



THE STATE OF

Email Marketing

2021 BENCHMARK REPORT



Email marketing remains a crucial channel for many organizations due to its accessibility, ease of use, and effectiveness in reaching target audiences.

Since 2018, Validity and Demand Metric have researched email marketing to examine which tactics marketers are using, how well they are working, and what challenges prevent greater success with email.

Although the use of email continues to evolve, this study's purpose remains the same: **to help companies understand what separates high-performing email marketers from the rest of the pack.**

The following report summarizes the latest survey results and shares insights from more than 450 study participants.

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Key Findings



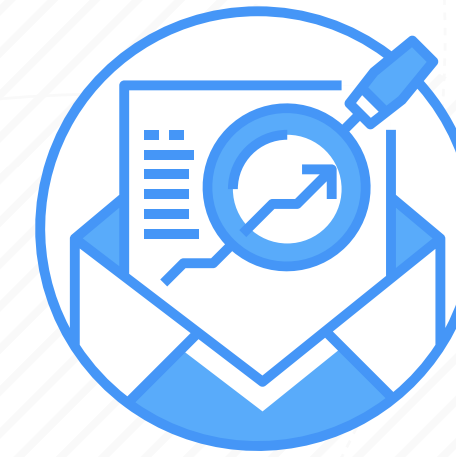
Email remains a highly effective channel.

More than three-quarters of marketers report the effectiveness of their email marketing efforts is improving or holding steady.



The objectives of email marketing are shifting.

The overall percentage of marketers who report “building brand awareness” as a key objective increased, while the percentage of B2C marketers who report “revenue generation” as a key objective fell by 35%.



Email marketers are losing sight of the basics.

The adoption of fundamental email marketing tactics such as list hygiene, deliverability optimization, and A/B testing has plummeted since the last study.

Key Findings



Marketers are exposing their companies to serious risk.

Less than one-quarter of marketers report having a DMARC policy in place, leaving the door open to domain spoofing and impaired deliverability.



Marketers are failing to reach the inbox.

Less than one-fifth of this study's participants report an inbox placement rate of 90% or more.



Marketers are struggling to achieve high open rates.

The percentage of marketers who report open rates of 5% or less has increased by 75% since the last study.

The Email Marketing Landscape

The Email Marketing Landscape

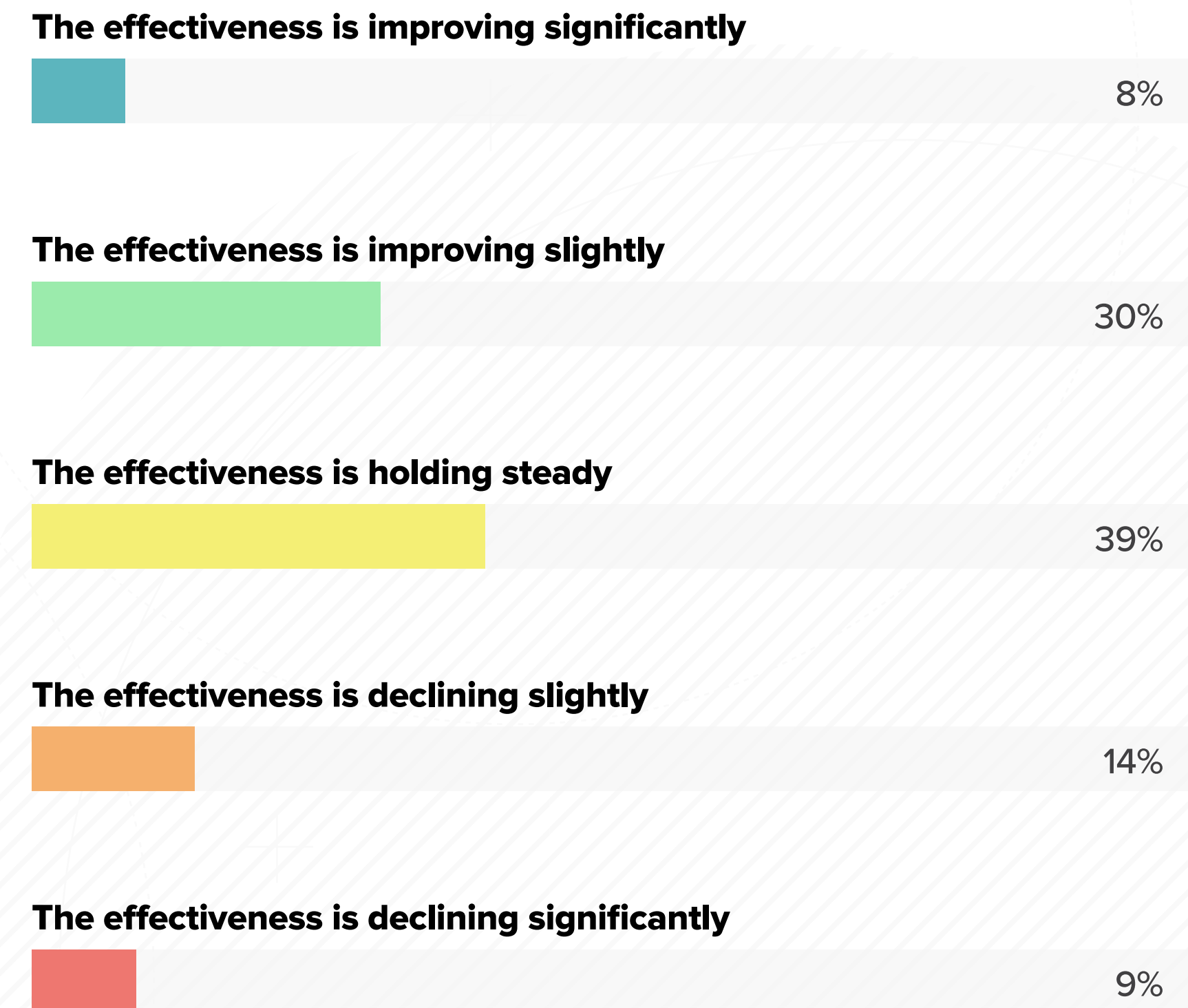
FIGURE 1

The Effectiveness of Email Marketing

Email remains a top-performing channel for marketers, but only 8% of study participants report their email effectiveness has improved significantly over the past year.

While email is a powerhouse channel for marketers, many dynamic factors influence email marketing success. This year, less than one-quarter of marketers report email's overall effectiveness is declining, as shown in **Figure 1**.

Which of the following statements best describes the effectiveness of your email marketing efforts?



The Email Marketing Landscape

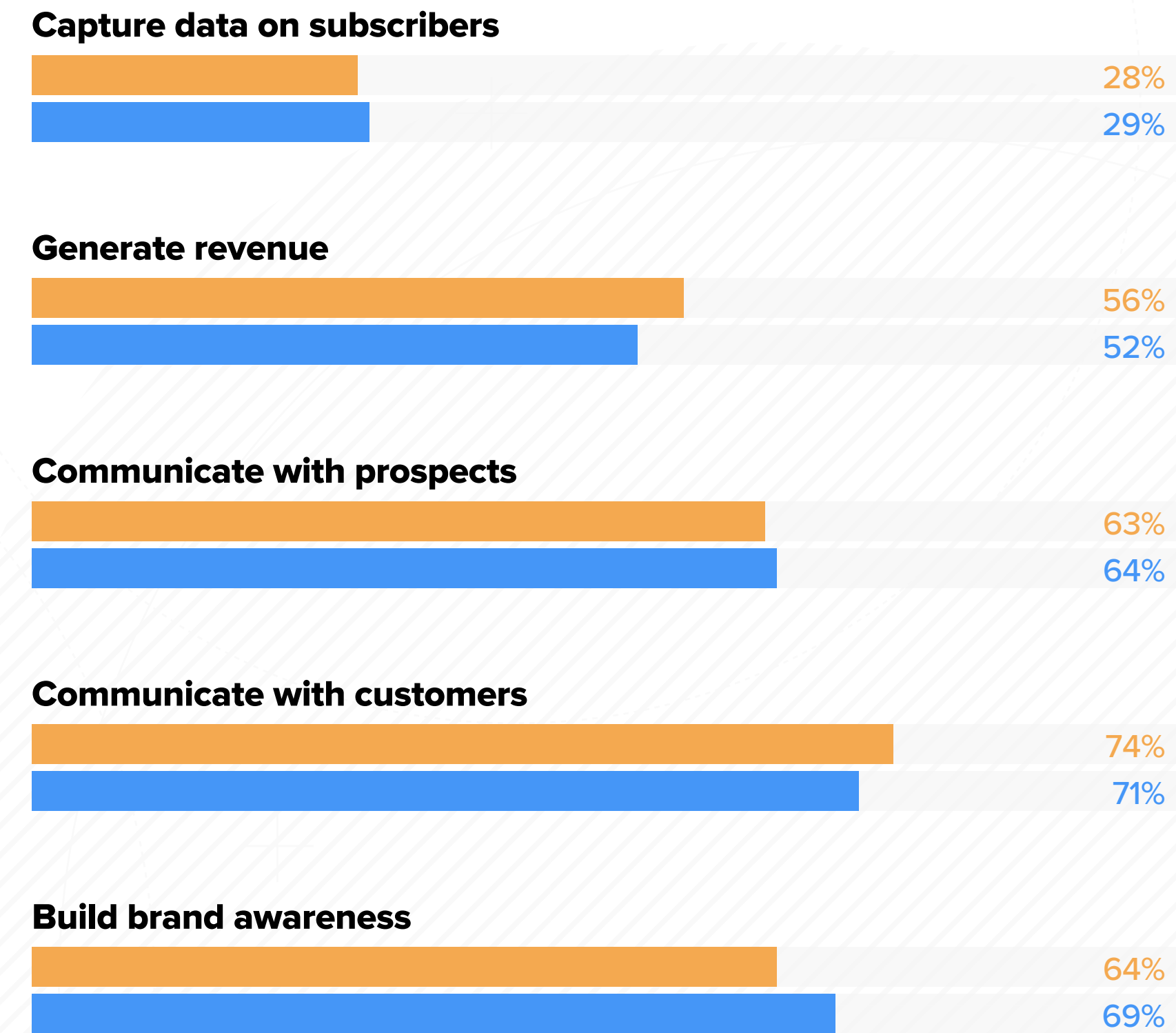
FIGURE 2

The Top Email Marketing Objectives

Marketers are more likely to report that building brand awareness is a key email marketing objective than in 2019.

Email marketing requires constant vigilance, maintenance, and clear objectives to deliver results. Communicating with customers, prospects, and building brand awareness are the top three email marketing objectives, as **Figure 2** shows.

