dotdigital

Global benchmark report '23

Executive summary

How do marketers turn data into customer engagement? What value do benchmarks provide at a time when consumer behavior is at its most unpredictable? These are just a few of the questions we asked as we started creating this year's benchmark report.

As we analyzed reams and reams of data, one thing became clear; context is everything. So as we sliced and diced our findings according to geography, industry, and channel, we applied knowledge of events gone by to add narrative to the numbers.

The second early realization is that data is both your most valuable and your fastest depreciating asset. As the shape of customer loyalty is changing, there is an increasing value in knowing what your customer wants right now versus what they were after three months ago. Take this example from the report; 45% of cart recoveries occurred within 2 hours of cart abandonment. We also found there is a clear correlation between cart value and the average number of days it takes for a customer to come back and complete the purchase.

We're increasingly moving towards moments-based marketing which again highlights the importance of data, but are we ready to trust it? Many reports speak to the lack of trust businesses have in their data. Putting a strategy around data acquisition, enrichment, and validation has to be top of the priority list for businesses who want to benefit from the single biggest thing that will help drive efficiency and results.

Ultimately, benchmark statistics should validate, guide, and inspire your next steps, but not dictate them. That's where your own data comes in. Data should provide the insight you need to form a plan of action, stay front-of-mind, and achieve the marketing results you need.

Juliette Aiken
Global Marketing Director
**Dotdigital**

Methodology

For this report we analyzed billions of emails, SMS, orders, and carts from more than 8,000 accounts that use the Dotdigital platform. We collected two years of data, spanning 2021 and 2022, from a subset of our global client base to produce a comprehensive and accurate benchmark report.

We included data from customers who were active Dotdigital users for a minimum of 200 days over both calendar years to ensure that like-for-like customer cohorts are represented in the data. No fewer than 47 sectors have been included in this report, you can see these listed in the appendices. And, while our platform handles multi-currency, we have converted all currencies to USD, GBP, and AUD for each region respectively to better represent the trends in-region as a whole.

The featured SMS data was compiled using the same subset of Dotdigital active customers that has been used in our email analysis. This provides a comprehensive view of marketers' adoption of cross-channel marketing tactics.
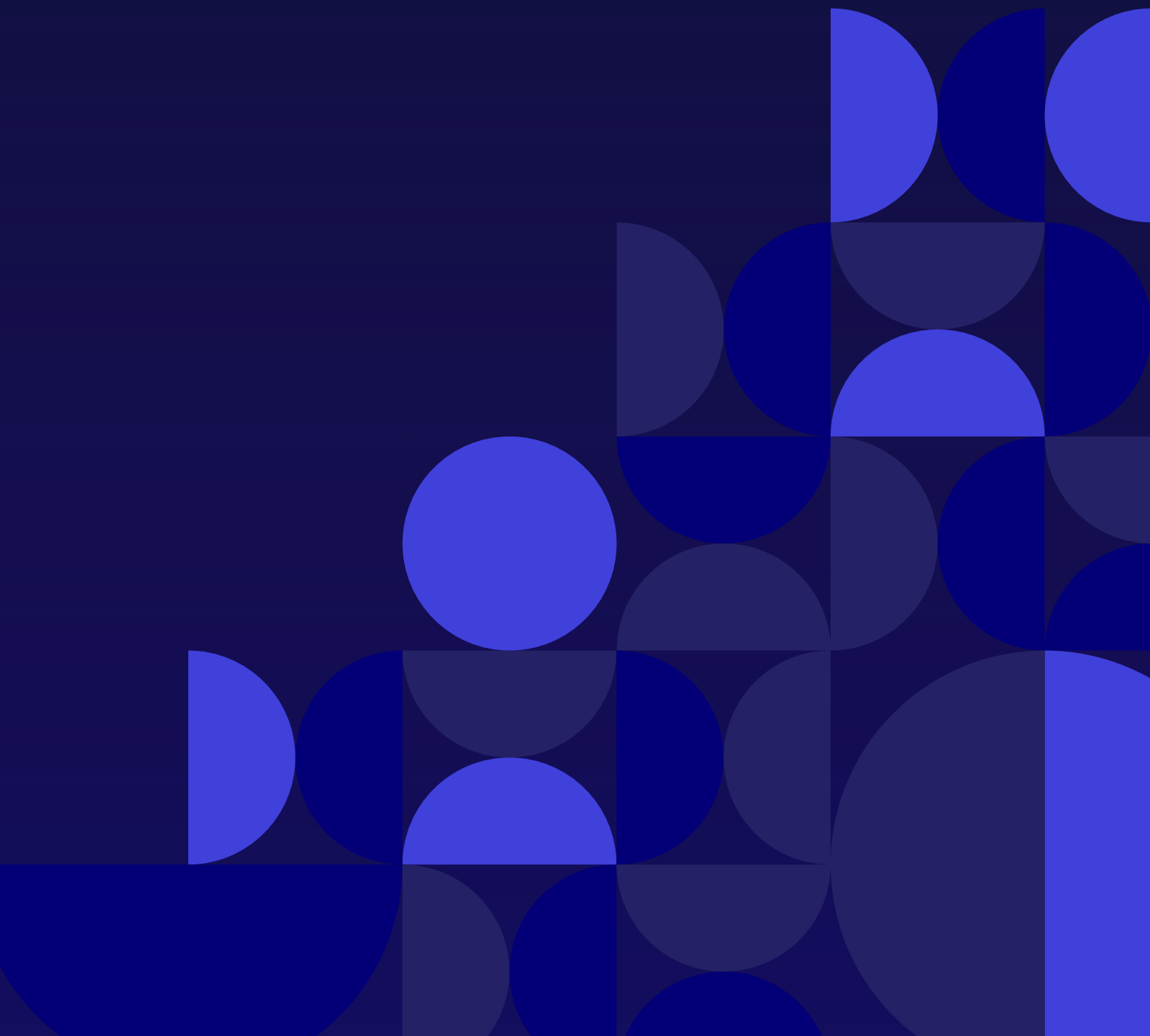
Contents

1
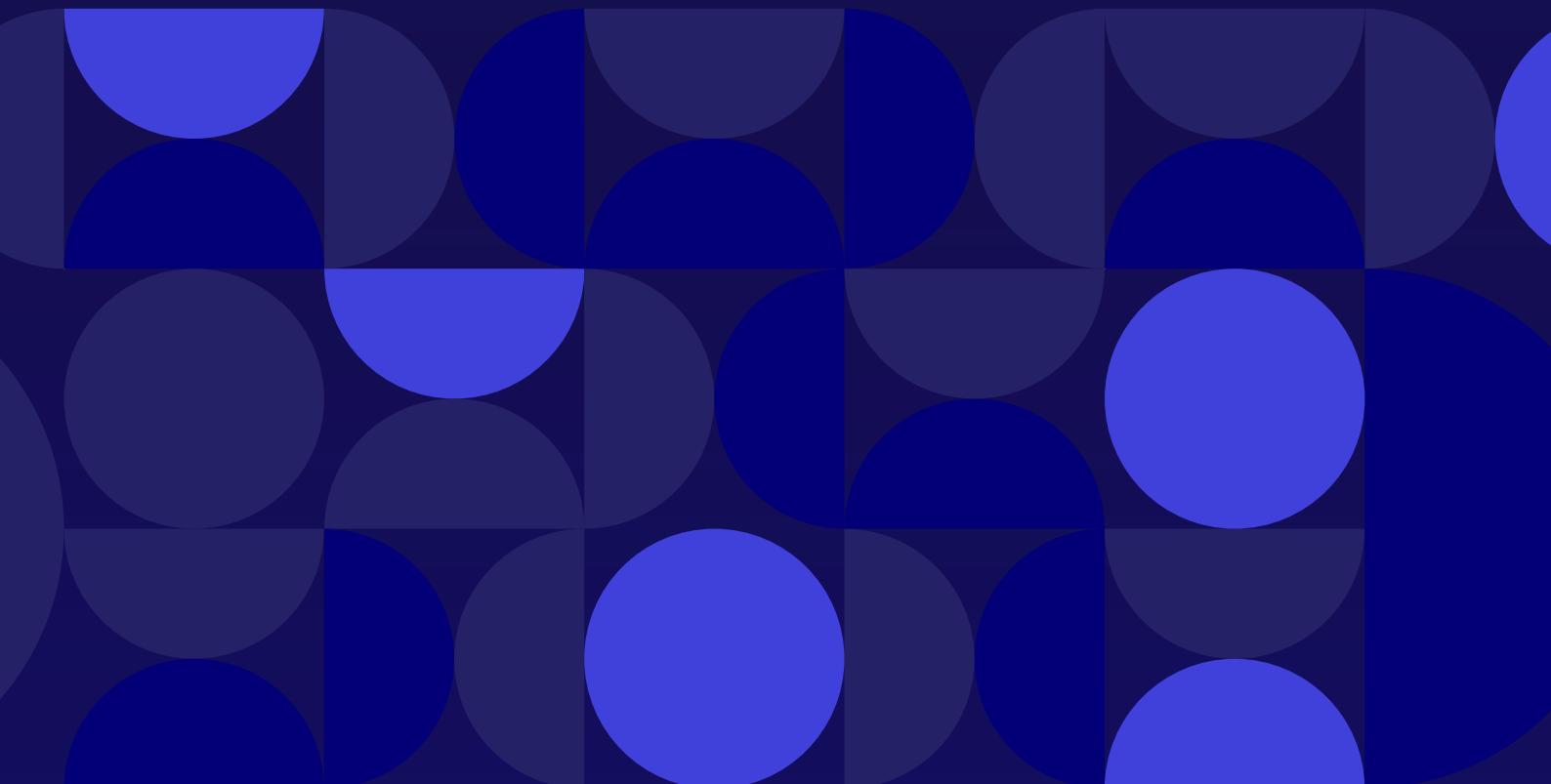
Email
sends

Email sends

Email sends surge despite shifting marketing landscape

Email marketing remains the most popular channel for customers and marketers alike. However, increased engagement and conversions during the 20/21 global pandemic has led to marketing teams setting themselves higher conversion targets.

Unfortunately, a new wave of economic uncertainty has led to a decline in engagement. As a result, consumers are drowning in more emails than ever before as marketers look to hit their marketing goals in an increasingly competitive environment.

As email sends increase, you need to keep a close eye on your bounce rate. The general benchmark for email bounce rates sits at 2%. Anything higher than that should be a cause for concern.

Too many emails ending up in spam will have a negative effect on your deliverability score. Bounces can act as early indicators of larger reputation issues or bad list-building practices. If you don't pay close attention to your bounce rate, ISPs will take notice and may even block your emails altogether.

There are a number of reasons why your emails may be bouncing more than before.

For example:

- ✓ **The customer mailbox is full**
- ✓ **Your subject lines or content are considered 'spammy' by mailbox providers**
- ✓ **The domain or email address doesn't exist**

It's therefore essential that you watch out for spikes and changes in your bounce rate. Adopting smart tactics in both your list-building and email marketing activities will help you maintain a low bounce rate and keep your **sender reputation** high.

Average delivery rate
99%

Global email sends have increased
21%
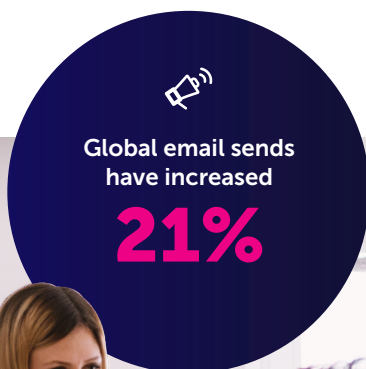
Email sends

Send increase by region

Americas	EMEA	APAC
+19%	**+21%**	**+20%**

📢 **Dotdigital top takeaway**

Marketers must keep an eye on bounce rates and employ smarter targeting tactics to boost relevancy

Dotdigital's 2022 **Customer loyalty report** found that 47% of customers choose to unsubscribe from a brand's email marketing lists because the content they're receiving is irrelevant.

Simply sending more emails will not get you the results you need. Instead, you need to get smarter with your marketing and tap into the data you have at hand.

◎ dotdigital

Dotdigital customer loyalty report 2022

Target specific segments

The time for batch and blast email marketing campaigns is long gone. Give your campaigns clear goals by targeting key audience segments. Unengaged contacts need to receive completely different content compared to your brand loyalists if you want to have any hope of converting either segment.

Dotdigital's eRFM customer modelling automatically segments your audience into personas based on engagement activity, recency, frequency, and monetary value. In no time at all, you can be targeting customers at all engagement levels with content guaranteed to convert.

Maintain marketing list hygiene

Keeping bounce rates low is imperative. By adding a double-opt in at the point of sign-up, you can guarantee new customers are engaged and want to receive your marketing. Similarly, collecting zero-party and first-party data ensures you have the information necessary to keep customers engaged. Regularly checking in with your contacts, collecting updated preferences, and gathering feedback will help you maintain a strong and healthy marketing list.

Add conditions to your automation programs

Factors such as how many emails a customer receives from you will have an effect on your overall success. Sending to the same recipient too often can lead to you being flagged as spam. To ensure your automation programs aren't causing you to send more emails than is necessary, add conditions that remove contacts if they have already received an email from you that day.

