The State of Email Analytics

SECOND EDITION

Measuring up: The email metrics brands track—and how they do it

litmus

Introduction

Brands use analytics to listen to what their subscribers and inbox providers are telling them. Without analytics, both the cheers of happiness and shouts of frustration go unheard.

In the second edition of our State of Email Analytics report, we take a detailed look at how brands track metrics and use analytics to measure and optimize their email programs.

Take advantage of this report to better understand how your email analytics capabilities stack up against your peers' and where you have email performance visibility gaps. Then, use these findings to make the case for better email analytics so you can optimize strategies, improve deliverability, and boost performance and return on investment (ROI).

In July 2020, we surveyed over 2,000 marketing professionals on their roles and what's driving their email strategies. Respondents included email and marketing specialists, team leads, managers, directors, VP-level executives, and C-level executives all in the marketing field. This report is possible thanks to those who generously took the time to take our 2020 State of Email survey and share their insights.

Now, let's understand email analytics better!

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 **blog**, **Litmus Live conferences**, **ebooks**, **webinars**, 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 **sign up for our emails**.

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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Dive into the world of email marketing metrics and analytics, including:

Be at the top of your email game

Join email marketing pros like you who rely on Litmus for expert advice and analysis.
Sign up for our emails to get the Litmus newsletter, notifications of new reports and
executive summaries, announcements of upcoming webinars and events, and more.

Third-party analytics

While email service providers (ESPs) supply good data on the performance of your emails, it's not the whole picture. That's why a growing number of brands use third-party analytics to supplement their ESPs' dashboards.

Email analysis methods
The percentage of respondents who use each email analysis method

74%	**64%**	**35%**	**6%**
In-house analysis	ESP dashboards	Third-party analytics	Agency or consultant analysis
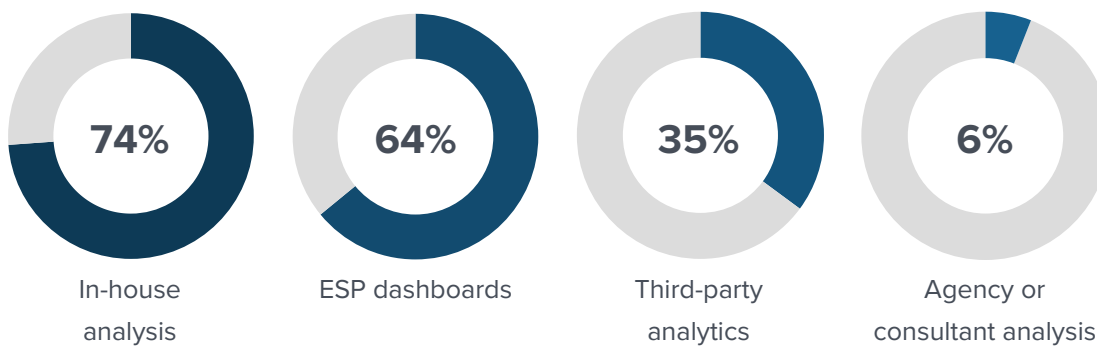
And it pays. Brands that measure email program success with third-party analytics tools have an ROI of 45:1. Those who don't, reported an ROI of 36:1.

Marketers who use third-party analytics tools see a 25% higher ROI than those who don't.

Also, in case you're wondering: The loss of third-party cookies does not mean the loss of third-party analytics. In fact, it means email marketing—which relies heavily on first-party data—is becoming even more critical to success.

Go beyond opens and clicks with Litmus Email Analytics

Accelerate campaign performance with advanced data insights you won't get from your ESP. Fine-tune testing efforts, and use engagement and geographic data to inform design, segmentation, and copywriting decisions.

