

The State of Email Innovations Report

Data, insights, and trends to help you adapt and prepare your email program for what's to come.

20 24



In this report, you'll learn:

Chapter 1: Changes to the email landscape

Chapter 2: How email marketers use Al

Chapter 3: **Email personalization tactics**

Chapter 4: Innovations in email design

Chapter 5: Put these innovations into action

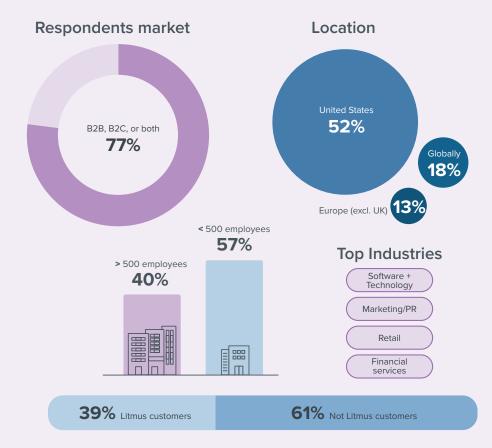
Understand the innovations and trends shaping email marketing this year

Email has sustained its place in marketing strategies for years, but it's anything but static.

We surveyed nearly 1,000 marketers between January 29th and February 29th of 2024 to understand their priorities and preparations for the year ahead.

Read on to learn about what's ahead and how to adapt your marketing to stay ahead.

Who responded to our survey?





Changes to the email landscape

Email marketing's role is changing

Marketers have to play by new rules

Industry-wide updates are on the horizon. First, teams need to pay close attention to their deliverability after recent Yahoo and Google sender requirements.

The loss of third-party cookies is in the future too, but are marketers prepared?

Email will bolster the loss of third-party cookies

30% of brands plan to increase their overall email marketing spend this year, and they've chosen a great time to invest. Your email list is a rich source of zeroand first-party data that will power automation and personalization.

You need email to do more than convert

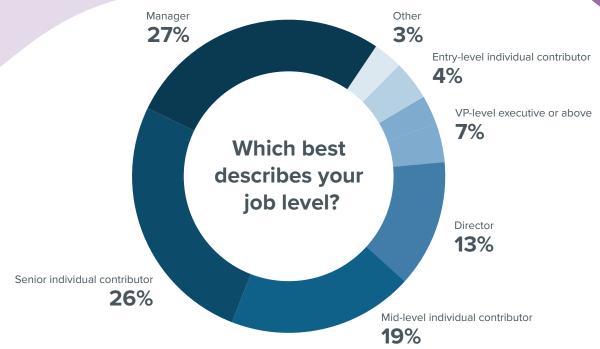
Email's high average ROI has been an inspiring stat for years, but **72**% of marketers aren't sure what their email ROI is. Which begs the question—is it how we should define email success?

Awareness, engagement, and relationship-building is where email shines. Since only 5% of your audience is <u>ready to buy</u>, the value of email comes from loyalty and brand connection.

Email marketing talent is advancing

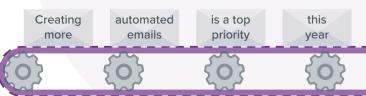
Who is in charge of email marketing? More than half of our respondents are managers and senior individual contributors. There's also a trend toward more advanced roles overseeing email with a focus on strategy and planning.



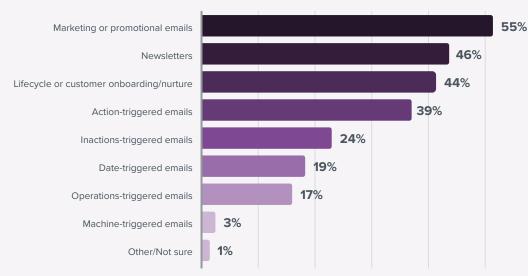


Automation is on the rise

Email is a critical channel to develop customer relationships, and lifecycle automations are the ideal tool. While promotional messages and newsletters are still the most-used emails, relational emails round out the top five. Automated nurture sequences and transactional emails help marketers develop customer relationships without overwhelming the inbox.