What are your email marketing objectives? **2019** **2020**



The Email Marketing Landscape

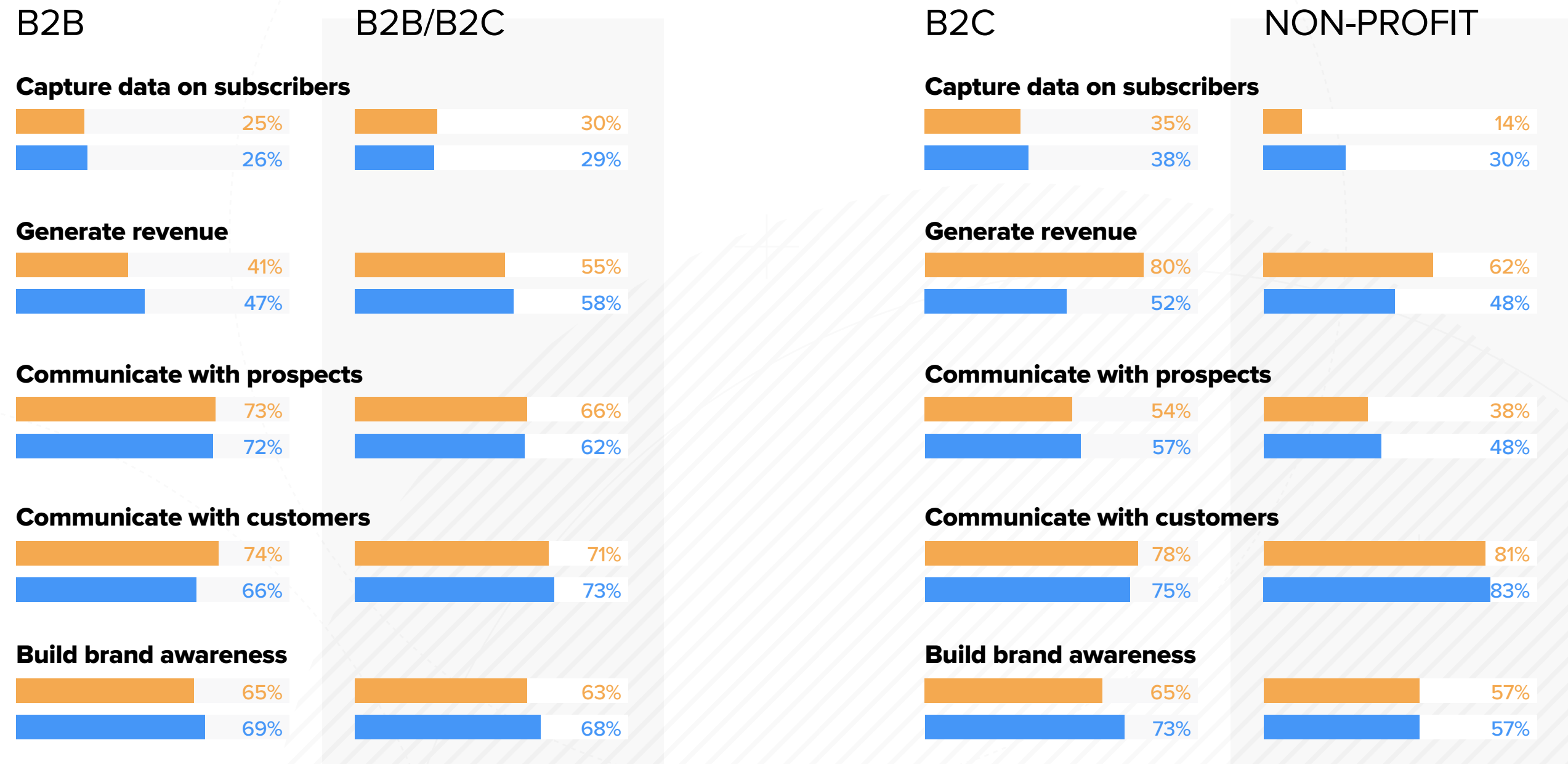
FIGURE 3

Email Marketing Objectives by Company Type

Email marketing objectives vary depending on the type of company. Segmenting the email objective data from Figure 2 allows some differences to emerge based on company type, as shown in Figure 3.

Exploring the relationship between email marketing objectives and company type.

2019 2020



For both B2B and B2B/B2C companies, the percentage of marketers who report brand awareness and revenue generation as key email marketing objectives has increased since 2019.

For B2C companies and nonprofits, the percentage of marketers who report revenue generation as a key email marketing objective fell dramatically since 2019.

The Email Marketing Landscape

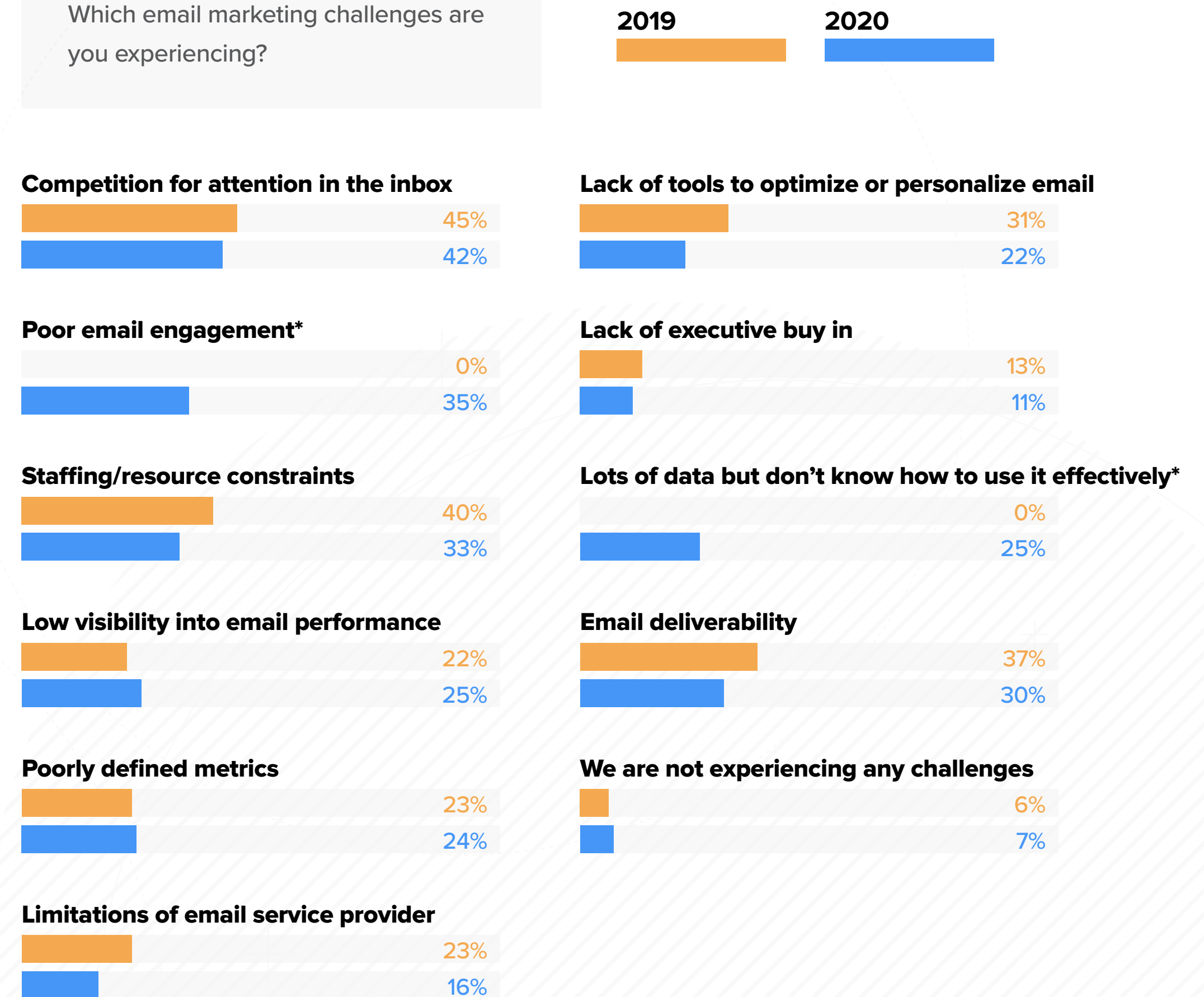
FIGURE 4

The Top Email Marketing Challenges

Marketers have shown progress in overcoming some of the obstacles associated with email marketing. However, they continue to face many challenges.

One of the study's main objectives each year is to inventory the challenges marketers face when using email. This year, competition for attention in the inbox, poor email engagement, and staffing/resource constraints are the top three challenges, as **Figure 4** shows.

Which email marketing challenges are you experiencing?



*The following responses choices were added to the 2020 survey: **Poor email engagement**, **Lots of data but don't know how to use it effectively**

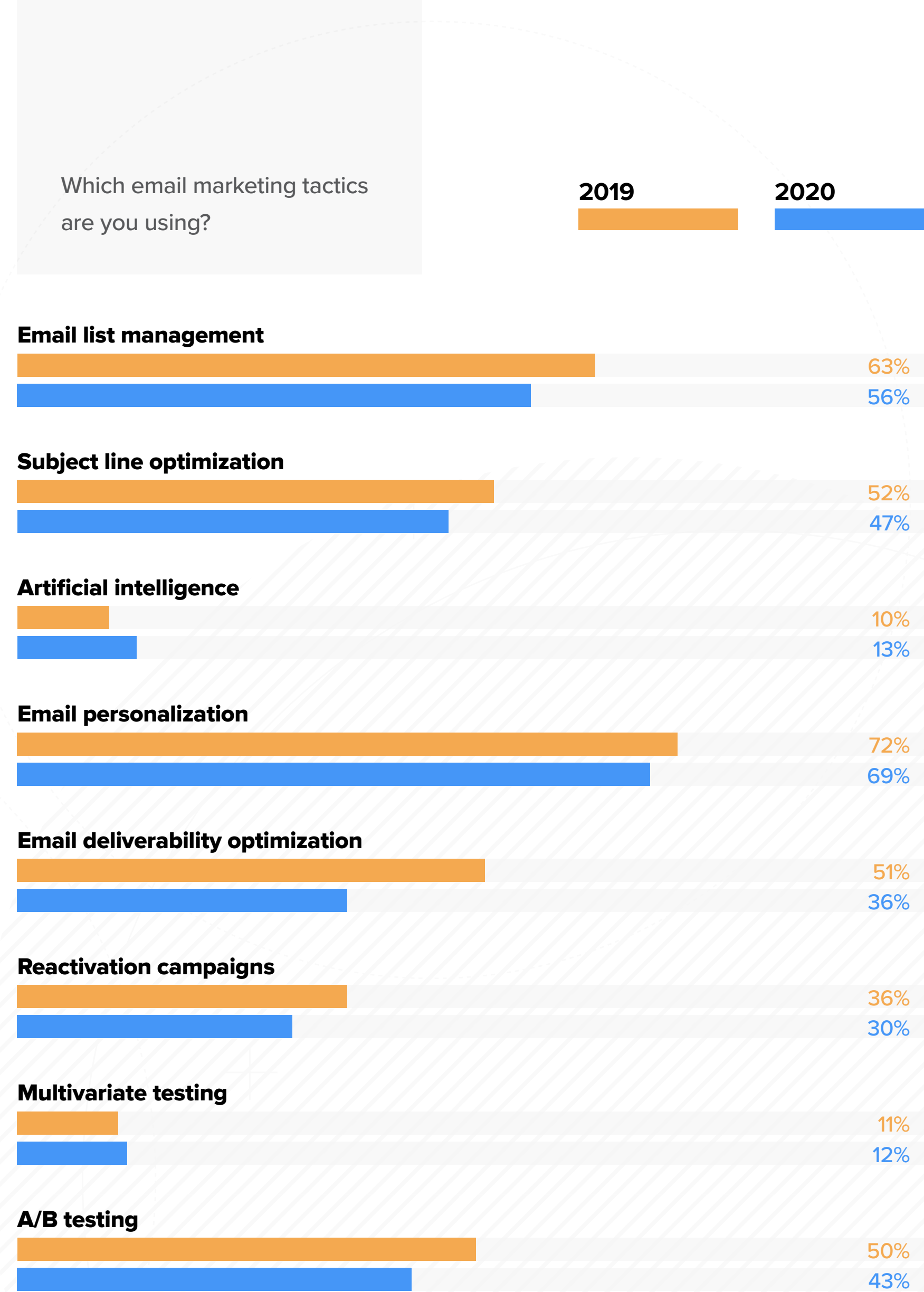
The Email Marketing Landscape

FIGURE 5

Email Marketing Tactics in Use

Over the past year, most marketers have become less sophisticated in their approach to email marketing.

This study continues to measure the use of known email tactics in the pursuit of helping marketers improve the effectiveness of their efforts. Marketers were less likely to report using basic email marketing tactics like deliverability optimization and list management, compared to data from 2019, as **Figure 5** shows.



