highest incidence of having no one responsible for managing CRM data.

FIGURE 11



FOR THOSE WITH GOOD TO VERY GOOD CRM DATA QUALITY, CRM data management is often the full-time job of either a single person or department, or of a cross-functional team. Organizations reporting the highest quality CRM data make a headcount investment in their systems. Additionally, CRM best practices suggest a cross-functional team approach to managing data, an approach common to respondents reporting the highest data quality.

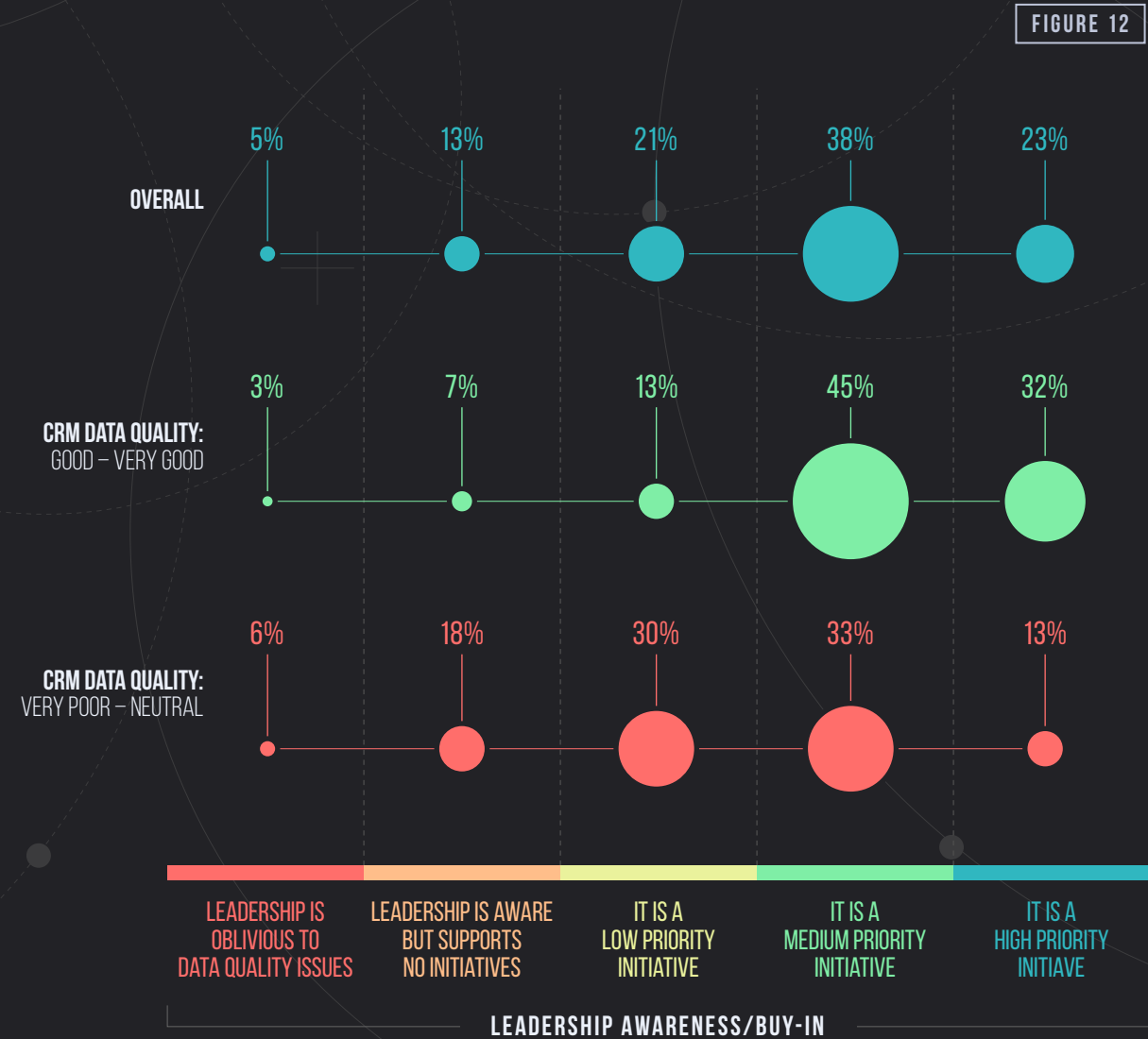
CRM DATA MANAGEMENT

LEADERSHIP AWARENESS / BUY-IN FOR MAINTAINING CRM DATA QUALITY

Critically, leadership awareness and buy-in for CRM data management correlates strongly to CRM quality. Measures of leadership awareness and buy-in to maintaining CRM data quality, as well as priority, are shown in Figure 12.

When leadership prioritizes CRM data quality, 90% of study participants report good to very good CRM data quality.

Higher quality CRM data is associated with higher leadership awareness, buy-in and prioritization of maintaining it.



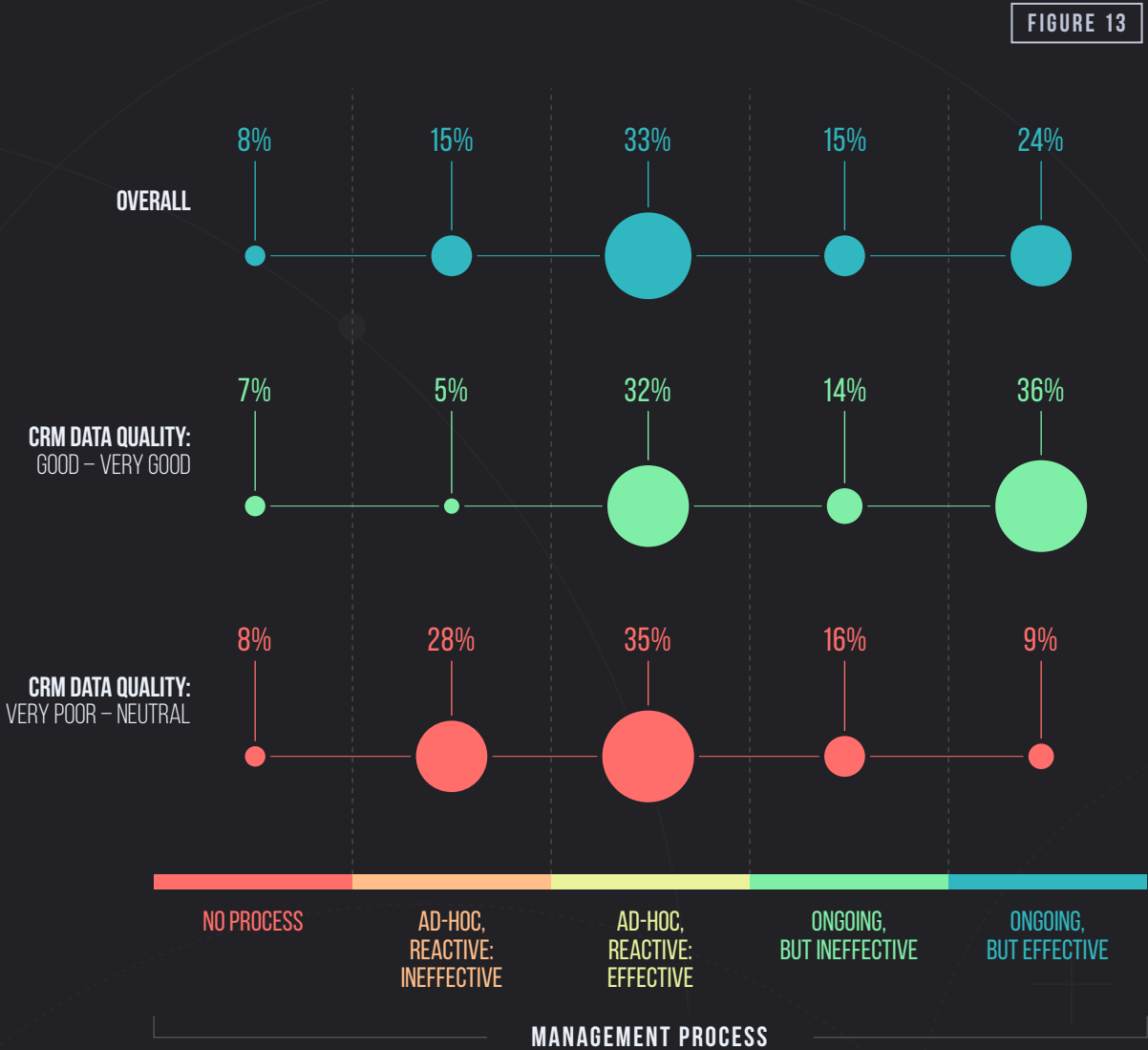
WHEN LEADERSHIP IS OBLIVIOUS TO DATA QUALITY ISSUES, OR PROVIDES LITTLE OR NO SUPPORT FOR IMPROVING IT, ONLY 10% REPORT GOOD TO VERY GOOD CRM DATA QUALITY.

WHAT KIND OF CRM DATA MANAGEMENT PROCESS DOES YOUR ORGANIZATION USE?

Over one-third of study participants report not having a process or that their CRM data management process is ineffective.

Figure 13 shares the nature and degree of structure of respondents' CRM data management processes. Having a defined, repeatable process with clear ownership relates to higher CRM data quality. As Figure 13 shows, high-quality CRM data is more likely to result from an intentional, ongoing effort, not random or ad-hoc attempts to shore up quality.