Segmentation in action

Australian sustainable cosmetics company, Adorn Cosmetics utilized Dotdigital's powerful segmentation tools to target audiences throughout the customer journey. By targeting segments with dynamic campaigns, Adorn Cosmetics increased its customer lifetime value (CLV) by 59%.
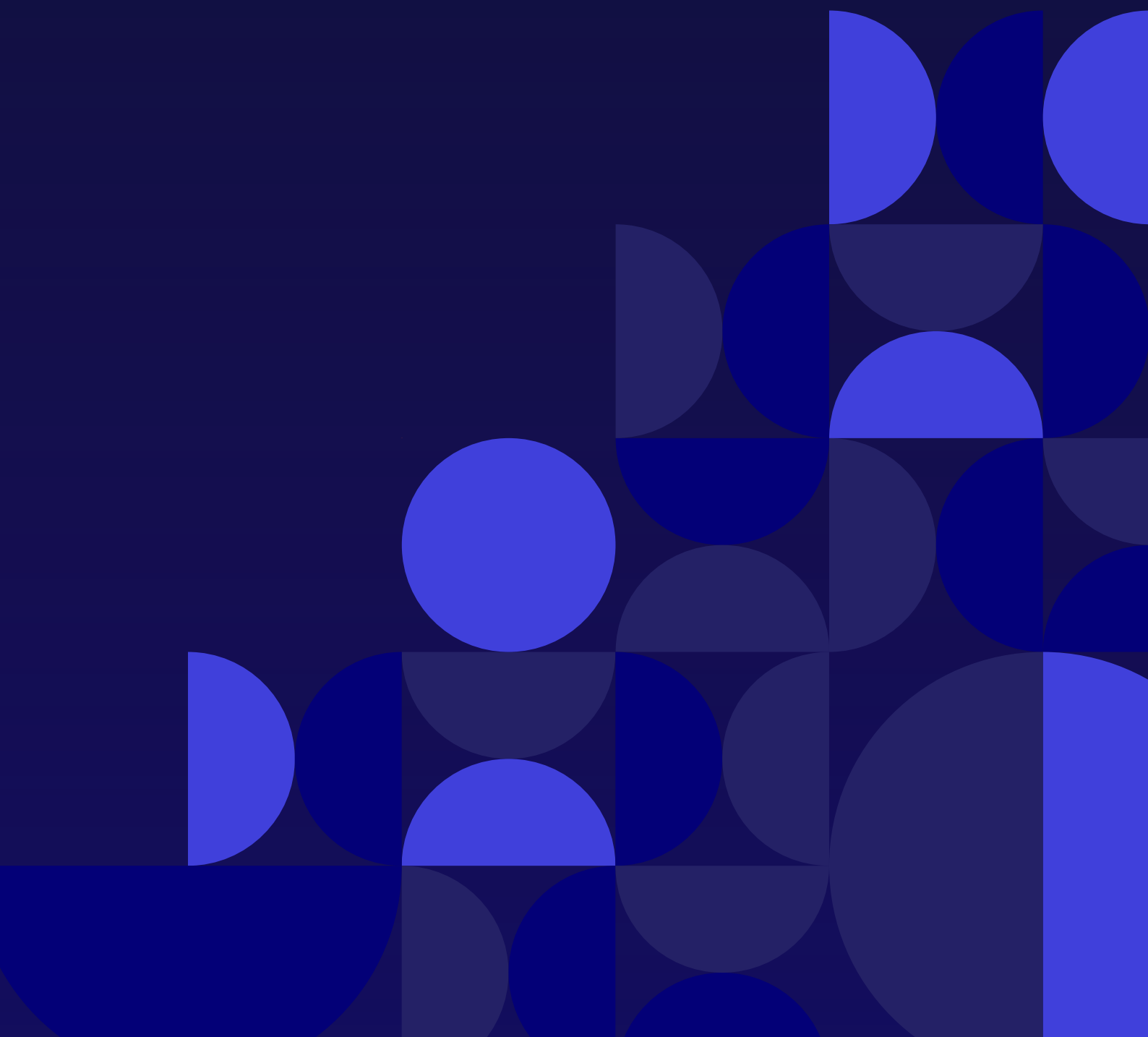
Learn more about Dotdigital and Adorn Cosmetics
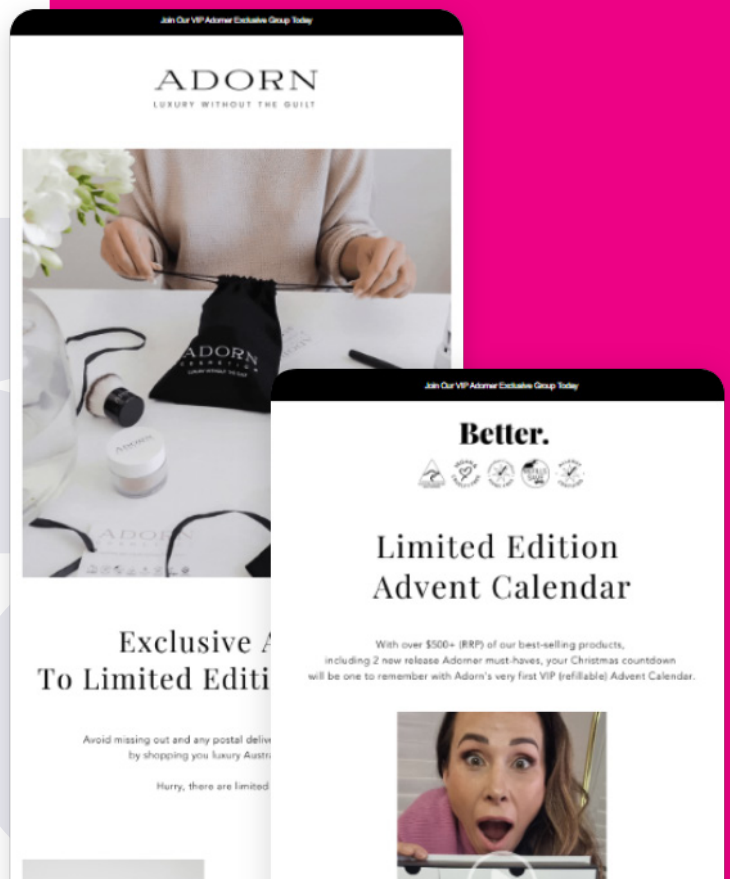
2

GLOBAL BENCHMARK REPORT 2023

Email opens

Email opens

Unreliable email opens are leading to a data dilemma

Since the dawn of email marketing, open rates have been the go-to statistics for measuring marketing success. But what do open rates actually tell us?

Very little, it turns out. As of September 2021, the value of opens rates was irrevocably changed when Apple launched Mail Privacy Protection (MPP). Trying to measure email engagement from the number of opens is increasingly unreliable.

Open rates (the percentage of successfully delivered campaigns opened by recipients) have increased by nearly 60%. At the same time click-to-open rates (CTOR) have decreased by 45.75%. Clearly, we need to take a closer look to discover what's changing.

Average global open rate
31%

Global opens increased
89%

Global open rates have increased
57%

Click-to-open rates have decreased
46%
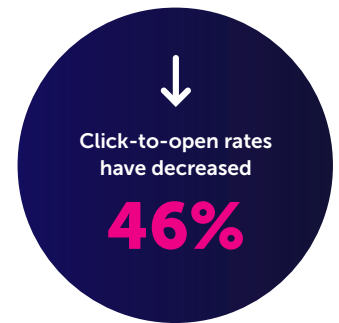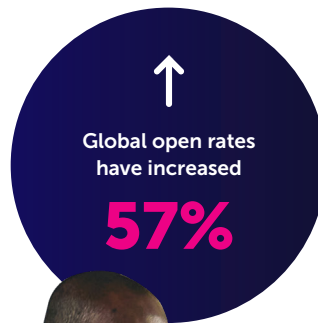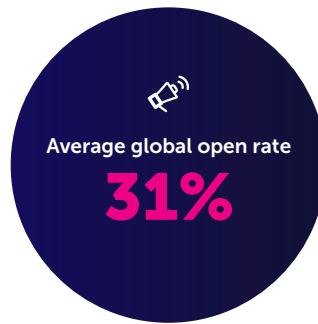
Apple's MPP has reduced the relevancy of open rates in measuring marketing success

What is Apple's Mail Privacy Protection?

According to Apple, MPP prevents you from seeing if and when recipients open your emails. It does this by having a bot open all emails a recipient receives as soon as it lands in the inbox. It also hides IP addresses, so you can't link it to your other online activity or accurately determine the recipient's location.

One year after its launch, the number of users adopting MPP increased 3520%. By September 2022, 62.3% of all emails were opened with MPP. That means marketers are now unable to determine customer engagement with over 60% of emails sent being opened automatically dues to Apple's MPP.

Understanding the changes transforming the email privacy landscape

At a time when non-Apple opens remained fairly consistent around 30-35%, opens by MPP increased significantly. It's hard to believe that Apple users are simply more engaged with email marketing. Instead, we must understand that Apple MPP is successfully obscuring the number of opens we're seeing, resulting in the misconceived perception that customers are more engaged with email marketing efforts.
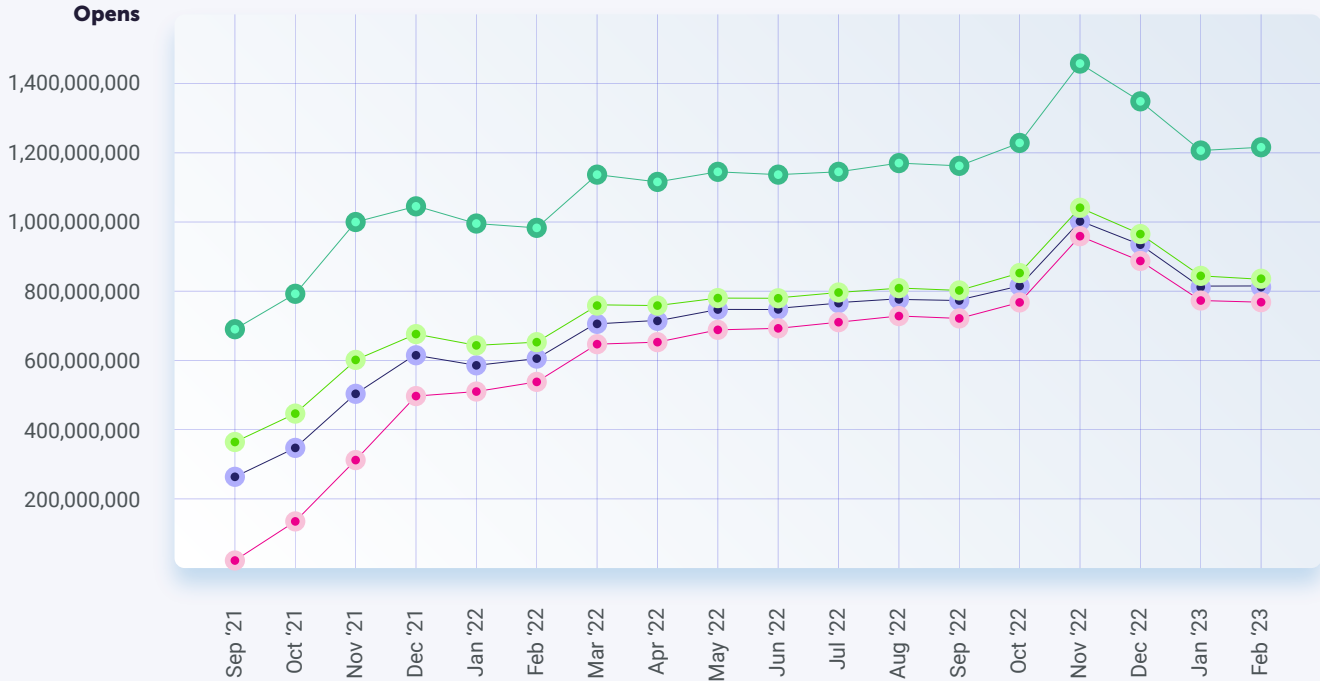
Now is the time for marketers to investigate how new metrics and analytics can help measure email marketing success.
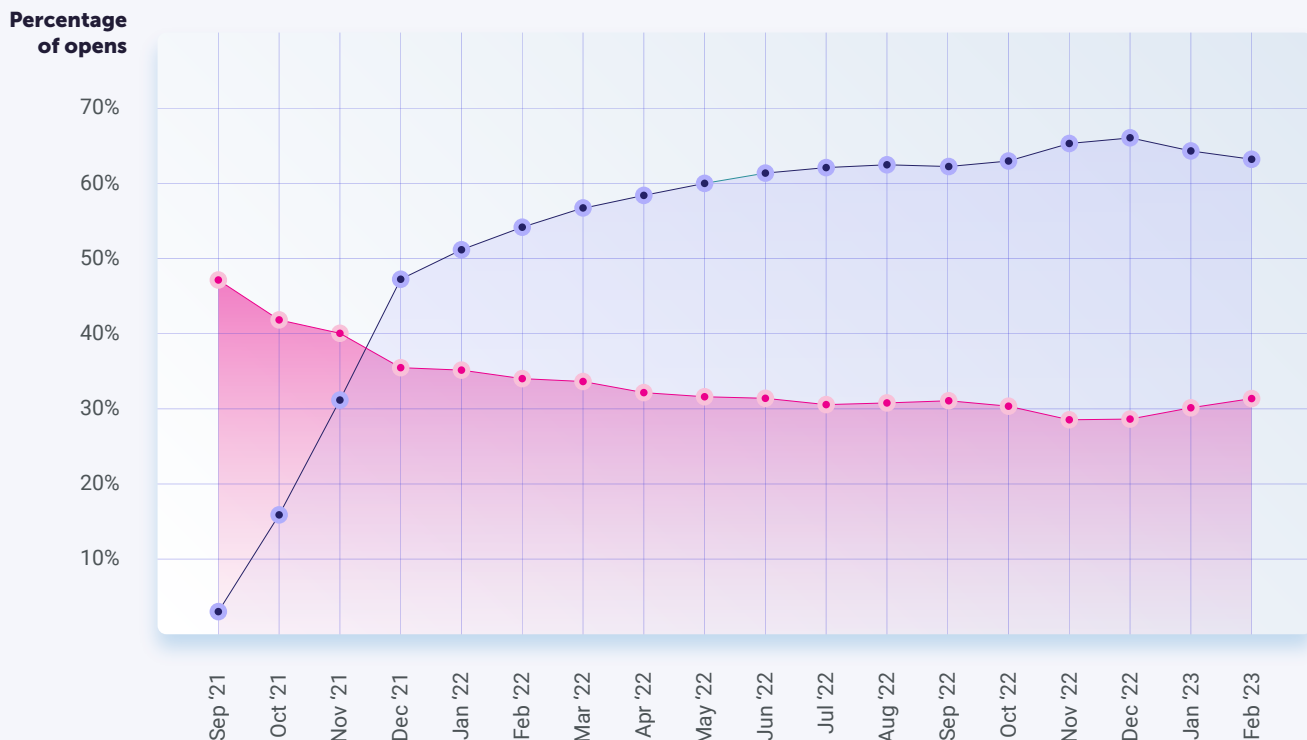
Email opens

Opens by device since launch of Apple MPP

● Apple MPP ● Macintosh ● iPhone ● Non-Apple

MPP vs Non-Apple opens

● Apple MPP % ● Non-Apple MPP %

Global

	2021	2022	% Change
Sends	21,988,985,000	26,525,109,187	20.63%
Unique opens	4,323,170,907	8,189,146,884	89.42%
Open rate	19.92%	31.31%	57.18%
Click-to-opens	8.4%	4.6%	-45.75%

Americas

The Americas is the region where we see the most dramatic change to email opens and open rates. This is likely due to the fact that Apple continues to be the most popular smartphone brand in the US. As a result, adoption of MPP is high.

	2021	2022	% Change
Sends	3,700,327,968	4,418,143,456	19.40%
Unique opens	604,100,760	1,365,626,342	126.06%
Open rate	16.47%	31.18%	89.30%
Click-to-opens	8.30%	3.68%	-55.70%

Email opens

EMEA

EMEA follows a similar trend to our global findings. CTOR have declined dramatically despite an increase in email sends and opens.

	2021	2022	% Change
Sends	16,369,124,691	19,810,890,510	21.03%
Unique opens	3,356,270,659	6,092,136,167	81.52%
Open rate	20.18%	31.24%	50.10%
Click-to-opens	8.42%	4.80%	-43.00%

APAC

Open rates in the Asia-Pacific region increased by 69% year-on-year. At the same time, CTOR is down by nearly 50%, proving that more sends don't always mean more engagement.

