

State of Email Service Providers

THIRD EDITION

Learn which email platforms are most popular with your peers and why some are better suited to your needs than others.



Introduction

An email service provider (ESP) or marketing automation platform (MAP) is the cornerstone of your email program. It can push you forward with efficiencies and innovation—or hold you back. So as your most critical tool and a major budget item, it's important to find the right fit.



There are hundreds of email sending tools to choose from. So what's best for *your* company?

What's best for a centralized or decentralized team? What if you regularly send emails in multiple languages? Is there a better ESP for nonprofits versus the best one for financial services companies?

In the third edition of our State of Email Service Providers report, uncover the top ESPs by company size, team size and structure, location, industry, send frequency, and email program details. We also share how many ESPs brands use, depending on company size and team structure. Plus, get insights from some of the top ESPs on what makes them a great tool for marketers like you.

All of this is possible thanks to the 2,000+ marketers who generously took the time to take our 2020 State of Email survey and share their insights with the industry.

Meet Litmus

Here at Litmus, we're passionate about everything email marketing. We're on a mission to help brands access what they need to send better email, faster. Through our <u>blog</u>, <u>Litmus Live conferences</u>, <u>ebooks</u>, <u>webinars</u>, and more, we share best practices and trends to help your team stay at the forefront of the industry. Stay on top of it all and <u>sign up for our emails</u>.

Another thing we're into? Software that makes creating high-performing emails easy. Marketers pair Litmus with existing ESPs to ensure a consistently great brand experience for every subscriber, work more efficiently, accelerate campaign performance, reduce errors, and stay out of the spam folder. With Litmus by your side, you'll have the tools and insights you need to provide your customers with an incredible email experience—and an incredible ROI.

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Litmus works where you do

No matter what ESP you use, Litmus seamlessly integrates into your workflow, enhancing your efficiencies and giving back valuable time to your team. Join tons of marketing professionals who use Litmus to get on-brand, error-free emails out the door—faster.





1

The ESPs your peers rely on

There are hundreds of ESPs to choose from that fit every niche and specific use. But how do you know which option is the right one for your company? And do you need more than one?

Look at your company's specific needs.

Maybe you want the best ESP for retail companies, or perhaps you're on the lookout for the top ESPs among brands that use interactivity or dynamic content. You might even be looking for a little bit of both.

And maybe your program is set up in a way that requires more than one ESP to handle different email types: one for marketing emails, and one for transactional and triggered emails. Or perhaps your company is decentralized. These teams serve different verticals or locations that have needs that are so different, they each require their own ESP.

No matter what your company looks like, note your needs and benchmark your program against your peers to determine how many ESPs you should use to run your program the way you need. And which ESPs are most popular.

We asked 2,000+ email marketers which ESPs they use based on their size and structure, location, industry, send frequency, and advanced email techniques. Take these top ESPs used by your peers and compare them against your own unique needs to either ensure you're on the right track with your current ESP—or start finding a new one.

Overall top ESPs and satisfaction

Across all team sizes, geolocations, and industries, these are the top 10 ESPs used by your peers.

Top ESPs overall

Which ESP(s) does your company currently use to send its marketing emails?

- Salesforce Marketing Cloud: 23%
- Mailchimp: 21%
- Adobe Marketo: 10%
- HubSpot: 10%
- Salesforce Pardot: 8%
- Oracle Eloqua: 6%
- Constant Contact: 6%
- Acoustic: 5%
- Adobe Campaign: 4%
- Campaign Monitor: 4%

But do these ESPs fulfill the needs of your peers' email programs? Let's see how many are keeping their ESPs around—and how many want to switch.

of marketers are making an ESP migration a priority for their email program.

How happy your peers are with their ESPs

How satisfied are you with the ESP you use most often?

Highly satisfied: 17%

Satisfied: 47%Neutral: 25%

Dissatisfied: 8%

Highly dissatisfied: 3%





How many of your peers changed their ESP lineup

Did you make any changes to your lineup of ESPs in the past 12 months?

• No change: 75%

Added ESPs used: 20%Reduced ESPs used: 5%

Ready for a new ESP?

Switching to a new email sending platform is no small task. But we've got your back with our step-by-step guide to ESP migration. The bonus? You'll also get ready-to-use planning templates so you can get going now.



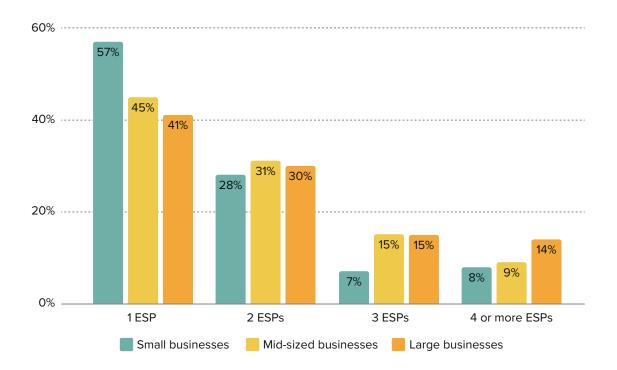


By company size

Depending on how large your company is, you might need multiple ESPs to handle different types of emails or for different teams. The larger the company, the more likely it is to use multiple ESPs. Nearly half of email marketers stick to one ESP, though, no matter their size.

Number of ESPs used by company size

Percentage of small businesses (fewer than 100 employees), mid-sized businesses (100-1,999 employees), and large businesses (2,000 or more employees) using 1-4+ ESPs.

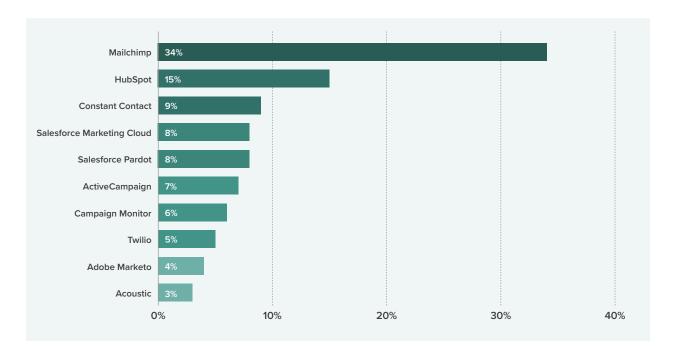


When your company grows, the requirements for your ESP might change.