Most popular email analytics tools

The percentage of respondents who use each email analytics tool

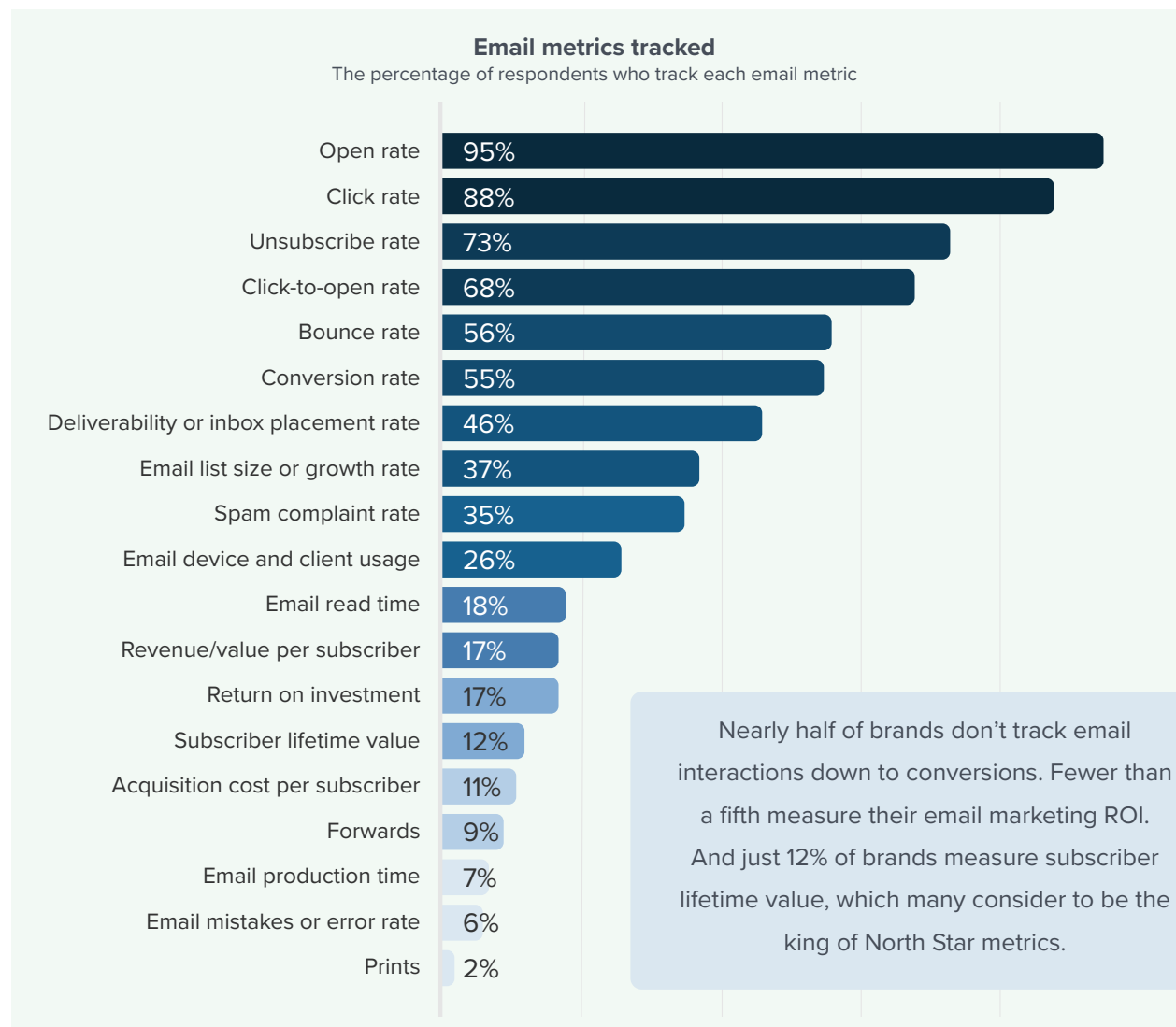| Tool	Percentage
Google Analytics	62.1%
Salesforce	25.3%
In-house solution	20.0%
Tableau	19.3%
Litmus Email Analytics	18.9%
Adobe Analytics	12.6%
Microsoft Power BI	8.1%
Email on Acid	7.1%
Movable Ink	3.9%
Looker	3.4%
Domo	2.6%
Amplitude	1.6%
Heap	1.2%
Webtrends	1.0%
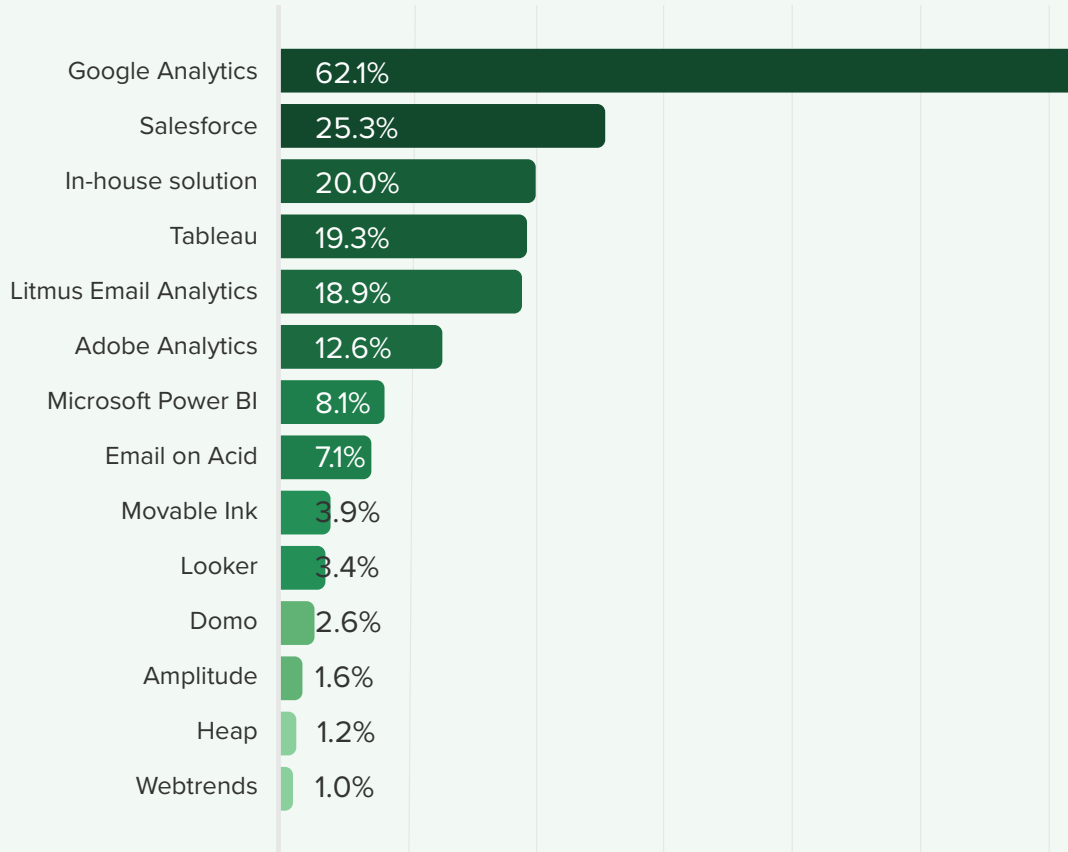
(Only showing those with at least 1% market share)