	2021	2022	% Change
Sends	1,919,532,341	2,296,075,221	19.62%
Unique opens	362,799,488	731,384,375	101.59%
Open rate	19.03%	32.16%	69.00%
Click-to-opens	8.57%	4.30%	-49.80%

3

GLOBAL BENCHMARK REPORT 2023

Email clicks
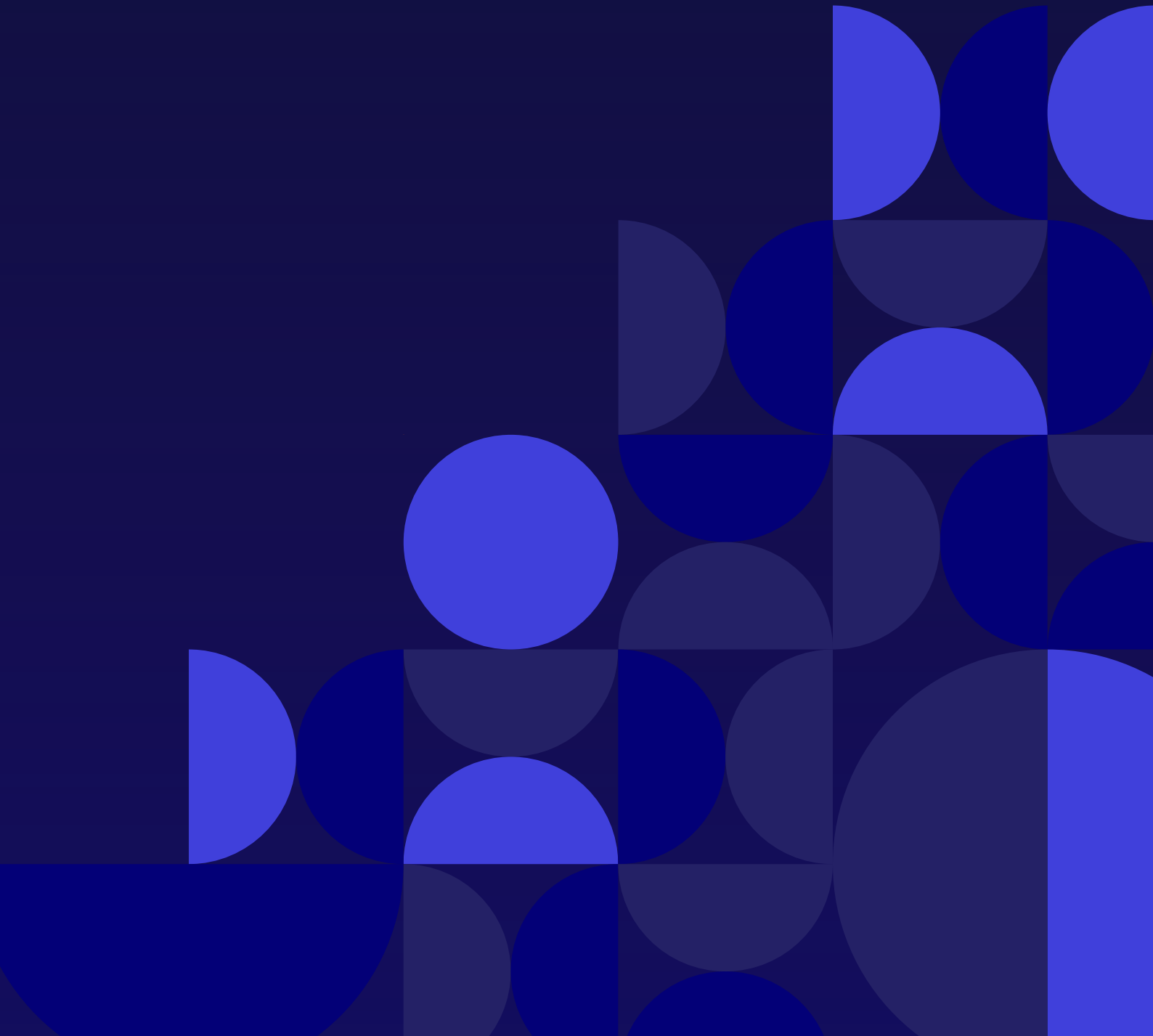
Email clicks

Discover deeper insights using email clicks to measure engagement

Let's face it, thanks to MPP, open rates on their way out. They certainly aren't representative of whether or not a customer was interacting and engaging with your email campaigns. It's time to focus your attention measuring engagement.

Clicks can reveal how engaged customers are with your email marketing. When compared against your sends and opens, you will have a clearer picture of exactly how engaged your audience is.

Overall, there has been a significant decrease in click-through (CTR) and click-to-open rates (CTOR).

CTR vs. CTOR

The difference between these two metrics is small but significant.

CTR tells you how many people clicked-through from an email. It therefore takes into account all inbox actions. CTOR only includes the actions of those who have opened your email. In short, it only measures the performance of your content.

CTR has decreased
15%

CTR
1.4%

CTOR
5%

CTOR has decreased
46%

Marketers must focus on creating content that drives engagement to improve email marketing campaign results

We've already seen how open rates have dramatically changed since the introduction of MPP. Clicks themselves have remained fairly steady, but considering the significant increase in sends and opens, you would expect to see a corresponding rise in CTOR. Instead, we have seen a steep decline.

This may be for a number of reasons but, in interviews conducted by Dotdigital, we discovered that brands continue to segment audiences based on opens post-MPP. This has created a skewed view of 'engaged' customers. Sends are going up because of the misconception that opens equal engagement.

The more brands send to this unreliable segment, the worse their CTR and CTOR will become. Instead, you should use clicks to build segments of recently engaged customers. But, how do you drive clicks in the first place?

Opens vs clicks

● Opens   ● Clicks

	2021	2022
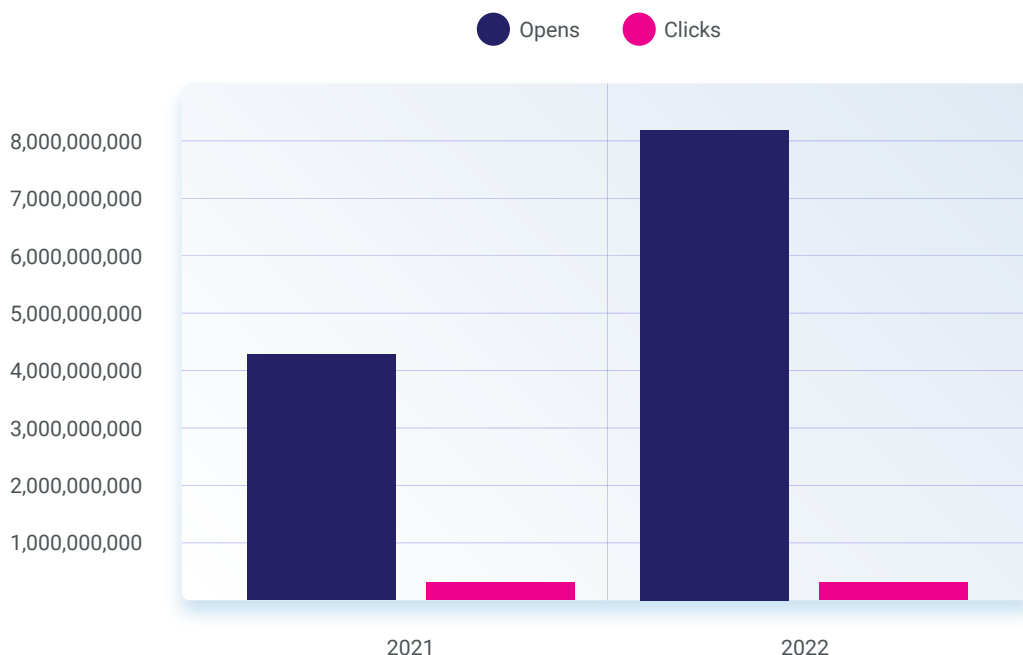
Personalization

Build trust and confidence in your brand by using customer data in ways that surprise and delight your customers. Add dynamic content blocks to your email campaigns to deliver personalized content at scale. You can also create product recommendation blocks based on a specific stage in the customer journey or build automation programs that trigger based on customer actions.

The ways you can **personalize your email content** are limitless.

Above-the-fold CTAs

Getting your CTAs right is essential for driving clicks and delivering conversions. There is a lot of speculation around what makes a 'clickable' CTA. Is it the button color, its size, should it be in-body copy, or an image?

The truth is, it will often depend on your audience, your message, your email template, and more. But there is one thing we can advise with confidence: above-the-fold CTAs generate clicks.

You have three seconds to capture attention. If you're not making it simple for customers to convert, your CTAs aren't going to deliver the results you need.

Test and optimize

Customer behavior is far from predictable. A campaign structure that works one week won't necessarily experience success the following week. Testing and optimization are key. Test the success of your personalization tactics, design, and the layout of your email marketing.

Personalization in action

REEDS Jewelers integrated its ecommerce platform with Dotdigital to unlock even more personalization features. Using single customer view (SCV) to discover new ways to deliver personalized email campaigns, REEDS experienced a 52% increase in revenue.

Learn more about Dotdigital and REEDS Jewelers

Email clicks
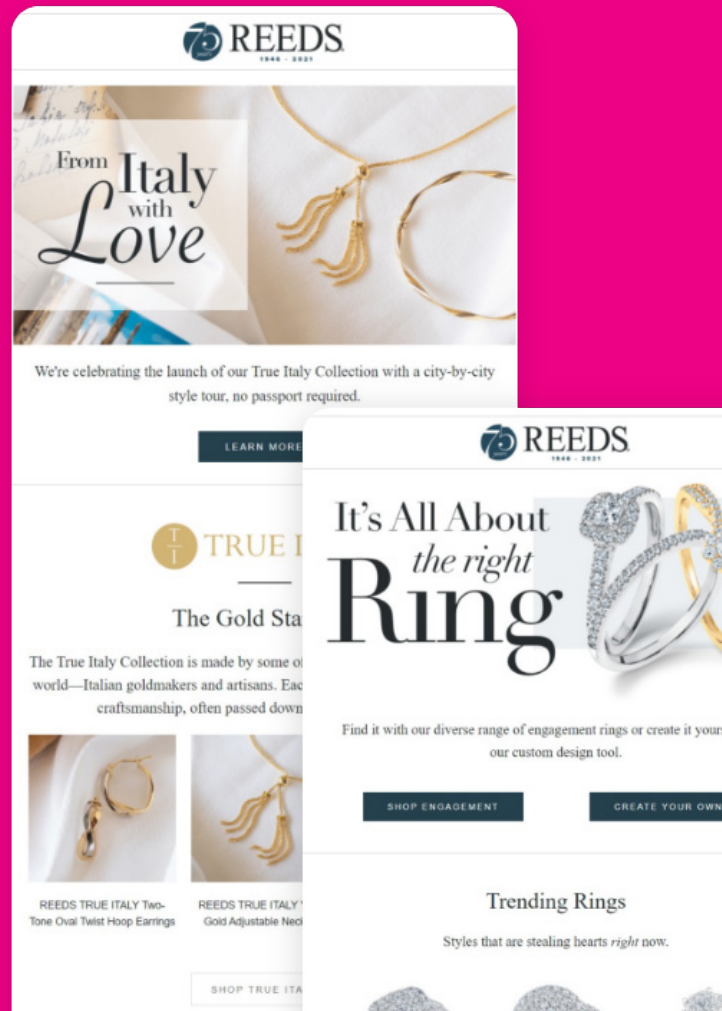
Global

	2021	2022	% Change
Total clicks	363,713,788	373,788,524	2.77%
Click-through rate	1.68%	1.43%	-14.72%
Click-to-open rate	8.4%	4.6%	-45.75

Americas

	2021	2022	% Change
Total clicks	50,131,622	50,235,286	0.21%
Click-through rate	1.37%	1.15%	-16.10%
Click-to-open rate	8.30%	3.68%	-55.70%

Email clicks

EMEA

	2021	2022	% Change
Total clicks	282,501,304	292,127,179	3.41%
Click-through rate	1.75%	1.50%	-14.47
Click-to-open rate	8.42%	4.80%	-43.00%

APAC

	2021	2022	% Change
Total clicks	31,080,862	31,426,059	1.11%
Click-through rate	1.63%	1.38%	-15.20%
Click-to-open rate	8.57%	4.30%	-49.80%

4

SMS
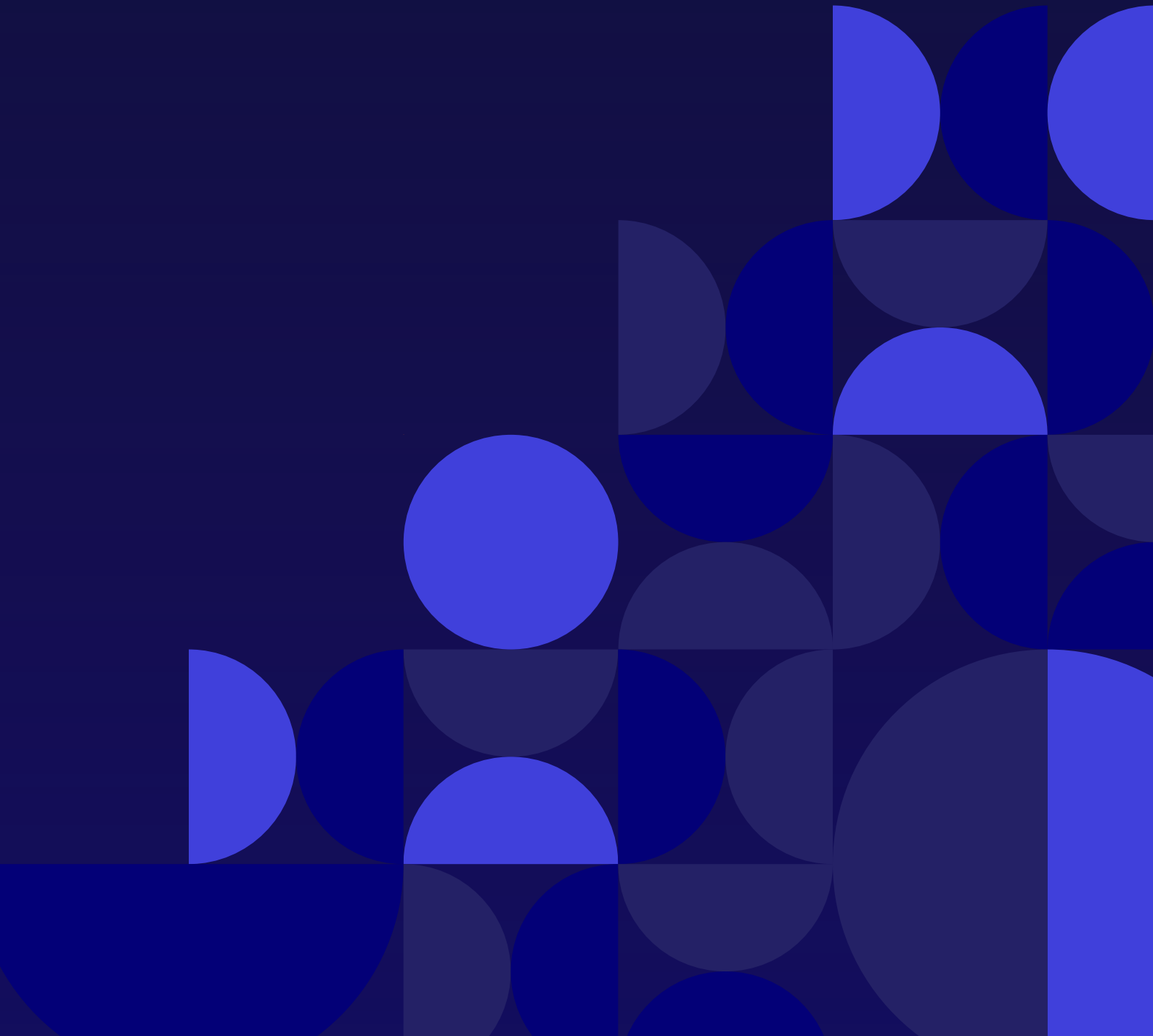
SMS

Uptake in SMS marketing is leading to a mobile revolution

Overall SMS sends have increased by 56% The popularity of SMS marketing continues to grow. We're seeing more and more brands adopt SMS as a pivotal channel in their marketing arsenal.