How does your company currently use email?





Trust your automations with Litmus Email Guardian

Your critical email automations work independently to connect with your audience, but what happens if an issue goes unnoticed? <u>Litmus Email Guardian</u> monitors your emails 24/7 to alert you to problems with your template, links, images, and more.

New Gmail and Yahoo sender requirements should put your focus on deliverability

Gmail and Yahoo have <u>new deliverability rules for mass</u>
<u>senders</u>. While the details are pretty straightforward, it's a reminder to pay attention to deliverability. Good <u>email</u>
<u>deliverability</u> ensures you reach your audience, so you can always use email to build trust, enhance engagement, and maintain customer relationships.

Most respondents do monitor deliverability (phew). There are 15% that don't, and another 15% who aren't sure if they do, though. Google Postmaster Tools was voted the mostused deliverability tool, and it's free.

of respondents don't measure deliverability or aren't sure if they do

Litmus also has <u>Spam Filter Testing</u> to help you prioritize email deliverability. Discover if you're blocklisted, confirm security authentications, and test against major spam filters.

"Email success goes well beyond ticking boxes—
it's about fostering trust and loyalty. By sending
responsibly, you not only enhance the subscriber
experience but also safeguard your brand from
misuse. While Google and Yahoo are the ones
currently in the spotlight, stricter rules are becoming
the norm across mailbox providers to counter rising
email threats.

My advice? Embrace change; the data shows non-compliance leads to delivery delays and domain-based failures. Conversely, simplifying the unsubscribe process can reduce spam rates by up to 30%. So, hop on board because this train is moving,

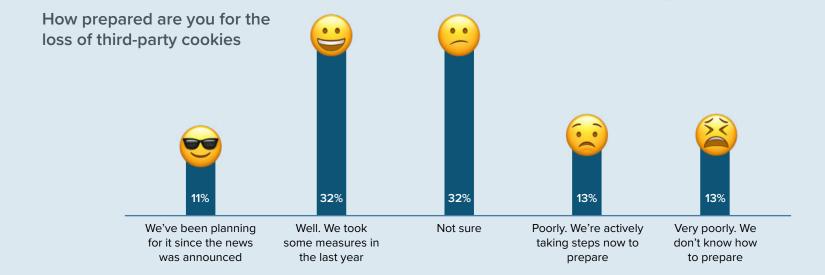
with or without you!"

Lauren Meyer Chief Marketing Officer, <u>SocketLabs</u>

Ready or not, third-party cookies are going away

Google will phase out tracking Chrome users in early 2025. Since there are an estimated <u>3.45 billion global Chrome users</u> and the browser has nearly 64% market share, <u>marketers must fundamentally change</u> how they target this huge majority of their audience. Are you ready?

45% of respondents are either very poorly prepared or aren't sure



Email's zero- and first-party data can make up for the loss

Adjusting to the loss of third-party cookies will undoubtedly be a change for marketers, but email is ready and waiting to fill in the gaps.

Self-reported zero-party data from preference centers and first-party insights from interactive content are reliable data-capture sources. For example, using a

Litmus Personalize poll in your email gathers actionable first-party data and provides engaging experiences in the inbox.

"Data collection and manage forget it" proposition. Be flee

Then, you can use your newfound customer data across your marketing channels.

The 36% of respondents with poor or very poor email integration with other channels can use the loss of third-party cookies as a catalyst for change.



"Data collection and management is a continual challenge; it's not a "set it and forget it" proposition. Be flexible on what you want to know from customers and how you'll ask for it. Establish your own 'why' for collecting certain types of information, and form an actionable plan to make it come to life in a more personalized and contextually relevant customer experience.

You'd be surprised how much information your subscribers will offer up, once you prove that you are asking them questions with the intent of making their life easier or better."