Among the 35% of brands embracing third-party email analytics, Google Analytics is almost a given with 62% using the suite. Google Analytics is a key tool for connecting email activity to web conversions.

Analytics is just one of many areas where brands rely heavily on third-party tools to supplement what their ESPs provide.

Email performance visibility

To date, brands have nearly-universal access to email opens, clicks, and bounces. However, after that, the view diminishes quickly.

Email metrics tracked
The percentage of respondents who track each email metric

Metric	Percentage
Open rate	95%
Click rate	88%
Unsubscribe rate	73%
Click-to-open rate	68%
Bounce rate	56%
Conversion rate	55%
Deliverability or inbox placement rate	46%
Email list size or growth rate	37%
Spam complaint rate	35%
Email device and client usage	26%
Email read time	18%
Revenue/value per subscriber	17%
Return on investment	17%
Subscriber lifetime value	12%
Acquisition cost per subscriber	11%
Forwards	9%
Email production time	7%
Email mistakes or error rate	6%
Prints	2%

Nearly half of brands don't track email interactions down to conversions. Fewer than a fifth measure their email marketing ROI. And just 12% of brands measure subscriber lifetime value, which many consider to be the king of North Star metrics.

Is the open rate dead?

Apple's Mail Privacy Protection goes into effect between September and November 2021, allowing Apple Mail users to prevent senders from knowing when and where they open emails. What does this mean for the future of the open rate as we know it?

When we break this down between those who use third-party analytics tools and those who don't, we see that third-party analytics will be key in helping brands measure those critical metrics beyond email activity.

Email metrics tracked by third-party analytics users vs. non-users

The likelihood of third-party analytics users measuring each email metric over non-users

Metric	Value
Open rate	+1%
Click rate	-1%
Unsubscribe rate	+5%
Click-to-open rate	+12%
Bounce rate	+2%
Conversion rate	+15%
Deliverability or inbox placement rate	+17%
Email list size or growth rate	+24%
Spam complaint rate	+8%
Email device and client usage	+42%
Email read time	+39%
Revenue/value per subscriber	+47%
Return on investment	+31%
Subscriber lifetime value	+42%
Acquisition cost per subscriber	+27%
Forwards	+11%
Email production time	+14%
Email mistakes or error rate	+0%
Prints	+100%

For instance, those who use third-party analytics are 15% more likely than non-users to measure conversions, 47% more likely to capture revenue per subscriber, and 42% more likely to track subscriber lifetime value.