Study participants that enjoy good to very good CRM data quality seem to understand this relationship between an ongoing data management process and data quality.



JUST 40% OF STUDY PARTICIPANTS AGREE THAT THEY HAVE EFFECTIVE DATA QUALITY PROCEDURES IN PLACE.

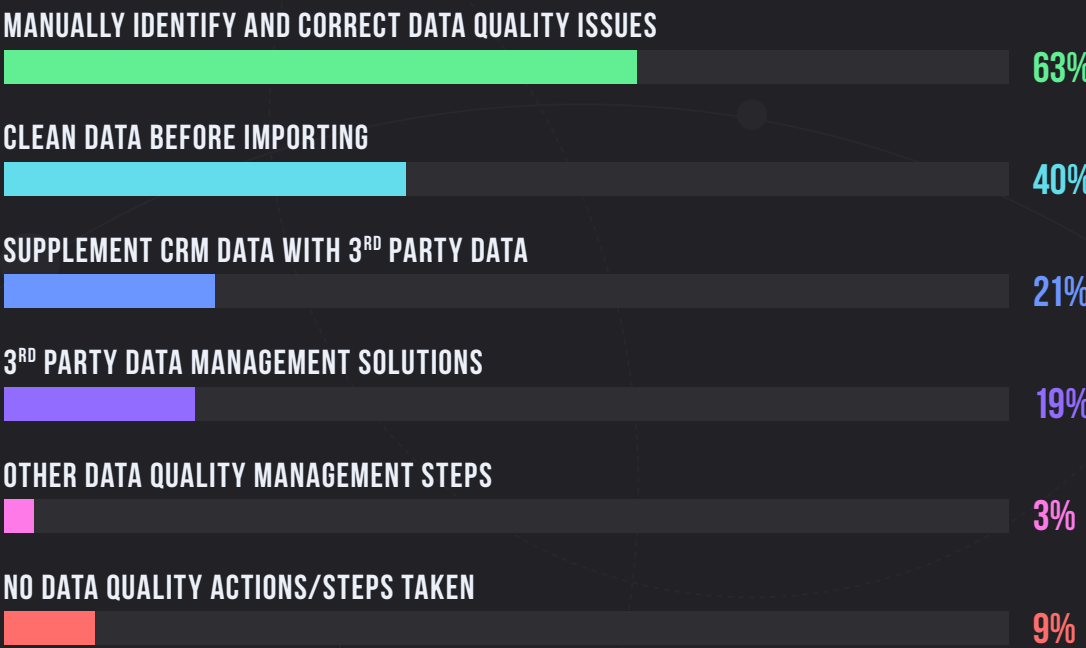
FIGURE 14

CRM DATA QUALITY ACTIONS/STEPS TAKEN

Over 90% of study participants take some steps to improve CRM data quality.

While many organizations create a custom data management process to meet their needs, successful management processes share some commonalities. Figure 14 shows what many organizations are doing to optimize CRM data quality.

It is encouraging that almost all organizations – 91% – in the study are taking some steps to achieve optimal CRM data quality. The concern in the data is that the most prevalent method is a manual one.



MANUAL DATA CLEANING METHODS CAN DELIVER GREAT RESULTS, BUT THEY CANNOT SCALE.

In today’s marketing and sales world, the volume and velocity of incoming data is too high to allow manual cleaning methods to be effective.

ANALYST BOTTOM LINE

The results of this study make it abundantly clear that there are costs to neglecting CRM data management, but significant benefits come from managing it well.

Perhaps the reason more organizations aren't managing CRM data well is because it's important, but just not urgent enough. Or perhaps the true impact of poor CRM data quality isn't fully understood.

The results of this study should be enlightening and provide enough incentive to step up the CRM data management game. Sometimes, however, the best motivator to do something comes from understanding in practical terms what improvement can produce.



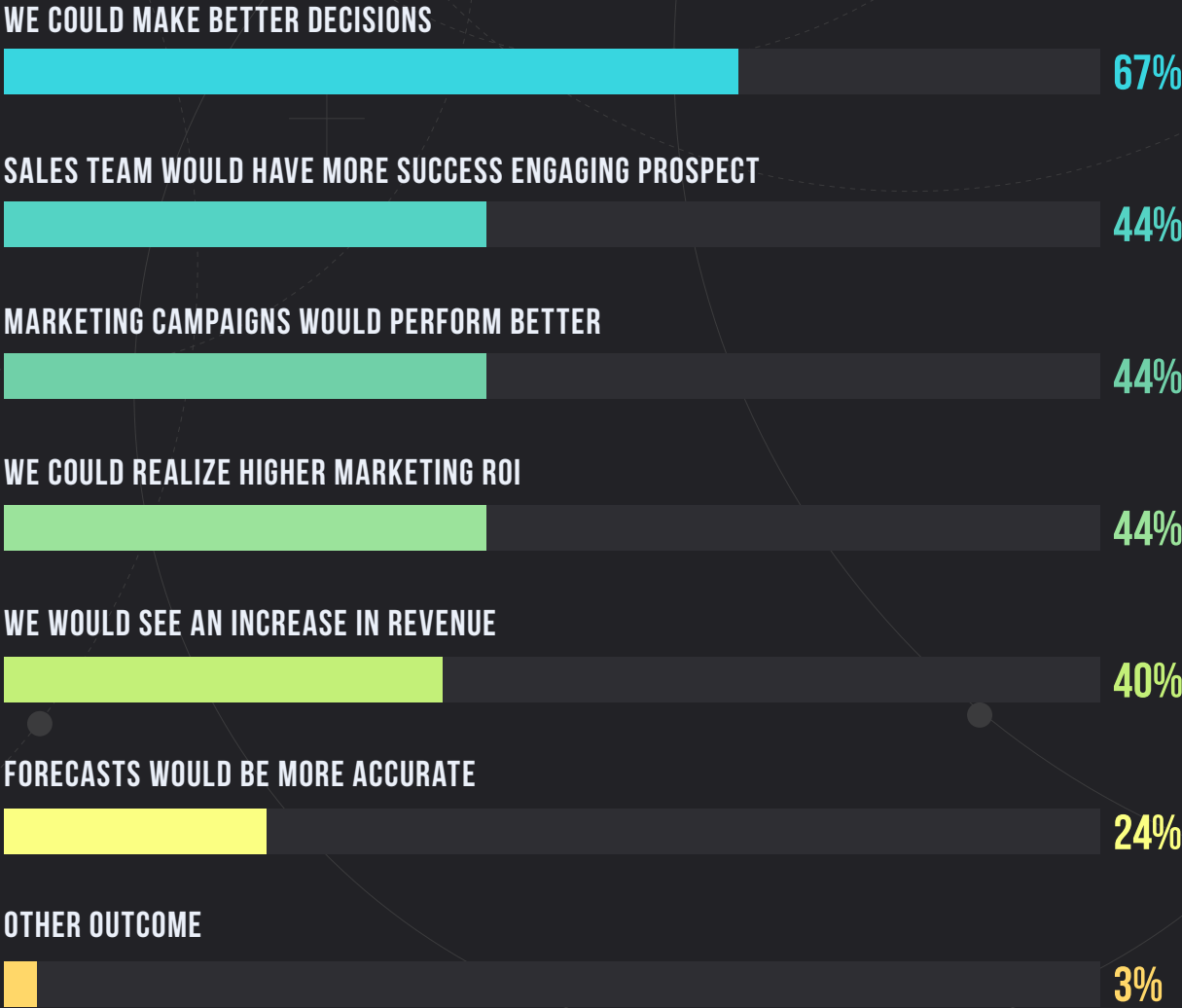
FIGURE 15

ANALYST BOTTOM LINE

WHAT BETTER QUALITY CRM DATA WOULD ENABLE

Better decisions is just one of many outcomes that better CRM data quality enables.

Figure 15 shares a vision of “what might be” for organizations that better manage CRM data quality.



ANALYST BOTTOM LINE

MAKE BETTER DECISIONS

The ability to make better decisions is the most sought-after outcome of improving CRM data quality. Better decisions will create a series of cascading benefits that reach throughout the organization. A few recommendations flow from this study’s findings that can help marketing and sales teams achieve higher quality CRM data and the accompanying benefits:



GET LEADERSHIP ON BOARD

Ensuring leadership is aware of how CRM data quality impacts the organization is the first step toward improvement. When leadership is aware and makes managing data a priority, support will exist for the necessary organizational changes and investments.



PUT THE RIGHT TEAM IN PLACE

While most view the CRM system as a sales team tool, its reach, impact, and utility extend outside the sales team. A cross-functional team managing CRM data correlates to the highest CRM data quality. Members of that team can come from sales, marketing, operations, and IT.



MAKE IT A JOB, NOT A TASK.

In most organizations, the volume and velocity of data flowing into the CRM system warrant making its management a full-time responsibility. To get the benefits of high-quality CRM data this study describes, organizations need a full-time caretaker of the CRM and its data.



AUTOMATE THE PROCESS

The most prevalent data quality improvement efforts among study participants are manual. Attempting to scale a manual process to meet the needs of most organizations is futile. With leadership support, cross-functional teams can invest in tools, automation, and third-party data to keep CRM data quality at the highest level.

Better quality CRM data is a worthy goal with benefits well-documented in this study. As the highest-performing eight percent of study participants demonstrate, managing CRM data well correlates to substantial performance improvements compared to the full sample.

Quality CRM data isn't the goal for organizations: instead, the end game is better decisions.