Mailchimp is by far the most popular among small businesses. Salesforce Marketing Cloud is at the top for mid-sized brands with Mailchimp and Adobe Marketo close behind. But when it comes to large businesses, Salesforce Marketing Cloud has a significant lead.

Top ESPs among small businesses

Percentage of brands with fewer than 100 employees using each ESP.



"At Mailchimp, we understand that email marketing can be much more effective when you add other complementary marketing tools. Whether that's audience management, behavioral insights, content creation, or automation features like Customer Journeys—we have created a marketing platform that helps our customers grow and scale their businesses."



LaShanda Jackson *Director of Marketing*

"HubSpot offers a free email marketing tool that allows you to create, personalize, and optimize your marketing emails without the help of designers and developers. The easy-to-use drag and drop interface is perfect for businesses just getting started with marketing email."



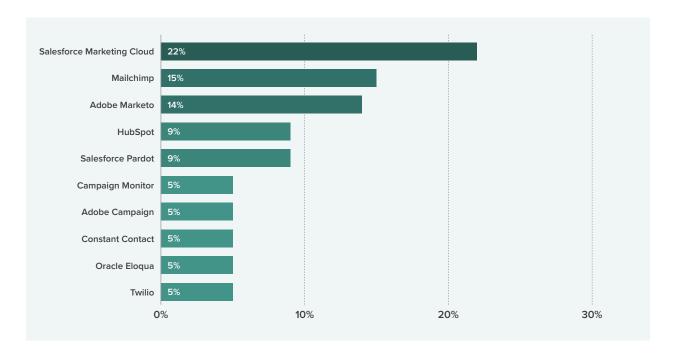
Katriona Heaslip Senior Product Marketing Manager "Complexities brought upon by COVID-19 and new technologies like AI and automation can feel overwhelming. Constant Contact has a strong reputation for simplifying online marketing, providing small businesses with the tools and guidance to share the right messages with the right customers at the right time without the need for technical knowledge or a 10-person marketing team."



Joe RibaudoDirector of Channel Marketing

Top ESPs among mid-sized businesses

Percentage of brands with 100-1,999 employees using each ESP.



"Salesforce provides the perfect email platform for marketing teams who want advanced functionality that is easy to use and scales with them as they grow. From automations and reporting to interactivity and Al, marketers at mid-size businesses have access to tools that help them manage large audiences and create highly-personalized messages."

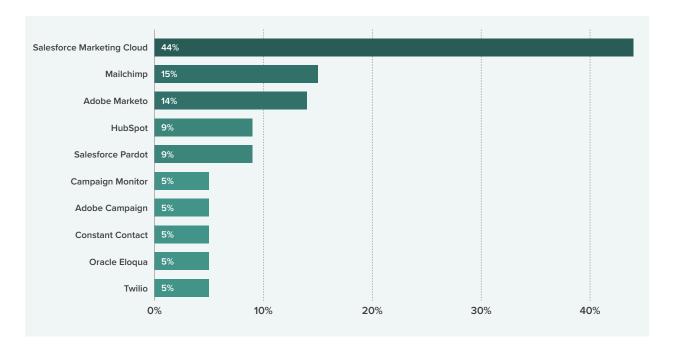


"Mailchimp's email tools don't just support small businesses; our features are versatile and powerful enough to support company growth. From advanced automations to deep time-saving integrations and advanced real-time analytics—growing marketing teams have what they need to keep an audience engaged."



Top ESPs among large businesses

Percentage of brands with 2,000 or more employees using each ESP.



"Salesforce's open and customizable platform allows enterprises to activate data from any source or department to create personalized emails at scale. Along with embedded AI, marketers can use complex coding or drag-and-drop tools to create sophisticated, interactive campaigns, while integrating with other marketing and advertising channels."



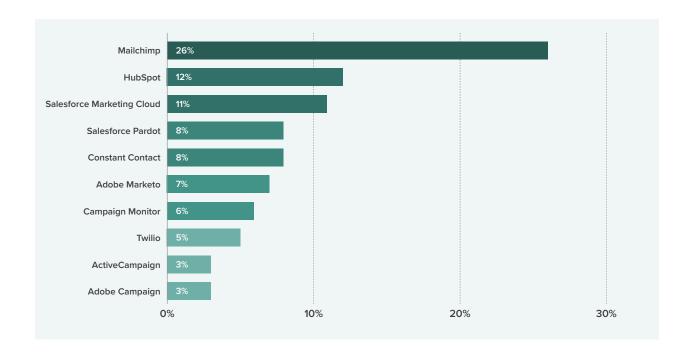


By team size or structure

Email team size plays a factor in which ESPs are best. A team of one has different challenges and needs than a team with more resources.

Top ESPs among one-person email teams

Percentage of brands with one-person email teams using each ESP.

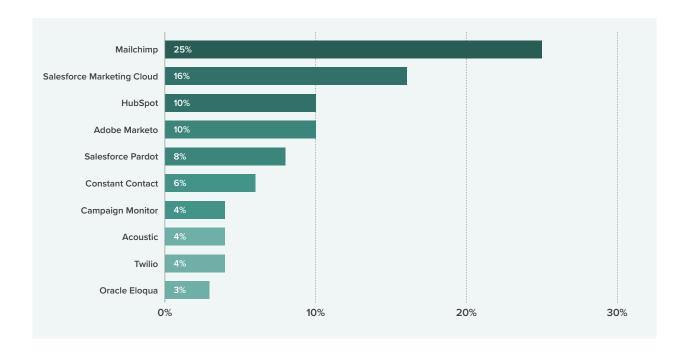


"HubSpot email does the heavy lifting for you. With an easy-to-use drag and drop interface, ready-to-use email templates, and sends powered by CRM data, you can create conversion ready emails in just a few clicks. HubSpot also scales with you as you grow, so as you add more team members and advance your email strategy, you'll have more advanced email features such as automation waiting for you."