Compared to 2019, the number of SMS being sent has increased by 640%. Where usage was initially consistent with a slight uplift in November and December, send volumes are now higher year-round, with significant peaks during the holiday season.

There could be a number of reasons for this. Especially throughout 2020 and 2021, brands around the world were navigating lockdowns, Brexit, Presidential elections, and more. Last year, marketers had to contend with the cost-of-living crisis, economic uncertainty, and the fallout from global conflict.

One big change that we've noticed is the drop in SMS usage that has occurred in December over the past two years. We would expect to see brands utilizing this channel for Black Friday sales, but brands should be cautious of over-sending. The sudden drop off in communication can be quite jarring for the customer.

The success of SMS as a marketing channel relies on your strategic application of the channel. Ensure that you have clear goals and objectives for the channel to guarantee your maximizing its potential.

↑

SMS sends have increased by

56%

SMS in action

Dotdigital customer, Ipsos ultized SMS to conduct valuable consumer research. By using SMS as a broadcast channel to connect with its wide and diverse audience base, Ipsos experienced a 69% conversion rate.

> **Learn more about Dotdigital and Ipsos**

SMS

📢 Dotdigital top takeaway

SMS is the perfect channel to connect, mobilize, and inform customers

Transform the customer experience with engaging SMS marketing

As with a lot of marketing, retailers and online merchants led the charge, adopting SMS to announce and broadcast sales and discount codes to engaged shoppers.

Over the course of the last year, we have seen SMS usage grow in other sectors and we couldn't be happier about it. It's great to see charity and non-profit brands, and the sports and leisure industry recognizing the value of the SMS channel.

The sports and leisure sector in particular experienced an 82.20% increase in SMS usage. In part, this may be due to the return to business as usual; gyms and sport venues were open once more, crowds filled stadiums and spectators cheered on marathon runners around the world. But this is a clear example of the many ways SMS can be used beyond sale broadcasts.
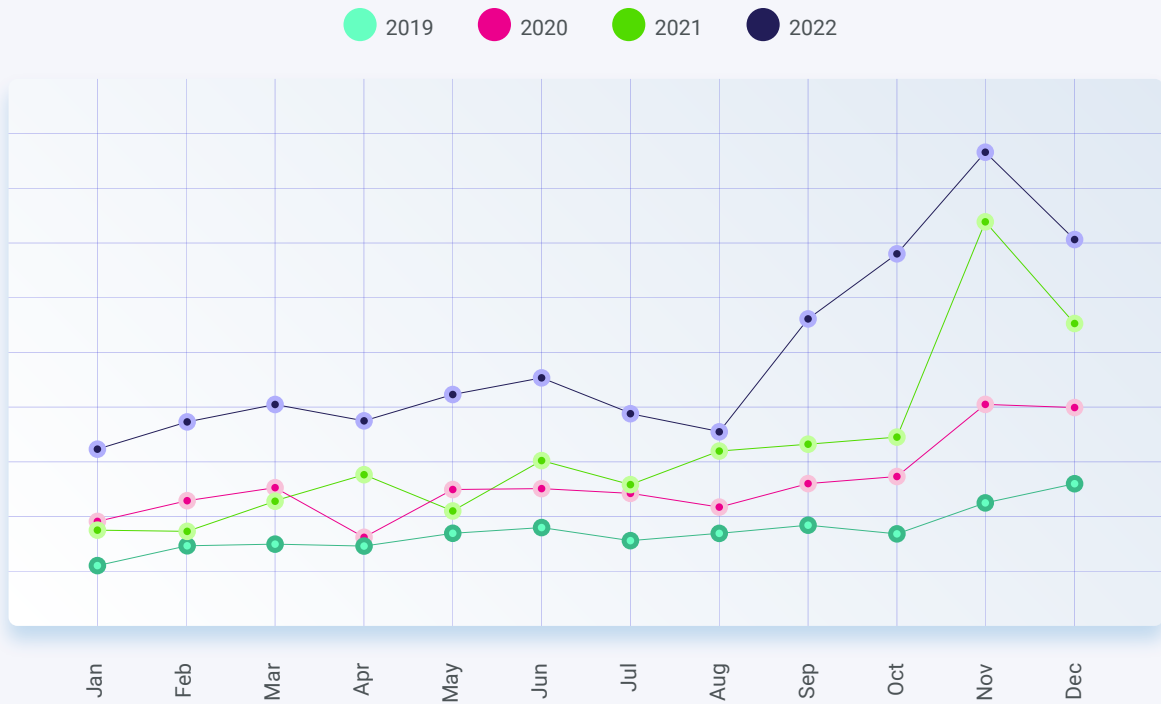
For sectors such as sports and leisure, and charity and non-profit, it's not all about closing the sale, it's about mobilization. Fans need to know how to get to venues. Volunteers need to know where to assemble.

Unlocking the power of SMS relies on your understanding of the channel. SMS should be used to connect with your customers. A localized SMS strategy will help you connect with customers, keeping them informed about local events, meet-ups, or deals in the area. Customers want to feel connected with brands and if they feel as though they're supporting their local community, you're more likely to inspire action.
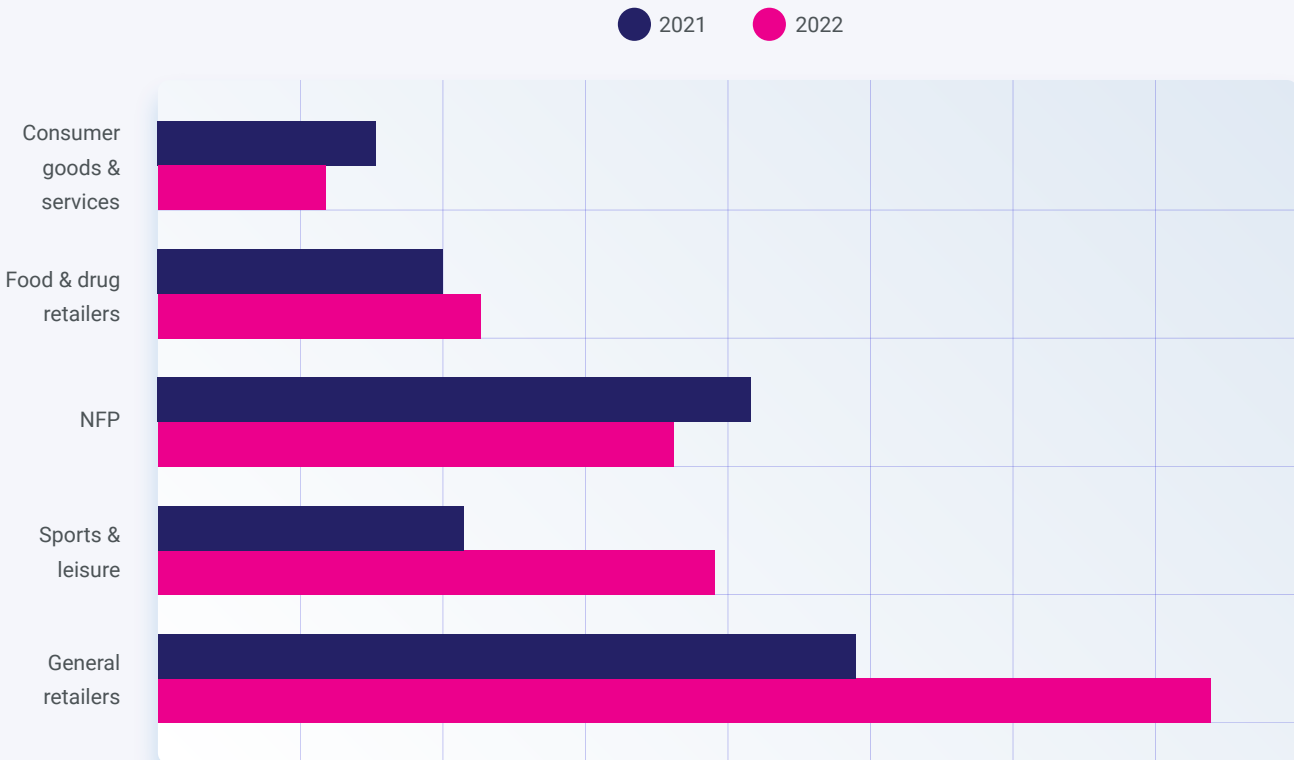
Top sectors utilizing SMS

1. General retailers
2. Sports and leisure
3. Charity and non-profit
4. Food and drug retailers
5. Consumer goods and services

SMS

Total SMS sends

Legend: 2019 (teal), 2020 (magenta), 2021 (green), 2022 (dark navy)

Total SMS sends per sector

Legend: 2021 (dark navy), 2022 (magenta)

Sectors: Consumer goods & services, Food & drug retailers, NFP, Sports & leisure, General retailers

SMS send volume change per region
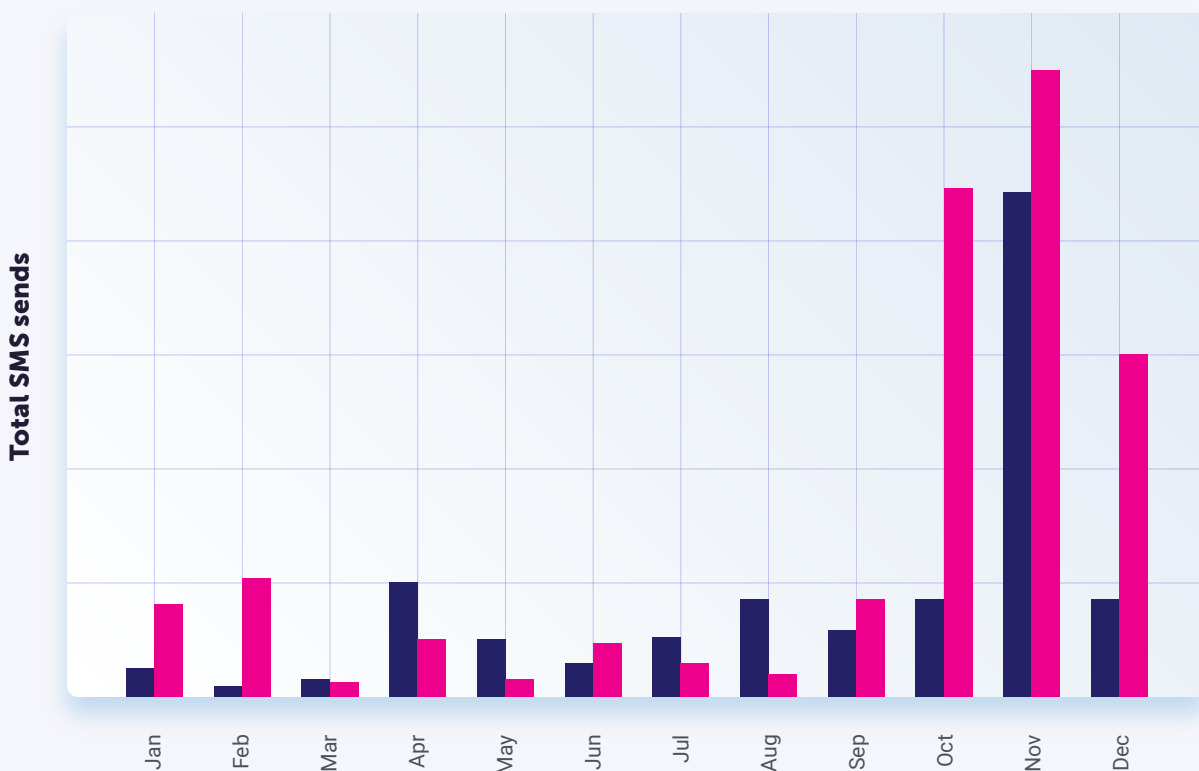
Region	% Change
Global	56%
Americas	42%
EMEA	68%
APAC	-0.01%

Americas

SMS usage in the Americas is on the up, with a significant uptake from October to December. October experienced the strongest growth, increasing by 405%. This is reflective of the prolonged holiday sales period we experienced in 2022.

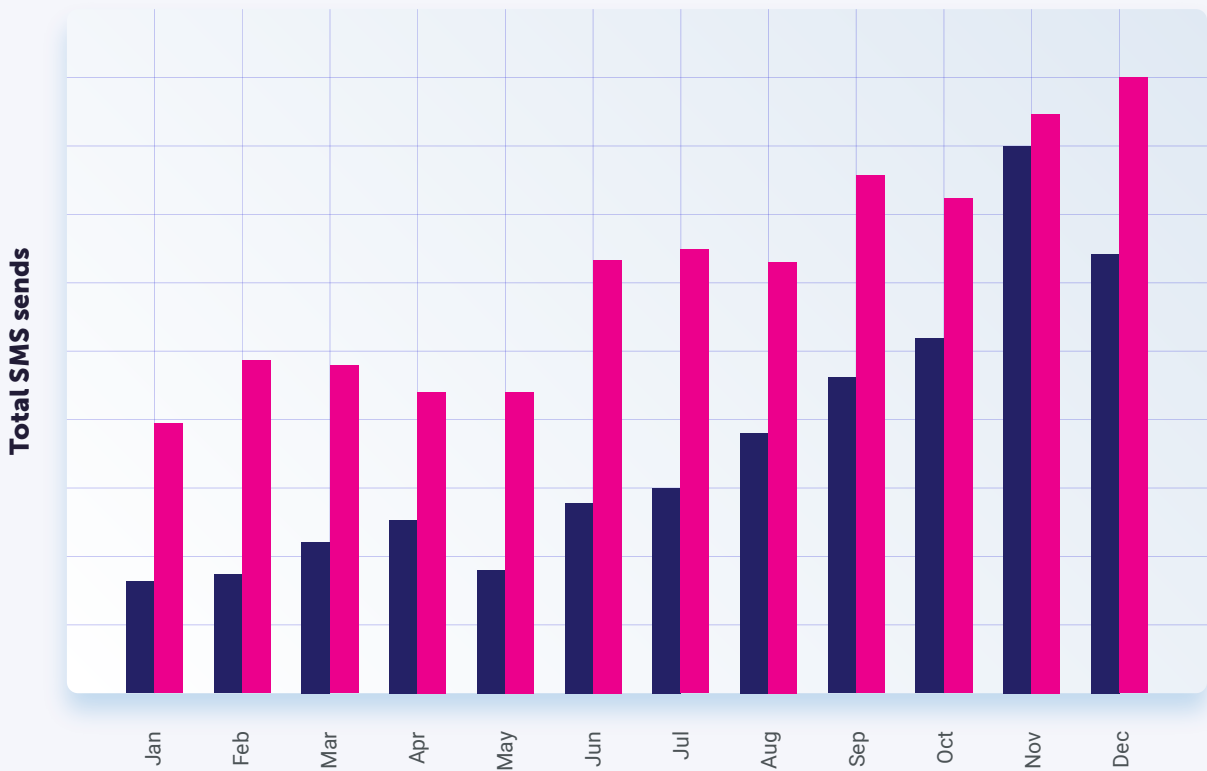## Americas send volume

● 2021   ● 2022

EMEA

EMEA experienced consistent strong growth throughout the year. Growth stalled slightly in November, but that is most likely due to strong SMS adoption the prior year. It's great to see marketers embracing cross-channel tactics.