*Brands using third-party analytics tools
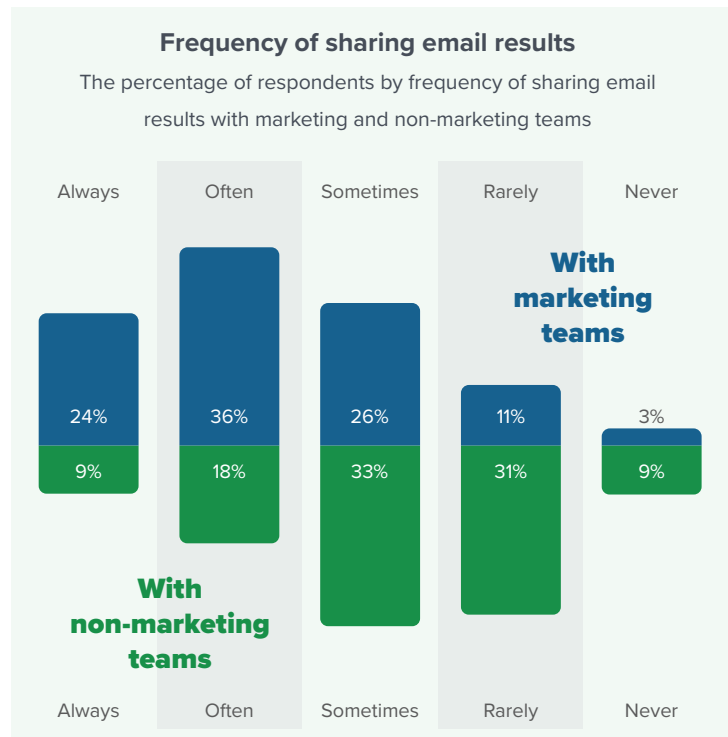are much more likely to measure monetary
value from their email campaigns.*

Action items

☐ Read Holistic Email Metrics Matrix: Are you seeing the whole picture?

☐ Be able to answer the question: What Is an Email Conversion?

☐ Learn The Difference Between a Hard and Soft Bounce.

☐ Understand Why Measuring Subject Line Success by Opens Is All Wrong.

Sharing email results

If email metrics aren't shared, does the email even count? The majority of marketers often or always share results within marketing. But outside of marketing, it's mostly sometimes or rarely.

Brands that say email marketing is very important to company success are 25% and 33% more likely to always share email results with their marketing organization and with non-marketing teams respectively. And those that always share results with both marketing and non-marketing departments have a 28% higher email marketing ROI than those that don't.

Frequency of sharing email results

The percentage of respondents by frequency of sharing email results with marketing and non-marketing teams

Always	Often	Sometimes	Rarely	Never
24%	36%	26%	11%	3%
9%	18%	33%	31%	9%

With marketing teams

With non-marketing teams

Always	Often	Sometimes	Rarely	Never

Brands that always share email results to their entire organization see a 28% higher ROI.

It's important to break out of your silo. When you give everyone—not just your email team—a look into how your email program is performing, you give them the power to use email insights across your company. In turn, this can improve overall marketing effectiveness.

Don't know how to start? Check out this free email reporting template.

Easily stay on top of (and share) subscriber trends and behaviors

No more siloed data. Turn your email metrics into marketing action—with Litmus Integrated Insights. Access data from both Litmus and select ESPs in one integrated report. And empower all stakeholders (including you!) with actionable insights delivered right to the inbox.

Inactivity management

Because inbox providers factor subscriber engagement into their filtering algorithms, having too many inactive subscribers can cause them to block your messages to some or all of their users. So, we recommend actively managing your inactive subscribers because it leads to better deliverability and, therefore, better results.

Nearly every brand tracks opens and clicks, but only a little less than half of them translate that data into inactivity and use it to help manage their subscribers at least sometimes.

Subscriber re-engagement campaign usage

The percentage of respondents by use of subscriber re-engagement campaigns

Always	Often	Sometimes	Rarely	Never
7%	14%	25%	30%	24%
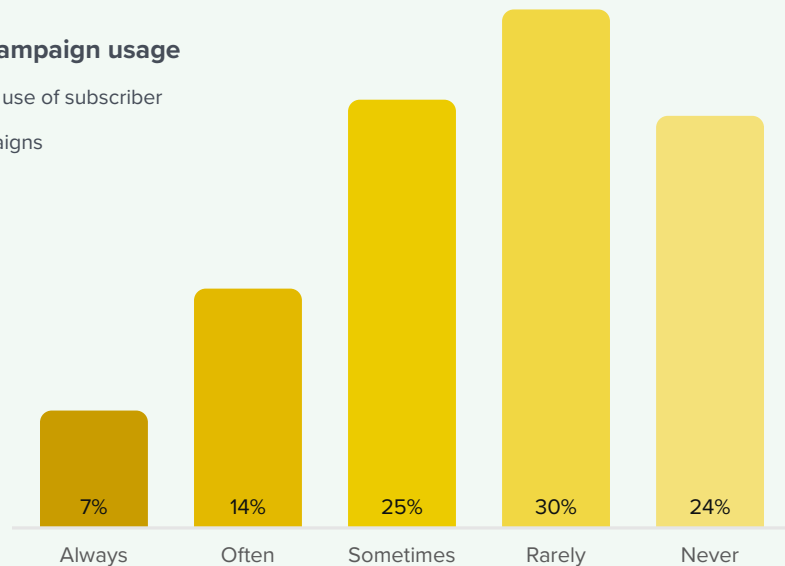
In fact, marketers who describe their email programs as very important to company success are 37% more likely to send re-engagement campaigns than those with no importance.