The Email Marketing Landscape

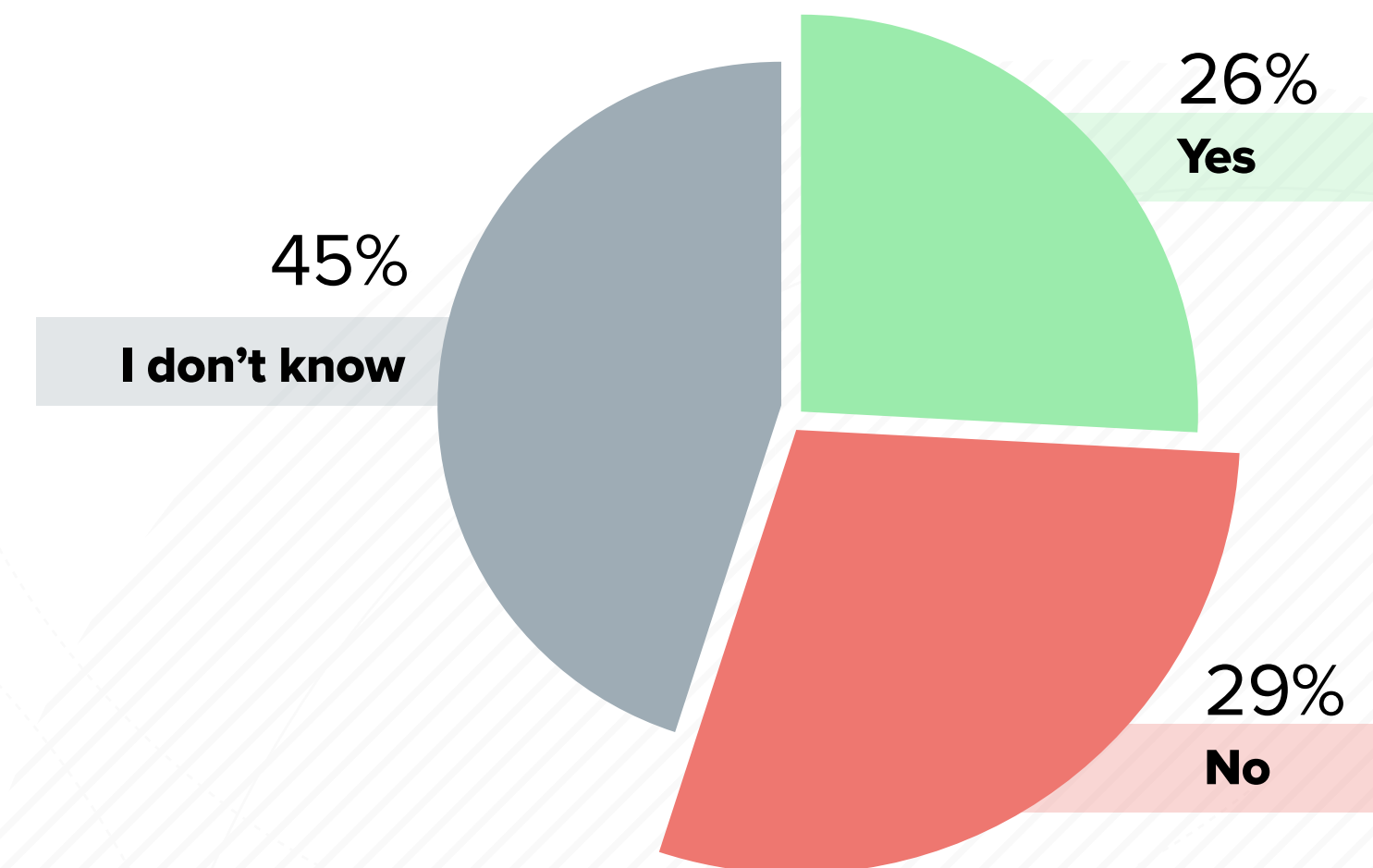
FIGURE 6

The Adoption of DMARC

Marketers that are unaware of DMARC, or chose not to implement a DMARC policy, are putting their company's security at risk.

For the first time, study participants were asked about their use of DMARC, a policy that makes it easier for Internet Service Providers (ISPs) to prevent malicious email practices. Surprisingly, only 26% of marketers report they have a DMARC policy in place, as shown in **Figure 6**.

Do you have a DMARC policy?



The Email Marketing Landscape

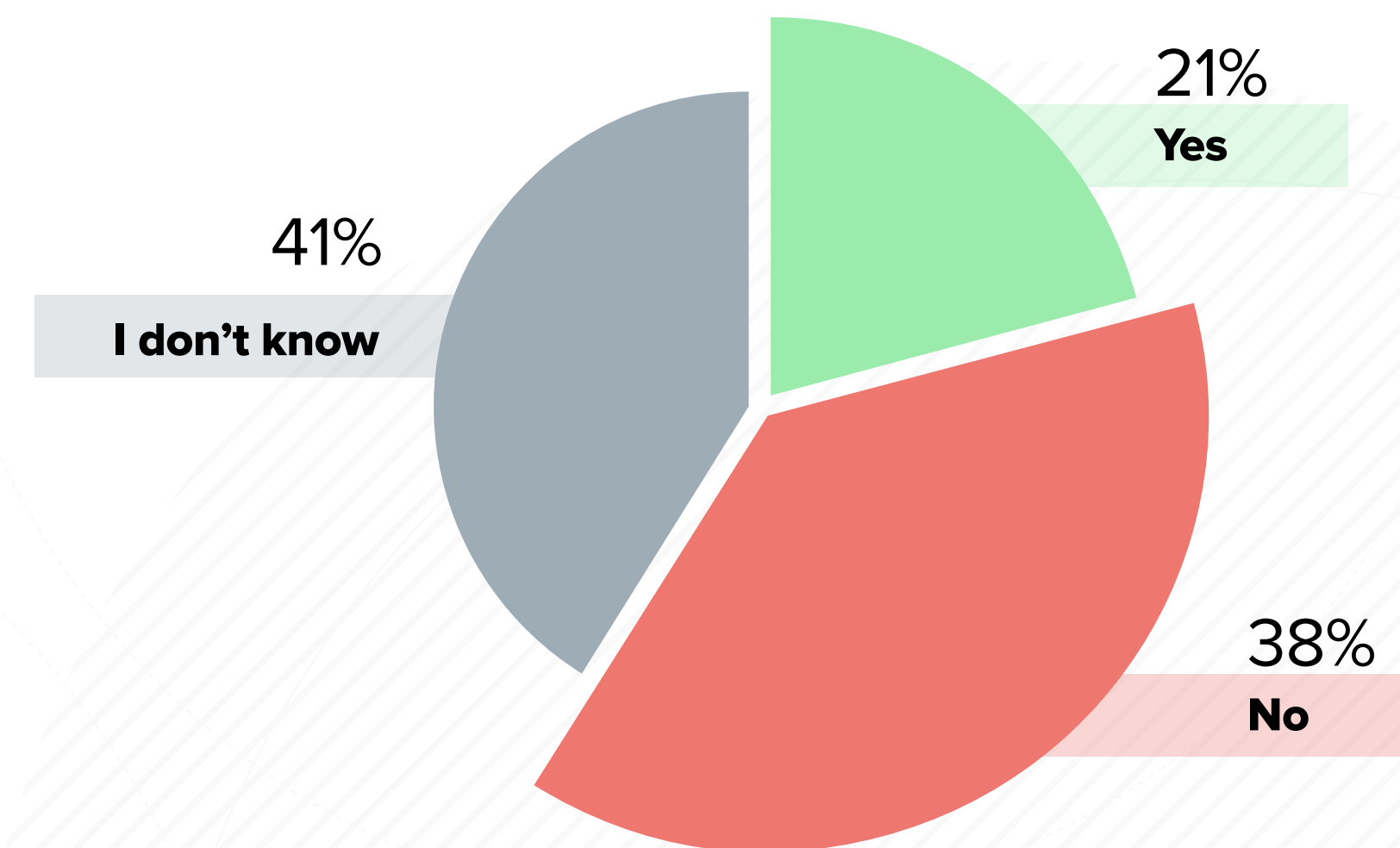
FIGURE 7

The Use of Brand Indicators for Message Identification (BIMI)

We expect to see higher adoption rates of BIMI over the next few years as companies work to overcome security and deliverability issues.

BIMI was designed to help provide greater visibility, prevent fraudulent emails, and aid in email deliverability. Unfortunately, just over one-fifth of marketers report using BIMI, as **Figure 7** shows.

Are you using Brand Indicators for Message Identification (BIMI)?



Inbox Placement Rates

Inbox Placement Rates

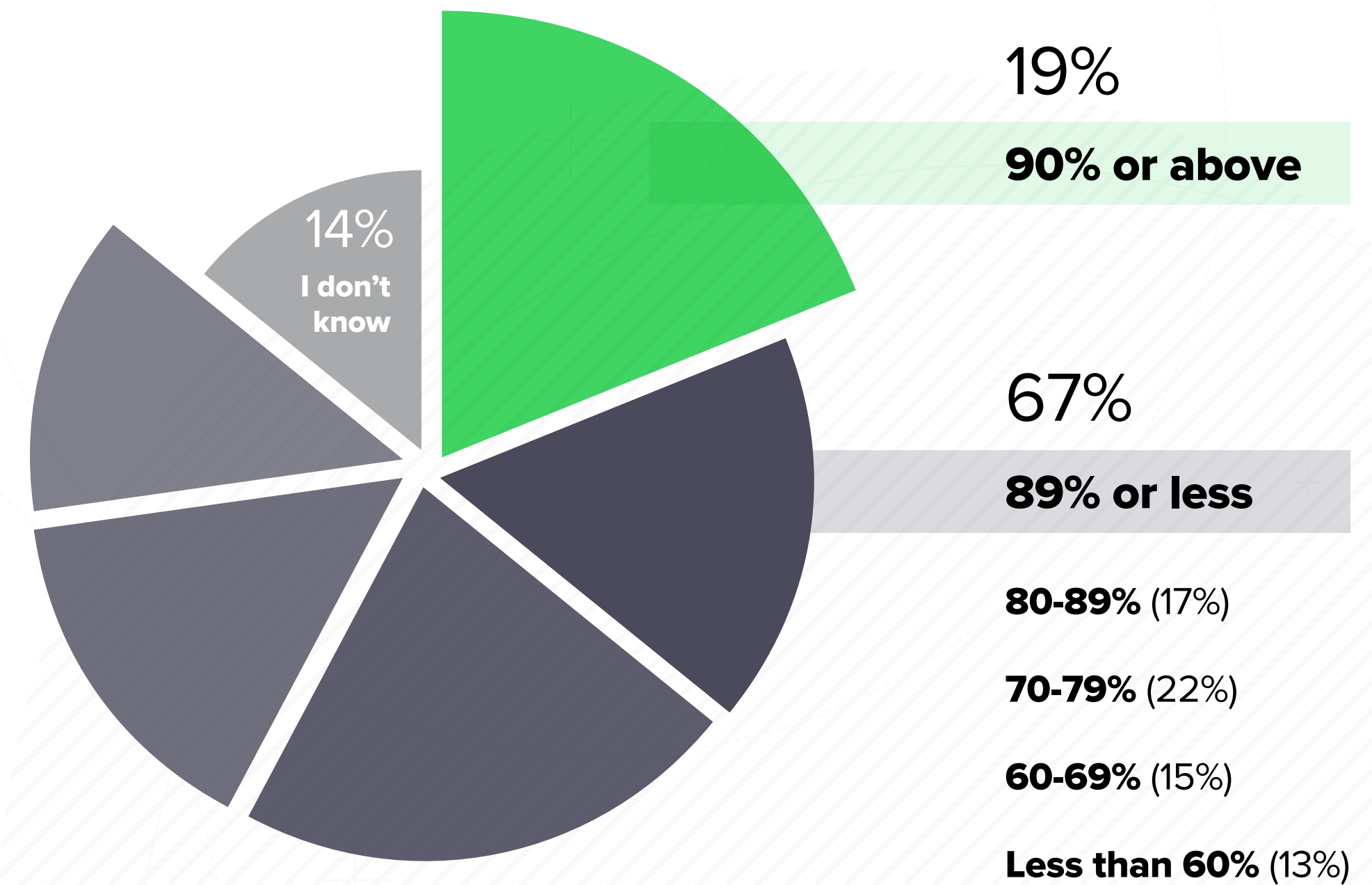
FIGURE 8

Inbox Placement Rates

Far too many marketers are failing to reach the inbox.

