

# E-mail Benchmarks 2006

Average Response Rates 2002 through 2006

## E-mail Benchmarks 2006

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### Introduction

Data for this report was collected from 1 January 2006 until 31 December 2006. We analyzed response data of more than 10000 e-mail campaigns sent by more than 300 companies in the areas B2B and B2C.

We only analyzed campaigns sent by emarsys customers in Europe. Campaigns by other emarsys customers, internal test campaigns, campaigns without clickable call-for-action or campaigns with extraordinary incentive (e.g. click here to see who won the sweepstake), leading to an artificially high response, have not been taken into consideration.

For the analysis of bounces and unsubscribes we distinguish between the first two campaigns an emarsys customer sends with our application and all campaigns thereafter („running“ campaigns). The first two campaigns tend to have significantly high bounce and unsubscribe rates than later campaigns and therefore have to be viewed differently.

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### Bounces

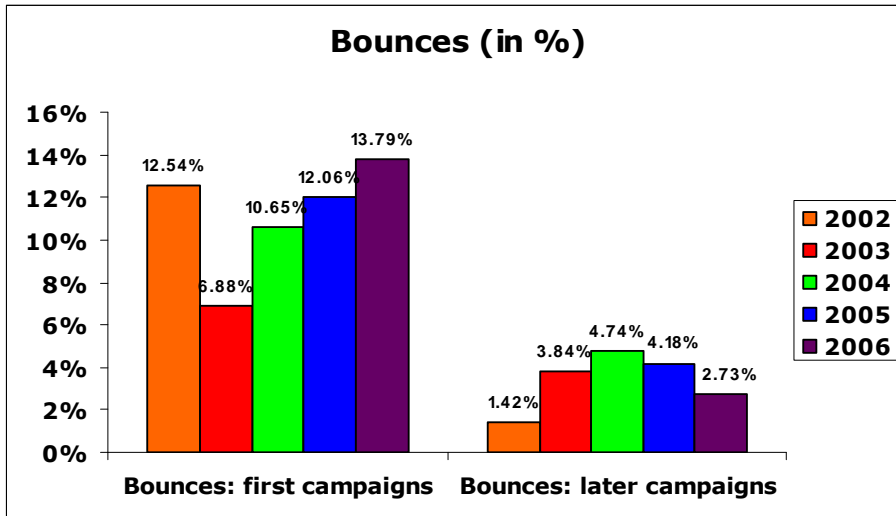


Fig.1: Average bounce rates by annual comparison

Rising bounce rates during the first two campaigns clearly shows that companies do not have full control over the e-mail addresses in their mailing lists prior to working with professional e-mail service providers. It is a positive development, however, that bounce rates during later campaigns have decreased considerably and e-mail marketers seem to clean their lists off invalid contacts.