53% DO   **47% DON'T**
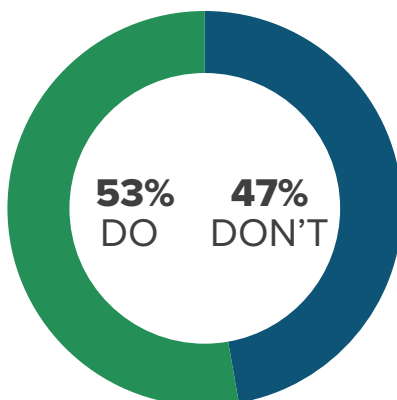
Brands purging inactives

Very important email programs are also 25% more likely to eventually remove chronically inactive subscribers from their active mailing lists.

Of those who do remove inactive subscribers from their active email list, it's nearly evenly split between waiting for up to a year of inactivity and waiting for over a year—with the slight edge going to keeping inactives around longer.

Months of subscriber inactivity before removing from active email list

The percentage of respondents by how many months of inactivity before removing subscribers from their active email list

≤ 4 months	10%
5-12 months	38%
13-24 months	35%
≥ 25 months	17%
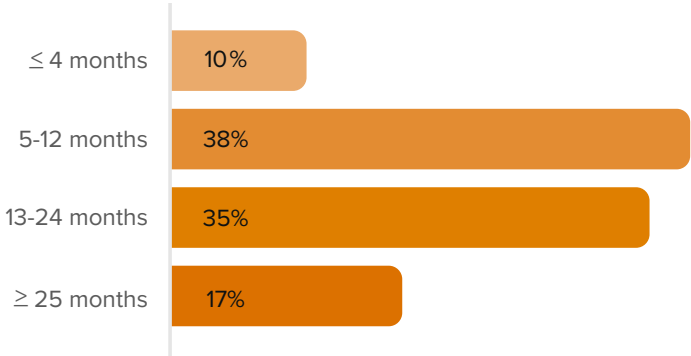
We get it: Letting go is hard. But improving the unsubscribe experience and properly managing inactive subscribers who choose to ignore you instead is better than risking your emails going to spam.

We also highly recommend managing inactive *customers*. While only 55% of brands track conversions, nearly half of them sometimes, often, or always use that data to trigger winback campaigns to customers or donors who haven't converted recently—in an attempt to convert them again.

Customer winback campaign usage
The percentage of respondents by use of customer winback campaigns

Always	Often	Sometimes	Rarely	Never
8%	14%	27%	26%	25%
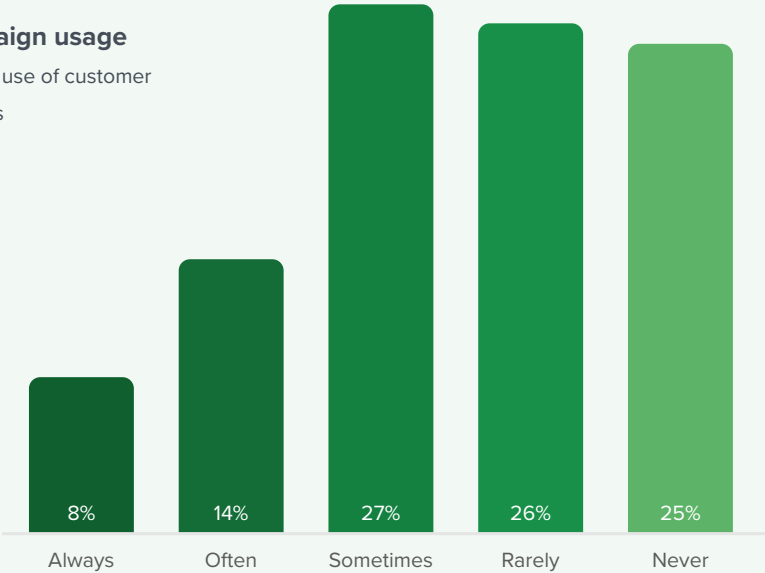
Brands who send customer winback campaigns at least sometimes see a 59% higher ROI.

This is a very effective tactic to [increase customer retention](#), with brands who sometimes, often, or always send winback campaigns achieving a 59% higher ROI than those who rarely or never do (43:1 vs. 27:1).

The frequency of winback emails sent by marketers doesn't differ significantly from re-engagement emails. Pick a timing that makes the most sense for your customer buying cycle.

With both inactive subscribers and inactive customers, brands that use third-party analytics are significantly more likely than those that don't use them to take corrective action. These are cases where greater visibility into subscriber and customer behavior empowers action.

## Increase your good subscribers—and revenue

Wonder how you can grow your list and ROI? In our *Marketer's Guide to Revenue: Email Lists*, find out how to assess your current list, find (and keep) new subscribers, and incorporate your list strategy into an ongoing part of your program.