Top ESPs among 2-3 person email teams

Percentage of brands with 2-3 full-time person email teams using each ESP.



"Scalability, efficiency, and automation are three key areas where we help teams send the most effective campaigns.

Out-of-the-box, robust Al tools act as digital assistants running numbers, making predictions, and building personalized segments and messages. Automation and template tools make it easy to repeat winning workflows and content."

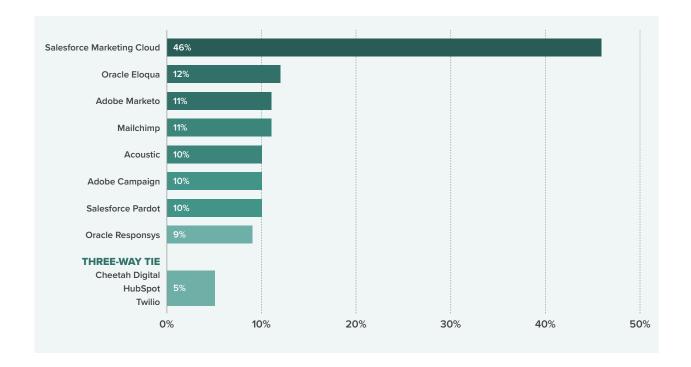


"HubSpot email has built-in collaboration tools, so your team can easily work together to create an email without ever leaving HubSpot. Add comments, assign tasks, and make decisions right from within the email tool, for better team productivity."



Top ESPs among 4+ person email teams

Percentage of brands with 4+ full-time person email teams using each ESP.



"Salesforce provides extensible content tools, built-in role permissions and approval processes, and robust data activation to connect the email workflow and encourage collaboration. Supporting all skillsets, marketers have the flexibility to use complex coding or drag-and-drop tools to create sophisticated, personalized, and interactive campaigns."



Email tools for teams of one and more

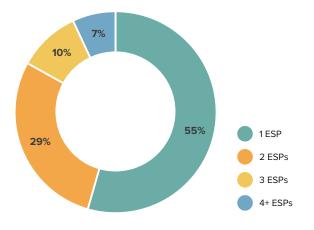
No matter your team size, Litmus has the right email solution for you—and can grow as your team grows. From creating on-brand, error-free emails to gaining new insights and boosting team collaboration.



Having a <u>centralized or decentralized email team</u> can determine how many ESPs you need, too. While the majority of centralized email teams—a core group handling the entirety of a brand's emails—only use one ESP, decentralized teams are more likely to use a range of ESPs to get emails out the door. And we found centralized teams have a slight preference for Mailchimp (22%) while decentralized teams favor Salesforce Marketing Cloud (29%).

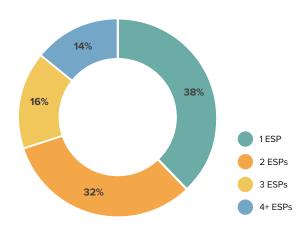
Number of ESPs used by centralized teams

Percentage of brands with centralized teams working across multiple business functions, geographies, or products using 1-4+ ESPs.



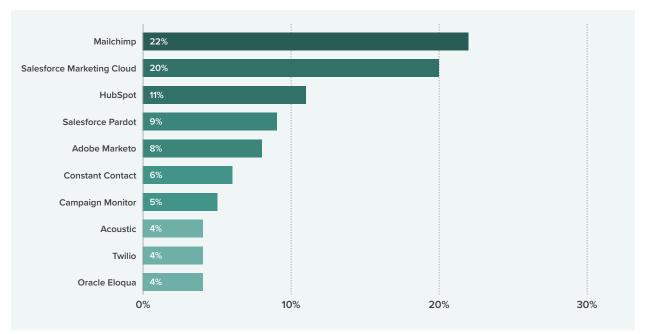
Number of ESPs used by decentralized teams

Percentage of brands with decentralized teams working on separate products or in different countries using 1-4+ ESPs.



Top ESPs among centralized teams

Percentage of brands with centralized teams working across multiple business functions, geographies, or products using each ESP.

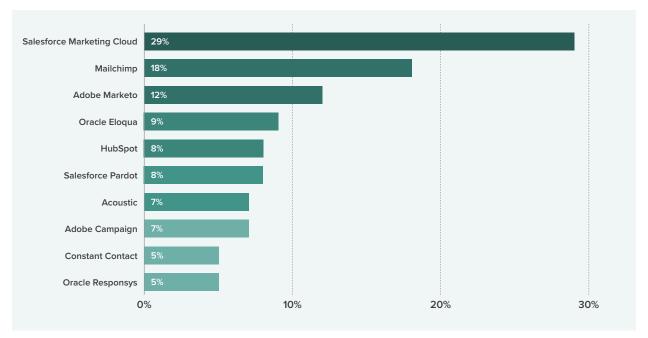


"Salesforce helps centralized teams build messages at scale by supporting the workflows of the full team. Email and journey templates enable repeatable processes, the marketer friendly UI makes it easy for all team members to use, and the streamlined approval processes reduce burden on review and approval."



Top ESPs among decentralized teams

Percentage of brands with decentralized teams working on separate products or in different countries using each ESP.



"Salesforce enables marketers and their teams to work from anywhere. Teams can easily collaborate by sharing content, data, and journeys whether they are working from home, on the go, or in different offices. Decentralized teams can deliver personalized, interactive content and brand approved messages wherever they are."



Blake Miller Senior Director, Product Marketing "Mailchimp allows all team members to focus on their strengths so you can reach and surpass your business goals. Email teams have the time they need to focus on email innovation, design teams can work directly in the content studio, and finance teams have full visibility into consumer behavior. When all your people get to focus on doing what they do best, you'll get the best results."



Searn Fletcher

Senior Product Marketing Manager

Which team structure is right for your company?