Those better decisions translate into real business advantage, and in competitive industries, more effective and agile decisions are often what separate market leaders from challengers.

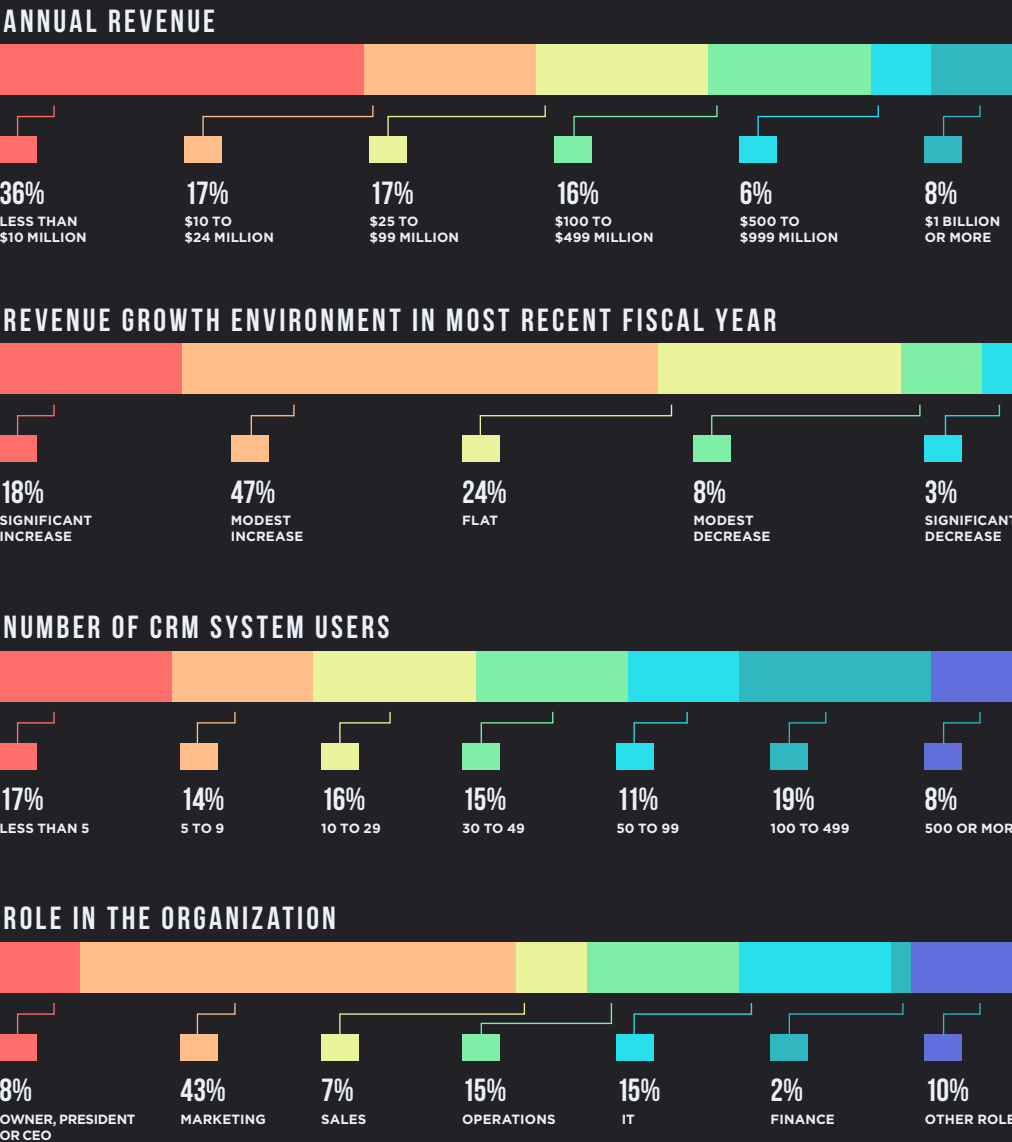
APPENDIX

This State of CRM Data Management 2020 survey was administered online during the period of February 6 through February 25, 2020. During this period, 294 responses were collected, 276 of which were qualified and complete enough for inclusion in the analysis.

Only valid or correlated findings are shared in this report.

The representativeness of this study’s results depends on the similarity of the sample to environments in which this survey data is used for comparison or guidance.

Summarized here is the basic categorization data collected about respondents to enable filtering and analysis of the data:



Email Deliverability: A Journey into the Inbox

2020

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CUSTOMERS

DM
Data &
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Association A

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/ Introduction

Email remains the central channel around which any successful customer engagement strategy should be built. It's the core thread around which to create a multi-channel approach. This is something we've heard from both customers and marketers, with the latter now reporting the return on email marketing investment at just over £35 for every £1 spent.

This report focuses on the beginning of the email journey – investigating the knowledge and practices of businesses when it comes to email deliverability. This first step in email's journey to the consumer's inbox is crucial. Mistakes at this early stage may cause significant financial impact – as over 90% of marketers told us in this survey.

Starting with data collection, it's key that good practices are in place and to ensure compliance with relevant legislation. This step is fundamental when building email programmes, as marketers need to make sure that these practices echo the clear guidelines offered by both the law and mailbox providers.

The findings from this report bring to light how much harder this first step is for smaller businesses and marketing teams, but by no means an impossible task either. Indeed, awareness and measurement are critical for organisations to not just avoid the negative, but to also reap the benefits of good deliverability. Marketers simply cannot know what they don't know and can't see.

Putting the customer at the heart of your email programmes, even at this early stage, is the key to success. Being diligent with their data, acting in accordance with their expectations and taking responsibility for your actions isn't too much to ask. Especially as the upside is not just the benefit of ROI, but also the potential of increasing the lifetime value of that customer.

Tim Bond,

Head of Insight, Data & Marketing Association

/ Foreword - Validity

At Validity, email deliverability is a topic close to our hearts, and helping customers achieve great deliverability underpins our core philosophy of “trust your data”. It’s the starting point for increased inbox placement, greater subscriber reach, and enhanced program ROI.

But the path to the inbox is far more complex than many email marketers think. Part science, part art, deliverability is the classic mystery inside an enigma. While there are established best practices that all senders should follow, the goalposts also get moved on a regular basis!

Mailbox providers constantly evolve their filtering practices, increasing focus on subscriber engagement means a deep understanding of how subscribers interact with their emails is vital, and there is a wealth of different data sources that senders need to monitor (and respond to) as they manage the health of their programs.

This challenge is reflected in Validity’s Deliverability Benchmark report. Globally, only 83% of permission-based emails achieve inbox placement! One in every six emails sent don’t – representing a significant opportunity cost for many senders

It’s a classic case of “known unknowns” and we’re all about helping our clients eliminate the unknowns! Understanding how marketers think about email deliverability (and how they measure it) is vital for improved performance against this most challenging metric.

We love the idea that it’s far more than just another benchmark report. It takes input from a broad range of major email program owners on themes like; how strong is your understanding of deliverability?; what are the biggest obstacles to achieving good deliverability?; how do you measure success?; and what is the financial impact for your business?

What emerges is that deliverability is program critical, and a good deliverability strategy needs to be both broad-ranging and multi-disciplinary. While respondents are clear about the relationship between observing legislation and good deliverability, there is also a clear gap between understanding deliverability best practices, and implementing them. Good measurement is also critical.

It’s also much harder if you are a smaller team. Deliverability success involves committing budget and resource if you’re going to do it well.

Not all senders have either the personnel or financial capacity, although those that do clearly see the positive returns from doing so.

As we see in this report, the approach of many senders is to combine in-house skills with third-party expertise. Validity is the trusted advisor used by many email programs around the world, and is ideally positioned to help, with solutions spanning verification, data quality, deliverability, program certification, and consulting services.

The learnings from this report provide a great starting point for senders asking themselves “Where’s the gap?” – which aspects of their deliverability strategy should they prioritise for improvement?

This is why Validity is delighted to partner with the DMA to produce the 2020 edition of this report. We trust you will find it a highly informative and valuable deliverability resource for your email marketing decisions. We’re already looking forward to collaborating with the DMA on future editions!

Guy Hanson

Vice President of Customer Engagement
Validity International

“The approach of many senders is to combine in-house skills with third-party expertise.”