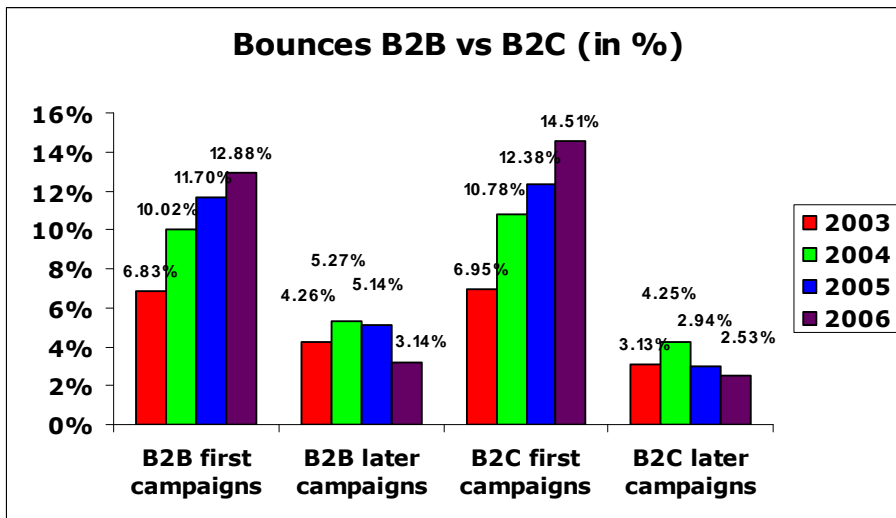
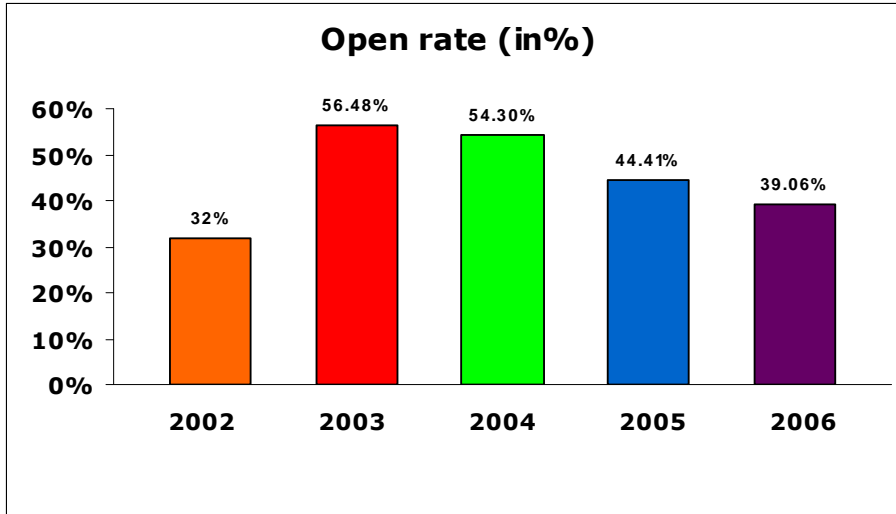


Fig.2: Average bounce rates B2B vs. B2C

Bounce rates during the first two campaigns of B2B companies continue to increase whereas later campaigns show the lowest bounce rates since we first started measuring. B2C companies seem to be less keen on keeping their mailing lists clean – bounces during the first two campaigns increased sharply while running bounces decreased only slightly.

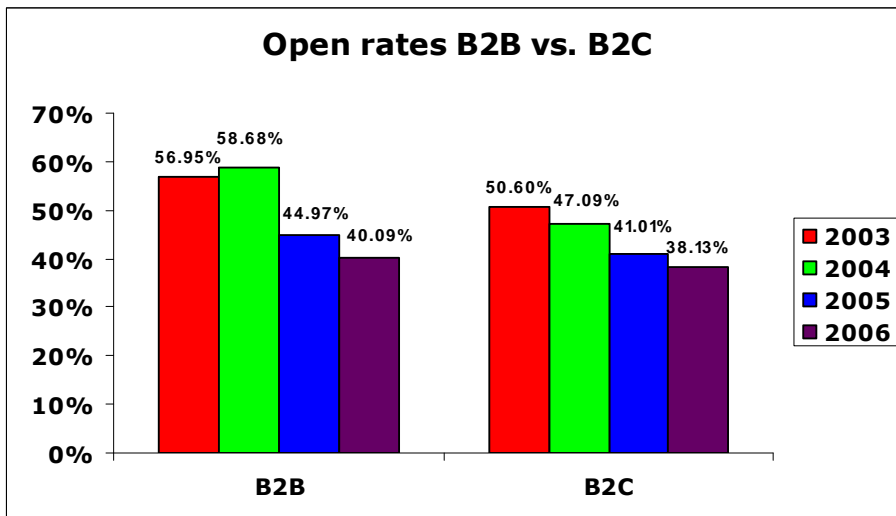
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### Open Rate



**Fig.3: Average open rate (only recipients of HTML e-mails)**

Readers of our last benchmark report already know that this particular metric only measure opened e-mails by recipients who receive HTML e-mails and whose e-mail client does not block images automatically. Yahoo is the latest client – joining Outlook, Lotus Notes, AOL and Gmail – to block images per default. So the open rate does not indicate the actual amount of opened e-mails, though it is still a valuable metric for internal referencing.