Not sure which team structure is best for you? Learn more about the benefits and drawbacks of both centralized and decentralized approaches—and start structuring your team for long-term success.



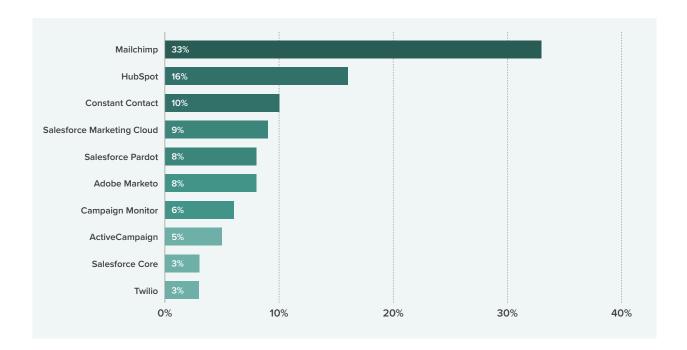


By list size

Many ESPs charge you by the number of contacts in your database, so your list size is a consideration you can't overlook. We take a look at active subscribers—not those on suppression lists because they're inactive, unsubscribed, or undeliverable.

Top ESPs for less than 100,000 active subscribers

Percentage of brands with less than 100,000 active subscribers using each ESP.



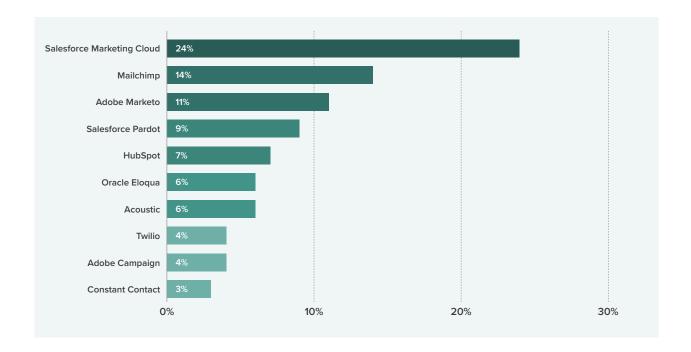
On a tight budget?

Just because you or your clients have a tight budget doesn't mean you can't get a powerful ESP. Check out our list of free email sending tools you can use to grow your business. Whether you've got a small list or are looking for an all-in-one marketing solution.



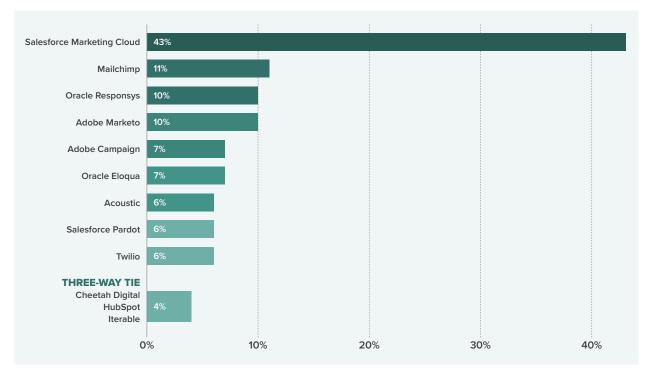
Top ESPs for 100,000 to 999,999 active subscribers

Percentage of brands with 100,000 to 999,999 active subscribers using each ESP.



Top ESPs for 1+ million active subscribers

Percentage of brands with 1 million or more active subscribers using each ESP.



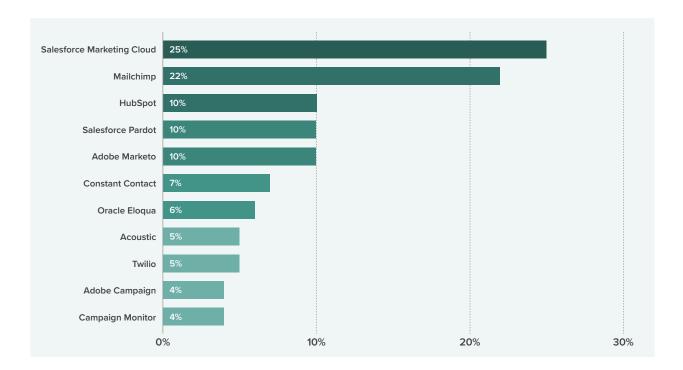


By geolocation

What makes an ESP better for a certain geolocation? Maybe it's because they provide local language support or they're compliant with local laws and regulations (like GDPR) that others might not follow.

Top ESPs in US & Canada

Percentage of brands in the United States and Canada using each ESP.



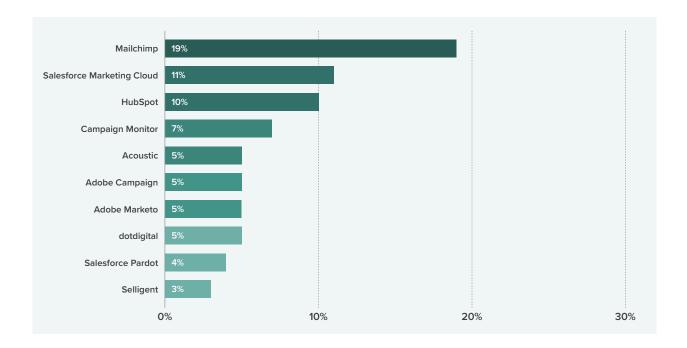
Litmus seamlessly integrates with the ESPs you love most

Litmus helps you build, test, and analyze in the most popular ESPs. If you have multiple teams using different providers? We'll help streamline every step into one seamless workflow across your organization, giving your team back time to focus on innovative, revenue-generating activities.