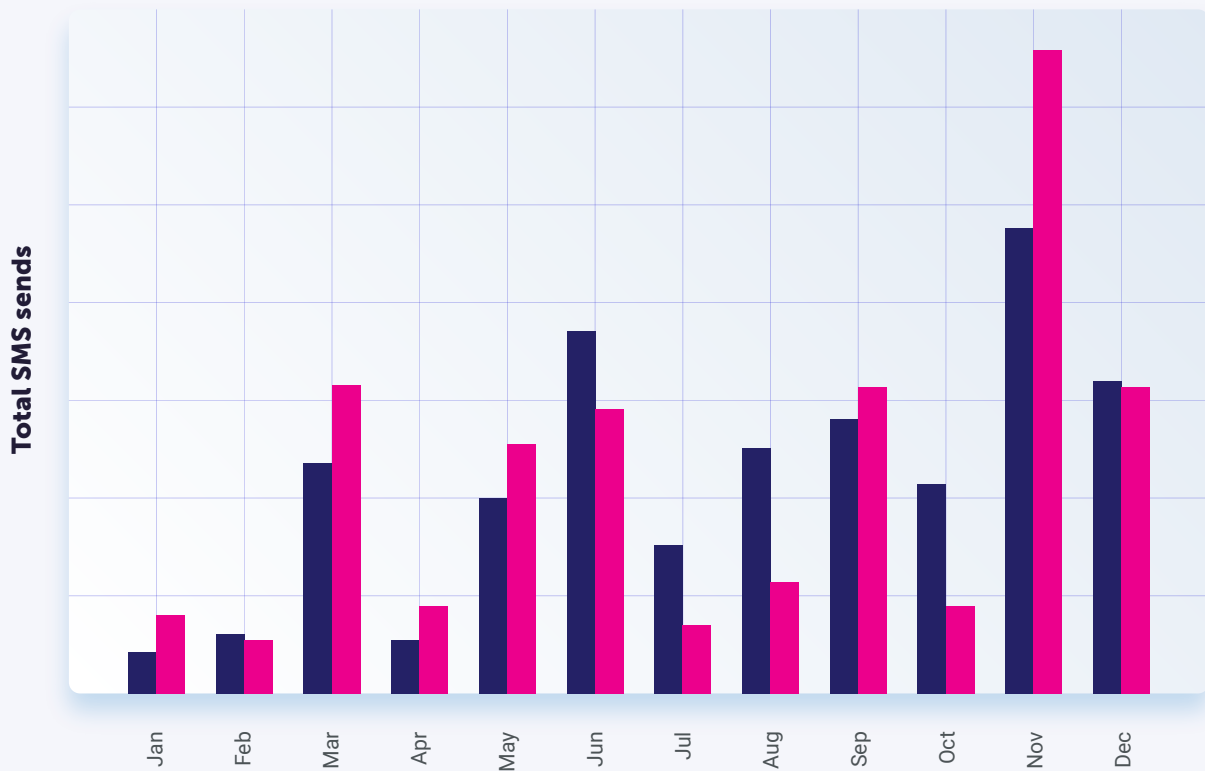### EMEA send volume

● 2021   ● 2022

APAC

SMS usage in APAC has remained consistent during our period of evaluation. Brands utilized the channel strongly in November, which aligns with SMS's ability to connect and convert customers during busy sales periods.
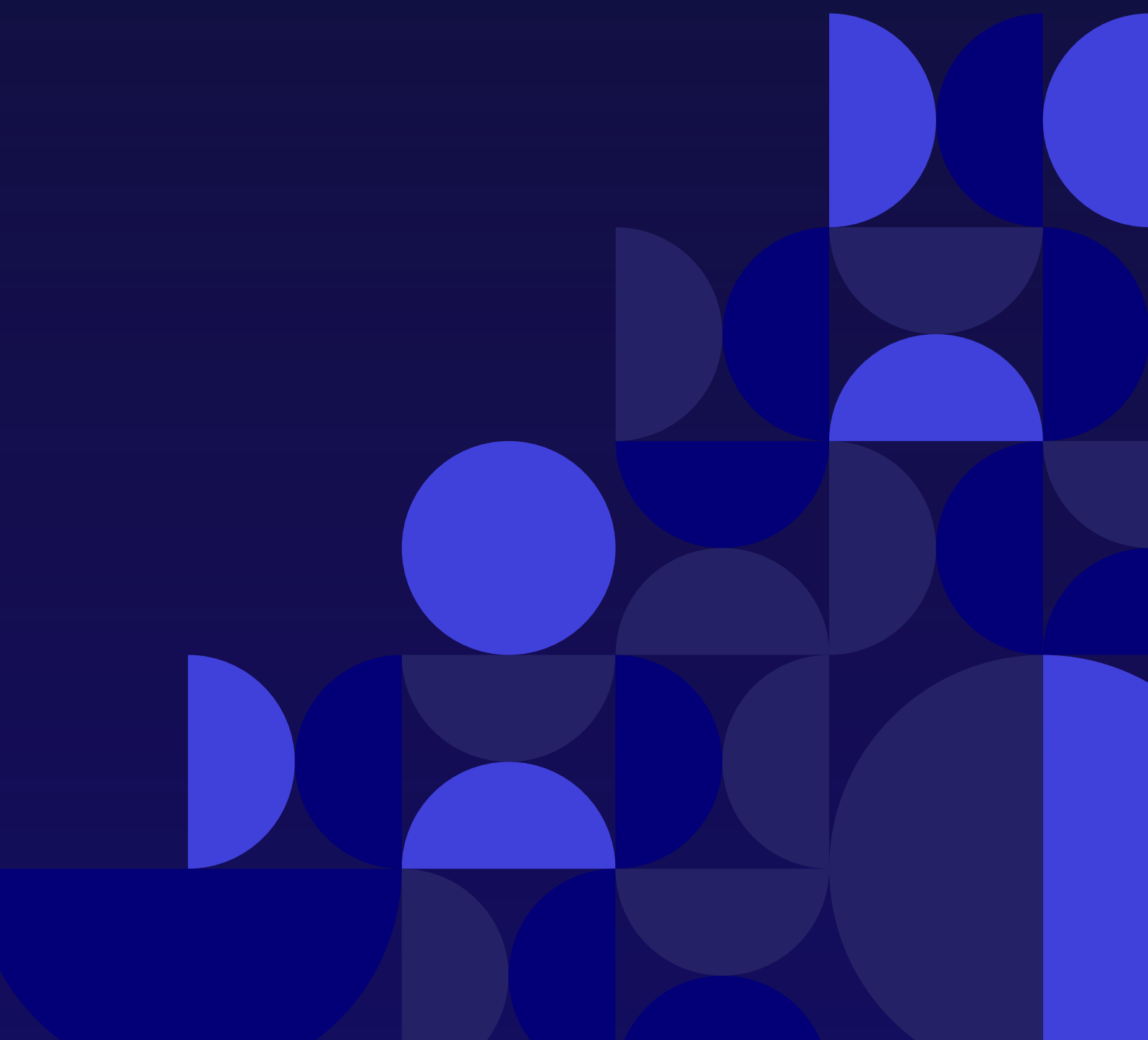
APAC send volume

● 2021   ● 2022

Total SMS sends

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

5

Orders

Orders

2022 was defined by economic uncertainty. As we settle into 2023, marketers must try to find consistency and discover new ways to connect and inspire customers to spend money with your brand.

The chart below clearly reflects consumer behavior during this time. There was no stability or consistency. Spending behavior fluctuated; some months saw tremendous growth year-on-year, while others dropped far below expectations.

Capitalizing on growth opportunities during uncertain times

Overall, market experts **forecast global ecommerce** sales to increase by 9.7%. On the whole, brands operating in USD and GBP were able to achieve this, despite the unpredictable events of the year.

Year-on-year change in sum total of all orders

USD	GDP	AUD
9%	**11%**	**-4%**

YoY % change in sum total of orders according to regional currency

● USD ● GBP ● AUD
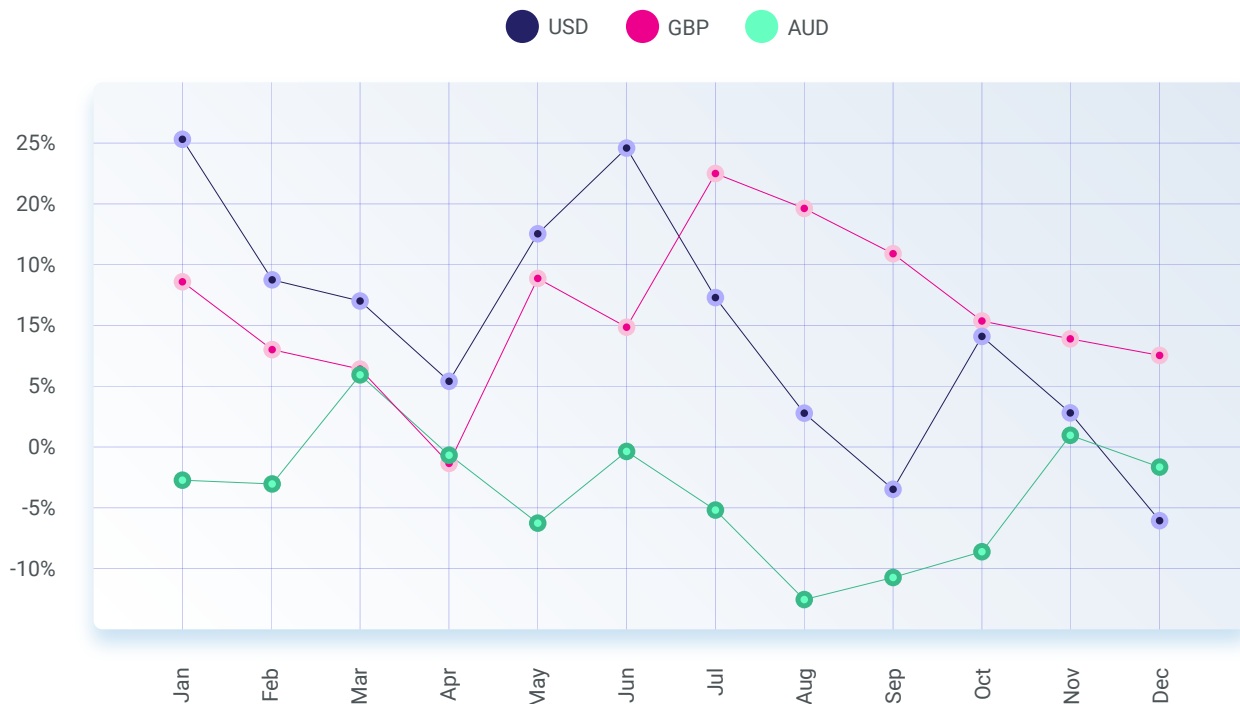
Orders

Adapting to fluctuations in customer spending

What should be a concern for retailers is the relatively poor results experienced over the latter half of the year.

Throughout the pandemic, retailers that were able to meet online shopping demands enjoyed healthy growth, particularly over the Black Friday period. This year, growth fell well below expectations.

Whether it's the result of the cost-of-living crisis, customers doing their shopping earlier, or simply Black Friday fatigue, it's clear that retailers must adopt new tactics to achieve sales and growth targets in 2023.

📣 **Dotdigital top takeaway**

Retailers must use personalized product recommendations to maintain sales during times of uncertainty

Boost customer confidence with personalized content

Customer confidence in the economy is low. With soaring utility bills and increased cost of living, shopping behavior is even more inconsistent than usual.

To circumvent this, retailers must employ smarter tactics to maintain and grow sales. Customer data is key. Shoppers want to know that the brand they choose to shop with has their best interests at heart. Employing personalization tactics, especially product recommendations, will help earn trust by demonstrating your responsible use of customer data.

Orders

Jul-Dec % change in YoY order totals

● USD   ● GBP   ● AUD

Let AI do the heavy lifting

Dotdigital's powerful AI tools turn product recommendations into guaranteed conversion drivers. AI-powered product recommendation blocks such as 'trending', 'lookalike', or 'also bought' showcase products that will capture customers' attention based on their behavior, and the behavior of similar shoppers.

Make it a cross-channel experience

While email is a big money-maker, don't forget about the other channels in your toolkit. Adding product recommendations to landing pages can significantly increase your AOV – especially if it's a page supporting retargeting ads.

## Target the right customers at the right time

Build audience segments based on eRFM customer profiles to ensure every opportunity is capitalized. eRFM layers engagement data onto RFM customer modelling to empower you to connect with customers across every stage of the customer journey.

Smarter segmentation means you can target shoppers with custom recommendations suitable for their individual journey.

Lifecycle marketing in action

Nutri Advanced added automation to its customers' post-purchase experience to realise a 470% year-on-year increase in email-generated revenue. Its intelligent replenishment program targets customers based on purchase history to drive repeat purchases.

Learn more about Dotdigital and Nutri Advanced
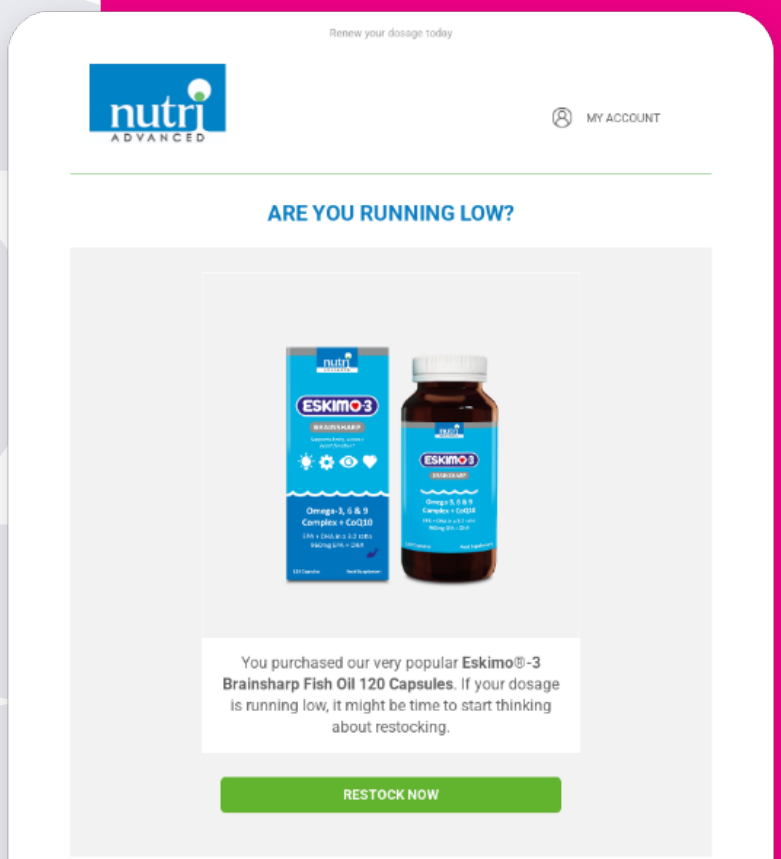
Total sum of orders for USD