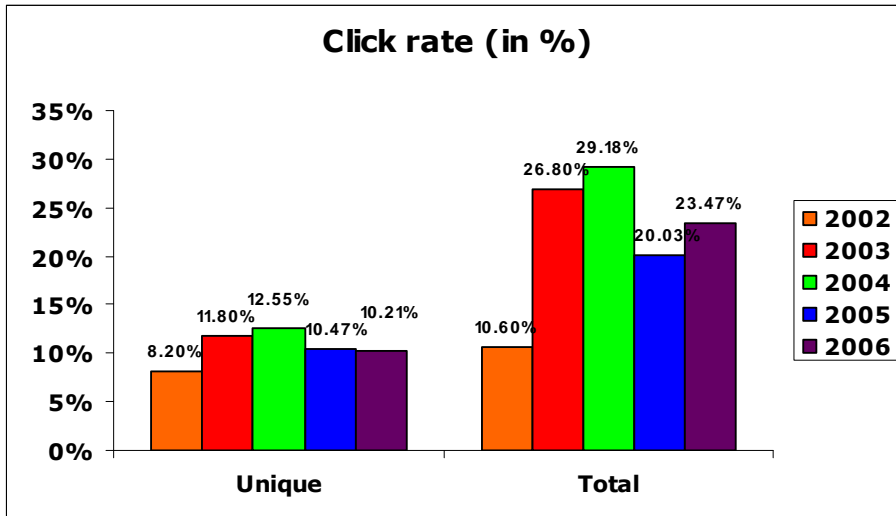


**Fig.4: Average open rates (only HTML recipients) B2B vs. B2C**

Since Yahoo only recently started to suppress images per default, we will be able to document any possible changes to the average open rate only in next year's report.

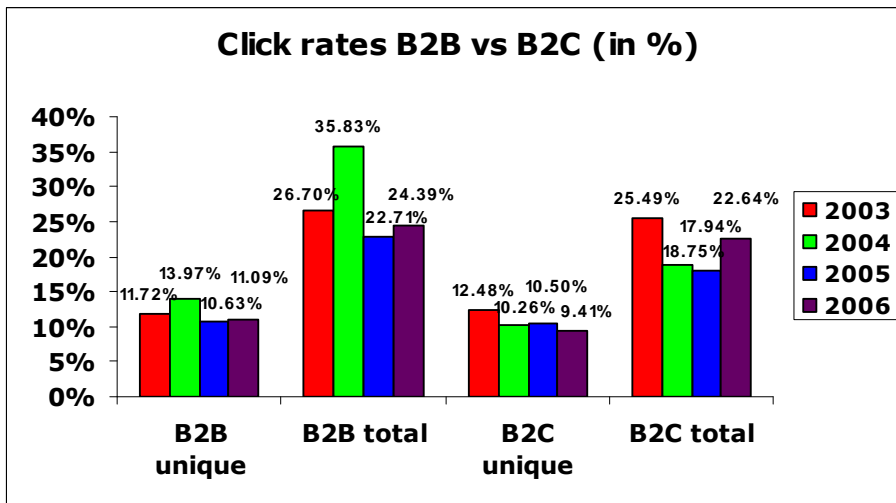
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### Click Rate



**Fig.5: Unique (at least 1 click/recipient) and total (all clicks) click rates by annual comparison**

After the sharp decline the previous year, further deterioration of click rates was halted. The total clicks even increased slightly. This development is most likely due to e-mail marketers paying more attention to e-mail content and calls-for-action being used to get recipients to click.