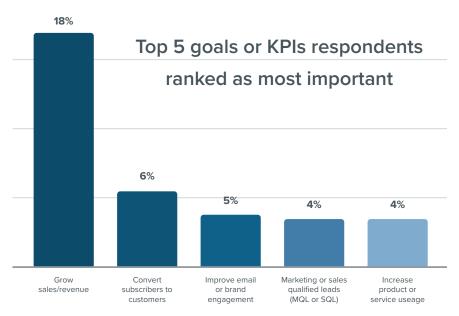


Is ROI an important metric anymore?

Email was voted the most effective marketing channel this year, and marketers don't even need to know its ROI (Return on Investment) to grant it that award.

Email is more than a conversion point, so ROI isn't the ultimate test of performance.

Marketers should lean into email as a valuable channel for building relationships and generating brand awareness—especially for that 95% of your audience who aren't ready to buy.





What marketing leaders consider success in email

"Considering 95% of your audience aren't ready to buy, by thinking about email purely from a conversion perspective, you're limiting what success looks like in email—because you're not going to get that 95% to instantly convert with your next email.

Instead, consider using email to nurture and build relationships by providing them with useful, relevant, valuable content about your brand. In doing so, you'll be building up awareness for your brand in the inbox. So the next time they see your brand on social media, in a paid ad, or on a webinar, getting that conversion will be much easier."



Jaina MistryDirector of Brand and Content Marketing, Litmus



How email marketers use Al

Marketers have only scratched the surface of Al-powered email

Nearly half of marketers use AI in email marketing

You can't escape the Al buzz, and email is no exception. **45% of teams currently use Al in email** marketing and an extra 21% want to start this year.

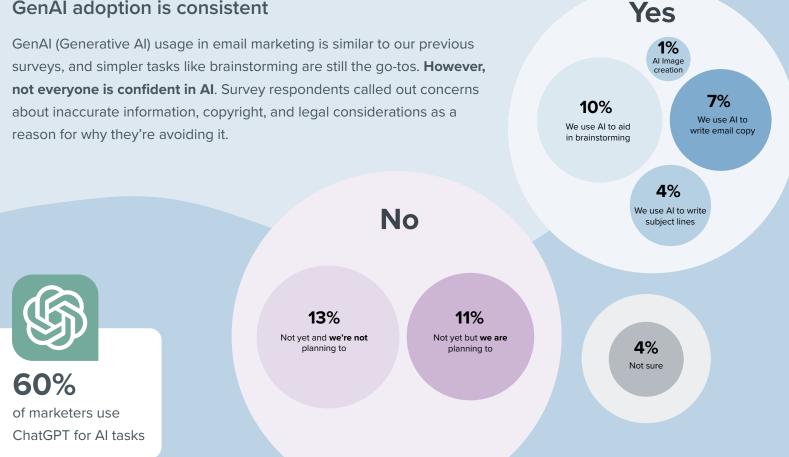
Brainstorming is the most common GenAl task

Currently, marketers use AI for text-based tasks like brainstorming, copywriting, and subject line generation. Only 1% use AI for image generation right now.

There's untapped Al potential that marketing teams want to use

ChatGPT is the most popular GenAl tool marketers use, but there are more email marketing opportunities than generating subject lines.

GenAl adoption is consistent



Marketers can use AI for more than subject lines

Some marketers are already seeing results from GenAl—40% have seen a little boost in performance from Al-generated content and 9% have seen much improvement. But GenAl tools like ChatGPT are just scratching the surface of Al and machine learning in email.



Here's what marketers should explore this year:



QA Testing: find errors in code



Review: fine-tune elements like writing tone



Analysis: compare campaign performance to find top-performing messaging, automations, or send times



Predictive product recommendations: automatically suggest products based on customer actions



Subscriber scoring: find your disengaged subscribers and predict who is most likely to buy

"Since ChatGPT was popularized in 2022, I've found many ways to incorporate GenAl into my email process. Initially, I mostly used ChatGPT to help when facing writer's block with email subject lines, body copy, or call-to-actions. As time passed, my ChatGPT use cases evolved. I began using it for audience segmentation, creating frameworks for email sequences, or even when I needed a second opinion on portions of email code. The next area I'd like to explore is using Al to automate more manual tasks in my email workflow."