It's safe to assume that when more emails reach the inbox, the probability of achieving your objectives increases as well. Inbox placement rate provides an accurate and reliable way to measure deliverability because it measures how many emails are delivered to the inbox. Unfortunately, less than one-fifth of this study's participants report their inbox placement rate is 90% or more, as **Figure 8** shows.

What is your average inbox placement rate?



The remainder of this section will examine the differences between those who report inbox placements rates of 90% or more and those who report rates of 89% or less.

Inbox Placement Rates

FIGURE 9

Email Marketing Tactics and Inbox Placement Rates

Marketers who have inbox placements rates of 90% or more tend to be more sophisticated in their use of other email tactics as well.

There is a strong relationship between marketers who report inbox placement rates of 90% or more and the adoption of email marketing tactics, as shown in **Figure 9**.

Examining the relationship between email marketing tactics and inbox placement rates.

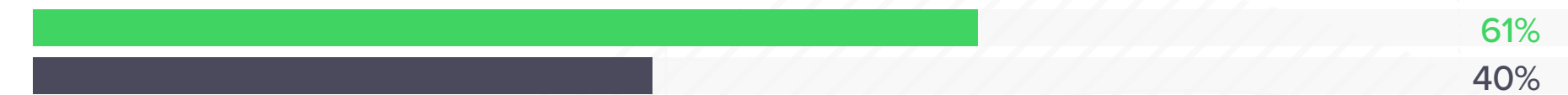
Greater than 90%

Less than 90%

Email list management



Subject line optimization



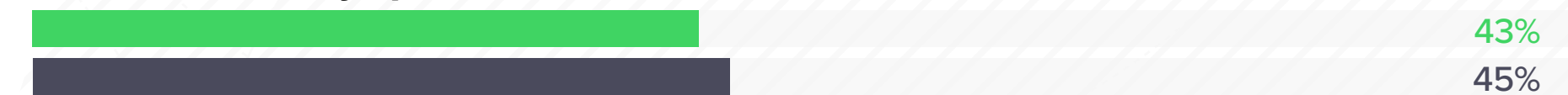
Artificial intelligence



Email personalization



Email deliverability optimization



Reactivation campaigns



Multivariate testing



A/B testing



Inbox Placement Rates

FIGURE 10

List Management and Inbox Placement Rates

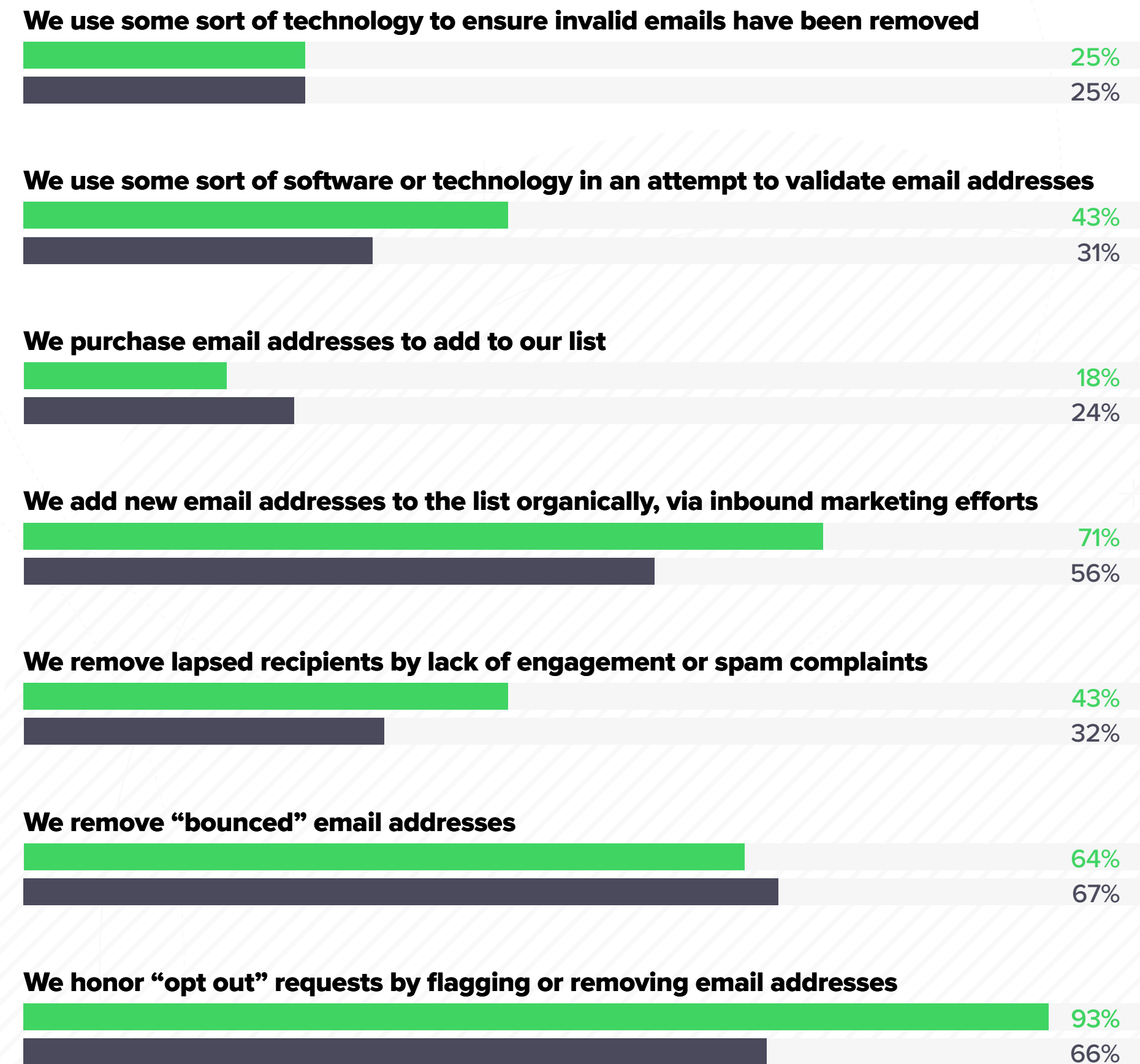
Marketers who report inbox placement rates of 90% or above are much more likely to follow list management best-practices, such as validating email addresses, building lists organically, and honoring “opt-outs.”

A top tactic in both years of this study was email list management. **Figure 10** shows some of the actions marketers take to manage their email lists and their relationship with inbox placement rates.

Examining the relationship between email list maintenance actions and inbox placement rates.

Greater than 90%

Less than 90%



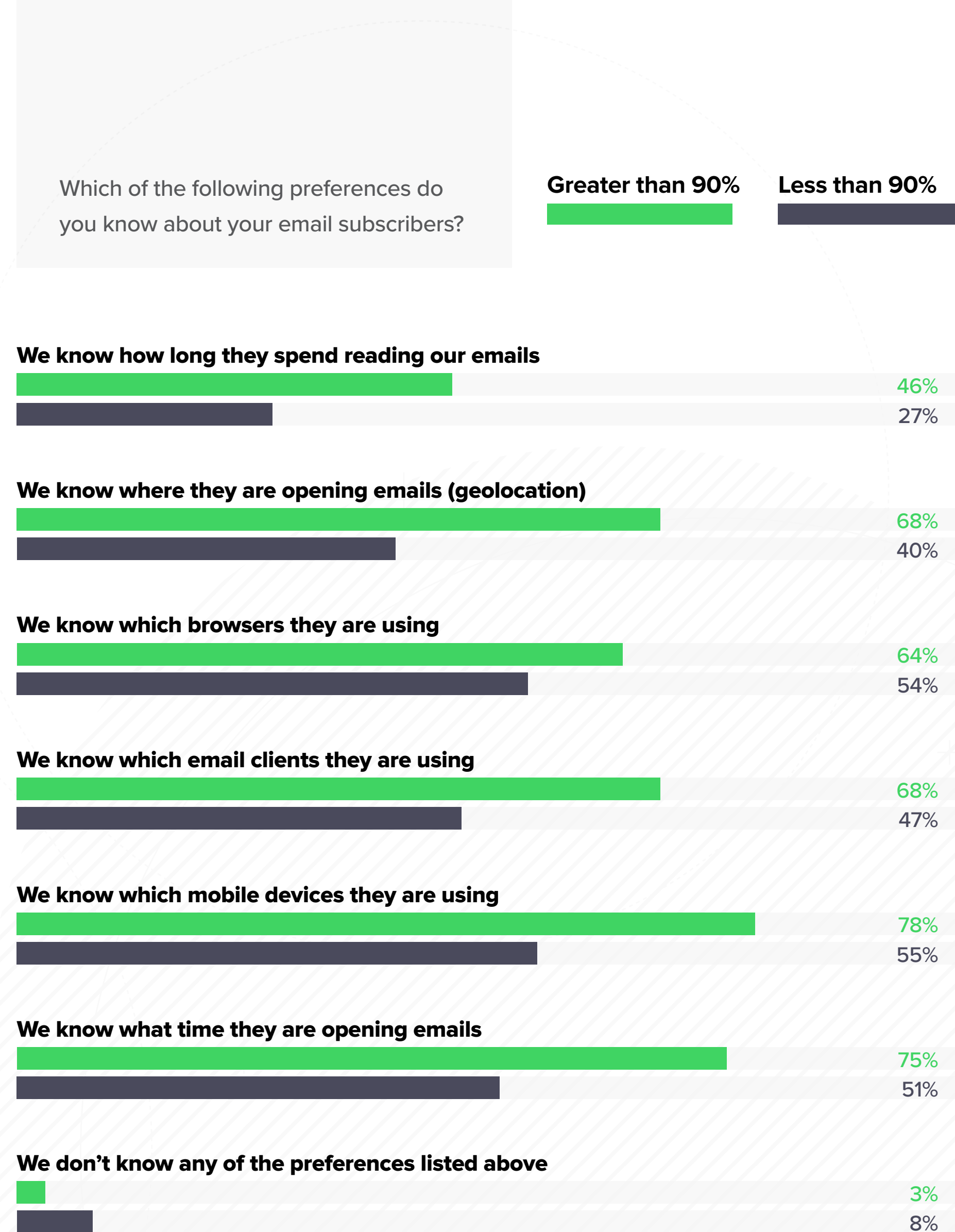
Inbox Placement Rates

FIGURE 11

Subscriber Preferences and Inbox Placement Rates

Once again, marketers who have inbox placements rates 90% or above tend to be more sophisticated and have a much better understanding of where their subscribers are located, how long they are reading emails, which browsers, clients, and devices they use, and what time they open their emails.

Email marketers can understand a great deal about their subscribers if they choose to exploit the data at their disposal. Marketers who report high inbox placement rates know more about all aspects of their email subscribers, as **Figure 11** shows.