● 2021 ● 2022
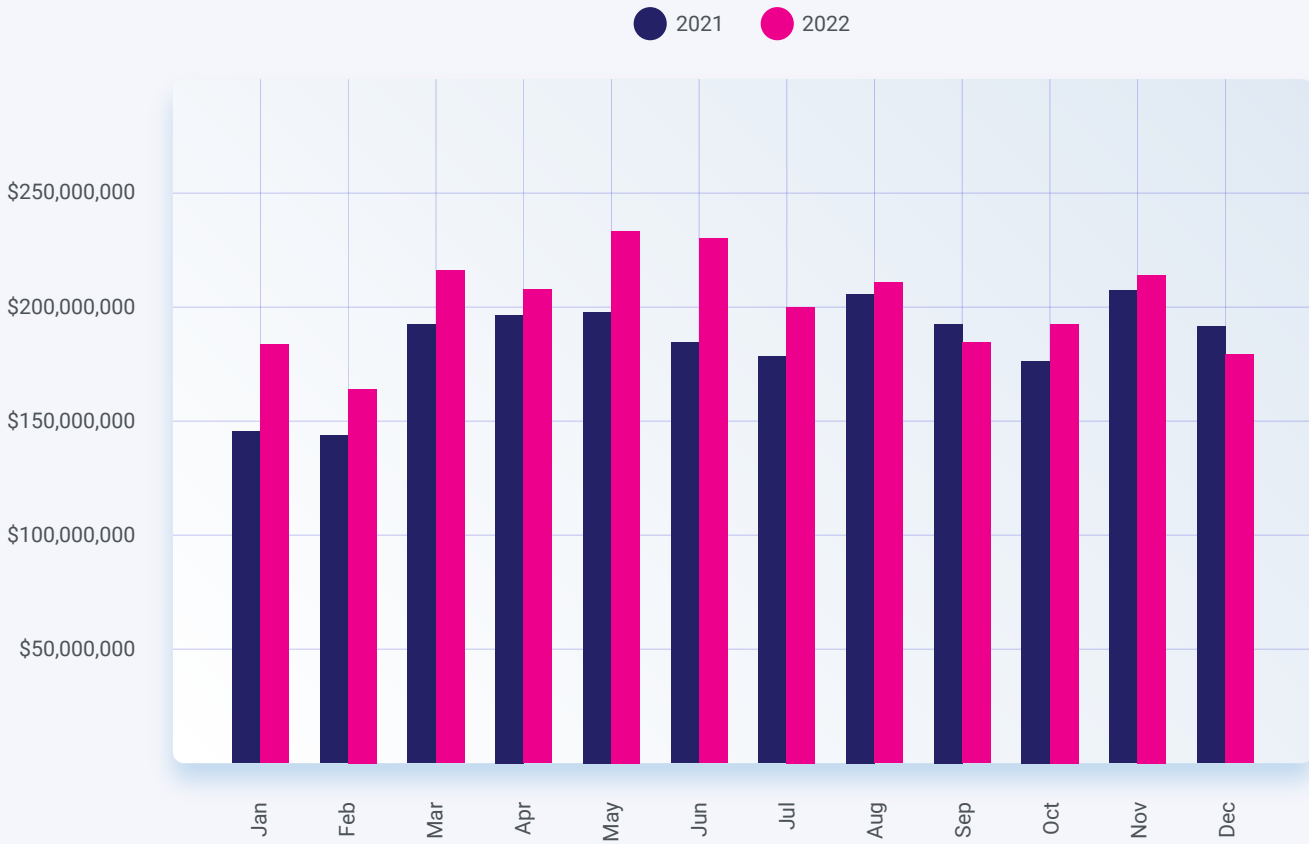
YoY % change in total order value (USD)
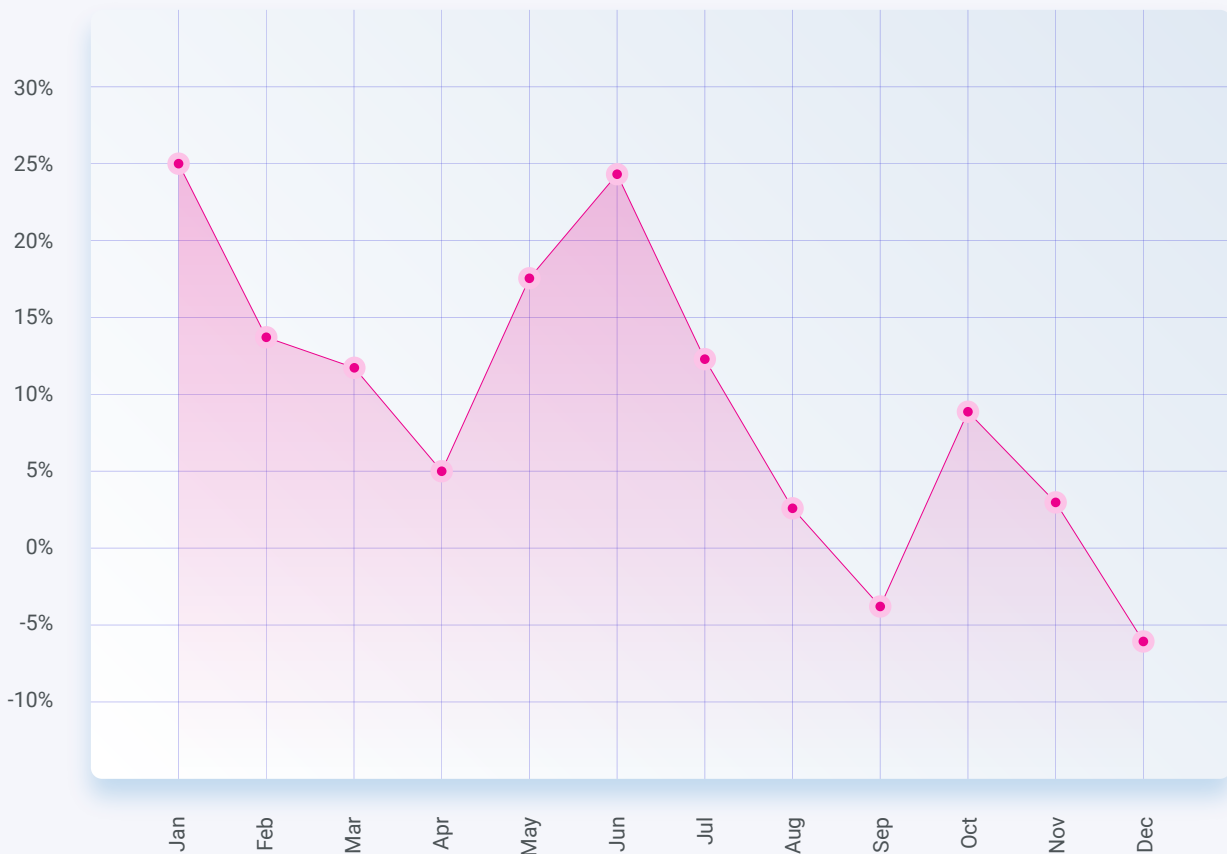
Total sum of orders for GBP

● 2021   ● 2022
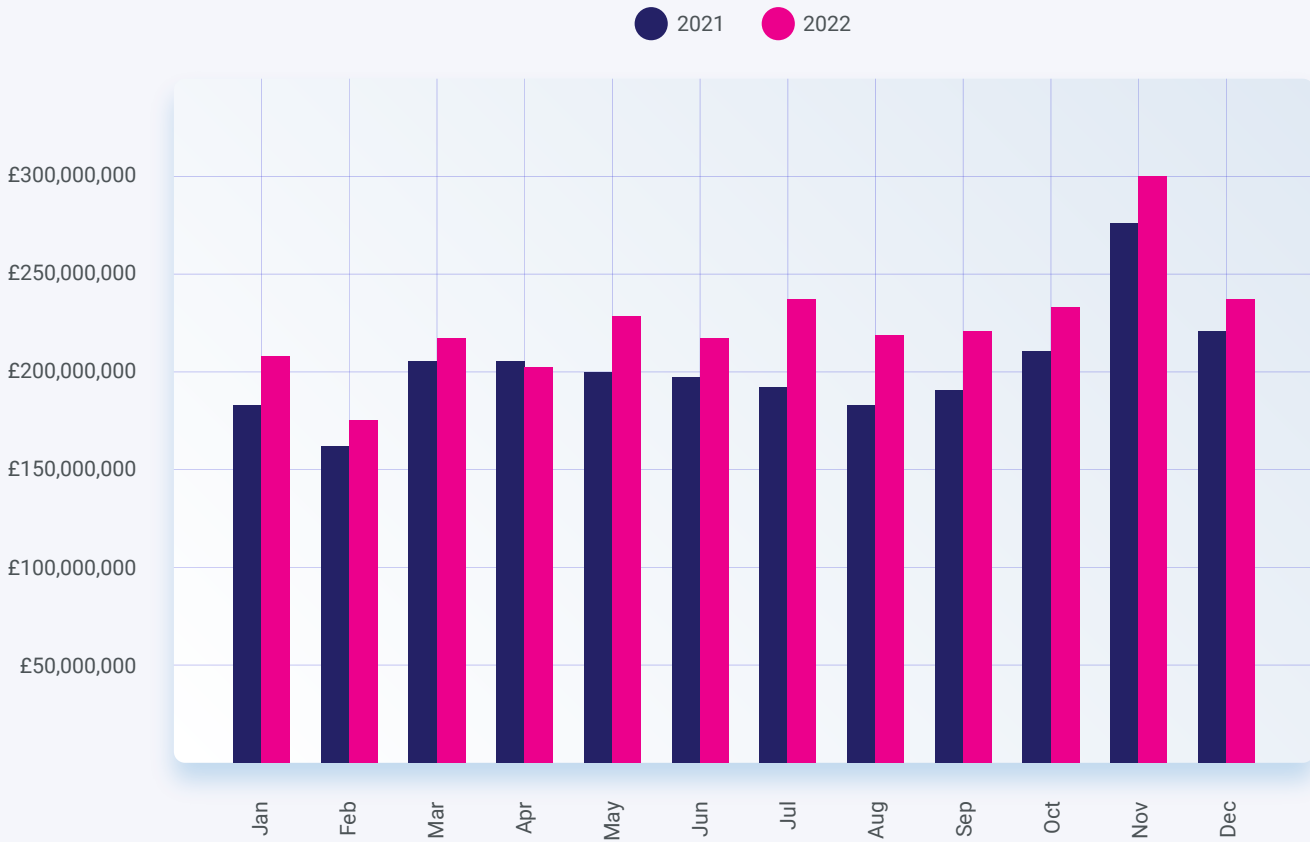
YoY % change in total order value (GBP)