/ Guy Hanson

/ Exec Summary

Awareness and Importance

- The majority of marketers are aware and agree with the importance of email deliverability – 48% saying they are ‘Completely aware’ with 38% ‘Familiar’, and 17% saying it is ‘Most important’ and 38% ‘Important’
- Most organisations take responsibility for their email deliverability in-house (62%), while a third (32%) rely on external send platforms – spending, on average, around a quarter (23.0%) of their email marketing budget on this area

Good Practice vs. Reality

- A growing number of marketers rate their own best practice knowledge as ‘Poor’ – rising from 10% in 2019 to 16% this year – with most appearing to be putting faith in this knowledge being elsewhere within their organisations (49% rating this is ‘Good’ and 17% ‘Very good’)
- When asked what they considered to be best practices and which their company does currently, most respondents were aligned – with ‘Compliance with legislation/standards’ leading the way across both (40% & 38% respectively)

Data and Technology

- The most common source of email list data is a company’s website (63%), followed by a range of others that are used ‘Often’ or ‘Always’ by around half of businesses (47-56%) – the majority are using single (33%) or double (37%) opt-in to gain consent, and an increasing number utilising ‘Soft opt-in’ (rising from 10% to 21% in 2020)
- The estimated percentage of inaccurate or invalid email data businesses hold has also fallen from an average of 12.8% to 11.1% year-on-year, the biggest contributor this being ‘Human error’ (22%), followed by ‘Old data’ (13%), ‘Collection/source’ (11%) and ‘Fakes/blacklisting’ (10%)

Concerns and Blacklisting

- Marketers cite a range of different concerns when it comes to email deliverability, with ‘High bounces’ (20%) coming top but closely followed by ‘IP address reputation’ (18%), ‘Low reader engagement/spam complaints’ (18%) and ‘Being blacklisted’ (17%) – just 0.5% say they have no concerns
- 42% of organisations report having been blacklisted in the last five years, with the average over this period being 2.5 times – although that also means half (50%) have not been blacklisted (or believe they haven’t been)
- The main reasons cited by those that have been blacklisted are ‘Spam complaint’ (28%), ‘Email content’ (25%) and ‘Recipient complaint’ (22%) – although there appear to be a wide range of factors at play and that marketers have to contend with

Measurement and Impacts

- The primary measures used to monitor email deliverability are ‘Emails bounced/ not bounced’ (50%), ‘Low engagement’ (44%), ‘Inbox placement’ (40%) and a third tracking ‘Complaints’ too (29%) – with most appearing confident in their organisation’s ability to measure these too (email deliverability, but a notable one in five are confident in their team’s ability to measure ‘Tabs placement’ or ‘Inbox placement’ (both 19%)
- Most concerningly, one in five organisations report doing ‘Nothing’ and that they don’t suppress emails, whether they’re a hard (17%) or soft bounce (19%) – despite most at least taking some form of action either immediately or within a clear timeframe
- Meanwhile, 91% understanding the financial impact of good or bad deliverability, with one in ten saying this is ‘Severe’ (8%) and a further third reporting it as ‘Moderate’ (32%)

/ Awareness and Importance

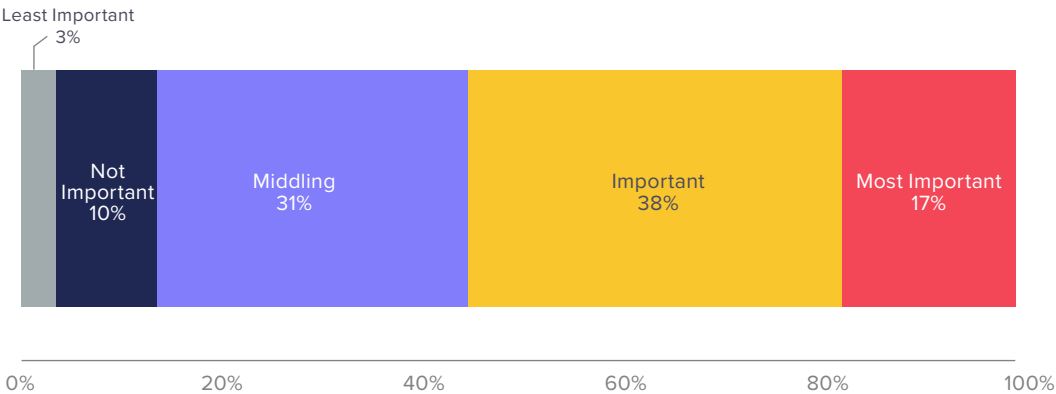
Awareness of email deliverability among marketers has remained broadly high, with just 14% reporting no familiarity with the concept at all this year (13% in 2019). However, just under half (48%) say they are completely aware of this integral part of their email programme, leaving 38% reporting they are merely familiar.

Given its importance to the success of any email programme, and how email is the central thread around which multi-channel approaches should be built (as we saw in our ‘Consumer Email Tracker 2020’ research from earlier this year), this may come as a surprise to some.

However, we also see a significant shift in awareness according to the size of the business. One in four (25%) of ‘Small/micro businesses’ (with less than 50 employees) declare they’re not aware of deliverability. Meanwhile, 61% of ‘Large businesses’ (with over 250 employees) report being completely familiar with email deliverability, markedly higher than the average. This disparity between smaller and larger organisations is a theme that recurs throughout the results of this research.

When it comes to the importance of email deliverability, again we see the majority of marketers agreeing that it is important – with just 13% considering it unimportant. However, there is still almost a third (31%) that recognise a partial level of importance to this key area – although most (55%) agree of its high importance in comparison to other areas of email marketing.

What importance does your organisation place on email deliverability (in comparison to other aspects of your email marketing)?



Here again, we see a clear difference between larger (21%) and mid-sized (19%) organisations who believe deliverability is one of the most important aspects of the email programmes.

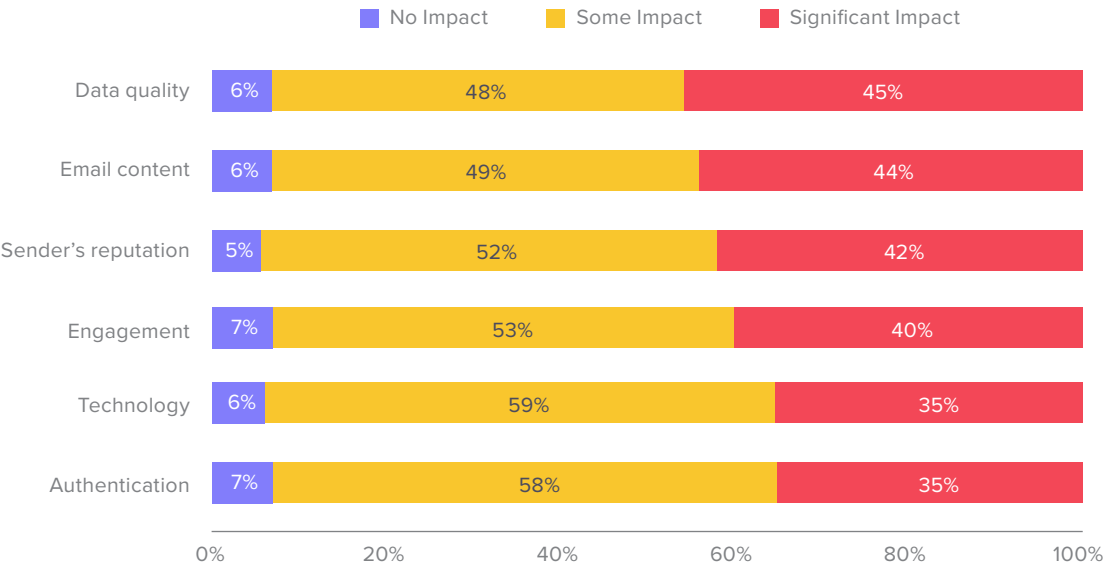
This is compared to just 7% of ‘Small/micro businesses’ and one in ten (9%) of these marketers rating it as the ‘Least important’ – something also felt by marketers we surveyed in B2B (also 9%).

When asked about who has responsibility for the success of their organisation’s email deliverability, most said this is an in-house obligation (62%). Around a third (32%) rely on external send platforms, while 5% weren’t sure where ownership lay. The proportion of businesses looking after their own deliverability reinforces the importance of this discipline, and how it’s about much more than just handling bounced messages and implementing feedback loops.

Considering the factors that impact deliverability, the vast majority understand that there are a multitude of different influences. The highest among them is ‘Data quality’ (45%), followed by ‘Email content’ (44%) and ‘Sender’s reputation’ (42%). This feeling that data and reputation are key is

less surprising when you factor in that GDPR remains high on the agenda for many organisations – not to mention concerns about compliance and the threat of fines (as we found in the ‘Marketer Email Tracker 2020’).

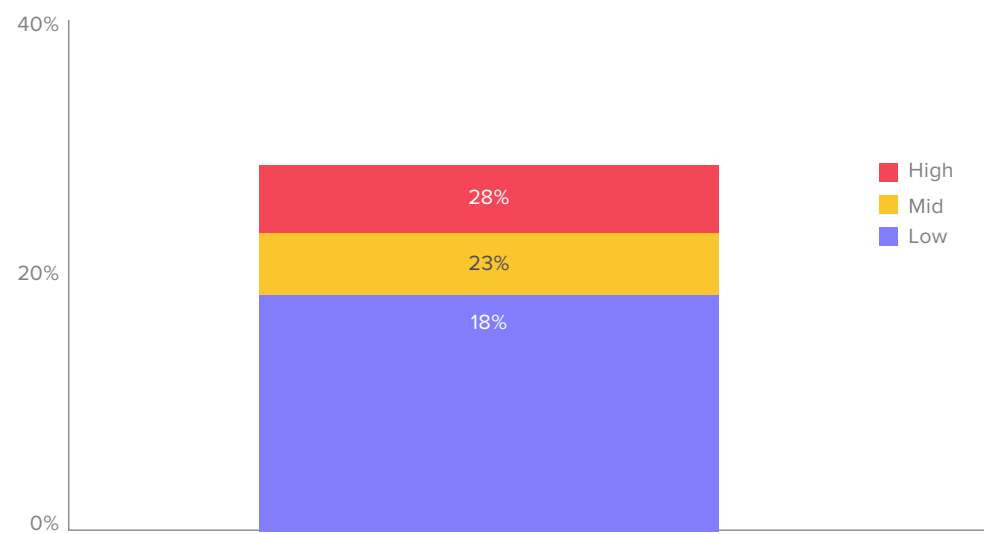
In your opinion, what’s the impact of the following factors on email deliverability?