Email deliverability

If you're not watching and paying attention, it's easy to get your emails blocked and not know it. Spam filter testing tools and deliverability monitoring tools are instrumental in getting this critical view.
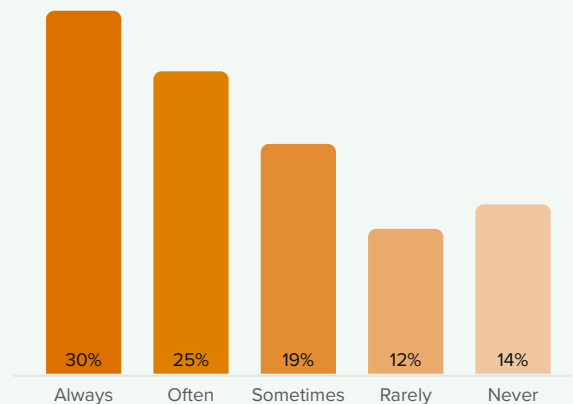
Spam filter testing

The percentage of respondents by use of spam filter testing

Always	Often	Sometimes	Rarely	Never
16%	9%	17%	27%	31%
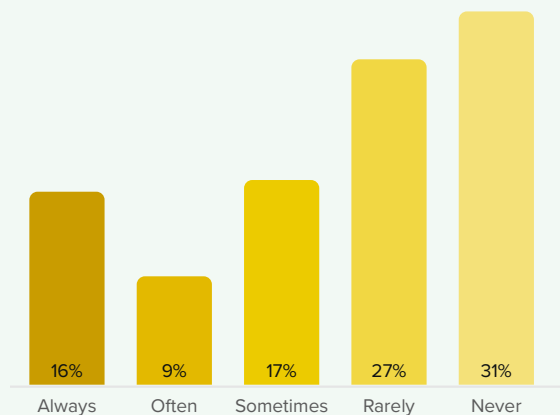
Deliverability or inbox placement monitoring

The percentage of respondents by use of deliverability or inbox placement monitoring

Always	Often	Sometimes	Rarely	Never
30%	25%	19%	12%	14%

Over half of brands always or often monitor their deliverability rate: the percentage of emails that land in the inbox instead of the junk folder (not the same as the delivery rate). Yet only a quarter often or always run spam filter tests. Many deliverability issues could be prevented with spam filter tests in the first place. Think of running spam tests as being proactive and monitoring inbox placement as being reactive.

Make it to the inbox, not the spam folder

Check your emails against consumer- and business-grade spam filters—including Gmail, Outlook, Barracuda, SpamAssassin, and more—with Litmus Spam Testing to alert you to issues before you hit send. Plus, get advice on how to fix issues so your emails are delivered safely to the inbox.

Of the brands doing any spam filter testing or inbox placement monitoring at all, 33% reported being blocked by an inbox provider while 17% reported being on a blocklist.
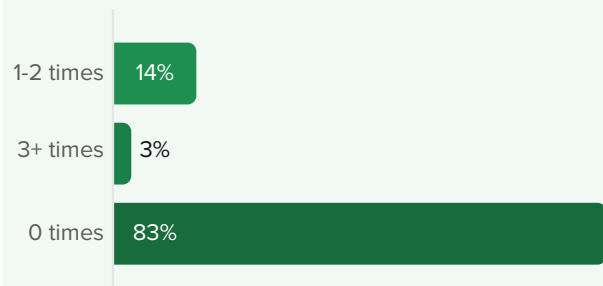
33% of brands' emails have been blocked, and 17% have been blocklisted.

Inbox provider blocks

1-2 times	23%
3+ times	10%
0 times	67%
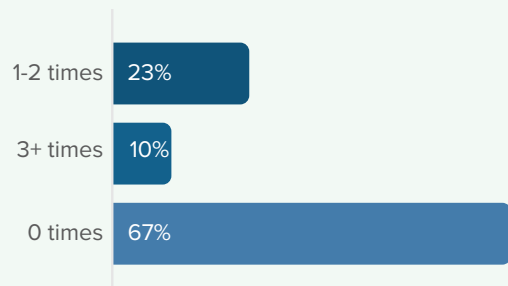
The percentage of respondents by number of times in the past year blocked by an inbox provider (e.g. Gmail)

Blocklistings

1-2 times	14%
3+ times	3%
0 times	83%

The percentage of respondents by number of times in the past year put on a blocklist (e.g. Spamhaus)

It's safe to assume that brands monitoring inbox placement and spam filtering have a much better picture of their deliverability. After all, you can't report a block or blocklisting if you aren't aware of it. If a decent amount of brands who *are* keeping track are seeing issues, one can only imagine that brands who are *not* monitoring are being blocked or blocklisted at higher rates—and just don't know it. More importantly, you can't resolve a block or blocklisting if you aren't aware of it.

Action items

☐ Understand Why Blocklistings Don't Only Happen to Spammers.

☐ Find out What to Do If You've Been Blocklisted.