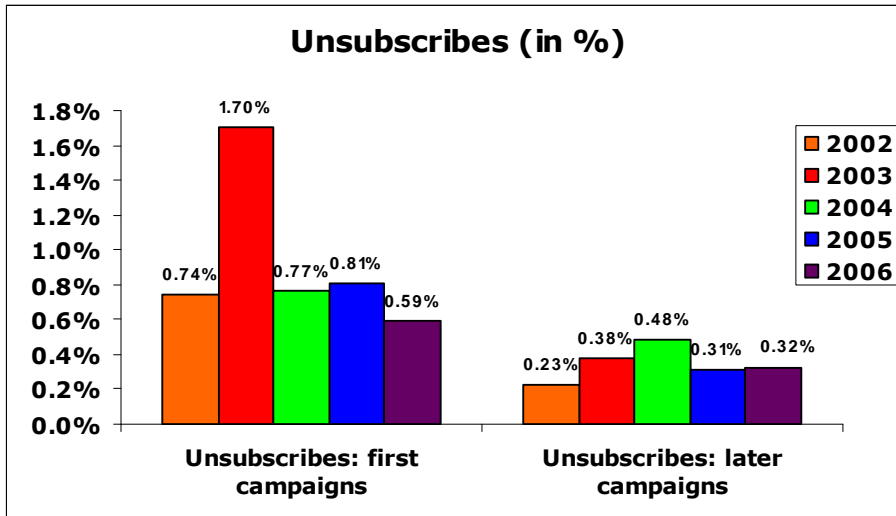


**Fig.6: Unique (at least 1 click/recipient) and total (all clicks) click rates B2B vs. B2C**

The click rates, both unique and total, of B2B campaigns did not change significantly compared to the previous year. Unique click rates of B2C campaigns did fall below the 9 percent mark for the first time, but the actual change compared to 2005 is insignificant. Only total clicks in B2C campaigns have increased to the second highest level recorded.

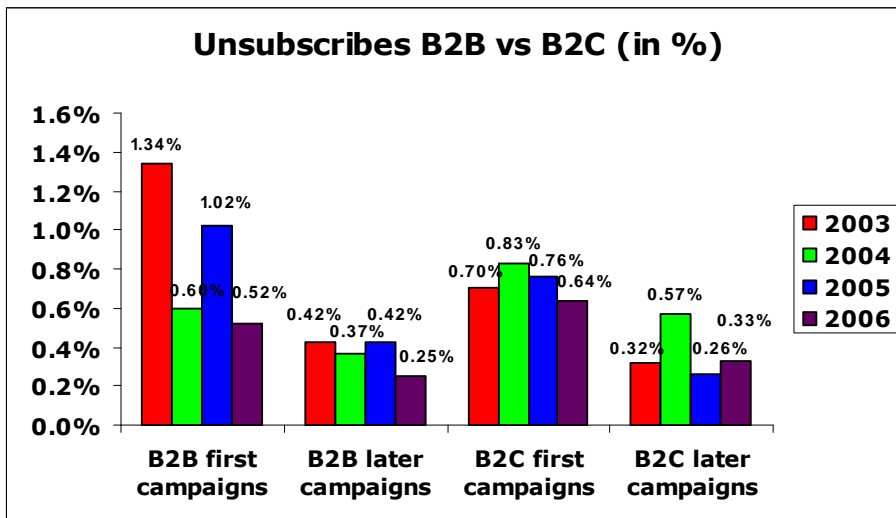
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### Unsubscribes



**Fig.7: Average unsubscribe rate by annual comparison**

After the slight increase the previous year, unsubscribes during the first two campaigns are at their lowest point ever. Unsubscribe rates during later campaigns seem to settle down at around 0.3 percent.