Interestingly, larger organisations are more likely to say ‘Technology’ has a significant impact on their deliverability – 46% compared to 35% for all businesses surveyed. This may be down to bigger businesses having the budget and scale to successfully implement new technologies more readily. Smaller companies, on the other hand, are more likely to believe there’s no impact on their email deliverability across almost all these factors – including ‘Data quality’ (19%), ‘Email content’ (14%), ‘Sender’s reputation’ (14%), ‘Technology’ (14%) and ‘Authentication’ (11%).

Most marketers (45%) spend between 11-30% of their email budgets on email deliverability and a further 19% from 31-40%. Using the mid-point of these percentage ranges, the average proportion of this budget comes to 23.0%. The graph below shows the possible range within which this average sits too, using the highest and lowest values to show most marketers spend between 18-28% of their email budgets on this vital first step.

What percentage of your email marketing budget is spent on email deliverability?



However, there are some notable differences in this estimation from different respondents and businesses. For example, senior marketers believe this to be higher (27.1%) compared to both mid-level (21.2%) and junior (16.6%) colleagues.

This is also reflected in the number of members of the team, as those with more than 20 people in their marketing team, report the proportion of budget dedicated to deliverability as significantly higher (29.4%). For those with 10-19 people this drops to 26.1% – although still above average – and businesses with less than 10 marketers estimate this at just 16.4%.

As such, you'd expect smaller organisations to estimate their spend as lower too, which they do at just 14.4%. However, it's medium-sized businesses that appear to commit the most to their email deliverability success (26.7%) – even above large businesses' 24.3%.

48%
of marketers consider
email deliverability
important

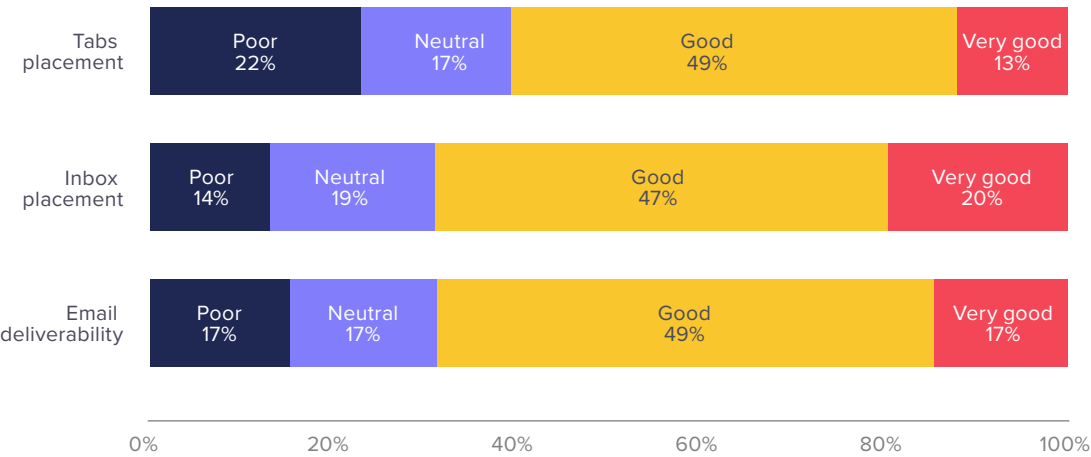
/ Good Practice vs. Reality

Despite the clear awareness and understanding of the importance of email deliverability, it may come as some concern that a rising number of marketers rate their knowledge of best practice in this area as ‘Poor’. This rose from one in ten (10%) last year to one in six (16%).

Those believing their knowledge to be ‘Good’ also fell from 41% in 2019 to 31% this year, while the number that believes their best practice understanding is ‘Average’ remained around half (49% in 2019; 52% in 2020). This could well be down to the perceived complexity of deliverability increasing, as mailbox providers like Gmail continue to change their algorithms and guidance, making it hard for some to keep up.

This points to a possible growing problem of understanding when it comes to this key area of email marketing. In fact, when asked about their team’s knowledge of best practice in some of the specific areas of email deliverability, the number rating this as poor increased even further. Although those rating it as ‘Good’ or ‘Very good’ also increased, this could be – rightly or misplaced – trust that the right knowledge is elsewhere in the team.

How would you rate your team’s knowledge about best practices in the following areas?



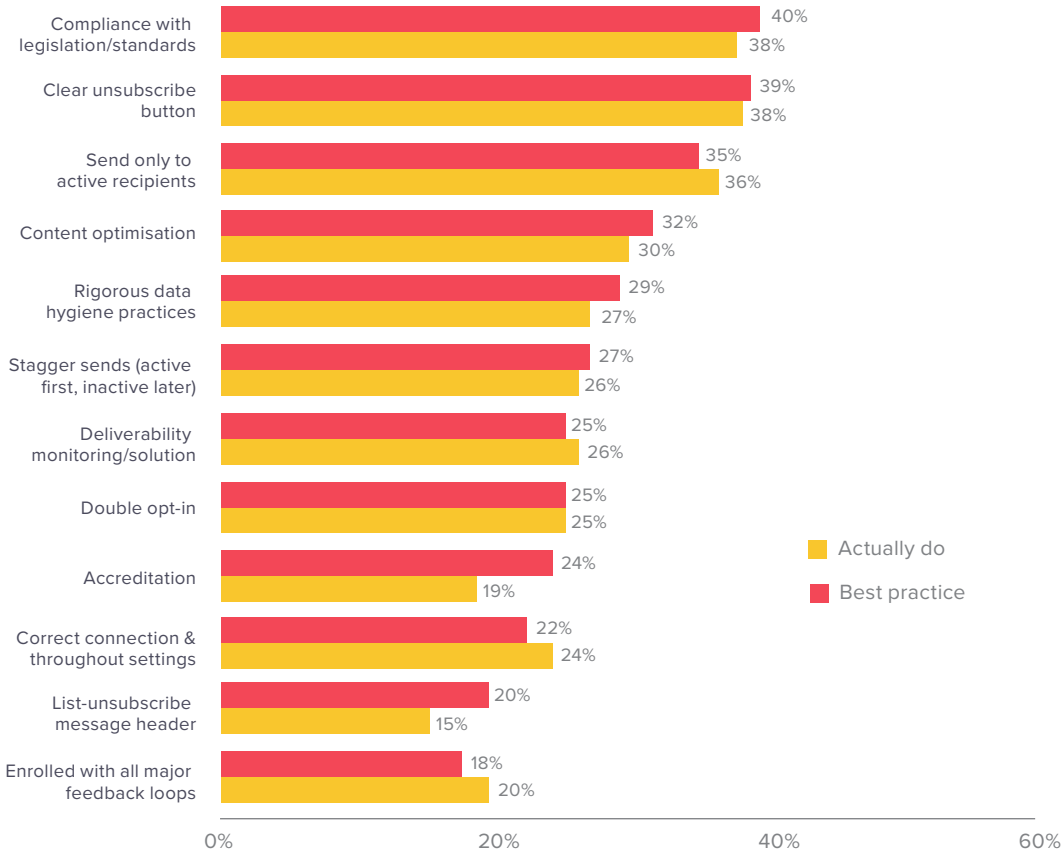
‘Small/micro’ businesses, in particular, do not believe they have the best practice knowledge they need within their teams. Respondents from these organisations were almost twice as likely to report all three factors as ‘Poor’ – 34% for both ‘Email Deliverability’ and ‘Tabs placement’, and 30% for ‘Inbox placement’.

When asked what they considered to be best practices and which of these their organisation does currently, marketers were broadly aligned. Leading the way across both was ‘Compliance with legislation/standards’ highlighting how laws like the General Data Protection Regulation (GDPR) have effectively codified a lot of existing best practice. This has allowed many organisations, and their deliverability performance to benefit as a result too.

Other notable areas of good practice being implemented are areas around clear unsubscribe options, only contacting active recipients and being rigorous about data hygiene. These are all areas that we’ve seen are a clear focus for both email specialists and marketers in general in recent year as part of our ‘Data Privacy: An Industry Perspective’ research series, which has tracked sentiment and compliance with the GDPR since the final text was finalised in 2016.

However, it’s also potentially concerning that just one in five marketers believe ‘List-unsubscribe message header’ is best practice. Less are putting these into place (15%), although this may be down to awareness among those who responded to the survey. This is an important area of good practice that all the major mailbox providers strongly recommend.

Which of the following would you categorise as email deliverability best practices and which does your company currently do?



However, it's also an aspect that may more commonly be implemented by an email service provider, so the in-house teams may simply not be fully aware or have assumed their provider has this covered.

These questions also had some interesting demographic differences in responses. Senior-level marketers are more likely to believe 'Double opt-in' is best practice (35%) and that they're already 'Enrolled in all major feedback loops' (29%).

'Small/micro' businesses are less likely to understand that 'List-unsubscribe message headers' are best practice (5%). Meanwhile, B2B businesses are less likely to currently be 'Rigorous about hygiene practices (15%) and ensure they 'Stagger sends' (13%).

The size of the marketing team also seems to have an impact. On best practice, those with teams under 10 people are more likely to believe 'Compliance with legislation/standard' (57%) is important, whereas teams with more than 20 are less likely to feel this way (25%). This may be due to smaller teams only having the time to achieve compliance, as a minimum requirement, where larger teams are able to create an additional layer of

best practice and the performance benefits this also affords them. When it comes to actual practices, those smaller teams are more likely to have a 'Clear unsubscribe button' (51%), while bigger teams are more likely to be implementing 'Program white-listing' (32%).