Email marketing return on investment

In the age of performance-driven decision-making, there's emphasis on how your return on investment (ROI) should guide what you do. The problem is: Most brands can't measure their email marketing ROI well.

Measuring email marketing ROI

The percentage of respondents by how well they measure ROI

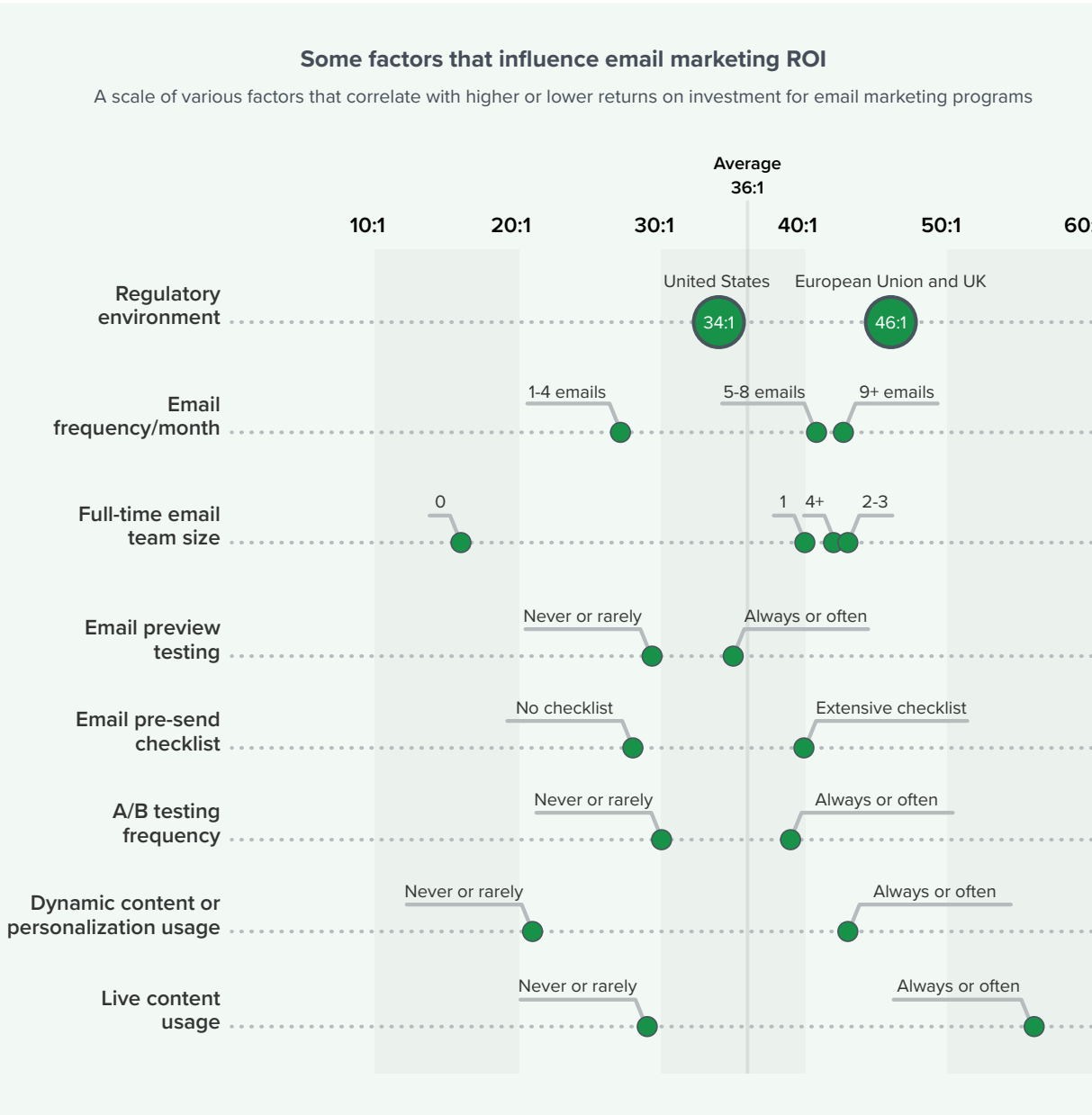| Category	Percentage
Very well	7%
Well	12%
Adequately	29%
Poorly	28%
Very poorly	11%
No measure	13%
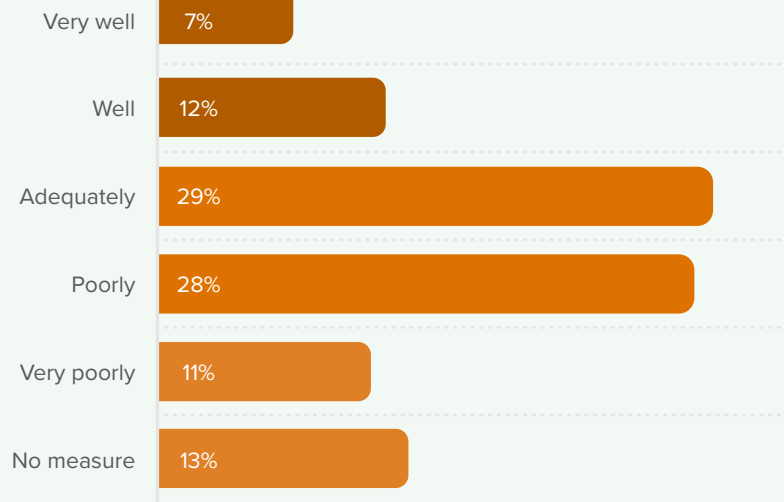
However, brands that can measure ROI adequately or better report an average 46:1 email marketing ROI—92% higher than those who measure ROI poorly, very poorly, or not at all. ROI is the biggest driver of email marketing budgets. So if you can prove ROI, you're more likely to get more budget to increase that ROI. And the cycle continues.