Total sum of orders for AUD
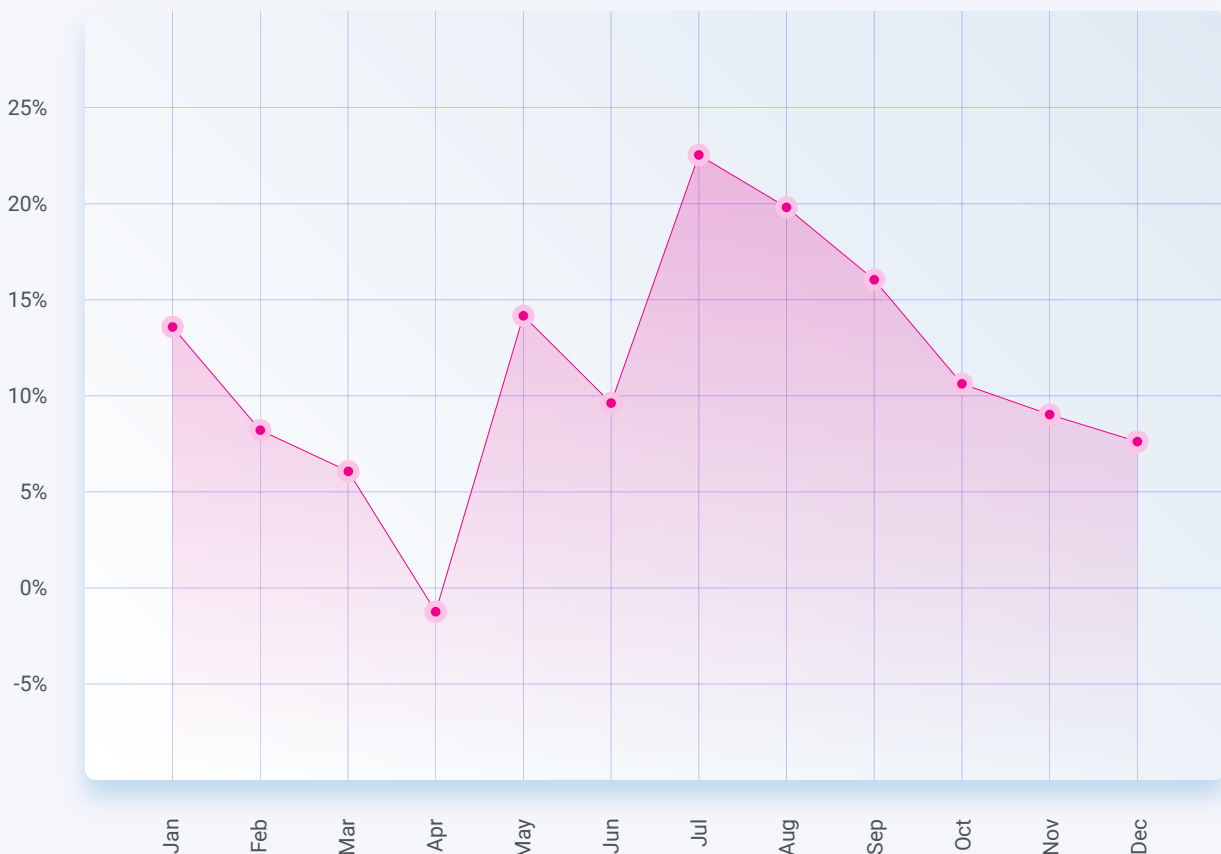
● 2021 ● 2022
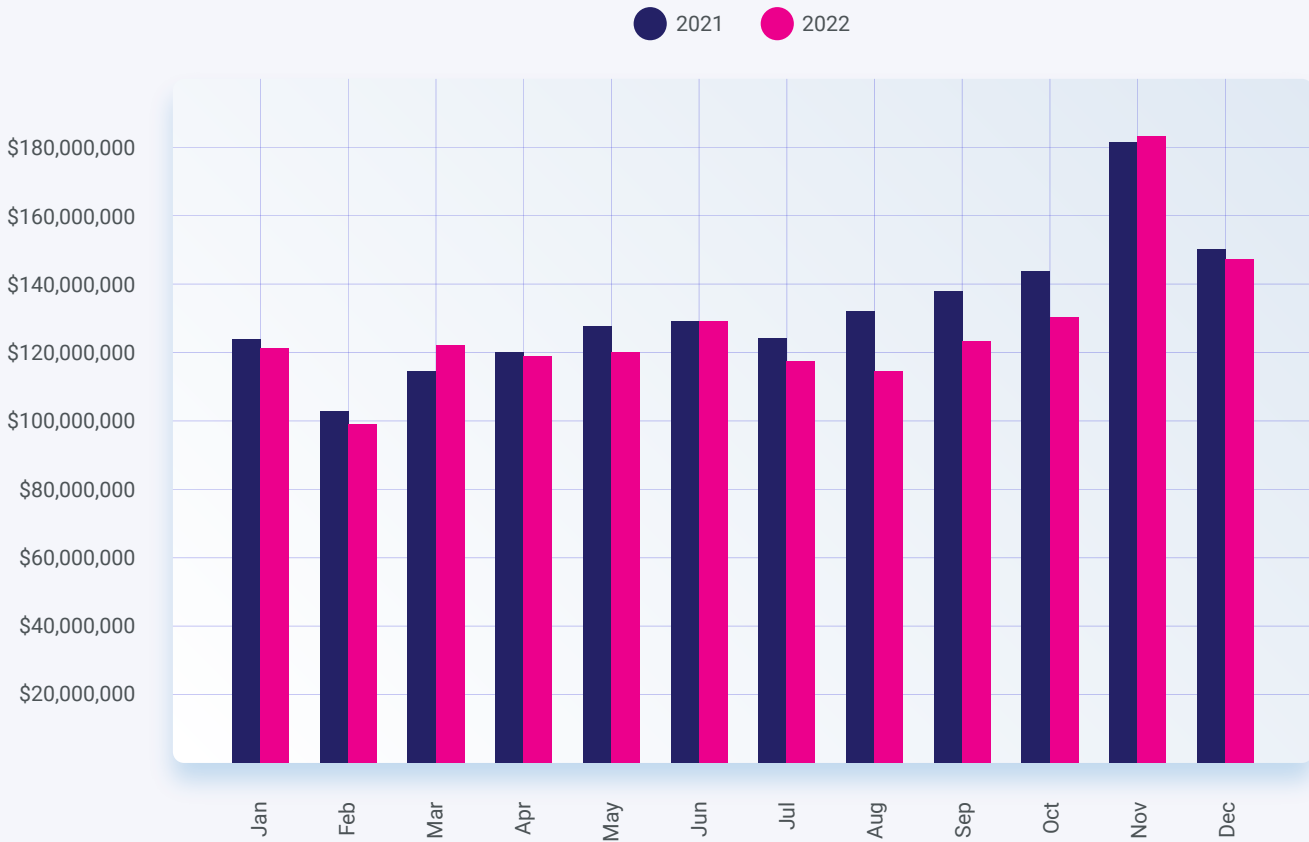
YoY % change in total order value (AUD)
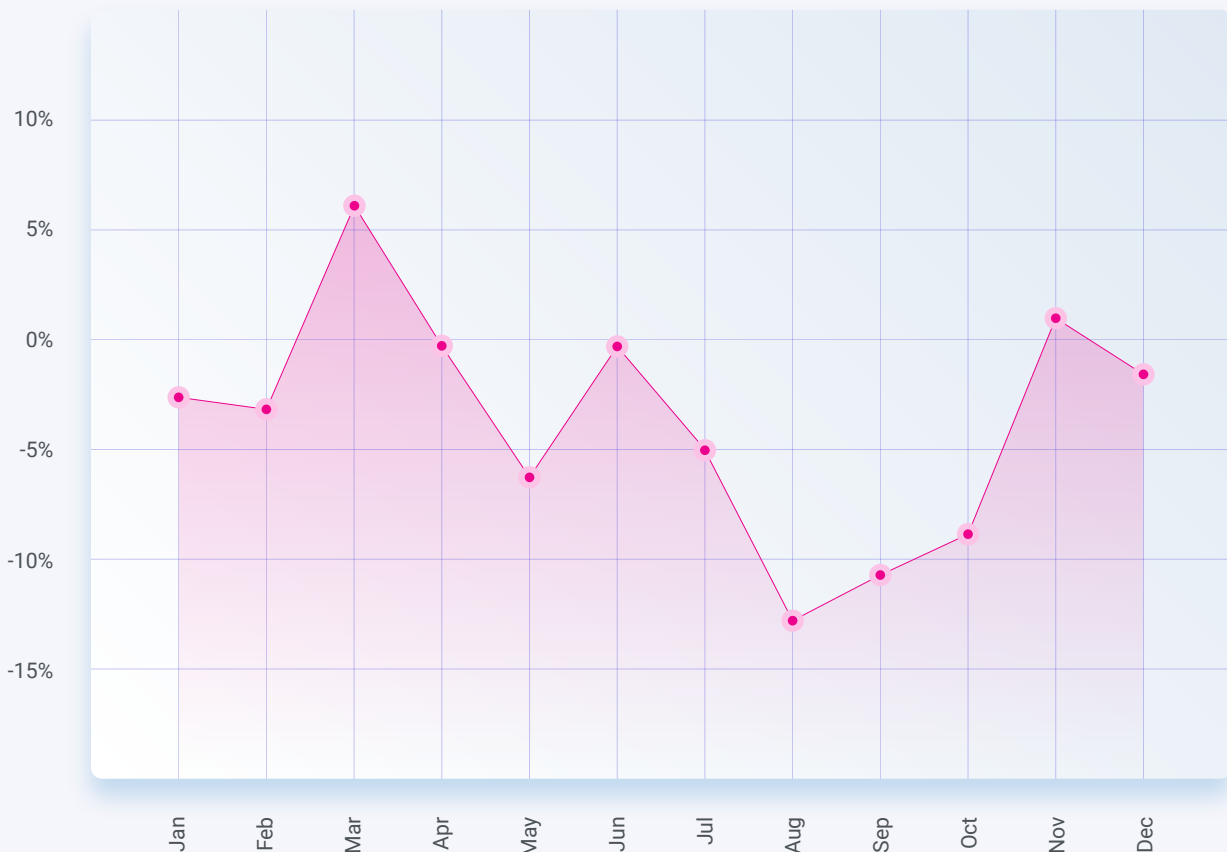
Americas

Firstly, there was a sharp decline from February to April. Customer confidence was severely knocked following the conflict in Ukraine as growth dropped from 15.84% to 5.60%. Nevertheless, retailers made a strong recovery in May and June, returning 25.85% increase on sales over the same time period the year before.

However, this was short lived with 2022 total sales in September failing to match the trajectory set by 2021. According to general definitions of recessions - two consecutive quarters of negative GDP - the US entered into a recession in the summer of 2022, which may explain the dramatic decline from June to September.

Growth did resume promptly after, increasing 12.82% in October year-on-year. But it slowed once more, and most surprisingly, in November dropping to 4.48% growth.

The year drew to a close with another surprise. Sales in December 2022 dropped by −3.59%. Again, this is likely to be the result of sales fatigue by the end of the holiday season. Paired with economic uncertainty, retailers will have to adopt new, smarter tactics to re-engage dormant contacts.

EMEA

Looking at year-on-year change, retailers should be happy to have seen minimal losses. The biggest drop came, as expected, in the months following the Ukraine conflict. Sales dropped by -1.04% on the previous year.

However, there has been a steady decline in growth from July. From a strong month with 22.76% growth, the year ended with sales in December up by 7.53%. Of course, growth is still growth, and in the light of the rising cost of living, inflation, and interest rates, online merchants have done very well to keep orders coming in.

Overall, the region experienced 11% growth, which during a year of strife and uncertainty is commendable.

APAC

It is important to consider that other countries' currencies have been converted to AUD to try to establish a holistic view of the region. The Asia-Pacific region contains over 23 countries, 14 languages, and 14 currencies. The Australian Dollar is largely driven by commodity prices, meaning it varies significantly during businesses cycles, often falling during times of recession. While this does not explain spending behaviors, it is important to factor in when looking at these insights.

Overall, the region's orders decreased by −3.77%. As with the other regions in this report, APAC has felt the significant impact of the cost-of-living crisis. The Australian Bureau of Statistics (ABS) calculated that the cost of living in Australia grew by 9.3%. Elevated inflation in the region is eroding customers' purchasing power, likely leading shoppers to save their money during the spring of 2022.

The year ended with ecommerce brands making a slight recovery as they reaped the benefits of the holiday season.
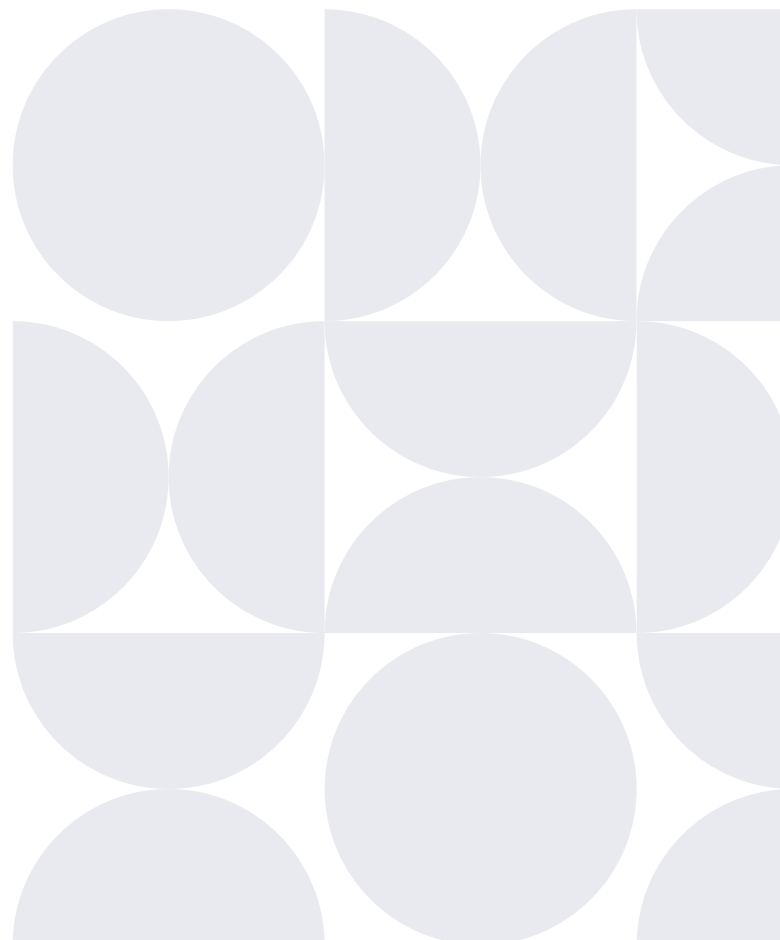
6

GLOBAL BENCHMARK REPORT 2023

Abandoned carts

Abandoned carts

How abandoned carts can drive revenue recovery

The value of marketing automation is clear. It's money-making, time-saving tech that allows you and your marketing teams to focus on strategy and optimization. This could not be clearer than with abandoned cart programs.
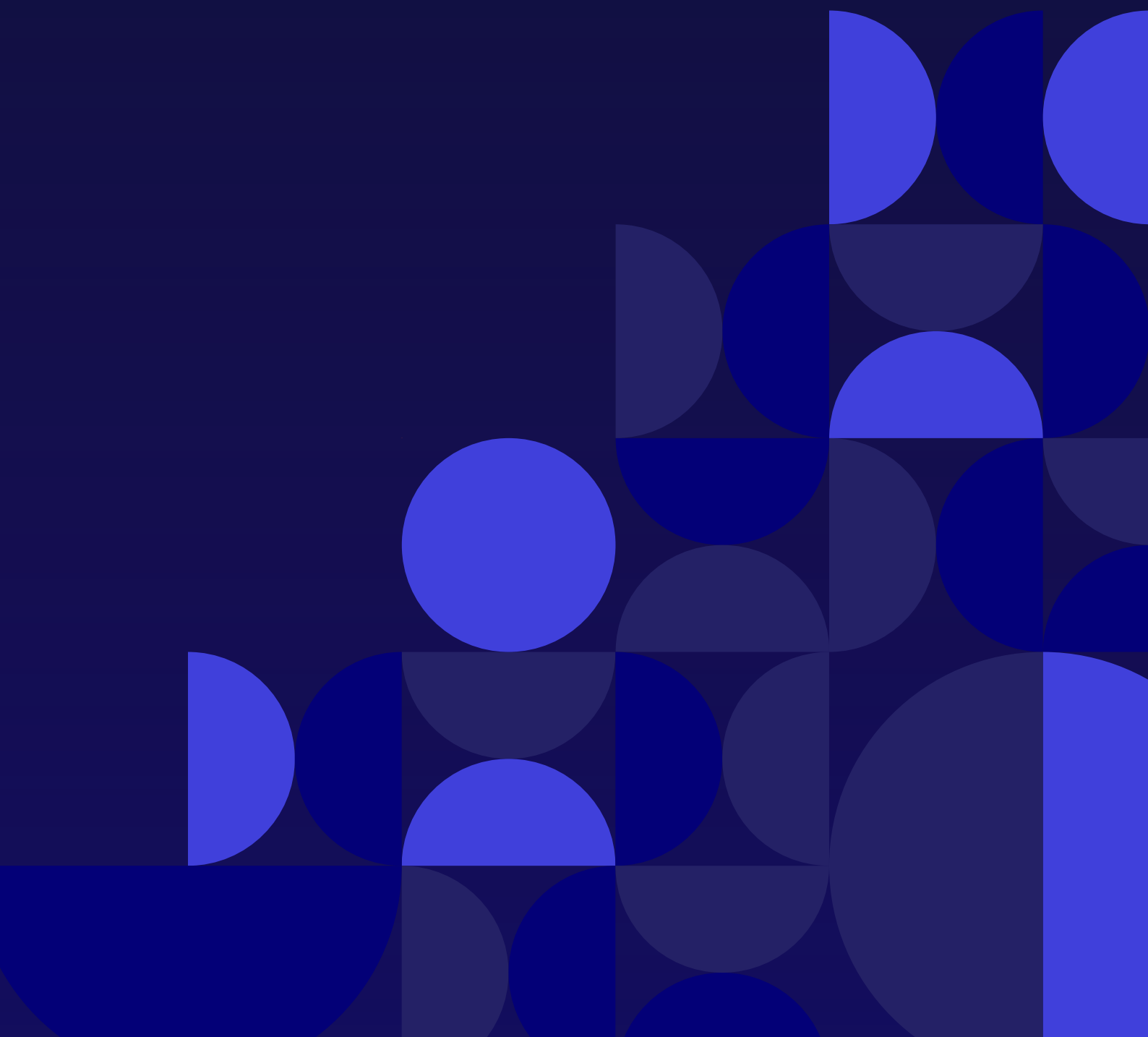
Let's face it, for marketers – and retailers in particular – revenue is the goal. Not only does it prove the value of your marketing efforts, it keeps your business growing. Abandoned cart programs ensure that you maximize every potential conversion.

Currently, Dotdigital accounts that are running cart abandonment campaigns recover an average of $41,807 per month.

Recovery times

Timing is everything and when you send your abandoned cart programs will be the difference between revenue recovered and opportunities lost.

Following that, the next optimal times to deliver cart recovery email is between 24 – 27 hours and 45 – 50 hours.

Cart value

There should be no surprise when we say the higher the cart value, the longer it takes to convert.

Customers need more time when making a significant purchase decision, especially when they're shopping with a new brand or about to part with a substantial amount of money.