/ Data and Technology

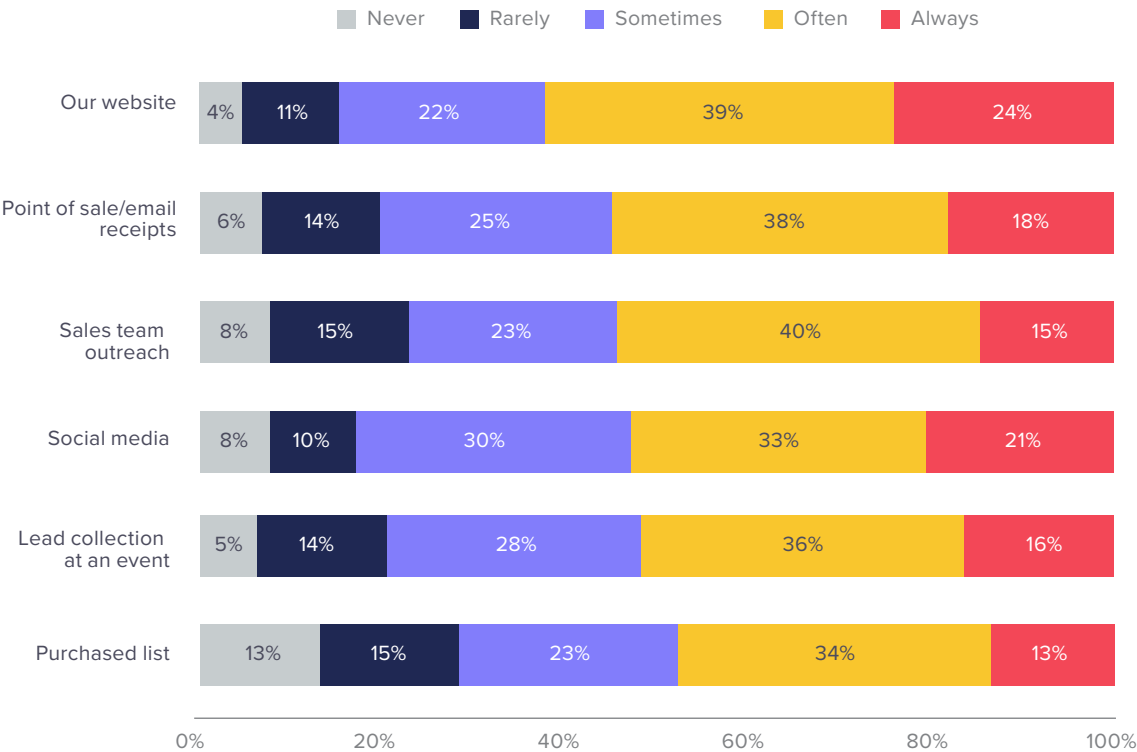
The General Data Protection Regulations (GDPR) came into force in May 2018. Despite being 2 years ago, many are still seeing the impact of the change to the laws.

Encouragingly, over half of marketers (53%) report the impact of the new rules as being positive on their email deliverability specifically. Just 19% reported a negative impact, with the remaining 28% saying these had not made any significant difference.

This positive sentiment toward the rules has been echoed across many other areas of marketing and email, as highlighted across various research conducted by the DMA since GDPR came into force. This is particularly interesting given the new privacy rules are, essentially, a piece of consumer protection legislation. Seeing such positive feedback is encouraging and shows they must have struck the right balance.

The most common sources of email data to build contact lists are organisations' websites, although it's also clear there is a wide variety of options marketers are using. Indeed, almost half of those surveyed use all the options listed below, either always or often, with the least popular being 'Purchased list'.

Which of the following methods does your company use to build email lists and how often?



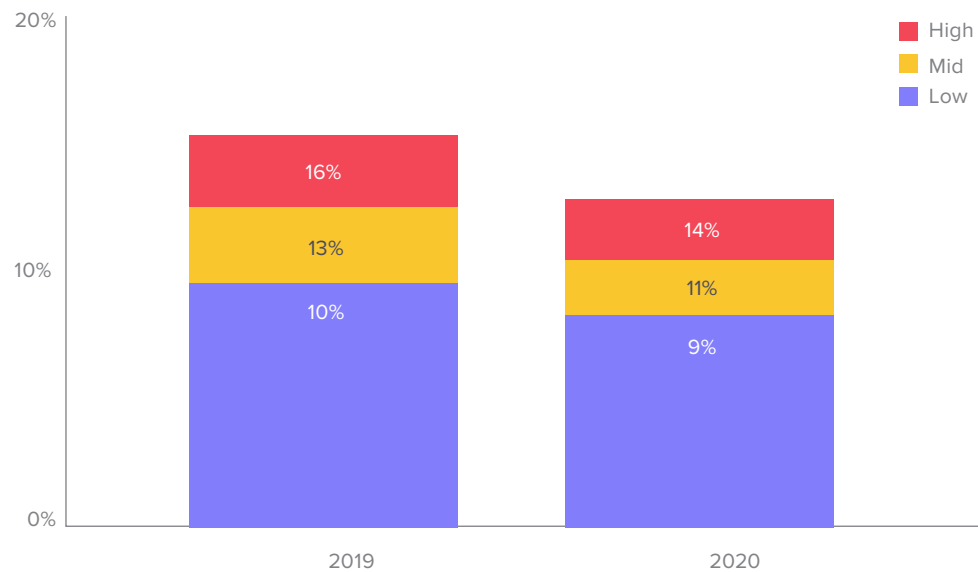
Smaller businesses, as we’ve seen previously, are less likely to use many of these sources too. In fact, significantly more report ‘Never’ building their email lists via ‘Purchased list’ (28%), ‘Sales team outreach’ (23%), ‘Lead collection at an event’ (21%) or ‘Point of sale/email receipts’ (16%). Businesses with smaller teams (less than 10 people) also reported never using ‘Purchased list’ as a source (26%).

To build their email lists, the majority of organisations are using single (33%) or double (37%) opt-in. An increasing number are also utilising ‘Soft opt-in’ – rising from 10% in 2019 to 21% this year. This is, again, clearly linked to GDPR and the initial caution many had in the run-up and immediately after May 2018. However, this has also softened over time, something we’ve seen in the ‘Marketer Email Tracker 2020’ report, as more organisations come to realise that soft opt-in is a legitimate and legal way to gain email marketing permission.

When asked about the inaccuracy of their email data, most marketers (65%) estimated this to be between 1% and 15%. This has also reduced year-on-year, with the estimated average falling from 12.8% to 11.1% – the possible high and low of these ranges also falling. Given that ‘Data quality’

was cited by almost half of marketers (45%) as having a significant impact on their email deliverability, it’s encouraging that this quality appears to be improving.

In your opinion, what percentage of your company’s email lists would you say are either inaccurate or invalid?



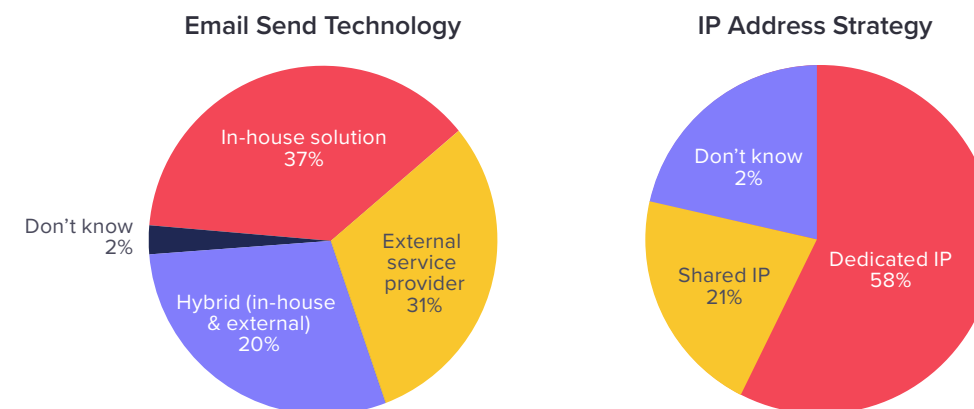
The biggest contributing factors to this inaccuracy are clearly directed at the point of collection. ‘Human error’ (22%) is the most cited reason, whether that’s a mistake by the customer or employee, and ‘Collection/source’ was third (11%) – while having ‘Old data’ split these two (13%). It’s also interesting to note that B2C businesses are more likely to cite ‘Cleaning/hygiene’ as a key issue (15%), although we don’t know whether this is down to it being a bigger issue or simply higher awareness.

There are also several possible concerns for marketers to note here too. For instance, one in ten (10%) of organisations are already seeing ‘Fakes/blacklisting’ as an issue. This is being driven by the rise in bot-driven fake sign-ups, which will also harm both deliverability and response rates if brands are not able to identify and resolve these in their data.

Most concerning may be that a quarter of businesses may not even know where this inaccuracy is coming from – 25% saying they either don’t know or aren’t sure. This not only makes it impossible to understand how to reduce the inaccuracy and its impact but also potentially means these respondents are under-estimating the problem in the first place.