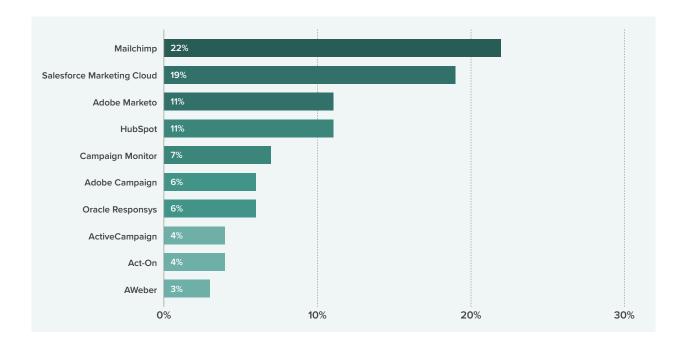
Top ESPs in UK & Europe

Percentage of brands in the United Kingdom and Europe using each ESP.



Top ESPs in other locations

Percentage of brands in locations other than the US, the UK, Canada, and Europe using each ESP.



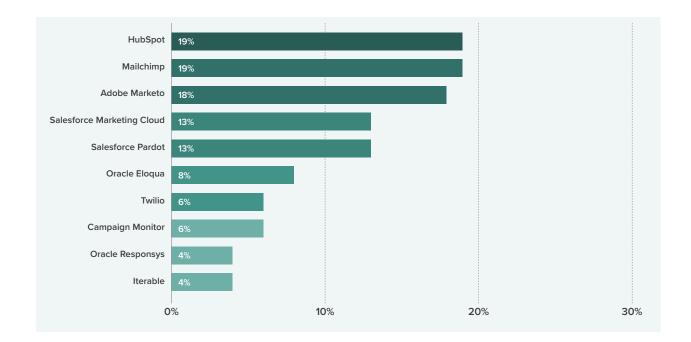


By industry

Different industries have different business needs. Maybe retail companies really need an SMS push integration, but that's not so important for a financial services brand. Though Salesforce Marketing Cloud and Mailchimp top the lists for nearly every industry, take a look at the others for each—some may surprise you!

Top ESPs among technology companies

Percentage of brands in the software and technology industries using each ESP.

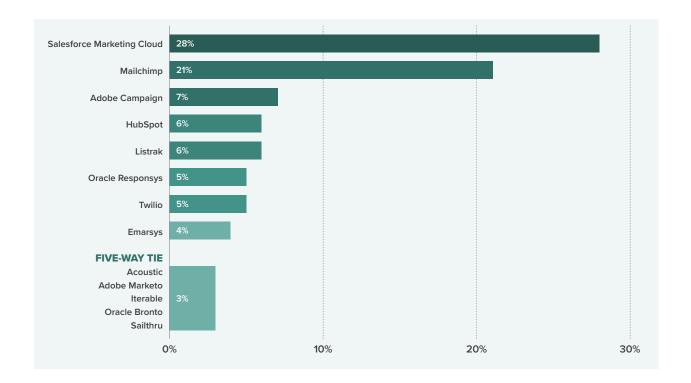


"Mailchimp helps software and tech companies grow their brand and scale their business rapidly. Software companies can target customers thoughtfully with our segmentation features, gather feedback from their customers quickly with Surveys, and make their marketing more relevant with our Customer Journey Builder."



Top ESPs among retail companies

Percentage of brands in the retail, ecommerce, and consumer goods and services industries using each ESP.



"By unifying data to power customer-centric experiences and real-time interactions throughout the shopper's journey, we help increase customer lifetime value with personalized messages based on what is known about the customer's preferences and behaviors. All of this is done while optimizing retailers' marketing impact by measuring and adjusting to the market."

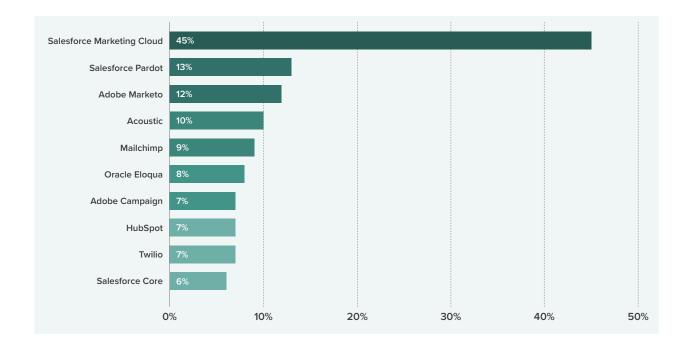


"Mailchimp makes it easy for retail and e-commerce companies to cultivate customer brand loyalty. From abandoned cart emails to product retargeting and advanced automations that save you time, it's easier than ever to maximize your email ROI. Plus, you can track all of your purchase data in your account in real-time."



Top ESPs among financial services companies

Percentage of brands in the financial services and insurance industries using each ESP.

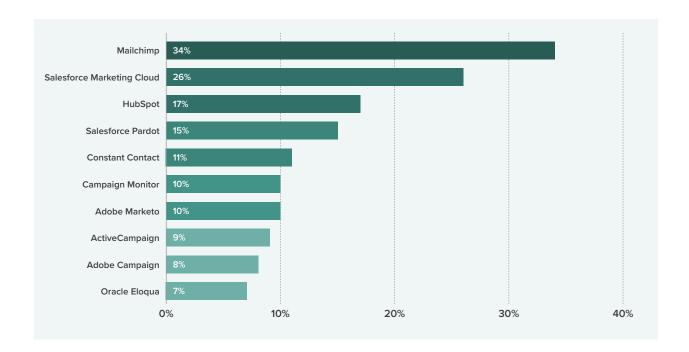


"Salesforce provides financial organizations the ability to move beyond traditional marketing channels and modernize their marketing efforts. This marketing transformation is activated via programs that are data-driven, providing marketers the ability to finetune journeys and deliver a more personalized and enhanced engagement experience."



Top ESPs among agencies or freelancers

Percentage of brands that are marketing, PR, or advertising agencies or freelancers using each ESP.



"Mailchimp helps agencies and freelancers manage their clients' marketing efficiently and effectively. Our platform not only gives access to tools designed specifically for them to learn new skills and grow their reputation but also gives a way to join a community of other freelancers and agencies."