YoY increase in revenue recovered per month

42%

Revenue recovered using abandoned carts

55%

Cart recoveries take place within first 2hrs

45%

Abandoned carts

Total carts recovered after abandonment

Number of carts recovered

● Day 1 ● Day 2 ● Day 3 ● Day 4 ● Day 5 ● Day 6 ● Day 7

Hours after cart abandonment

Average cart value

● Day 1 ● Day 2 ● Day 3 ● Day 4 ● Day 5 ● Day 6 ● Day 7
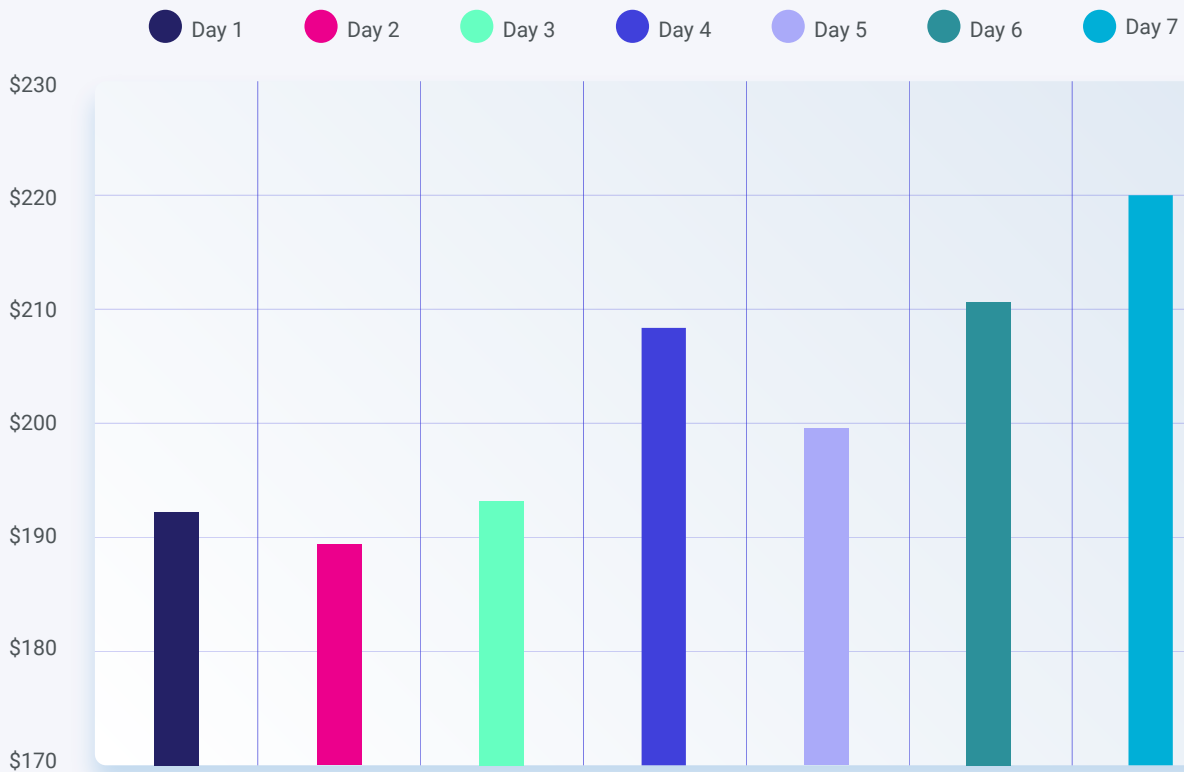
Retailers have to take a data-backed approach to cart recovery to maximize revenue generation

The value of data insights can never be undervalued. In order to truly recognize your full revenue-generation potential, you need to adopt a data-powered approach to your marketing automation programs.

For abandoned carts in particular, data is the difference between a successful campaign and one that falls flat of your expectations. Clearly the time and cart value have a big impact on how and when customers convert, but there are also a great number of ways you can use customer data to turn abandoned cart campaigns into conversion-driving experiences.

Abandoned carts in action

Iconic kitchenware brand, Cornishware improved click-to-open rates for its abandoned cart programs by 33% using location data to target customers at the optimal time to convert.

➤ **Learn more about Dotdigital and Cornishware**
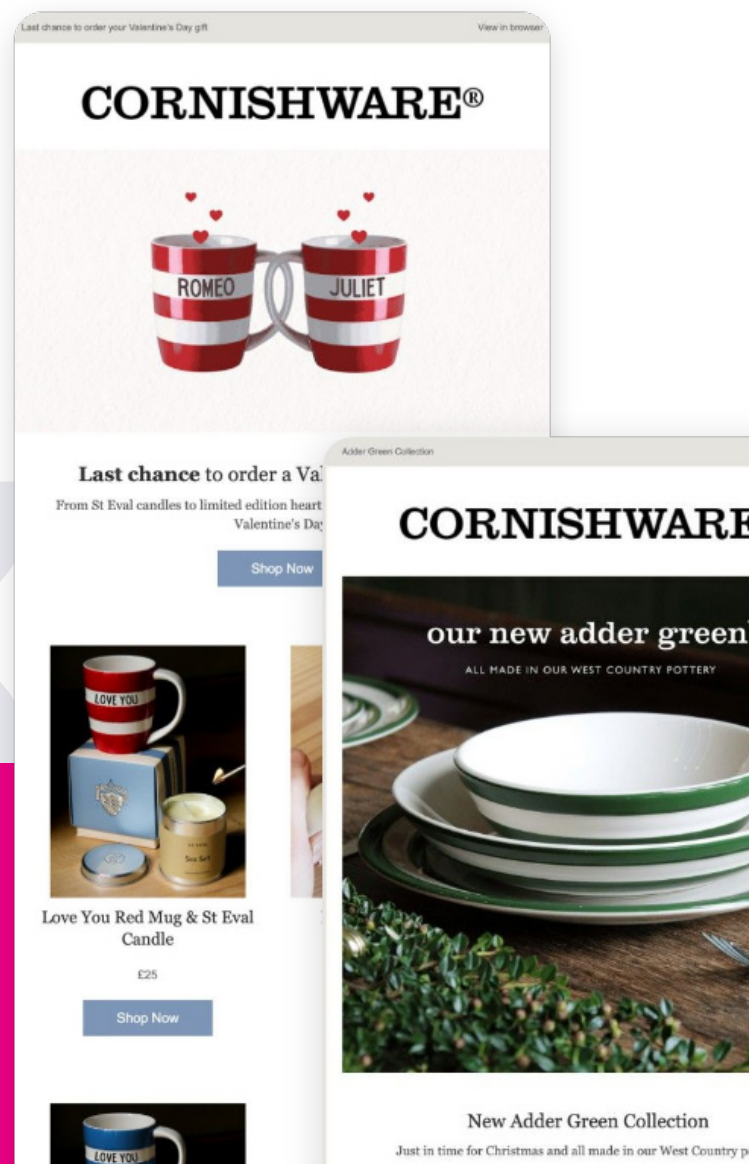
Target your top segments

RFM customer modeling tools allow you to create customer segments based on the recency, frequency, and monetary value of a customer. This enables you to target your high value customers with ease.

You know that they're more likely to spend time deliberating their purchase, but targeting these customers with an exclusive discount code will not only encourage them to convert, it will also drive them to increase their AOV.

Showcase similar products

Hesitation to purchase may be caused by uncertainty about the product. Showcase your product catalog and remove this barrier to conversion by adding AI-powered product recommendations to your campaigns.

Reach customers on-the-go

Email isn't the only channel you can use to convert customers with abandoned cart campaigns. SMS and push notifications guarantee eyes on your campaign. With the conversion insights above, you can add these channels to your automation program at key points in the customer journey to drive them back through the funnel.

Retarget and remind

Abandoned cart programs aren't the only way you can drive customers back to your site. Remember to add retargeting ads to your automation programs. Much in the same way as prompting customers with a text, if your customers are unengaged with your first abandoned cart email, a retargeting ad will help keep your brand top-of-mind. Paired with SMS or push notifications, you'll be able to create a sense of FOMO that drives customers to convert.

7

Email subject lines

Email subject lines

How subject lines impact campaign success

Subject lines can make or break your campaign. They're the first thing customers see when your email lands in their inbox. Getting them right is essential – but what does that mean?

Customer behavior is unpredictable. We all know this; our subject line testing tells us as much. But we wanted to discover what insights we could unearth looking at the industry as a whole.

Best performing	Worst performing
Love	Code
Discover	Exclusive
Experience	Discount
Shipping	Save
Introducing	Offers

📢 Dotdigital top takeaway

Customers are increasingly turned off by false urgency in marketing

We discovered that using urgency in your subject lines is actually having the opposite effect. Words which were once considered to inspire action are actually driving inaction. Especially in retailer sectors, words like 'exclusive', 'days', 'ends', 'save', 'extra', 'last', and the siren emoji '🚨' were the worst performing.

This may be the result of an inconsistent year for sale growth. Marketers have run extended sales periods, especially over the holiday season, in order to hit growth and revenue targets. However, the false urgency is having the opposite effect. Shoppers are experiencing sale fatigue.

Overuse of tactics such as false urgency may negatively affect your brand image. Trust can be affected. If they expect you to extend your sales and offers, they will no longer feel the urgency you're trying to instill.

On the opposite side, best performing subject lines have included words like 'reasons', 'introducing', 'discover', and 'recent'. This indicates that customers are looking for content that inspires, such as 'introducing our new range. They want brands to do more than simply push a product, they want you to sell it.

Provide value

Dotdigital's Customer loyalty report found that customers expect there to be a value exchange when they subscribe to a brand's email marketing. This is supported by the language we've found in our email subject line evaluation.

As well as 'reasons', 'introducing', and 'discover', best performing words alluded to the transactional nature of popular email marketing. 'Update', 'shipping', 'delivery'. To maximize your marketing impact, build on these transactional interactions in the form of recommendations and personalized messaging.

Build trust

Responsible use of customer data is at the core of trust building activity. By using data to catch attention in the inbox, you're immediately demonstrating that you're not just collecting data for the sake of it – you plan to put it to good use.

Optimize popular stages of the customer journey

Looking at the most popular words, we can conclude that certain stages of the customer journey are more popular than others.

As well as transactional messaging, words such as 'tell', 'experience' and 'thanks' informs us that customers are engaged with post-purchase, review gathering marketing. This is great news for marketers looking to expand their collection and usage of UGC.

'Welcome' is also one of the highest-ranking words, proving, once again, that welcome programs are popular and engaging. Overall, you should be constantly optimizing these high-performing stages of the customer journey to maximize sales and conversions.

Conclusion

So, what have we discovered?

Customer behavior remains as unpredictable as ever. External factors are certainly contributing to additional caution when spending money, but marketers have the tools they need to act on customer intent when it presents itself.

Your ability to utilize data will be the difference between success and failure in the year to come. How you measure engagement needs to change. Apple's MPP has made traditional measures of email marketing success unreliable. It's not enough to solely rely on opens and clicks, you must measure customer engagement through intent data. That means tracking online behavior, page visits, spending habits and more.

Keeping a close eye on these moments of intent enable you to turn them into action. eRFM customer modelling and automation program reporting reveals true insight into customers' intentions. You will understand precisely when and where customers are ready to convert.

This report reveals precisely how data can turn into actionable insights. By tracking your results compared to industry benchmarks, you can spot changing customer behavior and adapt your strategy accordingly.

Appendix 1: Sectors

Sector	Delivery rate	Open rate	Click-through rate	Click-to-open rate
Accounting	99.02%	22.45%	0.78%	3.52%
Apparel & fashion	99.25%	32.29%	1.31%	4.08%
Architecture & construction	95.27%	11.32%	0.45%	4.21%
Arts & music	98.49%	29.34%	1.19%	4.10%
Automobiles & parts	98.63%	30.26%	1.76%	5.90%
Banks	98.99%	45.88%	1.67%	3.69%
Charity & non-profit	98.68%	39.71%	2.82%	7.20%
Commercial services & supplies	98.65%	28.52%	1.25%	4.45%
Construction & materials	97.63%	30.91%	1.58%	5.25%
Consulting	93.64%	27.31%	2.11%	8.25%
Consumer good & services	99.28%	33.35%	1.22%	3.68%
Creative services or agency	98.99%	24.83%	0.43%	1.74%
Ecommerce	99.33%	32.79%	1.39%	4.28%
Education & training	98.15%	29.04%	2.04%	7.15%
Electronic & electrical equipment	98.37%	37.49%	3.32%	9.00%
Energy & utility producers	97.55%	38.86%	3.08%	8.13%
Events & entertainment	97.86%	32.02%	1.71%	5.45%
Finance	92.94%	23.41%	0.44%	2.03%
Food & drug retailers	99.13%	29.94%	0.76%	2.56%
Food producers & processors	98.89%	35.70%	2.38%	6.75%
Gambling	92.72%	12.29%	1.04%	9.11%
General financial	97.94%	27.78%	1.62%	5.95%
General industrial	95.99%	27.77%	1.77%	6.63%
General retailer	98.99%	33.11%	1.30%	3.95%

Appendix 2: Sectors (cont.)

Sector	Delivery rate	Open rate	Click-through rate	Click-to-open rate
Government	98.53%	38.62%	3.96%	10.41%
Health & fitness	98.39%	33.60%	1.43%	4.32%
Healthcare equipment & services	98.53%	35.04%	2.31%	6.70%
Hotels, restaurants & venues	98.23%	32.77%	2.11%	6.55%
Industrial engineering	94.40%	19.91%	1.76%	9.36%
Industrial transportation	98.03%	31.10%	1.48%	4.86%
Insurance	97.16%	31.30%	1.42%	4.67%
Legal	97.22%	44.80%	4.93%	11.33%
Leisure goods	99.45%	26.99%	2.08%	7.76%
Manufacturing, mining & machinery	98.22%	27.47%	1.83%	6.77%
Marketing & advertising	98.47%	26.12%	1.67%	6.50%
Media	97.92%	26.06%	1.74%	6.82%
Personal goods	99.43%	28.56%	0.77%	2.70%
Pharmaceutical & biotechnology	98.76%	40.25%	4.17%	10.49%
Professional services	97.91%	29.32%	2.20%	7.66%
Real estate	97.41%	40.32%	2.71%	6.89%
Recruitment & staffing	98.21%	35.44%	1.90%	5.47%
Software & computer services	98.05%	36.31%	1.90%	5.32%
Sports & leisure	99.09%	38.02%	2.02%	5.37%
Technology hardware & equipment	98.39%	27.04%	0.61%	2.54%
Telecommunications	98.56%	27.62%	1.34%	4.93%
Travel & leisure	99.37%	33.34%	0.86%	2.61%
Other	97.89%	28.09%	1.17%	4.25%

Appendix 2: Regions

Region	Delivery rate	Open rate	Click-through rate	Click-to-open rate
Global	98.61%	31.31%	1.43%	4.6%
Americas	99.14%	31.18%	1.15%	3.68%
APAC	99.04%	32.16%	1.38%	4.30%
EMEA	98.44%	31.24%	1.50%	4.80%

Turn benchmarks into data-driven strategies with Dotdigital

Dotdigital is an all-in-one marketing platform designed by marketers, for marketers. Our unique customer experience and data platform delivers actionable insights into customer behavior. Whether it's email marketing clicks, SMS conversions, or customer lifetime value, you can access all the data you need in our easy-to-use reporting dashboards.

Never again miss an opportunity to connect with customers at the right time, on the right channel, with data-driven, personalized marketing messages.

Trusted by over 4,000 brands across 150+ countries, we know the importance of having a marketing automation platform that grows with you. Our teams are customer-obsessed and are with you every step of the way as you expand and evolve.

TALK TO US

Hi David, you may be interested in...

Shop Now

David Shaw
Subscribed 20 February

RFM	Champion
Engagement level	Highly engaged
Contact score	★ ★ ★ ★ ☆
Optimized send time	10:30am

Use code **SHOP10** at checkout

Thanks for your order!

Review your purchase
★ ★ ★ ★ ★

45%
Churn probability

20 June
Predicted next order date

$1200
Predicted CLV

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