Tracie PangEmail Marketing Manager, Litmus



Email personalization tactics

It's time to go beyond merge tags to surprise and delight

Most marketers are happy with their ESP's personalization options

ESPs can handle simple personalization like names in the subject lines or merge tags, and marketers are generally pleased with those capabilities.

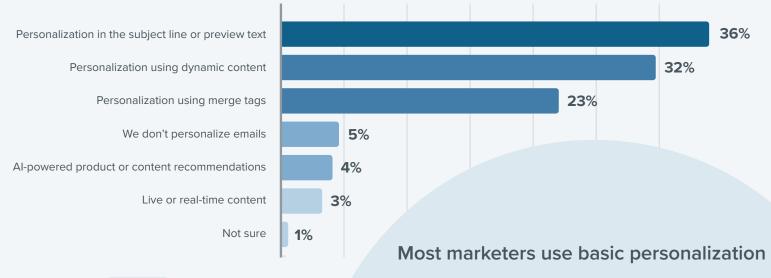
Expanding personalization is a high priority

Live and dynamic content is still a niche strategy, which means there's an opportunity to surprise and delight your audience.

Inadequate data and resources are holding marketers back—but that can be fixed

If you want to use more personalization but roadblocks stand in the way, you aren't alone.

How does your company personalize emails?





of marketers said their ESP handles personalization **well** or **very well**

69%

ESPs are by far the most common place for marketers to personalize email content, since most have basic personalization built in. But audiences are accustomed to seeing their name in the subject line, so is it enough to delight them anymore?

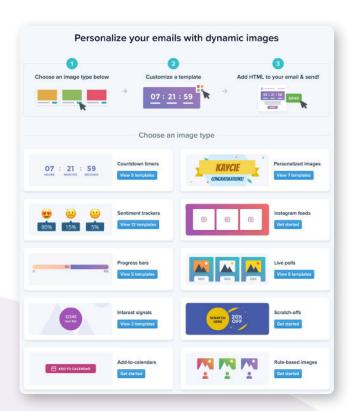
If you want to stand out, use live content

Only 7% of marketers use live or real-time content, but marketers are intrigued—the tactic showed up again and again when we asked you what you wish you could do with personalization. Open-time personalization is an opportunity to surprise and delight your audience, but you will have to look beyond your ESP to make it a reality.

"Customers want to receive more relevant, personalized emails, and delightful emails—but marketers struggle to find the right data points to create these experiences. Using a tool like Litmus Personalize, marketers can go beyond the limitations of their ESP to create truly personalized emails customers expect, while also providing the perfect opportunity to collect critical zero- and first-party data to help inform future campaigns."



Daniel RosenSenior Account Manager, Litmus



Live content example: countdown timers

Dynamic countdown timers add urgency and specificity to emails. Use them to call out the final hours of an important sale, show how much longer a subscription lasts, and build anticipation for a launch.

Drive urgency and excitement for time-sensitive product launches with a live countdown timer. wonderskin SKIN BODY

This season's hottest lip kit is dropping in

3 DAYS



25%

of respondents use countdown timers if they use live content

Drive urgency for time-sensitive sale events with a live countdown timer.

WONDERBOWL

Countdown to Aspen

Tournament starts in

Buy Tickets



Interviews & **Features**



Exclusive Interview Martinez: Victory is short lived when there's another Wonderbowl to prep for

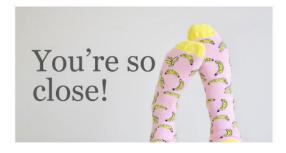


Players to watch Johnathan begins training in the Dolomites in preparation for Aspen this year.



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WONDERSOCKS





You're just **1 purchase** away from your free pair.