Moving on to the technology organisations use to send their emails, there is a broadly even split between in-house solutions (37%), external service providers (31%) and hybrid systems using elements of both (29%). Most of these programmes and technologies go on to utilise ‘Dedicated IP’ strategies (58%), while a notable one in five (21%) aren’t sure on this point. Although this is driven by smaller businesses, as half of these respondents (50%) report not knowing or being sure.

Which of the following best describes the technology your organisation uses to send emails and which IP address strategy do you use?



One in five marketers also report not being sure which of the authentication protocols they currently use as part of the email programme – with a further 5% believing they use none. This may be connected to awareness and email service providers implementing these as standard practices without the marketing team needing to worry. ‘Small/micro’ businesses were also much more likely to say they used none of these (18%) or didn’t know (36%).

Authentication is a near mandatory requirement from most of the large mailbox providers, so organisations should ensure this is in place – whoever’s responsibility it is to implement them. Of those that are aware, the most common protocols used were DMARC (27%), BIMI (25%) and DKIM (24%), with SPF slightly behind (17%).

When it comes to implementing ‘List-Unsubscribe Header’ within their email programmes, most businesses are using the ‘One-click’ (39%) or ‘URL’ (36%) parameter. Just under one in five is using ‘Mailto’ (17%), although senior-level marketers appear to use this more (25%). Smaller organisations are, again, significantly more likely to report using none of these parameters (30%) – particularly ‘URL’ parameter, which is used by just 14% of these businesses.

Most encouraging is that just one in five believe they’re either using none of these options (12%) or don’t know (10%). Indicating there might be more understanding of the importance and implementation of ‘List-Unsubscribe Header’ options than we saw in previous questions, possibly marketers recognise these parameters within their programmes.

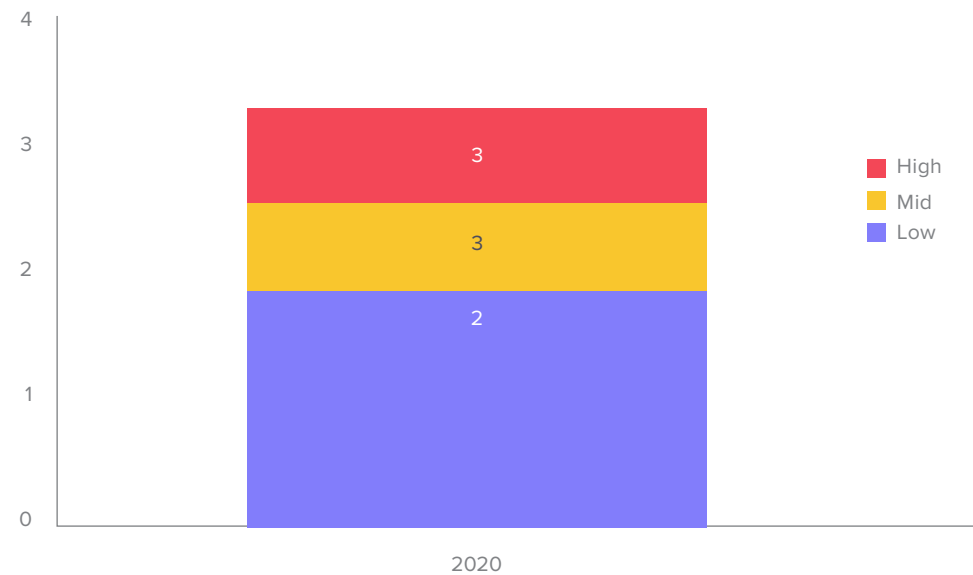
/ Concerns and Blacklisting

Marketers cite a range of different concerns when it comes to their email deliverability programmes. Top of their list is ‘High bounces’ (20%), closely followed by ‘IP address reputation’ (18%), ‘Low reader engagement/spam complaints’ (18%) and ‘Being blacklisted’ (17%). Even beyond these, there’s still 14% that cited ‘Triggering spam filters’ and 13% ‘Domain reputation’ – with just 0.5% saying they have no concerns.

Encouragingly, this year’s Consumer Email Tracker 2020 showed a marked decrease in the number of people opting to mark messages as spam when what they really want to do is unsubscribe. This has gone from 27% in 2017 to 18% in the latest study, which is a likely benefit of GDPR’s ensuring more visible and easier to use unsubscribe options. Ultimately, this is good news for marketers and the deliverability of their email programmes.

This range of concerns highlights the myriad of challenges organisations must tackle to successfully start their email marketing messages on the journey to the inbox. For instance, being blacklisted is something no organisation wants, but 42% have found themselves in this position in the last five years. On average, organisations’ email programmes have been blacklisted 2.5 times in the last five years, although this could be as high as 3.2 or low as 1.7.

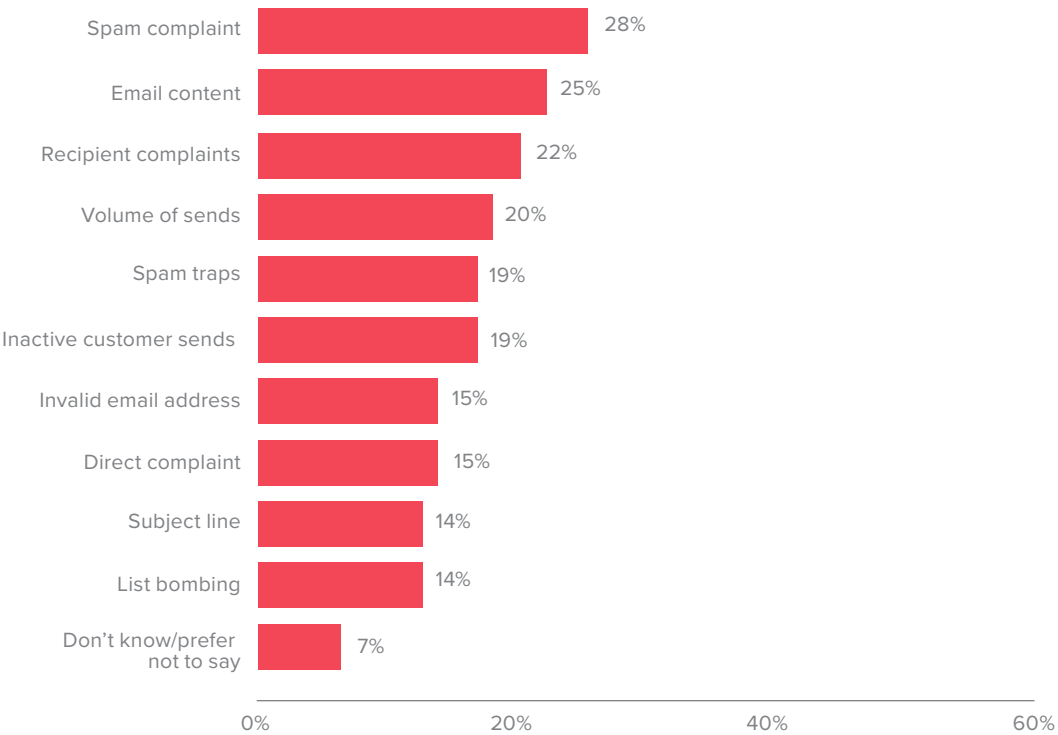
Which of the following methods does your company use to build email lists and how often?



On the positive, that means half (50%) have not been blacklisted in the last half- decade, with the remaining one in ten (9%) either unsure or preferring not to say. In fact, ‘Small/micro’ businesses believe they have not been blacklisted in the last five years significantly more (70%) than others. However, this could be down to the lack of awareness and knowledge seen at the start of this report – as, logically, it’s impossible to monitor something you are unaware of in the first place.

The main reasons cited by those that have been blacklisted in the past are ‘Spam complaint’ (28%), ‘Email content’ (25%) and ‘Recipient complaint’ (22%). Although again, there appears to be a wide range of factors at play that marketers must contend with, as explained in the next chart.

Can you briefly explain why you’ve been blacklisted in the past?



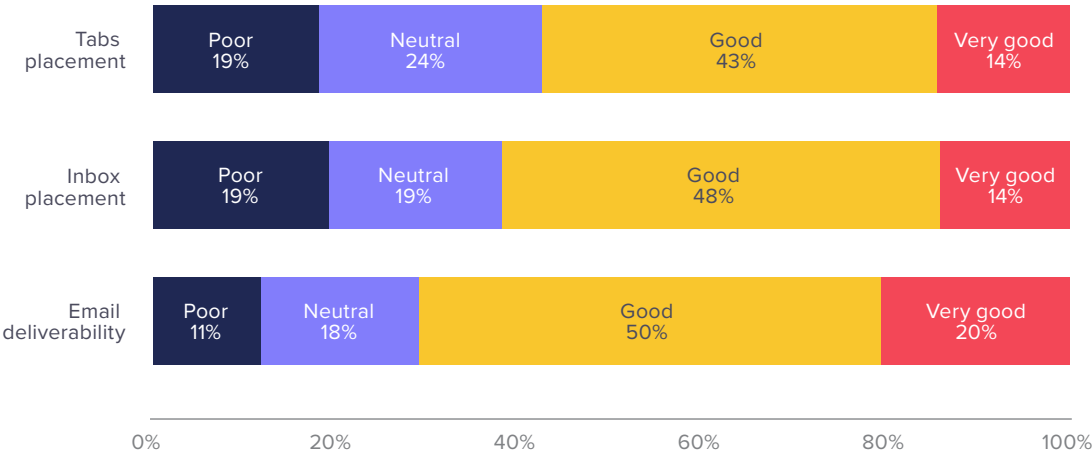
/ Measurement and Impacts

The majority of marketers we surveyed believe their company does monitor email deliverability (77%). However, this still leaves one in five (19%) not tracking this vital part of the email’s journey – with 4% unsure or preferring not to say.