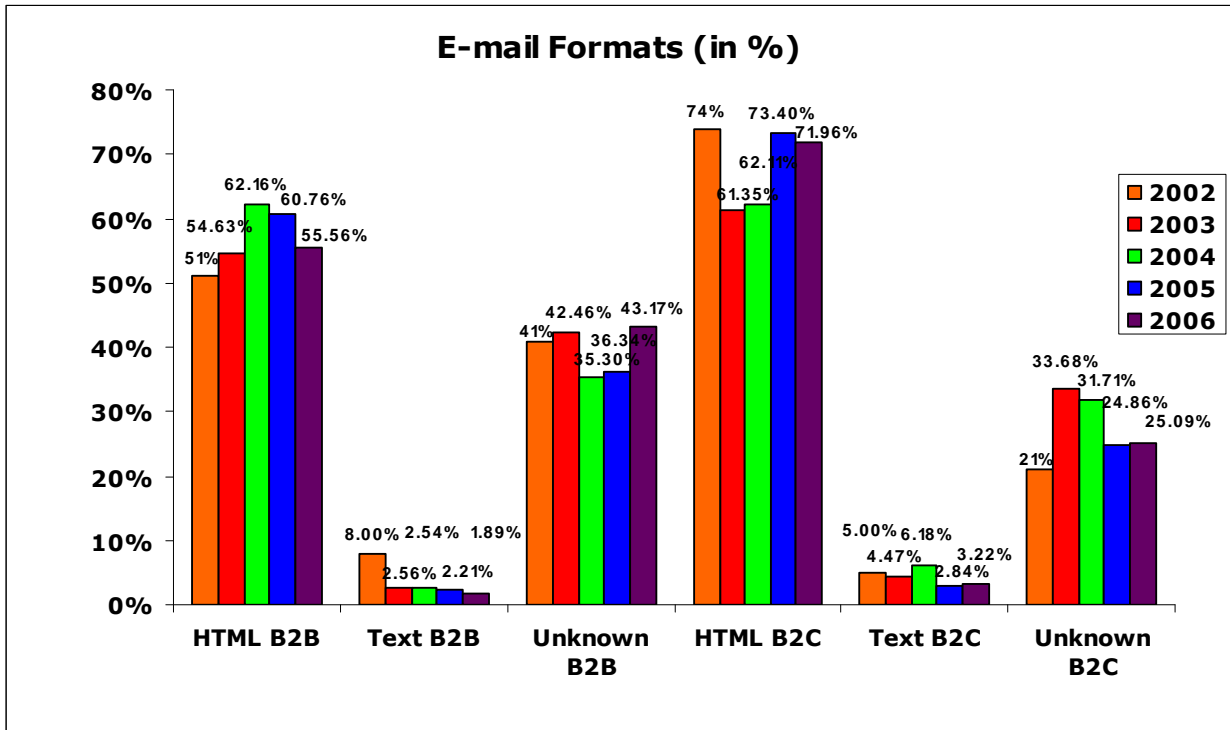


**Fig.8: Average unsubscribe rate B2B vs. B2C**

B2B campaigns had the most significant decline in unsubscribe rates, both during the first two and later campaigns. The slight increase in unsubscribes from B2C campaigns is most likely the result of some degree of saturation in terms of number of newsletters a recipient receives from different companies: those less interesting will suffer the fate of being unsubscribed from.

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### E-mail Formats



**Fig.9: E-mail formats of recipients by annual comparison and B2B vs. B2C**

The number of confirmed HTML recipients in B2B campaigns went down to the same level as 2003, whereas the percentage of unknown formats – includes recipients of multipart/MIME messages, which contain both text and HTML versions (e-mail client decides which one to display) – increased by the same margin. In the B2C area no significant changes were recorded in comparison to the previous year.