Start Shopping



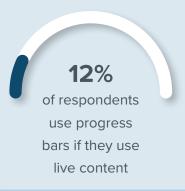


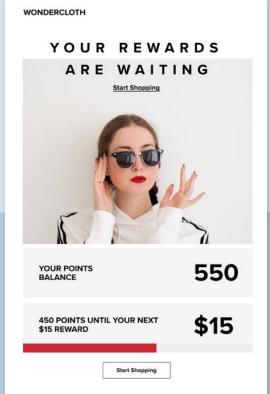


Shop New Arrivals

Live content example: progress bars

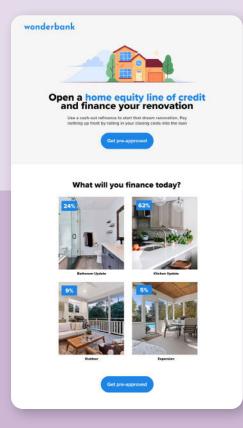
Who doesn't love the feeling of checking off a to-do item? <u>Progress</u> <u>bars</u> encourage subscribers to keep moving toward reward incentive goals, onboarding, project progress, or fundraising goals.





Live content example: live polls

<u>Live polls</u> lets you collect customer preference data for segmentation, gauge interest in a topic, and get subscribers involved in the community with a little fun.



of respondents use live polls if they use live

content



Take your pick

Tell us which favorite drink we should feature next!



Iced Rose Latte
Creamy, slightly sweet. Floral notes.



Iced Pandan Latte with Oatmilk Creamy, slightly sweet. Floral notes.

Try one today

Find a store near me

How to overcome common personalization hurdles

- Branch out from your ESP to try new personalization tactics with other commonlyused tools like Litmus Personalize
- Use tested and approved <u>Litmus templates</u> to try new elements with less QA
- Get inspired by real personalized email examples in our **Email Gallery**
- Connect with and learn from fellow marketers (here's how we personalize emails)

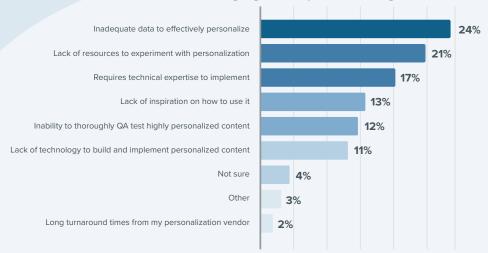
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hours minutes seconds

Expanding personalization is the second highest priority for respondents in 2024

"To announce the release of Litmus Live Polls to our newsletter audience, we decided to show subscribers exactly what a Live Poll in an email could look like and asked subscribers to vote whether they were "team cat" or "team dog." Live Polls typically result in high email engagement. This specific scenario resulted in 17.3% click-through rate in the newsletter—that's an increase of 19.1% compared to newsletters that don't feature a Live Poll."

Tracie PangEmail Marketing Manager, Litmus

What marketers find challenging about personalizing emails





Email personalization for all

Whether you're new to email personalization or a pro, you can tap into email marketers' most effective trends with Litmus.



Every Litmus plan includes the tools you need to deliver the right message at the right moment—while making sure it's error-free and ready to drive results—empowering you to make every send count.

Get started today



Innovations in email design

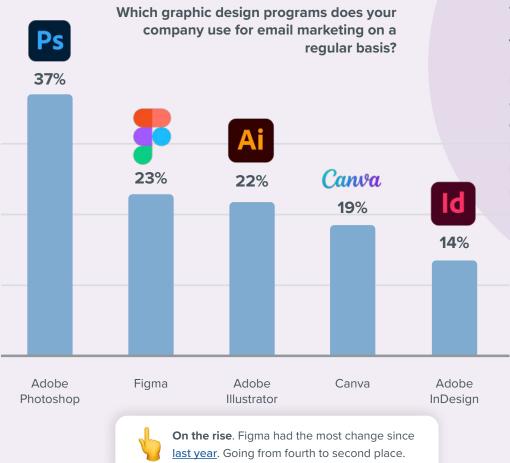
Streamlined production and simplified designs rule the new year

Email designers are embracing new tools

While Adobe Photoshop is still the most popular design platform, tools like Figma and Canva are quickly gaining popularity. Dark Mode and accessibility don't boost performance, but they're still worthwhile

Marketers don't see a big performance boost from Dark Mode and accessible design, but there's value in **creating experiences that everyone can enjoy**. Modular emails speed up the workflow

Email templates and modular design systems create beautiful emails, faster as marketers manage multiple email builds at once.