Increase your email marketing ROI

Litmus helps you get more from your email investment. For example, users of **Litmus Spam Testing** generate an email ROI that's 16% higher than non-users; those using **Litmus Email Analytics** achieve a 39% higher ROI; and users of **Litmus Email Previews** get an ROI that's 8% higher.

The point? Email marketing returns (about 36:1 on average) continue to outperform other channels by a long shot. Our research not only shows email's powerful (and continually growing) ROI, but also illustrates the email marketing tactics and strategies that impact ROI the most.

Some factors that influence email marketing ROI

A scale of various factors that correlate with higher or lower returns on investment for email marketing programs

Average
36:1

| 10:1 | 20:1 | 30:1 | 40:1 | 50:1 | 60:1 |

Regulatory environment
United States 34:1 — European Union and UK 46:1

Email frequency/month
1-4 emails — 5-8 emails — 9+ emails

Full-time email team size
0 — 1 — 4+ — 2-3

Email preview testing
Never or rarely — Always or often

Email pre-send checklist
No checklist — Extensive checklist

A/B testing frequency
Never or rarely — Always or often

Dynamic content or personalization usage
Never or rarely — Always or often

Live content usage
Never or rarely — Always or often

For instance, the anti-spam and privacy regulations in the European Union and United Kingdom are much more stringent, but their cleaner and clearer opt-ins pave the way to higher quality subscribers and better email performance. Brands operating there report a 35% higher ROI than brands in the United States. Also, when brands don't have anyone dedicated full-time to email marketing, their email ROI drops significantly to 16:1. Even having just one full-time person gives brands a 150% boost in ROI.

Maximize ROI with advanced Litmus Email Analytics

Increase subscriber engagement and campaign results with data to help identify trends, optimize design and content, and enable better personalization.

"Litmus gives us the strategic insight, accountability, and level of perfection we need to drive success for our clients."

Joe Savitch Marketing Manager, Altos

Easily identify your most successful campaigns
Get insight into how your email program is performing, identify your most engaging content, and share to inform strategies across marketing channels.

See duration of engagement
See how long your subscribers spend reading your email. Compare read rates by device to identify key areas for optimization.

Discover where your subscribers open
Learn which devices and apps your subscribers use most, and optimize your design more effectively to increase your overall email performance.

Pinpoint subscriber geolocation
See the specific countries and cities where your subscribers are opening to make more informed design, send time, and personalization decisions.
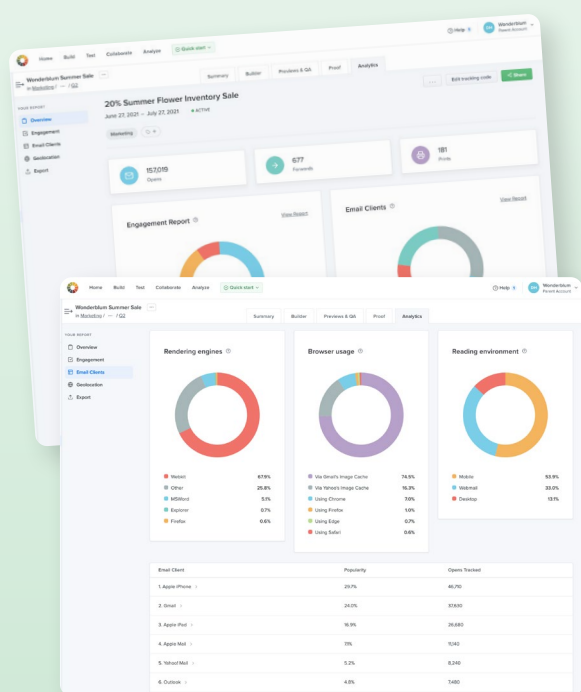
Brands that use Litmus Email Analytics generate an ROI of 53:1. That's 43% higher than the average ROI of brands that only rely on email insights provided by their ESPs.