Email Marketing Open Rates

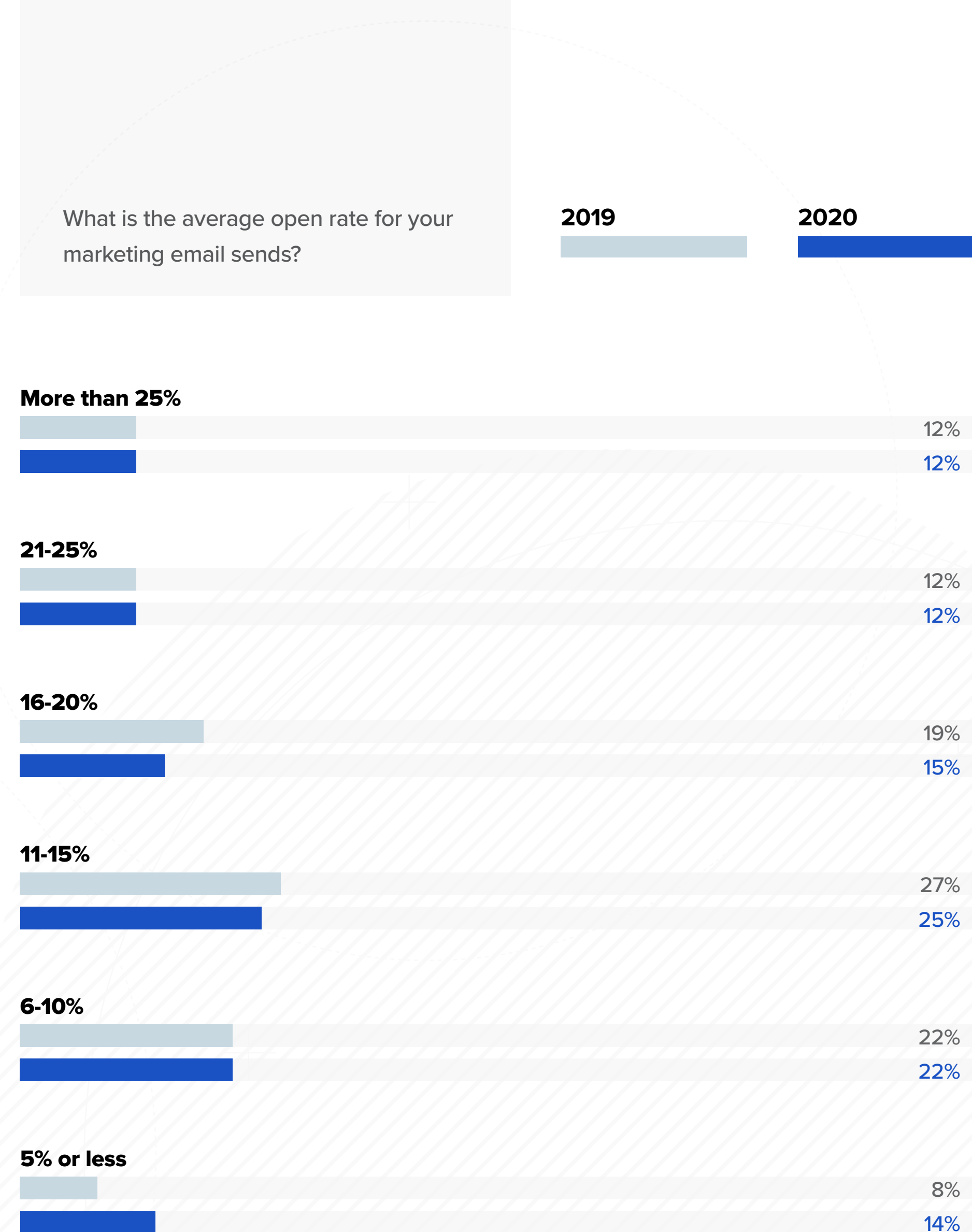
Email Marketing Open Rates

FIGURE 12

Average Open Rates for Marketing Emails

The percentage of marketers who report email open rates of 5% or less increased by 75% since the last study.

While some debate may exist about the quality of open rate as a metric, the reality is no other actions can occur that matter to email marketers unless emails are opened. **Figure 12** compares open rates from the 2019 study with data from 2020.



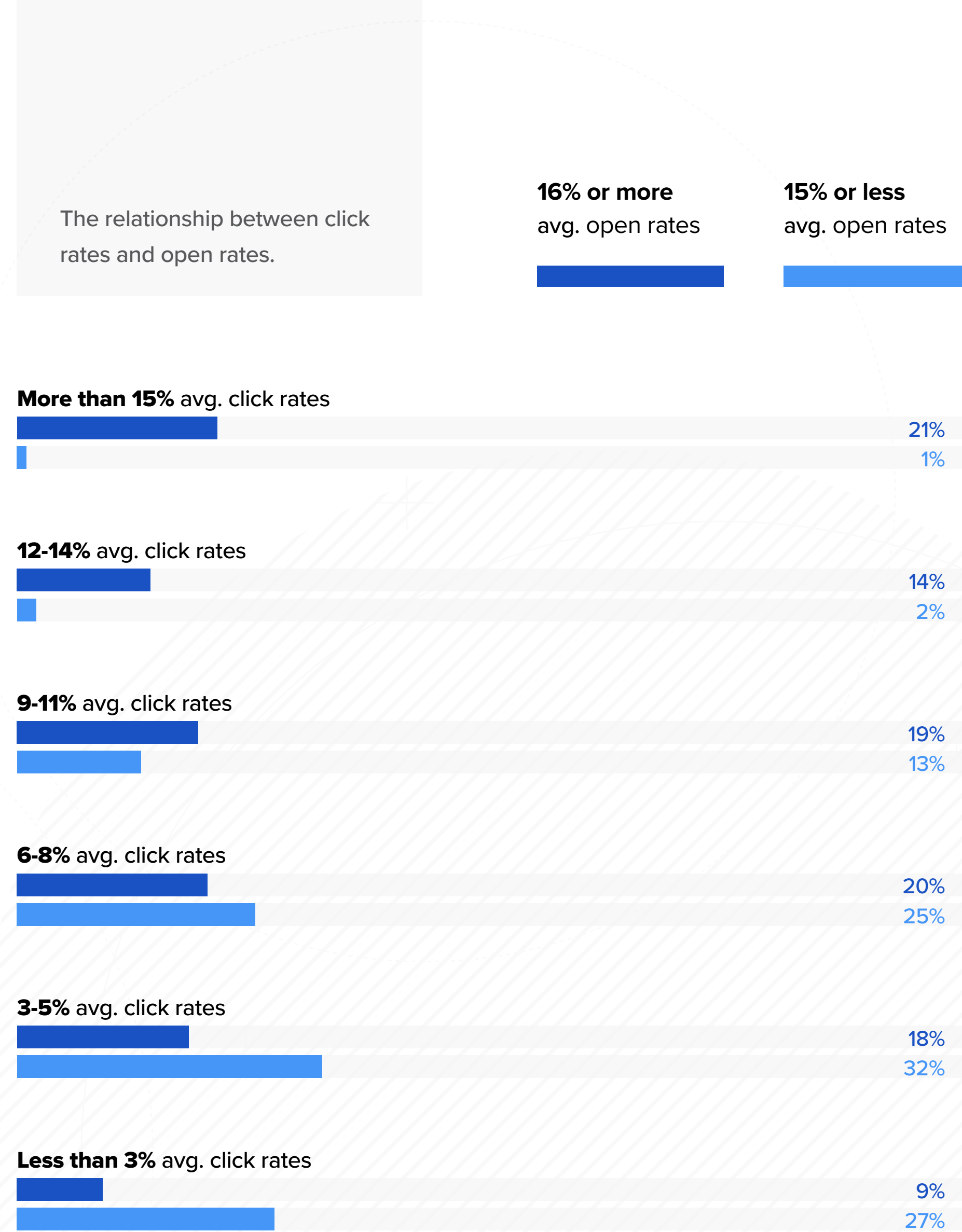
Email Marketing Open Rates

FIGURE 13

The Relationship Between Open Rates and Click Rates

Marketers who report open rates of 16% or higher are also more likely to report higher click rates.

Open rates are an important metric because the actions marketers hope for from an email send require that recipients open messages. However, the act of opening an email isn't the end game: a conversion is, and that conversion is quite often a click. A strong correlation exists between open and click rates, and **Figure 13** shows this relationship.



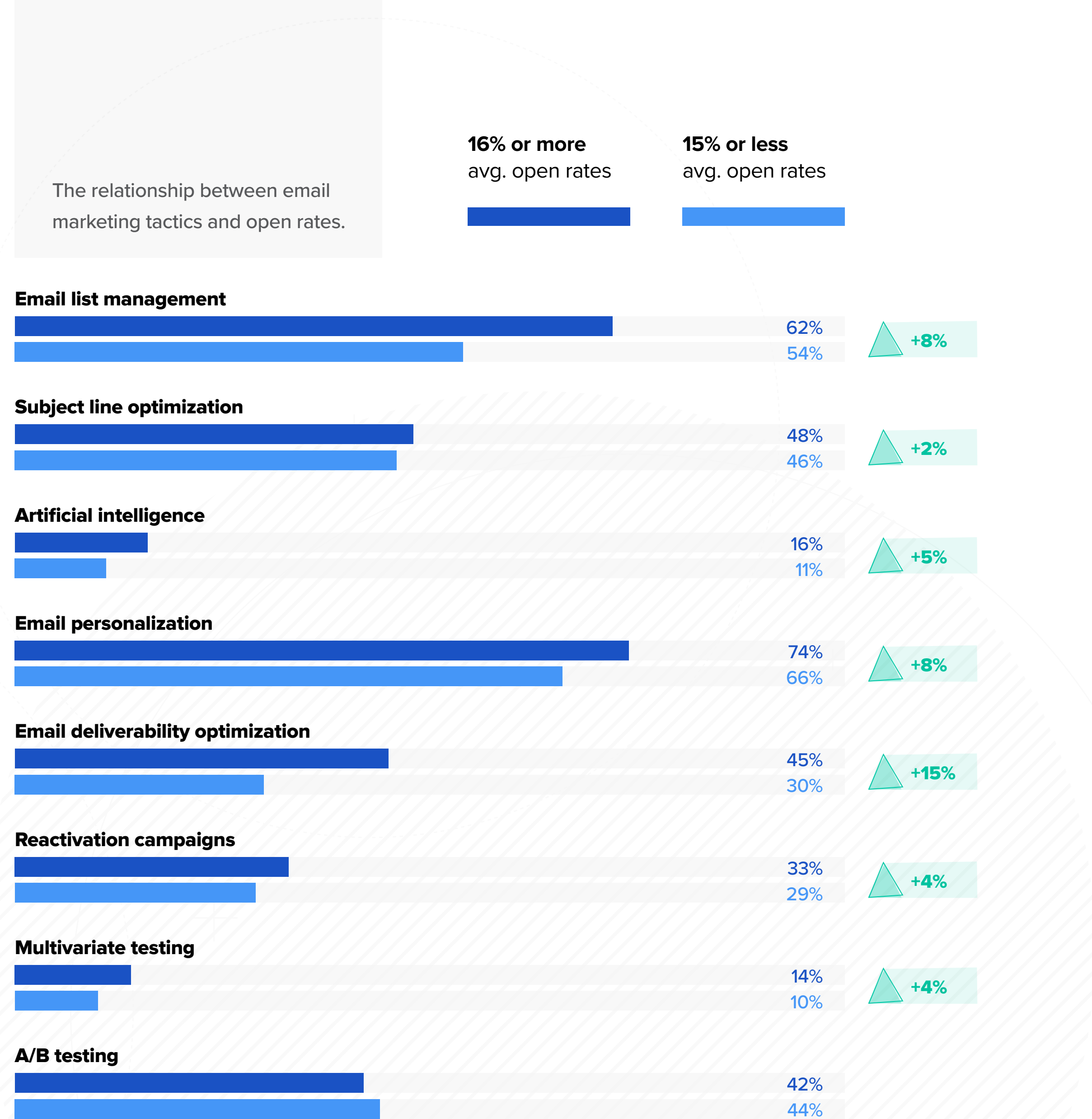
Email Marketing Open Rates

FIGURE 14

Email Marketing Tactics and Open Rates

Much like inbox placement rate, marketers who report high open rates tend to be more sophisticated in their use of other email tactics.

It seems obvious those who enjoy higher average open rates are getting them because they use tactics that boost those rates. Much like inbox placement rate, there is a strong relationship between those who report open rates greater than 16% and the use of email marketing tactics, as shown in **Figure 14**.