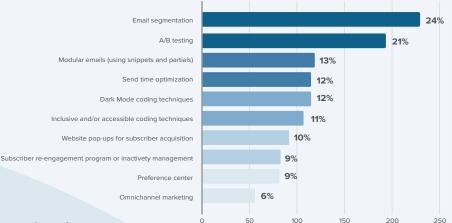
There's an email design tool for every marketer

Marketers of all types want to create amazing emails, and the go-to tools are changing. Professional designers prefer Figma, while marketers without an inhouse design team are relying more and more on Canva to create designs.

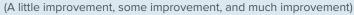
The world needs accessible emails

Quantifying the impact of some design choices is difficult, and marketers felt the most uncertain about the impact of Dark Mode and accessible design. However, the value of these practices is reaching as wide of an audience as possible and ensuring they can engage with your email.

Top 10 tactics and technologies used by respondents



Top 10 Tactics and technologies that have improved performance





Why it matters

8% of the U.S. population has visual impairments

15% of the world's population experiences some form of disability

Modular emails speed up turnaround times

Marketers are juggling more—the rate of teams <u>producing up to five emails at a time doubled</u> from 2023 to 2024. Production needs to be as fast and easy as possible, and modular design systems could be the answer. **80% of teams who use modular designs take 2 weeks or less to create a single email**.

"Ever since we started using a modular design system, my email production time has been cut down significantly. Emails that used to take me hours, now can be done in half the time! Combining the modules that I created with Litmus Design Library has only increased my productivity and **now I** can create some emails in as little as 10 minutes!

P.S. I know this quote sounds totally marketing-y and corn-y but it's 100% true. I would be lost without my modular design system."



Carin SlaterEmail and Content Growth Marketing Manager, Litmus



77% of respondents who use modular designs saw much improvement

in their email program



Put these innovations into action

- 1. Prepare for the loss of third-party cookies
- Assess your third-party cookie reliance
- Make zero- and first-party data your top priority



Watch on-demand: <u>First-Party, Best Party:</u>
Saying Goodbye to Third-Party Data

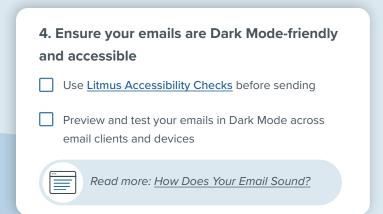
As we wind down our report and ramp up the year, here's what you can do to prepare for change and make the most of email in 2024.

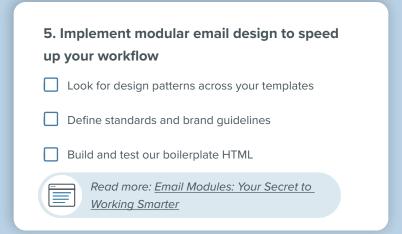
- 2. Protect email deliverability in the wake of new sender requirements
- Authenticate your emails using security protocols like DKIM, SPF, and DMARC
- Implement one-click list-unsubscribe, and honor unsubscribes within two days
- Maintain a spam complaint rate under 0.3% (no more than three spam reports for every 1,000 messages)



Read more: <u>The New Email Deliverability Rules: How to Make Sure</u> You Reach Your Gmail and Yahoo Subscribers

3. Delight your audience with live content and unique personalization with Litmus Personalize
Use live content to customize at scale
Try our <u>quick-start personalization templates</u>
Read more: How To Create Inspiring Personalized Emails







About Us

Litmus is an all-in-one email marketing platform empowering marketers of all stripes to build, test, personalize, and analyze every email.

From solutions for effective email personalization to an airtight QA process monitored by cutting-edge emerging email technology, over 700,000 marketers trust Litmus to help them send emails that just click.

Start your free trial