Katie Lambert Senior Manager, Partner Program Marketing "Salesforce delivers client value by connecting content across channels. Segment client data once and activate across email, SMS, and push. Use customer data to power dynamic content and site-side personalization in real-time. Deliver ROI for your clients and share your expertise through messaging that's data-driven, personalized, and multi-channel."



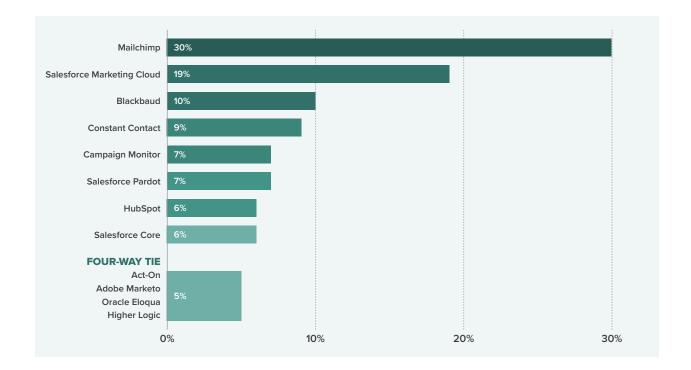
Lincoln Hull Sr. Product Marketing Manager "Create scalable email programmes for clients and easily report on results. With HubSpot's integrated reporting tool, you'll quickly be able to let clients know what's working well and what needs to be optimized. Take advantage of HubSpot's custom templates, easy-to-use editor, and automation to execute your vision at scale."



Amy Cha *HubSpot Marketing*

Top ESPs among nonprofits

Percentage of brands in the nonprofit industry using each ESP.



"Mailchimp helps nonprofits get the most out of their email marketing. With versatile segmentation, automation, and design tools as well as flexible pricing plans, nonprofits can get their message out effectively and scale their marketing as their organization grows."



Jon HolbrookProduct Marketing
Manager

"Since its founding, Salesforce has given back with a 1-1-1 model which provides grants, time, and software to nonprofit organizations. Our email platform helps organizations, big or small, connect and engage with donors, recipients, and policymakers, by using dragand-drop tools allowing them to be efficient in stretching their marketing efforts."



Rachel Meyers
Director, Product
Marketing

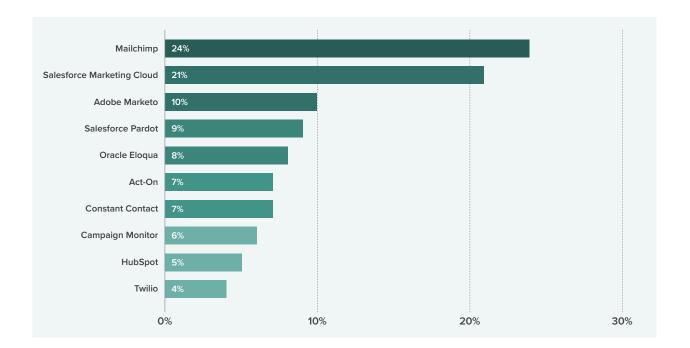
"Our email solutions integrate tightly to our CRMs, as part of a focus on simplifying standout performance in online marketing for social good organizations. We include benchmarking tools, comprehensive training, and an Email Resource Center to ensure our nonprofit customers' success in the ever-changing world of email marketing."



Kathryn Hall
Principal Product
Marketing Manager

Top ESPs among educational companies

Percentage of brands in the education and training industries using each ESP.



"Mailchimp helps educational institutions take personalization to the next level and communicate effectively with their subscribers. From date-based automations that help celebrate milestones to custom event and newsletter templates, it's easier than ever to communicate with prospective students, current students, and parents alike."



Sean Fletcher

Senior Product Marketing Manager

"Educational institutions use Salesforce for email marketing to take students, prospective students, and alumni on personalized journeys. Our flexible data structure and intuitive tools for content creation and journey management allow multiple users and teams to maximize their productivity while leveraging content to engage different audiences."

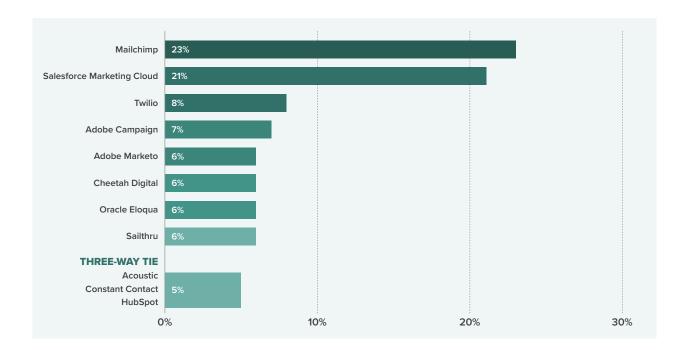


Rachel Boyles

Product Marketing Manager

Top ESPs among entertainment companies

Percentage of brands in the media, publishing, events, sports, and entertainment industries using each ESP.



"In the entertainment industry, it's essential to reach the right subscribers with the right message at the right time. Mailchimp's tagging and behavioral targeting makes it easier to target messages by location or event type and retarget them for post-purchase upgrades, fostering long-term strong brand relationships."

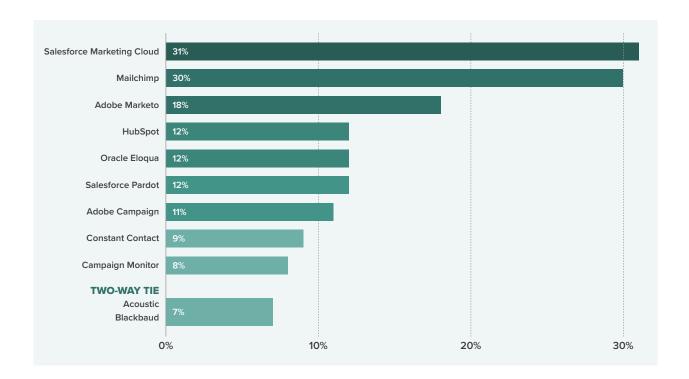


"Salesforce maximizes audience engagement through data-driven personalization. You can grow subscriber relationships and revenue by delivering seamless experiences from ad to account, email to e-commerce, social media to service—all on one unified platform. Understand your fans through a single source of truth that unifies all of their data."



