

Email Marketing Stats, Facts and Metrics - Metrics 2.0 Quick Pack

Direct Marketing Association's latest [research](#) highlights that [Email marketing](#) in the US will account for approximately 71,000 jobs this year, growing at 8-10% annually historically and projected into the future as well. Additionally, the ROI for email marketing is \$57.25 for every dollar spent. The ROI of all non-email online marketing is \$22.52, less than half. Separately, Jupiter Research expects email marketing spend to hit \$1.1 billion by 2010.



Silverpop CEO Bill Nussey [points out](#) that email provides more than twice the ROI of other Internet marketing channels, but gets only 2.5% of the investment.

Return Path has just received a [patent for its Email Change of Address \(ECO\)A](#) service. The service has been used by more than 400 companies, and more than 31 million consumers have registered with the service. On average, 15,000 people register with Return Path's ECOA service daily.

To help size up this key marketing channel, here is a succinct compilation of key email marketing stats, facts, and metrics:

Email Marketing Market Size

E-mail marketing [spending will reach \\$1.1 billion in 2010](#) from \$885 million in 2005, growing at a compounded annual rate of 4.5%, according to a report from Jupiter Research. The highest growth will be from transactional e-mail, increasing 37% over the next five years to \$7 million.

Spending on retention e-mail accounts for the greatest share of the e-mail market at \$577 million by 2010. Acquisition e-mail spending, including newsletter sponsorship, append and co-registration, will grow 4% annually from 2005 to 2010 to \$518 million.

B2C Email marketing spend is estimated to grow 5% annually to \$897 million by 2010, while B2B spending will grow by 2.4% annually to \$206 million in 2010.

Meanwhile, the volume of spam messages per consumer will drop 13% annually to 1,640 pieces of spam from 3,253 pieces, Jupiter said. By 2010, the cost of incorrectly blocked e-mail will drop to \$92 million from a high of \$107 million this year.

Email Marketing Importance:

According to a recent WebTrends® [report](#), retailers ranked email marketing as the most important demand-generation activity for holiday success, with Search Engine Marketing (SEM) and Search Engine Optimization (SEO) ranking second and third. The biggest increases in marketing spending for the holidays will be in email marketing (52%), SEM (46%) and SEO (38%). The biggest decreases in spending will be in online banner ads (17%), print advertising (16%) and broadcast advertising (14%). WebTrends estimates that 80% of retailers use regular customer emails to build customer relationships.

A recent [study of 270 retail sites \(pdf\)](#) by Email Data Source finds that, in 2005, only 29% of the retailers surveyed had any type of email marketing program in place while in 2006, that figure had jumped to 70%, an increase of 141%. In 2005, only 31% of retailers who had an email program in place actually sent any email at all, including welcome letters. In 2006, 67% sent at least one email within a 30 day period, showing an increase of 116% in a single year.

In 2005, only 2% of those retail sites with an email program in place required a double opt-in. In 2006, that figure jumped to 5%, a 150% increase, which is much better, but according to best practice recommendations still leaves lots of room for improvement.

	2005	2006	% Change
Retailers with Email Marketing Programs	29%	70%	141%
Retailers who actually sent Emails	31%	67%	116%
Retailers requiring double opt-in	2%	5%	150%

Source: Email Data Source

Overall stats of the retailers who had an email program in place, according to Email Data Source:

- 33.33% sent no email within the first 30 days.
- 21.29% sent follow-up email but no welcome message.

By The Numbers

Global IPO Activity by Value, 2006	\$253 billion
U.S. Government IT Spending, 2007	\$150 billion
U.S. Retail E-Commerce Spending, 2006	\$102 billion
Pharmaceutical industry R&D spend, 2004	\$40 billion
Global Electronic Equipment Sales, 2007	\$1.47 trillion
Global Semiconductor Revenues, 2007	\$285 billion
Semiconductor Capital Equipment Spend, 2007	\$56.6 billion

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- 15.66% sent a welcome message but never sent additional email.
- 29.72% sent a welcome message and followed it up with regular communication.
- 4.82% sent a double opt-in email, confirming the initial sign-up.
- 92.41% had a sign-up form on the front page of their web site.
- 70.04% required additional information such as a name or zip code.

Email Marketing Delivery and Effectiveness:

According to Harte-Hanks Postfuture Index™ for [January-June 2006](#), among all sectors for all purposes of e-mail combined,

- the average delivered rate stands at 91.2%
- average open rate of 78.8% of those e-mail delivered
- click-through rate of 18.4% of all e-mail delivered
- and an opt-out rate of 0.4% of all e-mail delivered

Based on 44.4 million email messages, Bronto's [trends in email marketing](#) benchmark for the 3-month period ending November 4, 2006, reports the following average email delivery stats:

- Delivered (95.6%)
- Opened(28.9%)
- Clickthroughs (5.4%)

A recent [Return Path study](#) shows that [83% of email delivery problems](#) (blocking and filtering) are the result of reputation issues, not content. The study, based on 550 email campaigns, shows that sender reputation causes 77% of delivery failures, while an additional 6% are triggered by the reputation of domains included in the email content and only 17% being related to factors such as words, fonts, images, or spelling.

Jupiter Research found that e-mail delivery rates have stabilized at an average 88% and are expected to surpass 90% over the next few years.

Another [recent Jupiter survey](#) finds 54% of respondents saying they clicked on a link in an e-mail because the product or service interested them.

Making simple changes to creative elements of email messages can [boost click rates by 50%](#) or more, [according](#) to new research conducted by Silverpop. Email subject line, ratio of images to text, and the email layout style are the key creative elements evaluated in this study.

- BtoB emails with the company or brand name in the subject line experienced an average open rate of 32%, compared to just 20% for messages without branded subject lines.
- While all-text BtoC messages generated a 4.7% click rate on average, those that were mostly image-oriented achieved a 7.1% average click rate.



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More Email Industry Statistics from Ferris Research

- Estimated number of non-spam email messages sent worldwide each day, 2006: 25 billion
- % of email messages sent daily that are spam messages: > 60%
- Typical # Internet emails sent and received by a business user: 600 per week
- Cost of a user deleting a spam message: \$0.04
- Cost of a user retrieving a bona fide message erroneously deleted as spam ("false positive"): \$3.50

Ferris Research's estimate of the world's largest email systems, measured in number of active mailboxes (accessed at least once over the last 30 days), as of 10/05:

The World's Largest Email Systems.

Organization	Seats (Millions)
Sun *	150
OpenWave *	100
Hotmail	100
Microsoft	100
Critical Path *	60
AOL **	80
Yahoo	40
IBM Notes/Domino	25
Google Gmail	20
Novell GroupWise	10
* Indicates a vendor that specializes in selling to service providers	
** Includes free seats	
Source: Ferris Research	

Business Email Users (millions)

	2005	2006	2007	2008	2009	2010
North America	205.7	216.2	227.0	238.0	249.2	260.6
Europe	162.6	179.8	196.5	212.8	228.6	244.1
Other Americas	179.1	191.9	204.7	217.4	230.2	243.0
Africa	16.0	19.5	23.0	26.6	30.1	33.7
Asia (incl. Mid-East)	182.8	198.3	213.6	229.0	244.3	259.6
Oceania	8.7	9.1	9.5	9.9	10.4	10.8
Total	549.1	598.5	647.3	695.6	743.6	791.2

Source: Ferris Research, [The Email Security Market, 2005-2010](#)
Figures are in millions of users, rounded to the nearest 100,000.



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