When asked which metrics they primarily use to measure their deliverability, the trio of ‘Emails bounced/not bounced’ (50%), ‘Low engagement’ (44%) and ‘Inbox placement’ (40%) were the most popular. ‘Complaints’ are also tracked by nearly a third of organisations (29%). Smaller businesses are also significantly less likely to track ‘Emails bounced/not bounced’ (21%).

Asked about their ability to measure specific aspects, most appear confident their organisation has the required skills within their team. However, it’s still notable that one in five is not confident in their team’s ability to measure ‘Tabs placement’ or ‘Inbox placement’ (both 19%). This also rises to around a third for ‘Small/micro’ businesses – 36% ‘Poor’ for ‘Tabs placement’ and 30% for ‘Inbox placement’.

How would you rate your organisation’s ability to measure the following?

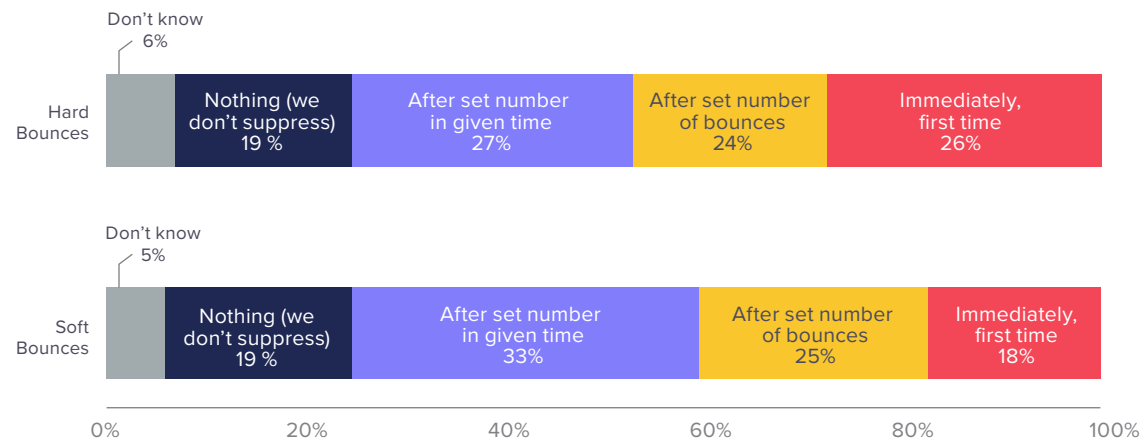


Interestingly, comparing this belief in their ability to measure with the question about knowledge (from the first chapter of this report), there is a clear correlation between the two. Specifically, teams with ‘Good’ or ‘Very good’ knowledge are more likely to be confident in their ability to measure these metrics too.

However, one of the most significant concerns to come from this survey stems from organisations actions when they receive a bounced email – whether this is hard of soft. While most organisations appear to act either immediately or within

a clear timeframe, it's concerning that almost one in five claims to simply do 'Nothing' and that they don't suppress emails based on bounces.

What does your organisation do when it receives a hard or soft bounced email from a recipient on your list?

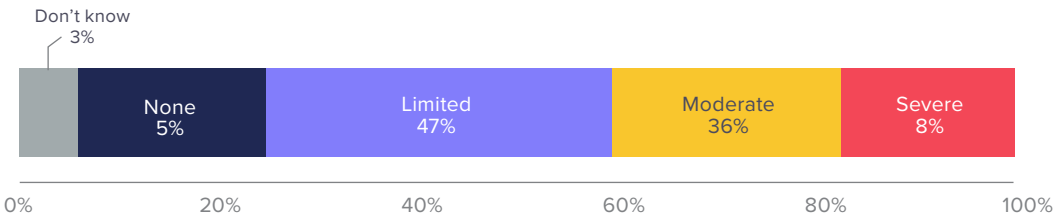


Even more concerning, when we investigated the types of organisation that claim not to be suppressing bounced emails, we found no significant differences. Meaning the issue doesn't only sit within the smaller organisations and teams that, as we've seen throughout this report, have

less ability and resources when it comes to email deliverability. The sender guidelines for every major mailbox provider are very clear: bounces should be suppressed. So, for at least these one in five businesses there's a quick fix to improve what we can only assume is currently a bad deliverability performance: implementing some form of bounce suppression.

Indeed, the financial impact of poor deliverability is almost universally acknowledged by marketers – 91% understand the impact of good or bad deliverability on their email programme. One in ten say this impact is 'Severe' (8%) with a further third reporting it as 'Moderate' (32%). Half of marketers believe the impact financial impact is 'Limited' (47%), leaving less than one in ten to believe it has no impact (5%) or that they don't know (3%).

Which of the following do you believe best describes the financial impact of poor email deliverability on your business?



About the Data & Marketing Association

The Data & Marketing Association (DMA) comprises the DMA, Institute of Data & Marketing (IDM) and DMA Talent.

We seek to guide and inspire industry leaders; to advance careers; and to nurture the next generation of aspiring marketers.

We champion the way things should be done, through a rich fusion of technology, diverse talent, creativity, insight – underpinned by our customer-focused principles.

We set the standards marketers must meet in order to thrive, representing over 1,000 members drawn from the UK's data and marketing landscape.

By working responsibly, sustainably and creatively, together we will drive the data and marketing industry forward to meet the needs of people today and tomorrow.

www.dma.org.uk

/ About Validity

Validity provides industry-leading email solutions Return Path, BriteVerify, and 250ok. For over 20 years, tens of thousands of organizations throughout the world have relied on Validity solutions to target, contact, engage, and keep customers – using trustworthy data as a key advantage.

Validity's flagship products – DemandTools, BriteVerify, Return Path, Trust Assessments, and GridBuddy – are top rated solutions for CRM data management, email address verification, inbox deliverability, avoiding the spam folder, and grid CRM applications. These solutions deliver smarter campaigns, more qualified leads, more productive sales, and ultimately faster growth.

For more information, visit Validity.com and connect with us on LinkedIn, Instagram and Twitter.

Methodology

The 'Email Deliverability 2020: A Journey into the Inbox' report is an initiative undertaken by the DMA in partnership with Validity.

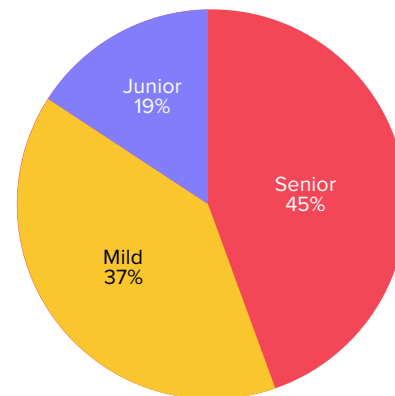
The research was conducted in April 2020 via an online survey of 205 respondents that work in marketing in the UK (details below). The data was collected and collated by Qualtrics, then analysed by the DMA Insight department. The report was written by the DMA Insight department and it was produced in collaboration with Validity.

The report was proofed and designed by the DMA's in-house Brand and Content team.

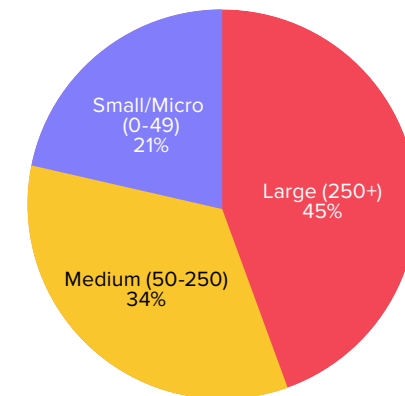
The survey consisted of a maximum of 32 questions. These questions were reviewed by the DMA and Validity to ensure relevance to the current state of the email industry. Unless referenced, all data included in this report is taken from this survey.

If you have any questions about the methodology used in the report, you can contact the DMA's research team via email: research@dma.org.uk

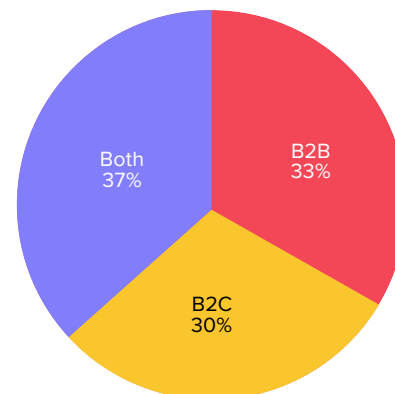
Which of the following comes closest to describing your current job title? (Please select one)



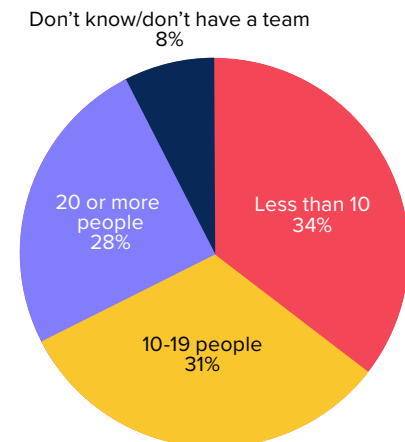
How would you classify your organisation? (Please select one)



Is your business primarily B2B, B2C or both? (Please select one)



How many people are currently employed within your email marketing team? (Please select one)



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