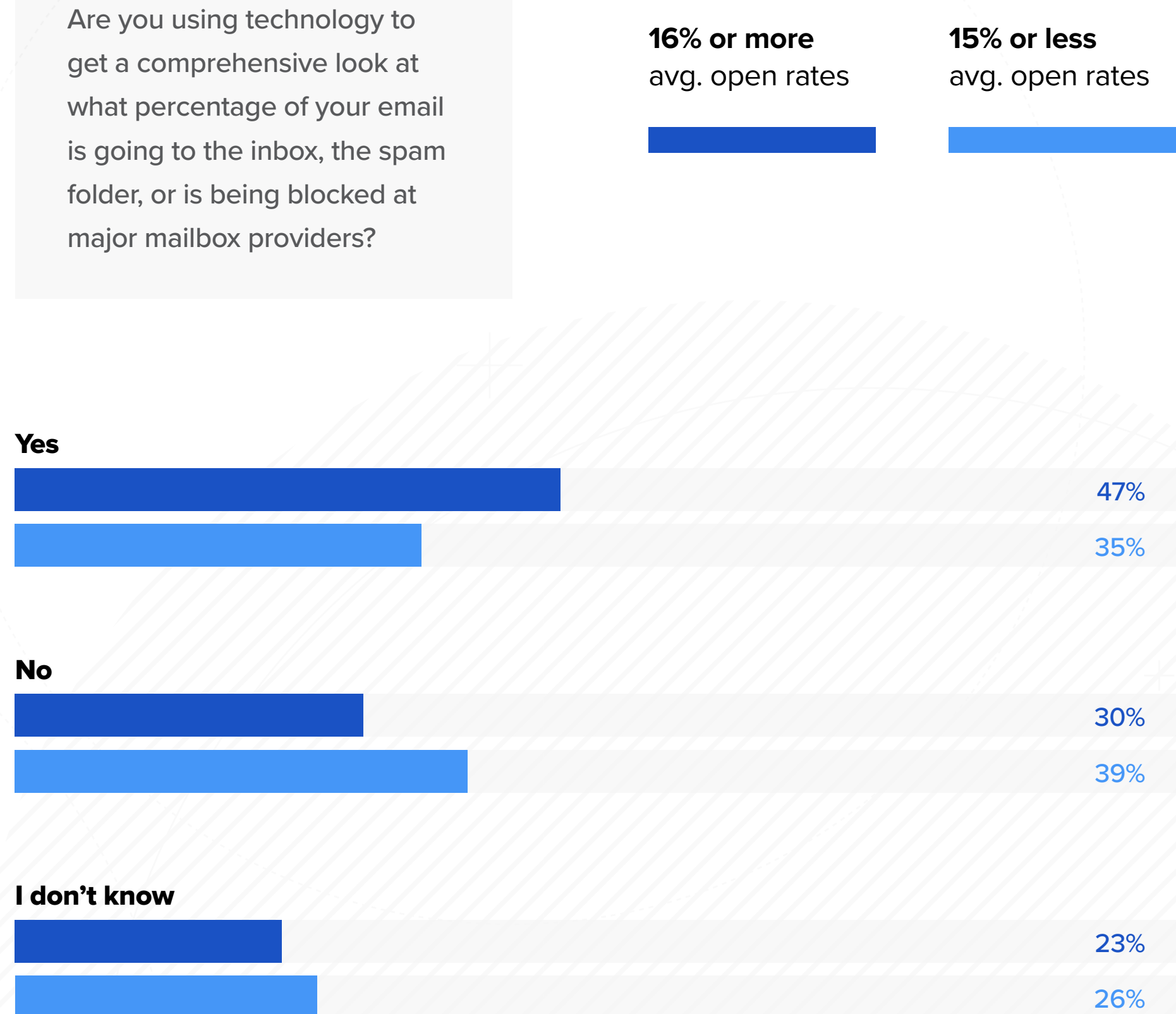
Email Marketing Open Rates

FIGURE 15

The Use of Technology and Open Rates

Marketers should prioritize reaching the inbox. By becoming more successful at reaching the inbox, marketers can increase the chances of their emails being opened.

Technology is a vital component of any email marketing strategy. Marketers who report the use of technology to understand inbox placement are more likely to report higher open rates, as **Figure 15** shows.



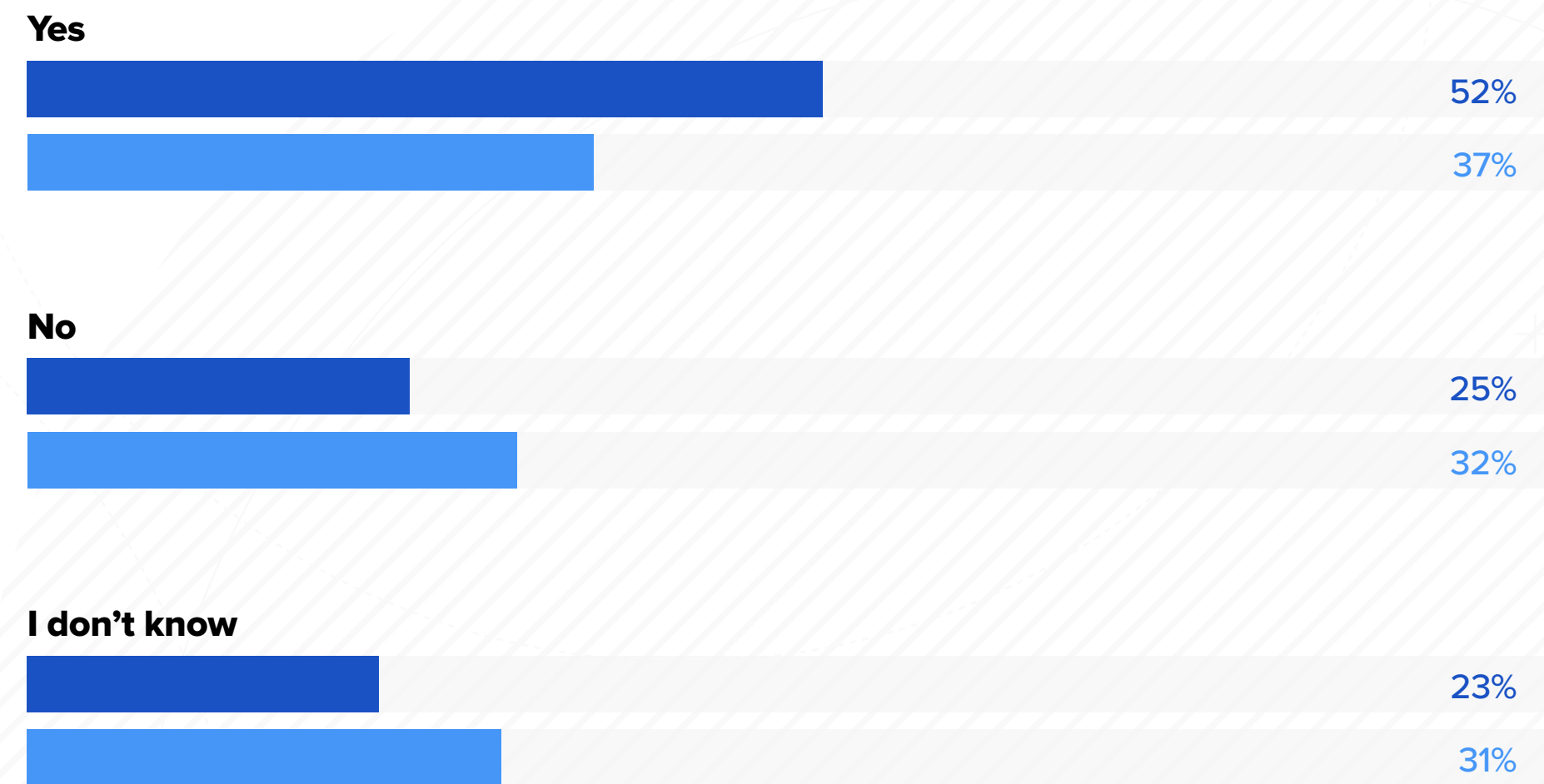
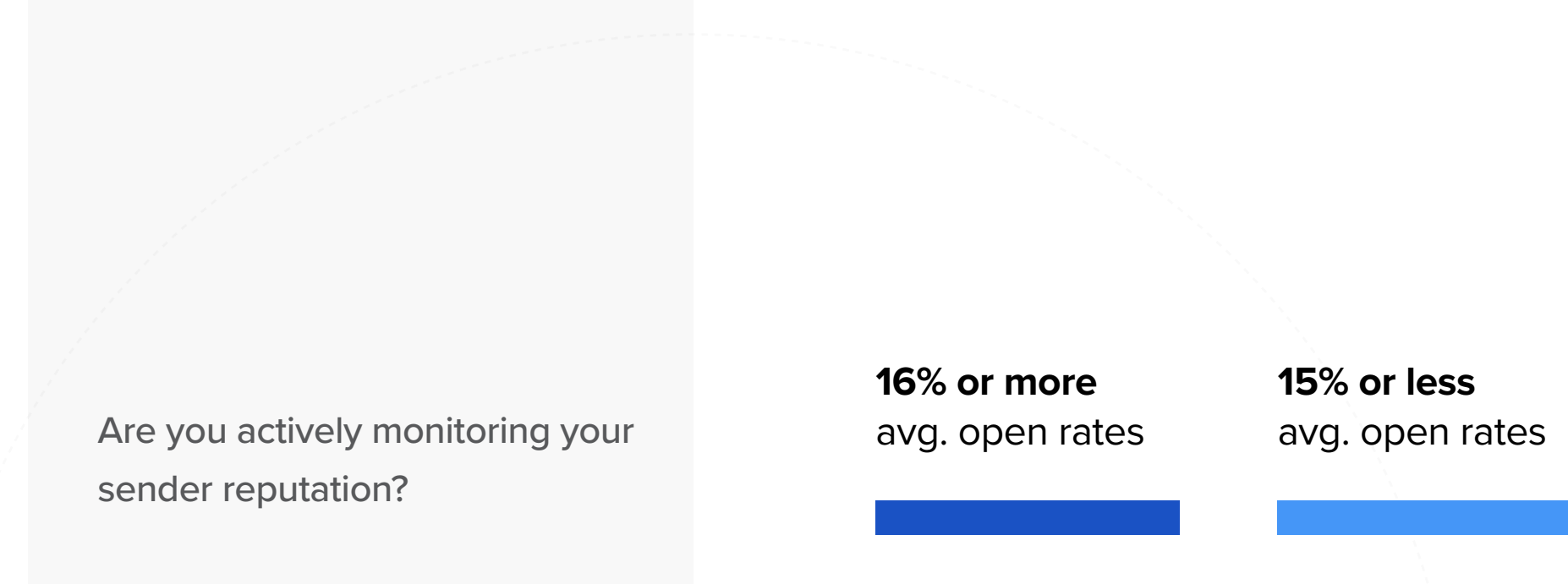
Email Marketing Open Rates

FIGURE 16

Sender Reputation and Open Rates

A surprising percentage of study participants do not monitor their sender reputation or were unsure if it is being monitored. Marketers who are not actively monitoring their sender reputation should strongly consider leveraging Sender Score, Google Postmaster Tools, Microsoft SNDS, or other similar tools.

Sender reputation is vital because it helps mailbox providers (MBPs) determine whether or not emails will reach users' inboxes. Marketers who actively monitor their sender reputation report higher open rates, as shown in **Figure 16**.