Top ESPs among healthcare companies

Percentage of brands in the healthcare industry using each ESP.



"Salesforce offers HLS marketers the ability to create personalized, real-time patient and HCP experiences on digital channels. Inbound/outbound personalization and immediate, automated digital messaging across email, mobile, and advertising is supported by marketing intelligence to measure impact and optimize journeys."



The top ESP for other industries

- Travel and tourism: 28% use Salesforce Marketing Cloud
- Business services: 26% use Mailchimp
- Real estate and construction: 29% use Mailchimp
- Automotive: 40% use Salesforce Marketing Cloud
- Fitness, wellness, and beauty: 28% use Mailchimp
- Transport, wholesale, distribution, and logistics: 26% use Salesforce Marketing Cloud
- Telecommunications and utilities: 24% use Salesforce Marketing Cloud
- Agriculture, energy, mining, and commodities: 35% use Mailchimp
- Government, public administration, and political: 47% use Mailchimp

In other industries, the most commonly used ESP is either Salesforce Marketing Cloud or Mailchimp.

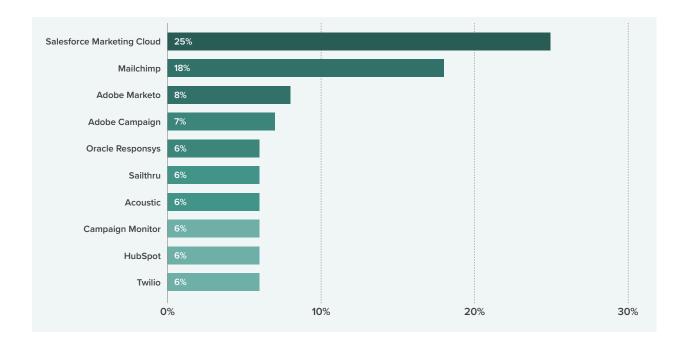


By send frequency

How often you send emails can affect which ESP you should choose—because of pricing, limits, or an ESP's flexibility to help you handle multiple emails at once. If it's more than four a week on average, consider one of the ESPs popular among your high-volume sender peers.

Top ESPs among high-volume senders

Percentage of brands that send their subscribers 4+ emails a week on average using each ESP.



"Trust is Salesforce's #1 value. We have a team dedicated to security, infrastructure, and scale that is focused on ensuring that even the largest marketers' mission critical emails reach their subscribers' inbox throughout the year and especially during peak seasons."



"High-volume email companies can trust Mailchimp to get their emails to subscriber inboxes. We help marketers send over 1 billion emails daily with a 96-99% delivery rate thanks to our built-in domain authentication, bounce management, abuse-detection technology, and reports from ISP feedback loops."



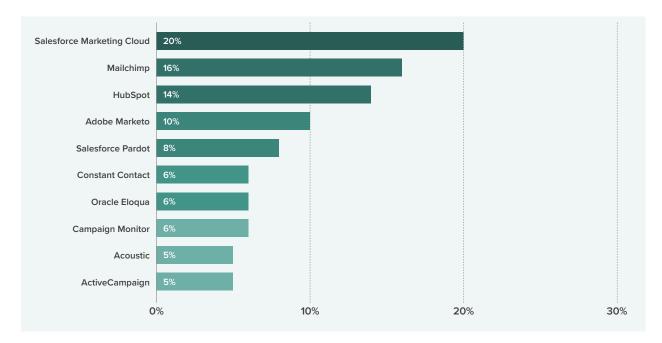


By omnichannel integration

Email marketing is the strongest channel in your marketing mix—and if you're integrating it well with other channels, you can amplify its power. Some ESPs make it easier to do that than others.

Top ESPs among highly integrated email programs

Percentage of brands that describe their email marketing program as highly or very highly integrated into their other marketing channels using each ESP.



"Salesforce's open platform allows marketers to leverage data from different sources to create a single source of truth, and integrate across partners, sales, service, and commerce. Trigger emails from any event and use data to create personalized emails at scale. And integrate it all with our marketing, analytics, and advertising partners."



Jeff Baker *VP, Product Management, Operations*

"Mailchimp's extensive integrations with companies like Litmus help marketers connect with their favorite web services to maximize their email marketing efficiency and ROI. From email testing to scheduling event-based or social messages, Mailchimp's broad range of integrations allow marketers to get the most out of their tech stack."



Sean Fletcher Senior Product Marketing Manager "Since HubSpot integrates seamlessly with your CRM, it makes it easy to get a 360 view on all of your marketing campaigns. HubSpot also has a powerful reporting suite that tracks the deliverability of your emails and supports lead nurturing on all fronts. Take advantage of HubSpot's CRM powered email tool to drive datadriven marketing at every stage of the customer journey."



Amy ChaHubSpot Marketing

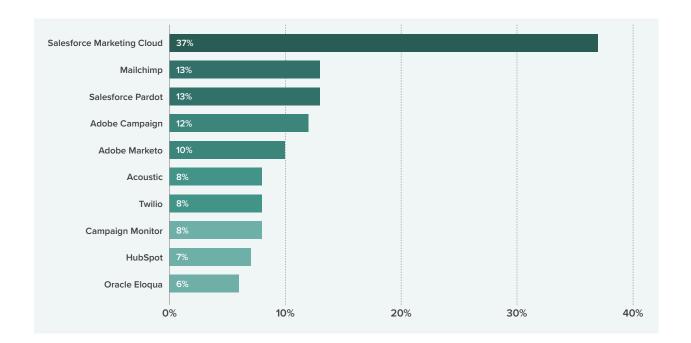


By advanced program usage

Are you interested in implementing interactive elements in your emails? What about dynamic content? Or maybe you need to send out emails in multiple languages? Check out these ESPs based on your needs.

Top ESPs among brands that use interactivity

Percentage of brands that implement interactivity in their emails using each ESP.