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### Industry Comparison

	Retail/ E-Commerce	Industrial/ Consumer Goods	Technology/ Telecom	Financial Services	Education/ Consulting
Bounces: 1st/2nd campaign	13.83%	13.65%	14.42%	16.23%	9.89%
Bounces: running campaigns	1.95%	3.33%	3.89%	1.94%	3.27%
Open rate	38.41%	43.58%	36.79%	46.74%	47.08%
Click rate: unique	8.53%	15.87%	9.33%	13.55%	13.88%
Click rate: total	13.48%	32.85%	19.62%	33.26%	28.67%
Unsubscribes: 1st/2nd campaign	0.35%	0.73%	0.40%	3.91%	0.25%
Unsubscribes: running campaigns	0.28%	0.62%	0.81%	0.28%	0.28%
E-mail format: HTML	66.50%	85.28%	57.03%	66.91%	58.07%
E-mail format: text	0.69%	1.30%	2.01%	5.00%	3.45%
E-mail format: unknown	33.73%	14.41%	41.66%	29.06%	39.06%

	Administration / Energy	Travel/ Leisure	Marketing/ Agencies	Non-Profit	Publishing/ Media	Pharma/ Health
Bounces: 1st/2nd campaign	15.59%	12.18%	14.17%	29.23%	10.15%	22.27%
Bounces: running campaigns	3.03%	2.74%	2.61%	2.25%	4.28%	2.14%
Open rate	45.77%	37.79%	41.15%	28.64%	45.75%	39.39%
Click rate: unique	9.80%	8.34%	15.39%	6.42%	9.55%	17.53%
Click rate: total	19.34%	28.50%	32.77%	8.92%	21.51%	31.78%
Unsubscribes: 1st/2nd campaign	0.25%	0.88%	0.35%	1.37%	1.26%	0.19%
Unsubscribes: running campaigns	0.28%	0.17%	0.26%	0.59%	0.14%	0.16%
E-mail format: HTML	49.67%	76.57%	68.59%	51.82%	44.22%	69.40%
E-mail format: text	0.50%	6.75%	12.46%	0.30%	0.48%	1.12%
E-mail format: unknown	50.25%	17.47%	19.86%	48.04%	56.00%	31.45%

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### Results Summary

Last year's Benchmark Report gave cause for some concern since most benchmark metrics showed a continuous change for the worse: bounce rates were still very high and click rates reached the lowest level since the beginning of the benchmark reports. The results of 2006, however, paint a much more positive picture: most metrics showed improvements compared to the year before.

#### A ray of hope for e-mail marketers

The decrease of bounce and unsubscribe rates during later campaigns is especially positive. It clearly shows that taking good care of one's own e-mail address list has become more important. Especially adhering to stricter permission rules has had an increased impact. The further decrease of unique click rates was stopped and unique click – in the case of B2B campaigns – even went back up a bit.

#### Open rate – what for?

In the last report we already indicated that the open rate cannot be counted as an absolute metric for actual opens by e-mail recipients. It is an indication for opens by recipients who receive HTML e-mails AND whose e-mail client does not suppress images (the display of images is required for measuring the open rate). If the actual open rate were to decrease at the rate measured by our study it would have a negative impact on click rates as well. As an in-house reference point the open rate, especially when viewed together with click rate, continues to be useful: when both open and click rate decrease, you can be sure that less actual recipients open your e-mails. When just the click rate goes down and the open rate stays the same, it is safe to assume that the content of the e-mail is less interesting.

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### **About emarsys**

emarsys eMarketing Systems AG is one of the leading providers of e-mail marketing and e-mail deliverability solutions in Europe with sales offices currently in Vienna, Munich, Frankfurt and Zürich.

More than 250 companies and agencies – both in European and International – are among our satisfied customers and send a combined volume of more than 200 million e-mails each quarter using our e-mail platform. Customers include Austrian Airlines, Bank Austria, Canon, Citrix Systems, eBay Germany, Head, Motorola and Zurich Insurance.

For more news and current developments on emarsys e-mail marketing solutions, please visit our website at [www.emarsys.com](http://www.emarsys.com).

To find out more about how emarsys can help you optimize your e-mail deliverability, please visit our new product website at [www.deliverywatch.com](http://www.deliverywatch.com).