Email Marketing Open Rates

FIGURE 17

Blocklist Monitoring and Open Rates

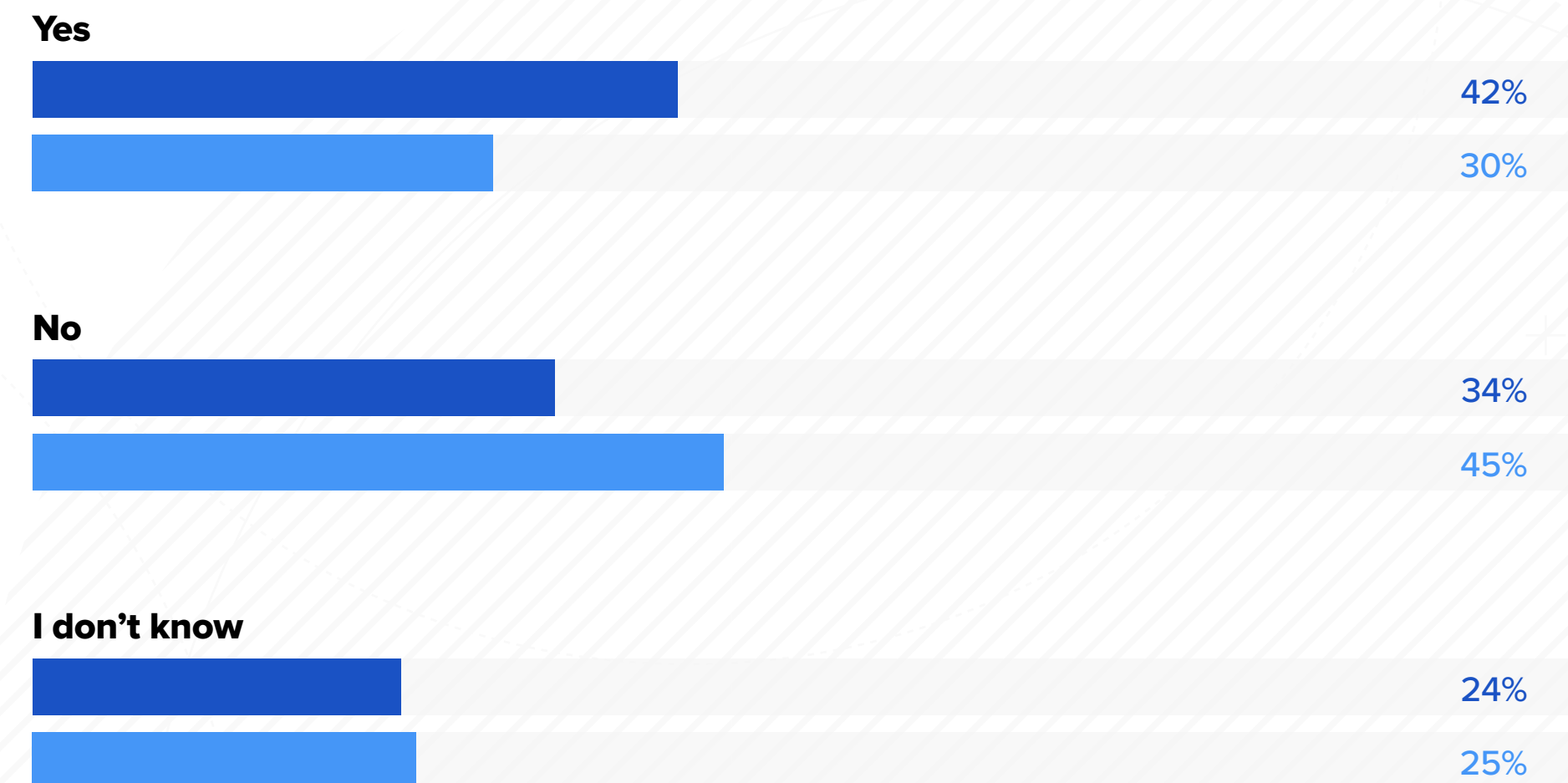
Getting blocklisted can be catastrophic for brands. Marketers who want to get the most out of their email efforts must proactively monitor their IP addresses.

A blocklisting will occur if an IP or domain is suspected of engaging in unsafe email practices, resulting in mail that cannot be delivered to the intended recipients. Therefore, visibility into blocklistings is important. As **Figure 17** shows, those who monitor their IP addresses are more likely to enjoy higher average open rates for their marketing email sends.

Are you using any technology to continuously check to make sure your IP addresses haven't appeared on any blocklists?

16% or more avg. open rates

15% or less avg. open rates



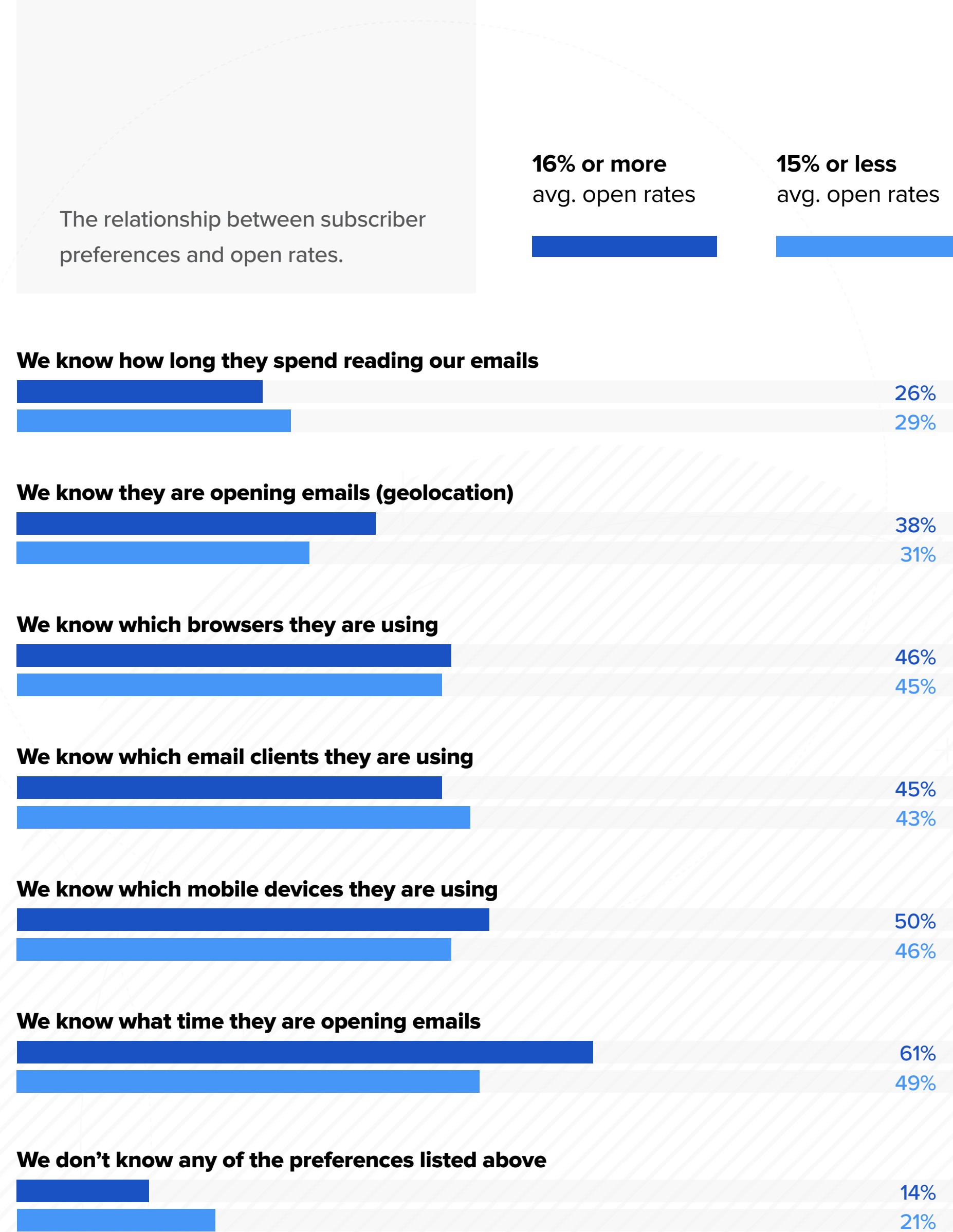
Email Marketing Open Rates

FIGURE 18

Email Subscriber Preferences and Open Rates

Much like inbox placement rates, marketers who know their subscribers report higher opens.

Marketers who wish to create a great customer experience must focus on every touchpoint customers have with brands, including email. There is a strong relationship between how much marketers know about their subscribers and email open rates, as **Figure 18** shows.



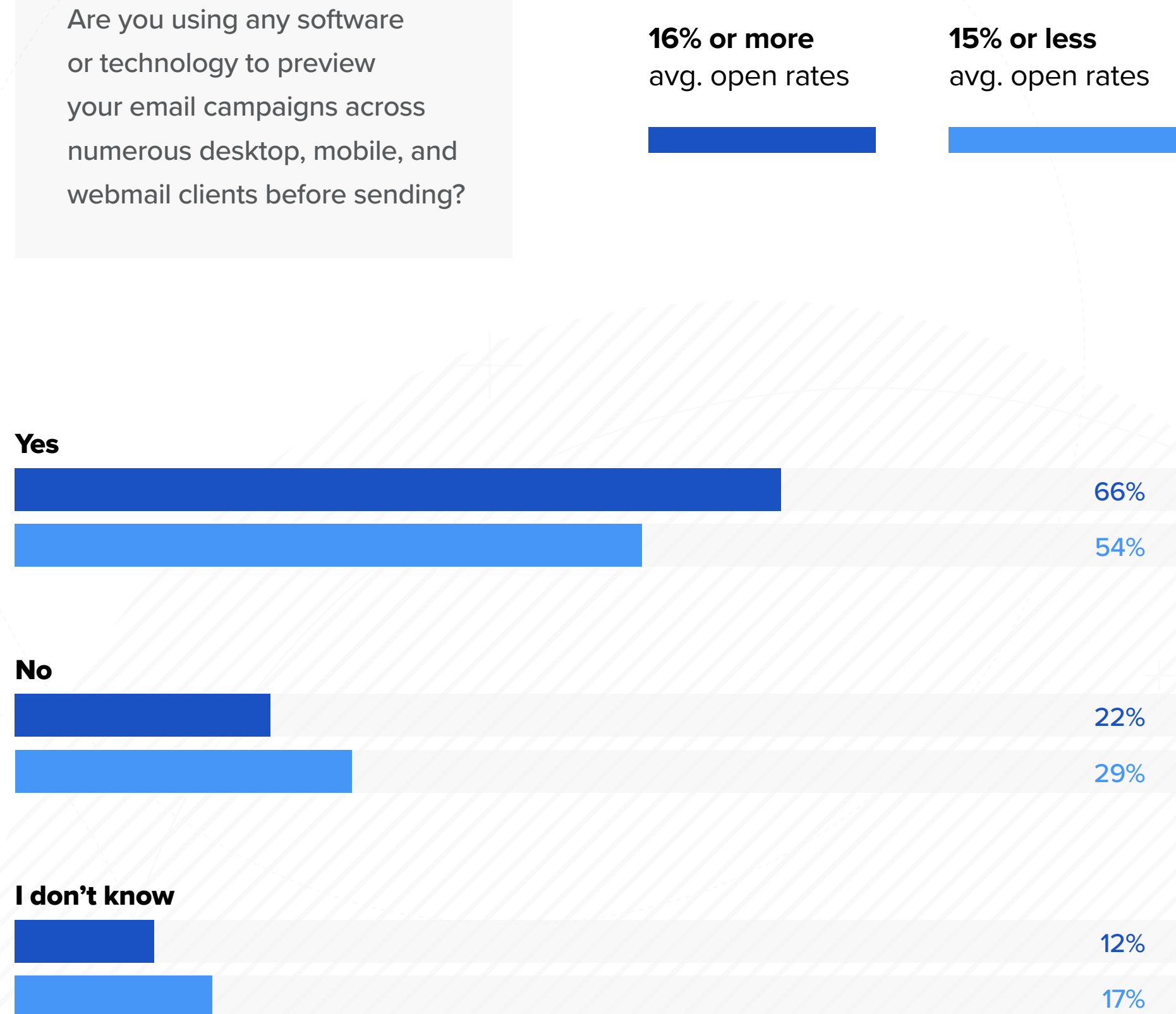
Email Marketing Open Rates

FIGURE 19

Previewing Emails and Open Rates

Emails are opened across a wide range of devices and clients. Marketers who want to get the most out of their email efforts must optimize the experience as best they can and the use of technology can save time and make this activity much easier.