"Interactivity is a top priority at Salesforce. Marketers can drive engagement in their messages with interactivity. They can choose from a drag-and-drop builder experience with the email form block or a coding approach with our support for AMP for Email. Completing a review or scheduling an appointment without leaving the inbox is now possible."



Rachel Boyles Product Marketing Manager

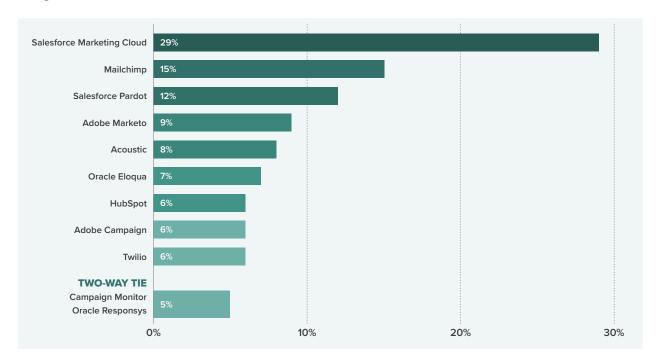
"Mailchimp helps marketers foster deep relationships with their customers through our easy-to-use technology and hundreds of integrations. Scheduling and sending email campaigns and social events is made easy, and you can seamlessly design and test your emails to make sure your interactive content creates a great subscriber experience."



Sean Fletcher Senior Product Marketing Manager

Top ESPs among brands that use dynamic content

Percentage of brands that use dynamic content or personalization often or always in their emails using each ESP.



"Dynamic content is a key element to scaling an email program, and Salesforce provides users the tools and templates to let the data drive the content based on audience, actions, or marketing rules. When marketers have various pieces of content, they can layer in AI to select the most engaging and relevant content for each individual subscriber."



Rachel Boyles Product Marketing Manager

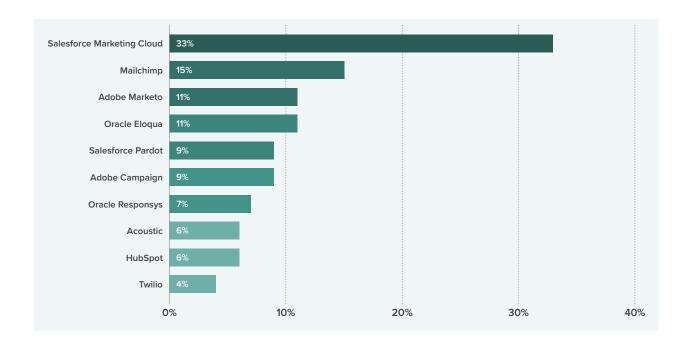
"Merge tags within Mailchimp make it easy to personalize emails based on subscriber data. Tags can be applied automatically when someone signs up on your landing page, and it's easy to use the data from your Mailchimp CRM to deliver messages that truly resonate with each subscriber on a personal level."



Sean Fletcher Senior Product Marketing Manager

Top ESPs among brands that send emails in multiple languages

Percentage of brands that send emails in multiple languages using each ESP.



"With our enhanced dynamic content, Salesforce empowers email marketers to upload content in multiple languages so marketers can create and send one email with multiple versions, speaking to the subscriber in their preferred language. We also provide preview and validation tools to easily check content prior to sending."



Rachel Boyles Product Marketing Manager

"There are a couple ways Mailchimp can serve your multilingual brand. Using a translation merge tag will let you translate to a preferred language through Google Translate. And if you store a customer's language preferences in our Marketing CRM, you can use a conditional merge tag that will translate each email based on those preferences."



Sean Fletcher

Senior Product Marketing Manager

How to use the insights from this report

You have <u>hundreds of email sending tools</u> to choose from—so finding the right fit can feel impossible. This report provides a great starting point to find the perfect ESP for your brand.

Cross-compare our lists of top ESPs in this report to zero in on the most popular tools among brands similar to yours. For example, if you're a large ecommerce brand with a heavily decentralized team, see the top tools in those three categories and create a list of three to five popular ESPs you'd like to look into further.

Check out those ESPs' websites, case studies of happy customers, and product review sites to learn whether or not their tools could be a good fit for your team.

Keep in mind this report is not meant to be a substitute for a thorough ESP search or request for proposal (RFP) process. These lists provide a snapshot of market share in July 2020, but they don't consider past changes in market share, the strength of future offerings, your team's unique requirements, or a myriad of other factors that may be critical to comparing or selecting an ESP. For those reasons and others, these lists should not be considered as an endorsement or recommendation of one ESP over another.

Finally, remember that the ESP industry is heavily fragmented and new products are introduced all the time. This means you have lots of choices outside of the top 10, including up-and-comers, innovators, and true bargains.

Litmus works alongside ESPs for a streamlined, efficient workflow and is proudly ESP-agnostic.



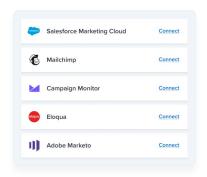
Share the email love

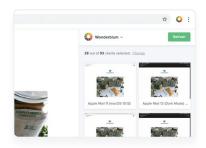
Share this report with others on your email and marketing teams. Then, sign up for our emails to stay on top of what's happening in email today...and predictions for tomorrow.

Litmus works where you do

Give your team the gift of time. Eliminate manual steps and increase efficiency with technology integrations that fit into any workflow. With Litmus, you can <u>save an email team member</u>

1 week per email campaign. And re-invest that time on innovative ways to drive revenue.





ESP Integrations

Access Litmus Email Previews inside the most popular ESPs to see how your emails look in 90+ email clients. Send on-brand, errorfree emails. Every time.

ESP Syncing

Seamlessly transfer code from Litmus Builder to an ESP in just one click. And automatically sync any code changes to that ESP once connected. ESP Syncing is available for:













Litmus Chrome Extension

Preview, test, and troubleshoot emails alongside an ESP's builder or a standalone code editor directly on your desktop. No more switching between tools.