Generating email renderings is another example from this study of technology available to help email marketers improve campaigns. **Figure 19** displays the differences between the average email open segments and the use of technology to render emails before sending.



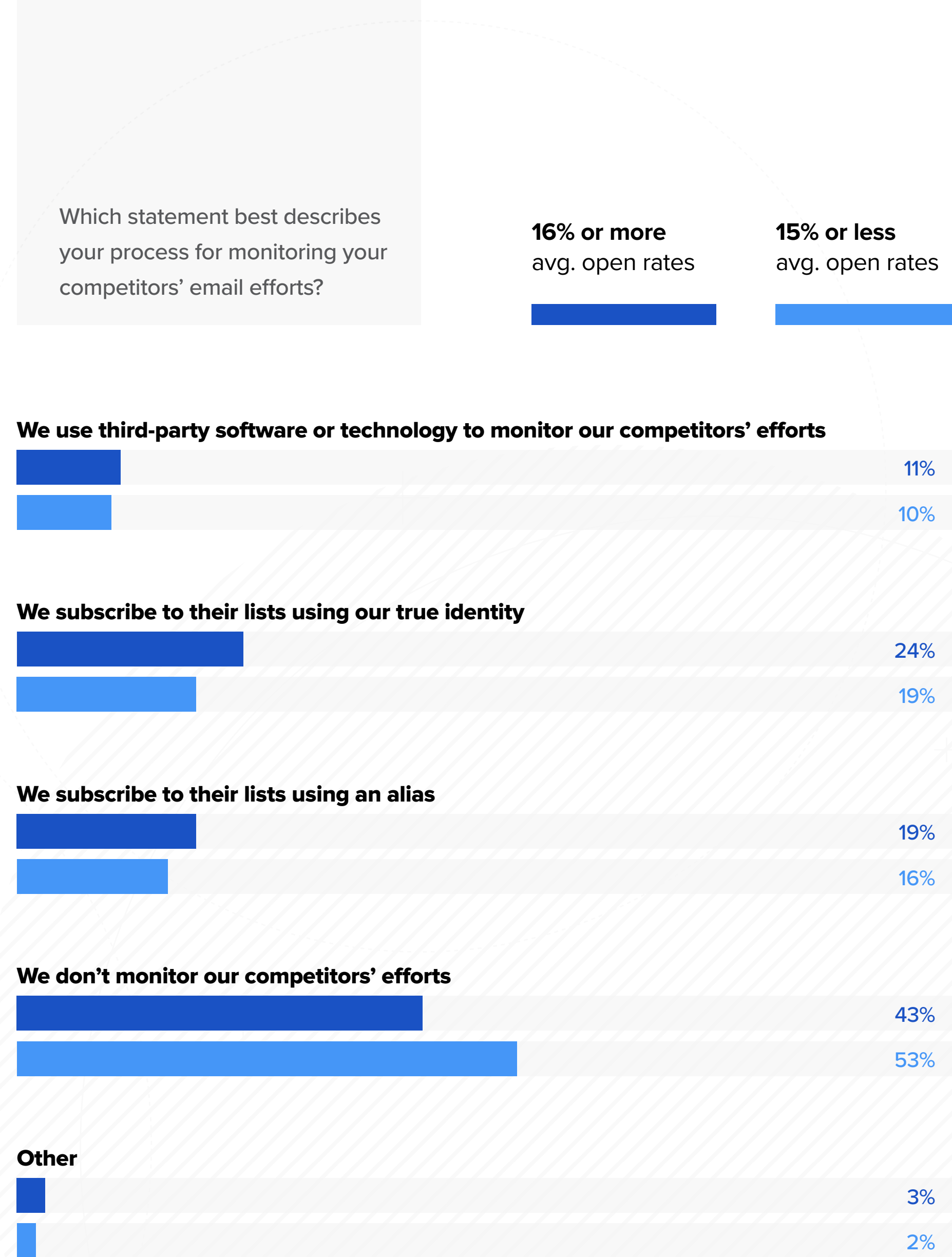
Email Marketing Open Rates

FIGURE 20

Competitor Email Monitoring and Open Rates

Marketers who monitor their competitors' efforts report higher open rates.

There is a lot we can learn from monitoring the email activity of our competitors. **Figure 20** shows how marketers are keeping an eye on the competition and the relationship with email open rates.



Action Plan

With all of the distractions and uncertainty that has come into our lives over the past year, it's clear marketers have shifted their attention towards email marketing execution rather than strategy.

Despite the volume of data this report shares, the overarching recommendations of this report are simple:

- ① Monitor your inbox placement rate and focus on strategies that will help improve this metric.
- ② Apply strategies that capitalize on subscriber preferences and competitive intel to help you achieve higher open rates.
- ③ Optimize your email content and construct messages to generate as many clicks or conversions as possible.

Marketers need to understand that there is no single “game-changing” practice delivering exponentially better results with email.

However, the performance of email marketing can be dramatically improved by **implementing the following action steps.**

Action Plan

STEP **1**

Get back to basics.

This study shows far too many marketers are forgetting some of the most basic email activities like honoring “opt-out” requests, building lists organically, and using technology to validate email addresses. These fundamental activities can significantly influence inbox placement rates and email marketing results.

Marketers who want to get the most out of their email efforts this year must take a more strategic approach to email marketing, and the first step involves getting back to the basics.

STEP **2**

Understand your subscribers.

Failing to understand subscriber preferences compromises the effectiveness of email efforts. Marketers who know what time subscribers open their emails, where subscribers are located, and which browsers, clients, and devices they use report higher inbox placement rates and open rates.

Take the time to gain a deep understanding of your subscribers, and results with email will follow.

STEP **3**

Leverage technology.

The proliferation of marketing technology isn’t coincidental; marketers need technology to do their job effectively. This study references several technologies and tools, and the use of any of them — inbox placement, email validation, sender reputation tools, and competitor monitoring — relate to higher average open rates.

Marketers who are not currently leveraging technology risk getting left behind. Those who want to get better results with email must continue to invest in best-of-breed technology.

Action Plan

STEP 4

Experiment with new tactics.

This study lists several email tactics, and many of them are associated with higher average open rates. Most notably, email deliverability optimization, list management, reactivation campaigns, AI, email personalization, and multivariate testing are powerful at driving more opens. However, many of these tactics listed in this study should be considered table stakes.

Marketers who continue to experiment with new tactics and technology will undoubtedly outperform the competition. For example, those who have adopted [View Time Optimization \(VTO\)](#) are reporting double the average click-through rate and a 4X increase in opens. Marketers who choose to experiment with new tactics and stay ahead of the technology adoption curve will be well-positioned to succeed in the long run.

STEP 5

Protect your business.

We introduced two technologies to this year's study: DMARC and BIMi.

DMARC (Domain-based Message Authentication, Reporting & Conformance) ensures legitimate email is properly authenticated against established DKIM and SPF standards and fraudulent activity appearing to come from domains under the organization's control is blocked.

Brand Indicators for Message Identification (BIMI) is a relatively new touchpoint for brands using DMARC effectively and at enforcement. Without DMARC at either a quarantine or reject level, you cannot harness the power of BIMI, which enables marketers to use include their logo on emails inside the users' mailboxes. It also acts as an indicator of the email's authenticity, and as the adoption of BIMI grows, recipients will learn to trust the inclusion of a logo as a sign the email is of trustworthy origin.

As consumer demand for privacy and security continues to grow, marketers need to strongly consider using DMARC not just as a low-level safeguard, but an active method of removing risks from their distributions to protect their brand and their subscribers. This will unlock a new world of brand recognition in the inbox, thanks to BIMI, and will continue to pay in dividends in not just peace of mind, but brand power.

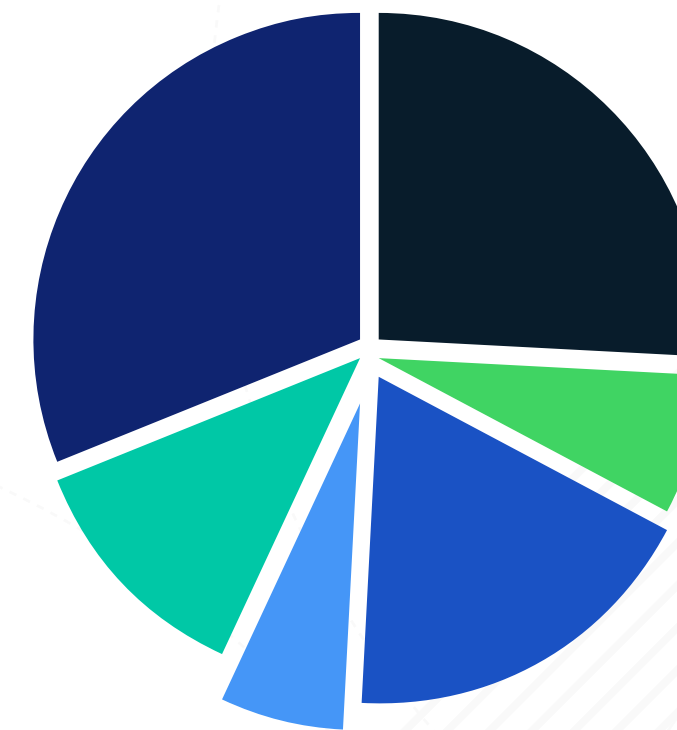
Methodology

The 2020 State of Email benchmark survey was administered online during the period of October 27, 2020 through January 2, 2021. During this period, 7,504 responses were collected, 452 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.

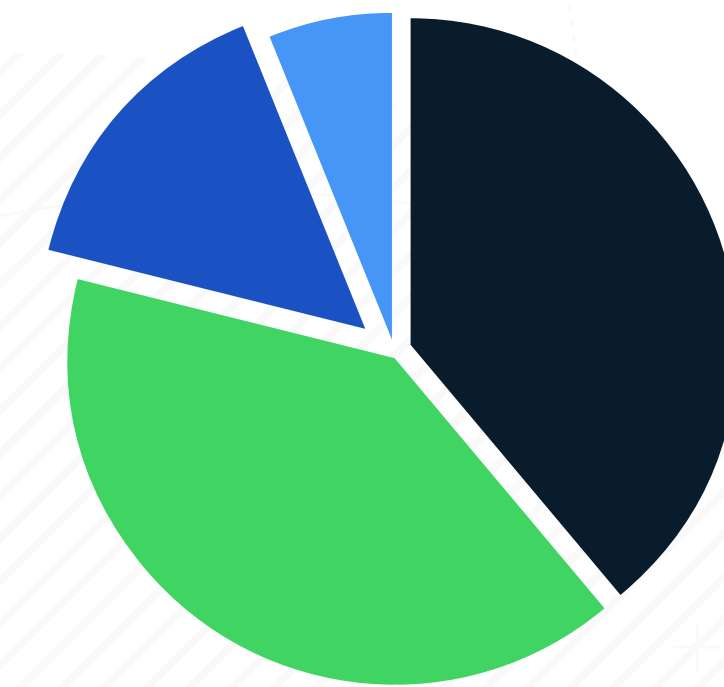
Summarized below is the basic categorization data collected about respondents to enable filtering and analysis of the data:

Number of Employees



- 1-50 (26%)
- 51-100 (7%)
- 101-500 (18%)
- 501-1000 (6%)
- 1001-1500 (12%)
- 1501+ (31%)

Type of business/market focus:



- Mostly or entirely B2B (39%)
- Both B2B and B2C (40%)
- Mostly or entirely B2C (15%)
- Non-profit (6%)



Businesses run better and grow faster with trustworthy data. Tens of thousands of organizations rely on Validity solutions – including Everest, DemandTools, BriteVerify, Trust Assessments, and GridBuddy Cloud – to target, contact, engage, and retain customers effectively. Marketing, sales, and customer success teams worldwide trust Validity solutions to help them create smarter campaigns, generate leads, drive response, and increase revenue. For more information visit validity.com and connect with us on LinkedIn and Twitter.

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